



PLACER COUNTY

FY 2014-15 Final Budget Public Hearing

September 9, 2014

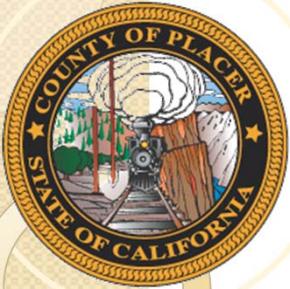
David Boesch
County Executive Officer



Final Budget Public Hearing

Requested Actions

- Receive an Overview of Final Budget and Open Public Hearing
- Adopt Resolution for FY 2014-15 Final Budget operating funds - \$797,817,055
- Approve FY 2014-15 final budgets for proprietary funds - \$78,285,257
- Approve items listed on County Master Fixed Asset Listing for FY 2014-15
- Introduction of an ordinance amending personnel allocations of various departments to reflect FY 2014-15 Final Budget position changes
- Adopt Resolution for FY 2014-15 Final Budgets for special districts governed by the Board of Supervisors - \$117,592,604



Final Budget Public Hearing

Presentation Outline

- Key Considerations – Budget Development Process
- Overview of Annual Budget and Multi-Year Budget Framework
 - General Fund
 - Capital and Infrastructure Funds
 - Public Safety Fund
 - Other Key Operating Funds
- Overview of Proprietary Fund Budgets
- Overview of Special Districts Fund Budgets
- Questions / Convene Public Hearing



Budget Development Process

Budget Development – Key Considerations

- Board Policies and Actions Promoting Fiscal Sustainability
 - Multi-Year Budget Framework
 - Conservative approach to budgeting
 - Use 1-time revenues for 1-time costs
 - Providing flexibility to adjust to economic fluctuations by funding reserves
- Priority Based Budgeting – Cost Alignment and Program Inventory
- Builds on Proposed Budget Adopted June 3, 2014

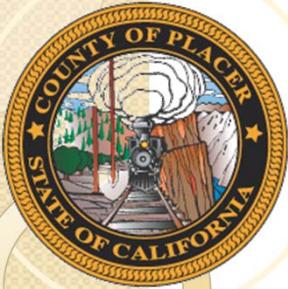


Overview of Operating Budget

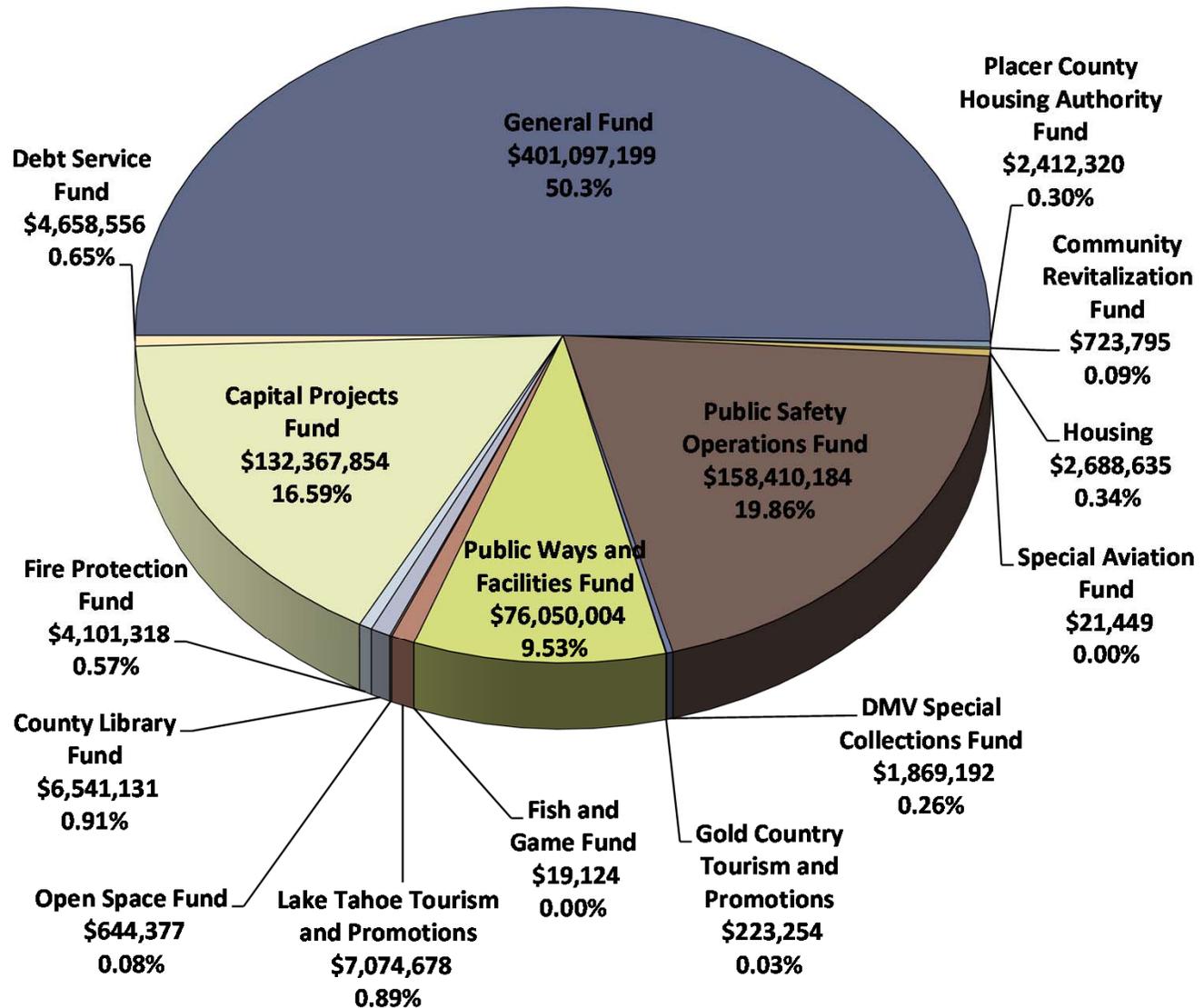
FY 2014-15 Operating Budget – Balanced Budget

