



# Overview Proposed FY 2009-10 Budget

**June 8, 2009**

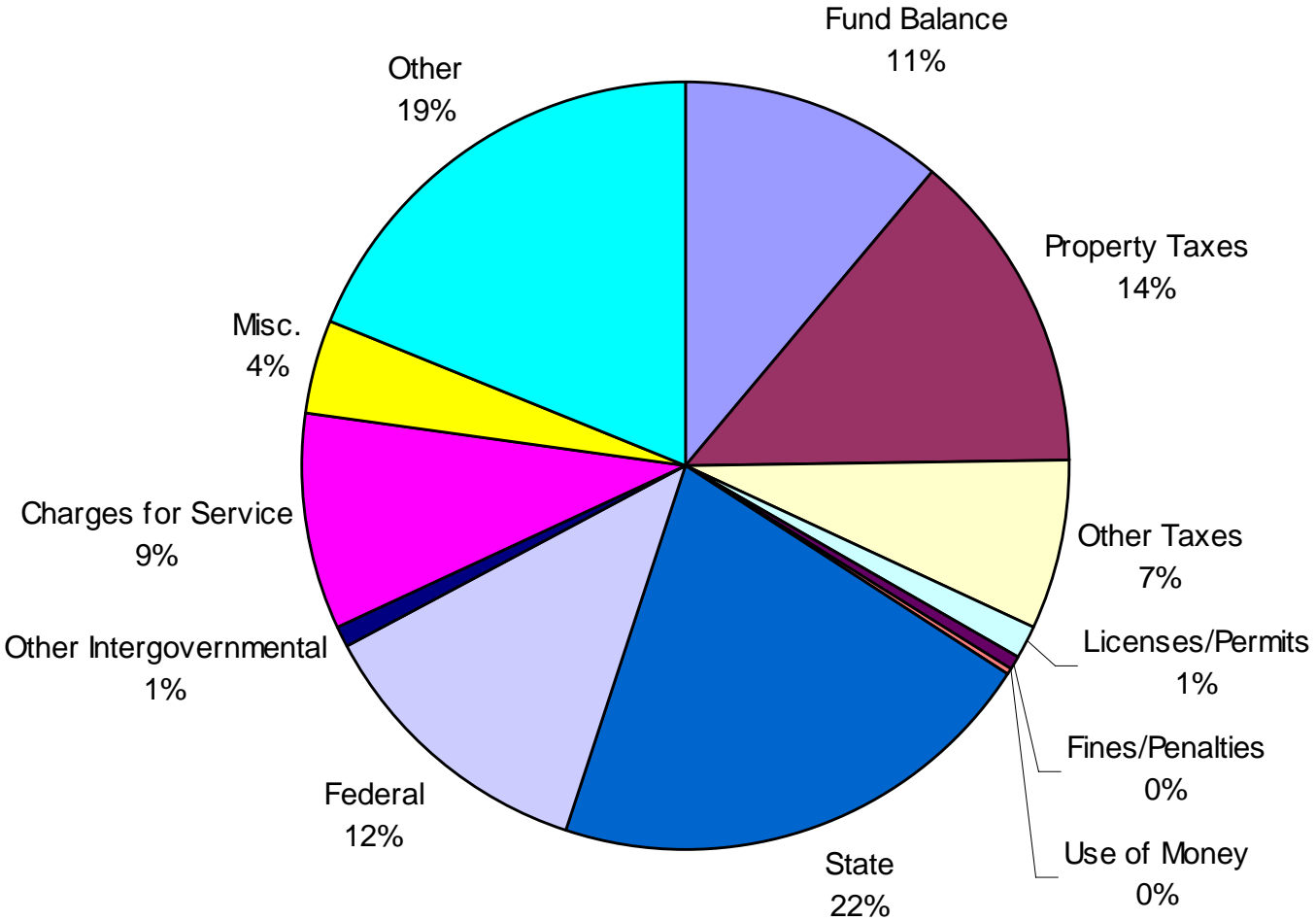


# “Let’s Do The Numbers”

# Overall Budget

- Total Budget: \$468 million
  - \$62 million less than FY 2008-09 Final
    - \$24 million decrease in Roads and Special Revenue funds
      - Due to decreases in the Capital Improvement program
    - \$20 million decrease in General Fund
    - \$7 million decrease in Road Fund
    - \$5 million decrease in Erosion Control
    - \$4 million decrease in Accumulative Capital Outlay
    - \$3 million decrease in Public Health
    - \$2 million decrease in Mental Health
    - \$3 million increase in Community Services

