



Report on County Financial and Budget Status

January 26, 2010

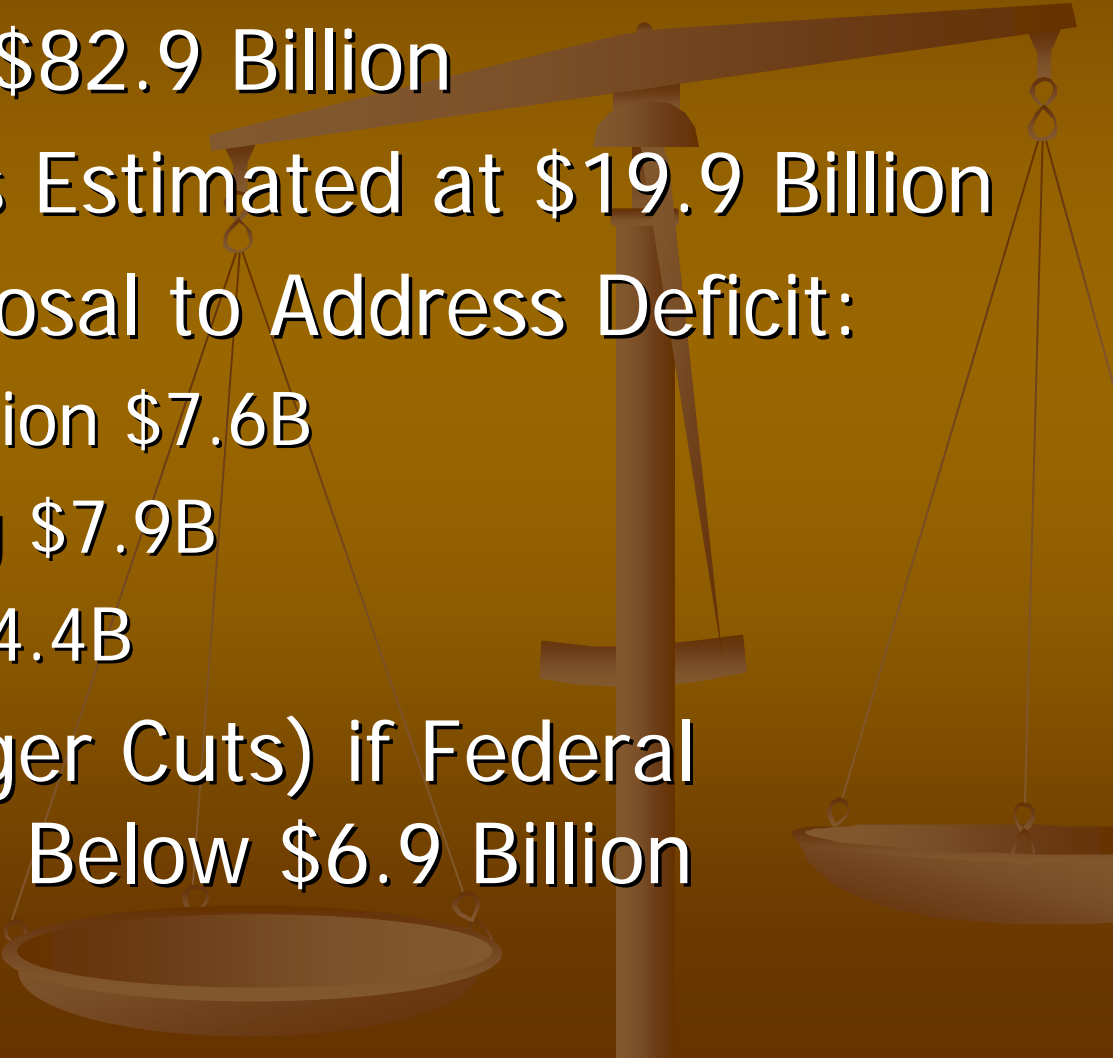
Agenda Item #56

County Financial Status

- Report on State Budget Impacts
- Report and Recommendations from the Public Safety Working Group



