

EMPLOYEE TOWN HALL:  
FINANCIAL STATE OF THE COUNTY &  
BUDGET SOLUTIONS

MARCH 2009



# Agenda

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- Introductions
- Financial State of the County
- Budget Reduction Principles
- Potential Solutions
- Next Steps & Timeline

# Economic Reality

3

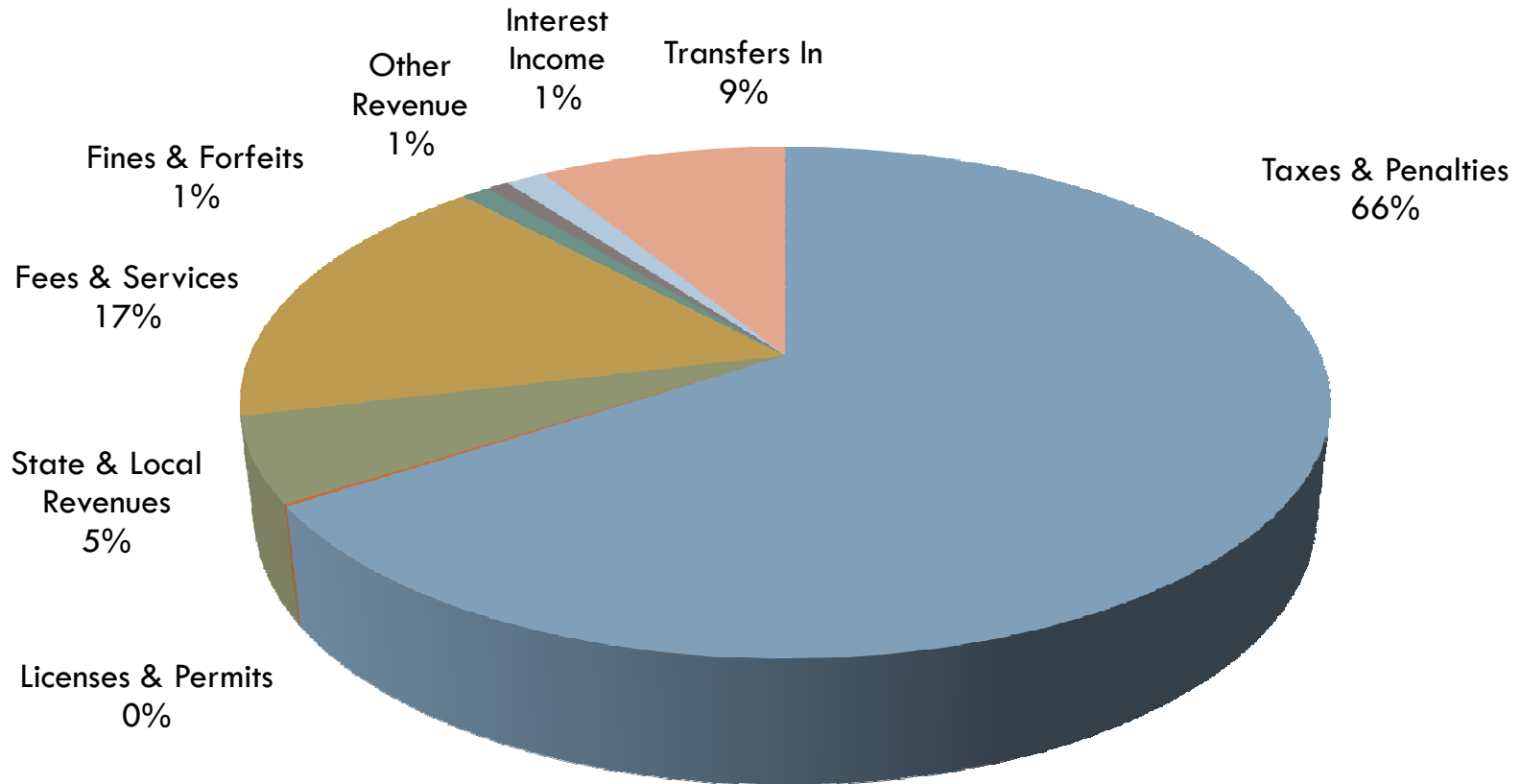
**Worst Crisis Since '30s,  
With No End Yet in Sight**  
- Wall Street Journal

