What We Need

- FEEDBACK ON REVENUE ESTIMATES
- FEEDBACK ON METHODS USED
- DISCUSSION OF BEST STRATEGIES MOVING FORWARD
- CONFIRMATION OF NEXT STEPS FOR LONG-TERM BENEFIT
The Backstory

- FY20 budget reduced by nearly $5 million (≈$8M actual loss)
- Projected state deficit is $53.3 billion (≈21%)
- Earliest anticipated vaccine 6 months or more
Projected Revenue

- **Property Tax**
  - $5.80 million (100%)

- **Sales Tax**
  - $1.76 million (75%)

- **Transient Occupancy Tax After Known Closures**
  - $9.96 million (62.5%)

*Assumes status quo. Actual results may lead to more cuts or faster recovery.*
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY21 Requests Over Projected Revenue</td>
<td>$6.6 Million</td>
</tr>
<tr>
<td>+ Estimated Revenue Lost to COVID-19</td>
<td>$8.3 Million</td>
</tr>
<tr>
<td><strong>Total General Fund Deficit</strong></td>
<td>$14.9 Million</td>
</tr>
<tr>
<td><strong>Minimal Replenishment of Reserve</strong></td>
<td>$2.0 Million</td>
</tr>
<tr>
<td><strong>Total Amount to &quot;Close the Gap&quot; for FY21</strong></td>
<td>$16.9 Million</td>
</tr>
<tr>
<td>Fund</td>
<td>Amount</td>
</tr>
<tr>
<td>-------------------------------</td>
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</tr>
<tr>
<td>Total General Fund</td>
<td>$67.8 million</td>
</tr>
<tr>
<td>Discretionary General Fund</td>
<td>$32.5 million</td>
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</tbody>
</table>

- Total General Fund: $67.8 million (25%)
- Discretionary General Fund: $32.5 million (52%)
Strategies to Balance the FY21 Budget

- Close at the Margins
- Delay Professional Services
- Postpone / Finance Capital Projects
- Reduce Personnel Expense
- Support Public Safety
- Engage Community Partnerships
- Utilize Non-General Funds
- Restore Some Reserves
Close at the Margins

Additional revenues

- Fund balance ($1.25M)
- SB2 funding ($40k)
- COVID-19 reimbursement ($1.7M)
- Realignment backfill (<$100k)

Reduce overhead

- Cuts to travel, office expenses, maintenance & repairs, etc.
Delay Professional Services

- LAFCO evaluation of MPUD service area ($100k)
- Renew recruiting software for only one year ($46k)
- Wait to scan files for digital archives ($20k)
- Delay purchase of tractor and mower ($70k)
- Reduce contribution to Building for public services ($45k)
Postpone / Finance Capital Projects

- **Remove**
  - Remove general fund dollars from the capital improvement fund

- **Utilize**
  - Utilize MID (~$650,000) and Tobacco Settlement ($157,450) Funds for top priorities

- **Consider**
  - Consider using financing to minimize current cost (ERP, facility upgrades, tennis courts, etc.)

- **Pay Off**
  - Pay off debt when revenues return
Personnel

Frozen/Unfunded Vacancies
- 82 Total Positions
- 29 General Fund

Voluntary Separation Program
- 25 Total Positions
- 10 General Fund

Extra Help and Other Salary Savings
- $202,177
Support Public Safety

Negotiated reduction in Cal-Fire Agreement
Keep Amador stations
Negotiated $618k reduction

Utilize Measure M (~$1.6M) to mitigate additional cuts
Community Partnerships

- Visitor Center Operations: Flexible focus on business support
- Yosemite / Mariposa County Tourism Bureau: Remove annual contribution
- Resource Conservation and Fire Safety: Provide shared office space and some matching funds
- Mariposa Arts Council: Reduce annual contribution
<table>
<thead>
<tr>
<th>Utilize Non-General Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural County Crime Prevention</td>
</tr>
<tr>
<td>Tax Collector's Cost</td>
</tr>
<tr>
<td>State Parole Fund</td>
</tr>
<tr>
<td>Realignment and AB109</td>
</tr>
<tr>
<td>Tobacco Settlement</td>
</tr>
<tr>
<td>Vehicle Replacement Fund</td>
</tr>
</tbody>
</table>
Restore some reserves

- Sell County-owned property
- Transfer from vehicle replacement
### Summary

- Close at the Margins
- Delay Professional Services
- Postpone / Finance Capital Projects
- Personnel
- Support Public Safety
- Community Partnerships
- Utilize Non-General Funds
- Restore Some Reserves

**Total Budget Impact: $15.5M**
Other Options

- Change revenue projections
- Centralize Services
- Realign departments
- Additional Personnel Actions
- Bridge loans
- Cancel capital projects
- Across-the-board cuts
## Centralize Services

- Facilities
- Fleet
- Insurance
- Purchasing
- Budgeting
Realign Departments

- Focus on organization by synergistic outcomes rather than inputs
- Health and Human Services as an example
- Consolidate some small departments into larger ones
- Consider where new clusters may be needed
Additional Personnel Actions

- Shift to Non-General Fund
- Internal Recruitments in Progress
- Temporary Vacation Payout Suspension / Wage Freeze
- Unions Evaluating
- Lay off employees
- Stated union preference over benefit reductions

Stated union preference over benefit reductions
Next Steps

- Direct Staff on Options to Pursue
- Consider Fiscal Emergency Declaration
- Continue Discussion and Public Hearings
- Adopt a Balanced FY21 Budget
- Monitor Budget for Needed Adjustments
- Develop Performance Measures for FY22
What We Need

- Feedback on Revenue Estimates
- Feedback on Methods Used
- Discussion of Best Strategies Moving Forward
- Confirmation of Next Steps for Long-Term Benefit
Questions and Discussion