



Blue Ribbon Budget Task Force

**Presentation of Report and
Recommendations to the Board
of Supervisors**

May 2, 2006



Purpose of the Task Force

Five individuals with business expertise and a willingness to bring that expertise to the County

First District – Bill Kimsey

Second District – Judith Hopkinson

Third District – Parker Montgomery

Fourth District – William Watkins

Fifth District – Jack Boysen

Broad goals of the Task Force were:

- Identify best practices the County could apply
- Make the County budget process more transparent
- Promote greater public participation



Identified Challenges

- CHALLENGE 1:
 - POTENTIAL STRUCTURAL DEFICIT



CHALLENGE ONE: POTENTIAL STRUCTURAL DEFICIT

- Discretionary revenue is not projected to grow as quickly as the associated expenditures of General Fund Contribution (GFC) salary and benefit costs
- Initially small but growing permanent gap
- County is projecting to enter a structural deficit in fiscal year 2007-2008



Identified Challenges

- CHALLENGE 1:
 - POTENTIAL STRUCTURAL DEFICIT
- CHALLENGE 2:
 - EXPENDITURE GROWTH



CHALLENGE TWO: EXPENDITURE GROWTH

- County's budget expenditures grew 38% from 1999-2005
- General Fund Contribution (GFC) increased 35% from 1999-2005



Identified Challenges

- CHALLENGE 1:
 - POTENTIAL STRUCTURAL DEFICIT
- CHALLENGE 2:
 - EXPENDITURE GROWTH
- CHALLENGE 3:
 - EXTERNAL ECONOMIC FACTORS



CHALLENGE THREE: EXTERNAL ECONOMIC FACTORS

- Pension costs
- Health care costs
- Uncertain revenue streams
- High cost of living



Identified Challenges

- CHALLENGE 1:
 - POTENTIAL STRUCTURAL DEFICIT
- CHALLENGE 2:
 - EXPENDITURE GROWTH
- CHALLENGE 3:
 - EXTERNAL ECONOMIC FACTORS
- CHALLENGE 4:
 - CAPITAL INVESTMENT NEEDS



CHALLENGE FOUR: CAPITAL INVESTMENT NEEDS

- New jail
- Roads
- Backlog of unfunded projects
- Capital and deferred maintenance expenses



If the County is to Meet Its Capital Needs and Maintain the Levels of Service It Currently Provides to Its Citizens:

- **The County must find added revenue sources**
- **Process improvements and operational efficiencies will provide additional savings**

*20 Recommendations organized into 3 opportunity areas:

- Revenue Enhancement
- Operational Efficiencies
- Process Improvements



Revenue Enhancement Recommendations

- Economic Development
- Set fees to recover costs
- Systematically identify new revenues
- Preserve revenue via land use agreements
- Increase the hotel bed tax



Operational Efficiencies

- Improve Information Technology
- Conduct department reviews
- Scrutinize overmatches
- Sell or lease surplus property
- Relocate some services closer to customer base
- Review Probation services
- Increase the County's ability to outsource
- Update human resources system
- Coordinate services with other governments



Process Improvement

- Improve certain budget processes
- Create citizen input/comment system
- CEO oversight/review of all projects
- Improve land use regulations
- General Services involvement in all construction projects
- Improve certain purchasing processes



IMPLEMENTATION

- Board of Supervisors leads prioritization of recommendations
- County Executive Officer report progress to Board every six months
- Detailed recommendation plan with cross reference to the County policy model begins on page 56 of the report



Thank You To All Who Assisted

- 18 meetings June through March
- Three dozen attendees
- Michael F. Brown, County Executive Officer
- Department Directors and key executives
- Jason Stilwell as study director

Questions?