

Introduction

General Fund

Revenue

Expenditure

Other Funds

Fiscal Year 2009-2010 Budget Development Workshop

Five-Year Forecasts

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Issued by the
County Executive Office*

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- The report includes five-year projections of the key County service funds
 - General Fund
 - Fire
 - Alcohol, Drug and Mental Health Services
 - Public Health
 - Social Services
 - Housing and Community Development
 - Transportation
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- Forecasts are presented to the Board semi-annually
 - Now and with the proposed budget
 - Designed to provide intermediate term financial information for the Board
 - In general, the forecasts demonstrate actions will be required to close projected budget gaps
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Summary of Forecasts

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- Fire: sustained service levels and capital expenditures depleting the Fire Fund
 - ADMHS: continued focus on service stabilization
 - Public Health: anticipate funding reductions with a focus on core services
 - Social Services: projects significant revenue decline and increasing service demand
 - Housing and Community Development: using one-time revenues to fund ongoing expenditures
 - Transportation: last year's forecast projected steep deficits but intervening work has markedly improved the forecast
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General Fund Forecast

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- Widening budget gap
 - Budget principles still appear sufficient for 2009-2010
 - State budget and continuing rapid decline in growth rate remain uncertainties
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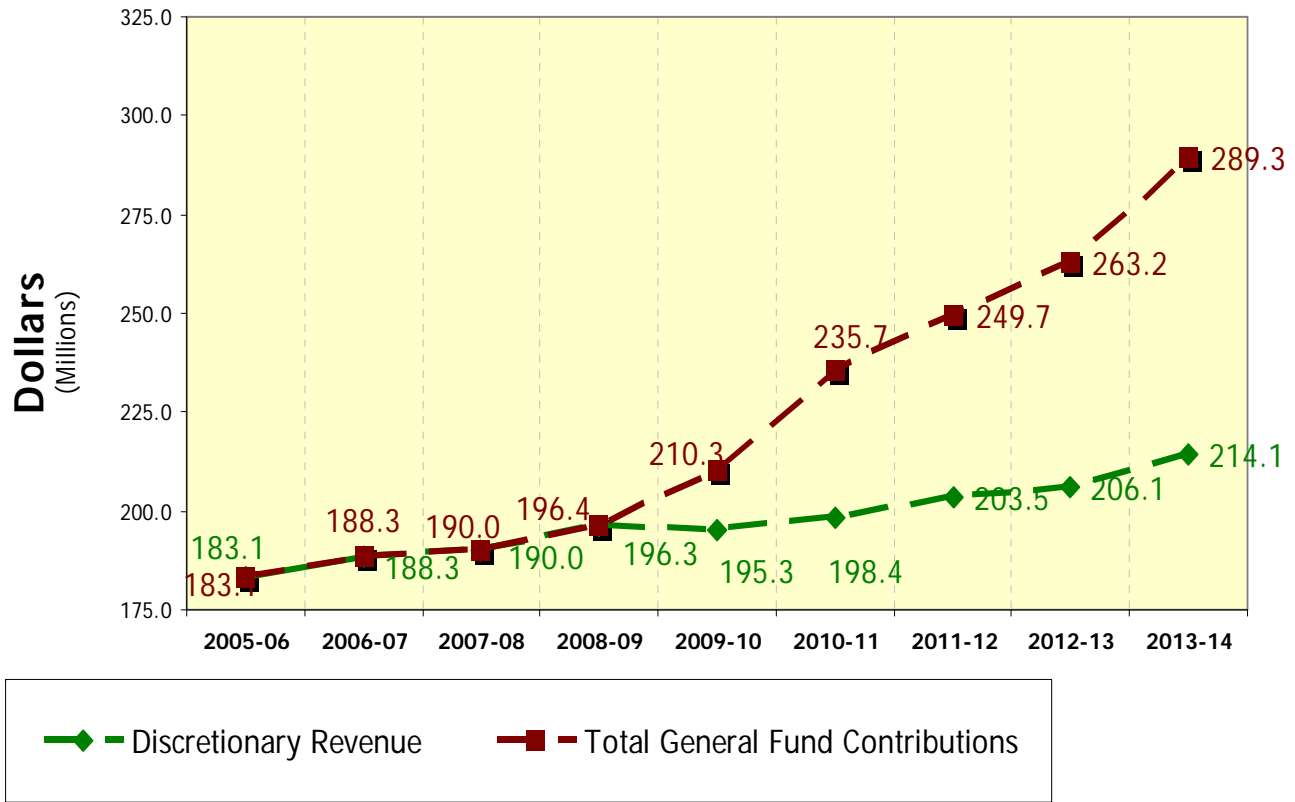
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Five Year Local Discretionary Revenue & General Fund Contribution



