

# **PLACER COUNTY**

## **FY 2015-16 Proposed Budget**

**June 16, 2015**

**David Boesch**  
County Executive Officer

The seal of the County of Placer, State of California, is located in the top left corner. It features a central illustration of a steam locomotive on a track, with a mountain range in the background. The seal is circular with a gold border and contains the text "COUNTY OF PLACER" at the top and "STATE OF CALIFORNIA" at the bottom, separated by two stars.

# FY 2015-16 Proposed Budget

It is requested that the Board receive updates and provide any necessary direction on following:

- Adopt FY 2015-16 Interim Spending Plan
  - FY 2015-16 Proposed Budget
  - FY 2015-16 Proposed Budgets for Lighting Districts, County Services Areas and Sewer Maintenance Districts
- Introduce FY 2015-16 Personnel Allocation Ordinance
- Approve early purchase of equipment on Master Fixed Asset List
- Approach to unassigned carryover fund balance



# FY 2015-16 Proposed Budget - Budget Development -

## **Economy – Continued “Cautious Optimism”**

*Overarching economic drivers considered with budget development:*

- Improving property values – approaching pre-recession levels
- Sales tax collections continue to improve
- Continued uptick in development activity
- Declining unemployment – 4.8% (April 2015) vs. 6.0% last year
- State Budget – continue to pay down “Wall of Debt”
- CalPERS Retirement / Healthcare costs



# FY 2015-16 Proposed Budget - Budget Development -

## Sustainable Spending Plans – Fiscal Health and Wellness

*Progress demonstrating focus on long-term sustainability and organizational fiscal health and wellness:*

- Budget and Financial Policy
- Multi-Year Budget Framework – Anticipated revenues and expenditures
  - General Fund   - Public Safety Fund   - Other Funds
- Increased transparency
  - Cost alignment   - Budget “Right-Sizing”   - Communication of budget information
- Continued implementation of Priority Based Budgeting concept
  - Refined Program Inventory   - Alignment of program costs



# FY 2015-16 Proposed Budget - Budget Development -

## Recent Accomplishments

*Budget development builds upon FY 2014-15 accomplishments:*

- Approach to funding Unfunded Actuarial Accrued Liabilities – Other Post Employment Benefits (OPEB) Policy Update
- Commitment to Transparency, Communication and Employee Engagement
- Completion of the Criminal Justice Master Plan
- Focus on Development
- Phased transition to Priority Based Budgeting concept



# FY 2015-16 Proposed Budget - Countywide Budget -

Net Budget					
Fund	FY 2014-15 Final Budget	FY 2015-16 Dept Submitted Base	FY 2015-16 Department Requested	FY 2015-16 CEO Recommended	\$ Change FY 2015-16 Recommended to FY 2014-15
General Fund	\$ 397,312,282	\$ 401,699,925	\$ 414,245,520	\$ 411,534,971	\$ 14,222,689
Public Safety Fund	150,340,162	154,590,737	160,633,053	160,868,459	10,528,297
Road Fund	75,062,844	77,360,659	77,360,659	77,365,521	2,302,677
Capital Projects Fund	132,367,854	129,660,255	129,660,255	125,751,740	(6,616,114)
Other Funds	29,046,942	27,789,461	29,156,775	27,734,378	(1,312,564)
Provision to Reserves	13,686,971	0	0	56,408	(13,630,563)
<b>All Operating Funds</b>	<b>\$ 797,817,055</b>	<b>\$ 791,101,037</b>	<b>\$ 811,056,262</b>	<b>\$ 803,311,477</b>	<b>\$ 5,494,422</b>

