

Budget Guidance



Issues to Consider in Guidance

- The economy has not fully recovered but glimmers of hope
- Tax bills and willingness/ability to pay always an issue
- Last year during worst year of recession taxpayers received a 12.7% tax bill decrease or \$435/year
- We have already cut a considerable amount out of the County budget - over \$42M in FY 2010
- We will continue to face lost revenues from the State and Federal government



Revenue Scenario - 4% increase in General Revenue - 3.3% increase in spending

- Provides Schools general revenue adopted in Five-Year Plan
- State and Federal revenues are down
- Revenue will cover the County's Five-Year Plan items
 - ◆ ½ Police and Fire Staffing Plans
 - ◆ Cash-to-capital for 2006 road bond projects underway
 - ◆ Public Safety Technology upgrades
 - ◆ Compensation/Benefits -VRS increase still major wild card
- Will cover highest risk items:
 - ◆ DSS - Child Protective Services
 - ◆ State Cuts - MR clients, Police 599, DSS, Health Department
 - ◆ Finance Internal Control Positions
- Tax bill still \$110 lower than homeowner paid in FY 2009
- Average residential tax bills increase 10.8% - \$27/month
- Commercial tax bills decrease by 17.7%



Revenue Scenario - 2.3% increase in General Revenue - 2% increase in spending

- Schools will receive \$7.4M less in General Revenue than planned in adopted in Five-Year Plan
- State and Federal revenues are down
- Revenue is \$5.4M short of covering the County's adopted Five-Year Plan items and highest risk needs
- County will need to recommend budget cuts/shifts to higher risk items and cut Five-Year Plan items
- VRS still major wild card for both Schools & County
- Tax bill \$195 lower than homeowner paid in FY 2009
- Average residential tax bills increase 8%/\$20/month
- Commercial tax bills decrease by 19.8%



Revenue Scenario - 1% increase in General Revenue - 1% increase in spending

- Schools will receive \$12.5M less in General Revenue than planned in adopted in Five-Year Plan
- State and Federal revenues are down
- Revenue is \$9.3M short of covering the County's adopted Five-Year Plan items and highest risk needs
- County will need to recommend budget cuts/shifts to higher risk items and cut Five-Year Plan items
- VRS still major wild card for both Schools & County
- Tax bill \$255 lower than homeowner paid in FY 2009
- Average residential tax bills increase 6%/ \$15/month
- Commercial tax bills decrease by 21.3%



Budget Guidance Scenarios

Tax Rate	Res. % Tax Bill Increase	Tax Bill Increase	Tax Bill Increase Per Month	Comparison to FY09 Tax Bill	Commercial Tax Bill % Change	FY11 School Impact	FY11 County Impact
\$1.330	10.8%	\$325	\$27.08	(\$110)	-17.7%	\$59,588	\$45,413
\$1.296	8.0%	\$240	\$20.00	(\$195)	-19.8%	(\$7,317,913)	(\$5,577,088)
\$1.272	6.0%	\$180	\$15.00	(\$255)	-21.3%	(\$12,525,293)	(\$9,545,708)
\$1.248	4.0%	\$120	\$10.00	(\$315)	-22.8%	(\$17,732,673)	(\$13,514,328)
\$1.224	2.0%	\$60	\$5.00	(\$375)	-24.3%	(\$22,940,620)	(\$17,483,380)



Budget Guidance

- BOCS directs tax revenue policy on which CXO and Superintendent will propose budgets

- BOCS Considerations:
 - ◆ County/School Revenue projections for FY 2011 in adopted Five-Year Plan
 - ◆ County/School Needs
 - ◆ Impact on residential and commercial bills
 - ◆ Other sources of revenue to take pressure off of real estate tax bill - particularly residential tax bill
 - ◆ Impacts of further budget reductions on the community and on customers



Impacts of Budget Cuts

- County cut every agency last year for a total of \$42M and froze compensation
- County will need to look at reducing Five-Year Plan items which are primarily public safety staffing plans
- Staff will need to recommend shifts/cuts from lower risk to higher risk items
- However, given risk matrix, BOCS and community will see some of the same cuts recommended last year that were restored
- To implement shifts, some activities will have cease to exist in order to provide additional resources to higher risk items
- Staff will continue to use the risk matrix within and between agencies to formulate recommendations for the February proposed budget



Next Steps

- Joint meeting with State Delegation November
- Services for MR clients - Resolution November
- Development Svcs revenue update November
- County/School 2nd Subcommittee Mtg November
- Social Services - Resolutions
 - ◆ Mid-year budget reconciliation November
 - ◆ Emergency Duty Unit December
- Joint meeting with School Board December
- VRS rate increase announced December
- FY 2011 Budget Guidance- Resolution December
- CXO Proposed CIP to BOCS December
- CXO Proposed FY 2011 Budget to BOCS February



Questions