# General Fund Revenues

4

## Revenues by Source

*Based on 2008 Projected Year End*



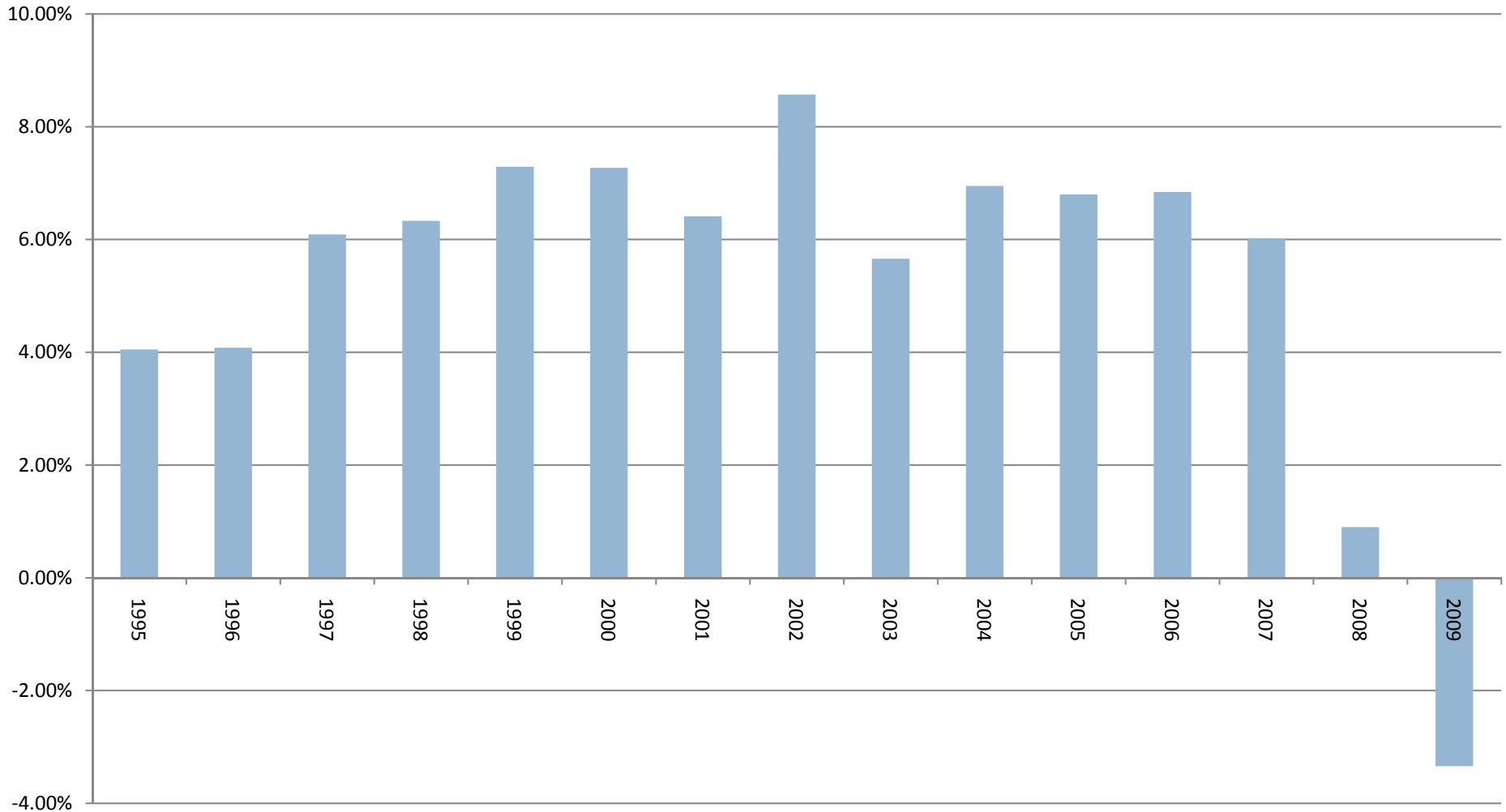
# Taxes and Fees

- Property Tax: Based on Property Values
  - ▣ Property Values are Declining
