


**JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA REQUEST

TO: Board of Commissioners

FROM: Philip Morley, County Administrator 

DATE: August 2, 2010

RE: Continued Discussion of County Finances and Public Service Options

STATEMENT OF ISSUE:

On August 2, the County Commissioners will continue discussion of county finances. A growing gap between General Fund expenditures and revenues requires significant and difficult reductions to public services and programs. Commissioners will continue discussion of potentially giving citizens a choice of whether they wish the county to make those cuts to public services, or whether they wish to provide funding to retain some programs and services.

ANALYSIS:

On July 26, 2010 the Board of County Commissioners heard an update on a five-year budget projection for the county's General Fund. The July 26 presentation outlined a budget deficit starting in 2011 and growing thereafter because of the lengthened duration of the great recession, long-term structural constraints on property taxes that loses ground to routine inflation in costs to the county to continue existing services.

Based on current trends, the General Fund for 2011 shows a \$900,000 shortfall between revenues and expenditures, which grows each year thereafter. In order to balance the budget, the County is looking at ways to retain valuable services while balancing the budget. On July 19, the County Commissioners adopted a 2010 Strategic Plan to help guide our work to make the most of the resources we have and to find additional efficiencies. In 2011 we are freezing non-union and elected salaries at 2010 levels wherever statutorily permitted, and we are negotiating with our unions to limit the growth of all other wages in 2011 as well. Even with success in these areas, substantial cuts to county programs and services are still required.

The Commissioners are considering two options for allowing the public to vote on whether to restore some, but not all of the necessary cuts to public services:

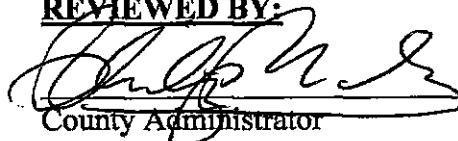
1. A public safety sales tax of 0.3% (thirty cents on a \$100 purchase); or
2. A property tax levy lid lift.

On July 28, the Board held a meeting with the Elected Officials and Department heads to discuss these options for giving voters a choice between cutting or funding some public services. The Department Directors and Elected Officials have been asked to identify a \$675,000 subset of necessary cuts to programs and levels of services that we may allow the public to consider restoring with additional funding by voter approval.

FISCAL IMPACT: A ballot measure, if enacted by the voters, would provide additional revenues to allow the County to keep or restore some critical services that otherwise need to be reduced in order to balance the budget.

RECOMMENDATION: Provide staff direction for preparing a ballot measure proposal for consideration by the Board of County Commissioners on August 9, 2010.

REVIEWED BY:


County Administrator

7/29/10
Date