FY 2016-17
1ST QUARTER REPORT

November 14, 2016

COUNTY OF MENDOCINO

PRESENTATION OUTLINE

- Board Goals & Priorities
- Economic Outlook
- Discretionary Revenue
- FY 2015-16 Close-out
- Department 1st Quarter Reports
- Recommended 1st Quarter Adjustments
- Legislative Updates
- Pension Update
- Wrap-up

BOARD GOALS & PRIORITIES

Budget Development Guidelines

- Maintain Current Levels of Service
- Invest in County Infrastructure
- Focus on Financial Sustainability and Identify Cost Savings Whenever Possible

BOARD GOALS & PRIORITIES

Board of Supervisors' Goals

- Fiscal Stability
  - One-time revenue will not be used for on-going expenses
- Financial Sustainability
  - Debt mitigation & elimination
  - Maintain reserve policy
- Organizational Development
  - Investing in the organization's future through the Leadership Initiative, succession planning, and recruitment and retention practices
  - Identify and measure departmental performance metrics, including the balancing of location-based provision of county services

BOARD GOALS & PRIORITIES

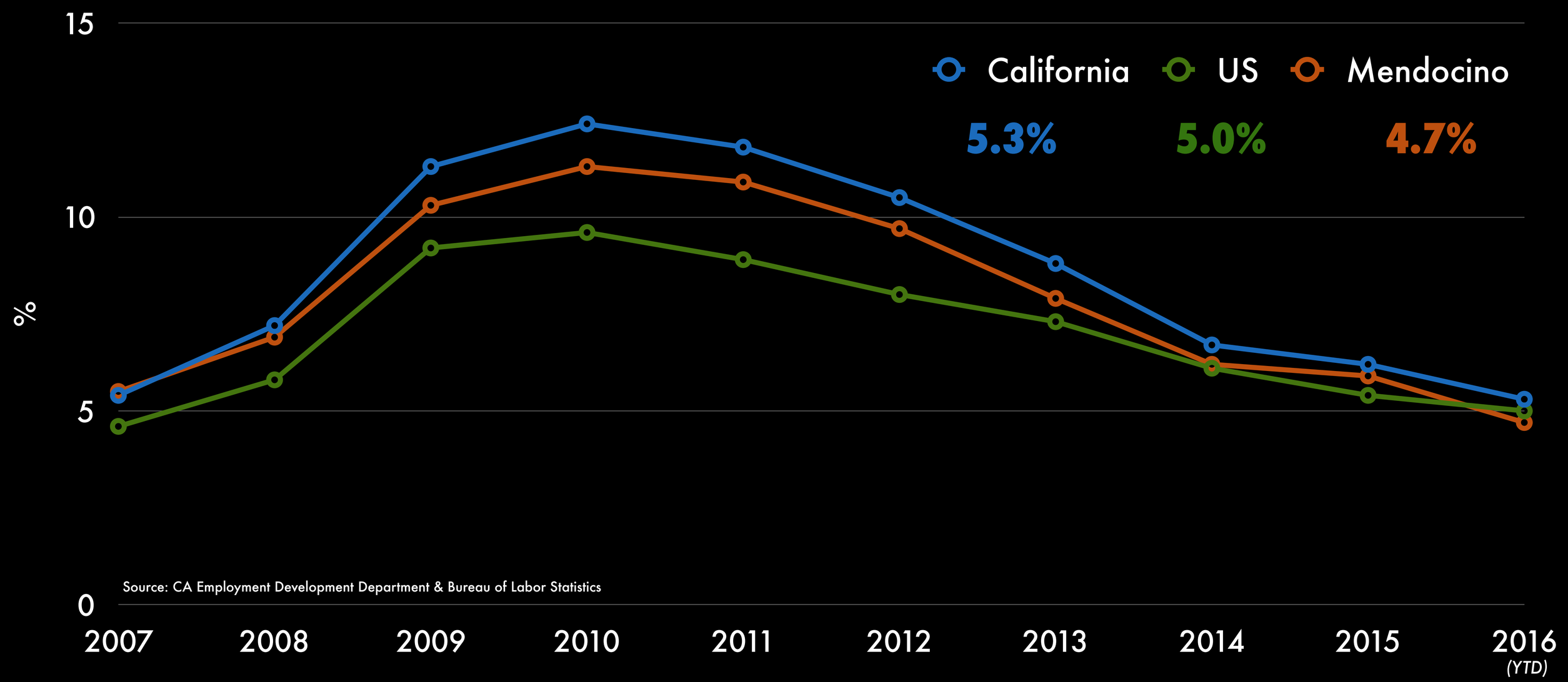
Board Budget Priorities

- Investment in Roads
- Economic/Business Development
  - Broadband
  - Permit Fee Waiver Program
  - Support New Housing Development
  - Grant Writer Program
- Support for Emergency Services
- Homeless Issues
- Support Community Partners