- Fees: Largely Based on Real Estate Transactions and Development
  - ▣ Number of Transactions have Plummeted

# Property Values are Declining

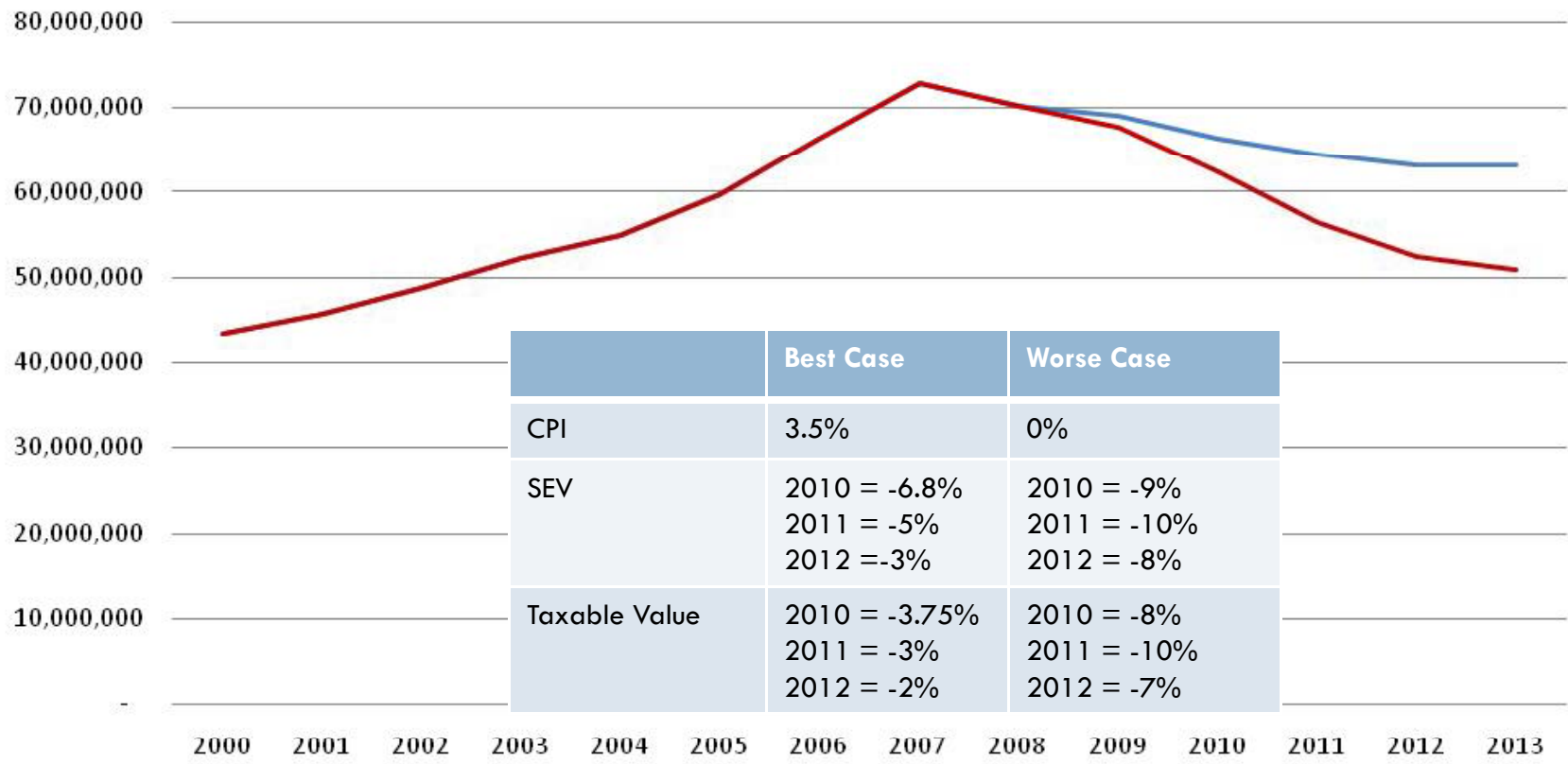
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## Change in Taxable Value



