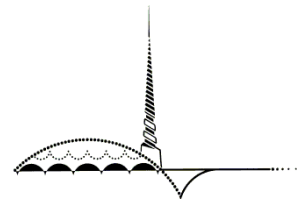


County of Marin

Board of Supervisors Budget Hearings



Overview of Proposed FY 2010-11 Budget

July 26 & 28, 2010

Purpose of FY 2010-11 Budget Hearings

- ◆ Request final approval of FY 2010-11 Proposed Budget
- ◆ Review potential State budget impacts
- ◆ Receive public input
- ◆ Monday: Approve Reduction in Force (RIF) actions consistent with Proposed Budget
- ◆ Wednesday: Adopt Capital Improvement Program, and technical adjustments to County Proposed Budget and Special District Budgets

4-Step Process Toward Balanced Budget

(Not Including State)

1. Voluntary Separation Incentive Program (VSIP)/mid-year reductions
 - ✓ 1st round \$3.6M savings approved January to reduce \$20 million budget shortfall for FY 2010-11
2. March budget hearings
 - ✓ 2nd round of reductions approved to further reduce gap by \$8.0M
3. May budget workshop
 - ✓ With \$3.1 million retirement rate savings confirmed in April, remaining budget shortfall for FY 2010-11 of \$5.4 million
 - ✓ Proposed Budget includes \$3.0 million Countywide cuts, plus \$2.4 million departmental reductions to balance budget (\$5.4M)
4. July Final budget
 - Final Board action to adopt Proposed Budget, including BCP's and remaining \$5.4 million in 3rd round budget reductions

Overview of FY 2010-11 Proposed Budget*

- ◆ All funds budget: \$437.1 million (0.8% decrease)
- ◆ General Fund budget: \$369.9 million (2.5% decrease)
 - Includes \$20.1 million in overall budget adjustments, including elimination of nearly 90 positions
 - \$19.9 million required use of fund balance for ongoing operations, plus \$5 million in one-time allocations, including:
 - \$2.0 million reserve for potential State budget cuts
 - \$1.0 million in additional funding for ADA projects
 - \$0.5 million offset for delayed implementation of RIF's/VSIP reductions
 - \$0.7 million in one-time Budget Change Proposals (BCP's)

Summary of FY 2010-11 County Expenditures By Fund

(\$ Millions)

Fund	Approved FY 2009	Proposed FY 2010*	% Change
General	\$379,547,560	\$369,905,014	-2.5%
Road	\$10,695,450	\$10,756,526	0.6%
Marin Co Library	\$12,971,771	\$13,727,223	5.8%
Child Support Services	\$4,385,459	\$4,195,115	-4.3%
Bldg Inspection	\$2,528,482	\$2,594,430	2.6%
Envrmntl Health Services	\$3,542,945	\$3,391,166	-4.3%
Other Funds**	\$26,723,734	\$32,503,849	21.6%
All Funds	\$440,395,401	\$437,073,323	-0.8%

* Figures do not include technical adjustments or BCP's, and include estimated year-end fund balances

**Other funds include County Fire Special, Special Aviation, Hi-Tech Theft, MIDAS, Retirement, Community Development Block Grants, Grant Funds, Workers' Comp Ins, FishNet, Fish & Game, and Debt Service funds

Revised “A4” and “B” 3rd Round Reductions

\$2.4 Million NCC Reduction; 28.45 Total Positions

A4 Category	Vacant/ VSIP FTE*	Filled FTE	Total FTE	Expenditure Savings	Revenue	Total NCC Savings
County Counsel	(0.50)		(0.50)	(\$72,250)	(\$130,000)	(\$202,250)
District Attorney	(4.00)		(4.00)	(\$397,311)	(\$106,745)	(\$504,056)
Health & Human Services	(12.10)		(12.10)	(\$1,179,160)	\$390,817	(\$788,343)
Public Defender	(1.50)		(1.50)	(\$413,126)	\$105,000	(\$308,126)
Probation	(0.80)		(0.80)	(\$60,846)		(\$60,846)
Sheriff	(1.00)		(1.00)	(\$87,224)		(\$87,224)
Subtotal	(19.90)	0.00	(19.90)	(\$2,209,917)	\$259,072	(\$1,950,845)
B Category						
District Attorney*		1.00	1.00	\$83,839		\$83,839
Health & Human Services		(4.95)	(4.95)	(\$346,650)	\$125,056	(\$221,594)
Probation*		(2.60)	(2.60)	(\$362,456)	\$245,033	(\$117,423)
Public Defender		(1.00)	(1.00)	(\$111,176)		(\$111,176)
Sheriff		(1.00)	(1.00)	(\$78,952)		(\$78,952)
Subtotal	0.00	(8.55)	(8.55)	(\$815,395)	\$370,089	(\$445,306)
Total	(19.90)	(8.55)	(28.45)	(\$3,025,312)	\$629,161	(\$2,396,151)

