

Breakthrough Change Initiatives High Potential Opportunities

Compensation and Benefits

- Compensation Policy
- Performance
- Compensation Structure
- Benefit Management
- Medical Benefits
- Post Retirement Benefits

Risk Management:

- Vehicle Accident Claims
- Workers Compensation Claims
- Employment Practice Claims
- Claims Processing Efficiencies

Organization Restructure

- Consolidation of Similar Functions
- Re-sourcing Options for Service Delivery
- Regionalization of Services
- Span of Control
- Organizational layers
- Classification

Vehicles and Equipment

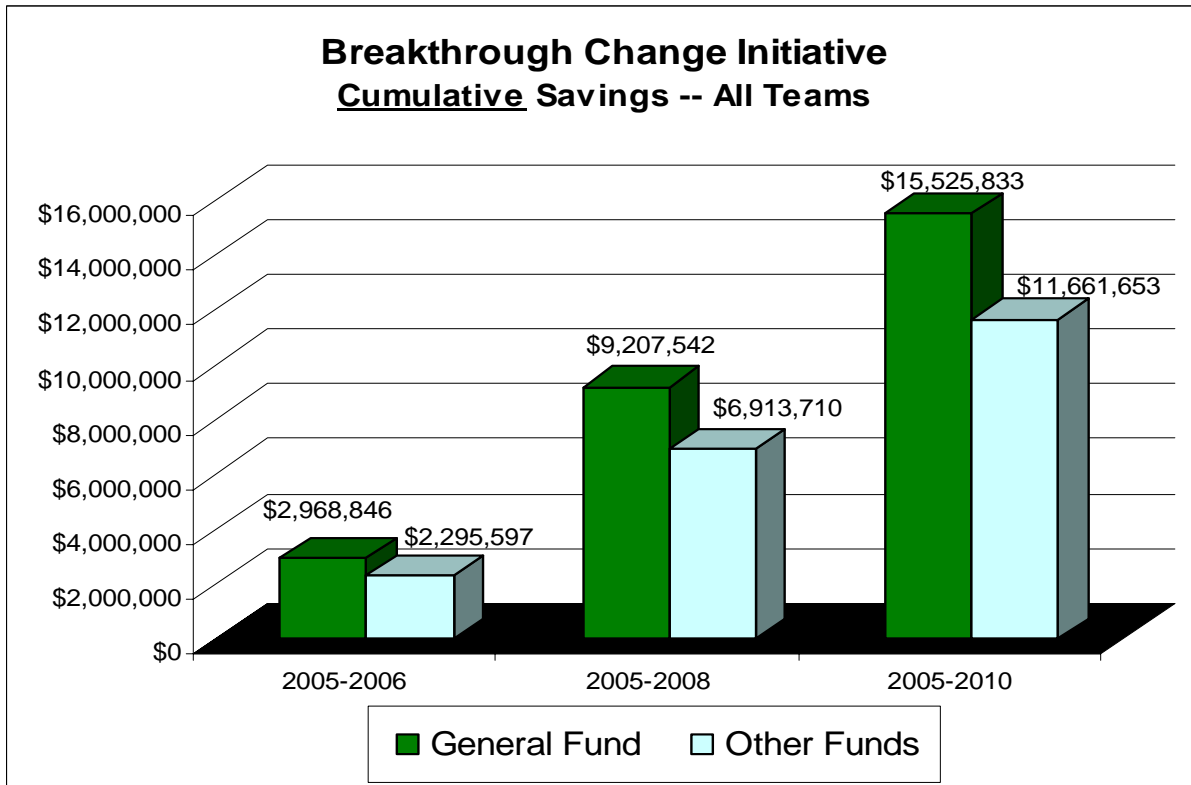
- Procurement – Life cycle of vehicles
- Utilization – Take home practices
- Maintenance – Consolidation
- Maintenance – Full service maintenance rates