Operating & Capital Budgets, Financing Requirements Comparison

Financing Uses	FY 2013-14 Final Budget	FY 2014-15 Proposed Budget	FY 2014-15 Final Budget	\$ Change	% Change
Funds:					
General Fund	\$ 381,509,209	\$ 393,369,179	\$ 397,312,282	\$ 15,803,073	4.1%
Public Safety Fund	\$ 146,444,761	\$ 149,010,901	\$ 150,340,162	\$ 3,895,401	2.7%
Capital Projects Fund	\$ 72,641,795	\$ 155,379,791	\$ 132,367,854	\$ 59,726,059	82.2%
Public Ways & Facilities Fund	\$ 80,927,157	\$ 67,305,762	\$ 75,062,844	\$ (5,864,313)	-7.2%
Other Funds	\$ 29,860,490	\$ 26,793,445	\$ 29,046,942	\$ (813,548)	-2.7%
Increase to Reserves / Designations	\$ 9,465,930	\$ 606,493	\$ 13,686,971	\$ 4,221,041	44.6%
Total Financing Requirements:	\$ 720,849,342	\$ 792,465,571	\$ 797,817,055	\$ 76,967,713	10.7%



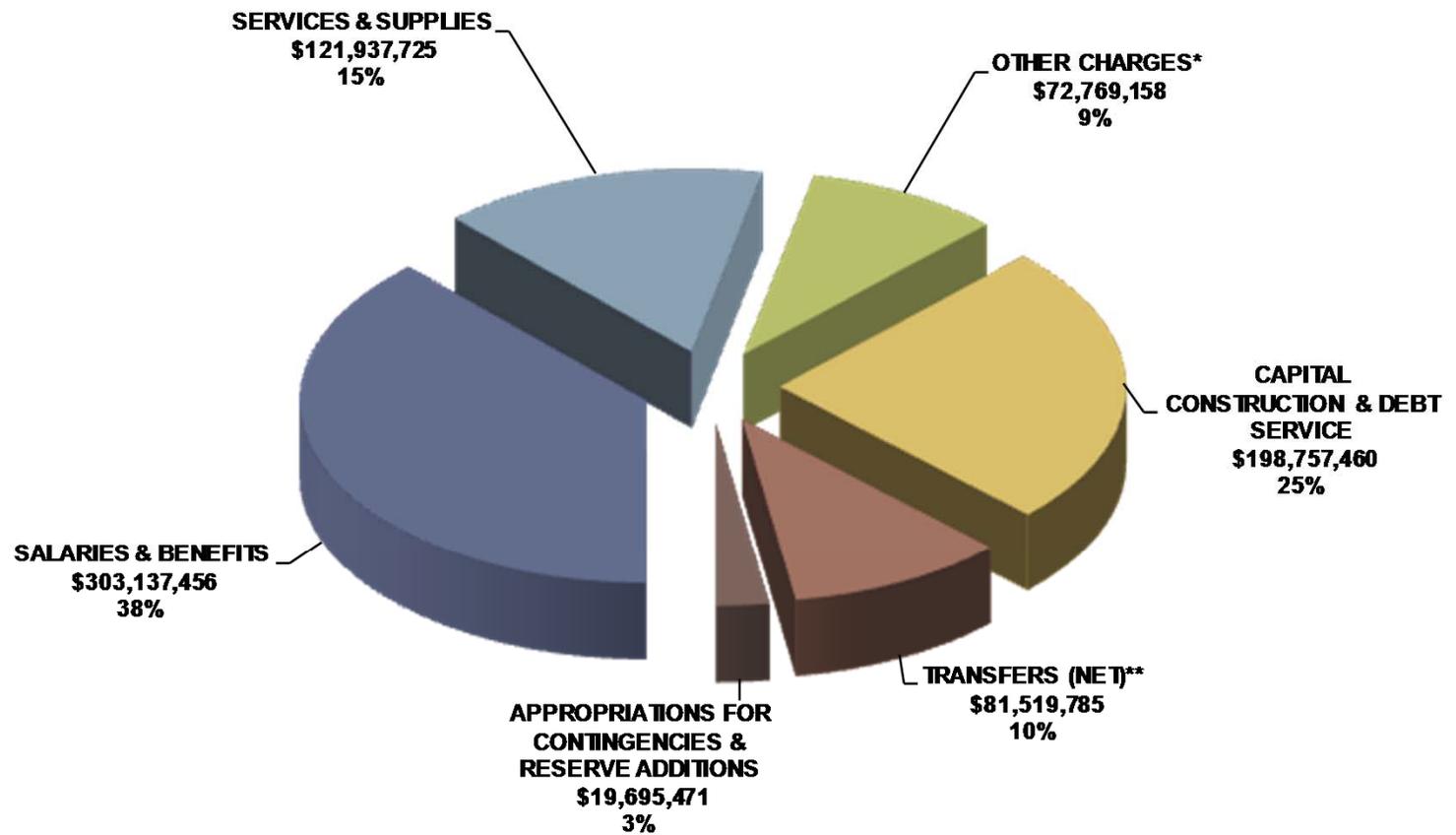
Overview of Operating Budget

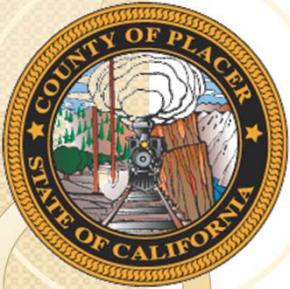