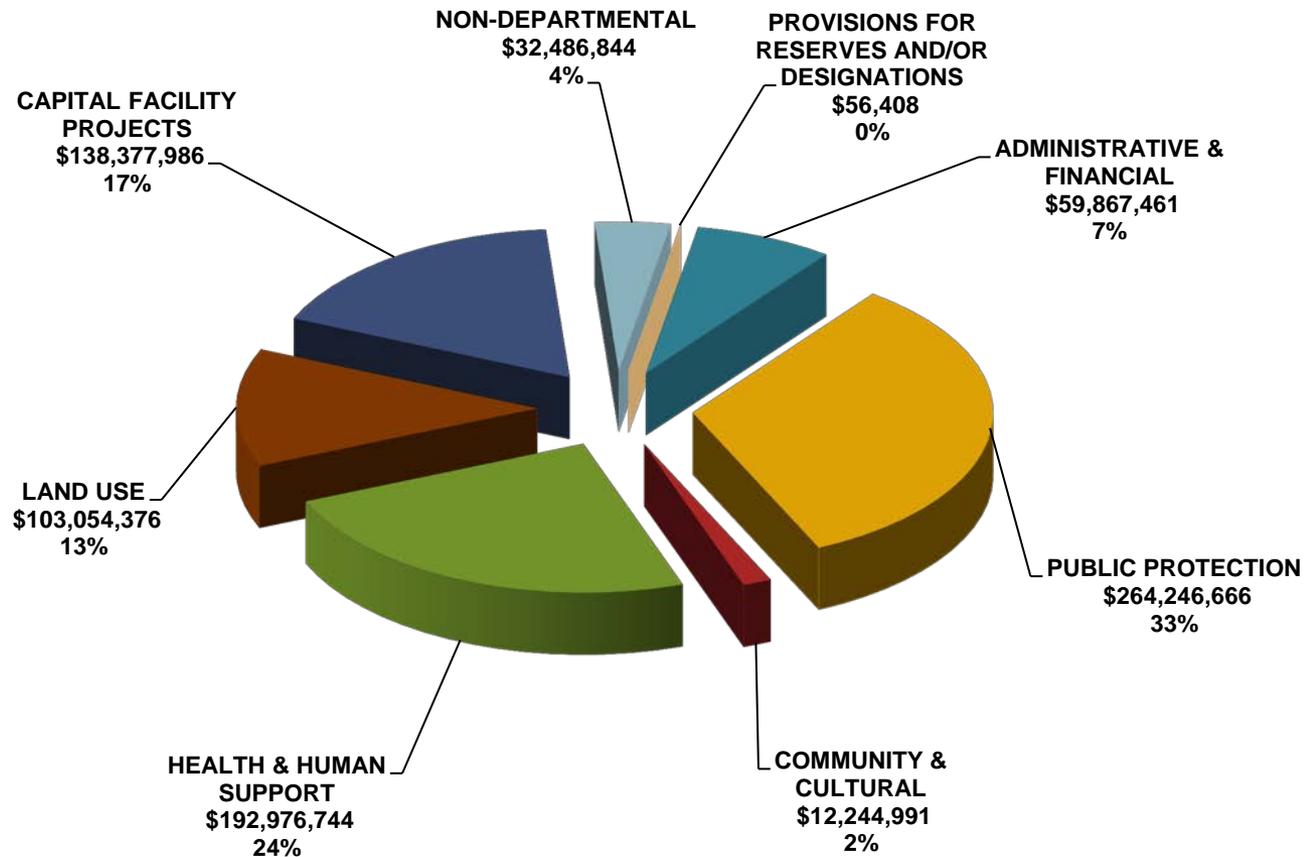
## FY 2015-16 Recommended Operating Budget - \$803.3 million

- General Fund                                   +\$14.2 million (3.6%)
- Public Safety Fund                           +\$10.5 million (7.0%)
- Infrastructure Funds                         -\$4.3 million (-2.1%)