# General Fund Projections

## Property Tax Projection



— Best Case — Worse Case

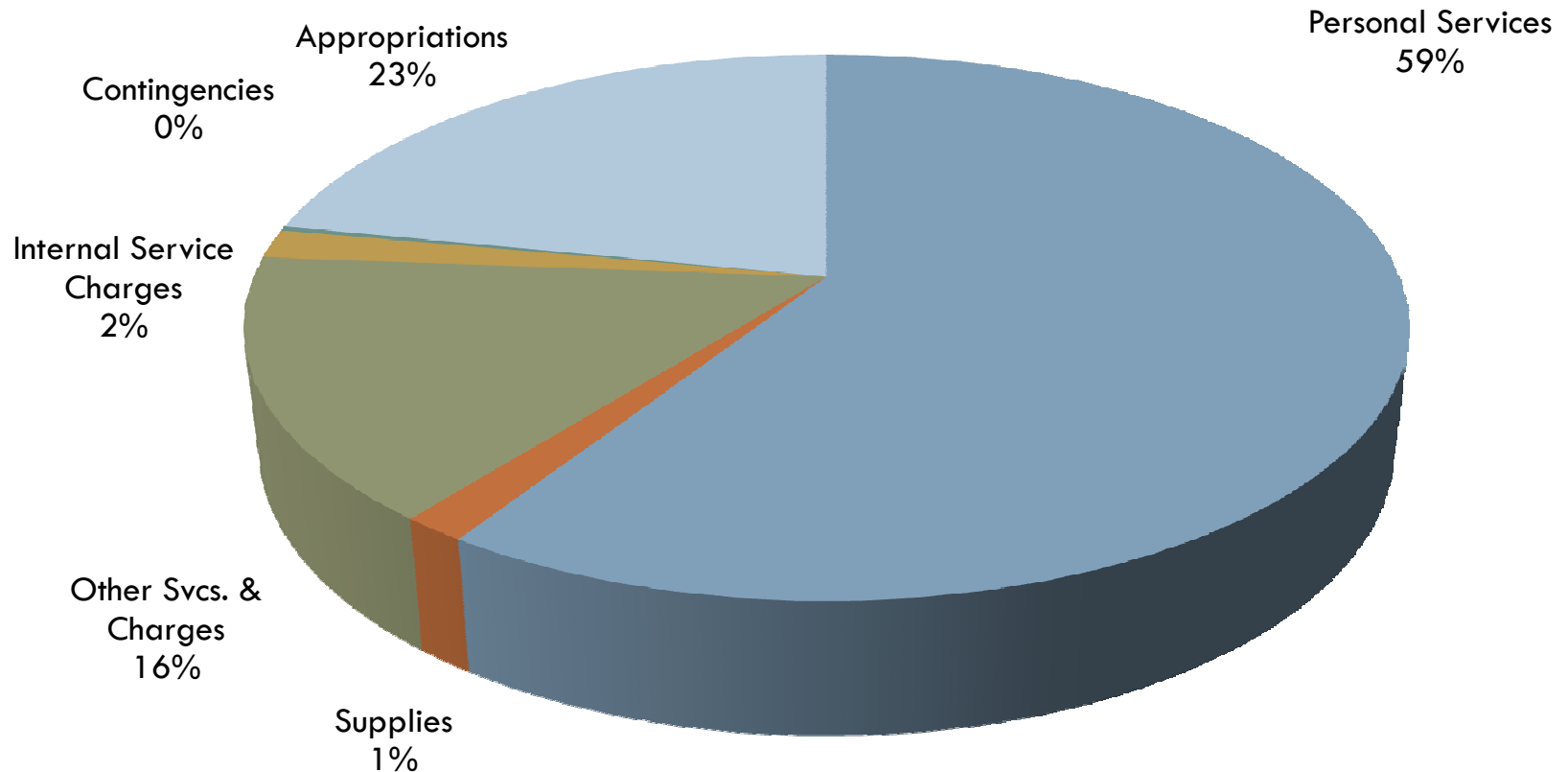