# Source of Funds



# Revenue Changes

	<b>FY 08-09 Final Budget</b>	<b>FY 09-10 Budget</b>	<b>Variance</b>
Taxes	102,647,764	97,666,797	(4,980,967)
Licenses and Permits	8,991,505	6,261,602	(2,729,903)
Fines, Forfeitures	2,034,101	2,274,443	240,342
Use of Money	2,423,741	1,806,764	(616,977)
State	102,268,890	96,758,311	(5,510,579)
Federal	50,333,231	57,786,200	7,452,969
Other Intergovernmental	1,451,093	9,012,135	7,561,042
Charges for Service	42,561,331	42,435,597	(125,734)
Miscellaneous	16,962,536	13,982,062	(2,980,474)
Other Financing	114,246,541	88,094,250	(26,152,291)
Use of Fund Balance	85,520,622	47,913,538	(37,607,084)
Use of Reserves	943,696	4,307,437	3,363,741
<b>Total</b>	<b>530,385,051</b>	<b>468,299,136</b>	<b>(62,085,915)</b>

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# Revenue Changes

- Taxes - Decreases

- Sales Tax - \$2.3M

- Supplemental property taxes - \$1.4M

- In-Lieu VLF - \$600K

# Revenue Changes

## ■ State - Decreases

- Realignment - \$4.4M
- Cal Works - \$2.8M
- California Tahoe Conservancy - \$4.1M
- Proposition 172 – Safety Sales Tax - \$2.4M
- OES - \$600K
- State Highway Taxes (DOT) - \$600K
- SB 90 claims – \$400K

## ■ State – Increases

- Traffic Congestion Relief - \$2.6M
- Proposition 1B - \$7M
- Mental Health Medical - \$1M

# Revenue Changes

## ■ Federal – Increases

- Community Services - \$4M
- Regional Surface Transportation Funds – \$3.6M
- Road Federal Forest Reserve – \$1.4M
- Cal Works - \$2.9M

## ■ Federal – Decreases

- Public Assistance - \$2M
- Roads – CMAQ - \$1.4M
- HAVA - \$500K



# Revenue Changes

- Other Intergovernmental - Increases
  - Casino Funding \$8M
    - \$500K Sheriff
    - \$2.5M General Fund
    - \$5M Department of Transportation

# Revenue Changes

## ■ Other Financing Sources – Decreases

- TIM Fees - \$16.7M
- Silva Valley set aside - \$10M
- Realignment - \$3.9M
- Other – DOT - \$1.6M
- FEMA - \$600K

## ■ Other Financing Sources – Increases

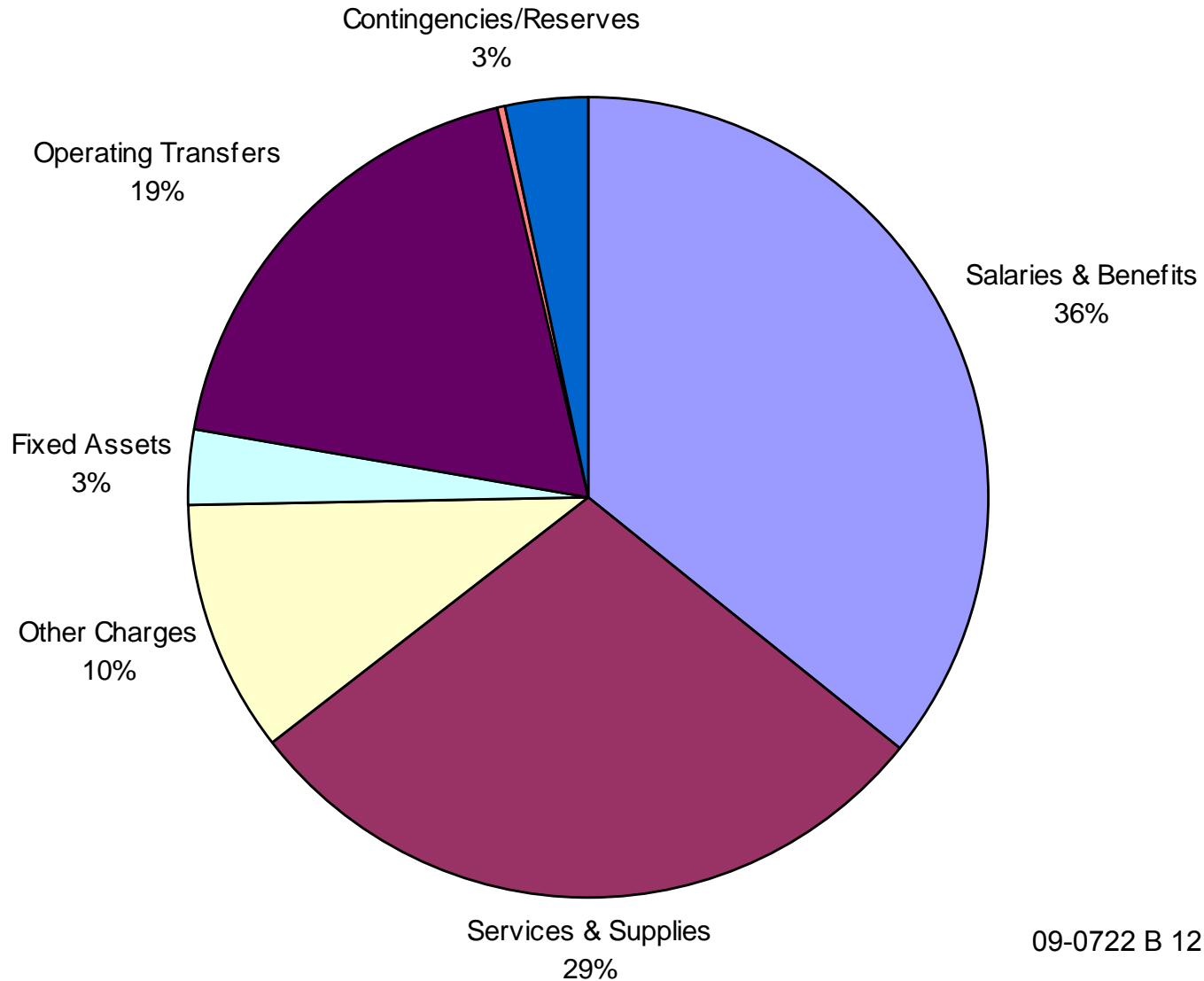
- Developer advance fees - \$5.9M
- Various Road Fund - \$1.4M