# FY 2015-16 Proposed Budget - Countywide Budget -

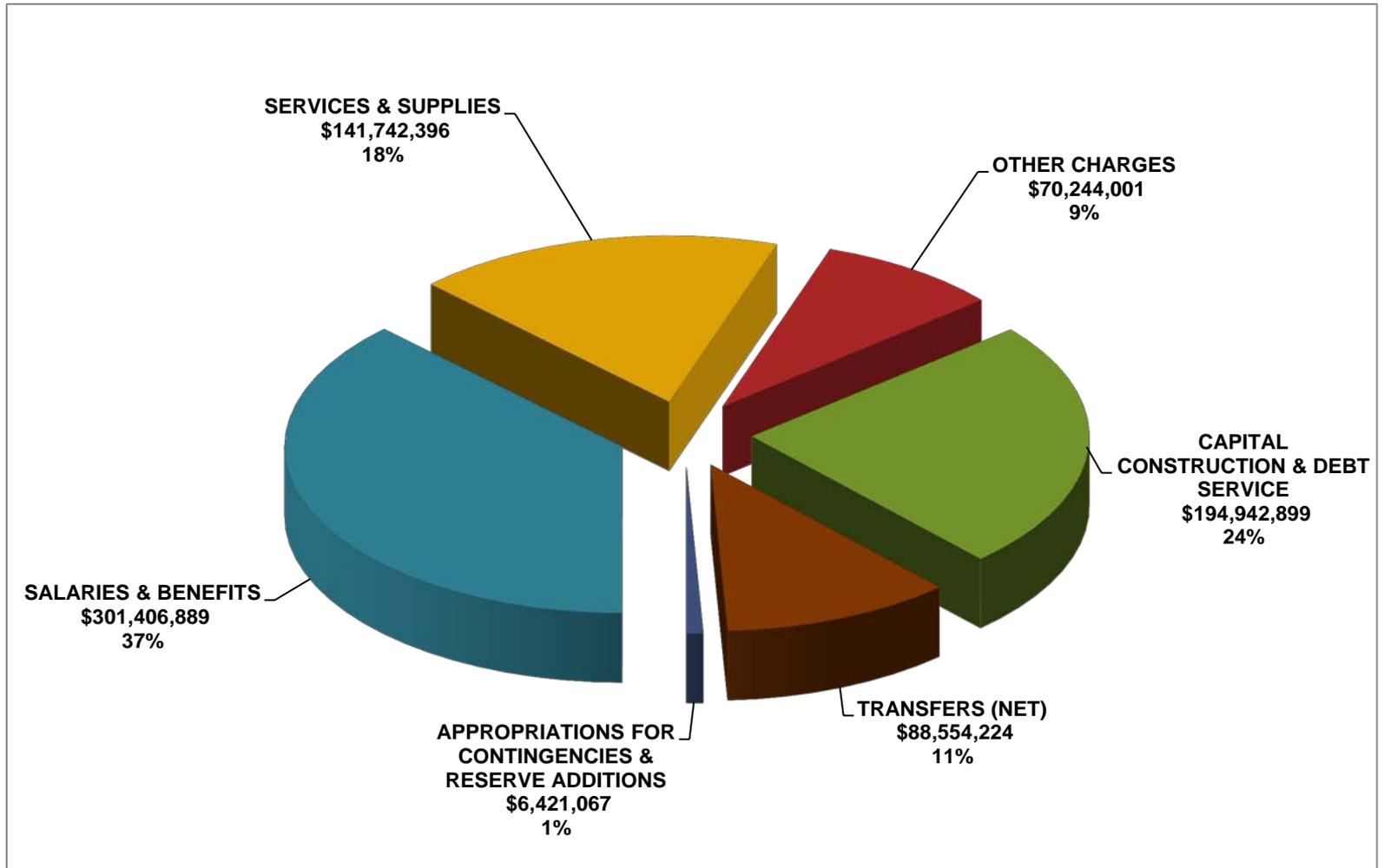
## FY 2015-16 Expenditures by Function \$803,311,476

