



County Administrative Office

2020-21 County Budget Hearing

Gary McBride
Chief Executive Officer
June 9, 2020

2020-21 Recommended Budget

(in millions)	2019-20	2020-21	Change	Percent Change
County Operations:				
Administration	402.6	389.8	(12.8)	-3.2%
Capital Facilities Leases	(0.9)	(0.9)	0.0	-3.3%
Economic Development Agency	30.1	29.3	(0.8)	-2.5%
Community Development and Housing Agency	64.6	58.7	(6.0)	-9.3%
Fiscal	81.9	81.3	(0.6)	-0.7%
Arrowhead Regional Medical Center	838.6	877.2	38.6	4.6%
Human Services	2,358.0	2,469.1	111.2	4.7%
Law and Justice	1,121.9	1,155.0	33.1	3.0%
Operations and Community Services	505.3	496.7	(8.6)	-1.7%
Capital Improvement Program	484.9	501.0	16.1	3.3%
Other Funding	432.5	377.4	(55.1)	-12.7%
Subtotal:	6,319.5	6,434.6	115.2	1.8%
Special Districts/Other Agencies Operations:				
Special Districts Department/Airports Spec. Dist.	89.8	71.4	(18.4)	-20.5%
Fire Protection District	288.0	301.0	13.0	4.5%