*Includes 1.0 FTE Mediation Case Developer-Bilingual proposed as transfer from Probation to District Attorney's Office.

(With 3rd round of budget reductions, General Fund position reductions for FY 2010-11 will total 88.55 FTE including all three rounds.)

Elimination of Mediation Services Program

- ◆ Transfer program duties to the Consumer Protection Unit of the District Attorney's Office
 - Approximately \$180,000 annual savings
 - 1.0 FTE bilingual Case Developer transferred to District Attorney to augment bilingual capacity
 - 1.60 FTE Reduction in Force (RIF)
- ◆ Provides best opportunity to maintain services and eliminate ongoing subsidy
- ◆ Mediation Services is a non-mandated program not typically provided by county governments
- ◆ Marin is the only county among our comparable counties with a County-run mediation program

Closure of County's Gynecological Clinic

- ◆ Proposing to close the County's gynecological clinic
- ◆ Involves ongoing savings of approximately \$630k; would require Reduction in Force (RIF) of 1.70 FTE
- ◆ When County opened clinic, no other local agency provided women's health services
- ◆ Today, community providers such as Marin Community Clinics (MCC) provide comprehensive primary care with a comparable standard of care for GYN services
- ◆ MCC also receives higher reimbursement for Medi-Cal covered services

One-Time Allocations

- ◆ The budget includes the use of \$25 million of prior year fund balance. Of this, approximately \$5 million is recommended for one-time allocations
- ◆ Recommended one-time allocations include:
 - Budget Change Proposals - \$707k
 - ADA improvement projects - \$1 million (in addition to existing \$1.7 million CIP allocation)
 - State budget contingency - \$2 million
 - One-time offset for delayed implementation of recommended “B” level reductions and VSIP - \$500k
 - Remaining balance includes one-time costs included within baseline

Budget Change Proposals (BCP's)

- ◆ One-time BCPs recommended totaling \$707k:
 - CDA - Housing Element Update: \$400k
 - CDA - Salmon Enhancement Program: \$250k
 - Sheriff - Voice Recognition Crime Report Writing Project for Patrol Vehicles: \$57,000
- ◆ Ongoing Cost-Covered BCPs:
 - Child Support/Enhanced Collections
- ◆ Ongoing BCPs:
 - Parks - maintenance of Cal-Park Tunnel (opening this summer): \$137k
 - Human Resources - Admin. Reorganization: \$15k

3-Year History of Reductions (FY 2008-09 to FY 2010-11)

