



# City of Spokane—Media Release

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## FOR IMMEDIATE RELEASE

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Contact: Marlene Feist  
Public Affairs Officer  
(509) 625-6740

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**CITY CONTINUES SAVINGS DISCUSSIONS  
WITH LOCAL 270 EMPLOYEES**  
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With Spokane Mayor Mary Verner’s proposed 2010 City of Spokane Budget due to the City Council by Nov. 1, the City is continuing to work with employee bargaining units to help avoid layoffs and service reductions in the coming year.

New discussions with AFSCME Local 270 are expected in the coming week. “I want to thank Local 270 for this continued dialog, and I’m hopeful that these new talks will result in additional savings that will save jobs and reduce service impacts,” the Mayor says.

AFSCME stands for American Federation of State, County, and Municipal Employees. Local 270 represents about 1,100 City workers.

To date, City of Spokane employees have provided about \$1.7 million in savings through changes in wages and benefits to help balance the City’s 2010 budget. Early this year, the City identified a \$7 million shortfall in its General Fund budget for 2010, largely because of the national economic recession. The City asked its employee groups to participate in solving half the shortfall. Savings goals were set for each bargaining unit based on the number of employees and total payroll in each unit

The City has already received savings from:

- IAFF Local 29.
- Spokane Association of Fire Officers (SAFO)
- Managerial & Professional Association.
- Local 270-Prosecutors Association.

- The Police Lieutenants and Captains Association, along with the unrepresented members of Police Administration.
- Non-represented employees.

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In addition to working with employees, the City has taken other proactive steps to balance the 2010 General Fund budget. Under Mayor Verner's direction, the city has implemented short-term measures, including hiring and spending restrictions and additional controls on overtime and other expenses.

The City created a Voluntary Retirement Incentive Program for employees. This program, designed for employees who would like to retire but need a bridge for medical expenses, would permanently eliminate or restructure positions to achieve substantial cost savings or service delivery efficiencies. The City has approved 42 applications for Voluntary Retirement, including 22 in the City's General Fund.

The City also has made some very difficult decisions. The City eliminated nine positions in its Building Enterprise Fund to respond to the dramatic downturn in construction, particularly new housing starts. Although not part of the General Fund, this action demonstrates the City's willingness to take tough actions as needed to balance the budget.

Meanwhile, the City began a program to implement efficiencies, called Employee-Led Innovation. The City is using Lean Six Sigma techniques and other strategies to improve processes and find cost savings throughout the City organization. The City is considering other longer term efficiency initiatives, including regionalization of services or new service delivery models to bring long-term budget change.

The City's General Fund budget for 2009 totaled \$155.5 million. General Fund revenues include property, sales, and utility taxes and pay for critical services, including police, fire, parks, libraries, and streets.

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