

High
Involvement
Planning

&

Multi-Year
Budgeting

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Budget Officer*



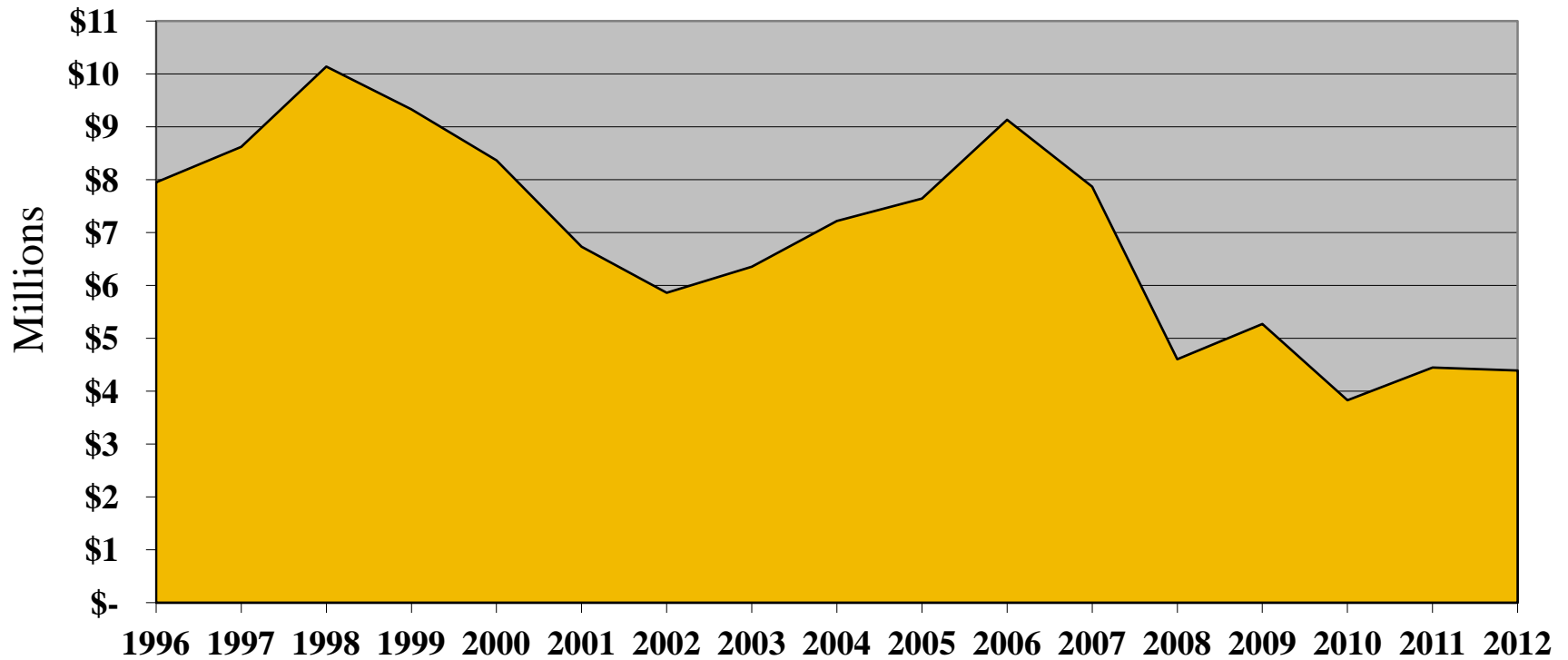
Greene County, Missouri

Study the Current Situation

- ◆ Where we have been...
- ◆ Where we are now...
- ◆ How we got here...



