

COUNTY OF MENDOCINO

MARCH BUDGET WORKSHOP

FISCAL YEAR
17-18



WORKSHOP OVERVIEW

- Budget at a Glance
- Budget Development Goals & Priorities
- Budget Process/Calendar
- Policy Adjustments
- NCC Overview
- Budget Issues/Concerns
- Board Ideas/Direction
- Human Resources Update

FISCAL YEAR
17-18

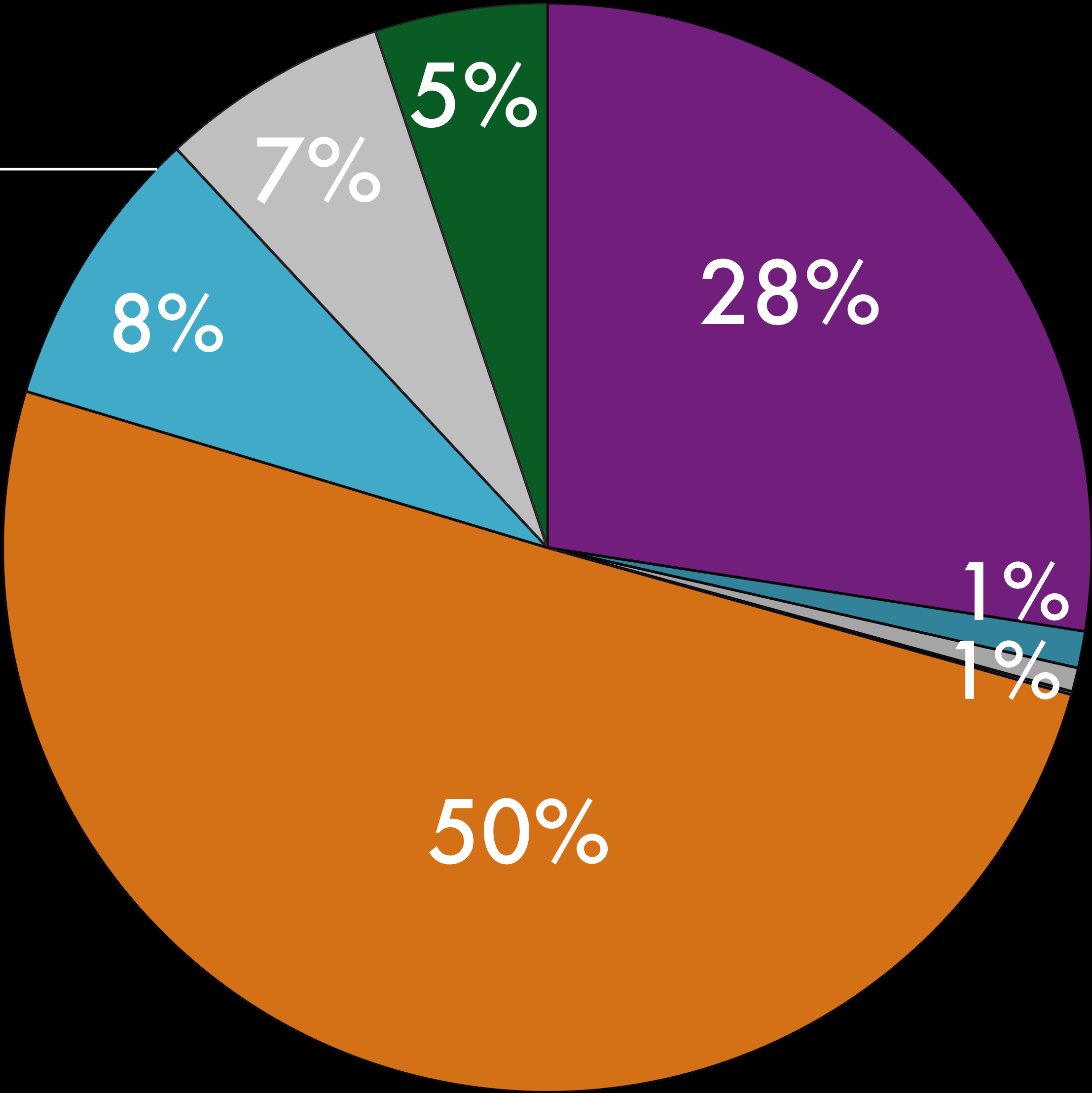


WHERE DOES THE MONEY GO?

\$267,795,326

REVENUE - ALL FUNDS

- Taxes
- Licenses & Permits
- Fines
- Use of Money & Prop
- Aid from other Gov't
- Charges for Svc.
- Other
- Carry Forward/Reserves

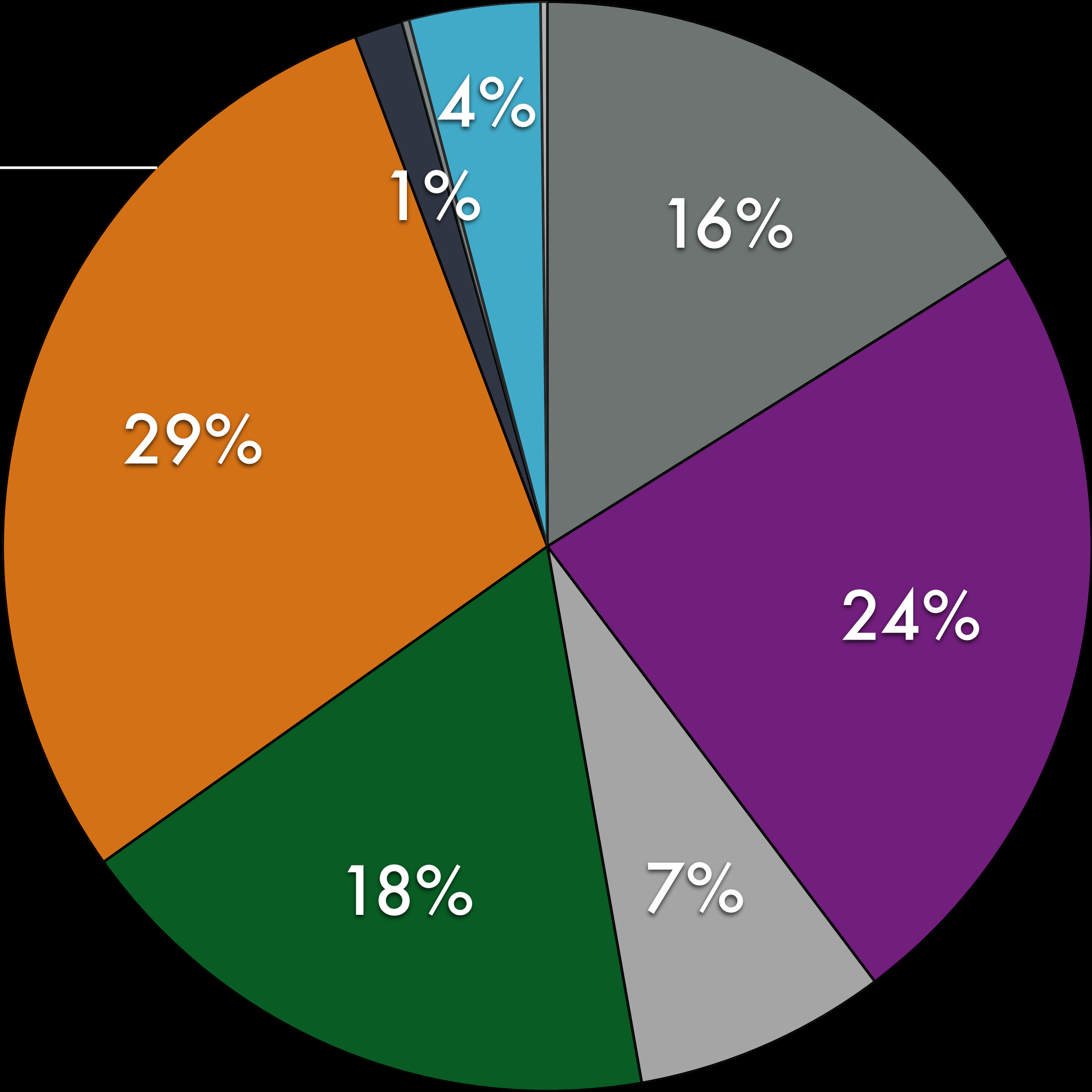


WHERE DOES THE MONEY GO?