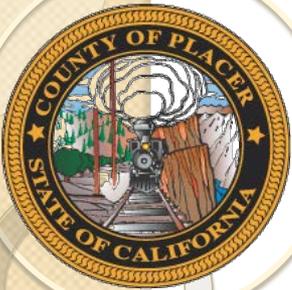




# FY 2015-16 Proposed Budget - Countywide Budget -

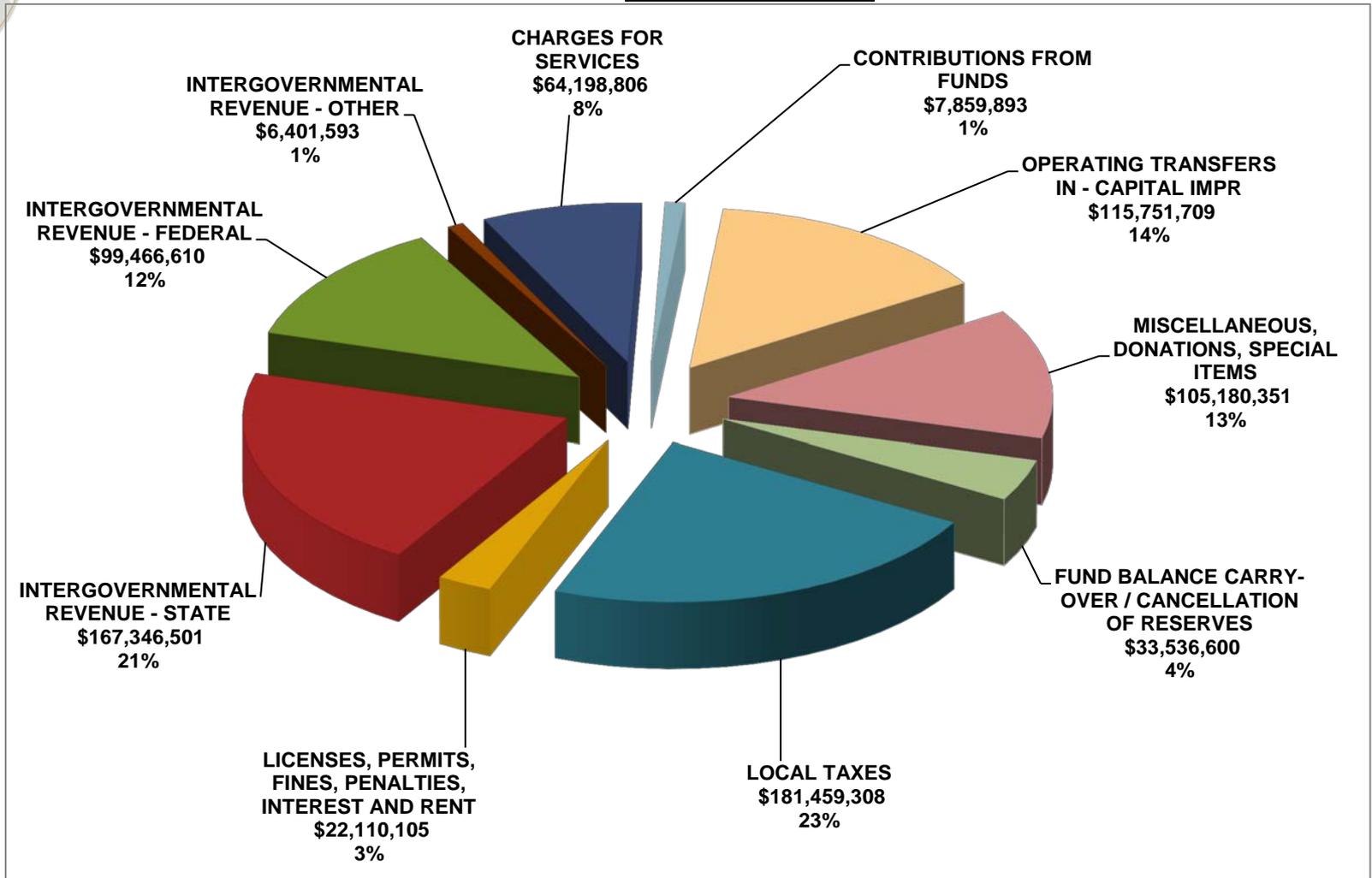
FY 2015-16 Expenditures by Category  
\$803,311,476