# Revenue Changes

- Fund Balance – Decreases
  - Special Revenue - \$26.2M
  - General Fund - \$5.5M
  - Road Fund - \$4.3M
  - Accumulative Capital Outlay - \$1.3M

# Use of Funds



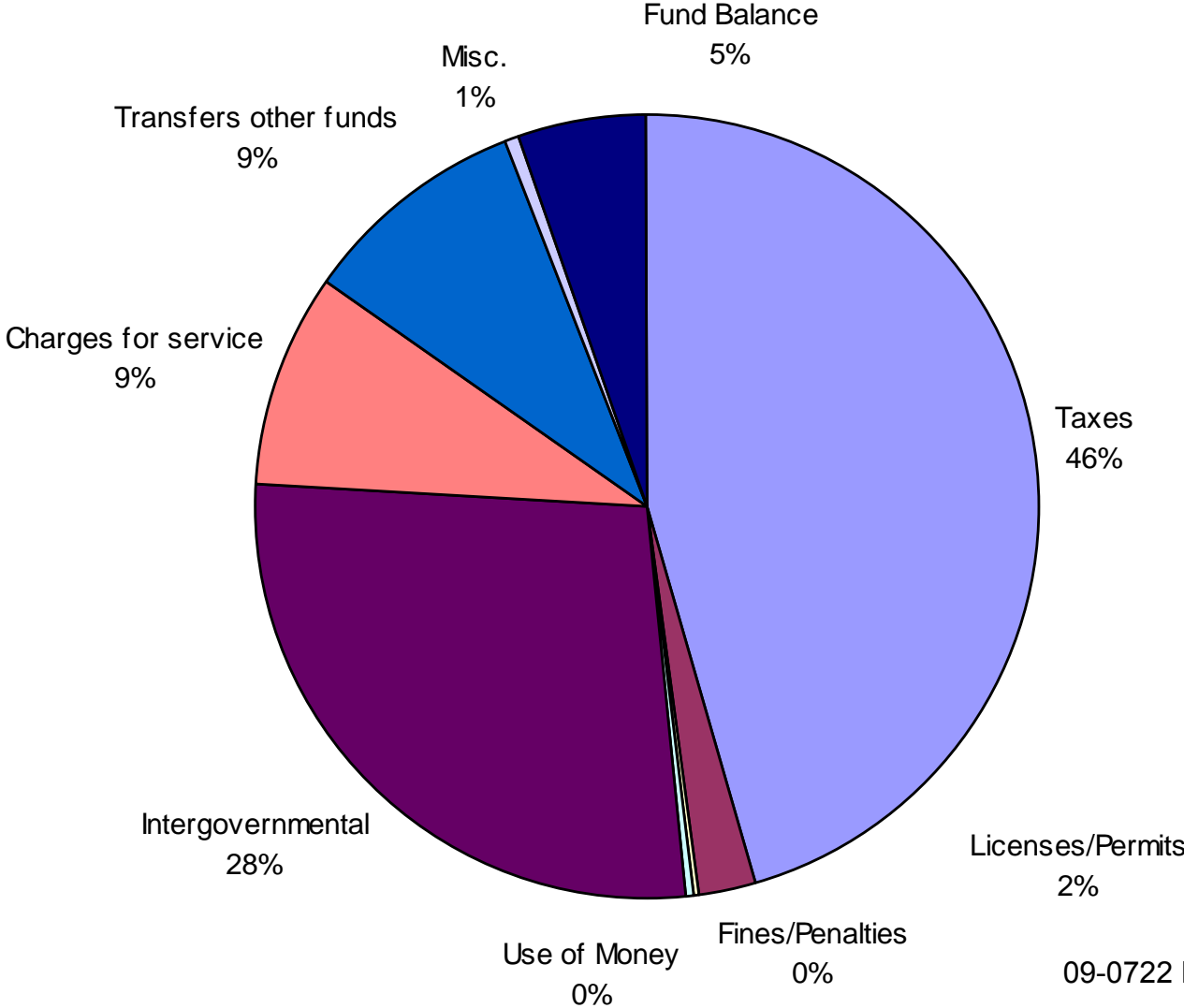
# Appropriation Changes

	FY 2008-09	FY 2009-10	Difference
Salaries/Benefits	\$186,634,621	\$167,721,697	(\$18,912,924)
Operating	190,936,561	182,120,896	(8,815,665)
Fixed Assets	22,705,557	13,824,292	(8,881,265)
Transfers	115,050,354	88,405,145	(26,645,209)
Contingency / Reserves	15,057,958	16,227,105	1,169,147
Total	530,385,051	468,299,135	(62,085,916)



# General Fund Overview

# Source of Funds





# Revenue Forecast

- 0% growth in Property Taxes and VLF
- 14% decrease in Sales Tax
- Overall decrease of \$12M (6%) in General Fund Revenues from FY 08-09 projected
- Overall decrease of \$20M (9%) from FY 08-09 Final budget

