

October 13, 2005

To: LCOG Executive Committee
From: George Kloeppe
Subject: FY 2006-07 Budget Assumptions and Process

Each year, the Executive Committee and the Board of Directors are asked to consider the primary assumptions upon which the Budget and Work Program for the new year will be based. Attached are two one-page documents. The first is a proposed "Budget Process," which lists the key events leading to the adoption of the FY 2006-07 Budget. While changes could be made in this schedule, it is presented to the Committee primarily for your information. The second is entitled "Proposed FY 2006-07 Budget Assumptions."

The Committee's attention is particularly directed to the latter. The twelve recommended items shown have been built upon present-day circumstances, as well as upon the previous statements by the Board. When approved by the Executive Committee, this, or a revised version, will go to the Board as an information item. The Assumptions will then serve as a guide to the agency management team in the collective bargaining and budget preparation processes this spring. Similarly, the Assumptions will guide the deliberations of the agency's Budget Committee at its April and May 2006 meetings.

The Committee is asked to review this proposal and, as appropriate, approve the Budget Process and adopt Budget Assumptions for FY 2006-07.

***Attachments: Proposed Budget Assumptions
2006-2007 Budget Process***