

Stanislaus County, California



Striving to be the Best

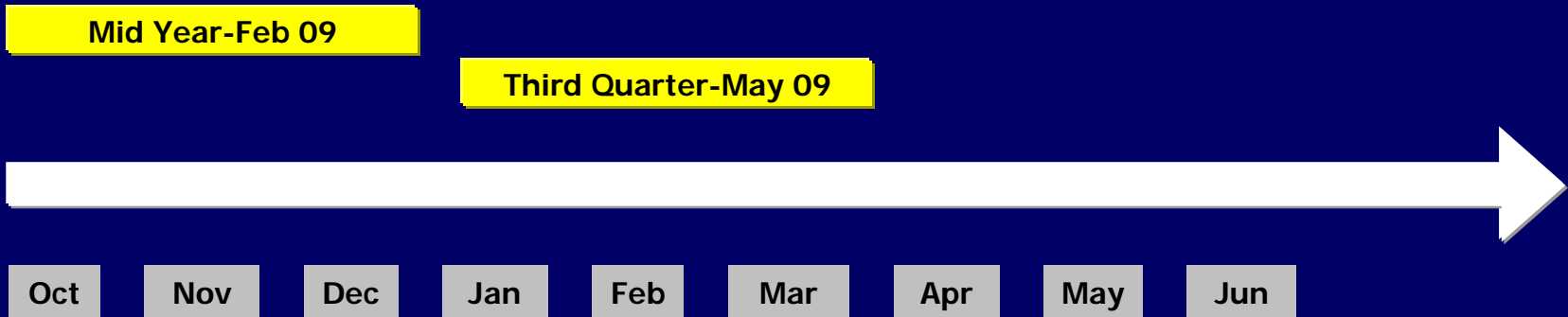
**Mid-Year
Financial Report
Fiscal Year 2008-2009
February 17, 2009**

Mid-Year Report by Board of Supervisors Priorities

- *A safe community*
- *A healthy community*
- *A strong local economy*
- *Effective partnerships*
- *A strong agricultural economy/heritage*
- *A well-planned infrastructure system*
- *Efficient delivery of public services*

Fiscal Reporting

- Mid Year Report
- Third Quarter Report



Mid-Year Review Goals

- Determine fiscal performance of the County Budget for the first 6 months of the fiscal year
- Identify outstanding budget issues
- Make adjustments to end the fiscal year in a positive financial position
- Look ahead to the next coming year

Challenging Fiscal Times

- Worsening economy
- Significant loss in local discretionary revenue
- State Budget Crisis continues
- Federal Stimulus Package signed today

Strategic Options for Fiscal Year 2008-2009

- Create a fund balance savings of at least *\$5 million by year end*
- 3% targeted reductions in the General Fund issued at Mid-Year
- Minimize contingency fund transfers to create year end fund balance