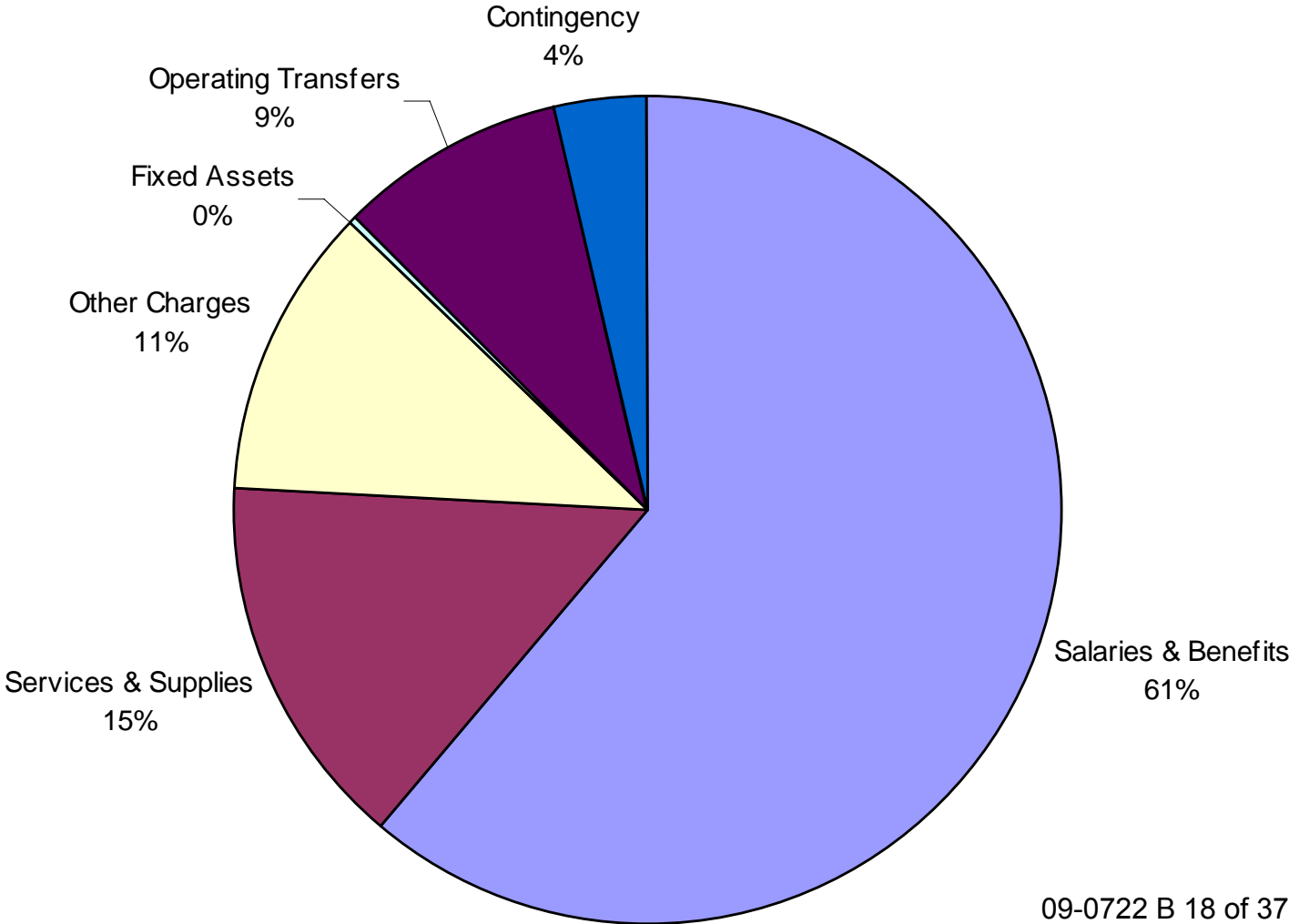


# Revenue Changes

<b>General Fund</b>	<b>FY 08-09 Estimate</b>	<b>FY 09-10 Budget</b>	<b>Variance</b>
Taxes	95,517,938	91,092,677	(4,425,261)
Licenses and Permits	4,935,754	4,362,072	(573,682)
Fines, Forfeitures	907,206	894,899	(12,307)
Use of Money	1,645,927	413,288	(1,232,639)
Intergovernmental	56,758,549	55,209,492	(1,549,057)
Charges for Service	19,909,277	17,743,452	(2,165,825)
Miscellaneous	1,555,614	1,264,391	(291,223)
Other Financing	20,423,912	18,658,793	(1,765,119)
<b>Total</b>	<b>201,654,177</b>	<b>189,639,063</b>	<b>(12,015,114)</b>