General Fund Cash Balance



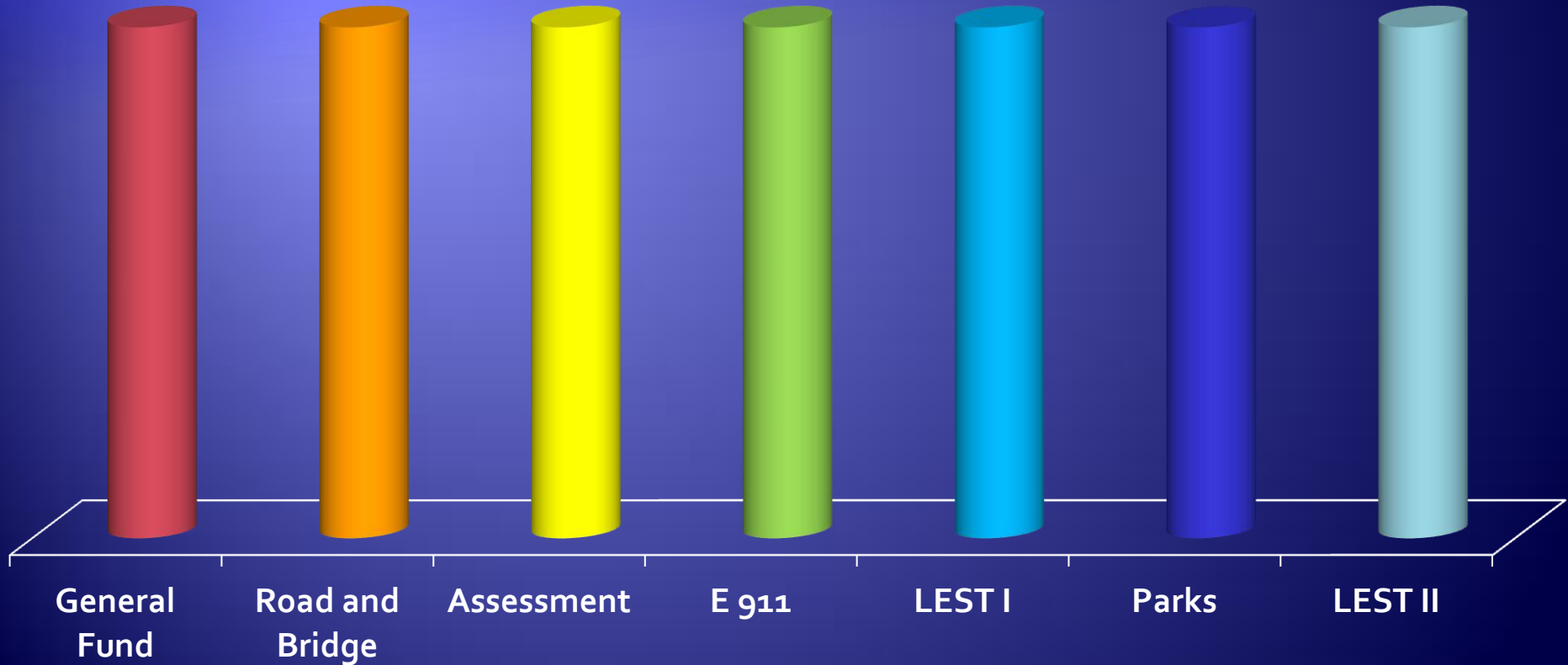
General Fund Financial Scoreboard

As of March 31, 2013

Beginning	2013	2013	Projected
Cash Balance	Projected	Projected	End Balance
<i>January 1, 2013</i>	Revenues	Expenditures	<i>December 31, 2013</i>
\$4,393,142	33,793,997	(33,829,426)	\$4,357,713

Why is \$4.3-million NOT a healthy cash balance?

The Different Colors of Money



Offices and Departments

General
Fund



- **Public Safety**

- Circuit Court
- Circuit Clerk
- Juvenile
- Prosecuting Attorney
- Pros Atty – Title IV-D
- Sheriff
- Jail
- Pre-Trial
- Medical Examiner

