

SUMMARY OF FY 2017-18 RECOMMENDED BUDGET

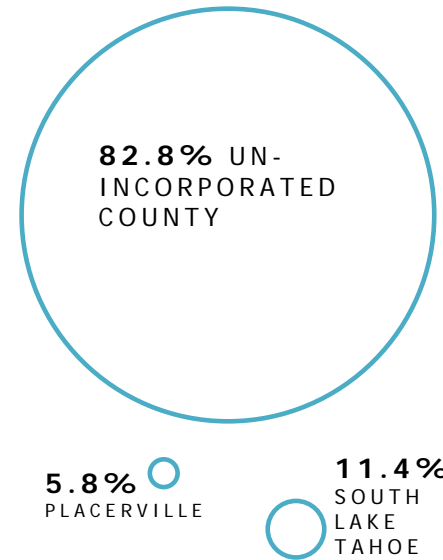
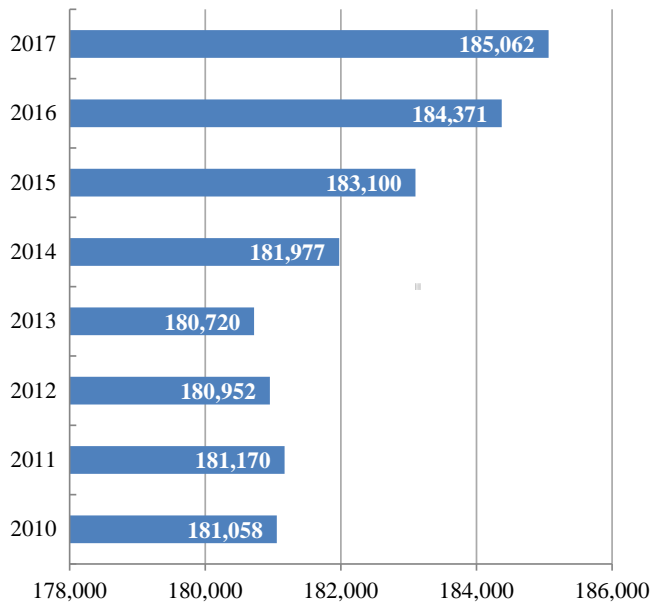
June 20, 2017

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PRESENTATION OVERVIEW

- County Budget Overview & Demographics
- FY 2017-18 Budget Summary
- Review of County Cost Distribution
- What's Not Included
- Policy Considerations & Updates
- Recap of Morning Discussions, Revisions
- Consider and Take Recommended Action

TOTAL POPULATION



- Over the last 10-year period, El Dorado County grew 2.5 percent.
- The majority of El Dorado County citizens (153,295) reside outside of the two incorporated cities of Placerville and South Lake Tahoe.

COMPARATOR COUNTIES: TAXES COLLECTED

- Total FY 2015-16, in millions

\$182.9	Placer
\$488.0	Sacramento
\$98.5	El Dorado
\$22.8	Amador

- FY 2015-16, per resident

\$1,523	Placer
\$1,057	Amador
\$934	Sacramento
\$643	El Dorado

COMPARATOR COUNTIES: COUNTY EMPLOYEES (PER 1,000 RESIDENTS)