Breakthrough Change Initiative

Savings Summary from Recommendations

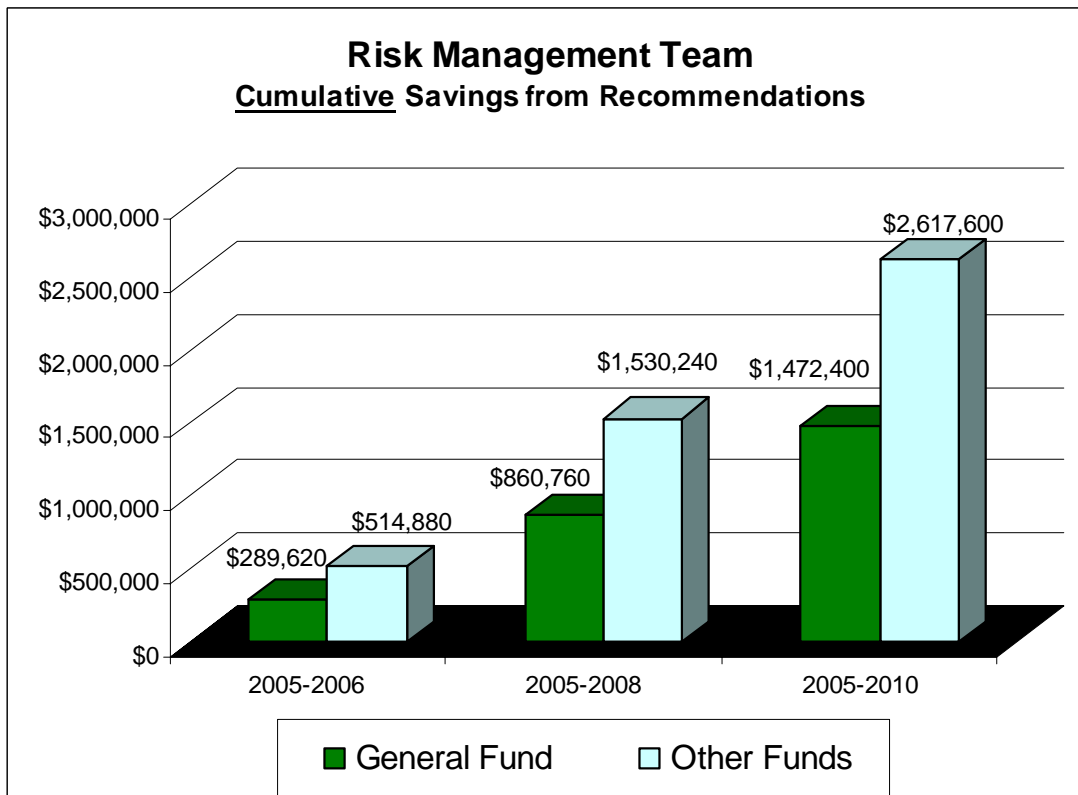
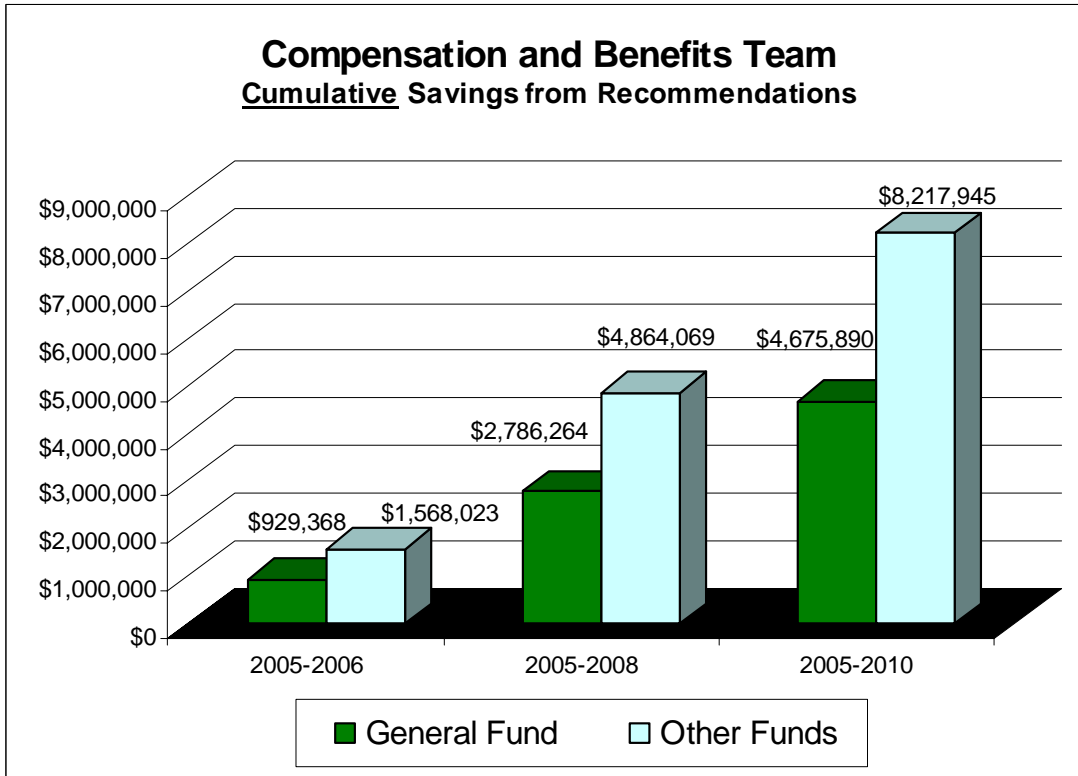
Team	2005-2006		2007-2008		2009-2010	
	General Fund	Other	General Fund	Other	General Fund	Other
Comp & Benefits	\$929,368	\$1,568,023	\$1,856,896	\$3,296,046	\$1,889,626	\$3,353,876
Risk Mgmt.	\$289,620	\$514,880	\$571,140	\$1,015,360	\$611,640	\$1,087,360
Org Restructuring	\$908,400	\$78,013	\$2,846,496	\$156,026	\$2,846,496	\$156,026
Vehicles Equip.	<u>\$841,458</u>	<u>\$134,681</u>	<u>\$964,164</u>	<u>\$150,681</u>	<u>\$970,529</u>	<u>\$150,681</u>
Total Savings	\$2,968,846	\$2,295,597	\$6,238,696	\$4,618,113	\$6,318,291	\$4,747,943