State Budget Impact


- State Budget is \$82.9 Billion
 - Budget Deficit is Estimated at \$19.9 Billion
 - Governor's Proposal to Address Deficit:
 - Expense Reduction \$7.6B
 - Federal Funding \$7.9B
 - Other Actions \$4.4B
 - Additional (Trigger Cuts) if Federal Funding Level is Below \$6.9 Billion
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Orange County Impacts

- County Revenue Impact - \$137M
 - Mental Health Services Act (\$37M to \$106M)
 - In-Home Supportive Services (\$2M)
 - CalWORKs (\$25M)
 - Sentencing Changes
 - Proposition 42/HUTA
 - Redevelopment Shift (\$1.8M)
 - Election Reimbursement (+\$4.9M)

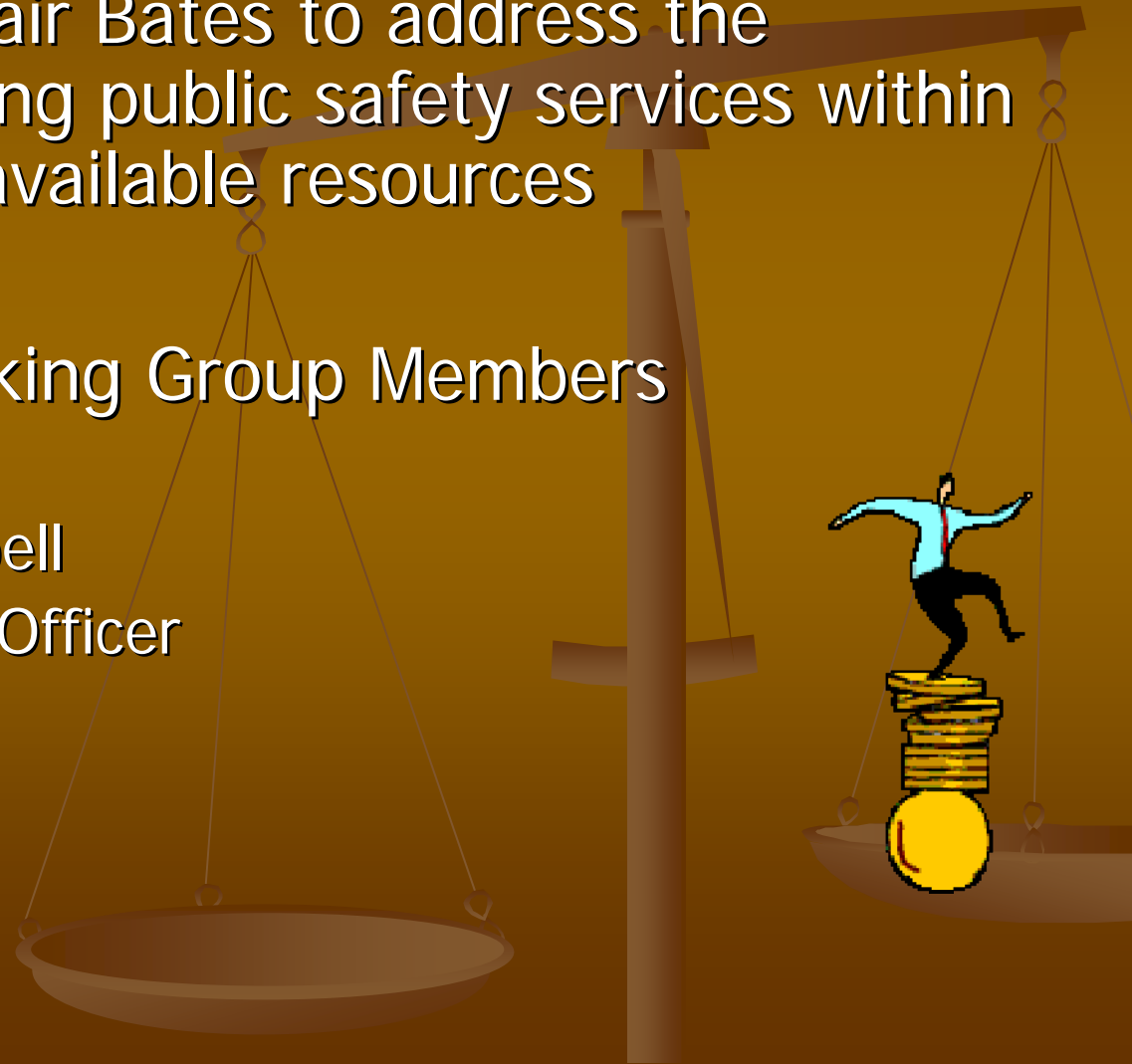


State Budget Status

- Cash Flow Solutions Need Approval by March
 - May Revise Budget Will be Closer to "Final" Budget
 - Final Adoption is Usually After July 1
 - County to Maintain No Backfill Policy
