



**Contra
Costa
County**

To: Board of Supervisors
From: David Twa, County Administrator
Date: February 3, 2009

Subject: FY 2009-10 RECOMMENDED BUDGET HEARING DATE AND SCHEDULE

RECOMMENDATION(S):

1. DECLARE the Board's intent to adopt a FY 2009/10 General Fund budget that balances annual expenses and revenues;
2. ACKNOWLEDGE that the known budget gap of over \$56 million represents significant service reductions to our citizens and is in addition to the \$90 million in reductions already made in the current fiscal year;
3. ACKNOWLEDGE that the County Administrator held a Department Head Summit on January 30 to develop a strategy for dealing with the current budget crisis, the next two years budget crisis, and how the County can position itself to weather the storm and come out of this stronger, and better able to serve our constituents;
4. DIRECT the County Administrator to return to the Board with a 'Summit Report' on February 24;
5. AFFIRM the Board's commitment to defining the County's budget/core service policy on March 3;
6. DIRECT Department Heads to work closely with the County Administrator to achieve reduced net County costs pursuant to Board policy;
7. DIRECT Departments, in cooperation with Labor Relations, to begin the meet and confer process with employee representatives regarding the impact of potential

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **02/03/2009** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I
Supervisor
Gayle B. Uilkema, District II
Supervisor
Mary N. Piepho, District III
Supervisor
Susan A. Bonilla, District IV
Supervisor
Federal D. Glover, District V
Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: February 3, 2009

David Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

Contact: Lisa Driscoll
(335-1023)

cc: County Finance Director

8. program reductions on the terms and conditions of employment for affected employees;

RECOMMENDATION(S): (CONT'D)

DIRECT the County Administrator to return to the Board March 17 with a FY 2009/10 Recommended Budget that meets the above requirements; and

- DESIGNATE Tuesday, March 17 for FY 2009/10 budget hearings (including Bielensohn hearings if needed); and Tuesday, March 24 for adoption of the FY 2009/10 County and Special District Budgets.

FISCAL IMPACT:

None. However, the result of the recommendations of the hearings, if implemented, will have significant future impact on the County's overall fiscal stability and ability to deliver services.

BACKGROUND:

Over the last several months the Board has addressed over \$90 million in service reductions and revenue impacts necessitated by the nationwide economic downturn. On January 20, 2009 the County Administrator presented an economic update report to the Board, which identified over \$56 million in additional cuts. The report declared the severity of the issues facing the County and anticipated that a budget would be adopted in early spring. Because of the current year problem, the County Administrator will recommend that program reductions and lay-offs become effective in the current fiscal year.

The County Administrator held a Department Head Summit on January 30 to develop a strategy for dealing with the current budget crisis, the next two years budget crisis, and how the County can position itself to weather the storm and come out of this stronger, and better able to serve our constituents. The results of that Summit are being summarized into a comprehensive report for the Board. The County Administrator will return to the Board with the 'Summit Report' on February 24.

The Board of Supervisors, using the results of the Summit Report will conduct a budget/policy discussion of March 3. On that date, it is anticipated that the Board will develop a policy to guide the County Administrator in preparing a FY 2009/10 Recommended Budget and a FY 2010/11 Planning Budget. The County Administrator will return to the Board of March 17 with the Recommended Budget for FY 2009/10 and the Planning Budget for FY 2010/11. It is anticipated that the Board will adopt a Final Budget on March 24. All non-staff reductions will become effective as soon as possible following that date and no later than May 1.

Meet and Confer

Department heads have begun working with the County Administrator's Office on their FY 2009/10 budgets. By March 24, Department Heads will know which positions may be affected by reductions necessary to meet County budget goals. It is anticipated that the Board will adopt a County Lay-Off Resolution on April 7. Departments, in cooperation with

Labor Relations, should begin the meet and confer process with employee representatives regarding the impact of potential program reductions on the terms and conditions of employment for affected employees. Early planning will allow Departments a reasonable period of time to meet and confer, and permit them to implement personnel actions prior to May 1, 2009. This will allow the County to achieve a full year of savings in the FY 2009/10 budget and reduce the amount of reserves spent in the current fiscal year.

Conclusion

The County Administrator will return to the Board on March 17 with a FY 2009/10 Recommended Budget that meets the requirements listed above. Tuesday, March 17 will be reserved for FY 2009/10 budget hearings including Bielensohn hearings if needed. Additionally, it is recommended that the County Administrator return to the Board of Supervisors on Tuesday, March 24 for adoption of the FY 2009/10 County and Special District Budgets, including any changes the Board makes on March 17.