\$267,795,326

APPROPRIATIONS - ALL FUNDS

- General Gov't
- Public Protection
- Public Facilities
- Health & Sanitation
- Public Assistance
- Education
- Rec. and Culture
- Debt Service
- Contingencies

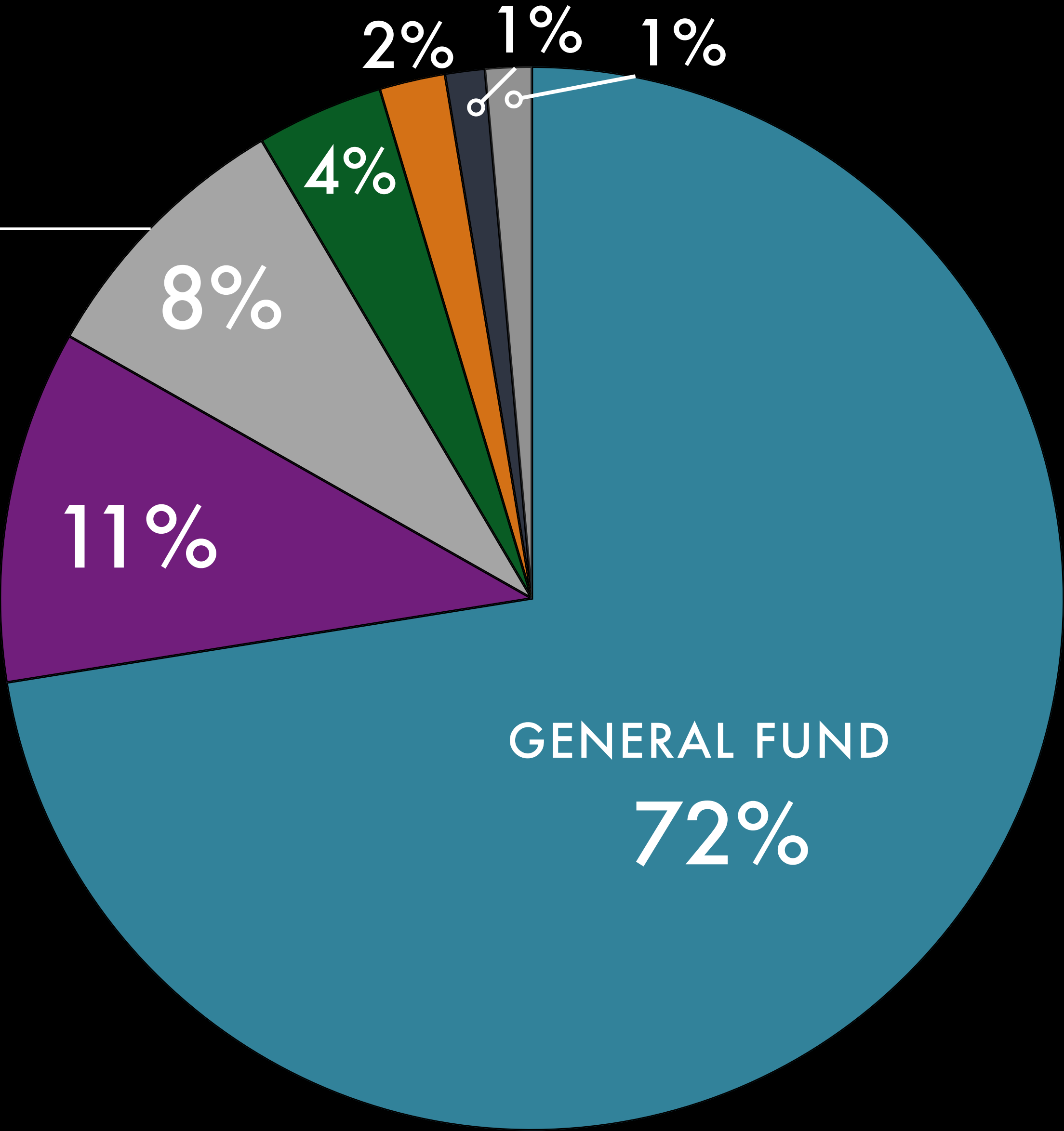


WHERE DOES THE MONEY GO?

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EXPENDITURE SUMMARY BY FUND

- General Fund
- Mental Health & MHSA
- Roads
- Debt Service
- Capital Outlay
- Library
- Others

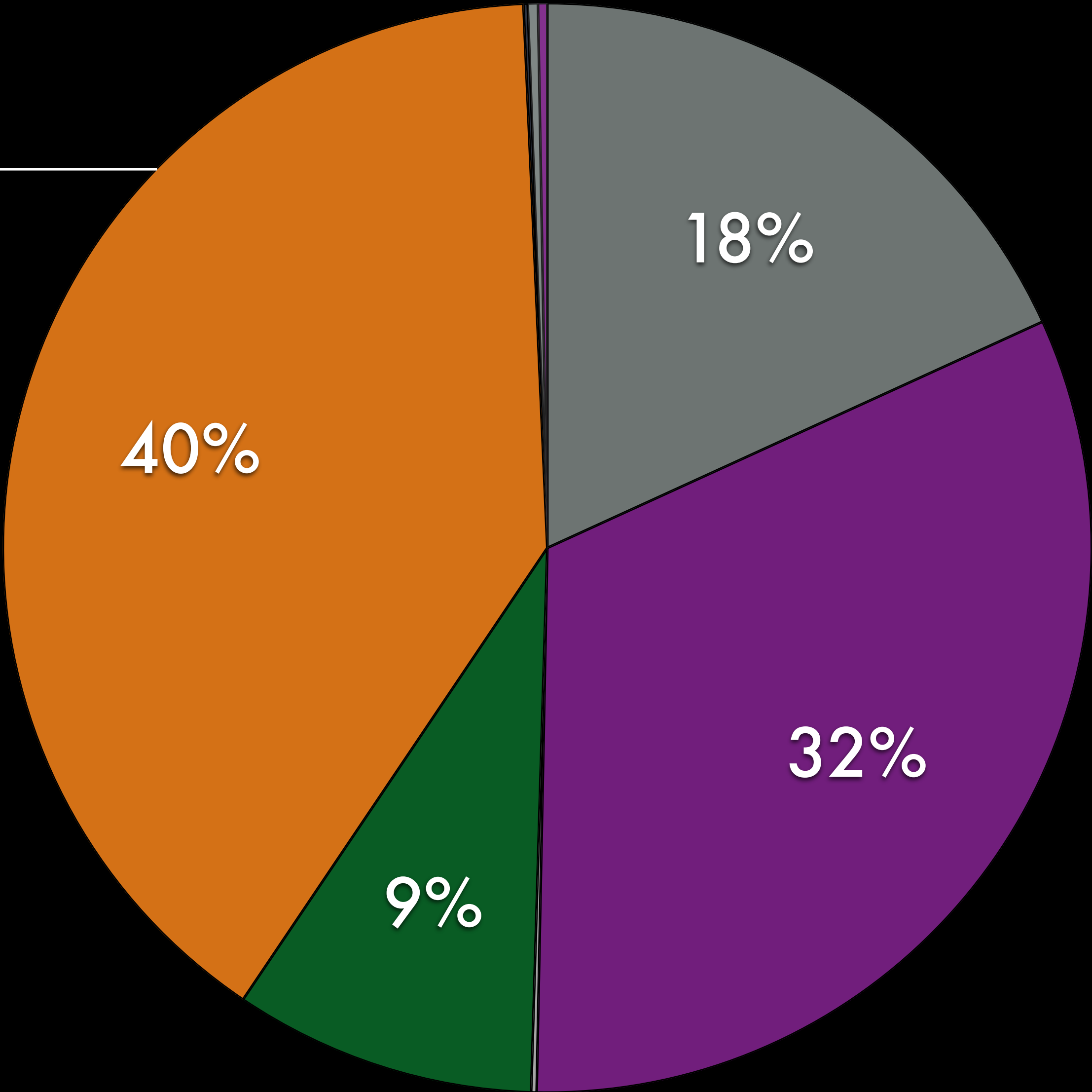


GENERAL FUND - APPROPRIATIONS

\$185,622,199

APPROPRIATIONS - GF

- General Gov't
- Public Protection
- Public Facilities
- Health & San.
- Public Asst.
- Education
- Recreation & Culture
- Contingencies