 - Reconciliation of Impacts in Fall 2010
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Public Safety Working Group

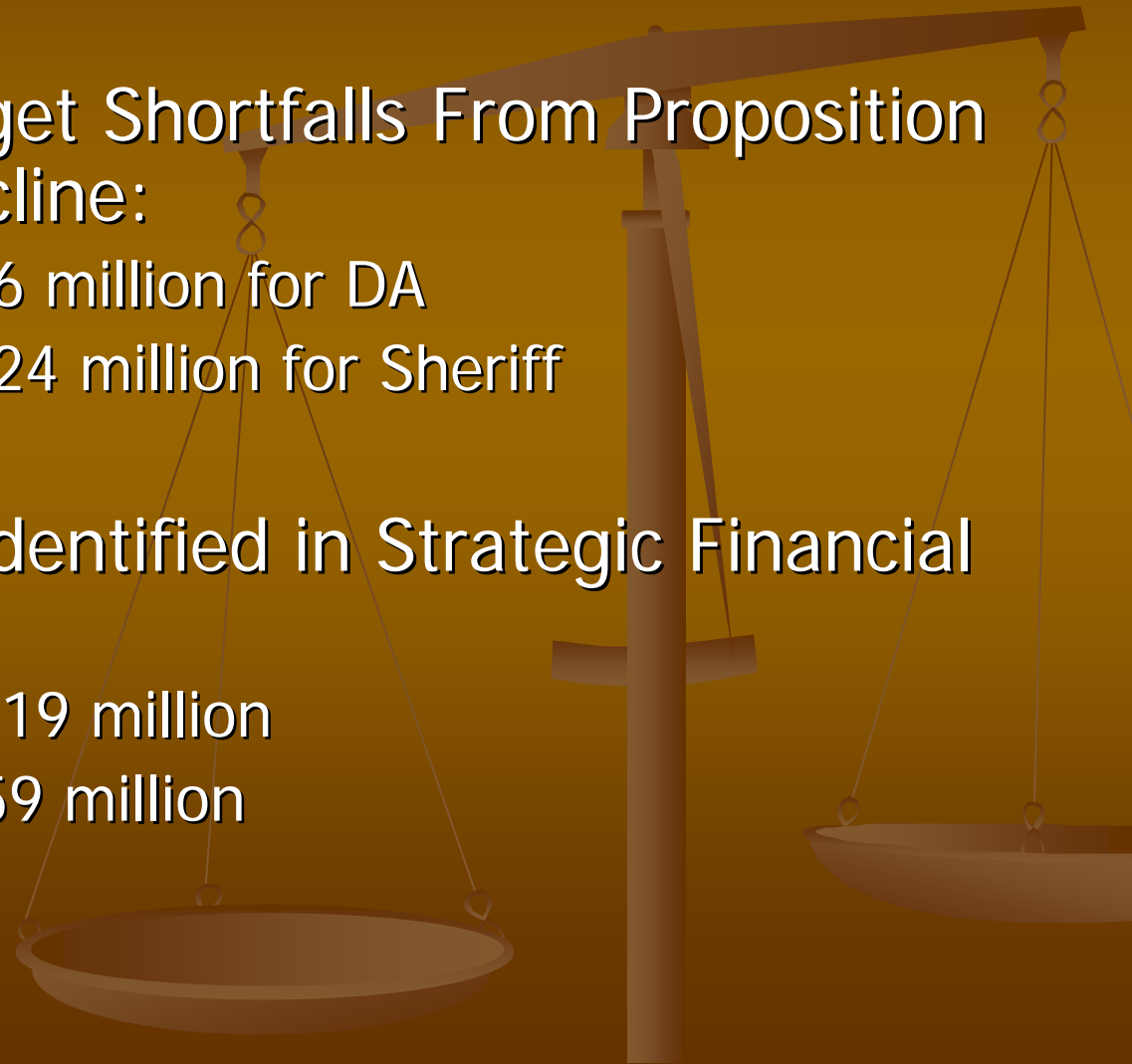
- Established by Chair Bates to address the challenge of funding public safety services within the constraint of available resources
- Public Safety Working Group Members
 - Supervisor Bates
 - Supervisor Campbell
 - County Executive Officer
 - District Attorney
 - Sheriff-Coroner