ECONOMIC OUTLOOK

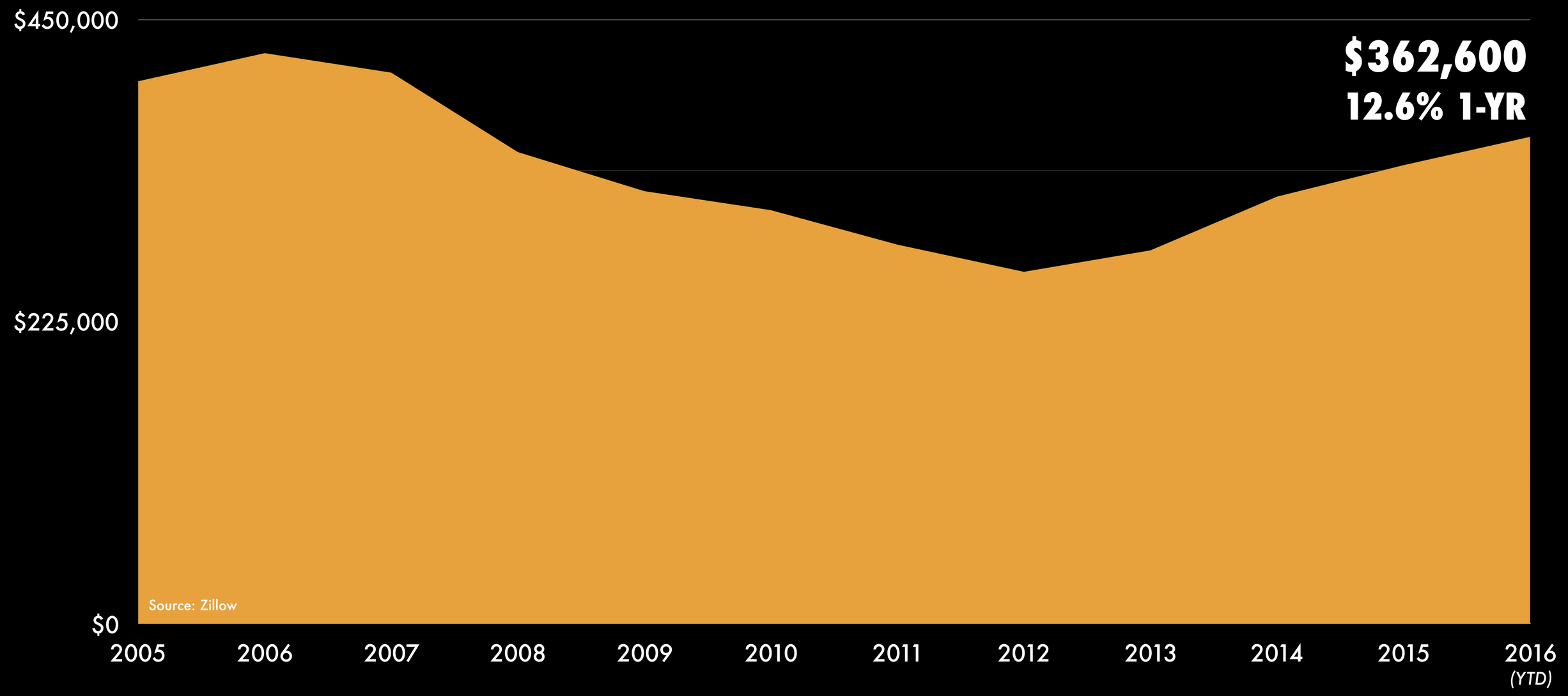
- Unemployment rate
- Residential property values
- Major discretionary revenues
- Post-election uncertainty