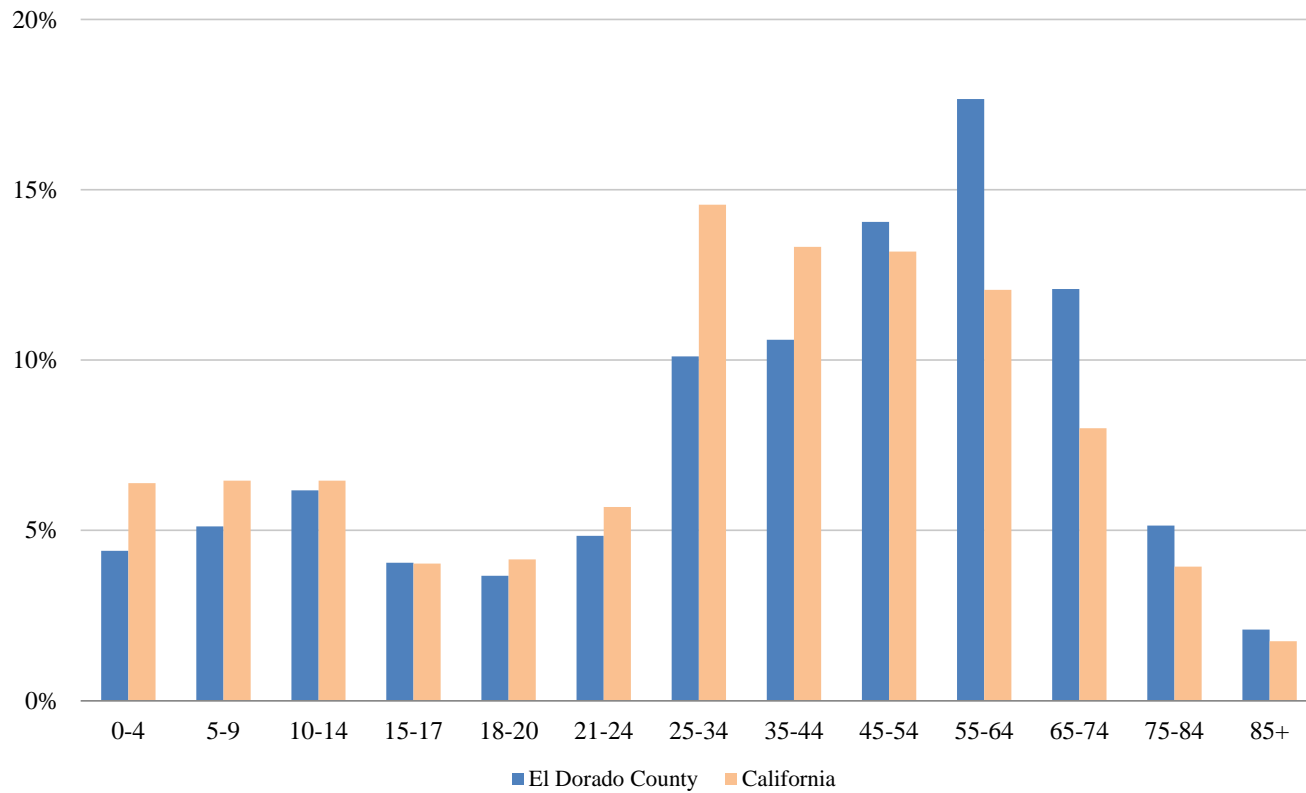
- Including city populations

6.9	Yolo
7.6	Placer
8.0	Nevada
8.0	San Luis Obispo
9.6	Placer
9.7	Amador
10.2	El Dorado
10.3	Sutter
10.8	Butte

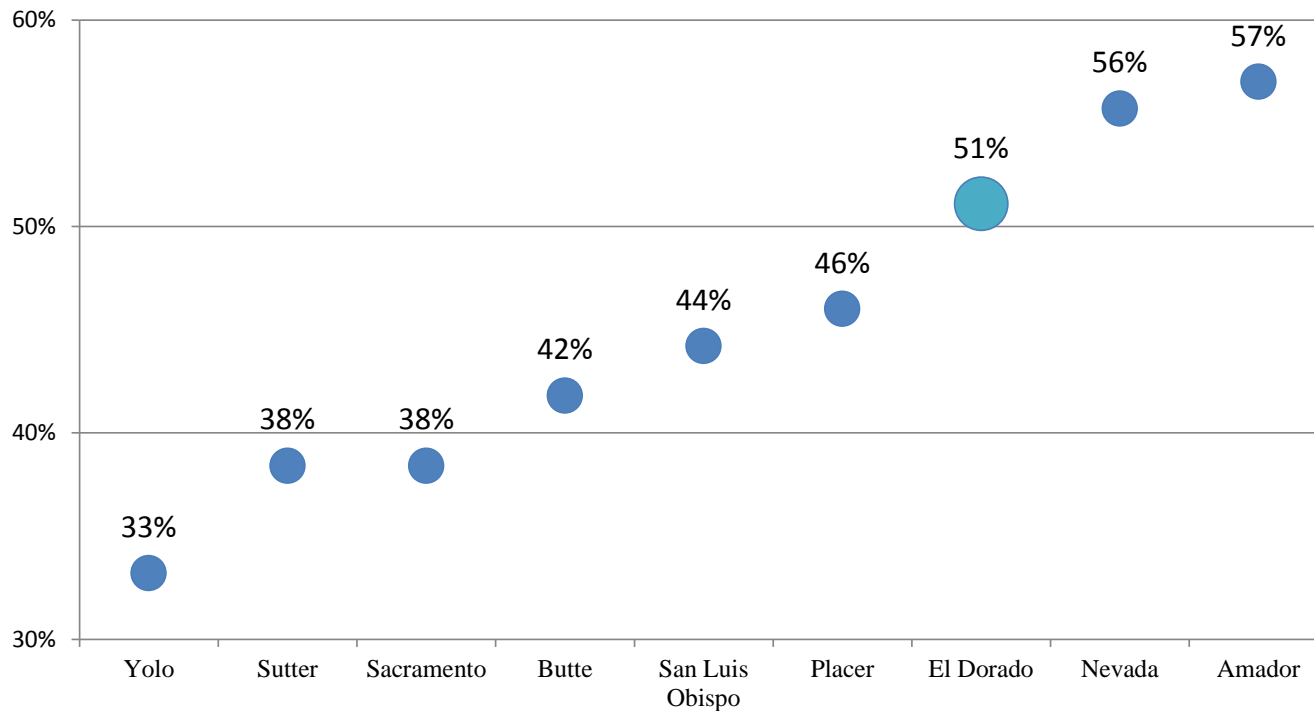
- Un-incorporated County population only