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# Use of Funds

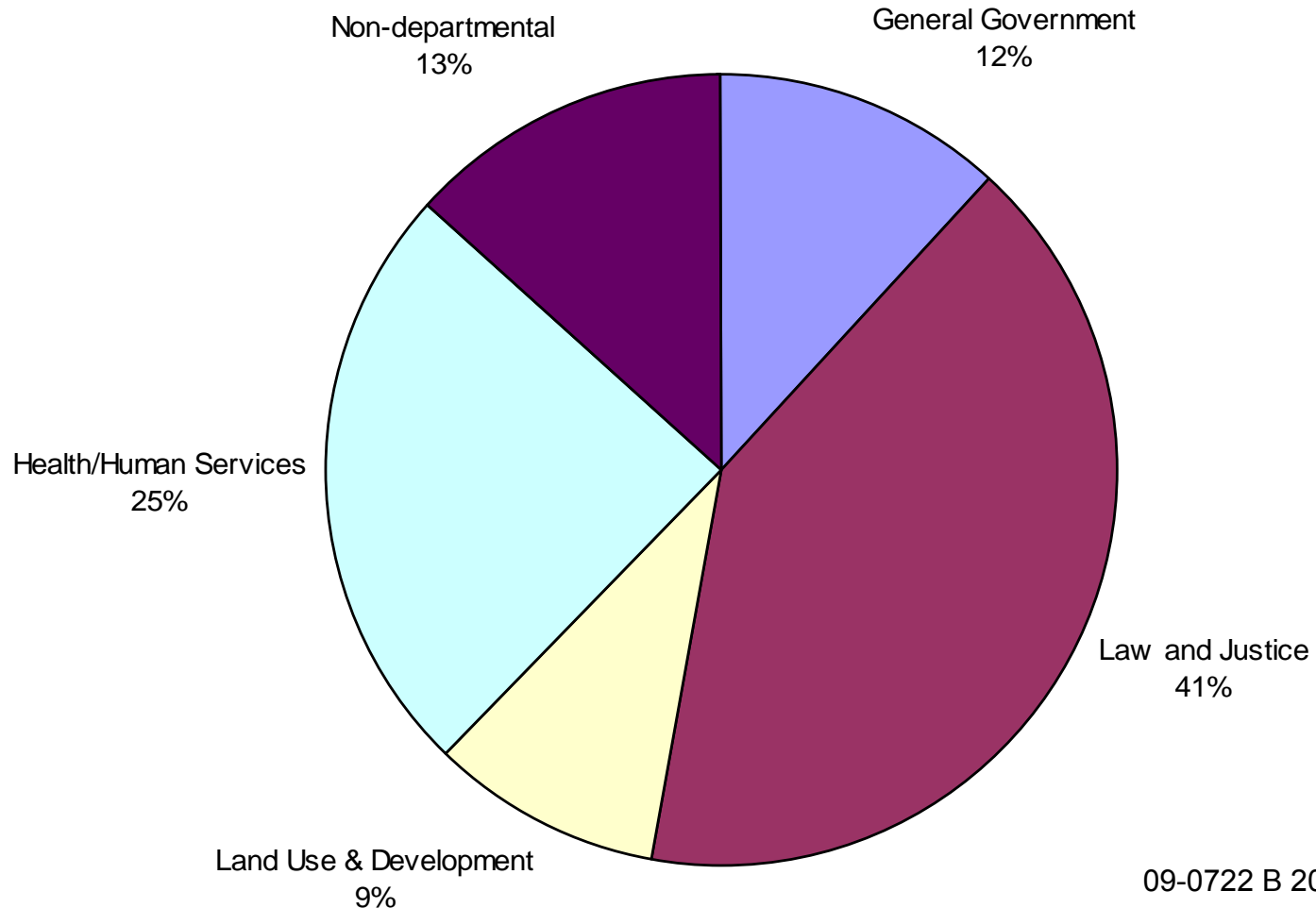


# General Fund Appropriations by Category

	FY 2008-09 Final Budget	FY 2009-10 Proposed	Difference
Salaries/Benefits	\$136,337,649	\$122,353,186	(\$13,984,463)
Operating	53,266,025	51,351,945	(1,914,080)
Fixed Assets	1,326,232	891,581	(434,651)
Other	173,927	28,500	(145,427)
Transfers	22,728,743	18,525,094	(4,203,649)
Contingency	5,889,711	7,094,157	1,204,446
Total	219,722,287	200,244,463	(19,477,824)

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# Appropriations by Functional Group