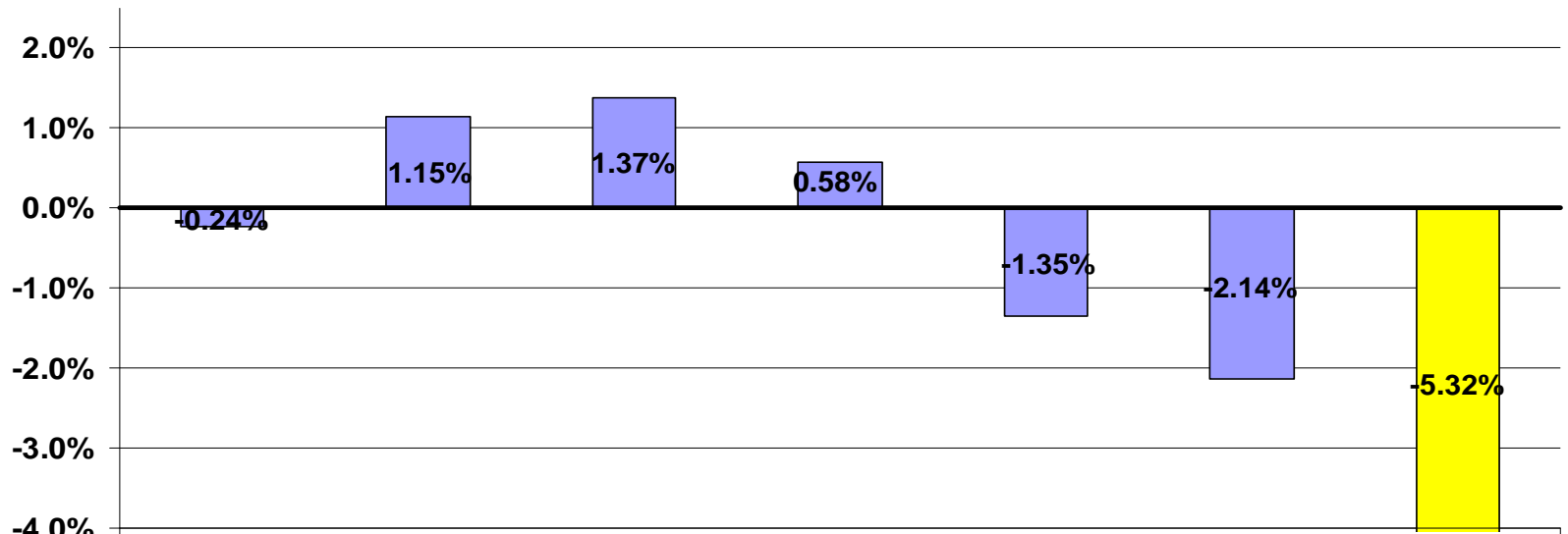
If Board approves recommended FY 2010-11 reductions, including third round reductions totaling \$5.4 million and 28.45 FTE positions:

- ◆ County will have achieved \$30 million in net county cost savings over the past three years
- ◆ \$25 million in expenditure reductions, with nearly 180 positions eliminated overall

County Will Have Eliminated Nearly 180 Positions Over Past 3 Budget Years*

(Approx. 1,830 Recommended General Fund FTE for FY 2010-11)*

Percentage FTE Growth (General Fund)



	Final 04-05	Final 05-06	Final 06-07	Final 07-08	Final 08-09	Final 09-10	Proj. 10-11
% Growth	-0.24%	1.15%	1.37%	0.58%	-1.35%	-2.14%	-5.32%

*If third round of budget reductions is approved including 28.45 positions.

State Budget Update

- ◆ \$19 Billion State shortfall. Nearly 2/3 of Governor's May Revise solutions are expenditure cuts with \$20-\$25 million in local impacts:
 - Mental Health funding could be reduced \$12 million locally
 - Social Services funding reductions, particularly Cal-WORKS and IHSS, up to \$8 million local impact
 - State shifts responsibility for housing non-violent felons (with < 3 year sentences) to local jails vs. State prison
- ◆ 3 competing State budget plans: Administration, Senate & Assembly
 - Budget currently in Conference Committee with many Administration proposals rejected

State Budget Update – Con't

- ◆ Additional realignment of State responsibility to counties likely to be component of any agreement
- ◆ Given long-term internal budget challenges, we recommend reduced spending to live within revised State revenue allocations
 - \$2 million State budget reserve to address delay in State budget resolution
 - Return to Board this summer regarding specific reductions and related policy issues, likely to include some RIF's
 - Continue to hold positions vacant, esp. in at-risk programs
 - Direction from Board to adjust contracts within State-funded programs for known reductions with 30-day notice to providers for change in service levels
 - Ultimately, fewer safety net services likely to be funded



Questions



- ◆ Questions or comments
- ◆ Public testimony

Overview of Public Safety Service Area

- ◆ Coroner
- ◆ Child Support Services
- ◆ District Attorney
- ◆ Fire
- ◆ Probation
- ◆ Public Defender
- ◆ Sheriff



Public Safety

All Funds Summary of Budget

(\$ Millions)

Service Area	FY 2009-10 Approved Budget	FY 2010-11 Proposed Budget*	Change from Prior Year	% Change
Uses				
Total Expenditures	\$112.10	\$117.53	\$5.43	4.8%
Sources				
General Fund Rev	(\$46.51)	(\$45.35)	\$1.16	-2.5%
Non-Gen Fund Rev	(\$7.67)	(\$7.27)	\$0.39	-5.1%
Total Revenues	(\$54.17)	(\$52.62)	\$1.55	-2.9%
Net County Cost	\$57.93	\$64.91	\$6.98	12.1%