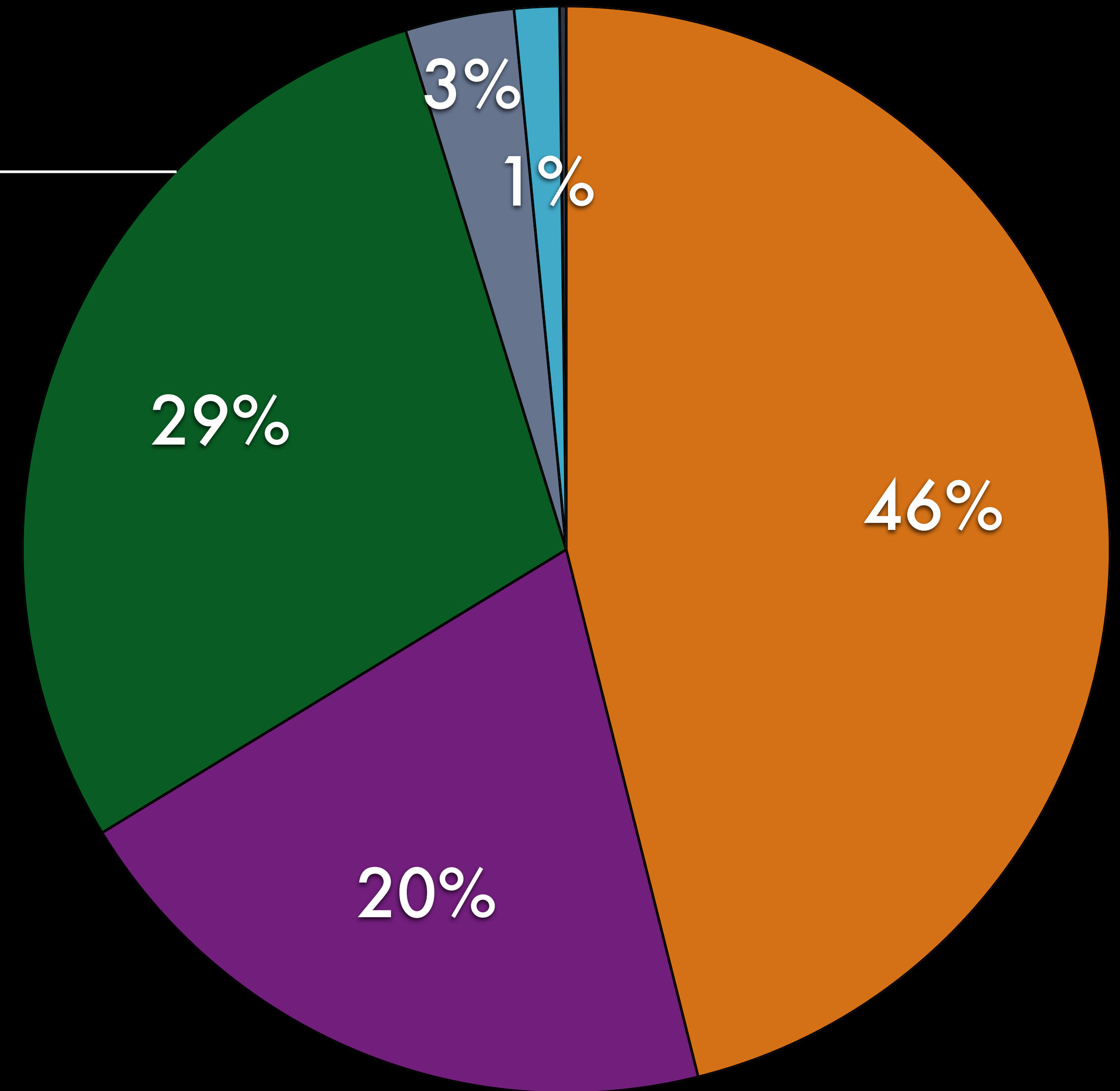


WHERE DOES THE MONEY GO?

\$267,795,326

FINANCING USES - ALL FUNDS

- Salaries and Benefits
- Services and Supplies
- Other Charges
- Fixed Assets
- Transfers
- Contingencies

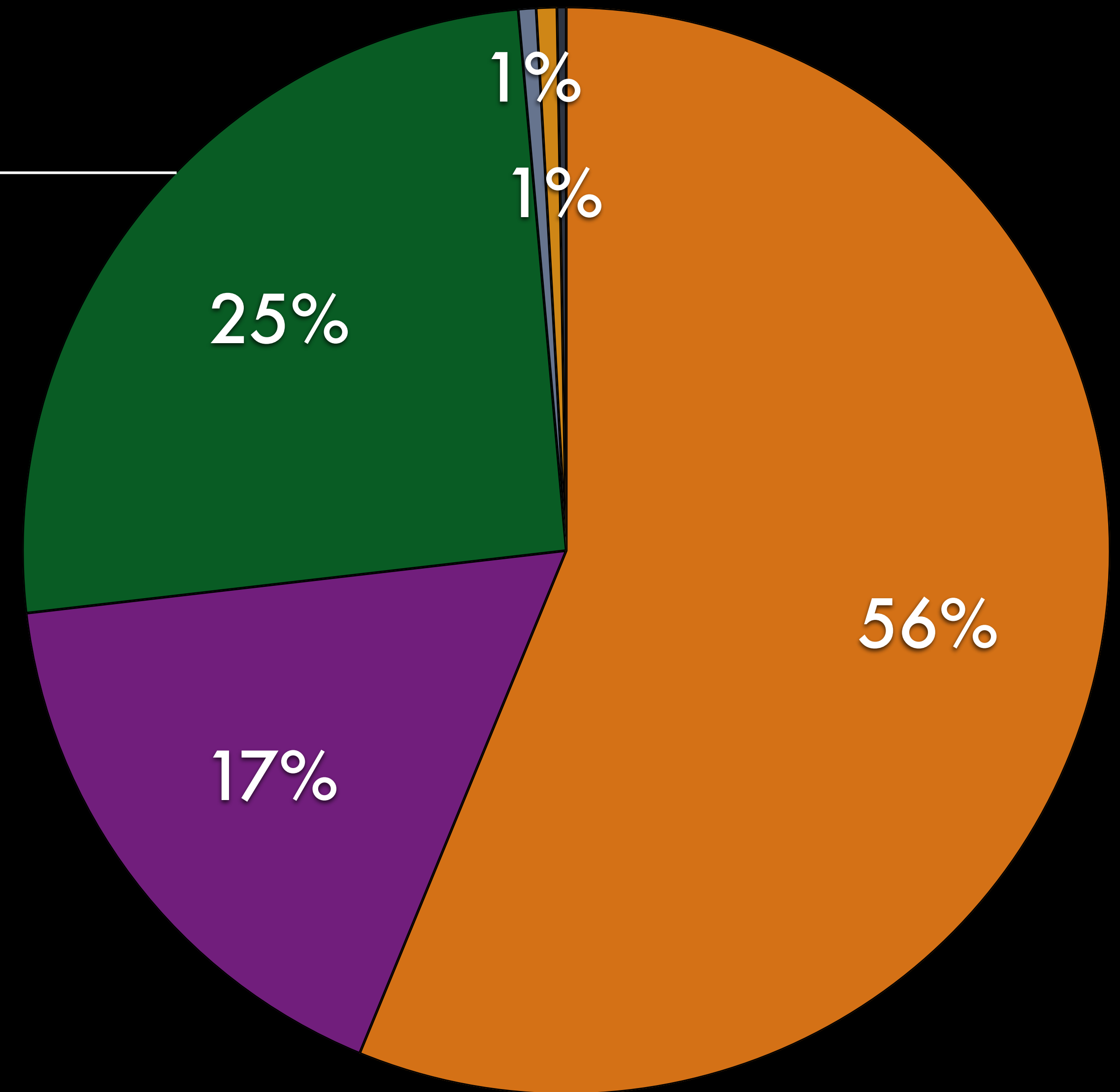


WHERE DOES THE MONEY GO?

\$185,622,199

FINANCING USES - GF

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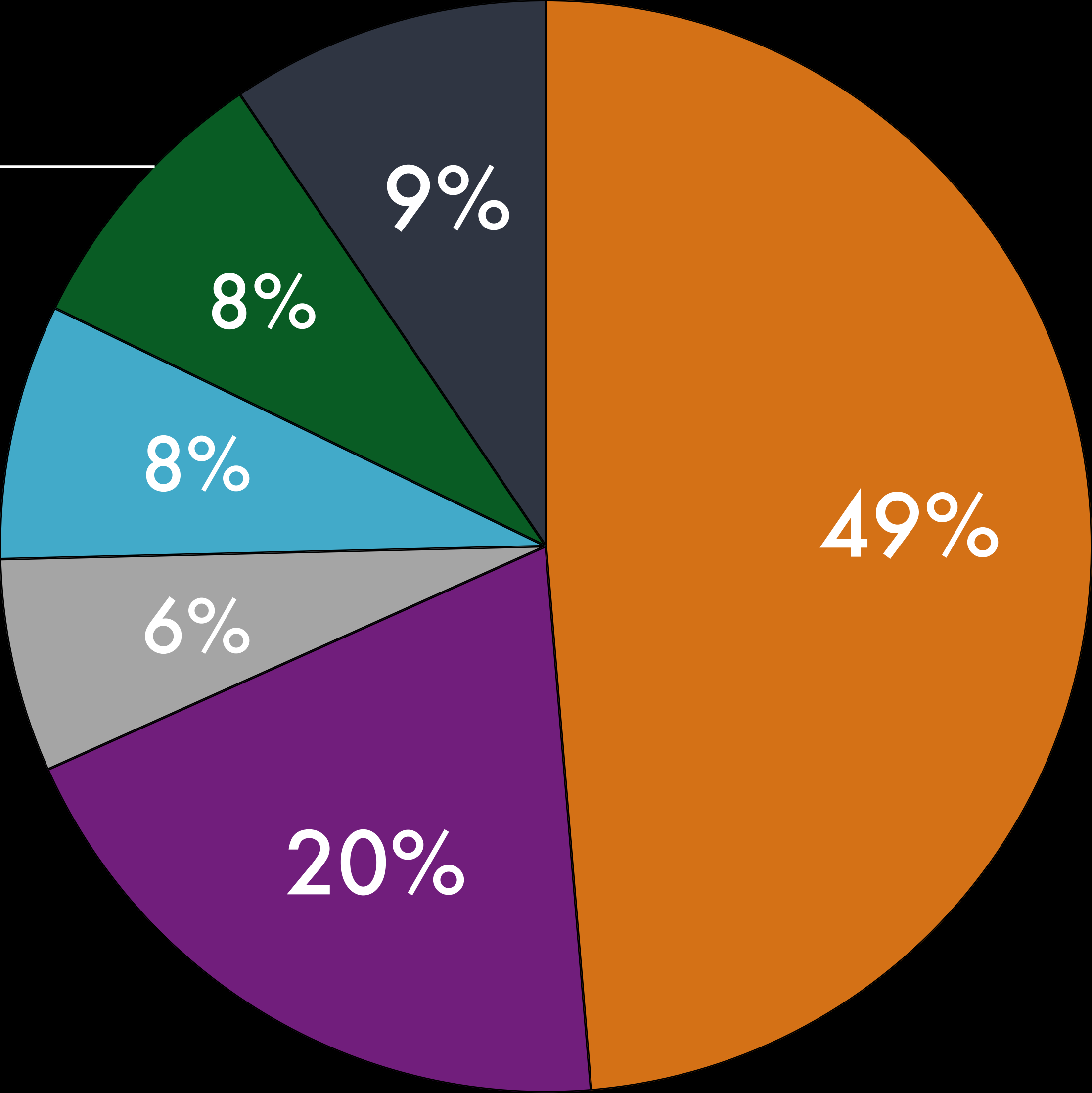


WHERE DOES THE MONEY GO?