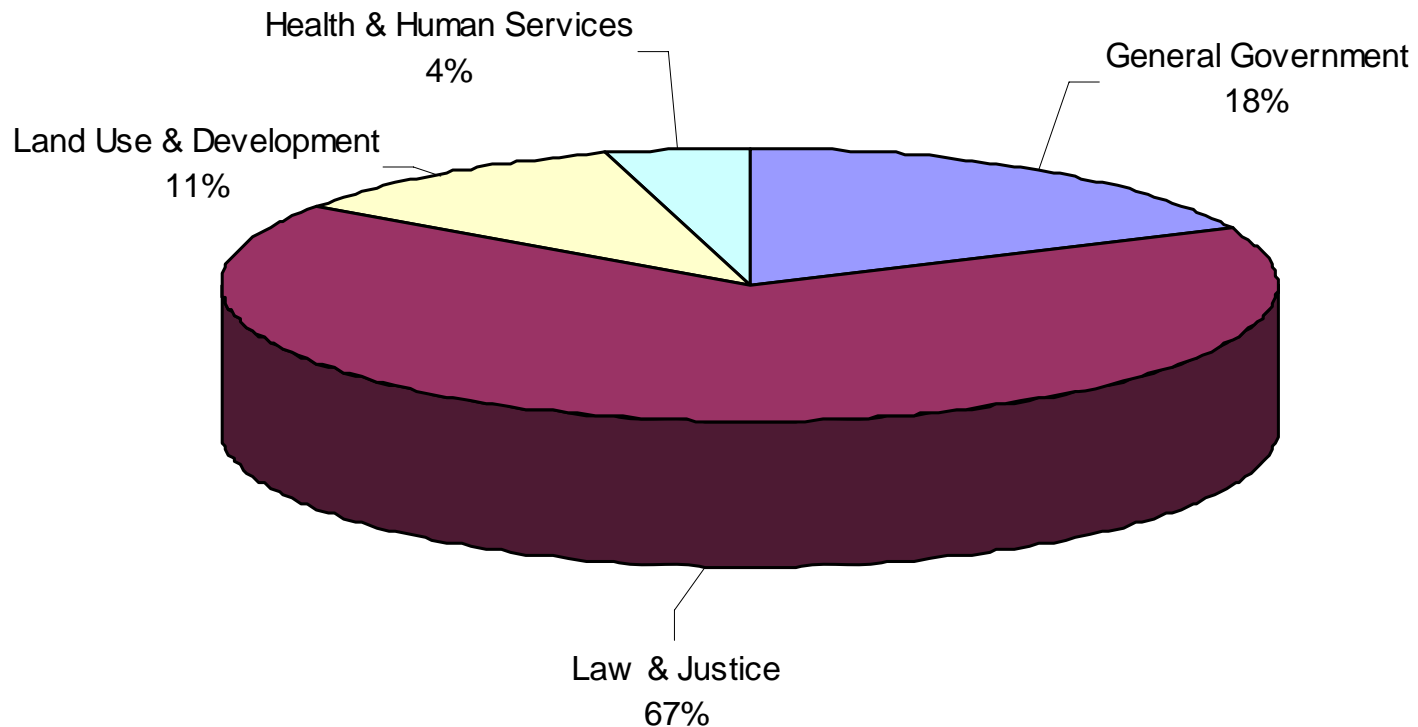


# General Fund Appropriations by Function

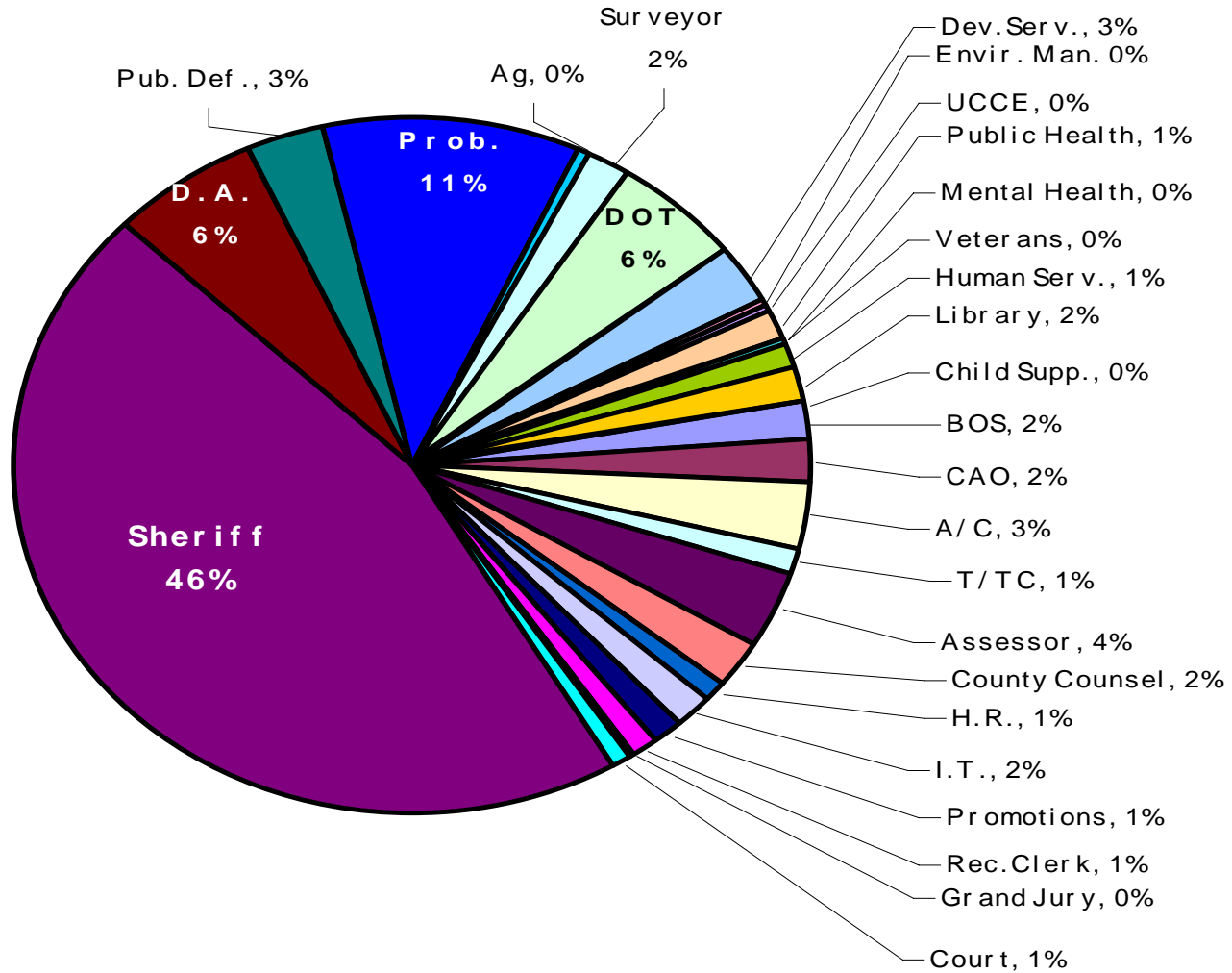
	FY 2008-09	FY 2009-10	Difference
General Government	\$26,888,141	\$24,122,174	(\$2,765,967)
Law & Justice	87,387,506	81,659,521	(5,727,985)
Land Use & Development	25,751,546	18,855,656	(6,895,890)
Health & Human Services	49,287,846	49,116,884	(170,962)
Nondepartmental	30,407,248	26,490,228	(3,917,020)
Total	219,722,287	200,244,463	(19,477,824)