Note: Organizational Restructuring figures do not include \$4.5 million (2007-2008) and \$9 million (2009-2010) cost savings from regionalizing the Tacoma Public Library (vote required).



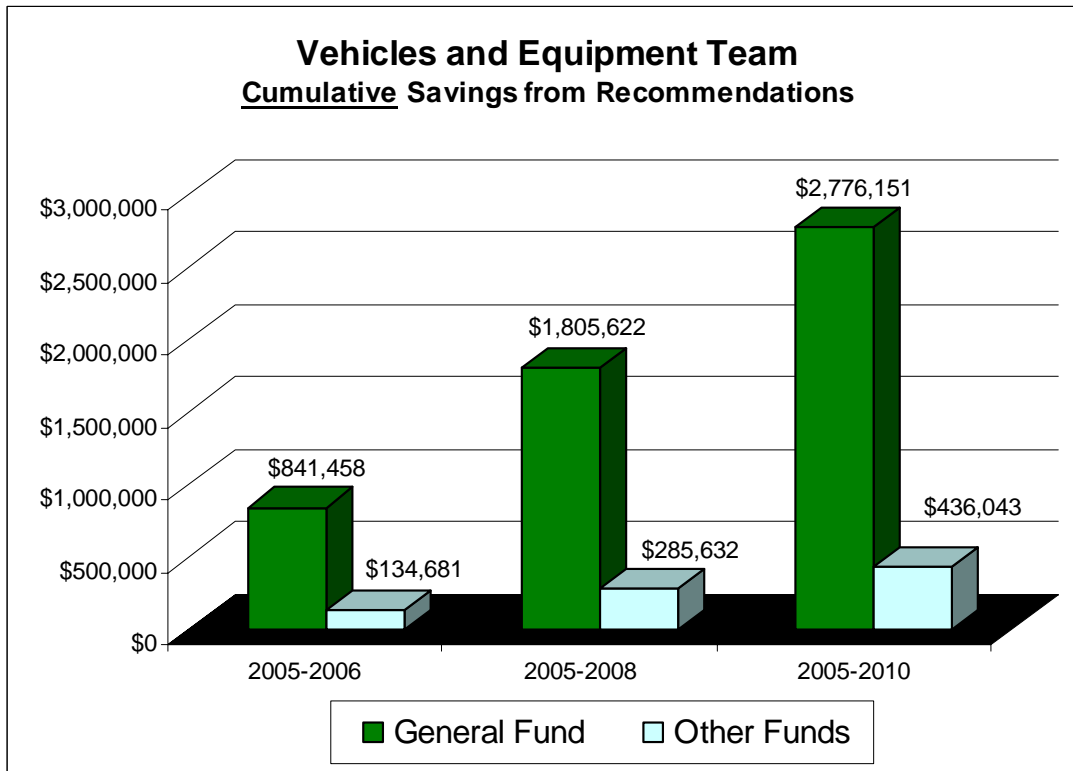
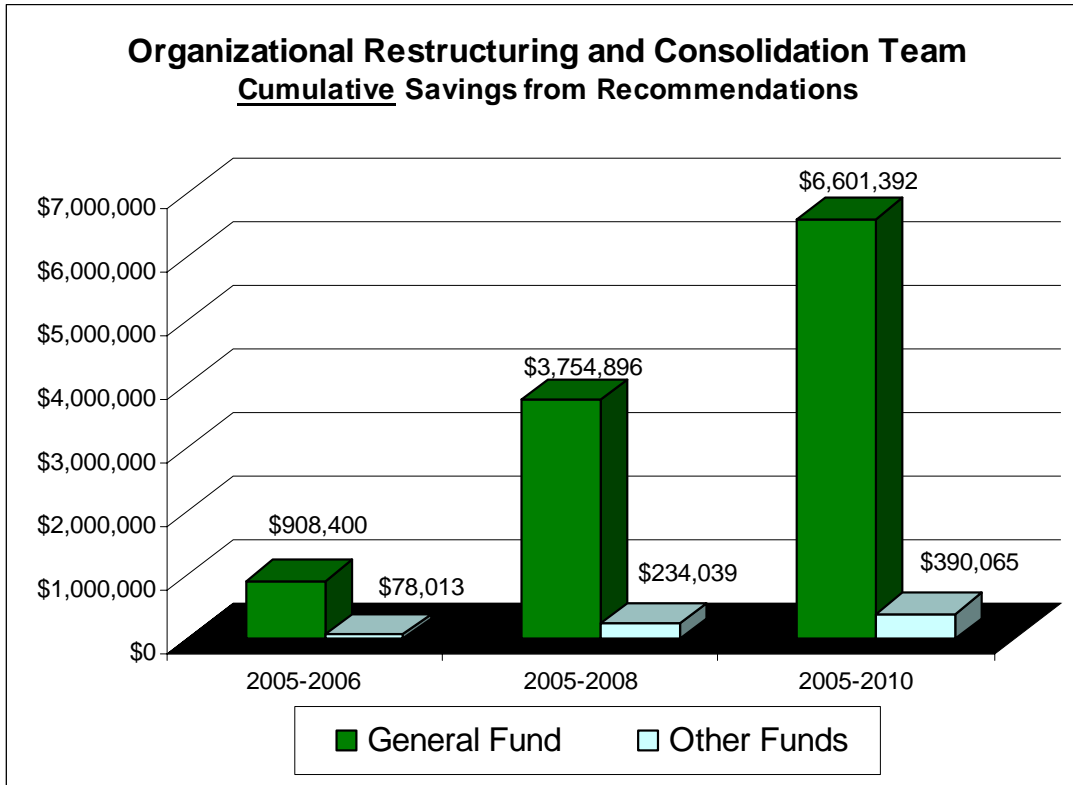
Breakthrough Change Initiative

