



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: CEO, Auditor
Controller, Clerk
Recorder Assessor,
Treasurer Tax Collector
Department No.: 12,61,62,65
For Agenda Of: February 3rd, 2009
Placement: Departmental
Estimated Tme:
Continued Item: 90 minutes
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Michael F. Brown, County Executive Officer
Directors Bob Geis, Auditor-Controller
Joe Holland, Clerk-Recorder-Assessor
Bernice James, Treasurer-Tax Collector
Contact Info: Jason Stilwell, 568-3413
SUBJECT: Fiscal Year 2009-2010 Budget Development Workshop - Revenue

Recommended Actions:

That the Board of Supervisors hold the first part of a four-part 2009-2010 budget development workshop and receive the Fiscal Year 2009-2010 Budget Development – Revenue Report.

Summary Text:

This budget development workshop is designed to timely bring forward to the Board information outlining factors contributing to the multifaceted and complex financial challenges of Fiscal Year 2009-2010. The budget development workshop is segmented into four sections: revenue environment, retirement funding, five-year financial forecast, and potential service level impacts. This first segment of the four part workshop presents the recent revenue trends and revenue outlook for Fiscal Year 2009-2010 based on data available to date and the economic outlook.

The revenue environment segment of the workshop presents the key trends in property taxes revenues, sales tax revenues, transient occupancy taxes, and interest earning and the investment environment.

Background:

Given that the financial challenges are multifaceted and complex the budget workshop is segmented to break the complex issues into multiple meetings and to bring information forward to the Board on a timely basis. The segmentation of the workshop is as follows:

- February 3, 2009: Revenue environment
Revenues of all types are declining. This will force reductions in service levels. This segment of the workshop will describe the recent revenue trends and describe potential future revenue trends.
- February 10, 2009: Funding retirement
Retirement costs are anticipated to be significant components of future County budgets. This segment of the workshop will enable the Board to understand the impacts of the retirement funds on the County budget and the result of recent market volatility on the County retirement costs.
- February 17, 2009: Five-year financial forecasts
The five year plans identify financial trends over the immediate horizon. These trends are significantly influenced by the current recessionary economic environment.
- February 24, 2009: Expenditures and potential service level impacts
By February we will have had a chance to review department budget requests and identify the major problems. Staff anticipates there will be significant service level reductions required to develop a balanced Fiscal Year 2009-2010 budget. This segment of the workshop will present the potential service level reductions to the Board for discussion. It is scheduled for four hours so that the Board can interact with the departments to discuss the impacts.

Attachments:

Fiscal Year 2009-2010 Budget Development Workshop - Revenue Report

Authored by: Xenia Tihomirova, Fiscal & Policy Analyst, 568-3421

cc:

All Department Directors
All ACEOs
All CEO Fiscal & Policy Analysts