

T O R R A N C E

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City of Torrance Rebalancing its Budget at Upcoming City Council Meeting

Torrance, Calif., October 7, 2010 – At the regularly-scheduled City Council meeting on October 12, 2010, the Torrance City Council will consider proposed budget reductions and modification to rebalance its budget for fiscal year 2010-11. With the current economic environment, the City is revising its budget revenue projection by \$5.5 million. This is primarily due to revenues falling short of budget estimates for the prior fiscal year (2009-10) by \$5.9 million more than originally estimated during budget development for the current fiscal year.

At the close of the 2009-10 fiscal year, the City of Torrance entered the 2010-11 fiscal year with a balanced budget. It was achieved after effectively addressing a projected \$8.9 million shortfall due to the recessions impact on core revenue sources, such as sales tax. Through operational revisions, energy savings, selective reduction in positions, modification to City programs, and use of one-time monies, the budget was balanced without layoffs or reduction in City services.

Tuesday's budget revision has become necessary as during the closing of the 2009-10 books – a process that's completed after the current 2010-11 fiscal year budget has been adopted – actual revenue receipts came in lower than expected. The reduced revenue stream from 2009-10 carries forward into the current budget year resulting in the 2010-11 revenue projection being overstated by \$5.5 million.

Tuesday's revised budget proposal presents a solution through reductions and modifications that include the use of current vacant positions and modifying inter-fund transfers to minimize impact to City services and avoid employee layoffs.

The City of Torrance remains committed to providing quality services to the community during these challenging economic times.

The Torrance City Council meets regularly on Tuesdays, 7:00 p.m. at the City Council Chamber located at 3031 Torrance Boulevard, Torrance. Council meetings may also be viewed live on Torrance CitiCABLE Channel 3 (Time Warner), 36 (Verizon), or online at <http://www.TorranceCA.Gov/CableTV/15747.htm>. Past City Council meetings are also available at <http://www.TorranceCA.Gov/2372.htm>.

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