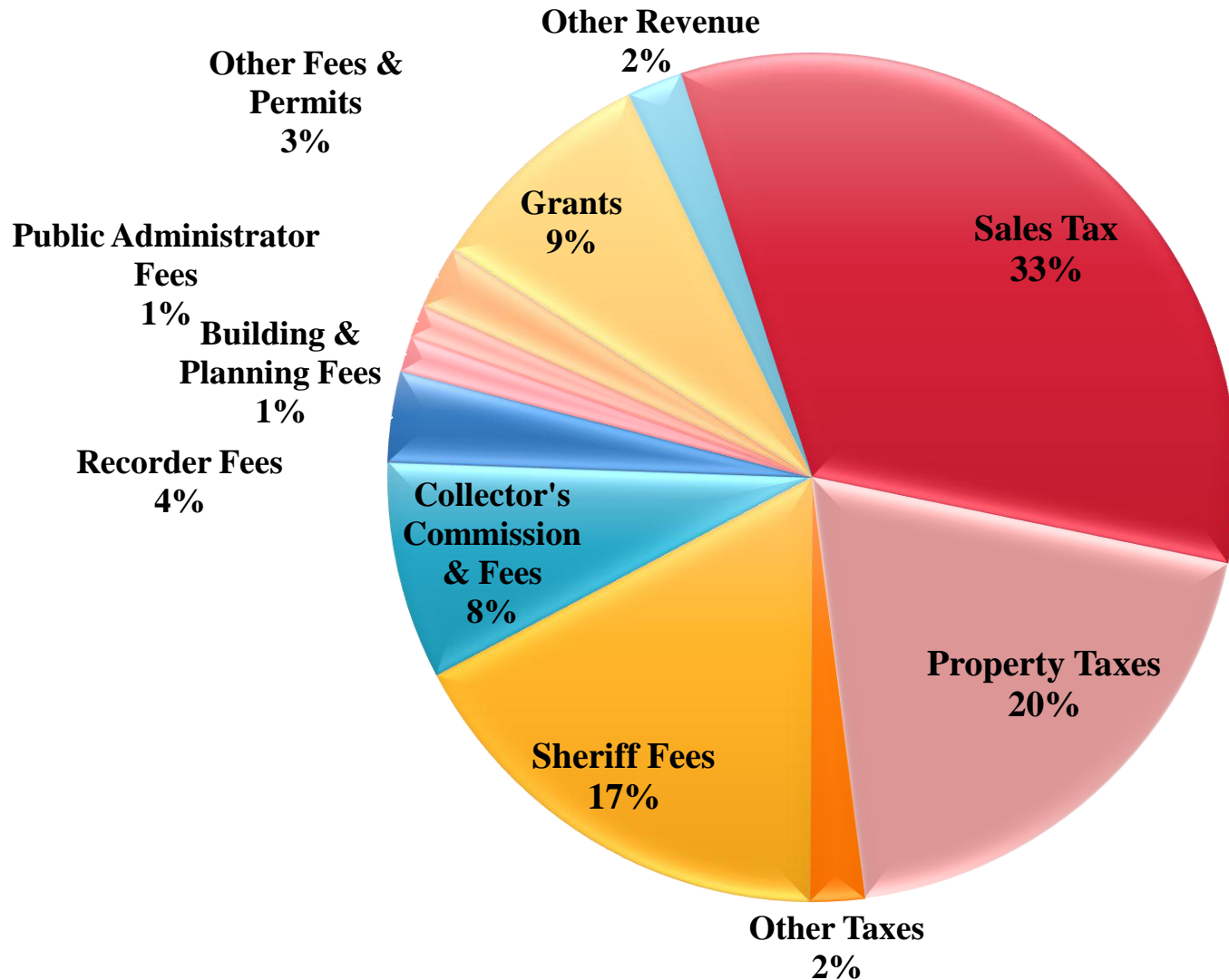
- **Non-Public Safety**

- Auditor
- Collector
- County Clerk
- Public Administration

- **Non-Public Safety (cont'd)**

- Recorder
- Treasurer
- County Commission
- Budget
- Human Resources
- Purchasing
- General Services
- Information Systems
- Emergency Management
- County Administrator
- Building Operations
- Resource Management
- Health Department

Sources of General Fund Revenue



Sales Tax Rate Comparison

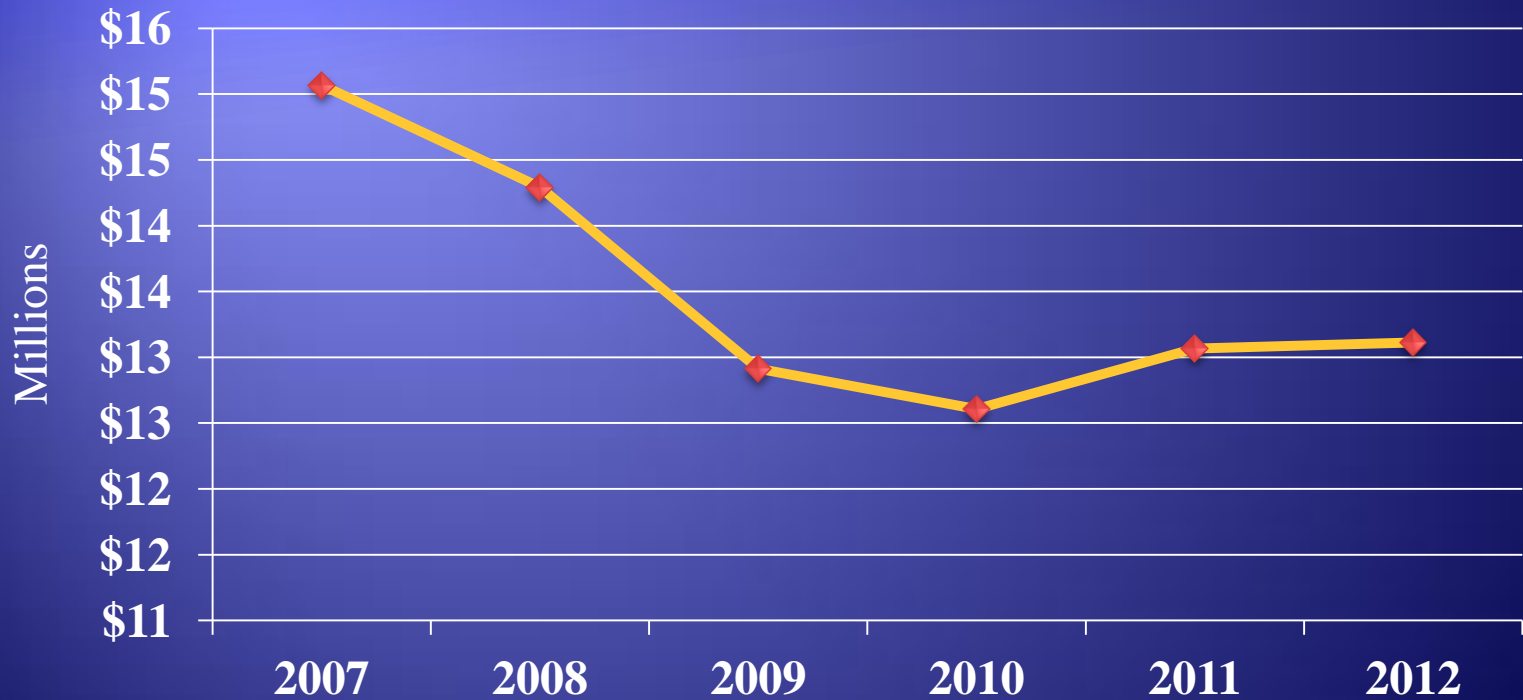
Neighboring Counties

- ◆ Dade 2.25 %
- ◆ Dallas 2.0
- ◆ Taney 1.875
- ◆ Webster 1.833
- ◆ Christian 1.75
- ◆ Stone 1.75
- ◆ Lawrence 1.5
- ◆ Polk 1.375
- ◆ **Greene 1.25**

YOU ARE HERE...