11.8	Nevada
12.3	El Dorado
16.9	Amador
20.8	Sacramento
22.4	San Luis Obispo
26.0	Placer
30.5	Butte
48.0	Sutter
50.4	Yolo

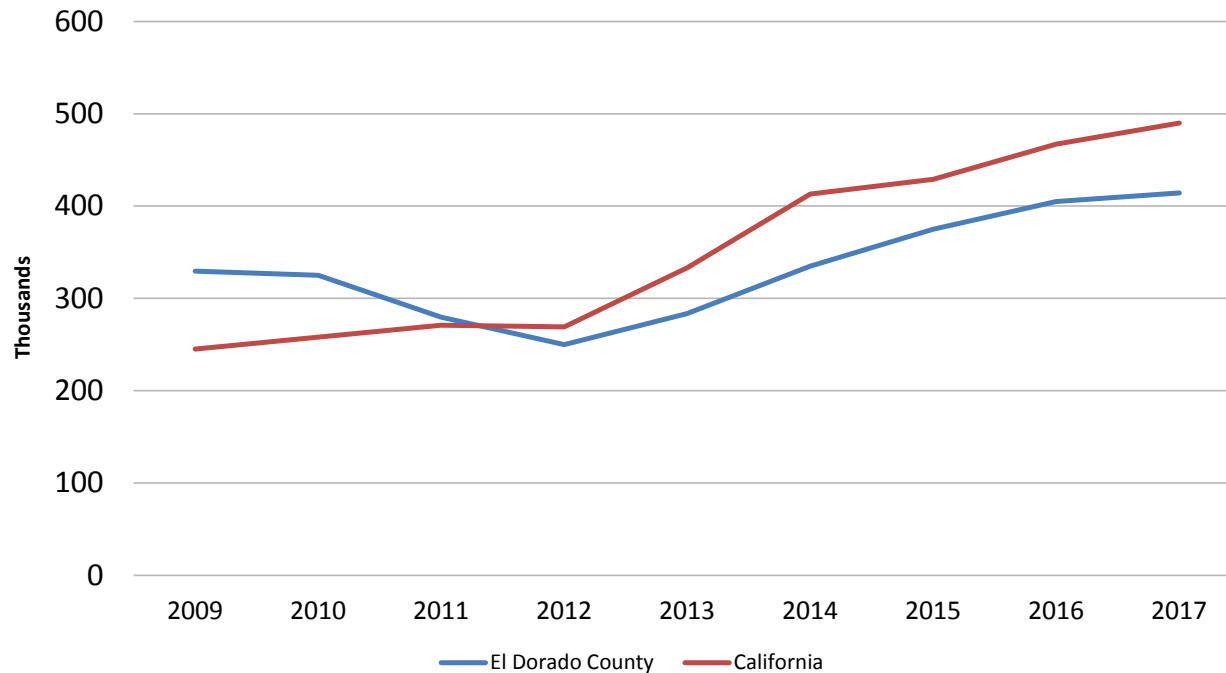
POPULATION BY AGE



PERCENT OF POPULATION 45 YEARS AND OVER

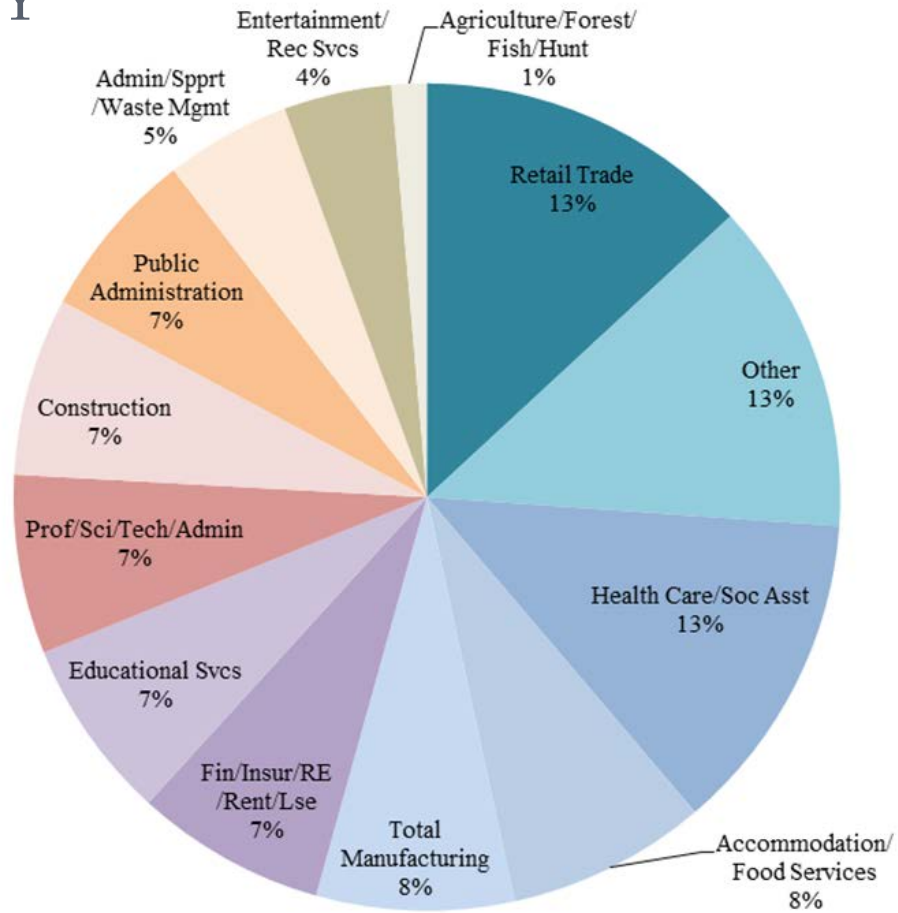