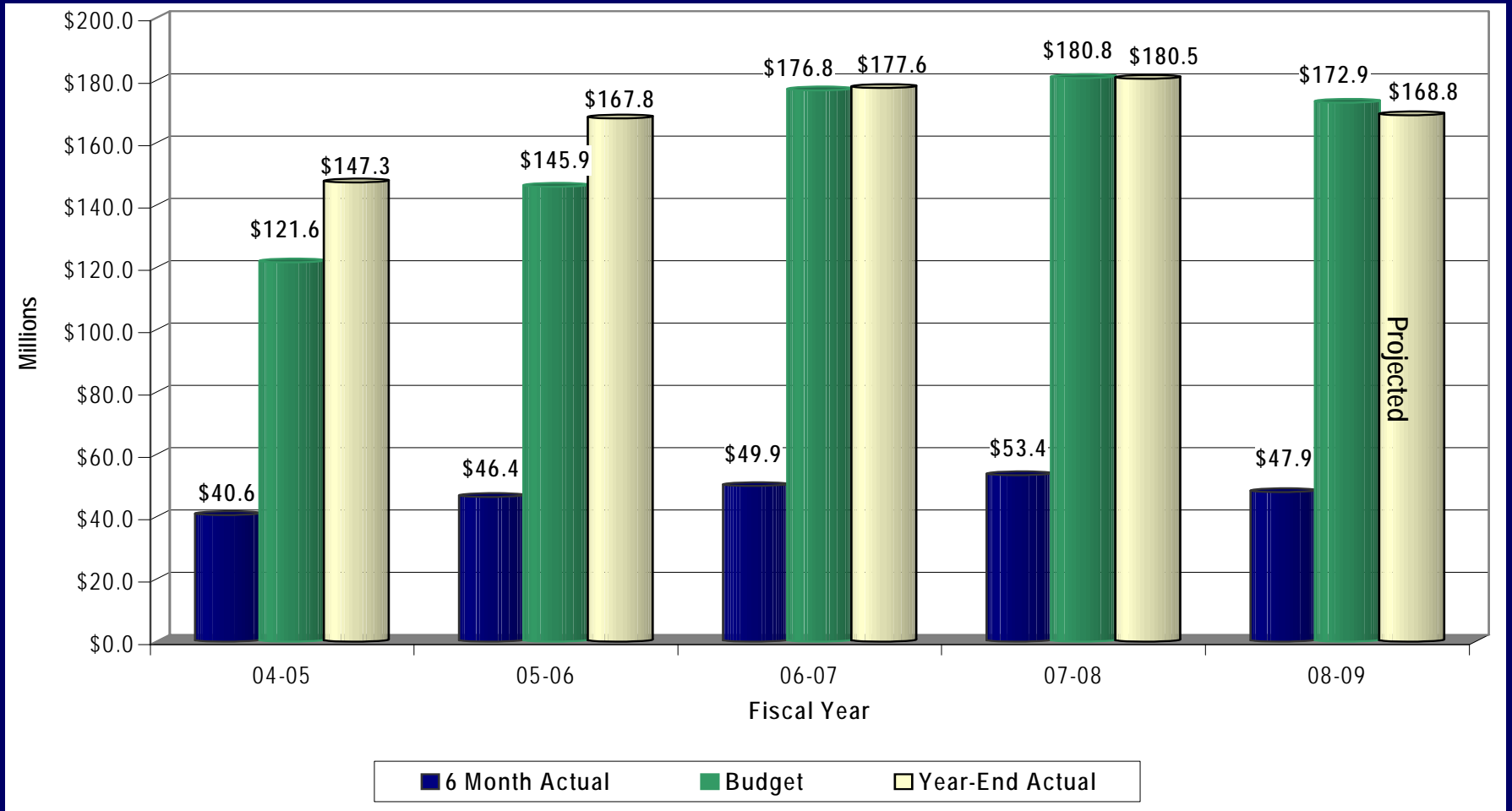
Strategic Options for Fiscal Year 2008-2009

- Evaluate Tax Loss Reserve Fund revenue potential
- Avoid the use of designations/reserves for operating expenses
- Continue cost reduction strategies

Mid-Year Budget Changes by Priority

Board Priority	Final Budget 2008-2009	First Quarter Adjustments	Mid-Year Adjustments	Mid-Year Adjusted Total
A safe community	\$167,432,050	(\$1,085,259)	\$463,316	\$166,810,107
A healthy community	457,750,475	(1,159,453)	11,917,737	468,508,759
A strong local economy	23,446,417	900,641	(66,809)	24,280,249
A strong agricultural economy/ heritage	4,727,372	0	0	4,727,372
A well-planned infrastructure system	126,655,724	2,223,536	681,617	129,560,877
Efficient delivery of public services	186,527,019	219,289	(4,078)	186,742,230
Total	\$966,539,057	\$1,098,754	\$12,991,783	\$980,629,594

Discretionary Revenue-5 Year Comparison



Discretionary Revenue

	2008-2009 Change from Final Budget
Transfer Tax	\$537,388
Miscellaneous revenue categories	\$474,222
Public Safety Sales Tax (Prop 172)	(\$1,889,384)
Property Taxes	(\$1,048,326)
Sales Tax	(\$813,832)
Interest Earnings	(\$652,512)
SB813-Admin Cost	(\$475,000)
In lieu of sales and use tax	<u>(\$199,410)</u>
	(\$4,066,854)

A Safe Community-\$463,316

	(\$41,396)	District Attorney
Probation	\$290	
Sheriff	\$504,422	

A Safe Community

Sheriff

\$504,422



- Cal ID
 - Funding for salaries and supplies to fund LiveScan equipment, maintenance contracts and supplies, training for, installation costs, and additional fixed assets
- Contract Cities
 - Increased appropriations to fund overtime and extra help costs for front-line law enforcement funded from Supplemental Law Enforcement Services Fund (SLESF) and from an Office of Traffic Safety grant

A Safe Community

Sheriff

\$504,422



- Inmate Welfare

- Add a position for Honor Farm Vocational Landscape course, Chaplain costs, Literacy Center and fixed assets funded by inmate welfare funds

- Vehicle Theft

- Reimbursement of Task Force personnel expenses.