Operating Budget Expenditures

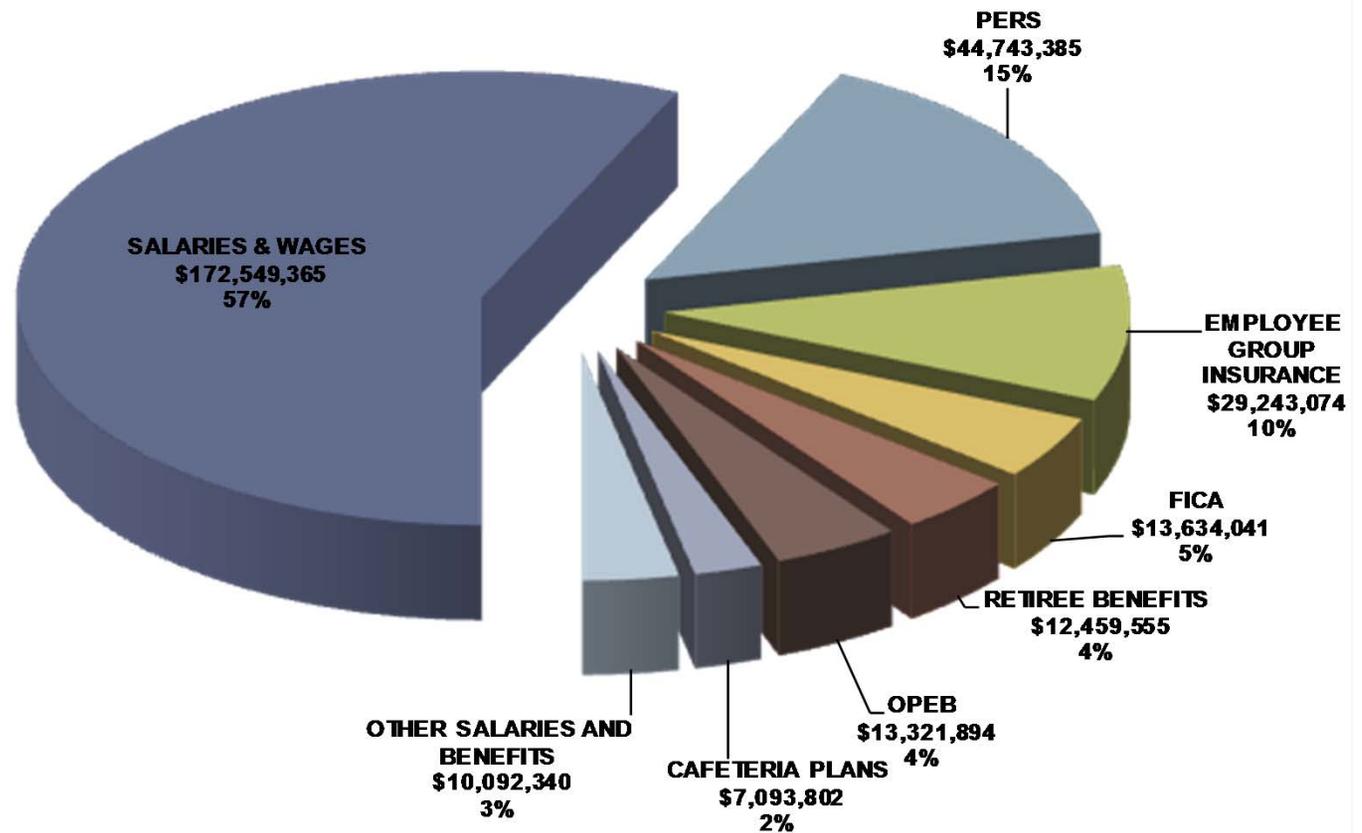
FY 2014-15 FINAL BUDGET \$797,817,055





Operating Budget Salaries and Benefits

FY 2014-15 FINAL BUDGET \$303,137,456





General Fund Overview

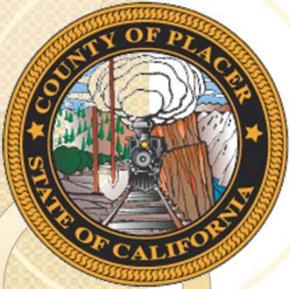
General Fund

Financing Sources	Final Budget FY 2013-14	Proposed Budget FY 2014-15	Final Budget FY 2014-15	\$ Change FY 2013-14 to FY 2014-15	% Change
Financing Sources	\$ 358,775,964	\$ 367,365,417	\$ 371,371,093	\$ 12,595,129	3.5%
Fund Balance	28,404,235	26,003,762	29,726,106	1,321,871	4.7%
Cancellation of Reserves	-	-	-	-	n/a
Total Financing Sources:	\$ 387,180,199	\$ 393,369,179	\$ 401,097,199	\$ 13,917,000	3.6%

- Builds upon continued modest economic recovery
- Final Budget includes revenue “true-ups” and other technical adjustments

Total Budget Increase - \$13.9 million

- Property Tax - \$7.2 million
- Sales Tax - \$1.2 million