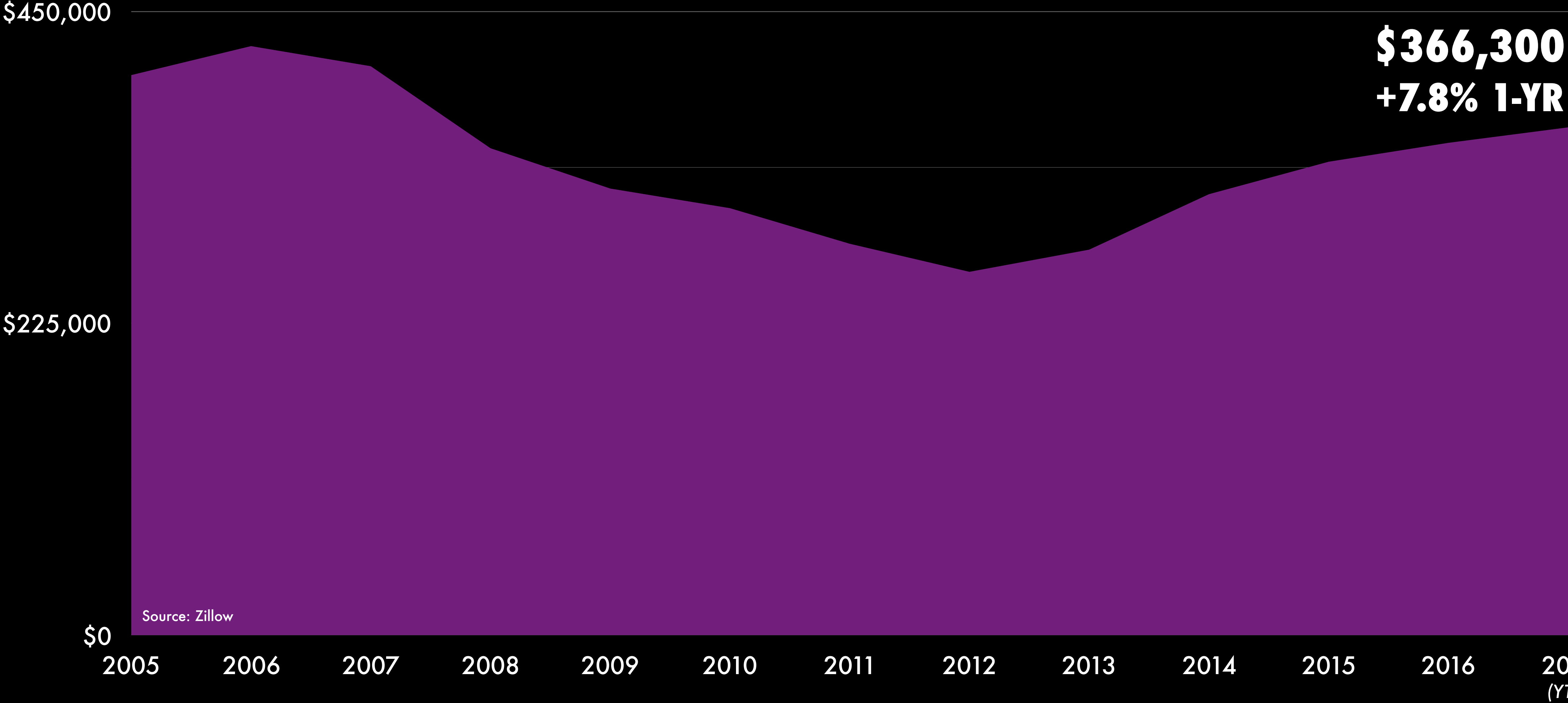
\$64,762,757

DISCRETIONARY REVENUE - GF

- Secured Property Tax
- Other Prop. Tax
- Sales Tax
- TOT
- Other
- Fund Balance



RESIDENTIAL PROPERTY VALUES

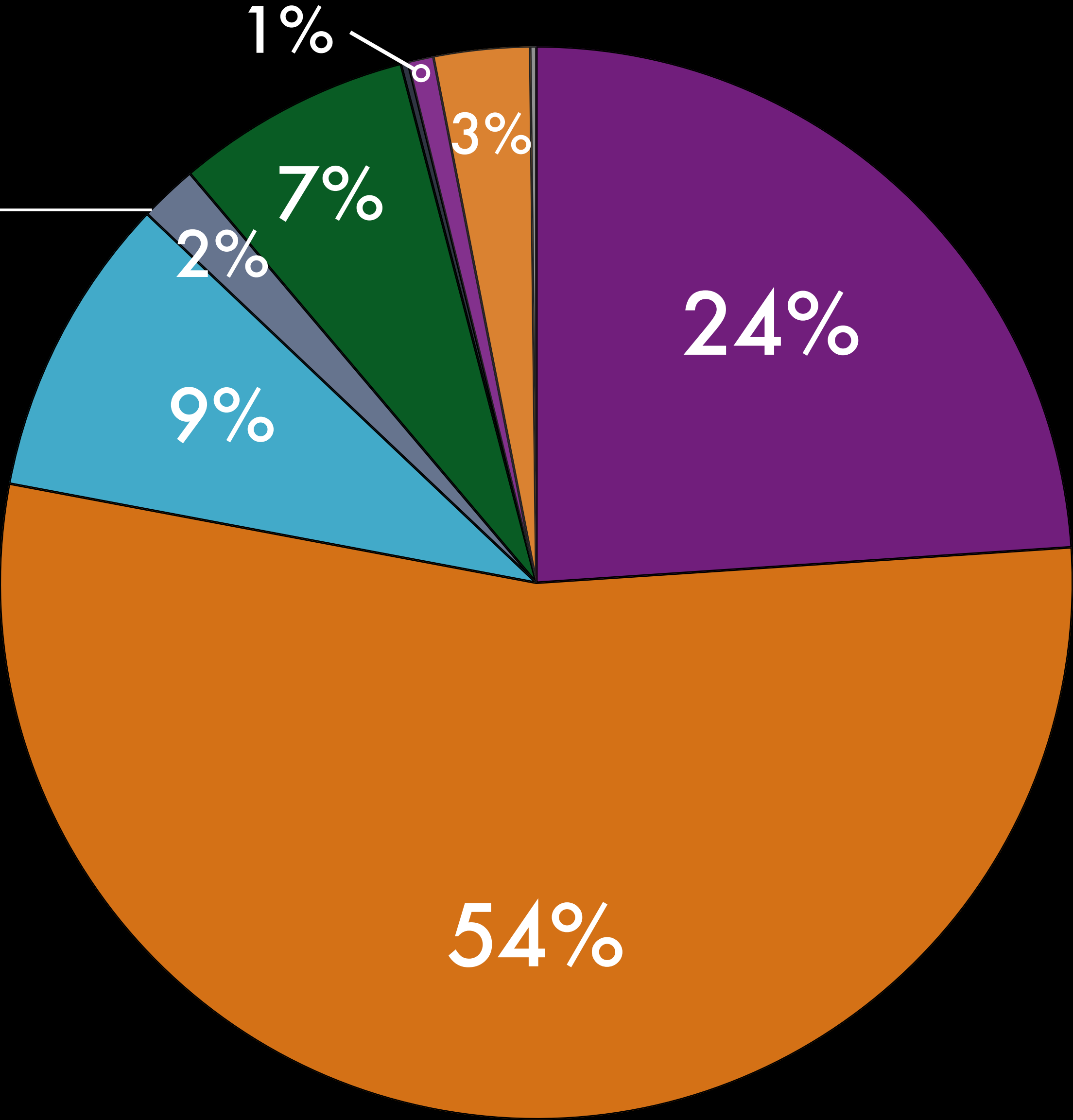


WHERE DOES THE MONEY GO?