Flood Control District	155.5	162.5	7.0	4.5%
Other Agencies	385.6	27.7	(357.8)	-92.8%
Subtotal:	918.8	562.6	(356.3)	-38.8%
Total:	7,238.3	6,997.2	(241.1)	-3.3%
Budgeted Staffing*	23,912.0	23,992.0	80.0	0.3%

- Legislative Analyst Office Statewide Sales Tax Estimates
- Middle of the Road Approach: 13% Sales Tax Loss
(Compare 2020-21 Receipts to 2018-19 Receipts)
- Immediate deficits need to be mitigated

County Departments/Programs Impacted by Sales Tax Reductions

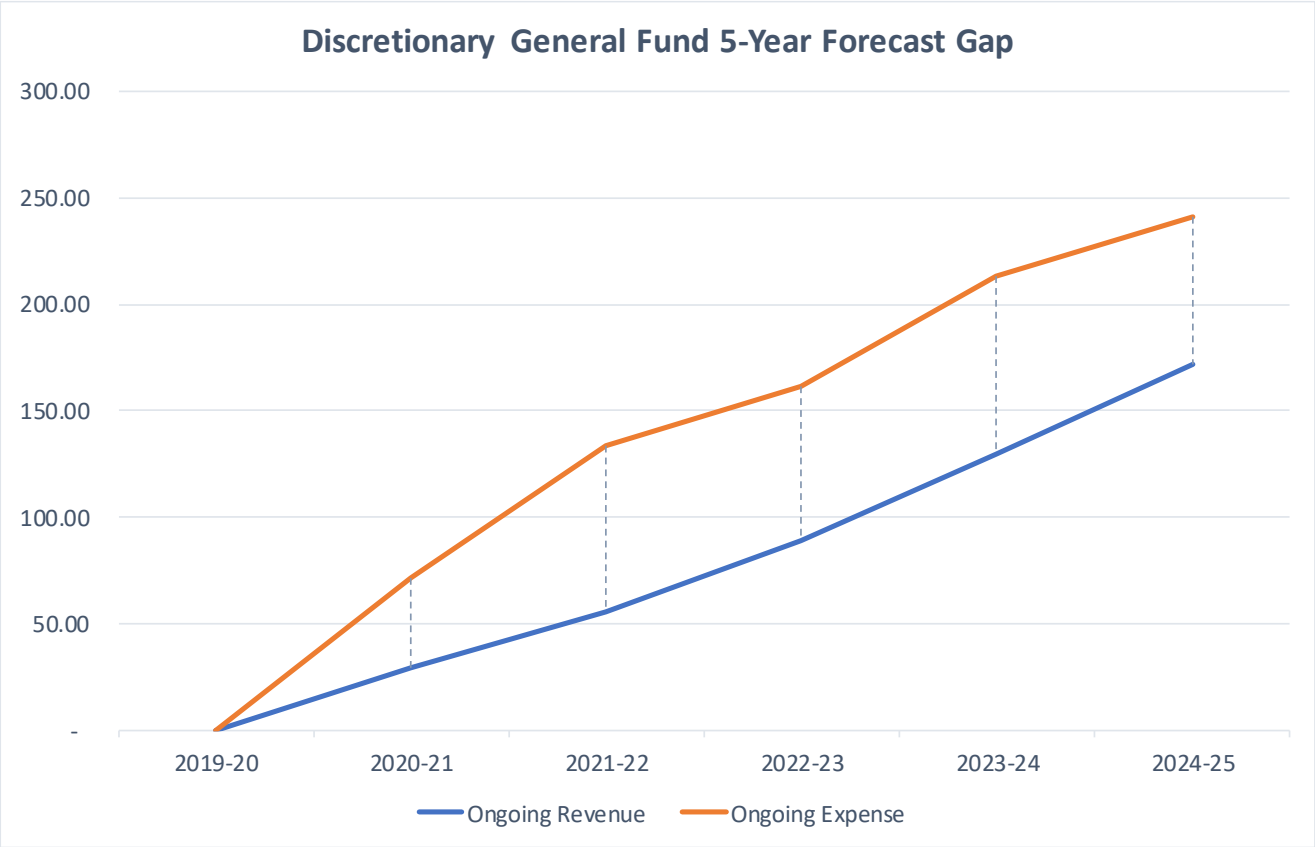
- **Law and Justice**
 - **Sheriff – Unincorporated Patrol, Detentions, Contract Cities, Court Bailiff Services**
 - **Probation – Adult Services**
 - **District Attorney**
 - **Public Defender**
- **Human Services**
 - **Social Service Programs – Foster Care, Administrative Claim Matches, Aid to Adoptive Children**
- **Health**
 - **Behavioral Health**
 - **Public Health**
- **Public Works – Transportation Division**