- Construction Permits and Inspections - \$400,000
- Pre-2004 SB-90 Mandate Payments - \$1.3 million
- Fund Balance Carryover - \$1.3 million



General Fund Overview

General Fund

Financing Requirements	Final Budget FY 2013-14	Proposed Budget FY 2014-15	Final Budget FY 2014-15	\$ Change FY 2013-14 to FY 2014-15	% Change
Financing Uses	\$ 381,509,209	\$ 393,369,179	\$ 397,312,282	\$ 15,803,073	4.1%
Provisions to Reserves	5,670,990	-	3,784,917	(1,886,073)	-33.3%
Total Financing Requirements:	\$ 387,180,199	\$ 393,369,179	\$ 401,097,199	\$ 13,917,000	3.6%

- Total General Fund operating budget increased \$15.8 million

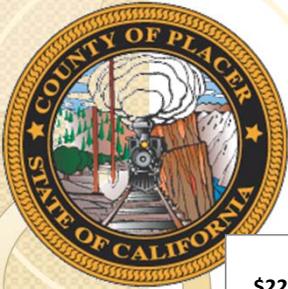
Proposed Budget Recommendations

- Program expansions in HHS - \$4.4 million
- Contribution to Public Safety - \$3.5 million
- PCCP / SIA / Development - \$1.3 million
- Impacts of cost alignments / Other net increases