\$64,762,757

DISCRETIONARY APPROPRIATIONS - GF

- General Gov't
- Public Protection
- Public Ways & Fac.
- Health & San.
- Public Assistance
- Education
- Rec & Culture
- Contingencies & Debt
- Reserves

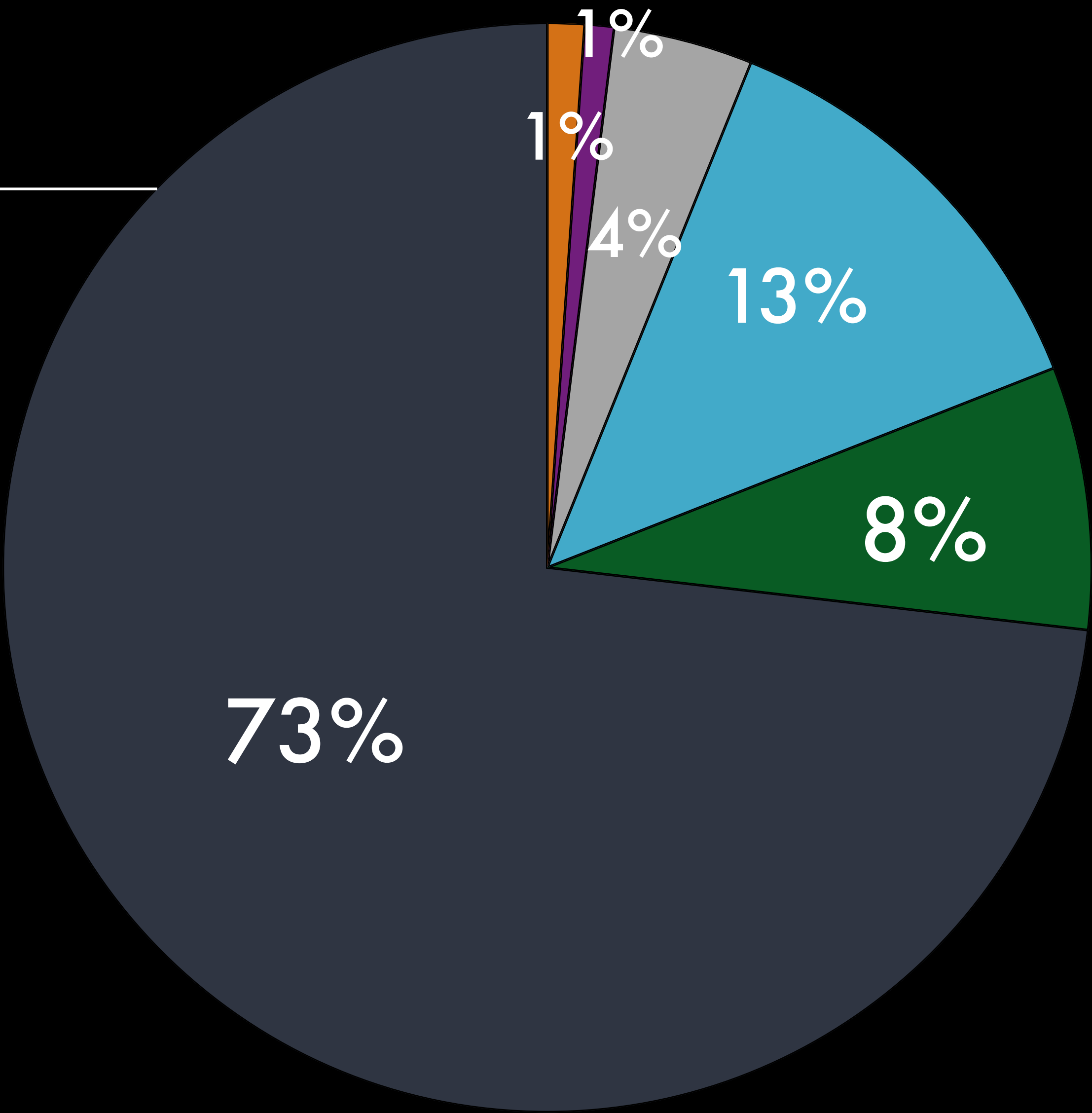


WHERE DOES THE MONEY GO?