UNEMPLOYMENT RATE

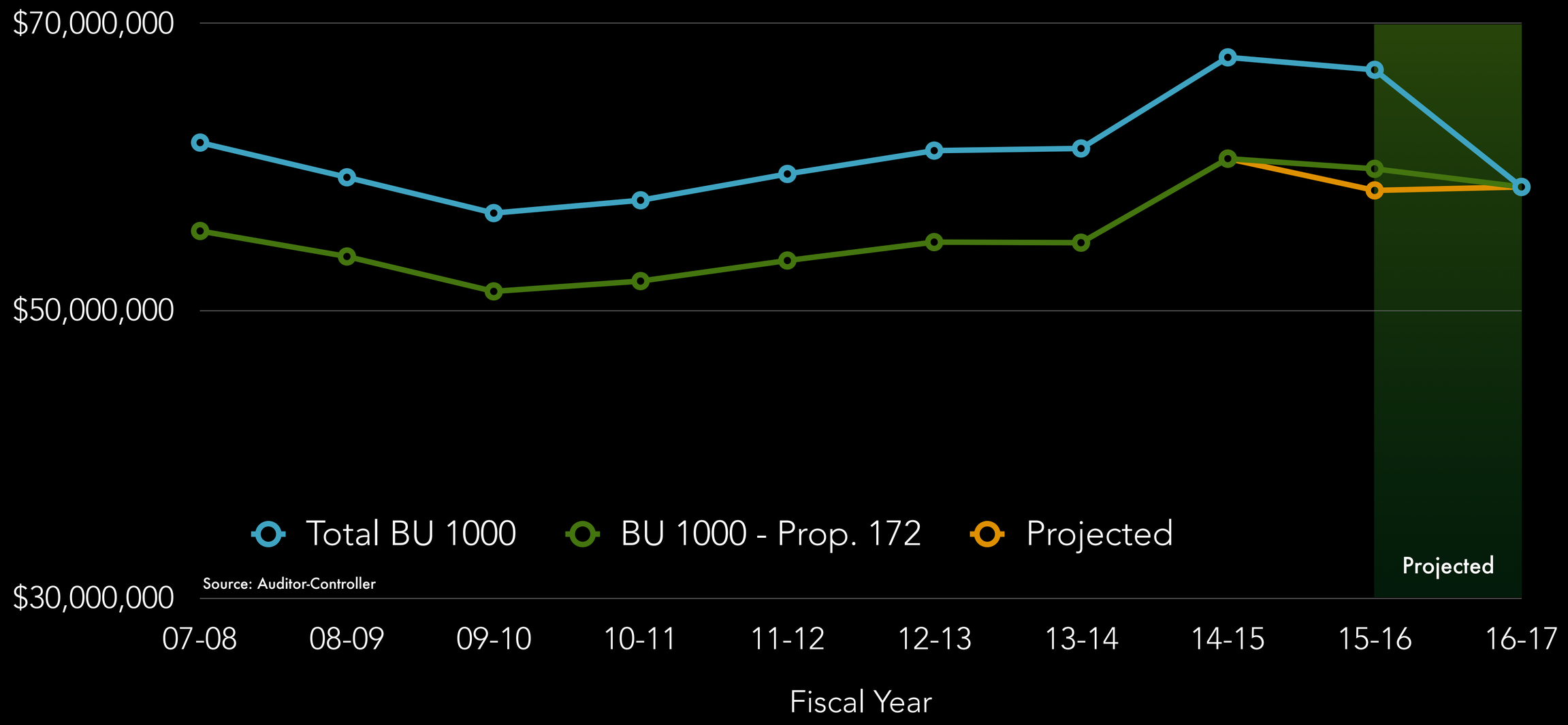


Source: CA Employment Development Department & Bureau