2020-21 Sales Tax Reductions included in New Forecast

Department/Program	Amount
Sheriff - Operations and Detentions	29,512,371
Probation	10,603,603
District Attorney	5,789,930
Public Defender	534,816
Other Public Safety Programs	125,652
Human Services Programs*	56,555,577
Behavioral Health	21,392,659
Revenue Shortfall	124,514,608

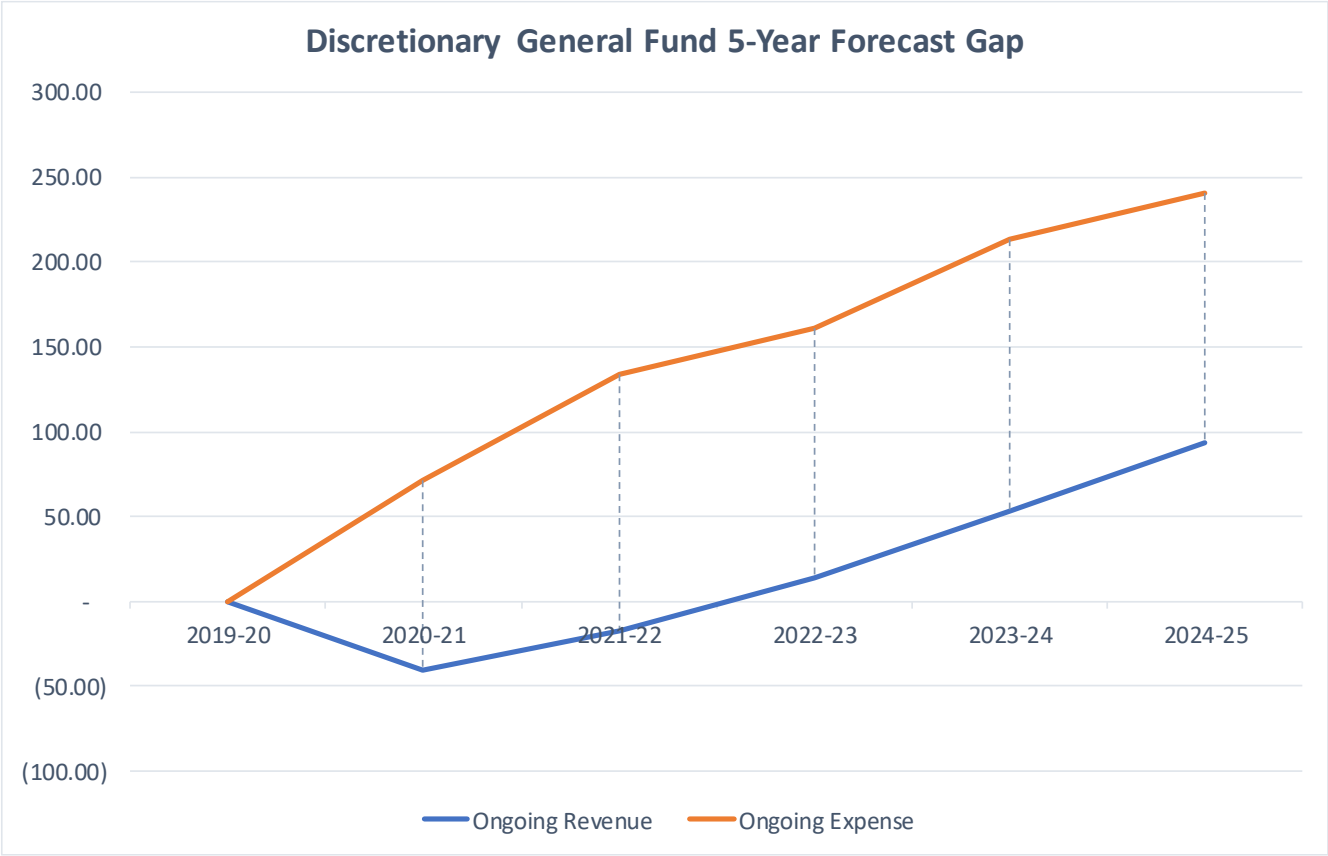
*HS Programs Include Foster Care, Administrative Claim Matches, Aid to Adoptive Children

Forecast: 8% Sales Tax Loss (LAO U-Shaped Recession)