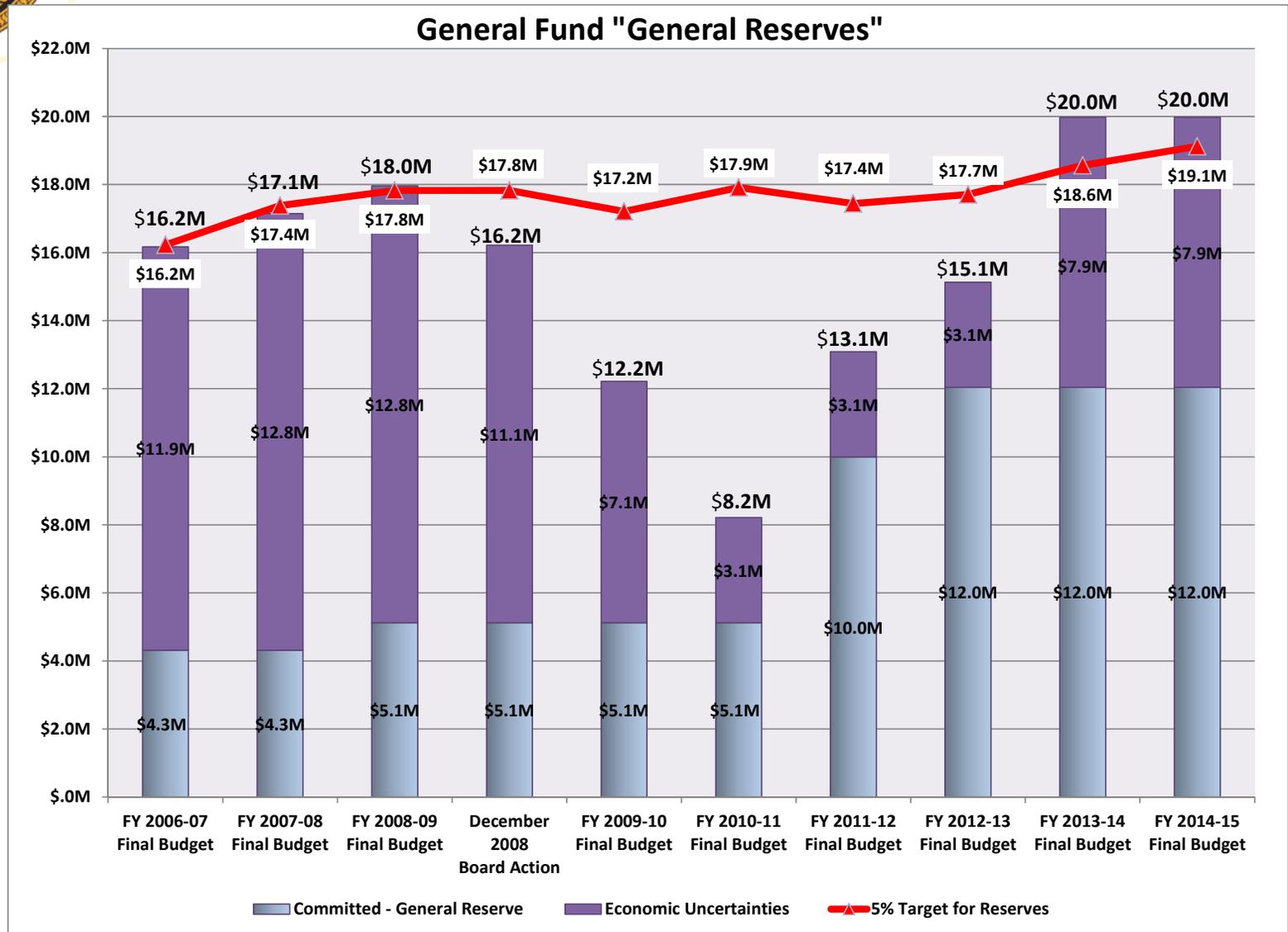
Final Budget Recommendations

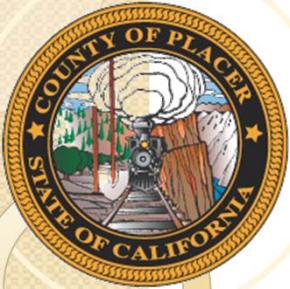
- Street Overlay Contribution - \$1.0 million
- DeWitt Demolition - \$900,000
- Other Capital / Feasibility Studies - \$950,000
- Public Safety Contribution "True-Up" - \$918,000
- Other Community & Agency Support - \$531,000