of Labor Statistics

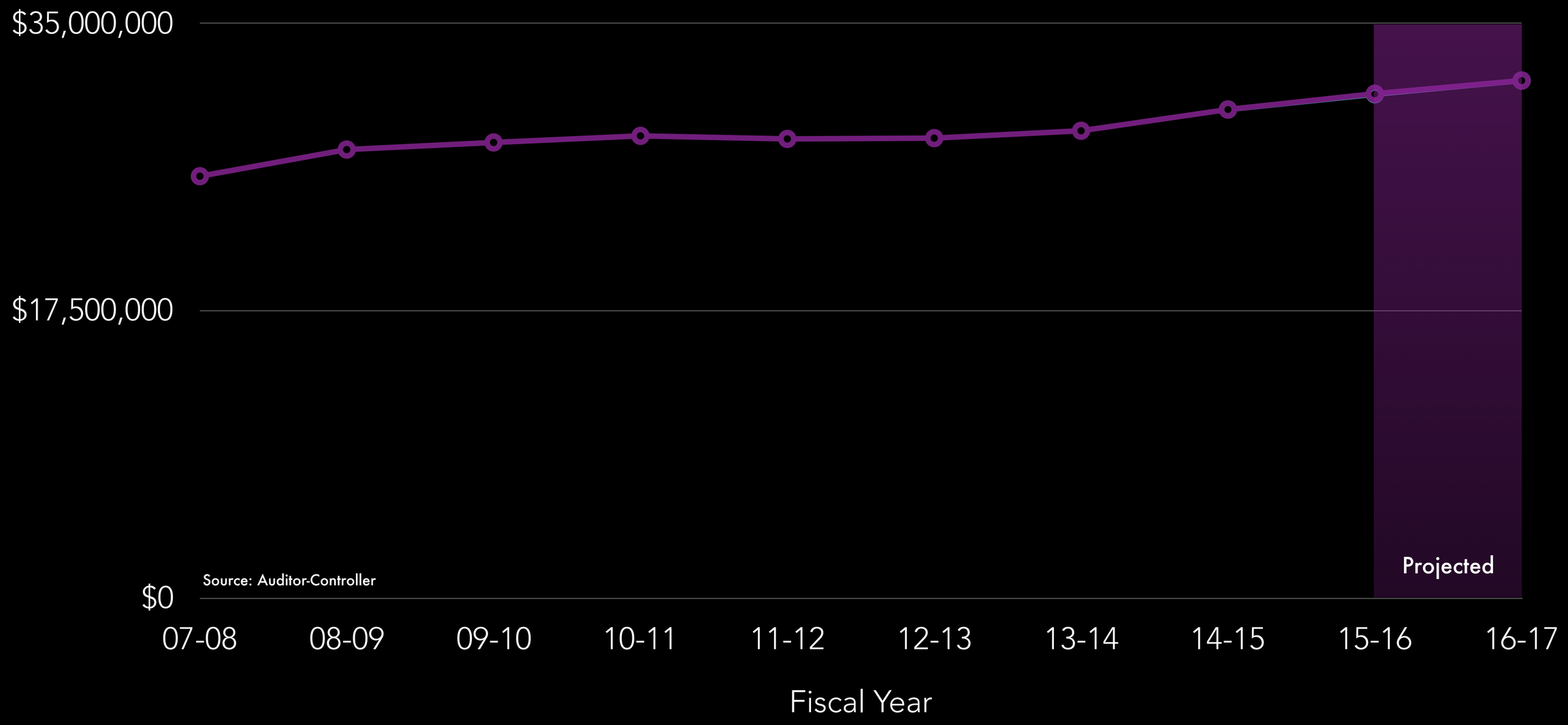
RESIDENTIAL PROPERTY VALUES



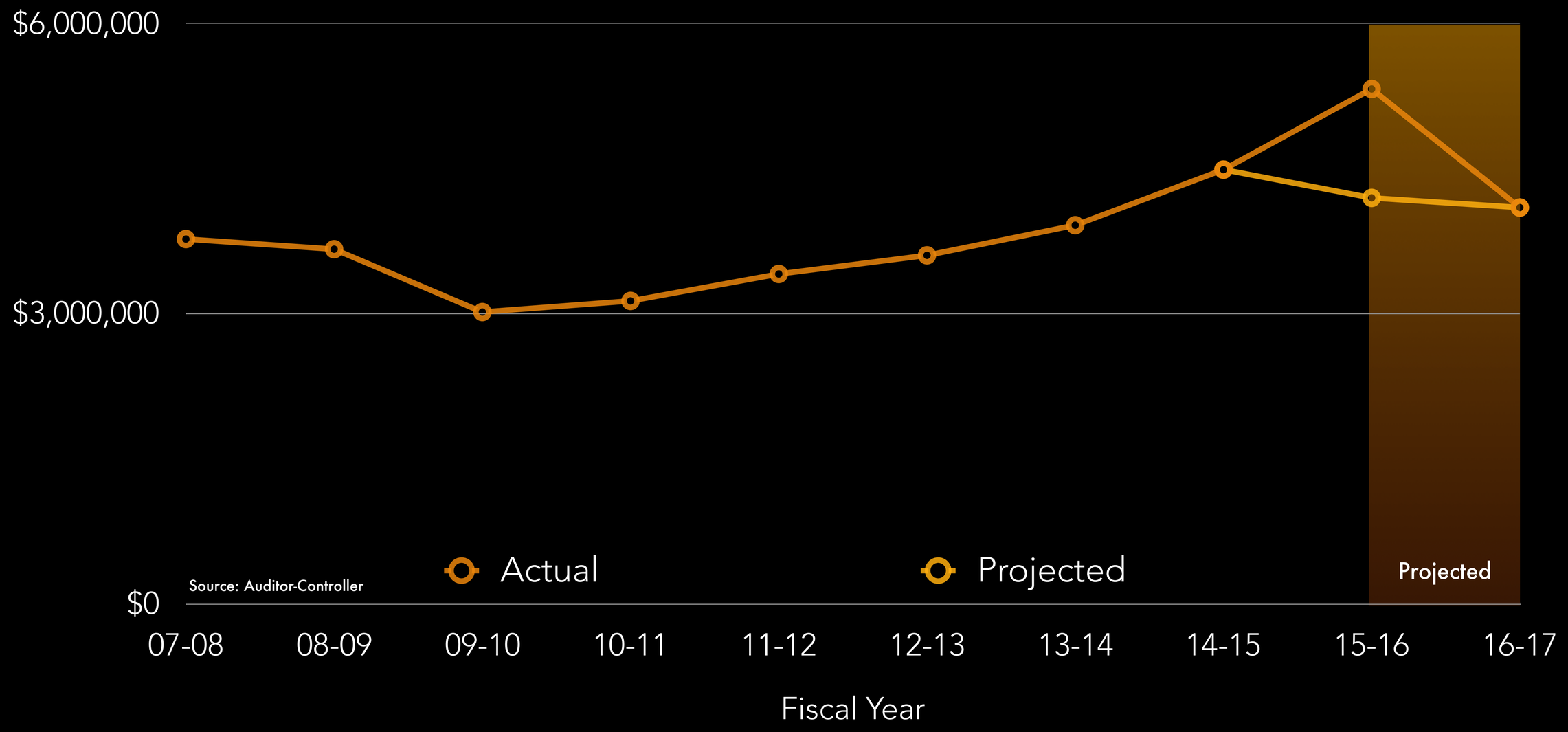
