

**FY 2009-10 Summary Budget Outline
Preliminary Budget Reduction Recommendations (Continued)
June 16, 2009**

SUMMARY OVERVIEW PHASE III 2009-10 RECOMMENDED BUDGET (Continued)

On June 9, 2009 The Board approved the recommendations by the Sheriff's Office to mitigate a \$2 million dollar shortfall as stated by the Sheriff's Office. The Board also approved a recommendation by the Public Defender's Office to utilize salary savings from leaving the Assistant Public Defender position vacant all year and internally promote to retain 1 FTE Legal Secretary and 1 Investigator position within the Public Defenders Office. The Board also approved by Resolution to layoff of 5 Sheriff Technician positions. Due to the unknown outcome with the Meet and Confer process with bargaining units, on June 4 2009, the Executive Office requested that departments submit recommendations to mitigate this shortfall for Phase III cuts pending Board action. The shortfall on June 9, 2009 was approximately \$5.2 million including the Sheriff's Office projected shortfall. After Board direction on June 9, 2009, the resulting net shortfall was then \$(3.2) million.

At this time, it is anticipated that there will be additional 2009-10 State budget cuts as part of the Adopted State Budget for 2009-10, which may impact counties. The Executive Office will be reporting these impacts to the Board of Supervisors during the Final Budget process. The Executive Office will also carry out the Board priority that no general fund will backfill for State budget cuts, therefore, the Executive Office is anticipating that there may be more layoffs or cuts to vital services impacting County departments.

Departments have submitted additional recommendations for Phase III, and assuming that the Board takes action to approve the recommendations in the table below and as shown and depicted on the worksheet, including the positions recommended for layoff, the CEO is further making a recommendation for the remainder of the shortfall in the amount of **\$(1,293,726)** for the Recommended Budget as stated below:

CEO Recommendation: Due to time constraints to balance the remainder of the shortfall for the 2009-10 Recommended Budget through the meet and confer process with bargaining units, the CEO is recommending to balance the budget utilizing the General Reserves account. This recommendation is only a balancing strategy within the finance system and should not be considered a permanent solution in balancing the budget until such time the projected shortfall is negotiated in "good faith" with the bargaining units as part of the meet and confer process. Upon conclusion of the negotiations, the General Reserves account will be replenished by the Auditor Controller through the Final Budget process.

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It is estimated that Mendocino County will have an approximate 20 % vacancy rate or 250 county positions vacant by the end of the Final Budget process, not including positions that have been requested and approved by the Board of Supervisors for layoff.

The Master Recommended Budget Worksheet attached reflects the recommendations by the all departments for Phase III and shows a net budget shortfall of **\$(1,293,726)** which includes an additional general fund payment for the Teeter Plan in the amount of \$769,204 for this fiscal year. These recommendations are shown below in the table for departments. Impacts on all departments' solutions for Phase III are not included in the table summary. However, departments will be in attendance to answer any questions that the Board may have relative to department impacts.

RECOMMENDED BUDGET PHASE III		
2009-10		
<i>Department/ Budget Unit</i>	<i>Recommended Phase III Proposed Solutions \$ Increase/Decrease</i>	<i>Recommended Positions/FTE Reductions and Impacts</i>
Probation 2560	Savings from 4 positions through attrition \$(272,000)	N/A
Executive Office BU 1020	Reduce funding for elimination of state legislative contract \$(18,000)- increase revenue from transfer from SS for work by Deputy CEO IT on MEDS grant for SS for \$(18,000), Deputy CEO to remain vacant ½ year \$(35,000),	N/A
CoCo BU 1210	Reduce funding for books \$(22,500), reduce special dept expense \$(10,000)	N/A
Human Resources BU 1320	Reduce funding and layoff 1 HR Analyst position \$ (66,000) <u>Info Only EAP Wellness BU 4025:</u> Costs for Wellness Program are a portion of the Health Insurance costs allocated by the Auditor’s Office based on negotiated premiums. Those premiums include the cost for the EAP/ Wellness Program so the only impact of potential program reductions would be less “draw” on the Health Plan Trust – it would not impact departmental costs.	1 FTE layoff
General Services BU 1160	Reduce funding \$(25,874) un-fund 1 vacant Staff II position and delegate workload to other Departments within GSA.	N/A