**Total proposed FTE reductions are 26.65 FTE. Above figures do not include technical adjustments, BCP's or \$1.2M NCC in 3rd round reductions including 7.30 FTE vacant and 3.60 FTE filled positions (10.90 FTE total).*

Public Safety

FY 2009-10 Accomplishments

- ◆ Child Support Services ranked 4th in the state for overall performance, making this the sixth consecutive year to be ranked among top ten
- ◆ Fire Chief Ken Massucco was honored as 2009 Fire Chief of the Year by the California Fire Chiefs Association
- ◆ Fire facilitated *Get Ready* (emergency preparedness) program for fifth graders in many Marin schools with such success that it has inspired revision of the *Get Ready* program for seniors
- ◆ Probation was awarded a three year planning grant for addressing disproportionate number of minorities in Juvenile Division programs
- ◆ Public Defender experienced significant increase in early settlements
- ◆ Sheriff's Office introduced a re-entry program to reduce the rate of recidivism, and reduced the average daily population from a year ago

Overview of Health and Human Services Service Area

- ◆ Community Mental Health
- ◆ Aging and Adult Services
- ◆ Public Health
- ◆ Alcohol, Drug & Tobacco
- ◆ Social Services



Health and Human Services Summary of Budget (*\$ Millions*)

Service Area	FY 2009-10 Approved Budget	FY 2010-11 Proposed Budget*	Change from Prior Year	% Change
Uses				
Total Expenditures	\$148.7	\$150.3	\$1.5	1.0%
Sources				
General Fund Rev	(\$112.6)	(\$109.4)	\$3.2	-2.9%
Non-Gen Fund Rev	(\$0.6)		\$0.6	-100.0%
Total Revenues	(\$113.2)	(\$109.4)	\$3.8	-3.4%
Net County Cost	\$35.6	\$40.9	\$5.4	15.1%

**Total proposed FTE reductions are 42.25 FTE. Above figures do not include technical adjustments, BCP's or \$1.0M NCC in 3rd round reductions including 12.10 FTE vacant and 4.95 FTE filled positions (17.05 FTE total).*

Health and Human Services

FY 2009-10 Accomplishments

- ◆ Migrated clinical services to community clinics to increase overall amount of financial support coming into Marin County for healthcare
- ◆ Implemented 'Wraparound Program' through contract with Seneca Programs to prevent children from going into institutional placements
- ◆ Awarded one of two federal Department of Justice grants of \$200,000 to expand the Support and Treatment After Release (STAR) Program for mentally ill offenders
- ◆ Rolled out a federal stimulus-funded subsidized employment program for CalWORKs participants to place 260 clients into employment
- ◆ Created a new Workforce Investment Board/Marin Employment Connection website to better serve job seekers and employers
- ◆ Initiated Federal Stimulus-funded Homeless Prevention and Rapid Rehousing programs

Overview of Community Services Service Area

- ◆ Agriculture, Weights and Measures
- ◆ Cultural and Visitor Services
- ◆ Farm Advisor
- ◆ Library
- ◆ Parks and Open Space



Community Services

All Funds Summary of Budget

(\$ Millions)

Service Area	FY 2009-10 Approved Budget	FY 2010-11 Proposed Budget*	Change from Prior Year	% Change
Uses				
Total Expenditures	\$23.20	\$23.95	\$0.75	3.2%
Sources				
General Fund Rev	(\$4.76)	(\$4.86)	(\$0.11)	2.2%
Non-Gen Fund Rev	(\$11.95)	(\$11.81)	\$0.14	-1.2%
Total Revenues	(\$16.71)	(\$16.67)	\$0.04	-0.2%
Net County Cost	\$6.49	\$7.28	\$0.79	12.1%