- Increases to Reserves / Assigned Fund Balances - \$3.8 million



General Fund "General Reserve"





Public Safety Fund Overview

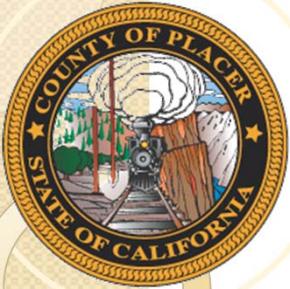
Public Safety Fund

Financing Sources	Final Budget FY 2013-14	Proposed Budget FY 2014-15	Final Budget FY 2014-15	\$ Change FY 2013-14 to FY 2014-15	% Change
Financing Sources	\$ 138,487,691	\$ 143,717,105	\$ 146,065,073	\$ 7,577,382	5.5%
Fund Balance	10,171,938	5,293,796	12,345,111	2,173,173	21.4%
Cancellation of Reserves	89,094	-	-	(89,094)	-100.0%
Total Financing Sources:	\$ 148,748,723	\$ 149,010,901	\$ 158,410,184	\$ 9,661,461	6.5%

- General Fund contribution consistent with Multi-Year Budget Framework
- Final Budget includes revenue “true-ups” and other technical adjustments

Total Budget Increase - \$9.7 million

- General Fund Contribution - \$5.1 million
- Public Safety Sales Tax - \$2.1 million
- Middle Fork MOU Funding - \$0.9 million
- Fund Balance Carryover - \$2.2 million
- AB109 Funding Decrease – (\$1.1 million)



Public Safety Fund Overview

Public Safety Fund

Financing Requirements	Final Budget FY 2013-14	Proposed Budget FY 2014-15	Final Budget FY 2014-15	\$ Change FY 2013-14 to FY 2014-15	% Change
Financing Uses	\$ 146,444,761	\$ 149,010,901	\$ 150,340,162	\$ 3,895,401	2.7%
Provisions to Reserves	2,303,962	-	8,070,022	5,766,060	250.3%
Total Financing Requirements:	\$ 148,748,723	\$ 149,010,901	\$ 158,410,184	\$ 9,661,461	6.5%

- Total Public Safety Fund operating budget increased \$3.9 million

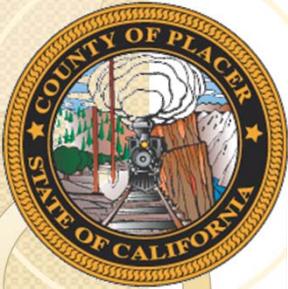
Proposed Budget Recommendations

- Salary and Benefits - \$1.3 million
- Correction System Increases - \$1.4 million
- Impacts of Cost Alignments

Final Budget Recommendations

- Probation Offender Services - \$200,000
- Probation Vehicle Laptops - \$131,000
- PREP Center - \$64,000
- Probation K-9 Vehicle - \$50,000
- Crime Lab Feasibility Study - \$250,000
- Re-budgets and other technical adjustments

