

COUNTY OF MENDOCINO



BUDGET SUMMARY RECAP AND FORECAST

FY 2009-2010 AND 2010-2011

Board of Supervisors
January 5, 2010

2010 BUDGET SCHEDULE

- *January 5, 2010*

Summary Recap and Forecast

- *January 11, 2010*

Department Head Budget Workshop

- *February 2, 2010*

Strategic Budget Balancing Plan

- *February 23, 2010*

Mid-year Budget Status Report

FY 2009-10 BUDGET

PRELIMINARY FIRST QUARTER BUDGET PROJECTIONS AS OF DECEMBER 8, 2009

- **\$(743,000)** under-realized Discretionary Revenue
Criminal Justice Departments
- **\$(954,004)** over budget
Internal Support Departments
- **\$(68,000)** over budget
Resource Agencies Departments
- **\$100,000** under budget
General Government Departments
- **\$ - 0 -** on target

Total General Fund Shortfall = **\$(1,665,004)**

HHSA Departments - Mental Health - **\$(500,000 - 1,300,000)** over budget

FY 2009-10

ADDITIONAL BUDGET IMPACTS AND PROJECTIONS AS OF JANUARY 5, 2010

- 2009-10 Potential Impacts to General Fund for IHSS negotiations **\$(600,000)**
 - Projections on revenue updated for additional impacts to the 2009-10 budget
 - Sales Tax **\$(250,000)** holiday sales down
 - Supplemental Property Tax **\$(250,000)**
 - Transfer Tax **\$(150,000)**
 - Interest **\$(200,000)**
 - Possible (\$1.3 million dollar 3 year grant) FY 2009-10 for 5 months projected for Sheriff's Office **\$120,000**
- = Total Additional General Fund Projected Shortfall **\$(1,330,000)**

FY 2009-10 SUMMARY BUDGET PROJECTION RECAP

- **FY 2009-10 Initial Budget Shortfall Projections First Quarter- December 8, 2009 $\$(1,665,004)$**
- **Additional General Fund Budget Projection Shortfall December 8 – January 5, 2010 $\$(1,330,000)$**

**=Total Projected General Fund Shortfall
 $\$(2,995,004)$**

FY 2009-10 & FY 2010-11
PRELIMINARY SUMMARY BUDGET FORECAST
RECAP
AS OF JANUARY 5, 2010

2009-10

- Projected General Fund Shortfall **\$(2,995,004)**

2010-11 Projected General Fund Structural Deficit

- Declining projections in Sales Tax and Property Taxes, including CPI Factor for assessed valuation calculated at a negative **\$(1,000,000)**
- BU 8010-Debt Service COP's fixed costs **\$(1,500,000)**
- *BU 8011 - Debt Service POB's - Gross county share of retirement increase **\$(1,400,000)** - less **\$550,000** State and Federal contributions = Net General Fund **\$(850,000)** - less **\$500,000** from BU 8011 reserve = **Net \$(350,000)**

FY 2009-10 & FY 2010-11
PRELIMINARY SUMMARY BUDGET FORECAST
RECAP
(continued)
AS OF JANUARY 5, 2010

- BU 0714 - Worker's Compensation increase **\$(200,000)**
- BU 0714 - Unemployment **\$(100,000)** Unemployment at 11.2 %
- BU 0715 - Estimated 2010-11 -14% Health Insurance Premium increase (net county increase from General Fund) **\$(760,000)**
- Potential 2010-11 Impacts IHSS General Fund Contribution **\$(1,000,000)**
- Renewal of 8 bargaining unit agreements - **Unknown impacts**
- Solid Waste privatization potential cost savings 2010-11 **Unknown impacts**
- Possible (\$1.3 million dollar 3 year grant) FY 2010-11 for Sheriff's Office **\$290,000**

** Preliminary estimate- Updated actuarial numbers will be provided at the end of January 2010 and presented to the Board at a future date.*

FY 2009-10 Preliminary General Fund Budgetary
Shortfall & **FY 2010-11** Structural Budget Deficit

FORECAST = \$(7,615,004)

NEXT STEPS

Strategic Budget Balancing Plan, February 2, 2010

- Revenue Generation
- Restructuring
- Labor Negotiations