2011 Budget Outlook
1st Quarter

Washtenaw County Board of Commissioners

May 4, 2011

Agenda

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

General Fund Revenue Focus Areas

- Planned Use of Fund Balance: Projections assume use of $5,289,000 fund balance as planned
- Property Taxes: Projected surplus of ~$3.5M based on 2011 Equalization Report
- Register of Deeds: Projected surplus of $240K due to fees & transfers tax starting to trend higher
- Treasurer: Projected surplus of $40K due to dog license fee collections; assuming not able to transfer in budgeted $200K from property foreclosure funds
- Water Resources: Projected shortfall of $30K due to fewer plat reviews and less soil erosion fees; offset by expenditure surplus

General Fund Revenue Focus Areas

- District Court Revenues: projected shortfall of an additional $58K from court fees & fines (already reduced 2011 budget by $400K during reaffirmation)
- Trial Court: projected net surplus of $40K due to higher collections of court fees & fines offset by budget shortfall in State revenue for Court Equity Fund
- Prosecuting Attorney: projected surplus of $35K due to new Title IV-E reimbursement grant
- Sheriff: Projected surplus of $187K due to new revenue contract with City of Ann Arbor for Security at 15th District Court offset in part from other revenue reductions

General Fund Revenues

Projected as of 3/31/11

Property Tax	$ 3,481,000
Clerk/Deeds	$ 242,000
Treasurer	$ 40,000
Water Resources	($ 30,000)
District Court	($ 58,000)
Trial Court	$ 40,000
Prosecuting Attorney	$ 35,000
Sheriff	$ 187,000
Property Foreclosure	($ 200,000)
Combined All Other	$ 73,372
Total Projected Revenue Surplus	$3,810,372

General Fund Expenditure Focus Areas

- Lump Sum Reduction: 2011 Reaffirmed Budget included $1,034,000 in non department specific lump sum reduction with solutions to be determined by 2nd Quarter
- IT: maintenance contract costs projected with budget shortfall of $245K due to new contracts and cost savings identified in 2010/11 not fully materializing
- Corporation Counsel: attorney fees are projected with shortfall of $125K based on past trends
- Human Resources: projected surplus of $45K due to further cost savings in professional development

General Fund Expenditure Focus Areas

- District Court: 2010/11 budget lump sum reduction of $375K not fully materializing for net shortfall of $250K
- Sheriff: Projected shortfall of $326K due to higher use of Part-Time and Overtime, jail medical/food contracts not being reduced to the full level planned in 2010/11 budget
- Sheriff Court Security: Costs projecting higher than budget by $187K due to new revenue contract with City of Ann Arbor for Security at 15th District Court; offset by revenue surplus

General Fund Expenditure Focus Areas

- Appropriations:
  - Savings in Child Care Fund and Friend of the Court as part of the Trial Court lump sum budget reduction
  - Additional current year surpluses projected in Prosecuting Attorney CRP and Economic Development & Energy with ability to reduce GF allocation
- Tax Appeals/Refunds: Assuming at budget of $1.5M since trends and liabilities are rising; 2010 actual amount were $604K

General Fund Expenditures

Projected as of 3/31/11

Lump Sum Budget Reduction	($1,034,000)
IT Maintenance Contracts	($ 245,000)
Attorney Fees	($ 125,000)
Professional Development	$ 45,000
District Court	($ 250,000)
Sheriff	($ 326,000)
Court Security	($ 187,000)
Combined All Other	($ 15,568)
Total Expenditure Shortfall	($2,137,568)

General Fund Projection

As of 3/31/11

Total Projected Revenues	$102,545,766 *
Total Projected Expenditures	($100,872,962)
Total Projected Surplus with Planned Use of Fund Balance	$ 1,672,804
Total Projected Deficit without Planned Use of Fund Balance	($ 3,616,196)

* Projections continue to assume planned use of fund balance of $5,289,000

General Fund Projection

as of 3/31/11

Category	Original Budget	Adj	Current Budget	YTD	Projected	Variance	% Variance
Taxes and Penalties	59,205,227	-	59,205,227	(1,358,905)	62,686,795	3,481,568	5.9%
Licenses & Permits	199,650	-	199,650	74,669	209,957	10,307	5.2%
Federal Revenue	46,331	-	46,331	(6,984)	90,072	43,741	94.4%
State Revenue	4,327,957	-	4,327,957	337,193	4,288,490	(39,467)	-0.9%
Local Revenue	876,387	-	876,387	164,060	1,136,234	259,847	29.6%
Fees & Services	17,860,103	-	17,860,103	4,243,900	18,142,107	282,004	1.6%
Fines & Forfeitures	1,012,100	-	1,012,100	171,374	955,793	(56,307)	-5.6%
Interest Revenue	124,400	-	124,400	16,894	123,050	(1,350)	-1.1%
Other Revenue & Reimbursement	7,107,107	-	7,107,107	409,123	7,042,587	(64,520)	-0.9%
Transfers In	7,976,132	-	7,976,132	6,793	7,870,680	(105,452)	-1.3%
Total Revenues	**98,735,394**	-	**98,735,394**	**4,058,117**	**102,545,766**	**3,810,372**	3.9%
Personal Services	61,420,239	-	61,420,239	12,740,169	64,052,348	(2,632,109)	-4.3%
Supplies	1,604,884	(4,000)	1,600,884	743,159	1,648,498	(47,614)	-3.0%
Other Services and Charges	14,523,840	(351,311)	14,172,529	2,286,583	14,768,875	(596,346)	-4.2%
Internal Service Charges	2,263,270	-	2,263,270	506,868	2,428,922	(165,652)	-7.3%
Capital Outlay	13,625	-	13,625	-	-	13,625	100.0%
Reserves	800,000	-	800,000	-	300,000	500,000	62.5%
Appropriations	18,109,536	355,311	18,464,847	671,993	17,674,319	790,528	4.3%
Total Expenditures	**98,735,394**	-	**98,735,394**	**16,948,772**	**100,872,962**	**(2,137,568)**	-2.2%
			Surplus/(Deficit) without Planned Use of Fund Balance		**(3,616,196)**		
			Surplus/(Deficit) with Planned Use of Fund Balance		**1,672,804**		

Non General Fund Projections

as of 3/31/11

Child Care Fund	Projected Surplus – TC Lump Sum
Economic Development & Energy	Projected Surplus – Revise GF Appro
Environmental Health	Projected Surplus
Facilities O&M	Projected Surplus
Friend of the Court	Projected Surplus – TC Lump Sum
Prosecuting Attorney CRP	Projected Surplus – Revise GF Appro
Public Health	Projected Surplus
Building Inspection	Projected On Budget
ETCS	Projected On Budget
Risk Management	Projected On Budget
Stormwater General Permit	Projected On Budget
ACT 88	Projected Shortfall – Fund Balance
Veteran Relief	Projected Shortfall – Fund Balance

Summary & Next Steps

- Good news on property tax but need close management of past reductions to ensure spending comes in as budgeted
- 2nd Quarter Budget Review in August
- Close monitoring with all department heads and elected officials to understand trends and impact on 2012/13 budget