

June 28, 2005

Marin County Board of Supervisors
3501 Civic Center Drive
San Rafael, CA 94903

SUBJECT: Proposed County Budget for FY 2005-06

Dear Supervisors:

RECOMMENDATION:

1. Accept the Administrator's Proposed FY 2005-06 County Budget for public review;
2. Schedule public hearings on the Proposed FY 2005-06 County Budget to begin on Monday, July 25, 2005 in the Board of Supervisors Chambers at 10:00 a.m.;
3. Adopt the Proposed FY 2005-06 County Budget as the County's interim spending plan for FY 2005-06 pending your Board's formal adoption of the 2005-06 County Budget.

The Proposed FY 2005-06 County Budget totals \$367.6 million, including a \$338.2 million General Fund budget. Over the past two years, the County has made difficult, strategic decisions to address the fiscal challenges that many California counties have faced. The Proposed Budget for FY 2005-06 incorporates the County's Strategic Plan strategy of Managing for Results (MFR). An important step in the implementation of the MFR strategy this past year was your Board's adoption of Countywide Goals. The Countywide Goals include both community and organization goals; reflect the County's mission and Strategic Plan; and provide high-level direction and guidance to departments in aligning to these priorities - increasing accountability for desired program results.

The Proposed Budget recommends approximately \$3.8 million for 43 Budget Change Proposals (BCPs) requested by departments. These BCPs represent approximately \$2.2 million in Net County Costs in FY 2005-06 and approximately \$873,000 in ongoing Net County Costs. Recommended BCPs in the Proposed Budget reflect your Board's priorities and department operational needs while being fiscally responsible with the County's limited ability to increase ongoing General Fund costs.

Representing both a short and long-term perspective in maintaining a balanced budget, the Proposed Budget accounts for State budget uncertainties, reflects input from employees and the community, and maintains core community services that support the County's mission.

The Proposed Budget serves as the County's interim spending plan until final adoption of the budget by your Board. In addition, changes to the County's closing fund balance will necessarily

result in recommended amendments to the printed Proposed Budget. These changes will be submitted to your Board during the July budget hearings.

For a more detailed overview of the FY 2005-2006 Proposed Budget, please refer to the Administrator's Budget Message contained within the budget document. Copies of the Proposed FY 2005-06 County Budget will be available for public review on the County's website (www.co.marin.ca.us) or available in hard copy by request through the County Administrator's Office (Civic Center Room 325); and available for review in all County Library Facilities.

Your Board, Department Heads and the entire County workforce deserve recognition for demonstrating collaboration and creativity in the development of a County work plan for FY 2005-06. The Auditor-Controller and the Information Services and Technology Director and their staff are particularly commended for their assistance in completing the Proposed Budget.

Please feel free to contact me or my staff with any questions or concerns.

Sincerely,

Mark J. Riesenfeld
County Administrator