



# **2010/11 Budget Report 2<sup>nd</sup> Quarter 2010**

Washtenaw County Board of Commissioners  
August 4, 2010

# AGENDA

- Revenue Focus Areas
- Expenditure Focus Areas
- General Fund Projection
- Non General Fund Projections
- Summary & Next steps

# General Fund Revenue Focus Areas

- Property Taxes: Projected surplus of ~\$1.7M based on 2010 Equalization Report
- Register of Deeds: Slight projected shortfall but close to 2009 actuals
- Water Resources: Slight decline offset by expenditure surplus

# General Fund

## Revenue Focus Areas

- District Court Revenues: projecting \$465K revenue decline due to reductions in local law enforcement and collections; court is working on potential new revenues but projections are conservative assuming no new revenues are realized this fiscal year
- Police Services Contract Levels: Loss of revenue of \$1.07M due to Ypsilanti Township Contract Reduction; offset by ~\$700K expenditure reductions for net deficit of \$370K
- Interest: Drop from \$1.3M in 2007 to \$146K in 2009 due to reducing cash balance and low interest rates resulting in projected shortfall of \$540K in 2010

# General Fund Revenues

Projected as of 6/30/10

Property Tax	\$ 1,776,000
Trial Court – Clerk Services	\$ 237,000
Clerk/Deeds	(\$ 55,000)
District Court	(\$ 465,000)
Police Services Contracts	(\$1,066,000)
Dispatch Agreements	\$ 150,000
Water Resources	(\$ 92,000)
Interest	(\$ 538,000)
Property Foreclosure	\$ 300,000
Combined All Other	\$ 145,056
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Total Revenue Surplus	\$ 392,056

# Expenditure Focus Areas

- Personnel Costs:
  - Same issues as 1st quarter
  - Assuming fringe rates remain consistent for remainder of year.
  - Potential for additional savings from delay in hiring of new jail staff.

# Expenditure Focus Areas

- Departmental Budget Reductions:
  - Working with Elected Officials and Department Heads to ensure modifications are realized to fullest extent possible
  - Assuming District Court lump-sum reduction does not materialize this fiscal year; agreed upon personnel modifications are included in projections although uncertain of long-term sustainability

# Expenditure Focus Areas

- Court Security: Costs projecting higher than budget by \$220K due to increased use of part-time staff primarily due to Saline Court
- Tax Appeals/Refunds: Increased budget by \$1M to a total of \$1.5M; estimate is conservative based on 2009 actuals although appeals continue to be on rise
- Support to NGF: Revisions due to labor savings as well as current year projected surpluses
- Planned carry forward to 2011 of \$4.36M plus \$921K for Jail Staffing



# General Fund Expenditures

Projected as of 6/30/10

Labor Savings	(\$1,500,000)
Fringes	(\$ 798,000)
Court Security	(\$ 220,000)
Police Services Contracts	\$ 700,000
District Court	(\$ 325,000)
Reserve for Carry Forward	\$5,289,000
Combined All Other	\$ 764,618
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Total Expenditure Surplus	\$3,910,618

# General Fund Projection

As of 6/30/10

Total Revenues	\$ 392,056
Total Expenditures	\$3,910,618
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Total Projected Surplus	\$4,302,674
Less: Planned Carry-Forward	(\$5,289,000)
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Net Projected Deficit for 2011	(\$ 986,664)

# General Fund Projection

as of 6/30/10

	<u>Current Budget</u>	<u>YTD</u>	<u>Projected</u>	<u>Variance</u>	<u>% Variance</u>
<b>Revenues:</b>					
Taxes and Penalties	62,925,468	(636,490)	64,702,220	1,776,752	2.8%
Licenses & Permits	220,700	102,133	208,917	(11,783)	-5.3%
Federal Revenue	46,331	8,067	61,067	14,736	31.8%
State Revenue	4,400,530	1,290,549	4,423,970	23,440	0.5%
Local Revenue	966,426	624,621	1,218,675	252,249	26.1%
Fees & Services	19,120,003	8,403,403	17,785,778	(1,334,225)	-7.0%
Fines & Forfeitures	1,262,100	403,314	977,070	(285,030)	-22.6%
Interest Revenue	668,800	27,031	128,557	(540,243)	-80.8%
Other Revenue & Reim	1,802,281	577,990	1,848,821	46,540	2.6%
Transfers In	7,781,508	6,783,761	8,231,129	449,621	5.8%
<b>Total Revenues</b>	<b>99,194,147</b>	<b>17,584,380</b>	<b>99,586,203</b>	<b>392,056</b>	<b>0.4%</b>
<b>Expenditures:</b>					
Personal Services	56,576,822	28,152,763	61,002,588	(4,425,766)	-7.8%
Supplies	1,696,331	1,000,259	1,802,906	(106,575)	-6.3%
Other Services and Charges	14,293,320	4,568,283	13,856,289	437,031	3.1%
Internal Service Charges	1,247,571	790,864	1,316,890	(69,319)	-5.6%
Capital Outlay	13,625	-	-	13,625	100.0%
Reserves	6,389,338	-	-	6,389,338	100.0%
Appropriations	18,977,140	583,550	17,304,856	1,672,284	8.8%
<b>Total Expenditures</b>	<b>99,194,147</b>	<b>35,095,719</b>	<b>95,283,529</b>	<b>3,910,618</b>	<b>3.9%</b>
			<b>Projected Surplus/(Deficit)</b>	<b>4,302,674</b>	<b>4.3%</b>
			<b>Less Planned Carry Forward to 2011</b>	<b>(5,289,338)</b>	
			<b>Net Projected Surplus/(Deficit) for 2011</b>	<b>(986,664)</b>	

# Non General Fund Projections

as of 6/30/10

- Risk Management Projected Surplus
- Facilities O&M Projected Surplus
- Public Health Projected Surplus
- Environmental Health Projected Surplus
- Child Care Fund
  - Juvenile Center Projected Surplus
  - Detention Projected Surplus
  - DHS Projected Shortfall
- Building Inspection On Budget

# Summary & Next Steps

- 2010 is OK with a projected surplus – may not have as much as planned to carry forward to 2011
- Able to hold projections consistent while being more conservative in assumptions
- Lots of remaining issues continuing to put downward pressure
- Work with Elected Officials and Department Heads for 2<sup>nd</sup> quarter business review and ongoing monthly budget monitoring
- Update 2011 revenue projections in preparation for Budget Reaffirmation
- Update 4 year budget projections in preparation for 2012/13 Budget Development