- Increases to Reserves / Assigned Fund Balances - \$8.1 million



FY 2014-15 Budget Development Overview

MULTI-YEAR MODEL: General Fund

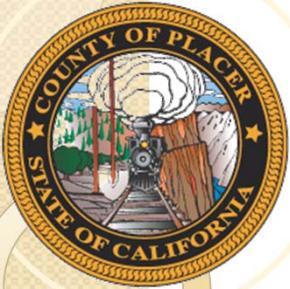
09/09/2014

	2014-15 Final Budget	2015-16 Model	2016-17 Model	2017-18 Model	2018-19 Model	2019-20 Model
Est. Fund Balance Carryover:	\$ 29,726,106	\$ 25,000,000	\$ 24,000,000	\$ 23,000,000	\$ 22,000,000	\$ 21,000,000
Revenues:						
Taxes	\$ 160,202,974	\$ 164,090,459	\$ 166,958,459	\$ 169,356,311	\$ 172,520,537	\$ 175,752,595
Intergov't Revenues	160,490,528	162,428,263	164,424,945	166,486,566	168,615,685	170,814,986
Other	50,677,591	53,097,544	55,461,295	57,275,184	58,425,184	59,722,126
Total Revenue & Carryover:	\$ 401,097,199	\$ 404,616,266	\$ 410,844,699	\$ 416,118,062	\$ 421,561,406	\$ 427,289,706
Expenditures:						
General Fund Salaries & Benefits (1)	\$ 165,237,969	\$ 169,829,510	\$ 174,463,130	\$ 179,743,577	\$ 183,859,723	\$ 188,062,126
Retiree Health & Dental	8,343,299	10,063,861	10,493,118	10,942,494	11,412,936	11,905,440
General Fund Other	132,645,469	134,113,374	135,109,552	136,130,796	137,177,839	138,251,436
Contribution to Public Safety (2)	79,764,648	81,502,272	82,898,626	84,074,875	85,603,511	87,163,853
Capital Improvement & Roads	11,320,896	8,470,896	8,470,896	8,470,896	8,470,896	8,470,896
Total Uses of Funds:	\$ 397,312,281	\$ 403,979,914	\$ 411,435,322	\$ 419,362,637	\$ 426,524,906	\$ 433,853,751
Cumulative Dept Absorbed Costs (3)	\$ -	\$ (1,502,682)	\$ (3,333,669)	\$ (5,735,507)	\$ (7,944,399)	\$ (10,187,851)
GENERAL FUND BOTTOM LINE:	\$ 3,784,919	\$ 2,139,035	\$ 2,743,045	\$ 2,490,931	\$ 2,980,899	\$ 3,623,806
Add to Gen Fund reserves / other Board priorities	\$ (3,784,919)	\$ (2,139,035)	\$ (2,743,045)	\$ (2,490,931)	\$ (2,980,899)	\$ (3,623,806)
Potential Redirect to SPACF			\$ -	\$ -	\$ -	\$ -
ADJUSTED BOTTOM LINE: GENERAL FUND	\$ (0)	\$ (0)	\$ 0	\$ 0	\$ 0	\$ (0)
Public Safety Fund Net Income / (Loss)	\$ -	\$ 117,615	\$ (3,032,965)	\$ (5,184,082)	\$ (7,155,197)	\$ (8,887,493)
Public Safety Fund Beginning Reserves	\$ 15,184,722	\$ 15,184,722	\$ 15,302,337	\$ 12,269,372	\$ 7,085,290	\$ -
Potential Solutions - Public Safety Fund Reserves	\$ -	\$ -	\$ 3,032,965	\$ 5,184,082	\$ 7,085,290	\$ -
Potential Solutions - General Fund Redirect	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Potential Solutions - General Fund Reserves	\$ -	\$ -	\$ -	\$ -	\$ (69,907)	\$ (8,887,493)



Fiscal Year 2014-15 Recommended One-Time Funding Adjustments

	AMOUNT
<u>GENERAL FUND RECOMMENDATION</u>	
One-Time Funding Available for FY 2014-15 Board Priorities	\$3,784,918
<i>Add to Client Aid Reserve (Unfunded Mandates – Funds potential one-time costs with one-time resources)</i>	\$540,000
<i>Placement into Assigned Fund Balance for future unfunded liabilities (OPEB / CalPERS)</i>	\$3,244,918
<u>PUBLIC SAFETY FUND RECOMMENDATION</u>	
One-Time Funding Available for FY 2014-15 Board Priorities	\$8,070,022
<i>Placement into Public Safety Vehicle Replacement Reserve</i>	\$200,000
<i>Add to Public Safety Reserves</i>	\$7,870,022



Capital / Infrastructure Funds

Capital and Road Infrastructure Budgets

	FY 2013-14 Final Budget	FY 2014-15 Final Budget	Change
Public Ways and Facilities (Road) Fund	\$80,927,157	\$75,062,844	\$(5,864,313)
Capital Projects Fund	\$72,641,795	\$132,367,854	\$59,726,059

- \$5.9 million budget decrease In Road Fund due to completion of Foresthill Bridge Seismic Retrofit and Cook Riolo Bike Bridge Projects
- \$59.7 million budget increase in Capital Projects Fund due to Mid-Western Regional Sewer and Auburn Animal Shelter Projects

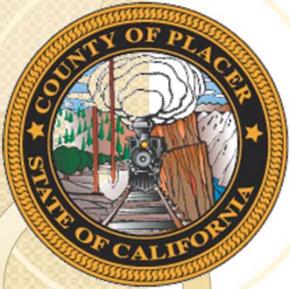


Other Operating Funds

County Library Fund Budget

	FY 2013-14 Final Budget	FY 2014-15 Final Budget	Change
County Library Fund	\$6,295,813	\$6,041,748	\$(254,065)

