



FY 2020-21 Budget Workshop

May 5, 2020



Fiscal Year 20-21 Budget Workshops

- March 10, 2020
- May 5, 2020
- June 9, 2020 Budget Hearing
- November 3, 2020 First Quarter Adjustment

Mendocino County Budget Workshop

Introduction

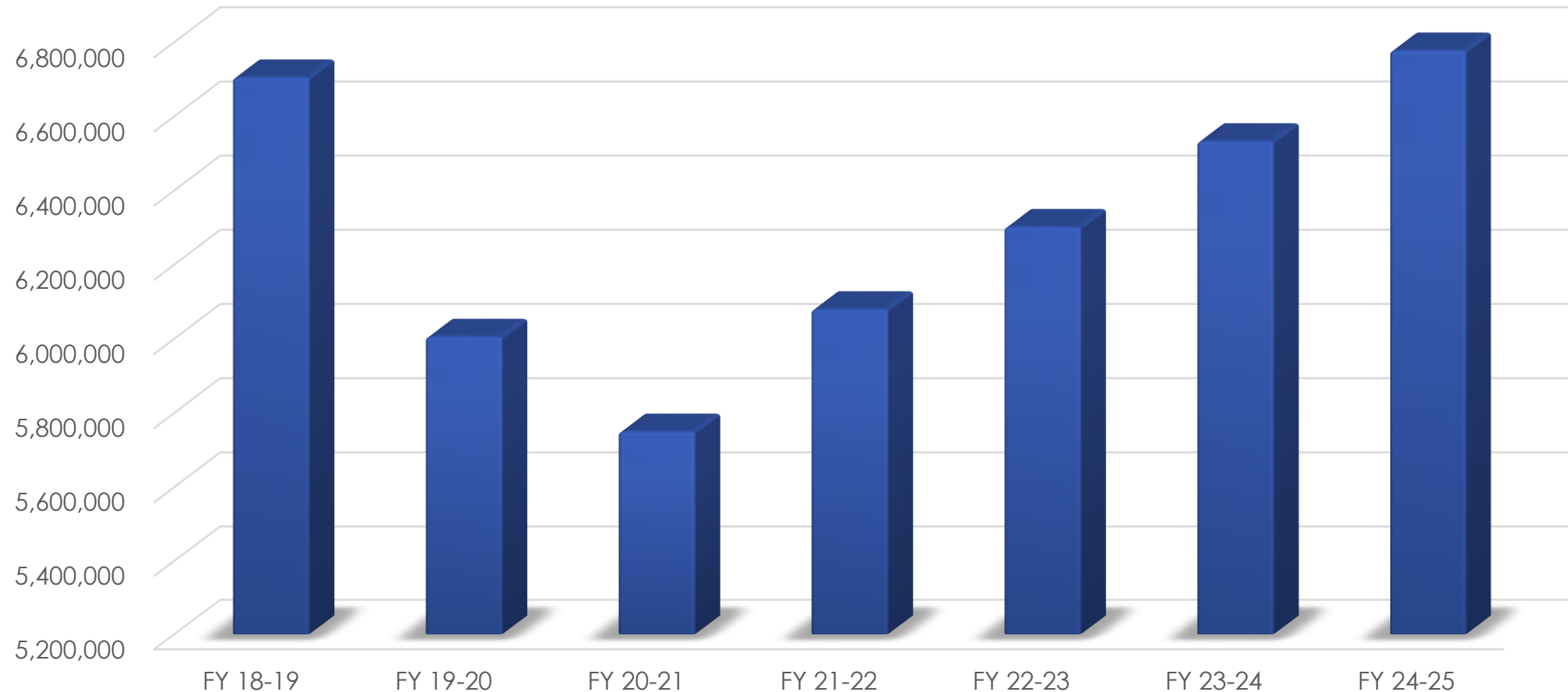
- State Budget Outlook
- COVID-19 Recession
- Workload Budget for June 9, 2020
- Accountability-Based Budgeting First Quarter 2020

COVID-19 Recession

- The recession has begun with major impacts FY 2019-20 and 2020-21.
- FY 2021-22 the economy is expected to begin a slight incline but will take until 2024-25 to pass FY 2018-19 tax levels
- Businesses will emerge with new ways to operate with fewer employees and more moderate capital investment
- It will take consumers time to fully get back to previous levels of leisure travel, dining and spending
 - Estimate 5 years to get back to pre-COVID tax levels

Sales Tax Recession Forecast

Extended Sales and Use tax Budget Estimate



Work Load Budget

- Government Code Section 13308.05 defines a workload budget as “the budget year cost of currently authorized services, adjusted for charges in enrollment, caseload, or population or all of the changes.....”
- Resource constraints could force a prioritization of non-mandated services
- As a result departments should have no expectation of full funding for either new or existing proposals and adjustments

Accountability-Based Budgeting

- California Government Code Section 29121
 - Except as otherwise provided by law, obligation incurred or paid in excess of the amounts authorized in the budget unit appropriations are not a liability of the county or dependent special district, but a personal liability of the official authorizing the obligation.
- Major Objectives
 - Focus on Fall 2020 1st Quarter Adjustments
 - Compare the actual results with the budgeted results monthly