**Total proposed FTE reductions are 2.0 FTE. Above figures do not include technical adjustments or BCP's.*

Community Services

FY 2009-10 Accomplishments

- ◆ Completed first year of Woodacre Creek Upland Habitat Improvement Project to reduce sediment contribution to Salmonid-bearing streams
- ◆ Parks and Open Space began Phase I of the Road and Trail Management Plan to better address the management of the District's 200+ miles of roads and trails
- ◆ 2009 Marin County Fair received 48 individual Achievement Awards from the Western Fairs Association for program excellence
- ◆ Farm Advisor conducted 300 home garden water conservation consultations through the Bay-Friendly Water Walks Program, which reduced annual water usage of homeowners by up to 15 percent
- ◆ Marin County Free Library was rated a "three star library" in the *Library Journal* for the number of visitors, circulation, program attendance and public internet usage

Overview of Community Development and Public Works Service Area

- ◆ Community Development Agency
- ◆ Department of Public Works



Community Development and Public Works All Funds Summary of Budget

(\$ Millions)

Service Area	FY 2009-10 Approved Budget	FY 2010-11 Proposed Budget*	Change from Prior Year	% Change
Uses				
Total Expenditures	\$55.13	\$51.95	(\$3.18)	-5.8%
Sources				
General Fund Rev	(\$16.87)	(\$16.30)	\$0.57	-3.4%
Non-Gen Fund Rev	(\$19.71)	(\$18.37)	\$1.34	-6.8%
Total Revenues	(\$36.58)	(\$34.67)	\$1.91	-5.2%
Net County Cost	\$18.55	\$17.27	(\$1.27)	-6.9%

**Total proposed FTE reductions are 5.0 FTE. Above figures do not include technical adjustments or BCP's.*

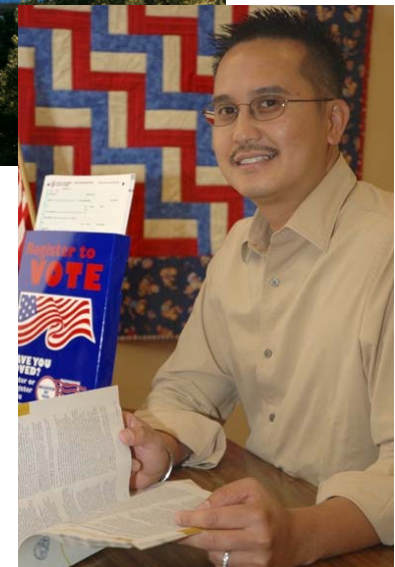
Comm. Develop. & Public Works

FY 2009-10 Accomplishments

- ◆ Developed a model green building ordinance in collaboration with building industry experts and representatives from other jurisdictions
- ◆ Reduced 800 tons of additional greenhouse gas from solar installations in county and exceeded sustainability program targets
- ◆ Completed preparations for 2010 Census: reviewed 100,000+ addresses; updated all jurisdictional boundaries in cooperation with each city/town; and updated all addresses in Census Bureau database
- ◆ Completed a number of construction projects such as the Los Ranchitos Bike Lanes Project and the Olema-Bolinas Bike/Pedestrian Pathway Project
- ◆ Implemented a countywide, grant-funded Universal Waste Collection Program for batteries and florescent light bulbs

Overview of Administration and Finance Service Area

- ◆ Board of Supervisors
- ◆ County Administrator
- ◆ Assessor-Recorder-County Clerk
- ◆ County Counsel
- ◆ Department of Finance
- ◆ Human Resources
- ◆ Information Services and Technology
- ◆ Treasurer-Tax Collector/Public Administrator/Registrar of Voters



Administration & Finance

All Funds Summary of Budget

(\$ Millions)

Service Area	FY 2009-10 Approved Budget	FY 2010-11 Proposed Budget*	Change from Prior Year	% Change
Uses				
Total Expenditures	\$67.61	\$66.67	(\$0.93)	-1.4%
Sources				
General Fund Rev	(\$12.18)	(\$12.25)	(\$0.07)	0.6%
Non-Gen Fund Rev	(\$10.19)	(\$9.26)	\$0.93	-9.2%
Total Revenues	(\$22.37)	(\$21.51)	\$0.86	-3.8%
Net County Cost	\$45.24	\$45.17	(\$0.07)	-0.2%

**Total proposed FTE reductions are 12.65 FTE. Above figures do not include technical adjustments, BCP's or \$0.2M in 3rd round reductions including 0.50 FTE vacant positions.*

