Fiscal First Aid

The national economy is on a “modest growth path that will be accompanied by extraordinarily high rates of unemployment.”
"Slight“ growth in California in 2010 before more normal growth rates return in 2011

UCLA Anderson Forecast

Unemployment

ISM Indices
Consumer Confidence

CONSUMER CONFIDENCE

Government Conditions Follow

- Munis will likely face a shortfall between $56B & $83B from 2010-12
- The low point for city fiscal conditions typically follows the low point of an economic downturn by at least two years,
  - Indicates the low for cities will come sometime in 2011
- Cities are responding with layoffs, furloughs and payroll reductions; delaying and canceling capital projects; and cutting city services.
- From NLC Fiscal Condition Survey

Today's Session

- Help you cope with economic conditions…
  - Introduce a process for recovery
  - Provide leadership
  - Develop information for decision-making
  - Diagnose causes of distress
  - Develop strategies and tactics for recovery

Today's Presenters

- Jay Goldstone
  - Chief Operating Officer, City of San Diego
- Shayne Kavanagh
  - Sr. Manager of Research, GFOA
- Chris Swanson
  - Local government forecasting and Excel expert
Agenda

- Introduction to the Recovery Process
- Leadership in Difficult Times
- Developing a Fiscal Health Model
- Financial Modeling & Forecasting Smart Practices
- Fiscal First Tactics & Fiscal First Aid
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