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Facilities and Fleet BU 1610	Reduce funding \$(94,370) and layoff 1 FTE Assistant Facilities Manager and increase revenue for \$(14,826) from salary splits reducing NCC – Total \$(109,196)	1 FTE layoff
Information Services BU 1960	Reduce funding \$(91,735) leaving Developer II position vacant, Layoff 1 FTE IS Tech I position \$(59,161), reduce line items for communications, \$(5160), Maint Equip \$(15,500), Ed and Training \$(17,161), and O of C travel \$(1,500) – Total \$(235,043)	1 FTE layoff
AODP BU 4012	Reduce funding \$(36,780) through holding 1 FTE vacant	N/A
Public Health EMS BU 4016	Reduce Funding \$(6,909) through salary savings for EMS Coordinator	N/A
Animal Control BU 2860	Reduce funding \$(11,819) for travel and training with reduction to hours for kennel attendant to from full time to .8	N/A
Social Services BU 5010	Reduce funding \$(280,000) This recommendation includes reductions to current staffing levels through the un-funding of vacant positions or utilizing attrition or transfers within the agency for various programs in this budget	N/A
Solid Waste BU 4510	Reduce General Fund contribution through cost applying \$(55,000) of staff work time applied to the Road Fund that is associated with the Road fund	N/A
Land Improvement BU 1910	Reduce General Fund contribution for \$(72,000) through cost applying staff work time applied to the Road Fund that is associated with the Road fund	N/A

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Clerk of Board BU 1010	COB will utilize salary savings through delay in hiring Deputy COB estimated to be \$(28,500)	N/A
Board of Supervisors BU 1015	Increase funding for Washington and CSAC travel for \$9,000 in special dept expense. Re-allocate NACO membership \$1,780 to General Board travel allocation earmarked for Board legislative advocacy Washington DC LI 862253. Reallocate \$500 from Special Department Expenses for Fiscal Year 2009/2010 to General Board travel allocation earmarked for Board legislative advocacy. LI 862253 Increase NCC allocation in the amount of \$1,720 for additional funding for Board travel related to legislative advocacy. LI 862253. Accept staff's recommendation \$5,000 currently funded Board travel (General allocation) be earmarked as a "Board travel pool" to be utilized for Board Special Assignment travel. Reallocate 50% of the funds from individual Board member allocations for Fiscal Year 2009/2010 to General Board travel allocation earmarked for Board CSAC Representative \$2,500 \$1,720 total increase	N/A

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Library BU 6110	State Revenues. For FY 09-10 - estimating the Library has \$82,000 in supplemental revenues from the general fund. Phase III Budget -Elimination of bookmobile and layoff of 1FTE Library Associate reducing funding \$(72,354)	1 FTE Layoff
County Clerk BU 1941	Increase revenue estimate for recordings by \$(34,681) reducing NCC	N/A
Assessor BU 1120	Reduce funding for \$(91,349) - transfer Staff II position into funded vacant position in Clerk Recorder budget \$(55,426) and \$(24,923) in savings due to attrition	N/A
OES Emergency Services	Reduce funding \$(92,774) – 1 FTE lay off for OES Coordinator position and transferring OES coordinating responsibilities to Sheriff. Budget 2830 will remain as active budget for tracking purposes for this fiscal year	1 FTE Layoff
Elected Officials BU 2310, 2070, 1020, 1210, 1015, 1130, 1110, 1120	Reduce funding as volunteered for salary and benefits by elected officials 10% Total \$(149,376)	N/A