Agenda

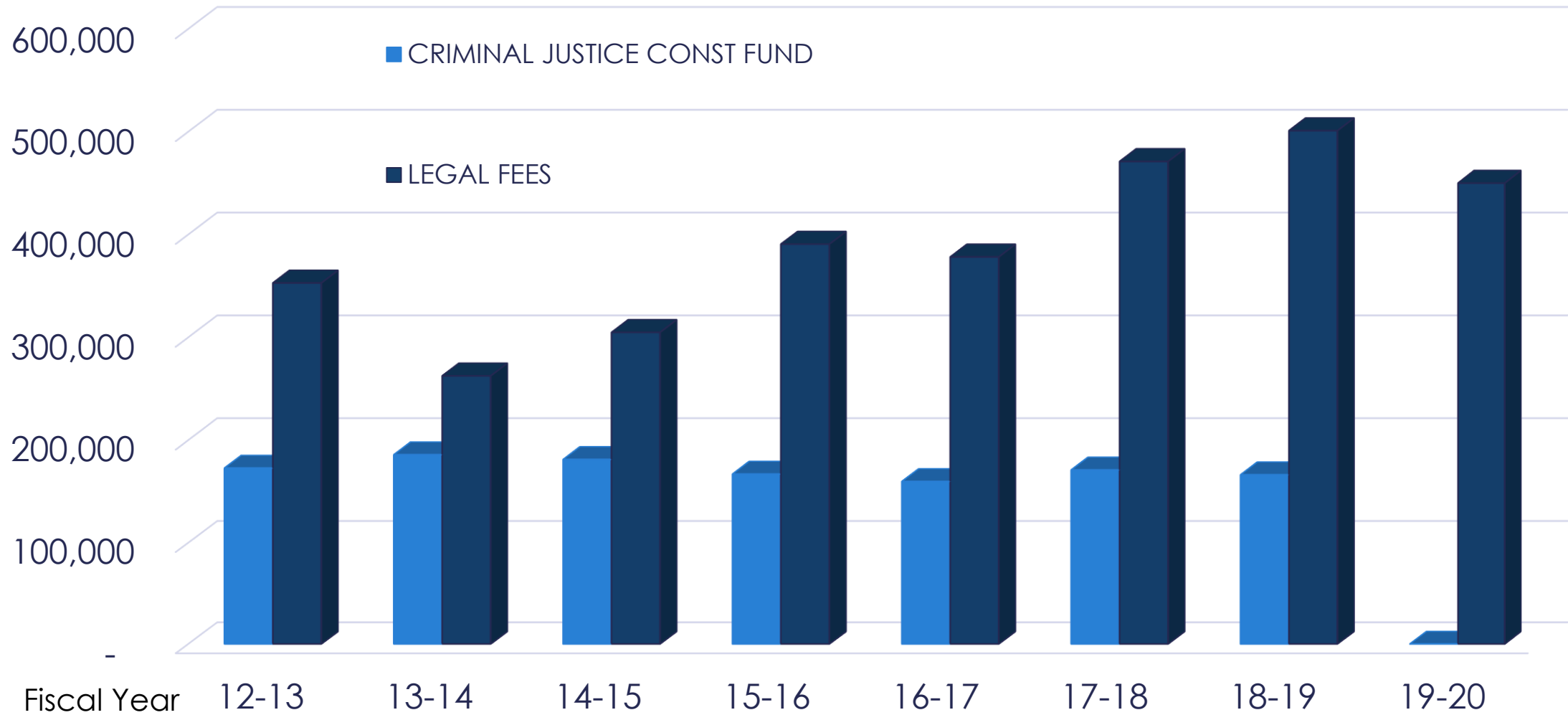
- FY 20/21 Direction?
 - Contracting Considerations
 - 5% reduction
 - Consolidations / Operational Efficiencies
 - Closures
 - Surplus Sales
- CEO Recommendation

Direction for FY 2020-21

	Savings	Timeline	Director
Department Savings			
• 2000 Series			
• * Freeze to all expense unrelated to COVID-19			
• Contract Expense Cut			
• * 5% Cut to all County Contracts	2,000,000	5/5/2020	All Dept.
• Hiring Freeze	2,100,000		
Department Consolidation			
• Public Defender, Alternate Defender, Conflict Defender	500,000		
• Finance Consolidation	500,000		
Closures			
	500,000		
Surplus Property Sale			
• Willits Justice Center	500,000		
	\$6,100,000		

Conflict Defender

FY Expenses vs. Revenues



Operational Changes to Create Efficiencies

- Fiscal Consolidation
 - Budget Process
 - Department Payroll Function
 - Property Tax System

CEO Recommendation to Board

- Workload Budget Based on Fiscal Year 19-20
- Fiscal Consolidation
- 5% Reduction on all Contracts
- Sale of the Willits Justice Center (Long term gain)

Workshop Board Direction

- Discussion on Workload Budget
- Discussion on Accountability-based Budget
- Cost Reduction Measures

Direction