Revenue Assumptions

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- Revenue assumptions from the first Budget Development Workshop are included in this forecast

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Revenue Source (Dollars in Millions)	FY05-06 Actual	FY06-07 Actual	FY07-08 Budget	FY07-08 Actual	FY08-09 Budget	FY08-09 Estimated	FY09-10 Projected	FY10-11 Projected	FY11-12 Projected	FY12-13 Projected	FY 13-14 Projected
Secured Property Tax	\$89.933	\$99.695	\$105.500	\$106.701	\$110.223	\$110.812	\$111.998	\$113.958	\$117.091	\$121.190	\$125.431
Unsecured & Unitary Property Tax	6.628	7.003	7.05	7.030	7.037	7.362	7.178	7.321	7.468	7.617	7.769
Supplemental Property Tax	9.635	6.159	4.900	5.437	4.520	4.000	3.503	3.503	3.678	3.862	4.055
Property Transfer Taxes	4.461	4.414	3.100	3.194	2.700	2.900	2.295	2.341	2.399	2.459	2.521
Retail Sales Tax	9.872	11.502	10.500	11.500	11.090	9.876	10.203	10.203	10.330	8.339	8.444
Transient Occupancy Tax	5.631	6.591	5.900	7.174	6.426	6.531	6.105	6.196	6.289	4.764	4.835
Property Tax In Lieu of MVL Fees	32.169	37.090	39.300	39.791	41.279	41.615	41.944	42.678	43.851	45.366	47.882
Franchise Fees	2.755	3.155	2.850	3.029	3.562	3.079	3.028	3.088	3.150	3.213	3.277
Interest Earnings	4.149	3.148	2.000	2.642	1.500	1.100	1.000	1.000	1.000	1.000	1.500
Other Revenue	17.864	9.543	8.890	9.554	7.992	10.124	8.072	8.153	8.234	8.317	8.400
TOTAL	183.097	188.300	189.990	196.052	196.329	197.399	195.324	198.440	203.492	206.147	214.115
Dollar Change Per Year		\$5.203	\$1.690	\$6.062	\$0.277	\$1.347	-\$1.005	\$3.116	\$5.051	\$2.655	\$7.968
Cumulative Change from FY 06-07 Actual		\$5.20	\$6.89	\$12.96	\$13.23	\$14.30	\$12.23	\$15.34	\$20.39	\$23.05	\$31.02
GROWTH RATES:											
Secured Property Tax	16.75	10.86	5.82	7.03	3.30	3.85	1.61	1.75	2.75	3.50	3.50
Unsecured & Unitary Property Tax	4.08	5.66	0.67	0.39	0.10	4.72	2.00	2.00	2.00	2.00	2.00
Supplemental Property Tax	43.34	-36.08	-20.44	-11.72	-16.87	-26.43	-22.50	0.00	5.00	5.00	5.00
Property Transfer Taxes	-10.96	-1.05	-29.77	-27.64	-15.47	-9.20	-15.00	2.00	2.50	2.50	2.50
Retail Sales Tax	8.57	16.51	-8.71	-0.02	-3.57	-14.12	-8.00	0.00	1.25	1.25	1.25
Transient Occupancy Tax	16.95	17.05	-10.48	8.85	-10.43	-8.96	-5.00	1.50	1.50	1.50	1.50
Property Tax In Lieu of MVL Fees	14.83	15.30	5.96	7.28	3.74	4.58	1.61	1.75	2.75	3.50	5.50
Franchise Fees	12.22	14.52	-9.67	-3.99	17.60	1.65	-15.00	2.00	2.00	2.00	2.00
Other Revenue	118.98	-46.58	-6.84	0.16	-43.22	5.97	1.00	1.00	1.00	1.00	1.00
TOTAL % Change from Prior Yr	21.39	2.84	0.90	4.12	0.14	0.55	-0.51	1.60	2.55	1.30	3.87