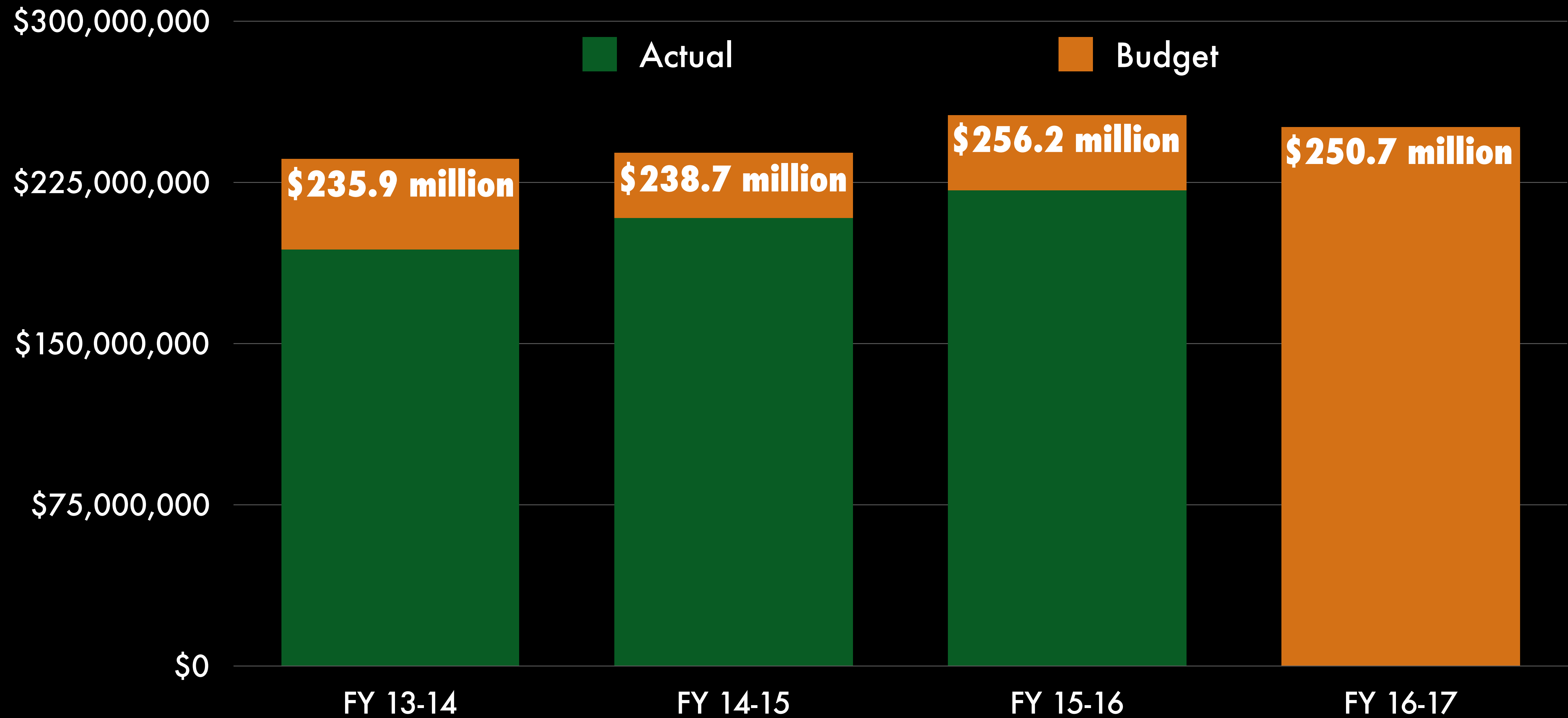
\$50,419,557

FEDERAL REVENUE - ALL FUNDS

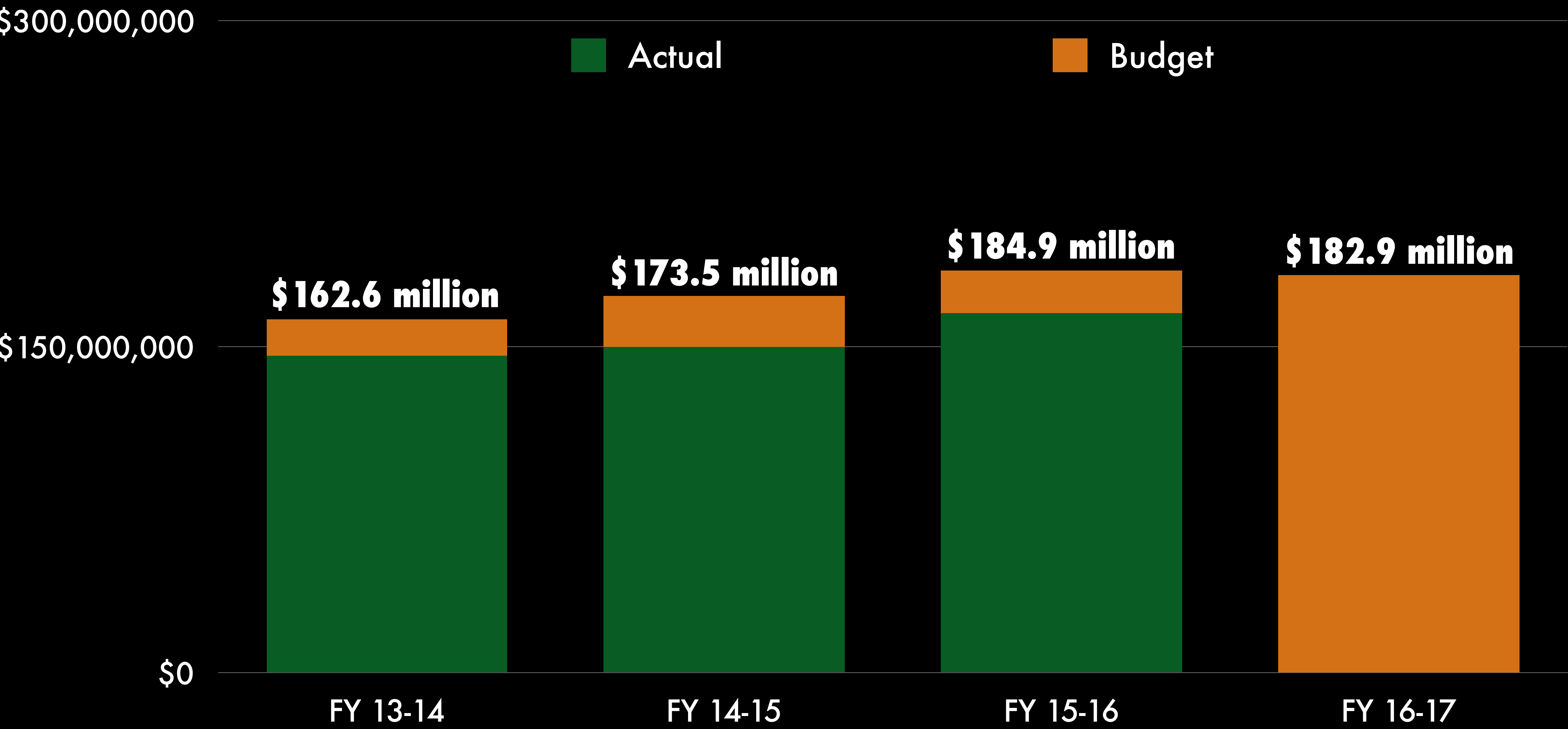
- Discretionary
- Public Safety
- Child Support Svcs.
- Infrastructure
- Public Health
- Public Assistance



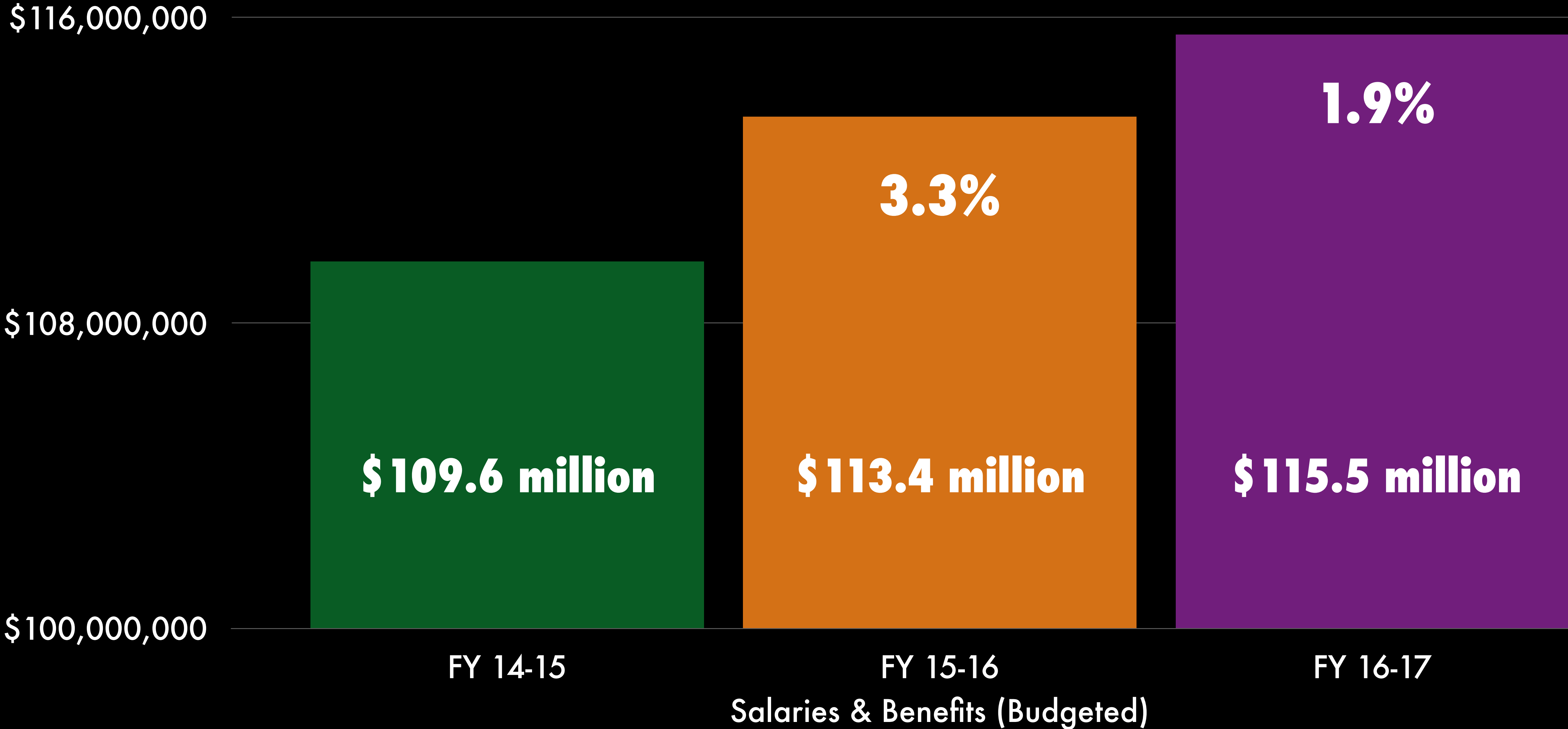
HISTORICAL BUDGET COMPARISON - ALL FUNDS



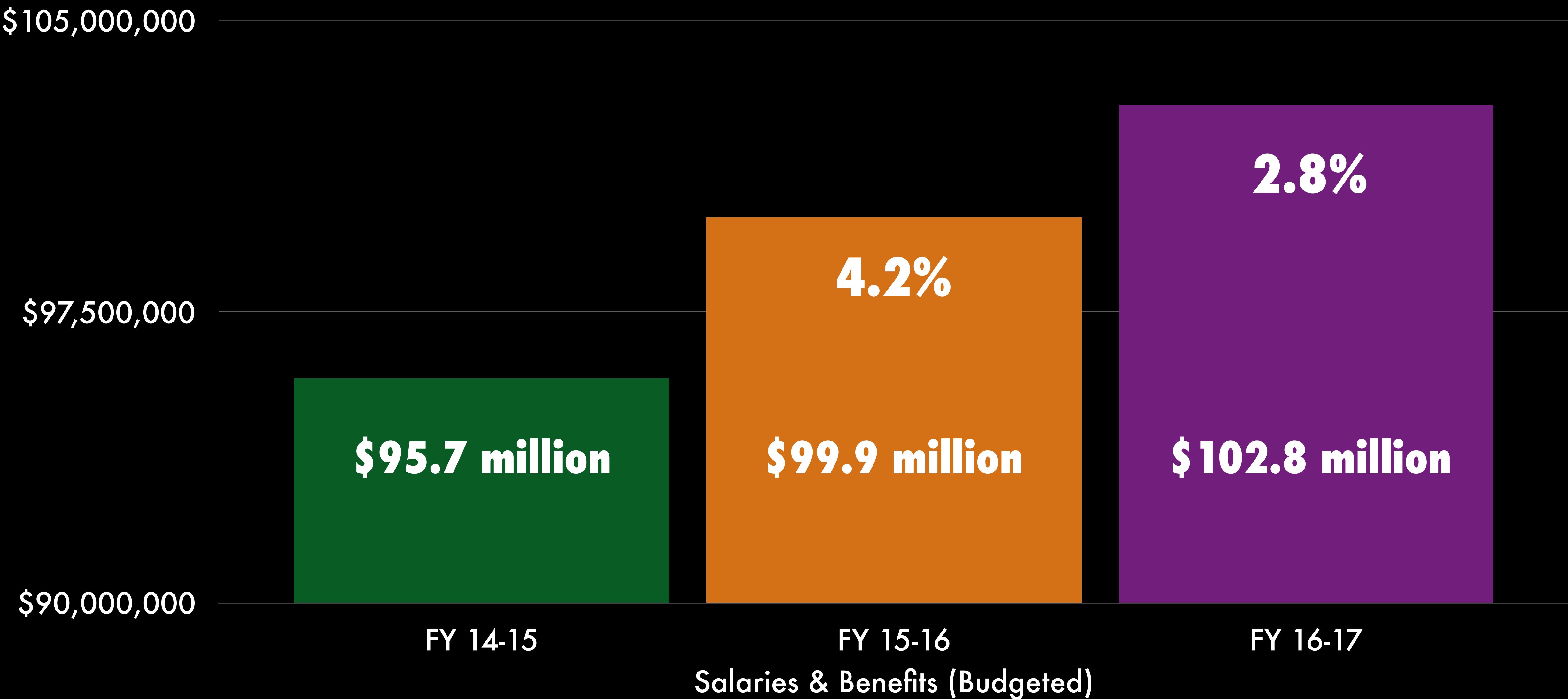
HISTORICAL BUDGET COMPARISON - GF



SALARIES & BENEFITS - ALL FUNDS



SALARIES & BENEFITS - GENERAL FUND



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

FISCAL YEAR
17-18



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

FISCAL YEAR
17-18



STRUCTURALLY BALANCED BUDGET

- On-going revenues utilized for on-going expenses
- One-time revenues/fund balance utilized for one-time expenses
- Reserves/Contingencies are not for on-going expenses
- Board's commitment to structural balance is key to fiscal stability