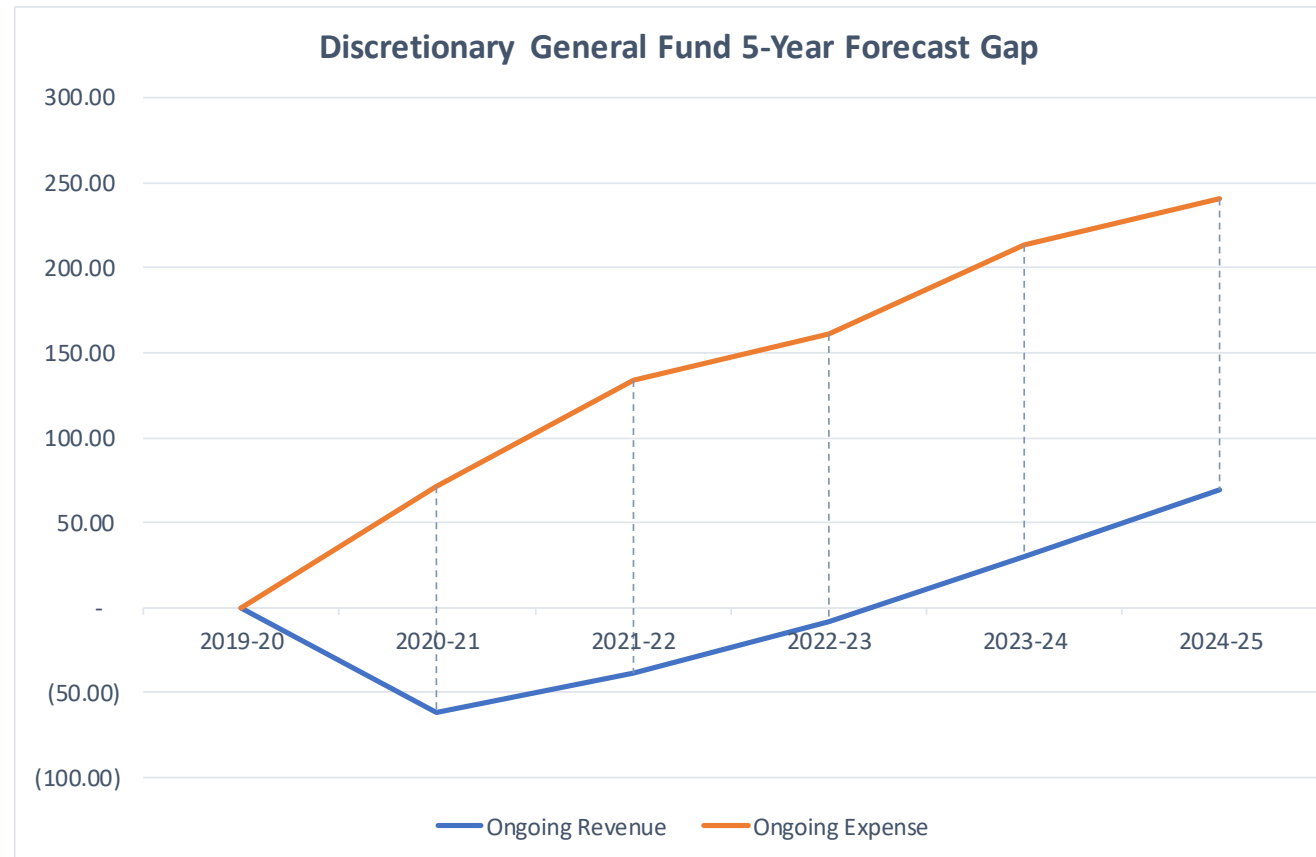
(in millions)	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Ongoing Revenue	-	29.2	55.4	88.8	129.7	172.1
Ongoing Expense	-	71.1	133.8	161.5	213.4	241.1
Cumulative Deficit	-	(41.9)	(78.4)	(72.7)	(83.7)	(69.1)
Cash Needed	-	(41.9)	(120.3)	(193.0)	(276.7)	(345.7)

Forecast: 18% Sales Tax Loss (LAO L-Shaped Recession)



