



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: 11/15/11
Placement: Departmental
Estimated Tme: 30 min
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Chandra L. Wallar, County Executive Officer *CW*
Robert Geis, CPA, Auditor Controller *R Geis*

Contact Info: Tom Alvarez, 568-3432

SUBJECT: 2011 Financial Outlook Report

Recommended Actions:

That the Board of Supervisors:

Accept the 2011 Financial Outlook Report and receive a presentation on the economic context and impending financial challenges faced by the County in FY 2012-13 and subsequent years.

Background:

In October of 2010, the Board received a report entitled "Fiscal Issues Report." That report summarized certain and potential financial issues the County was facing at that time. The Financial Outlook Report provides an update of events that transpired since that report and provides the outlook into FY 2012-13 and the immediate horizon thereafter.

Summary Text:

The requested hearing is to present to the Board of Supervisors a report entitled "Financial Outlook Report." The report provides the Board a summary of the key financial issues that face the County in the coming years. The report discusses the County's economic picture and key financial issues that will or are likely 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 policy development process for the FY 2012-13 budget. It is important to state that the amounts included in this report are estimates with varying degrees of certainty and are intended to alert the Board of potential financial issues. In prior years, the Board has received similar reports titled the Fiscal Issues Reports. In addition, the County Executive Office and the Auditor Controller's Office have been providing and will continue to provide the Board with quarterly updates of the significant fiscal issues throughout the past year.

The Fiscal Outlook Report is composed of three sections:

1. Economic Outlook
2. Fiscal Issues
3. FY 2012-13 Projected Budget Gap.

1. The Economic Outlook section provides a brief overview of the current state of the economy both at the national and local level.

2. The Fiscal Issues section categorizes the issues into three tiers according to the likelihood they will occur within the next two years: I. Expected Occurrence; II Probable Occurrence; III Possible Occurrence. This section also provides an individual description of the issue and an estimated impact to the County budget.

The FY 2012-13 Projected Budget Gap section provides financial details on the total estimated changes to the local discretionary funds. The components of this “gap” including the impact to the General Fund and the Special Revenue Funds are shown in section 3.

Attachments: Financial Outlook Report
Presentation

Authored by:
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