SINGLE-FAMILY MEDIAN HOME SALE PRICES

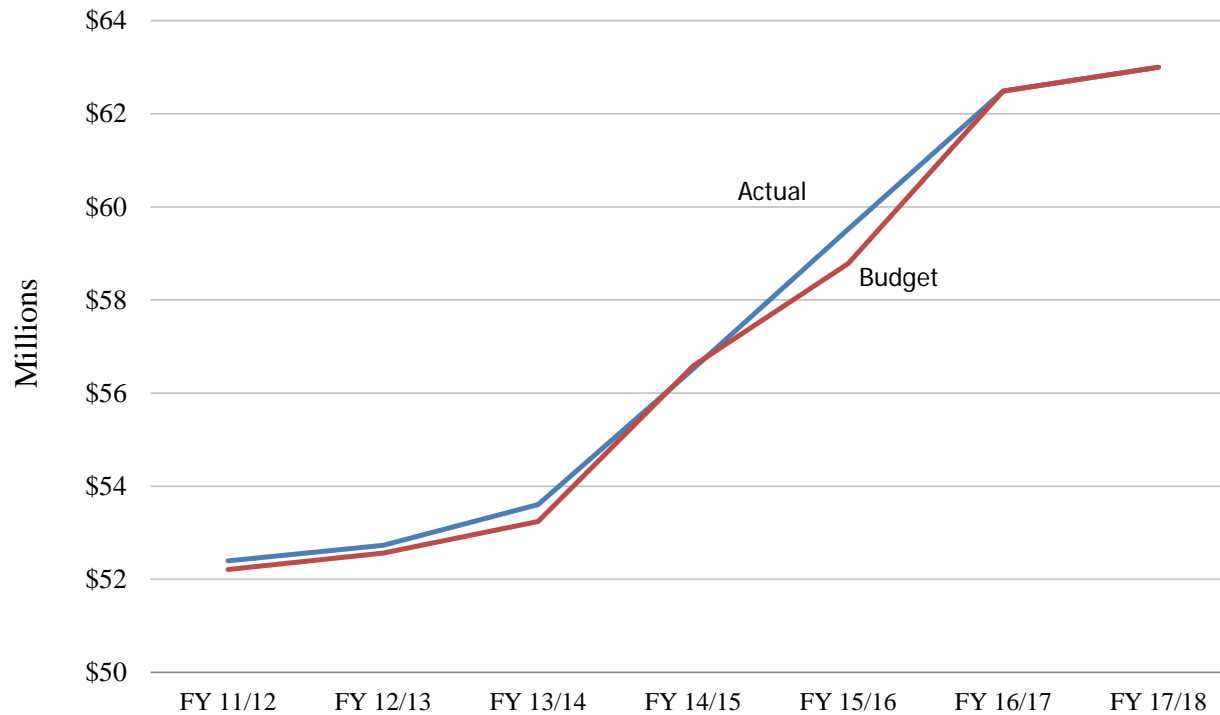


- El Dorado County home values have increased 7.9% over the past year.
- The median home value of owner-occupied housing is \$418,800.
- The median list price per square foot in El Dorado County is \$239, which