Public Safety Working Group

Background

- Current Year Budget Shortfalls From Proposition 172 Sales Tax Decline:
 - Revenue loss of \$6 million for DA
 - Revenue loss of \$24 million for Sheriff
- Budget Shortfall Identified in Strategic Financial Plan for FY 10/11:
 - District Attorney \$19 million
 - Sheriff-Coroner \$59 million



Public Safety Working Group

Actions Taken by Subcommittee:

- Review of DA and Sheriff Budget Status
- Review of Probation Budget Impacts
- DA and Sheriff Mid-Year Reduction Plans
- Review of County Reserves
- Identification of Available Resources
- Development of Plan to Balance FY 2009/10 Budget



Public Safety Working Group

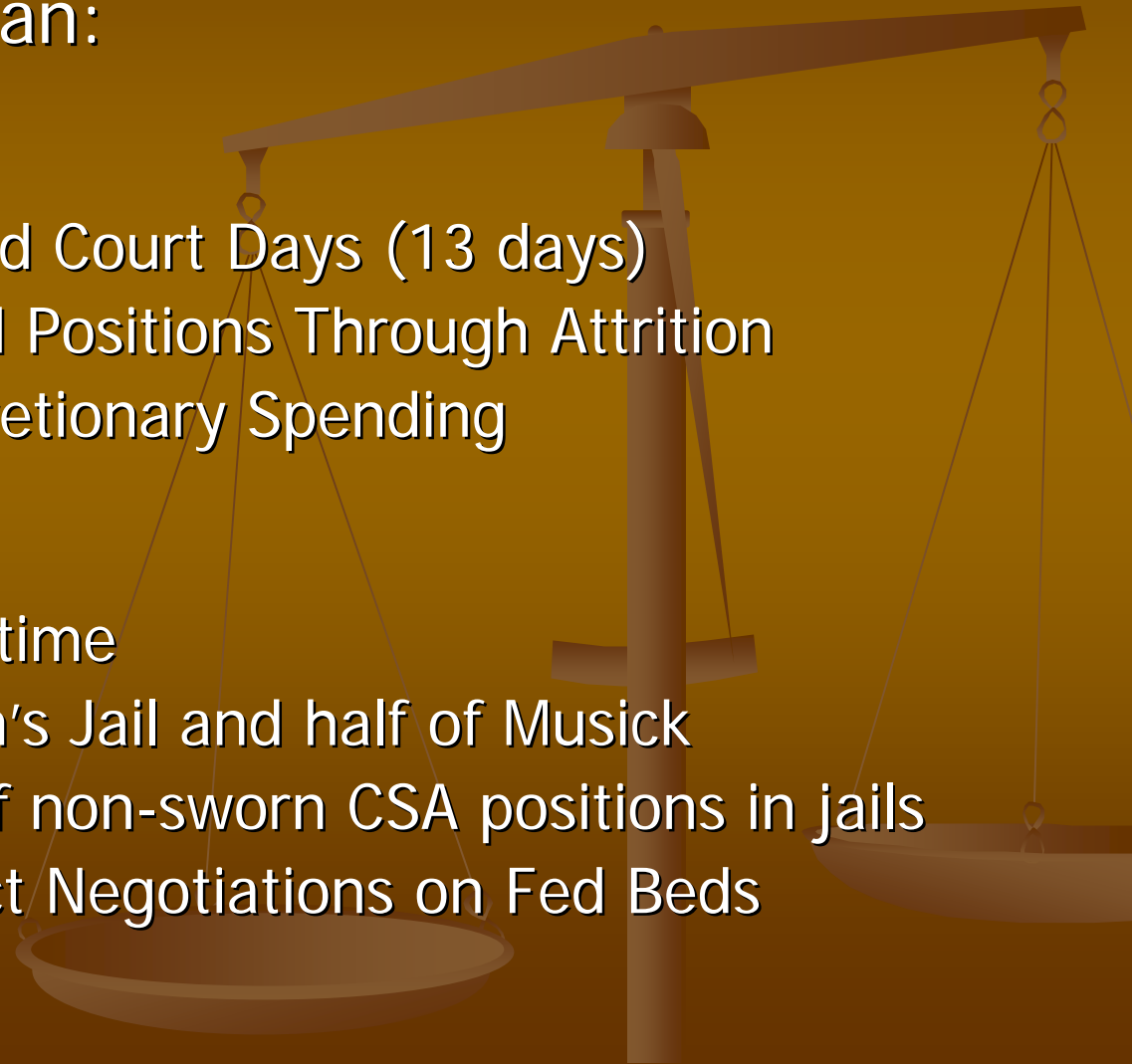
Budget Reduction Plan:

District Attorney:

- Furlough on Closed Court Days (13 days)
- Reduction in Filled Positions Through Attrition
- Reduction in Discretionary Spending

■ Sheriff-Coroner

- Reduction in Overtime
- Closure of Women's Jail and half of Musick
- Implementation of non-sworn CSA positions in jails
- Beginning Contract Negotiations on Fed Beds