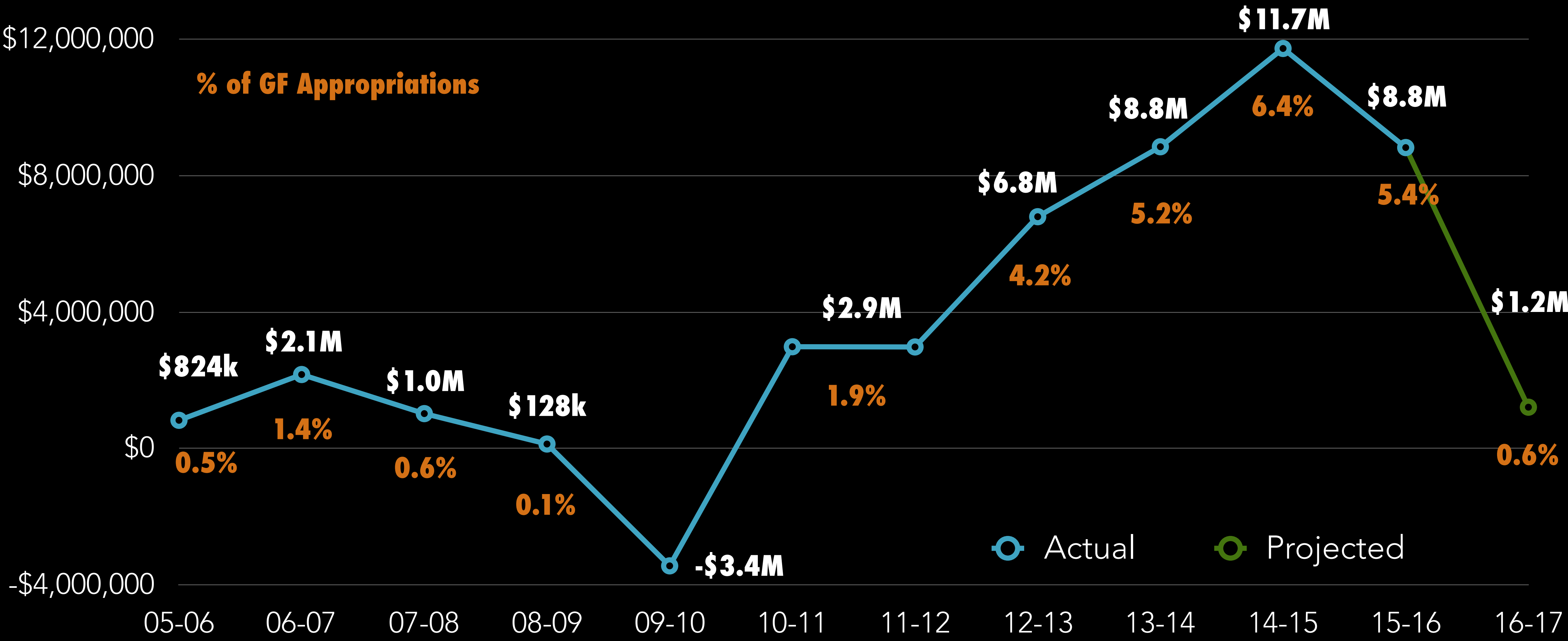


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FUND BALANCE CARRYOVER

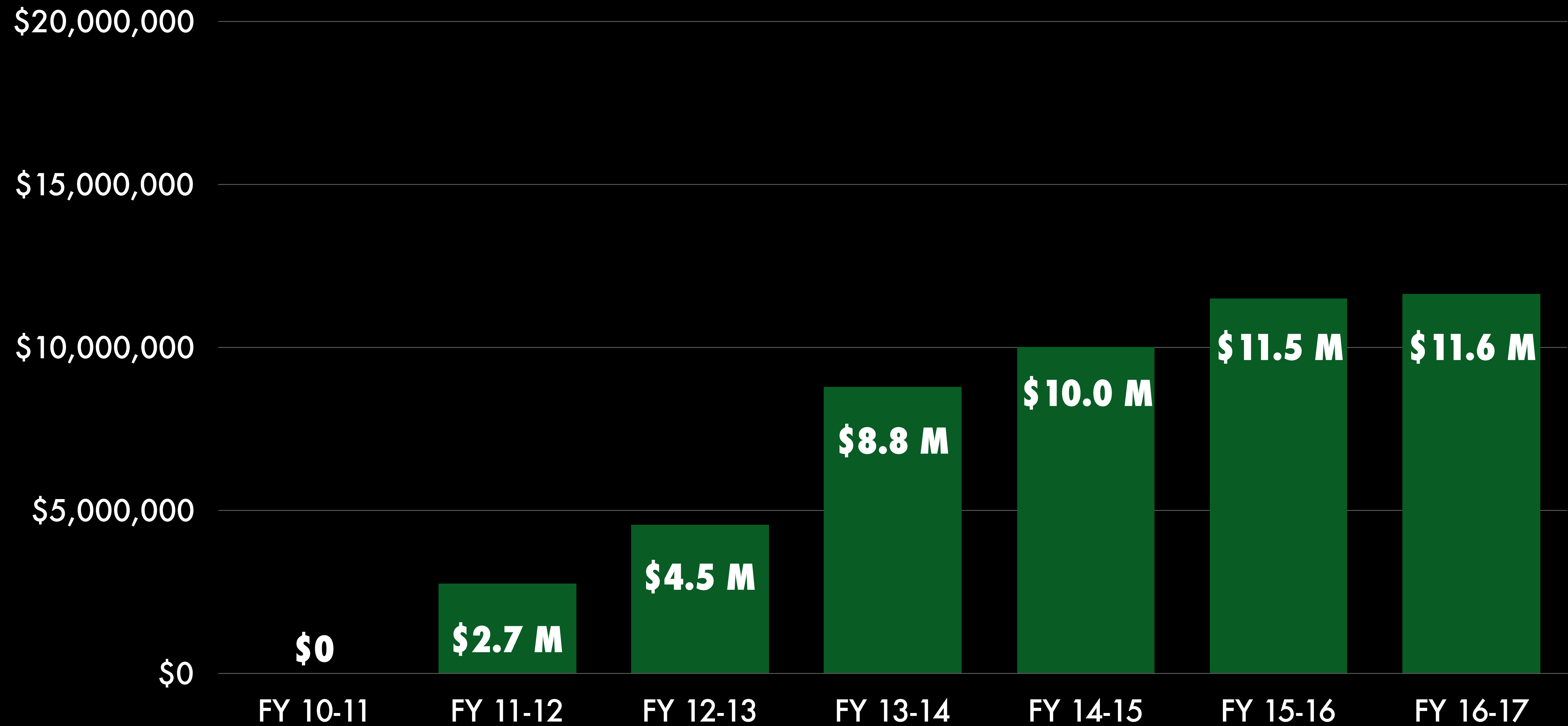


USE OF ONE-TIME FUNDING

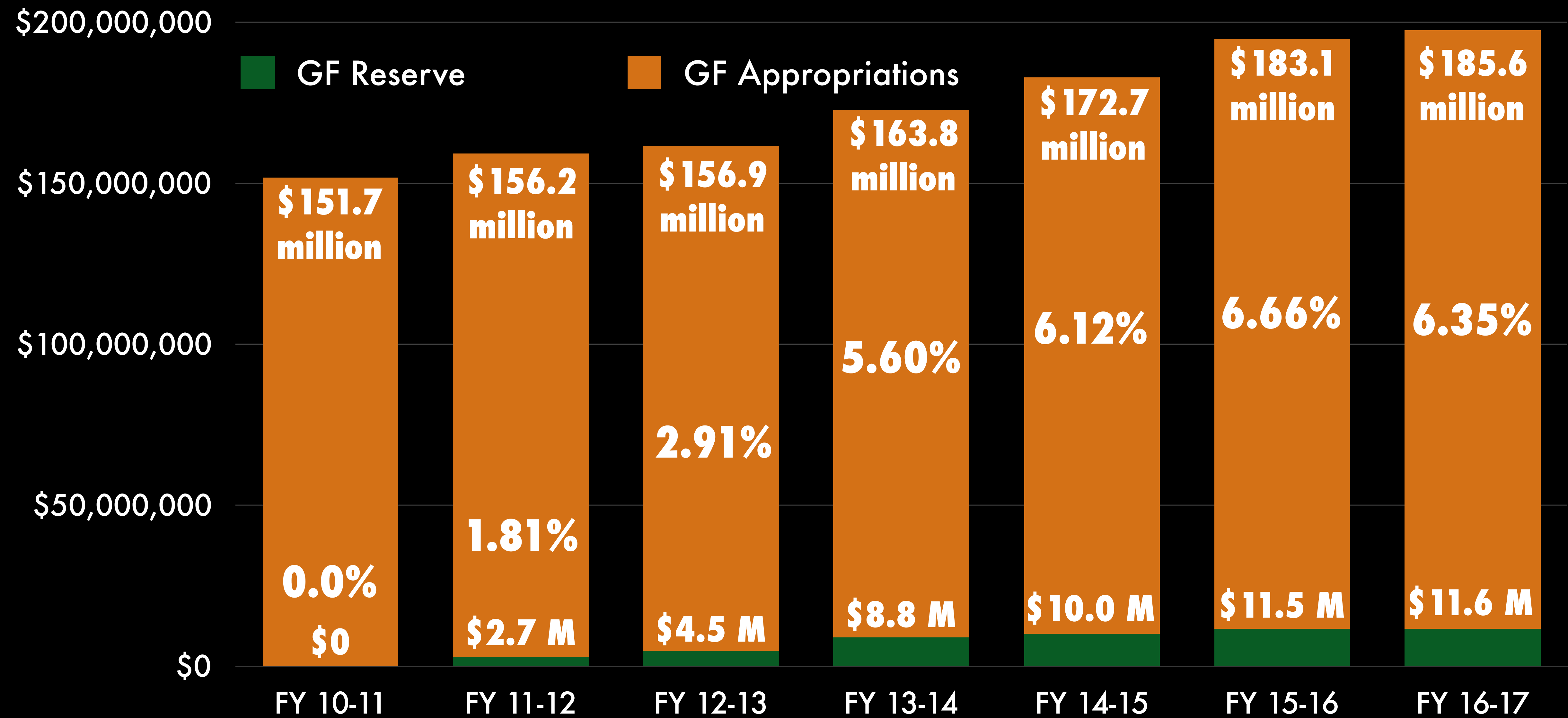
- Budget will utilize one-time funding for:
 - Department requests for one-time expenses (i.e. contracts, extra help, equipment, etc.)
 - Infrastructure and capital improvements
 - Special projects
 - Reserve adjustments
 - Community investments



GENERAL FUND RESERVE



GENERAL FUND RESERVE



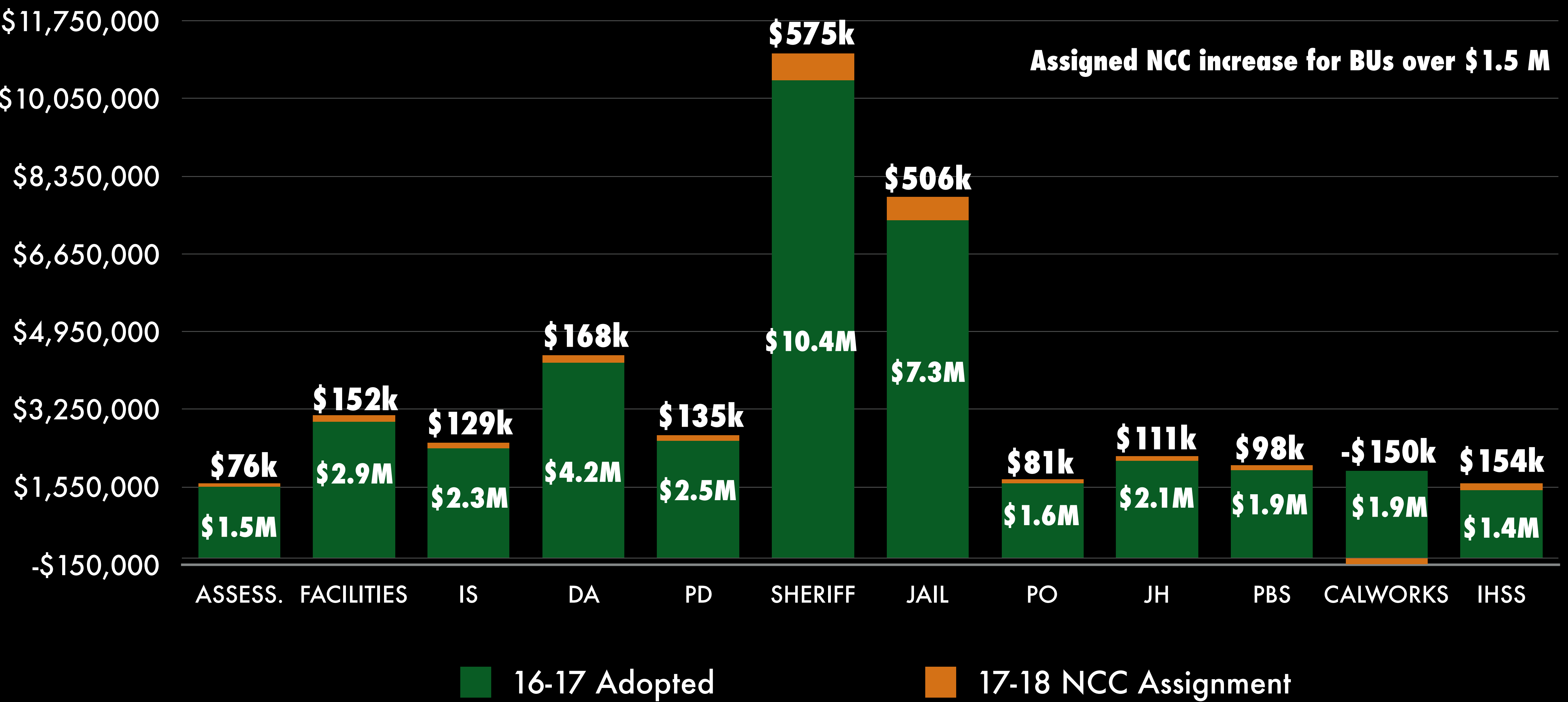
OVERVIEW OF NCC PLAN

- Net County Cost (NCC) = Department Revenues - Department Expenses
- Most Departments operate at a deficit, requiring NCC/discretionary revenue to balance
- Self-funded (Non-GF) budget units do not require NCC
- Some budget units the NCC is a required Maintenance of Effort (MOE)
- NCC Assignments for FY 17-18
 - Factor growth in salaries and benefits
 - Insurance adjustments
 - Copier/printer lease payments

FISCAL YEAR
17-18



NCC ASSIGNMENTS



BUDGET PROCESS

- Department budgets submitted at NCC Assignment
- Previous two years \$10 million in additional requests for GF
- Review requests, make additional adjustments
- Prepare final recommendations in the Proposed Budget



BUDGET ISSUES/CONCERNS

- Labor Agreements
- Federal & State funding shifts
- Roads
- Capital Improvements
- Increased pension costs (FY 18-19)
- Cannabis enforcement