A healthy community-\$11,917,737

Area Agency on Aging | \$65,000

(\$545,701) ■ BHRS

(\$1,013,485) ■ Child Support

Community Services Agency | \$13,699,104

(\$287,181) | Health Services Agency

A healthy community

(\$545,701) ■ Behavioral Health and Recovery Services

- BHRS

- Reduction in Medi-Cal and Realignment, StanWorks, Probation and other contracts reductions, elimination of MIO Grant

A healthy community

(\$1,013,485) ■ Child Support Services

- Child Support Services
 - Salary reductions associated with the Reduction in Force (RIF) and relocation of staff from rented facility

A healthy community

Community Services Agency | \$13,699,104

- Community Services Agency
 - Change in office hours and increased State and Federal Funding and County Match to fund negotiated salary increases in In Home Supportive Services

A healthy community- CSA-In Home Supportive Services (IHSS)

- IHSS is a State mandated program that provides in-home services to over 5,000 frail and/or elderly individuals per month.
- The total increase for the IHSS Individual Provider (IP) program at mid-year is \$9,791,200 and is funded by \$8,026,826 in State and Federal funds and by a \$1,764,374 transfer from contingency funds.
- This increase will fund costs associated with the agreement between the County and the United Domestic Workers of America (UDWA7 representing the IHSS workers that included negotiated changes for IHSS provider wages). This agreement was approved by the Board of Supervisors on July 24, 2007.

A healthy community- CSA-In Home Supportive Services (IHSS)

- Due to uncertainties with the State budget, IHSS IP was held to the adopted budget level of \$41.4 million through mid-year.
- With this increase the total estimated appropriations for Fiscal Year 2008-2009 for the IHSS IP are \$51,154,417.
- The total cost for the County at mid-year after the increase is \$8,000,788. The Community Services Agency is able to use other Federal and State funding sources for a majority of these costs resulting in a net General Fund contribution of \$2.5 million of the total \$51,154,417 in appropriations.

A healthy community

(\$287,181) | Health Services Agency

- Health Services Agency
 - A decrease in appropriations to conserve the use of the Public Health Division fund balance

A strong local economy-(\$66,809)

Alliance WorkNet \$236,419

(\$303,228) Library

A strong local economy

Alliance WorkNet | \$236,419

- Alliance WorkNet
 - Increase in appropriations for additional services to dislocated workers and an adjustment for the reduction in contracts

A strong local economy

(\$303,228)	Library
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- Library
 - A decrease in appropriations due to decreased revenue and to meet the 3% targeted reduction goal.

A well-planned infrastructure system- \$681,617

Parks and Recreation ■ \$52,617

Public Works ■ \$629,000

A well-planned infrastructure system

Parks and Recreation  \$52,617

- Parks and Recreation
 - Transfer from Designations for Parks for water system testing and monitoring at Frank Raines Park

A well-planned infrastructure system

Public Works	\$629,000
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- Public Works
 - Increased appropriations for the Morgan Shop, Engineering, Hammett and Kiernan Project Study Report operational budgets
 - Additionally, it includes an adjustment for the use of CSA 10-Public Works fund balance for storm drain services

Efficient Delivery of Public Services (\$4,078)

	(\$27,000)	Clerk of the Board
CEO-Ops & Services		\$10,000
	(\$1,764,374)	CEO-Appropriations for Contingencies
CEO-County Match		\$1,764,374
CEO-Crows Landing		\$338,109
	(\$325,187)	GSA-Facilities Maintenance

Efficient Delivery of Public Services

(\$1,764,374)

CEO-Appropriations for Contingencies

CEO-County Match

\$1,764,374

- CEO Appropriations for Contingencies/CEO-County Match
 - Transfer from Appropriations for Contingencies to County Match for CSA-Services and Support for negotiated increased in In Home Supportive Services (IHSS)

Efficient Delivery of Public Services

CEO-Crows Landing

\$338,109

- CEO-Crows Landing

- West Park reimbursement PCCP reimbursement of legal costs for project planning and environmental review
- Ag lease with Pride of San Juan