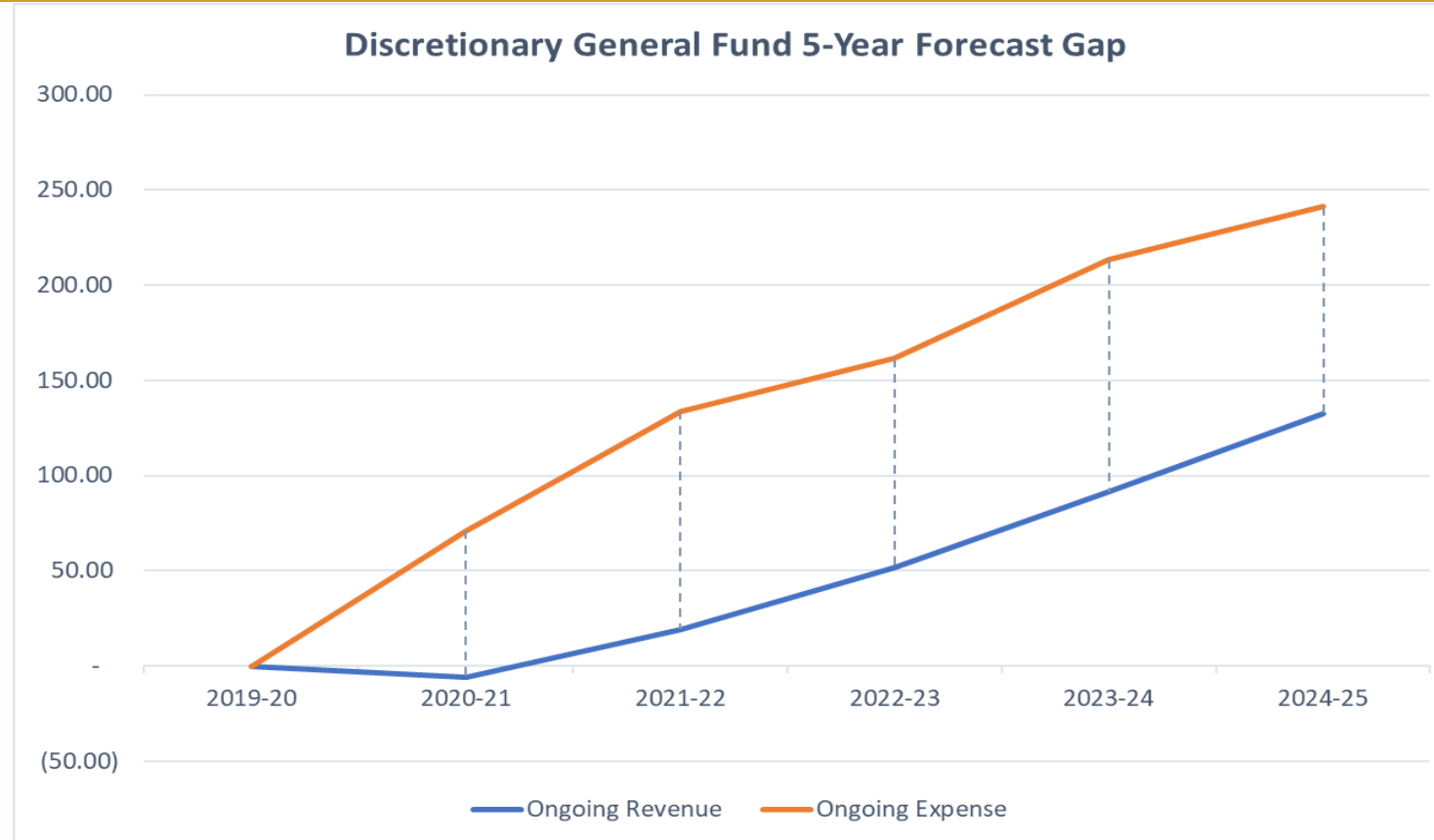
(in millions)	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Ongoing Revenue	-	(41.0)	(16.9)	14.3	53.0	93.0
Ongoing Expense	-	71.1	133.8	161.5	213.4	241.1
Cumulative Deficit	-	(112.1)	(150.7)	(147.2)	(160.5)	(148.1)
Cash Needed	-	(112.1)	(262.8)	(410.1)	(570.5)	(718.6)

Forecast: 21% Sales Tax Loss (Dept. of Finance State General Fund Sales Tax Assumptions)



(in millions)	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Ongoing Revenue	-	(62.1)	(38.6)	(8.1)	29.9	69.3
Ongoing Expense	-	71.1	133.8	161.5	213.4	241.1
Cumulative Deficit	-	(133.2)	(172.4)	(169.6)	(183.5)	(171.8)
Cash Needed	-	(133.2)	(305.7)	(475.3)	(658.8)	(830.6)

