



FY 2018-19 Budget Update

Presented to the Alameda County Budget Workgroup

May 21, 2018

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State Budget Update—May Revision

- Revenue forecast is \$8 billion higher than projected in January
- Ongoing focus on building reserves
- Proposes \$4 billion in one-time funding to address infrastructure, homelessness, and mental health
- Includes repayment of \$254 million plus interest to counties for costs incurred from 2004-2011 for State mandates



Federal Budget Update

- Administration proposing a \$15 billion rescission package to claw back previously approved spending
 - CBO estimates the proposal would reduce actual spending by \$1 billion over 10 years
 - The largest cut in the rescission proposal is the CHIP contingency fund
 - Senate prospects uncertain

- Farm Bill
 - Authorizes SNAP funding
 - House bill (HR 2) failed to pass on May 18
 - Senate is expected to release a draft bill in coming weeks

- August recess and elections in November



FY 2018-19 MOE Budget – General Fund

(\$ in millions)

	FY 2017-18 FINAL	FY 2018-19 MOE	Inc/ (Dec)	% Change
Appropriation	\$2,750.2	\$2,862.3	\$112.1	4.1%
Revenue	\$2,750.2	\$2,796.4	\$46.2	1.7%
Funding Gap	\$0	\$65.9	\$65.9	
FTE Positions*	7,752.6	7,778.4	25.8	0.3%

*Full-time equivalent positions

Note: Totals may vary slightly due to rounding



FY 2018-19 Budget Balancing - Option D

(\$ in millions)

	Option D
	Absorb NCC Increase w/ FMR and Credit Share of \$29.1M Based on % Share of NCC
General Government	\$14.4
Public Protection	\$21.5
Public Assistance	\$16.2
Health Care	\$13.8
Total	\$65.9

Numbers and percentages are rounded for display purposes, but calculations are based on exact numbers.



FY 2018-19 Reduction Targets

Program Area	Reduction Target
General Government	\$14.4M
Public Protection	\$21.5M
Public Assistance	\$16.2M
Health Care	\$13.8M
Total Programs	\$65.9M



Pending Factors

- ❑ Economic uncertainty
- ❑ State budget: Legislative adoption and Governor's signing
- ❑ Structural funding gap – use of one-time solutions for ongoing expenses
- ❑ Labor, health, retirement costs



Next Steps

- Continue to close the funding gap
- May Revision
 - Determine/refine estimates of budget and human impacts
 - Continue to monitor State budget negotiations
 - Work with legislative advocates
- Presentation of FY 2018-19 Proposed Budget to Board
 - June 12, 2018 at 11:00 am
- Budget Hearings/Adoption
 - Budget hearings during week of June 25, 2018
 - Adoption of FY 18-19 Final Budget on June 29, 2018 at 1:00 pm



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