DISCRETIONARY REVENUE



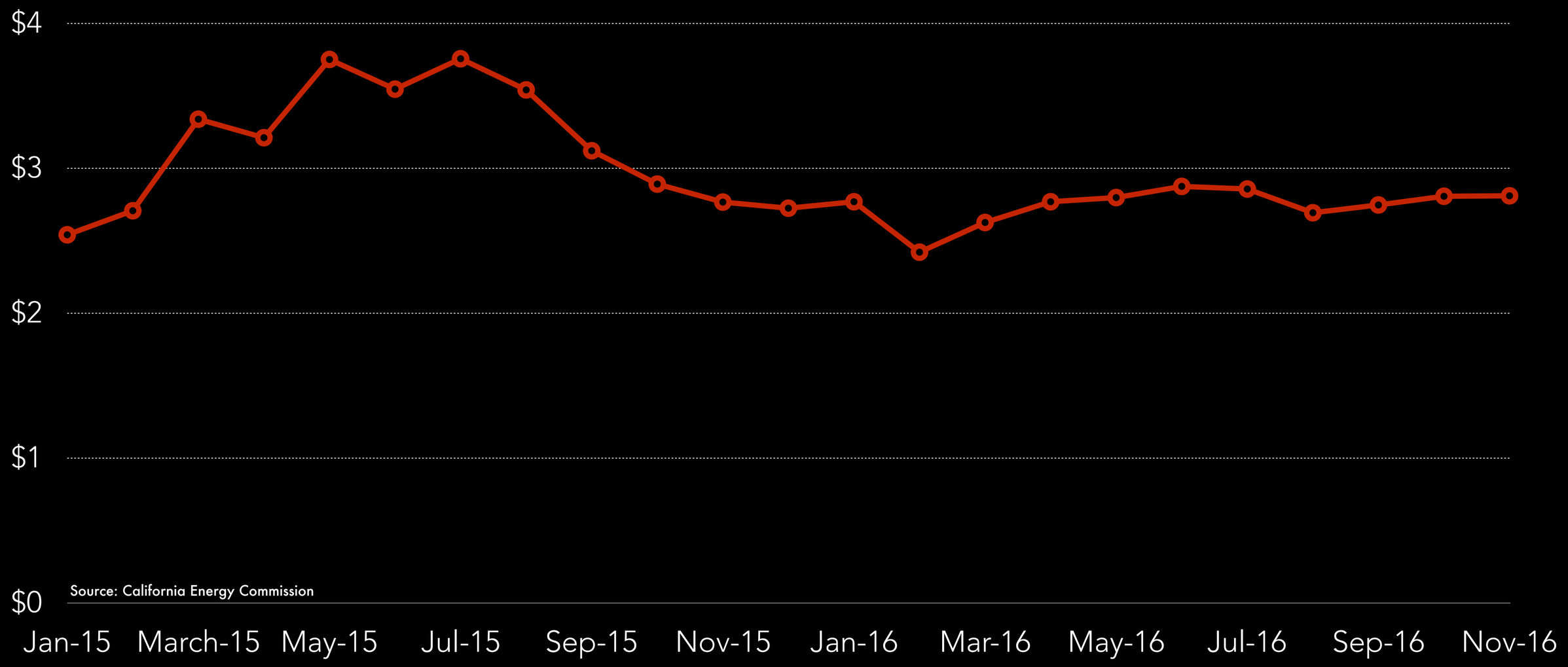
SECURED PROPERTY TAX REVENUE



