

**Fiscal Year 2008-2009**

**Second Quarter  
Financial Status Report**

*2/3/2009*

*Issued by the*

*County Executive Office and*

*Auditor-Controller*

# This agenda item consists of 2 issues

- Second Quarter financial status report
  - Various revenues below estimates throughout the County
  - Five departments on track to end year negative
  - General County Revenues not expected to meet budget
  - Delays in reducing services to meet available revenue results in using reserves
- State proposed budgets
  - Governor's proposed budget released Dec. 31
  - State faces cash and budget crises

## Overview

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# Highlights for All Funds

- The recessionary economic factors began impacting County budgets significantly during the second quarter
  - Lower revenues
  - Changes in service demands
- General Fund: District Attorney, Probation, Public Health, Clerk-Recorder-Assessor, and General Services projected to end the year negative

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# Financial Summary      General Fund Departments

As of: 12/31/2008 (50% Elapsed)  
Accounting Period: CLOSED

Selection Criteria: FundType = 01-06

Layout Options: Summarized By = Fund, Department; Columns = YearEndProjections

Department	Revenues Fiscal Year Adjusted Budget	Revenues Projected Actual	Revenues Projected Variance	Expenditures Fiscal Year Adjusted Budget	Expenditures Projected Actual	Expenditures Projected Variance	Net Financial Projected Variance
<b>Fund 0001 -- General</b>							
011 -- Board of Supervisors	3,500.00	3,500.00	0.00	2,590,862.00	2,440,554.21	150,307.79	150,307.79
012 -- County Executive Office	1,188,202.00	1,157,283.92	-30,918.08	4,051,746.00	3,809,501.32	242,244.68	211,326.60
013 -- County Counsel	5,561,341.00	6,080,869.56	519,528.56	7,763,014.00	8,229,143.47	-466,129.47	53,399.09
021 -- District Attorney	7,235,002.00	7,110,388.68	-124,613.32	18,211,497.00	18,595,350.80	-383,853.80	-508,467.12
022 -- Probation	22,263,505.47	21,594,012.94	-669,492.53	43,288,022.47	43,133,667.03	154,355.44	-515,137.09
023 -- Public Defender	3,725,155.00	3,603,258.80	-121,896.20	10,043,480.00	9,869,650.02	173,829.98	51,933.78
031 -- Fire	51,389,909.00	44,929,110.41	-6,460,798.59	52,980,534.00	53,542,519.45	-561,985.45	-7,022,784.04
032 -- Sheriff	67,913,380.13	67,666,288.77	-247,091.36	99,927,648.13	100,240,460.84	-312,812.71	-559,904.07
041 -- Public Health	2,948,467.41	2,896,997.35	-51,470.06	5,846,984.41	5,840,969.35	6,015.06	-45,455.00
051 -- Agriculture & Cooperative Exte	1,797,790.00	1,836,800.82	39,010.82	3,773,786.00	3,671,253.40	102,532.60	141,543.42
052 -- Parks	7,927,192.40	7,847,885.76	-79,306.64	11,696,552.40	11,564,802.80	131,749.60	52,442.96
053 -- Planning & Development	13,415,048.94	14,094,729.62	679,680.68	19,428,517.94	19,062,783.21	365,734.73	1,045,415.41
054 -- Public Works	3,363,499.00	3,281,990.56	-81,508.44	3,951,189.00	3,861,229.48	89,959.52	8,451.08
055 -- Housing/Community Development	1,207,169.00	1,033,730.34	-173,438.66	1,958,696.00	1,888,867.79	69,828.21	-103,610.45
061 -- Auditor-Controller	3,289,517.00	3,193,020.28	-96,496.72	7,416,870.00	7,107,057.51	309,812.49	213,315.77
062 -- Clerk-Recorder-Assessor	13,744,950.00	13,501,879.40	-243,070.60	22,806,309.00	22,176,259.85	630,049.15	386,978.55
063 -- General Services	11,076,463.00	10,680,935.43	-385,527.57	18,223,222.00	17,935,287.36	287,934.64	-97,592.93
064 -- Human Resources	2,429,526.00	2,569,279.03	139,753.03	4,518,662.00	4,451,193.88	67,468.12	207,221.15
065 -- Treasurer-Tax Collector-Public	3,407,521.00	3,305,756.90	-101,764.10	6,274,745.00	6,081,743.31	193,001.69	91,237.59
066 -- Information Technology	738,243.00	652,246.00	-85,997.00	1,581,901.00	1,489,892.92	92,008.08	6,011.08
990 -- General County Programs	16,608,691.00	16,349,471.03	-259,219.97	96,503,435.00	96,308,840.53	194,594.47	35,364.50
991 -- General Revenues	196,644,099.06	193,888,971.65	-2,755,127.51	305,247.06	305,248.06	-1.00	-2,755,128.51
<b>Total General</b>	<b>437,878,171.41</b>	<b>427,288,407.15</b>	<b>-10,589,764.26</b>	<b>443,142,910.41</b>	<b>441,506,276.59</b>	<b>1,636,633.82</b>	<b>-8,953,130.44</b>

# General Fund Summary

- General Fund projected to end the year with a deficit
- Departments have commenced certain expenditure reductions; more are needed
- One time reserves will need to be appropriated this fiscal year

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# Variations: Other Funds

(Attachment A, pages 1 of 4 through 4 of 4)

- Road Operations Fund (0015): net positive variance of \$1,252,215 a result of staffing vacancies and lower vehicle maintenance costs.
- Mental Health Services Fund (0044): apparent net positive variance of \$3,454,044 largely a result of timing.
  - ADMHS liability: at the end of Fiscal Year 2007-2008 the County booked \$17 million in liabilities and disclosed, but did not book an additional contingent liability of \$15 million. This situation could impair the strategic reserve.

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# State Budget Impacts

- Governor's proposed budget
  - \$42 billion deficit
  - Funding cuts largely focus on public safety and social services
  - Revenues:
    - 1.5% sales tax increase
    - Diverting Prop 10
    - Diverting Prop 63
  - Immediate concern: cash flow issues

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