- ◆ Greene 1.25 %
- ◆ 0.25% General Fund (1984)
- ◆ Special Purpose Funds
 - ◆ Road & Bridge
 - ◆ LEST I (63% to Municipalities)
 - ◆ LEST II
 - ◆ Parks
 - ◆ E-911

Decline in Revenues



◆ Sales Tax, Recording Fees, Building & Planning, Interest Income

General Fund Expenditure Allocation

2008

- ◆ **Expenditures \$34.7M**
 - ◆ **Public Safety \$20M (58%)**
 - ◆ Jail \$5M
 - ◆ LEST I Support \$900K
 - ◆ 30%
 - ◆ **Other Depts \$14.7M (42%)**

County Population
266,898

2012

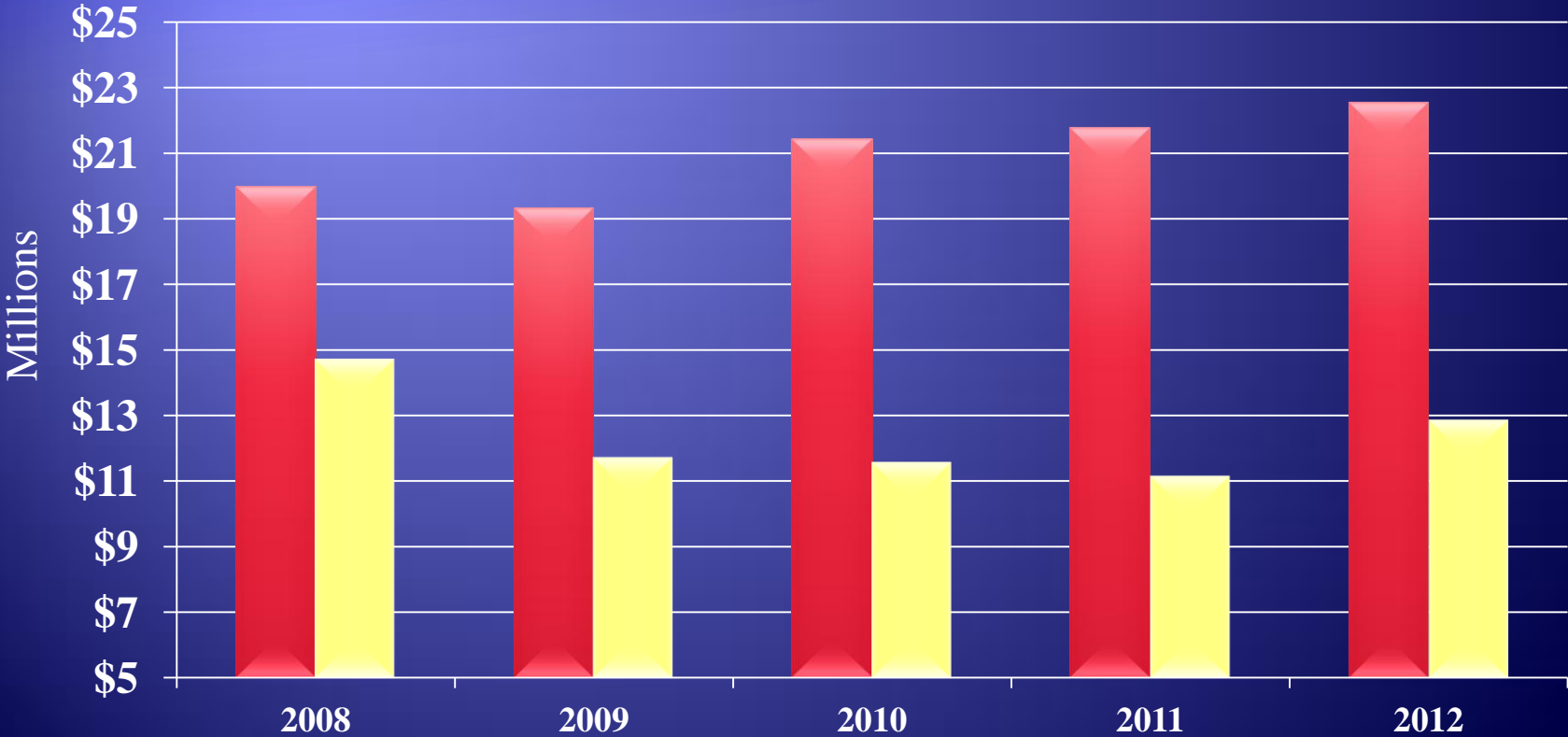
- ◆ **Expenditures \$35.4M**
 - ◆ **Public Safety \$22.5M (64%)**
 - ◆ Jail \$6.1M
 - ◆ LEST I Support \$1.6M
 - ◆ 34%
 - ◆ **Other Depts \$12.9M (36%)**

County Population
280,626 (5.1%)