Expenditure Detail

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- Focuses on General Fund Contribution
 - Primarily used for salaries of General Fund staff
 - Also used for MOE and non-salary costs such as COPs
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	<i>Salary & Benefit Costs (Dollars in Millions)</i>	<i>FY05-06 Actual</i>	<i>FY06-07 Actual</i>	<i>FY07-08 Actual</i>	<i>FY08-09 Adopted</i>	<i>FY09-10 Projected</i>	<i>FY10-11 Projected</i>	<i>FY11-12 Projected</i>	<i>FY12-13 Projected</i>	<i>FY13-14 Projected</i>
Introduction	Departmental Targets - GF base budget	134.0	143.2	155.6	160.6	160.6	171.8	192.1	205.4	218.4
	Contribution to Designations	21.3	19.4	14.7	6.7	7.8	7.8	7.8	7.8	7.8
	MOE payments to non-GF depts	27.8	30.4	30.5	29.0	29.6	31.2	36.5	37.2	37.7
	Appropriation of Prior Year Revenue	0.0	-4.8	-10.8	0.0	0.0	0.0	0.0	0.0	0.0
	Non-Salary increases					0.3	3.5	1.0	4.4	17.4
	MOE increases					1.1	4.6	0.0	-0.2	0.0
	Salary and benefit increases					10.8	16.8	12.3	8.6	7.9
	Annual Total	183.100	188.272	189.999	196.367	210.263	235.733	249.662	263.162	289.252
	Other Future Year Impacts									
	General Fund	BASE GROWTH RATES:								
Target % change			6.9%	8.6%	3.2%	7.0%	19.6%	19.5%	13.7%	18.7%
TOTAL % Change from Prior Yr			2.8%	0.9%	3.4%	7.1%	12.1%	5.9%	5.4%	9.9%
Revenue	GFC Calculation									
	Non-Salary Cost Increases	Gray information is included as part of the base budget above but are here for historical detail								
	Proposition 172 Fire Backfill (Fire staffing)	0.42	0.57	0.48	0.35	0.26				
	Fire Department level of service	2.86	2.60	2.63	1.91	0.09	1.10	2.87	4.39	
	Budgeted Strategic Reserve Allocation									
	Completed COP payments							-1.90		
	Jail COP						2.40			
	New jail operations									17.40
	Maintenance of Effort Increases									
	MOE: Social Services Mandate Match	9.10	11.27	11.27	8.50	1.35	4.60		-0.20	
MOE: Courts Mandate Match	7.72	7.61	7.61	7.60						
MOE: ADMHS Mandate match	1.60	1.85	1.85	3.15	-0.28					
MOE: Public Health Mandate Match	8.12	8.33	8.33	8.06						
MOE: Roads Match	1.25	1.35	1.41	1.79						
Other Funds	Salary & Benefit Increases									
	Salaries	2.96	1.62	9.51	-1.06	5.91	4.96	2.96	3.06	3.17
	Equities/Market		0.39	-		0.80	0.85	0.88	0.91	0.94
	Health	0.26	0.55	1.00	0.84	0.33	0.66	0.57	0.63	0.69
	Retirement	2.16	1.65	2.65	2.02	1.01	10.11	7.69	3.73	2.87
	OPEB				3.87	2.77	0.22	0.23	0.25	0.27
	Total Annual GFC Increase	36.46	37.78	46.73	37.03	12.23	24.88	13.30	12.77	25.35
	Total Cumulative \$ Change from FY 06-07 Actual			46.73	83.77	96.00	120.87	134.18	146.95	172.30

Other Funds and Recommendations

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- Departmental staff are here to discuss the details of their 5-year forecasts or to answer questions
 - Recommendations:
 - Hold the third part of a four-part 2009-2010 budget development workshop and receive the Fiscal Year 2009-2010 Budget Development – Five Year Financial Forecasts Report; and
 - Accept and file updated five year financial forecasts for: Public Health; Alcohol, Drug, & Mental Health Services; Social Services; Fire Department; Housing and Community Development; the Road Fund; and the County General Fund.
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