

From: Miyasato, Mona

Sent: Friday, June 10, 2016 7:41 PM

To: Adam, Peter; Farr, Doreen; Lavagnino, Steve; Wolf, Janet; Carbajal, Salud

Cc: Nelson, Bob; Johnston, Stewart (BOS); Henson, Chris; Weber, Erin; Bantilan, Cory; O'Gorman, Mary; Tittle, Jeremy; Alvarez, Tom; Maus-Nisich, Terri

Subject: Unassigned GF Revenue Update

Dear Chair and Supervisors:

We want to provide you an **update on unassigned GF revenue changes before Monday**, should you be evaluating options this weekend. This information will be provided at the hearings next week.

Reductions

- We met with the Assessor's staff late this afternoon for an update on property tax roll. They are largely done and don't expect many more significant changes (the assessment is finalized June 15).
- They are seeing LESS assessed value growth than we assumed in the recommended budget. We assumed 4.5% growth (gross) in the recommended budget, after discussion with the Assessor and Auditor staff in early spring; they are now recording 4.2% growth. This 0.3% reduction equates to an **estimated \$390,000 less in ongoing revenue.** One partial reason is slower growth in the residential market (particularly in North County) than expected. Joe Holland will give an update on Monday at the meeting.

Additions

- Children's Healthcare Initiative funding won't require as much funding as in the past (since the state is now funding this population's health care insurance). We already accounted for the majority of savings in the recommended budget; however, an additional **\$75,000 in ongoing revenues** now looks possible given the program is transitioning faster than we expected and only \$150,000 is anticipated to still be needed for next year.

- Behavioral Wellness informed us this week they are going to utilize less additional General Fund to balance as originally thought. Therefore, there is an **additional \$400,000 in available General Fund, one-time revenue** that was not drawn from Contingency. There are also smaller amounts that had been assumed but not drawn from Contingency this year, and we are still looking at those.

Net Result

- The Ongoing available revenue is now \$416K** (= \$731k original estimate - \$390K + \$75k)
- The One-time available revenue is now \$664K** (=\$264K original estimate + \$400K)

	Ongoing	One-time	Total
Original estimate	731,000	264,000	995,000
0.3% reduction est.	(390,000)		
Children's Health Initiative	75,000		
Mental Health		400,000	
NEW TOTAL	416,000	664,000	1,080,000

As you know, these numbers may continue to change before next Wednesday. Please feel free to contact me if you have any questions.

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