Demand for Public Safety

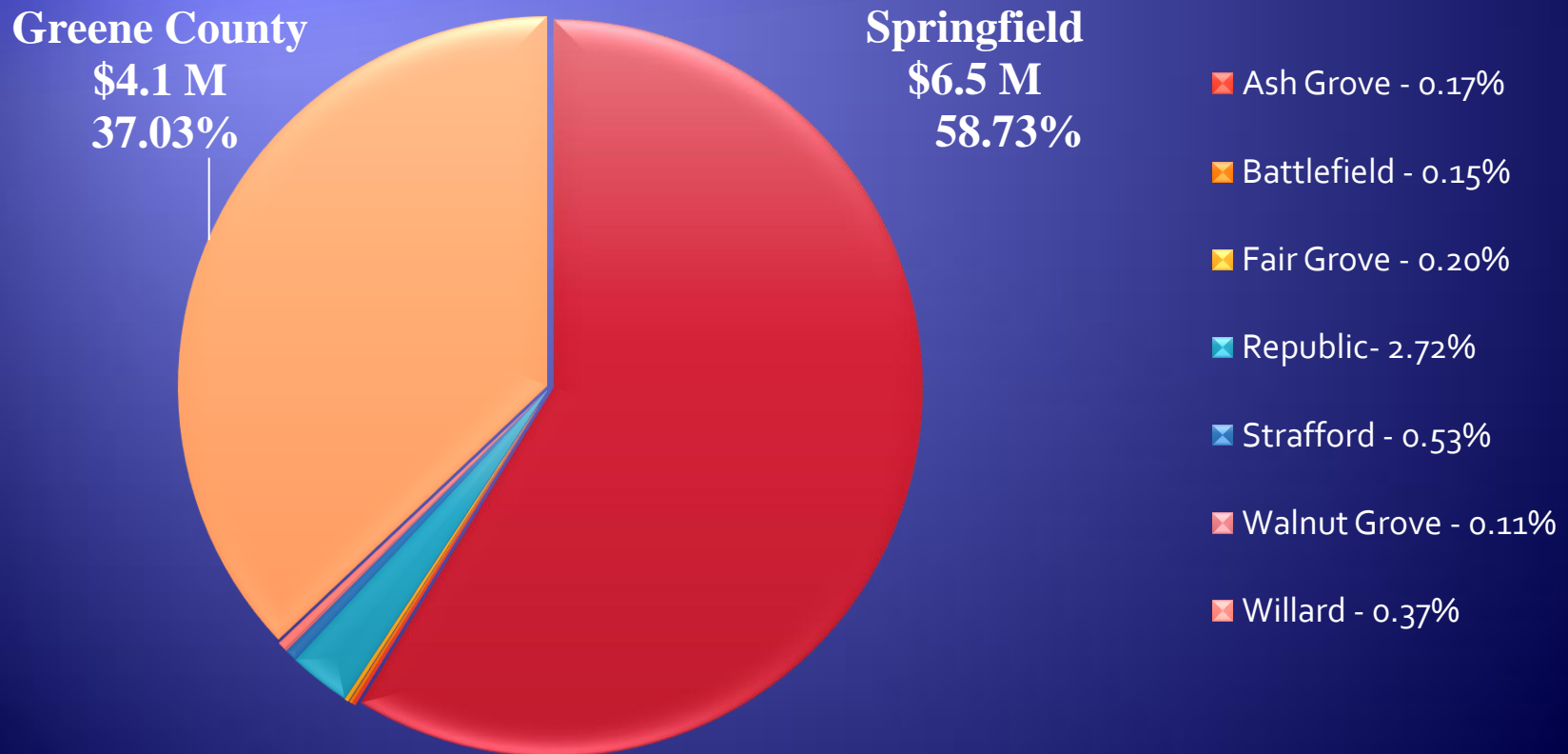
(General Fund)