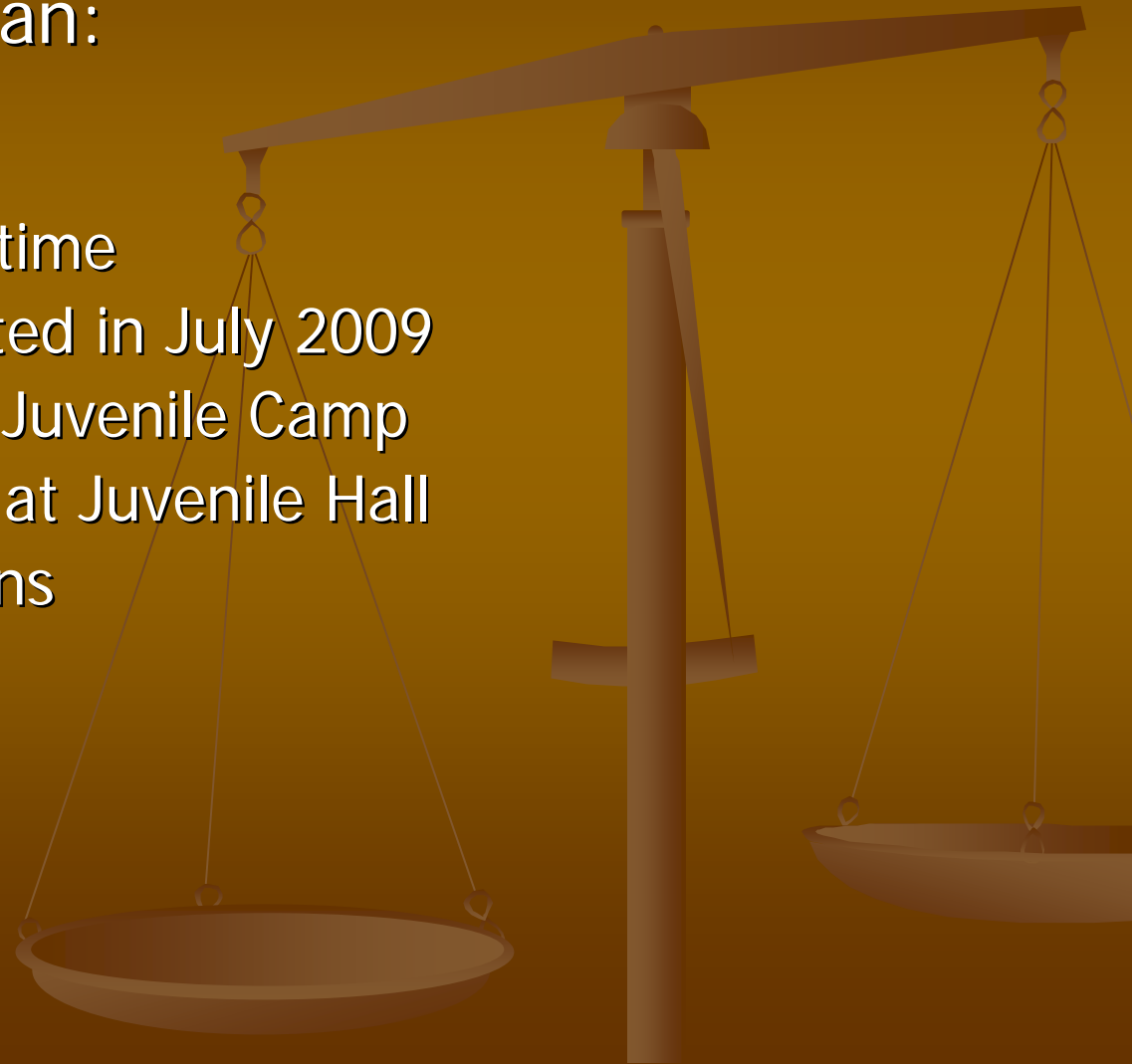


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Budget Reduction Plan:


Probation:

- Reduction in Overtime
- 93 layoffs completed in July 2009
- Closure Los Pinos Juvenile Camp
- Closure of 2 units at Juvenile Hall
- 5% NCC Reductions



Public Safety Working Group

Proposed Budget Reductions:



Sheriff Shortfall: FY 09/10	\$24.0M
"Green List" Reductions	(\$6.3M)
Cancel Capital Projects	(\$8.0M)
Court Security	(\$0.7M)
"Fed Bed"/CSA Savings	<u>(\$4.0M)</u>
Current Year Shortfall	<u>(\$5.0M)</u>

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Proposed Budget Reductions:

DA Shortfall: FY 09/10	\$6.0M
Additional Reductions	<u>(\$1.3M)</u>
Current Year Shortfall	(\$4.7M)