# General Fund Expenditures

## By Category

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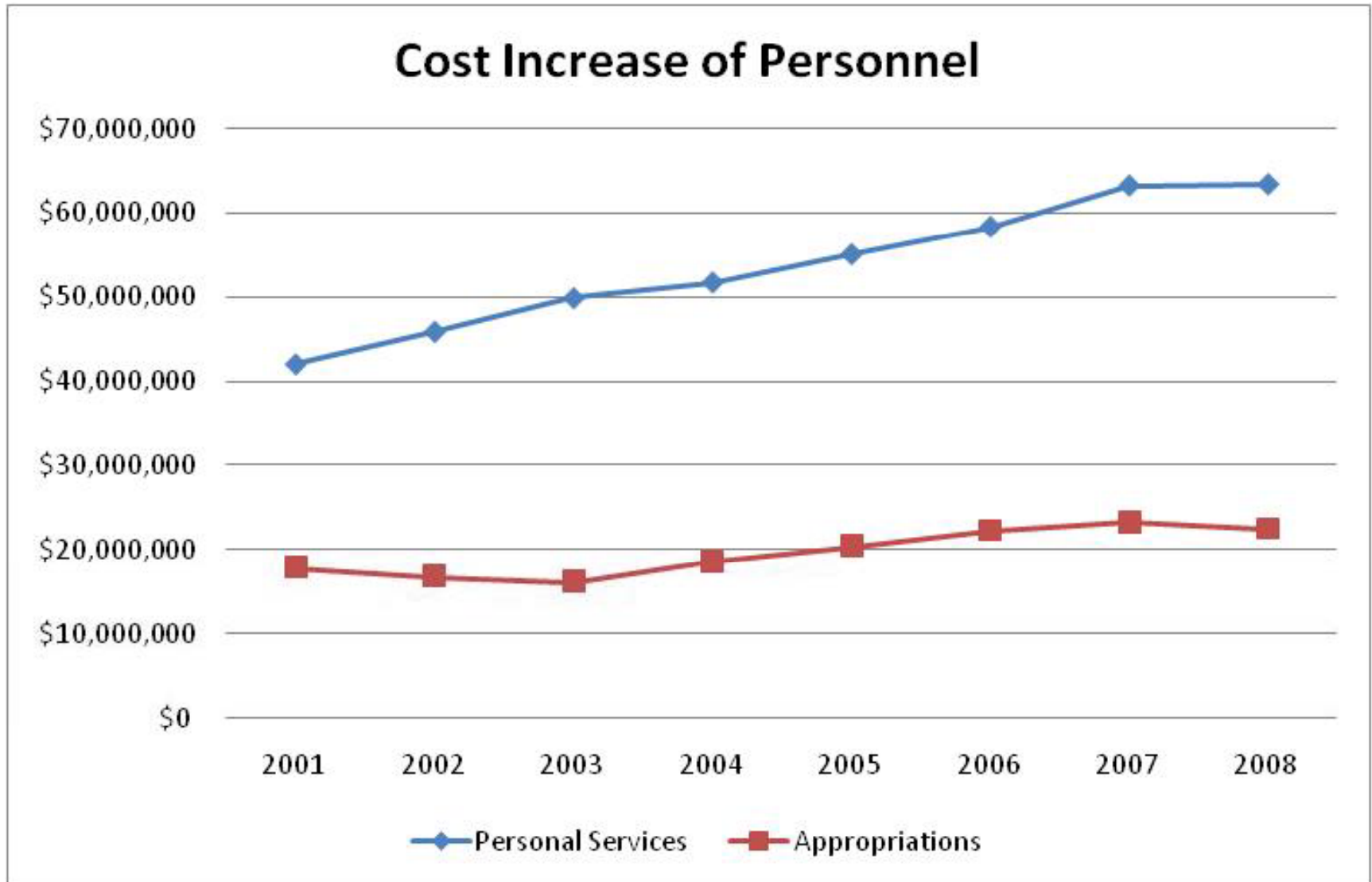
### Expenditures by Category