SALES TAX REVENUE - 1% COUNTY SHARE

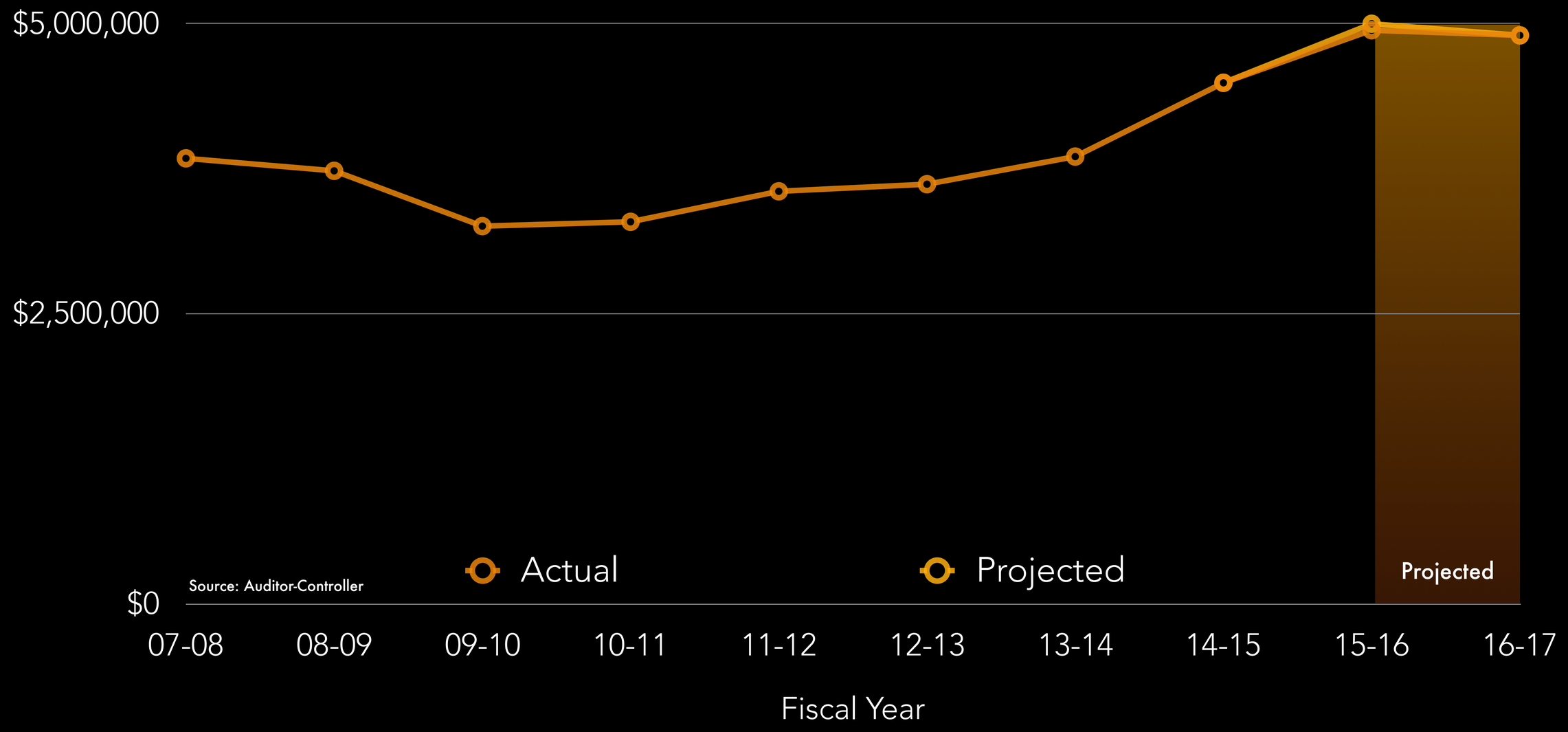


CA FUEL PRICES - MONTHLY AVG.