Public Safety (GR) Other Offices & Departments



1997 Law Enforcement Sales Tax

Distributions by Municipality - 2012

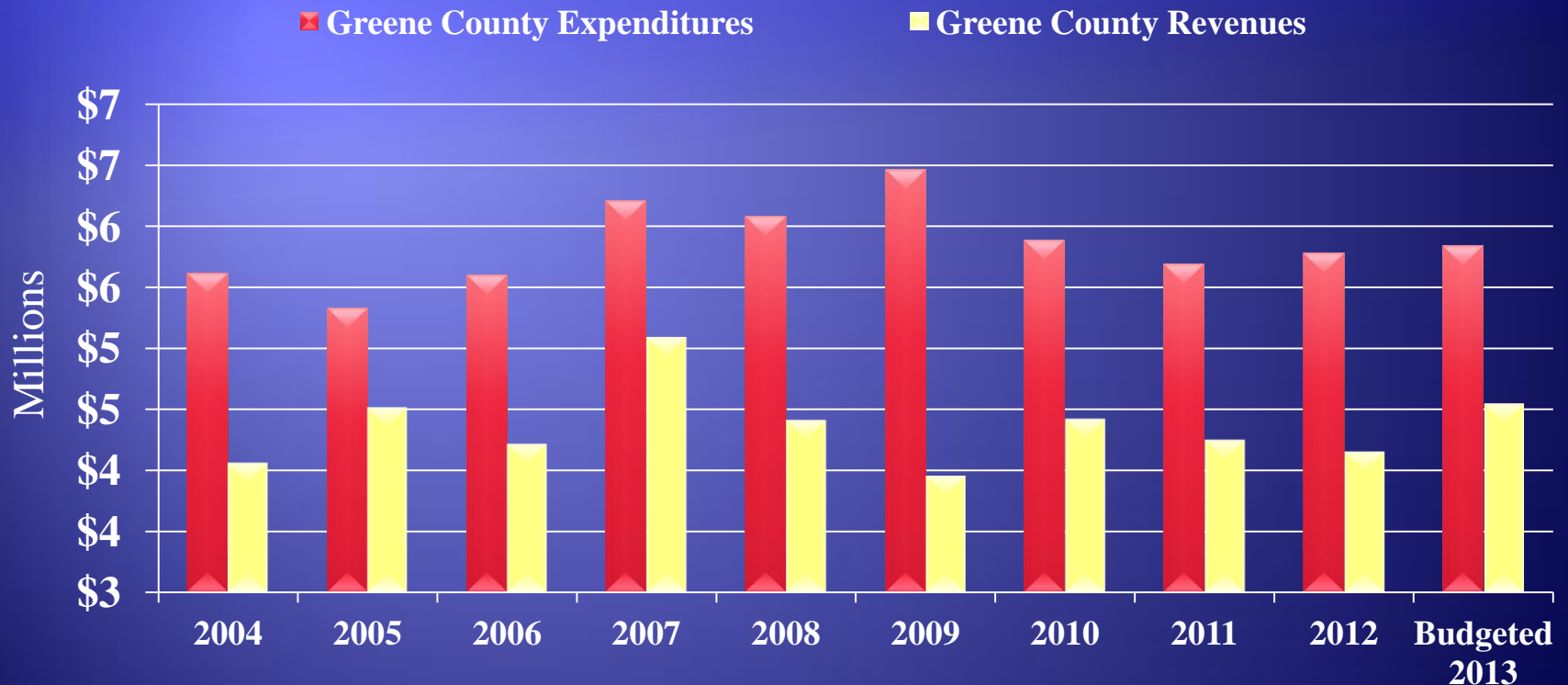


Greene County's

1997 LEST I Commitment

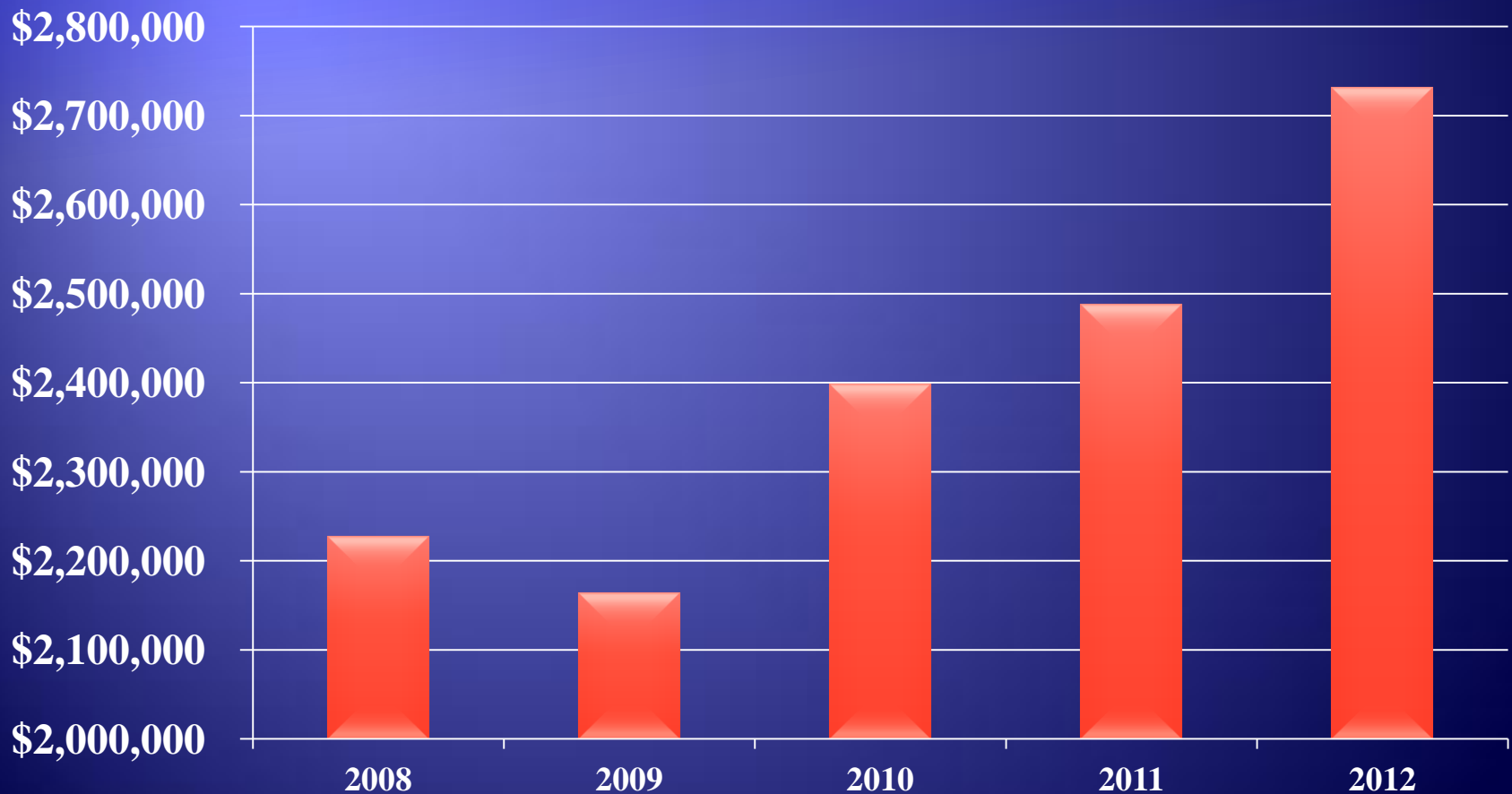
- ◆ Construct, equip, operate consolidated justice facility (Jail)
- ◆ 8 Juvenile Court Personnel
- ◆ 7 Prosecuting Attorney Personnel
- ◆ 12 Sheriff Personnel – 10 Sworn; 2 Support Staff
- ◆ 82 Jail Correctional Officers
- ◆ Trunked Radio System – 1/3 Pro rata share