- Fire District funding requests

FISCAL YEAR
17-18



LABOR UPDATE

Bargaining Unit	Employee Count 2/18/16*	Contract Status	Contract Start Date	Contract End Date
MCPAA	28	In Negotiations	1/1/2015	12/31/2016
DSA	142	Current	7/1/2014	6/30/2017
MCLEMA	9	Current	7/1/2014	6/30/2017
SEIU	755	Current	7/1/2015	6/30/2017
Confidential	30	Current	9/1/2015	8/31/2017
MCPEA	39	Current	10/1/2015	9/30/2017
Management	52	Current	10/1/2015	9/30/2017
Department Heads	15	Current	9/1/2015	8/31/2018
Unrepresented	26	Current	9/1/2015	8/31/2018

FISCAL YEAR
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IN-HOME SUPPORTIVE SERVICES (IHSS)

State budget options in preferred order

1. Continuation of the current state coverage of the IHSS MOE
2. Assembly Proposal - Modification of Governor's proposal by continuing some aspects of IHSS MOE and safe guards against future cost increases
3. 1991 Realignment Cost Sharing - Return to cost sharing ratio that is adjusted for cost increases incurred over the past five years per the LAO
4. Governor's proposal to eliminate the IHSS MOE and the Coordinated Care Initiative (CCI), resulting in massive cost shifts to counties beginning July 1, 2017

BOARD OF SUPERVISORS IDEAS

- Potential expenditure reductions?
 - New or underutilized revenue streams?
 - Targeted investments/community priorities?
 - Other ideas?
-
- Future workshop topics?



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