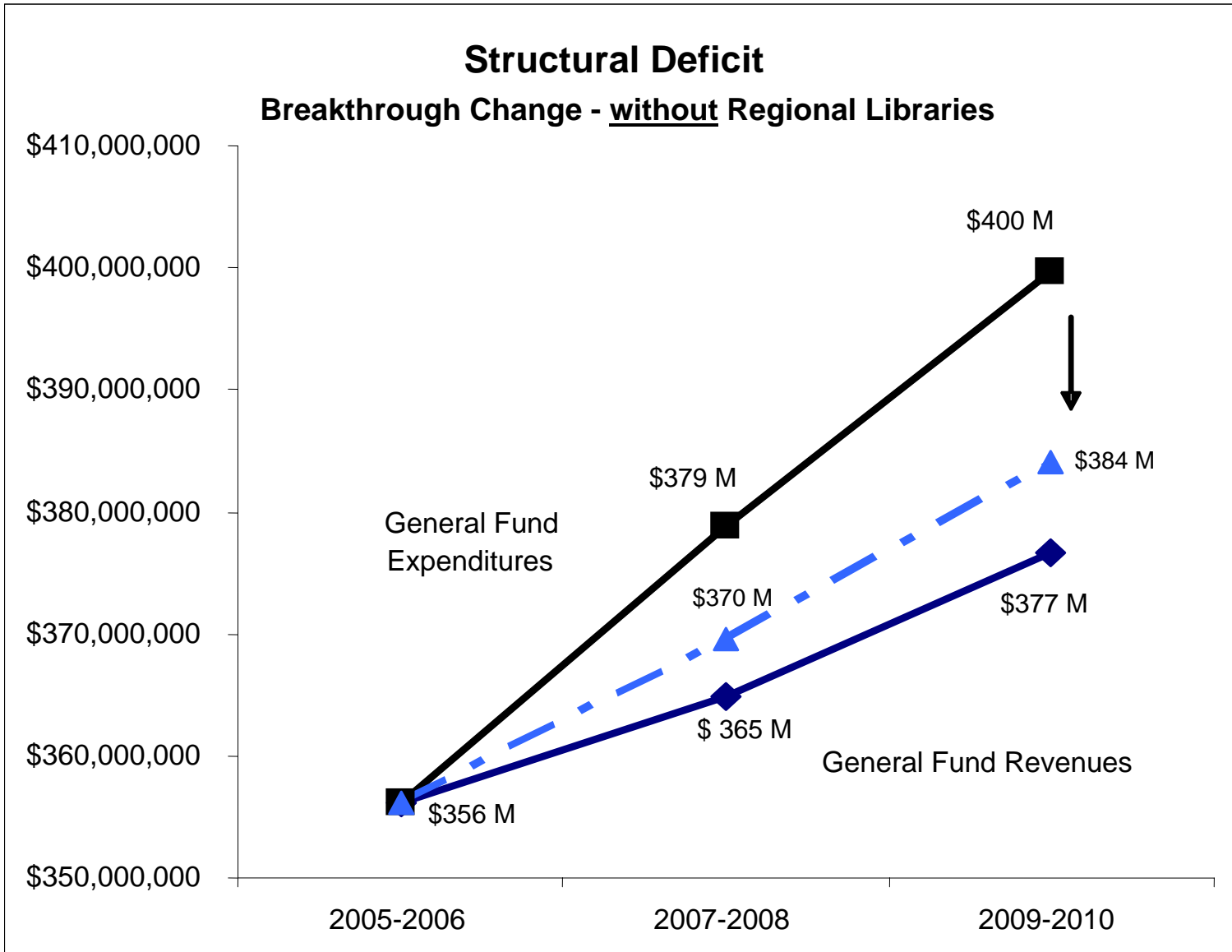
Summary of Savings from Recommendations



Breakthrough Change Initiative

Summary of Savings from Recommendations



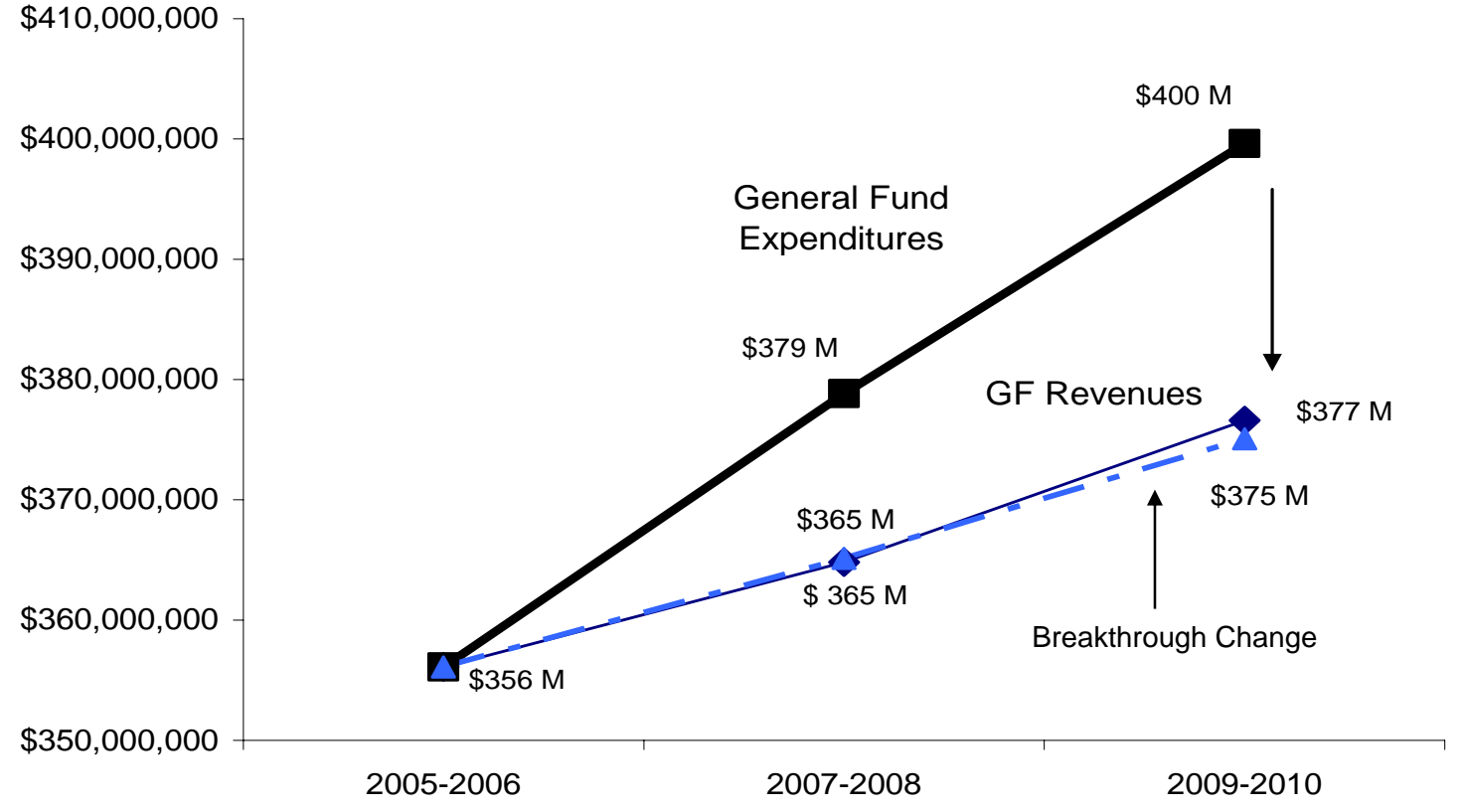


Breakthrough Change Impact: General Fund Expenditures drop to the level of the Dashed Line

Source: June 2005 General Fund Forecast

Structural Deficit

Breakthrough Change - with Regional Libraries



Breakthrough Change Impact: General Fund Expenditures drop to the level of the DASHED LINE
Source: June 2005 General Fund Forecast