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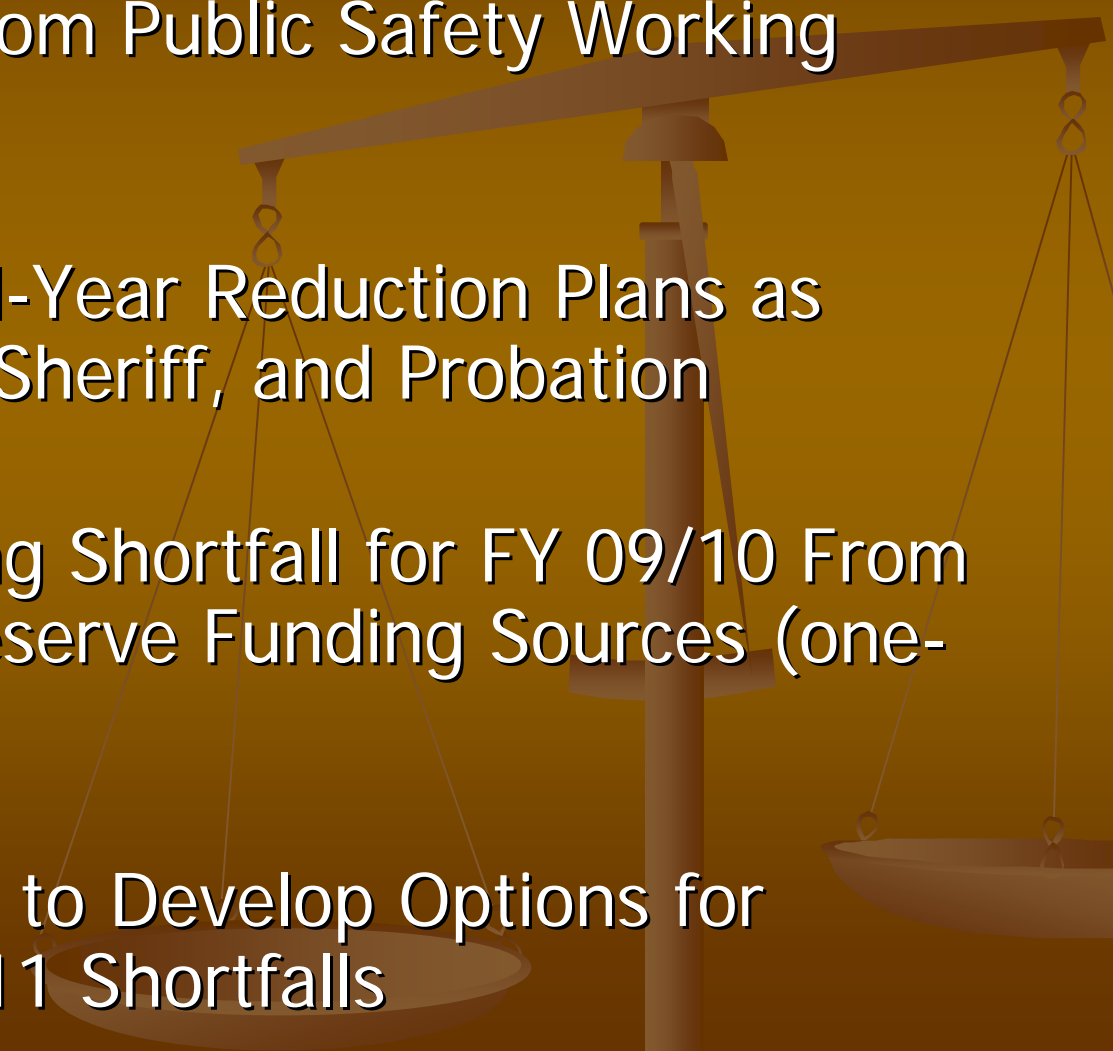
Proposed Budget Reductions:



Probation Shortfall: FY 09/10	\$11.9M
Additional Reductions	<u>(\$9.9M)</u>
Current Year Shortfall	(\$2.0M)

Public Safety Working Group

Recommendation from Public Safety Working Group:

- Implement of Mid-Year Reduction Plans as Proposed by DA, Sheriff, and Probation
 - Balance Remaining Shortfall for FY 09/10 From Identified Non-Reserve Funding Sources (one-time)
 - Continue Meeting to Develop Options for Balancing FY 10/11 Shortfalls
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Public Safety Working Group Summary

Recommendation to Balance FY 09/10:

DA Shortfall	(\$4.7M)
Sheriff Shortfall	(\$5.0M)
Probation Shortfall	(\$2.0M)
Transfer from Fund 145	\$9.7M
Transfer from Fund 104	<u>\$2.0M</u>
Shortfall	\$0.0M

