

Here was the email sent to the Denver Police Department:

We are facing another challenging budget for 2012, with an estimated gap of \$100 million. The gap was determined by comparing projected revenues through 2012 against anticipated growth in operating expenditures.

To meet this challenge, we are getting an early start on the budget process for 2012. The Mayor's Office is asking managers to prioritize programs and identifying opportunities for savings now to allow as much time as possible for this difficult work, to minimize the impact of layoffs on employees and to maximize budget savings.

BMO is sending out targets to each department to identify savings options to close the projected gap between revenues and expenditures. **The savings target for the Police operating budget is \$23,800,000.** In addition, the Mayor's Office is asking all departments to work towards an FTE reduction target as part of that savings. **The FTE reduction target for your agency is 100.** Please note, the FTE target is a minimum and it's likely your savings proposals will need to include more than that to reach the savings target.

Last year, we stressed the importance of permanent savings. Temporary savings measures taken in 2011 are being added back into the 2012 budget and are causing part of the projected deficit. Due to that, departments with temporary savings measures in 2011 have a higher target in 2012 vs. spreading that cost across all departments.

The formal budget kick-off, complete with instructions and forms, will still take place in April, however, you should not wait to begin the work of identifying savings. Again, savings plans enacted now will generate almost two full years of savings towards the gap and your target. Some important points to consider:

- All requests to fill vacancies going forward should tie to this prioritization work and identify how existing resources from lower priority areas are being moved around to minimize lay-offs.
- Savings measures that can be enacted in 2011 generate additional savings towards the deficit. Positions that can be abolished will be credited towards the savings target from the point the actual abolishment takes place going forward. Vacancy savings without an abolishment (previous or future) will not count towards the target.

I understand this will be very challenging and I am asking that we work together to identify alternatives. The Budget and Management Office will be reaching out to you to assist in this process. Please consider viable options that create sustainable, permanent savings.