Greene County's Share of LEST I



- General Fund subsidy through 2012 - \$14.7M
- 2013 subsidy projected at \$1.6M

Rising Cost of Health Insurance



Reality of Rising Costs

Internal Realities

- ◆ No Wage Increases since 2008
- ◆ Hiring freeze
 - ◆ Non-Public Safety
 - ◆ **22 FTE's (15%)**
- ◆ 25% Budget Cuts -
 - ◆ **Non-Public Safety Departments**

External Realities

- ◆ Elections
- ◆ Building Safety
- ◆ Revenue Collection
- ◆ Public Health
- ◆ Deeds and Marriage Licenses
- ◆ Animal Control

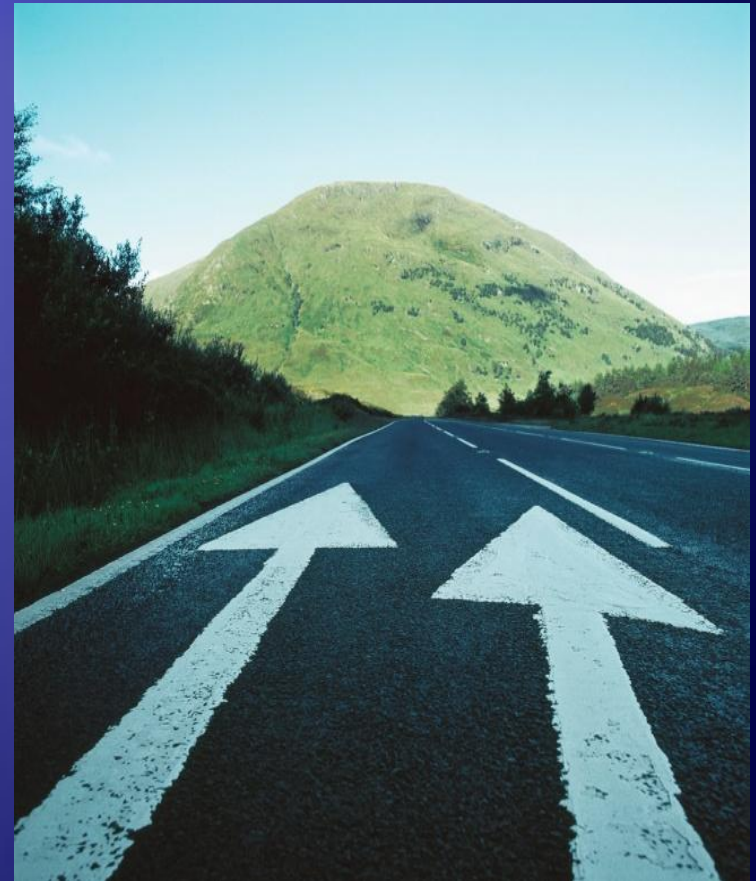


Our Current Situation

- ◆ General Fund cash balance – Critically Low
- ◆ Cost of doing business - Up
- ◆ Demand for Public Safety - Up
- ◆ Cost of Health Insurance - Increasing
- ◆ Revenues - Not kept pace
- ◆ No wage increases since 2008
- ◆ Losing good people to better paying organizations
- ◆ Risk – Erosion of quality services