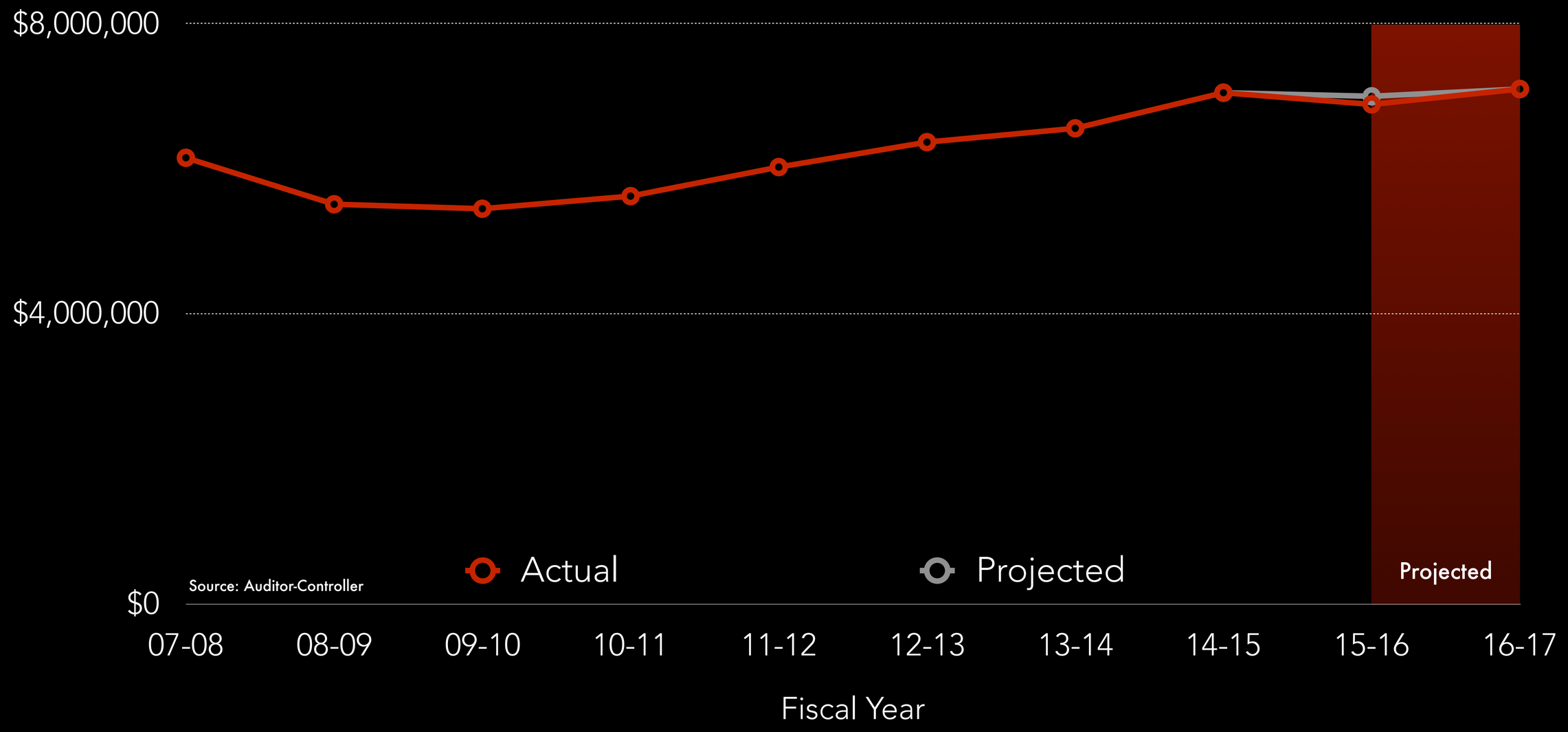


Source: California Energy Commission

TOT REVENUE


$5,000,000
$2,500,000
$0
Source: Auditor-Controller
Actual
Projected
Projected
07-08
08-09
09-10
10-11
11-12
12-13
13-14
14-15
15-16
16-17
Fiscal Year

PROP. 172 SALES TAX REVENUE



FY 15-16 CLOSE OUT

	Projected	Final	Change
General Fund	$6,134,892	$8,827,145	$2,692,253

- Discretionary revenue growth ($1.65 million)
- Teeter Plan ($248,225)
- Savings from various budget units

RECOMMENDATIONS - 1X$

New Use Of 1X$	Recomm.	16-17 Adopted	16-17 Adj.
Roads	$1,588,015	$411,985	$2,000,000
Museum	$50,000	$0	$50,000
Admin. Roof	$712,839	$824,731	**$1,537,570**
HVAC	$75,000	$150,000	$225,000
AOC Payments	$241,399	$0	$241,399
IT Software	$25,000	$0	**$25,000**
Totals	$2,692,253	$1,386,716	**$4,078,969**

RECOMMENDED 1ST QTR. ADJUSTMENTS

Rev./Approps.	Recomm.	16-17 Adopted	16-17 Adj.
15-16 FBA	-$2,692,253	-$6,134,892	-$8,827,145
9.31 Revenue	-$820,001	-$350,000	-$1,170,001
Asset Forfeiture	-$32,070	-$300,000	**-$332,070**
PEG Funding	-$28,000	$156,800	$128,800
AOC Payments	$241,399	$0	$241,399
CIP	$837,839	$6,277,487	$7,115,326
Jail Funding	$630,740	$416,000	**$1,046,740**