# FY 2015-16 Proposed Budget - Countywide Budget -

## FY 2015-16 Revenues and Sources of Funds \$803,311,476





# FY 2015-16 Proposed Budget - Countywide Budget -

## FY 2015-16 Recommended Funded Positions

Fund	Final Budget FY 2014-15	Proposed Budget FY 2015-16	# Change	% Change
<b>Operating Funds</b>				
General Fund (100)	1,422	1,349	(73)	-5.1%
Housing Authority Fund (103)	2	2	-	0.0%
Public Safety Fund (110)	744	778	34	4.6%
Public Ways & Facilities Fund (120)	111	113	2	1.8%
Capital Projects Fund (140)	12	11	(1)	-8.3%
County Library Fund (160)	38	39	1	2.6%
<b>Subtotal Funded Positions</b>	<b>2,329</b>	<b>2,292</b>	<b>(37)</b>	<b>-1.6%</b>
<b>Internal Service/Enterprise Funds</b>				
Central Services / Telecommunications / I.T.	28	90	62	221.4%
Risk Management (WC/GL)	12	12	-	0.0%
Environmental Utilities	67	67	-	0.0%
Employee Benefits	-	15	15	n/a
Food Services	13	13	-	0.0%
Placer County Transit	24	26	2	8.3%
TART	17	19	2	11.8%
Fleet Operations	24	23	(1)	-4.2%
mPower	7	8	1	14.3%
<b>Subtotal Funded Positions</b>	<b>192</b>	<b>273</b>	<b>81</b>	<b>42.2%</b>
<b>Total Funded Positions:</b>	<b>2,521</b>	<b>2,565</b>	<b>44</b>	<b>1.7%</b>

### Countywide Allocations

FY 2014-15 – 2,800 FTE  
FY 2015-16 – 2,827 FTE

### Funded Position Changes

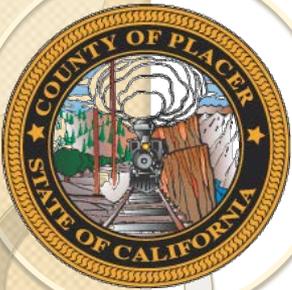
#### General Fund

- Admin Services\* (63.0) FTE
- CDRA 9.0 FTE
- Personnel\* (15.0) FTE
- Clerk Recorder (5.0) FTE
- Facility Svcs (5.0) FTE
- HHS 2.0 FTE

#### Public Safety Fund

- Probation 5.0 FTE
- Sheriff 29.0 FTE

**\* Establishment of Internal Service Funds**



# FY 2015-16 Proposed Budget - Countywide Budget -

## Prioritized Recommended Supplemental Requests “Challenges & Choices” – May 19, 2015

<b><u>Priority / Initiative Area</u></b>	<b>Amount in FY 2015-16 Proposed Budget (Balanced Budget)</b>	<b>Amount not yet built into FY 2015-16 Proposed Budget</b>	<b>Total Amount Considered / Requested</b>
<i>Capital / Deferred Maintenance Funding Sustainability</i>	\$ 3,750,000	\$ -	\$ 3,750,000
<i>Environmental Sustainability</i>	\$ 871,000	\$ 1,000,000	\$ 1,871,000
<i>Placer County Library System Planning</i>	\$ 400,000	\$ -	\$ 400,000
<i>Criminal Justice Master Plan Implementation</i>	\$ 3,200,000	\$ -	\$ 3,200,000
<i>Placer County Fire Funding Sustainability</i>	\$ 100,000	\$ 1,700,000	\$ 1,700,000
<i>Succession / Talent Management and Employee Engagement</i>	\$ 1,000,000	\$ -	\$ 1,000,000
<b>Total – Priority / Initiative Areas:</b>	<b>\$ 9,071,000</b>	<b>\$ 2,700,000</b>	<b>\$ 11,771,000</b>



# FY 2015-16 Proposed Budget - Special Districts Budget -

## Special Districts Proposed Budget

### ***193 Special Districts and County Service Area (CSA) Zones:***

- Total Proposed Budget - \$76.6 million
  - Proposed Budget lower by \$41.0 million compared to FY 2014-15
  - Changes primarily due to timing / completion of large capital projects
    - SMD #1 / SMD #3 – lower by \$33.8 million
    - Fire Zones of Benefit adjustments
- Final Budget technical adjustments typically reflect changes to reserves