Our Road Map

- ◆ High Involvement Planning
- ◆ Multi-year Budgeting



Phase 1

4-Year Forecast

Opportunities & Threats

Multi-Year Budgeting/High-Involvement Planning

Fund: 101-11-282--

Department: County Clerk, Election Vtr Reg

Opportunities: *(Any new revenue source; potential increase in statutory fee)*

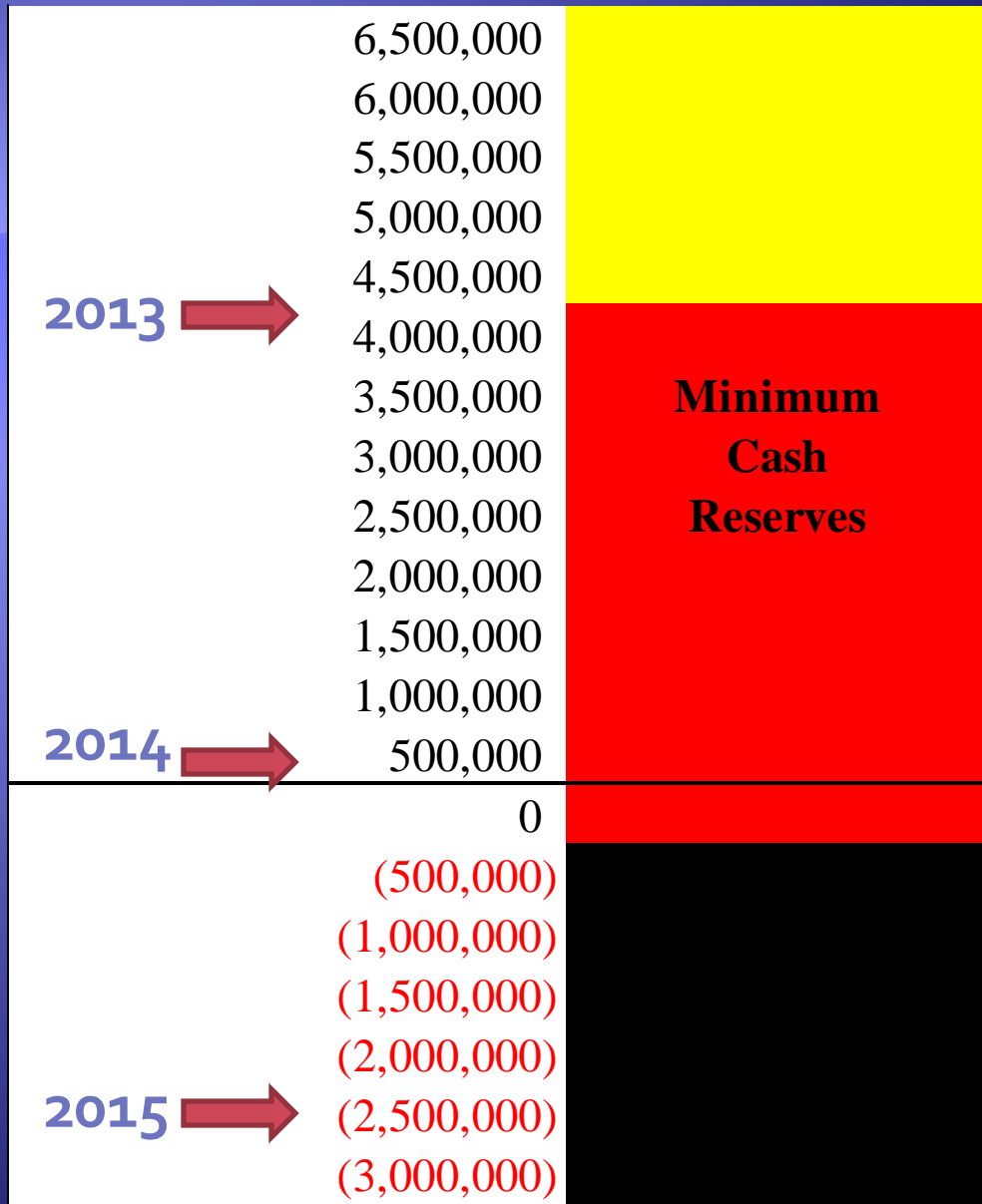
2014	<u>\$ Amount</u>
Voter List Management Grant (Canvass Cost)	95,400
Election Administration Efficiency Grant (Petition Processing)	23,850
Federal Voting Equipment Maintenance & Security Grant (DRE Programming Cost)	20,000
2015	
Voter List Management Grant (Canvass Cost)	35,000
2016	
Voter List Management Grant (Canvass Cost)	95,400
Election Administration Efficiency Grant (Petition Processing)	23,850
Federal Voting Equipment Maintenance & Security Grant (DRE Programming Cost)	20,000
2017	
Voter List Management Grant (Canvass Cost)	35,000

Threats: *(Any unavoidable expense increase as compared to baseline budget year)*

2014	<u>Cost</u>
August Primary Election	195,330
November General Election	254,900
Voter Registration Canvass	82,000
Temporary Employees for election related duties	26,000
Election Overtime	4,500
2015	
2016	
February Presidential Primary Election	244,600
August Primary Election	280,000
November General Election	335,000
Voter Registration Canvass	82,000
Temporary Employees for election related duties	66,750
Election Overtime	15,200
2017	
*	

Results of Opportunities & Threats Phase 1

<u>GENERAL FUND</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Beginning Cash	\$ 4,357,700	\$ 496,820	\$ (2,542,510)	\$ (6,221,305)
Change in Revenues	299,650	483,370	886,180	1,130,120
Change in Expenditures	(4,160,530)	(3,522,700)	(4,564,975)	(3,815,225)
Ending Cash	\$ 496,820	\$ (2,542,510)	\$ (6,221,305)	\$ (8,906,410)



Looking ahead to 2014 - 2017

<u>GENERAL FUND</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Beginning Cash	\$ 4,357,700	\$ 2,917,920	\$ 1,801,190	\$ (264,505)
Change in Revenues	299,650	483,370	886,180	1,130,120
Change in Expenditures	(1,739,430)	(1,600,100)	(2,951,875)	(2,209,125)
Ending Cash	\$ 2,917,920	\$ 1,801,190	\$ (264,505)	\$ (1,343,510)

- Cash balance cannot go below \$4M
- Would have to cut another \$1.7M on top of what's already removed
- Unless revenue improves dramatically, our financial situation will not improve
- With current trends, dramatic increase in revenue cannot be expected

What does this mean?

- ◆ Unless something changes, continue SURVIVAL budgeting
- ◆ Organization is stressed – Cannot continue to “live” at this level.
- ◆ Unable to attract and retain good employees due to wages falling so far behind other organizations
- ◆ Greene County’s proud tradition of providing quality services our citizens may seriously erode.
- ◆ Cannot continue to defer necessities which allow for sustainable operations – For our employees and citizens.

Where do we go from here?



High Involvement Planning in the coming months...

- Estimate of department needs accumulated during economic downturn.
- Review possible funding options
- Consider various “What if...” scenarios
- Review recommendations for the plan