*Based on 2008 Projected Year End*

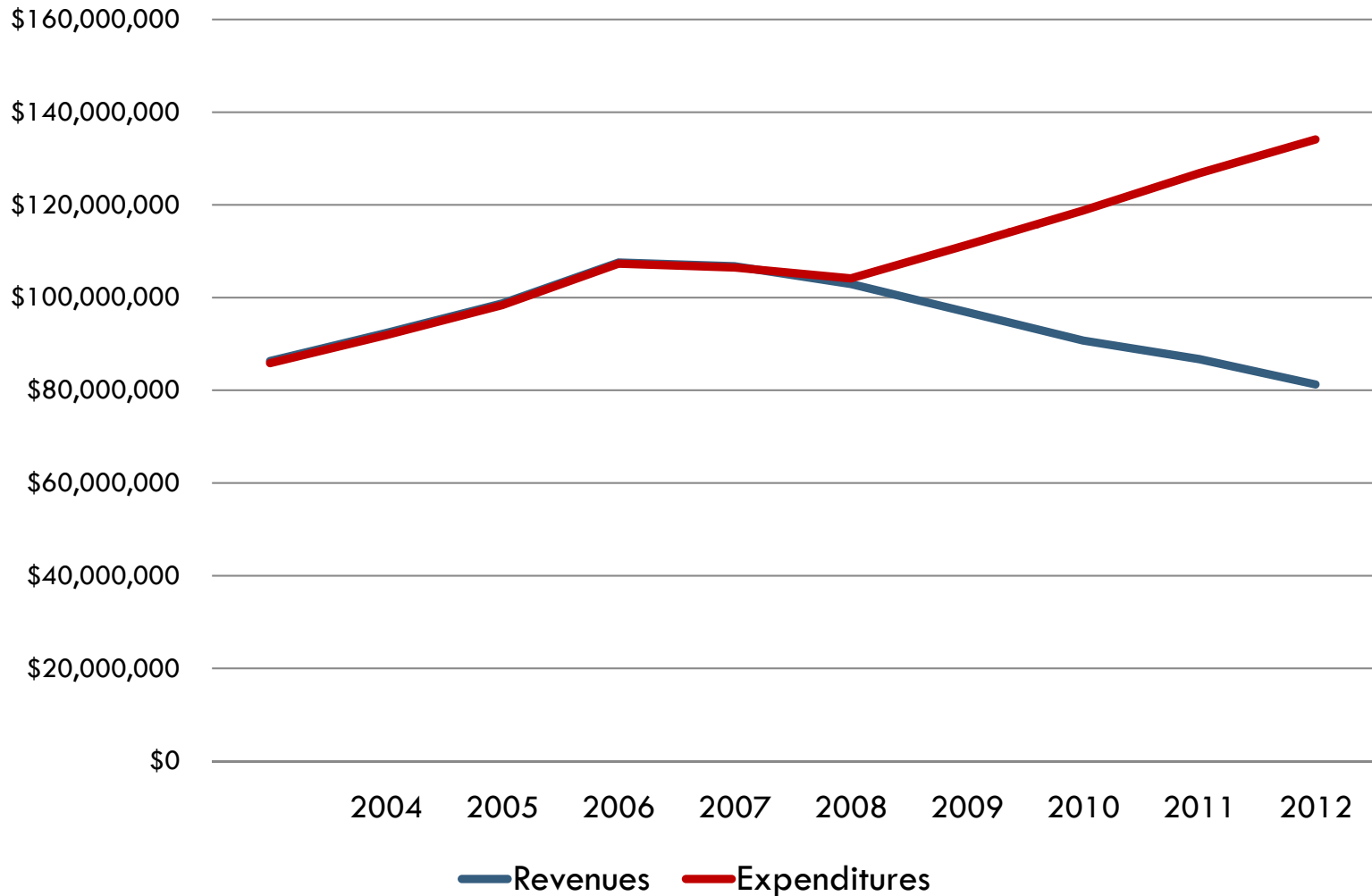


# Budget Trends

9



# Worse Case: Revenue vs. Expenditures



# Projected Deficit 2010/11 Budget

11

Current Target

(\$25,885,000)

318 FTE

# Questions on Financials



- Is there anything we can clarify for you?
- How would you explain the County's financial situation to friends or neighbors?
- What additional information would be useful?

# Budget Reduction Principles

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- Revenue Growth & Reform
- Reduce the Cost of Doing Business
- Mandated vs. Non-Mandated Services
- Community Collaboration
- Organization Structure by Core Business
- Employee Compensation & Benefits

# Potential Solutions

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- Structural Solutions vs One Time Solutions
- Some Solutions Take Time To Develop and Implement

# Solutions in Broad Categories

- Revenues
- Efficiencies
- Infrastructure Reductions
- Outside Agency Funding
- General Fund Support to Non General Fund Programs
- Service Level Reduction
- Service/Program Elimination or Transfer
- Changes in Organization Structure including Management Levels
- Modified Compensation and Benefits

# Strategic Planning Exercise

- Each Department Requested to Provide Scenarios
- Budget Adjustments
- 5%, 10% and 20% reduction in General Fund Expenses

# Reaching Strategic Planning Target

- Yes: Revenue Generation