BOS Equip.	$28,000	$0	**$28,000**
IT Software	$25,000	$353,650	**$378,650**
Sheriff SA III	$32,070	$0	**$32,070**
Jail Medical	$139,261	$2,100,000	**$2,239,261**
Prisoner Transport	$50,000	$35,000	**$85,000**
Roads	$1,588,015	$411,986	**$2,000,000**
Totals	$0		

LEGISLATIVE UPDATE

- Proposition 52 - Medi-Cal Funding
  - Status quo local funding
- Proposition 57 - Parole for “non-violent” felons
  - Increase in local impacts/costs
- Proposition 64 - Recreational Cannabis
  - Various impacts

PENSION UPDATE

- UAAL
  - June 30, 2015: $182.2 million
  - June 30, 2016: $185.3 million (+$3.1 million)
- Funded Ratio
  - June 30, 2015: 70.2%
  - June 30, 2016: 70.5%

PENSION UPDATE

- Employer Contribution Rate
  - June 30, 2015: 32.14% of payroll
  - June 30, 2016: 32.05% of payroll (-$52,000)
- Employee Contribution Rate
  - June 30, 2015: 9.64% of payroll
  - June 30, 2016: 9.65% of payroll (+$6,000)

ATTACHMENTS

- Resolution and 1st Quarter Adjustments
- FY 15-16 Close Out Summary
- 2nd Quarter Sales Tax Report
- Actuarial Valuation Retirement Report
- “A Historical Review and Analysis of the MCERA UAAL”

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