# FY 2015-16 Proposed Budget - Countywide Budget -

## Additional Budget Development Considerations

### Phased Approach to Priority Based Budgeting:

#### Communication:

- Organizational fiscal health and wellness - **ONGOING**
- Budget “Spotlight” - priorities and challenges – **ONGOING**
- Refinement of Program Inventory – **FY 2015-16 PROPOSED BUDGET**

#### Cost Alignment / Effectiveness Gauge:

- Alignment of costs to programs – **BEGIN WITH FY 2015-16 FINAL BUDGET**
- Development of program qualitative / quantitative measurement criteria demonstrating “Compelling Public Value” – **BEGIN DURING FY 2015-16**



# FY 2015-16 Proposed Budget - Countywide Budget -

## Additional Budget Development Considerations

### Multi-Year Capital Plan:

Comprehensive capital and infrastructure plan encompassing:

- Summary of information for capital and infrastructure projects recommended in Proposed Budget
- Capital Projects Team updates of individual project summaries – to be included with FY 2015-16 Final Budget

CAPITAL PROJECT BUDGET	
PROJECT BRIEFING SHEET	
PROJECT PRIORITY - HIGH	
GOLD HILL RD AT AUBURN RAVINE BRIDGE PROJECT	
COUNTY FUNCTION: Land Use System	
PROJECT CATEGORY: Bridges	
SUPERVISOR DISTRICT: 3	
PROJECT DESCRIPTION	PHOTO/MAP
<p>The Department of Public Works is proposing to replace the existing bridge on Gold Hill Road over Auburn Ravine. The existing bridge was built in 1930 and is structurally deficient. It is also functionally obsolete because of the narrow roadway approach geometry. The project is being completed under the Federal Highway Bridge Program (HBP). The project will improve the bridge and roadway approaches to meet current structural, geometric, and hydraulic guidelines.</p>	
PROJECT STATUS	
<p><b>Schedule</b></p> <p>Approval   Design Complete   Begin Construction   Project Complete</p>	
PROJECT COST AND FUNDING	
Estimated Total Cost	\$ 5,150,000
Estimated Total Funding Available	\$ 4,500,000
Estimated Funding Gap	\$ (650,000)
<i>Recommended Funding Gap Solutions</i>	
Pending Contribution from the City of Rocklin	\$ 100,000
Pending Grant approval and award	\$ 85,000
Capital Project Fund Balance	\$ 650,000
Budgeted Cost Timeline:	
Fiscal Year 2015-16	\$ 500,000
Fiscal Year 2016-17	\$ 200,000
Fiscal Year 2017-18	\$ 650,000
Fiscal Year 2018-19	\$ 650,000
Fiscal Year 2019-20	\$ 3,150,000
Future Fiscal Years	\$ -
<b>Estimated Total Cost</b>	<b>\$ 5,150,000</b>
Funding Detail:	
State / Federal	\$ 4,585,000
County General Fund - Carryover	\$ 465,000
County General Fund - New Discretionary	\$ -
Fees	\$ -
Reserves	\$ -
Other Agencies	\$ 100,000
<b>Estimated Total Funding Available</b>	<b>\$ 5,150,000</b>
Project #:	Date: 06.11.15

# FY 2015-16 Proposed Budget - Countywide Budget -



## Additional Budget Development Considerations

### Approach to Carryover Fund Balance:

Designate unassigned carryover fund balance from FY 2014-15 for the following purposes:

- Budget and Financial Policy Guidance:
  1. Funding of reserves
  2. Capital / Infrastructure priorities
  3. Unfunded liabilities
  
- Other one-time or Board identified priorities for FY 2015-16



# FY 2015-16 Proposed Budget - Countywide Budget -

## Next Steps - Development of Final Budget – September 1, 2015

### Technical Changes to Proposed Budget

- True-up of Carryover Fund Balance based on final year-end close
- Consideration of recommended final budget adjustments
- Consideration of any additional Carryover Fund Balances pursuant to Board direction

### Update of Multi-Year Budget Framework

- To include final results for FY 2014-15 and updated projections through FY 2019-20

### Update of Multi-Year Capital Plan

- Updated individual project briefings reconciled to recommended Final Budget