



MEMORANDUM
COUNTY EXECUTIVE OFFICE
ADMINISTRATION & FISCAL
SUPPORT DIVISION
 County of Placer

TO: Honorable Board of Supervisors **DATE:** October 12, 2021
FROM: Todd Leopold, County Executive Officer
BY: Daniel Chatigny, Finance and Budget Operations Manager
SUBJECT: Fiscal Year 2021-22 Budget Amendments, Fund Balance Reserve Adjustments

ACTION REQUESTED

Approve Budget Amendments AM-00557 and AM-00559 for the Fiscal Year (FY) 2021-22 Budget based on actual beginning fund balances and adjusted reserve balances.

BACKGROUND

On June 22, 2021, the Board of Supervisors adopted the FY 2021-22 Budget. The Budget was developed using estimated fund balances as of June 30, 2021. Final budget amendments for FY 2020-21 were presented to the Board of Supervisors by the Auditor Controllers Office at this same October 12, 2021 meeting, to amend various budgets and finalize year end fund balances. As a result, beginning fund balances will be adjusted per the chart below for the FY 2021-22 State Controller Schedules.

Fund	Estimated Ending Fund	Actual Ending Fund	Difference
General Fund	\$ 20,775,101	\$ 44,383,291	\$ 23,608,190
Public Safety Fund	\$ (996,538)	\$ 6,771,348	\$ 7,767,886
Fire Fund	\$ 535,904	\$ 1,589,268	\$ 1,053,364
Library Fund	\$ 1,347,002	\$ 1,217,086	\$ (129,916)
Health and Human Services Fund	\$ -	\$ (1,249,321)	\$ (1,249,321)
Capital Fund	\$ 17,042,534	\$ 26,281,020	\$ 9,238,486
Public Ways and Facilities Fund	\$ (101,167)	\$ (20,668,917)	\$ (20,567,750)
Lake Tahoe Tourism Fund	\$ 9,268,330	\$ 14,033,373	\$ 4,765,043
Child Support Services Fund	\$ -	\$ (665)	\$ (665)
Community Revitalization Fund	\$ 189,321	\$ 146,179	\$ (43,142)
DMV Special Collection Fund	\$ 1,145,555	\$ 1,946,914	\$ 801,359
Fish and Game Fund	\$ 136	\$ 3,659	\$ 3,523
Low and Moderate Income Housing Asset Fund	\$ 237,226	\$ 365,732	\$ 128,506
Open Space Fund	\$ -	\$ (8,064)	\$ (8,064)
Placer County Housing Authority Fund	\$ -	\$ (72,860)	\$ (72,860)
Special Aviation Fund	\$ -	\$ 348	\$ 348
Debt Service Fund	\$ -	\$ (264,035)	\$ (264,035)

The FY2021-22 budget amendment requests included for your Board's consideration are to balance current negative fund balances in the State Controller Reports (Attachment A).

The Health and Human Services fund experienced \$1.2M in unanticipated overhead costs in FY 2020-21 that were not reimbursed. The FY 2021-22 budget amendment request includes an increase in General Fund Contribution to HHS by this amount to cover the deficit.

The deficit in the Public Ways and Facilities Fund (Road Fund) is partially offset with a \$15.8M increase in revenue for anticipated long term debt proceeds.

For funds that realized an increase in ending fund balance (such as the General Fund and Public Safety Fund), the increase rolled into reserves for each fund.

The increase in the ending General Fund balance includes \$13.1M in General Fund in lieu of CARES funds being carried forward for previously approved allocations to HHS and Information Technology. The balance of the variance is generally due to revenues coming in higher than expected and expenses coming in lower than expected. This fund balance gain was designated to the contingency reserve, which now satisfies the Board policy requirement of a minimum of 10% of General Fund and Public Safety Fund expenditures.

The Public Safety Fund ended FY 2020-21 with Public Safety Sales Tax revenue higher than budget. The ending fund balance amount includes reserves being held for the Board approved three-year Body Worn Camera program. In addition, there are significant re-budgets expected in the FY 2021-22 Q1 amendment.

FISCAL IMPACT

The impacts to FY 2021-22 budgets are reflected in the proposed budget amendments.

ATTACHMENTS

Attachment A – FY 2021-22 Budget Amendments

**COUNTY OF PLACER
BUDGET AMENDMENT REQUEST**

(Please group all related transactions together)

Fund	Cost Center	Program	Grant	Project	Ledger Account	OT Worktag	Current Budget	Debits ↓Revenue ↑Expense	Credits ↑Revenue ↓Expense	New Budget	Impact on Fund Balance	Description
FD10000	CC10053	PG100153			55550			1,249,321		1,249,321	(1,249,321)	Increased GF contribution to HHS by \$1.2M to balance FY 21-22 based on ending fund balances.
FD12100	CC19006	PG190008			49120				15,797,945	15,797,945	15,797,945	Road Fund: Increase revenue by \$15.8M for anticipated debt proceed revenues to offset loan term loan balances in the Road Fund.
FD10303	CC14014	PG140043			49050			1,249,321		1,249,321	1,249,321	Increased GF contribution from General Fund by \$1.2M to balance FY 21-22 based on ending fund balances.
FD20311	CC17003	PG170007			48010				14,535	14,535	14,535	State Unemployment Insurance Fund: Increased charge table revenues by \$14.5k. This is to balance the fund following a large/unexpected spike in claims due to COVID 19.
FD21402	CC19003	PG190003			43220			1,292,404		1,292,404	1,292,404	Increased TART intergovernmental revenues by \$1.3M for reimbursements for bus purchases carried for from FY 20-21.
FD21101	CC12043	PG120077			46030				34,044	34,044	34,044	Increased revenue in CSA 28 Z06A1 Sheridan Ent by \$34k to balance. This CSA is absorbed into SMD 1 and ending balances will be cleaned up in FY 21-22 to close out this fund.
TOTALS:								\$ 1,249,321	\$ 18,388,249	\$ 19,637,571	\$ 17,138,928	<i>Note: Round amounts to nearest dollar</i>

Description of Need for Budget changes: (Attach other pages as needed)

Adjustments to reconcile ending fund balance available as of June 30, 2021 to the FY 21-22 Budget. The adjustments will be represented in the Budget Schedules submitted to the State Controller's Office.

Please attach documentation of need for change including any applicable salary calculations

Completed By: Daniel Vick

Date: 9/17/21

Department Head Approval: Daniel Chatigny

Date: 9/20/21