Administration and Finance

FY 2009-10 Accomplishments

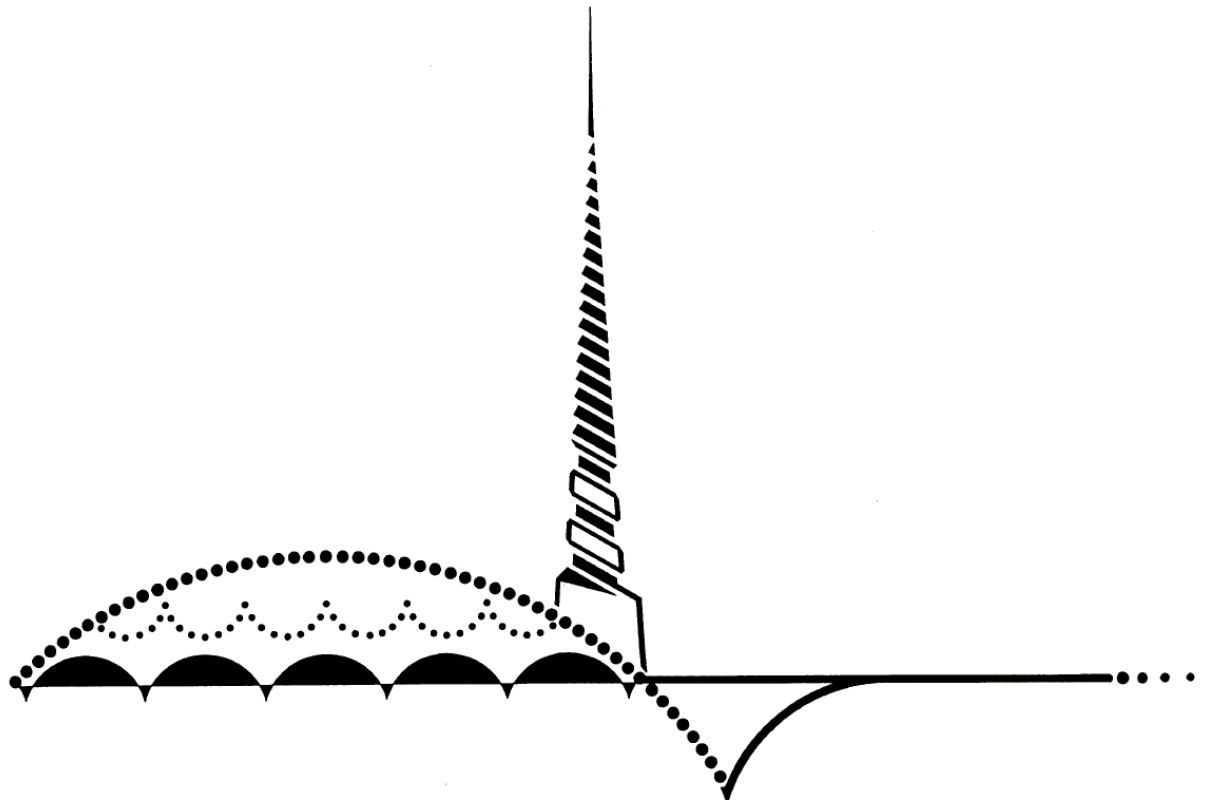
- ◆ Developed and adopted a long-term restructuring plan to help Marin County adapt to new fiscal reality
- ◆ Maintained AAA rating of Marin County Treasurer's Investment Pool
- ◆ Developed and implemented County's first Voluntary Separation Incentive Program (VSIP) and Voluntary Time-Off Program, resulting in ongoing savings of over \$5M
- ◆ County Counsel won review in the California Supreme Court regarding *Greene v. County of Marin* - overturning plaintiff's objection to establishing new flood control fees in the Ross Valley and Mill Valley Flood Control Districts
- ◆ Information Services and Technology eliminated mainframe resulting in over \$500,000 yearly savings
- ◆ Civic Center volunteers provided \$10.9M in services to the County

Next Steps

- ◆ Monday: Approve Reduction in Force (RIF) actions consistent with Proposed Budget
- ◆ Wednesday: Adopt Capital Improvement Program, and technical adjustments to County Proposed Budget and Special Districts Budgets

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Board of Supervisors Budget Hearings



July 26 & 28, 2010