- Decrease in overall budget due primarily to lower A-87 costs (\$387,000)
- Property taxes increased by \$172,000
- Library Fund balanced with Carryover Fund Balance of \$428,000
- Includes \$30,000 one-time contribution from General Fund for Library materials
- Library reserves = \$451,000



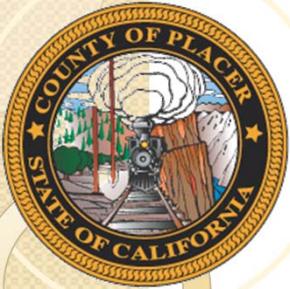
Proprietary Funds

Internal Service and Enterprise Fund Budgets

	FY 2013-14 Final Budget	FY 2014-15 Final Budget	Change
Internal Service Funds (12)	\$54,919,809	\$56,879,843	\$1,960,034
Enterprise Funds (5)	\$23,894,259	\$21,405,414	\$(2,488,845)

- Internal Service Funds:
 - Telecommunications Services
 - Countywide Radio Project
 - Correctional Food Services
 - Environmental Utilities
 - General Liability
 - Dental and Vision
 - Placer County Government Center Campus (replaces DeWitt Development Enterprise Fund)
 - Countywide Systems
 - Public Works Fleet Operations
 - Central Services
 - State Unemployment
 - Workers Compensation

- Enterprise Funds:
 - Transit
 - Eastern Regional Landfill
 - Placer mPower
 - Tahoe Area Regional Transit (TART)
 - Solid Waste Management



FY 2014-15 Budget Funded Positions

Fund	Final Budget FY 2013-14	Proposed Budget FY 2014-15	Final Budget FY 2014-15	# Change	% Change
Operating Funds					
General Fund (100)	1,398	1,427	1,422	24	1.7%
Housing Authority Fund (103)	2	2	2	-	0.0%
Public Safety Fund (110)	746	740	744	(2)	-0.3%
Public Ways & Facilities Fund (120)	114	112	111	(3)	-2.6%
Capital Projects Fund (140)	12	12	12	-	0.0%
County Library Fund (160)	37	38	38	1	2.7%
Subtotal Funded Positions	2,309	2,331	2,329	20	0.9%
Internal Service/Enterprise Funds					
Central Services/Telecommunications	28	28	28	-	0.0%
Risk Management (WC/GL)	12	12	12	-	0.0%
Dewitt Development	7	-	-	(7)	-100.0%
Environmental Utilities	68	67	67	(1)	-1.5%
Food Services	13	13	13	-	0.0%
mPower	-	-	7	7	n/a
Placer County Transit	24	24	24	-	0.0%
TART	17	17	17	-	0.0%
Fleet Operations	24	24	24	-	0.0%
Subtotal Funded Positions	193	185	192	(1)	-0.5%
Total Funded Positions:	2,502	2,516	2,521	19	0.8%

Countywide Allocations

FY 2013-14 – 2,798 Positions
FY 2014-15 – 2,800 Positions

Proposed Budget Key

Funded Position Changes

General Fund

- HHS 20.0 FTE
- CDRA 7.5 FTE
- Prop Mgmt 7.0 FTE
- Fac. Svcs (6.0) FTE
- Treas/Tax Coll 3.0 FTE

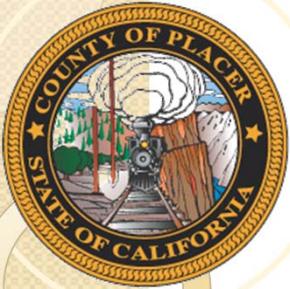
Public Safety Fund

- Sheriff (7.0) FTE

Final Budget Key

Recommended Changes

- HHS to Dist. Atty 4.0 FTE
- mPower 7.0 FTE



Special Districts Budgets

Board-Governed Special Districts:

Total budget – 168 Special Districts: \$117,592,604

Noted Districts:

- Sewer Maintenance Districts (1,2,3)	\$ 97,161,630
- Sunset West Fire District	3,499,596
- North Auburn / Ophir Fire District	3,048,383
- Northstar Highland Parks and Rec.	2,081,109
- Dry Creek Watershed	1,965,153
- Dry Creek Fire	1,150,335

Fiscal Year 2014-15 Recommended Budget



Next Steps:

1. Questions
2. Open Public Hearing
3. Adoption of Final Budget / Related Actions



THANK YOU!