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# Distribution of Net County Cost by Program Area FY 2009-10



# Distribution of FY 2009-10 Net County Cost (by department)



# Net County Cost by Function

	FY 2008-09	FY 2009-10	Difference
General Government	\$17,977,444	\$17,083,725	(\$893,719)
Law & Justice	63,051,588	61,824,753	(1,226,835)
Land Use and Development	11,608,195	10,099,328	(1,508,867)
Health & Human Services	3,919,974	4,141,445	221,471
<i>Total Department</i>	<i>96,557,201</i>	<i>93,149,251</i>	<i>(3,407,950)</i>
Department 15	(96,557,201)	(93,149,251)	3,407,950

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# Financial Plan

# General Fund Reserve

- Amount: \$8,762,652
  - \$845,125 decrease in reserves
- Equals 5% of adjusted General Fund appropriations
  - Excludes pass-through transfers including VLF realignment dollars
  - Excludes Child Support Services
  - Excludes Aid to Fire
  - Excludes Bond Authority debt service
  - Excludes GF contribution to ACO, Parks and DOT

# General Fund Contingency

- Proposed budget: \$7,094,157
  - Increase of \$1,204,446
  - Equals 4.05% of adjusted General Fund appropriations
  - Prior year's contingency set at 3%
  - Additional contingency (\$1.8M) proposed for FY 2009-10 due to high degree of uncertainty of State actions and final fund balance

# Designations

- Proposed Budget does not include any additional designations
  - \$3,774,167 was set aside in FY 2007-08
  - \$358,017 utilized in FY 2008-09 to replace tape backup system
  - \$3,416,150 remains in FY 2009-10 as a designation set aside for capital projects or fiscal uncertainties



# Five Year Projection



# Five Year Projection process

- Five year projection is continually updated for addenda and at mid-year, third quarter and throughout the budget process
- Five year projection is utilized as a tool to help determine budget adjustments for General Fund departments only

# Revenues & Appropriations

	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
Revenues	\$200,244,465	\$198,141,492	\$198,141,869	\$200,104,950	\$201,972,356
Appropriations	200,244,465	201,929,130	206,956,074	212,233,352	217,616,828
Total	0	(3,787,638)	(8,814,205)	(12,128,402)	(15,644,472)

Variance	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
Revenues		(\$2,102,973) (1.1%)	\$377 <1%	\$1,963,081 1%	\$1,867,406 1%
Appropriations		1,684,665 1.0%	5,026,944 2.5%	5,277,278 2.5%	5,383,476 2.5%



# Revenue Assumptions

- 0% growth in Property Taxes and VLF
- 0% growth in Sales Tax
- 0% growth in all other taxes
- 1% growth in department revenues in FY 2012 - 2014



# Appropriation Assumptions

## ■ Salaries & Benefits

- FY 2010 includes \$2.4M in furlough savings based on 10 day furlough for all employees
- FY 2011-2014 does not include any furlough value
- 2.5% growth rate for FY 2011-2014

## ■ Operating Expenses & Fixed Assets

- 3% growth rate

## ■ Contingency remains constant at 3% of adjusted General Fund appropriations



# Appropriation Assumptions

- Transfers to other funds
  - Decrease in FY 2011 due to zero contributions to the Accumulative Capital Outlay fund
  - Further decrease in FY 2011-2014 due to bond debt being paid off in FY 2010
  - FY 2011-2014 includes \$1M General Fund contribution for road maintenance

# Fund Balance

- FY 2009-10 Fund Balance = \$9,760,277
  - Contingency \$5.5M
  - ACO/Parks carryforwards \$1.7M (Onetime savings)
  - ACO Savings \$1.6M (Onetime savings)
  - Fleet savings \$500K (Onetime savings)
  - Department Net Savings \$400K
  
- FY 2011 through FY 2014
  - Fund Balance very conservative
    - Includes contingency from prior year only



# Reserves

- General reserve for economic uncertainties remains constant at 5% of adjusted General Fund appropriations
- Designation for capital projects or other economic uncertainties of \$3,416,150



# End of Presentation

*Thank you!*