- Yes: Reducing the Cost of Doing Business
- Yes: Organizational Restructuring including Management to Staff Reductions
- Yes: Collaborations
- Yes: Service Level Reductions in both Mandated and Non-Mandated Programs
- Yes: Elimination of Non-Mandated Programs
- No: Employee Compensation

# Questions About Solutions

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- Is there anything we can clarify for you about potential solutions?
- What are your reactions as you read through this list?
- What have you heard other organizations doing?

# Budget Development Timeline

- Information Sharing & Input from BOC
  - *Financial State of County (Done)*
  - *Review Revenues (Done; amend in April)*
  - *Mandated & Non-Mandated Services (Done, March 5)*
  - Community Needs & Major Expenditures (March 19)
  - Employee Compensation & Benefit Levels (April 1)
  - Outside Agency Allocation & Integrated Funding (April 2)
  - Support to Non General Fund (April 15)
  - Regionalism, Shared Services & Government Efficiency (April 16)
- Development of budget options with organization
- Round 1 Recommended Budget Reductions to BOC on June 3

# Stay Informed and Provide Input

- eCentral  
articles regularly – comment!  
Planning process website – read and comment!
- BOC Meetings –  
all are welcome or watch on TV or web
- Department Level Planning
- Email Questions to Bob and/or Commissioners  
and/or department heads.
- **What else can we do to keep you involved?**