



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: County Executive
Office
Department No.: 012
For Agenda Of: 10/28/08
Placement: Departmental
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Michel F. Brown, 568-3404
Contact Info: Dr. Jason Stilwell, 568-3413
SUBJECT: Fiscal Issues Report Fiscal Year 2008-2009

Recommended Actions:

That the Board of Supervisors:

Receive and file the Fiscal Issues Report on the economic context and potential financial issues facing the County in the immediate horizon.

Summary Text:

This hearing is to present to the Board of Supervisor the “Fiscal Issues Report.” The Fiscal Issues Report provides the Board a description of the key financial issues that comprise the context for the County’s financial status. The report discusses the County’s economic picture and financial issues that have the potential to impact the County’s budget. The timing of this report is to provide the Board the opportunity to review these issues prior to commencing the development process for the FY 2009-10 Budget. This report is an update of the report the Board received approximately twelve months ago.

The Fiscal Issues Report describes the economic context the County is in, summarizes an economic forecast and describes key issues that may be financial challenges for the County in the near future. The report identifies the following potential financial impacts: 1) State Budget Impacts, 2) Maddy Fund, 3) State Contribution for Cost of Doing Business, 4) ADMHS Cost Report Settlement Issues, 5) Mental Health and Partner Agencies: Medi-Cal Billing Exposure, 6) Property Tax Administration Fee, 7) Pension Fund Stability, 8) Retiree Healthcare, 9) County Jail – Northern Branch, 10) June Statewide Special Election, 11) Public Defender Funding, 12) Cachuma Lake Surcharge, 13) Indian Gaming, 14) Goleta Beach Long Term Protection Plan, 15) Measure A, 16) Santa Maria Levee Reinforcement Project, 17) Goleta Revenue Neutrality, and 18) Fiscal Year 2009- 2010 Budget Gap. These eighteen items could potentially be very significant financial issues for the County in the near future.

Background:

In September of 2007, the Board received the “Financial Analysis Report.” That report summarized certain and potential financial issues the County was facing at the time. The Fiscal Issues Report is an update to the FY 2007-08 presentation.

Authored by:

Xenia Tihomirova, Ext 3421