Efficient Delivery of Public Services

(\$325,187) | GSA-Facilities Maintenance

- GSA-Facilities Maintenance
 - Reduction as a result of the court transfer
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Staffing Changes

Priority	Position Change
Previous Total Authorized-	4,385
A safe community	1
A safe community	(1)
A healthy community	(2)
A strong local economy	(3)
New Total Authorized -	4,380

Looking Ahead

- State Budget
- Health Insurance
- Labor Contracts
- Retirement System Cost Exposure
- Worsening economic trends

Strategic Options being considered for 2009-2010 Fiscal Year

- Ensure a ***\$5 million fund balance*** in the General Fund at the 2008-2009 year end
- Maintain the no-backfill policy for State and Federal program reductions to avoid further fiscal shortfalls to the County's General Fund
- Direct all Departments to develop program specific reduction plans
- Use the Workers Compensation Retained Earnings on a one-time basis for a ***\$3 million savings***
- Use the Unemployment Retained Earnings on a one-time basis for a ***\$1 million savings***

Strategic Options being considered for 2009-2010 Fiscal Year

- Use the Unemployment Retained Earnings on a one-time basis for a **\$1 million savings**
- Provide Departments with budget reduction targets from 3-10%, or more if necessary
- Reduce base budget for Appropriations for Contingencies
- Consider Implementing strategies to reduce retirement cost
- Evaluate all cost reduction options

Preliminary Budget Schedule

- February 17, 2009 Mid-Year Report to the Board
- **March 13, 2009** **Issue Proposed Budget Instructions**
- April 13, 2009 Proposed Budget Submittals Due
- **May 5, 2009** **Third Quarter Report to the Board**
- May 29, 2009 Proposed Budget Available to the Public
- **June 9 - 11, 2009** **Proposed Budget Hearings**
- September 15-17, 2009 Final Budget Hearings

Recommendations

1. Accept the Chief Executive Officer's Mid-Year Financial Report for Fiscal Year 2008-2009.

Recommendations

2. Authorize the use of \$1,764,374 in Appropriations for Contingencies as recommended in the Mid-Year Financial Report by 4/5 vote of the Board of Supervisors.

Recommendations

3. Authorize the Chief Executive Officer and the Auditor-Controller to make the necessary adjustments as recommended in the Mid-Year Financial Report.

Recommendations

4. Amend the Salary and Position Allocation Resolution as outlined on Attachment "A" effective the start of the February 28, 2009 pay period as recommended in this report.

Recommendations

5. Approve the revised Community Services Agency operating hours that would eliminate extended hours for Community Services Agency on Wednesday evenings effective March 1, 2009.

Recommendations

6. Direct the Chief Executive Officer to implement a budget reduction strategy for the remainder of the current fiscal year, 2008-2009, and for the Proposed Budget for Fiscal Year 2009-2010.

Recommendations

7. Approve contracts and/or agreements listed on Attachment B in cumulative amounts of \$100,000 or greater since July 1, 2003.

Accessing the Final Budget

1. Log on to www.stancounty.com
2. Click on the County Services tab
3. Click on County Sites of Interest
4. Click County Budget
5. Click Mid-Year Report



The screenshot shows the website interface with navigation tabs: SITORS, DOING BUSINESS, COUNTY SERVICES, and ONLINE SERVICES. A search bar and a dropdown menu for 'Shortcut Menu' are visible. The main content area is titled 'COUNTY BUDGET' and includes a link for 'Budget Home Page'. A central image of a calculator and pencil is accompanied by the text: 'This page is dedicated to Budgets and Capital Improvement Plans.' To the right, a box titled '2008-2009 Budgets' contains three links: 'Proposed Budget 2008-2009 [PDF 791 pgs]', 'Final Budget Addendum 2008-2009 [PDF 287 pgs]', and 'First Quarter Financial Report 2008-2009 [PDF 65 pgs]'. At the bottom, a link for 'Mid-Year Financial Report 2008-2009 [Complete Budget Document in PDF - 111 pages]' is highlighted with a blue arrow.

SITORS DOING BUSINESS COUNTY SERVICES ONLINE SERVICES

Search... Go Shortcut Menu Go

COUNTY BUDGET

■ Budget Home Page

 This page is dedicated to Budgets and Capital Improvement Plans.

2008-2009 Budgets

- [Proposed Budget 2008-2009](#) [PDF 791 pgs]
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All files in PDF format require Acrobat Reader, which allows

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