County Forecast: 13% Sales Tax Loss

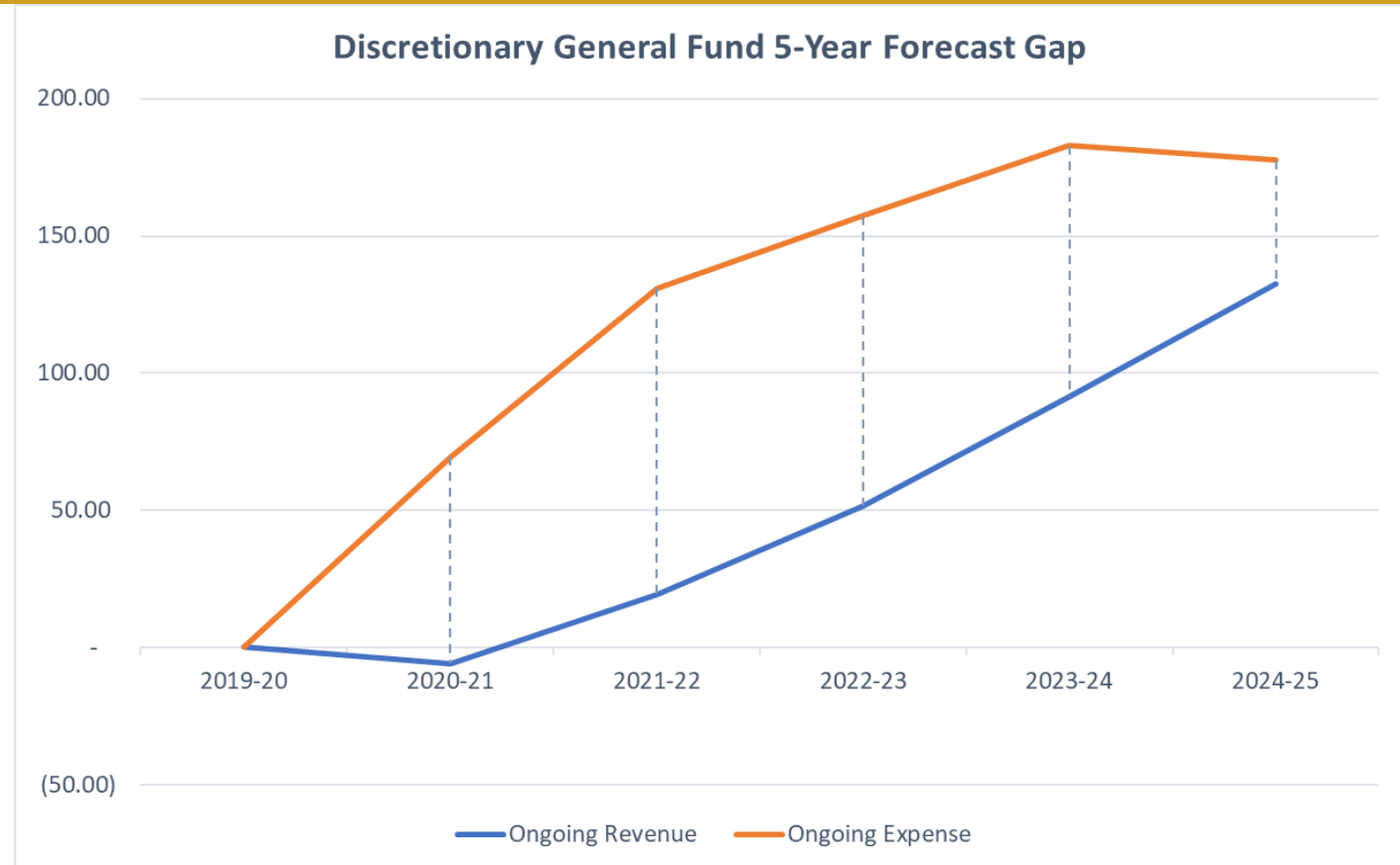


(in millions)	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Ongoing Revenue (CEO Budget Letter)	0	(5.8)	19.4	51.9	91.8	133.2
Ongoing Expense (CEO Budget Letter)	0	69.6	129.9	158.3	210.8	238.0
Incremental Deficit	0	(75.40)	(110.50)	(106.40)	(119.00)	(104.80)
Cash Needed	0	(75.40)	(185.90)	(292.30)	(411.30)	(516.10)

Version 2: 13% Sales Tax Loss, with Mitigations

Mitigations

- Projected future MOU's – No Raises
- Sheriff/HDDC



(in millions)	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Ongoing Revenue	-	(5.9)	19.3	51.6	91.4	132.6
Ongoing Expense	-	69.6	130.9	157.1	182.9	177.5
Cumulative Deficit	-	(75.5)	(111.6)	(105.5)	(91.5)	(44.9)
Cash Needed	-	(75.5)	(187.1)	(292.6)	(384.2)	(429.1)

- Position Control
- Discretionary Expenditures
- New Capital Improvement Projects
- New Positions

- COVID Resurgence
- Behavioral Health Mental Health Services Act
- Unemployment
- Foreclosures
- Other State Budget Impacts
- L-Shaped Recovery

Questions?