

FY 17 Budget Parameters with the Board of Supervisors

October 20, 2015



Agenda

- Review Property Tax Adjustments
- Set parameters for department budget development



Economy & Tax Base

	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24
Backfill	\$0.151	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Multi-Family	\$1.137	<u>\$1.089</u>	<u>\$1.042</u>	<u>\$0.995</u>	<u>\$0.947</u>	<u>\$0.900</u>	<u>\$0.853</u>	<u>\$0.805</u>	<u>\$0.758</u>
Net Change		(0.199)	(0.047)	(0.047)	(0.048)	(0.047)	(0.047)	(0.048)	(0.047)
Total Change To Date		(0.199)	(0.246)	(0.293)	(0.341)	(0.388)	(0.435)	(0.483)	(0.530)

Reduction of Backfill and Multi-family Residential property taxes in Millions of Dollars



Property Tax Adjustments

	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24
Backfill	\$1.600	\$1.449	\$1.159	\$0.869	\$0.580	\$0.290	-	-	-
Multi	<u>1.137</u>	<u>1.089</u>	<u>1.042</u>	<u>0.995</u>	<u>0.947</u>	<u>0.900</u>	<u>0.853</u>	<u>0.805</u>	<u>0.758</u>
Current Revenue	2.737	2.538	2.201	1.864	1.527	1.190	0.853	0.805	0.758
Net Change		(0.199)	(0.337)	(0.337)	(0.338)	(0.337)	(0.337)	(0.048)	(0.047)

Reduction of Backfill and Multi-family Residential property taxes in Millions of Dollars





FY17 Budget Preparation

- **Personnel**

- Estimate longevity at 1% and COLA 2% for all employees. Results of three unions over 2% - utilize fund balance
- Budget Health Costs 5.2% for January 2016 increase (maintain Health/Dental Insurance Fund Balance at 5 months).

- **Non-Personnel**

- Budget 0% growth from FY15
(FY15 Operating Budget 94.1%, excluding Secondary Roads expended +1.8% inflation).
Review individual line items in departments to recommend funding shifts; Highlight for Board review.
- Adjust Secondary Roads budget to expected revenues. Allows for additional capital projects.
- Renegotiate Pine Knoll contract for FY16 and FY17 to reduce costs; Direct County Mental Health Advisory Committee to recommend non core services cuts for FY17 that will keep County within current funding ability.

FY17 Budget Preparation

- **Authorized Agencies**
 - Require FY17 Budgets at 0% growth. Review agencies that have new funding sources i.e. CHC with Medicaid reimbursement. Lower Medic deficit backfill.
- **Capital Budget**
 - Continue property tax transfer at \$1,225,000 and include general fund transfer of \$2,715,796 from FY15. Look for ways to reduce costs in line items that are equipment replacement.
- **Budget Strategic Flexibility FY 18-FY 22**
 - Develop strategy to absorb property tax backfill reduction of \$1.6 million over 5 years.



FY17 Budget Preparation

- **Program Guidelines for departments and current funded agencies**
 - Departments may submit new programs for consideration.
 - Programs must have offsetting revenue and/or show operating costs savings or other program reduction.
 - Capital costs must have outside participation identified in proposal.
 - Program must show benefit to community and include measurement.



FY 17 Budget Parameters

Questions?