is higher than the Sacramento Metro average of \$220.

ECONOMY



PROPERTY TAX

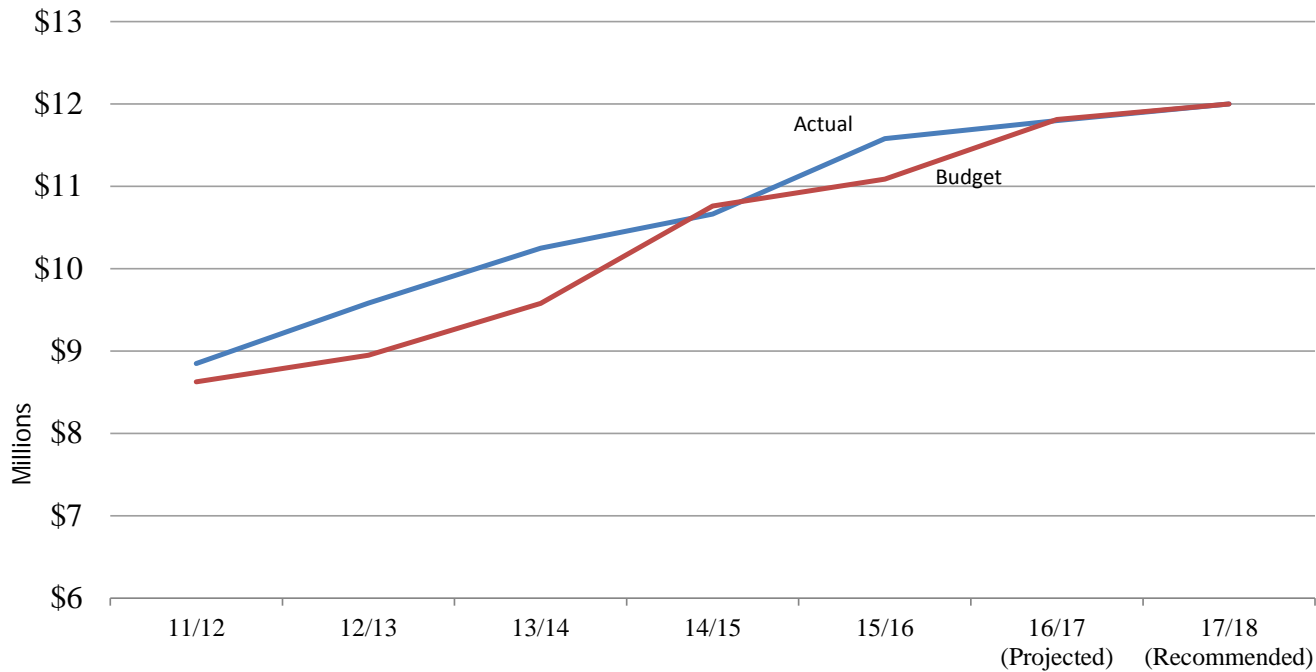


- Property taxes are a major source of unrestricted revenue for the County general fund, schools, cities, and special districts

PROPERTY TAX DISTRIBUTION

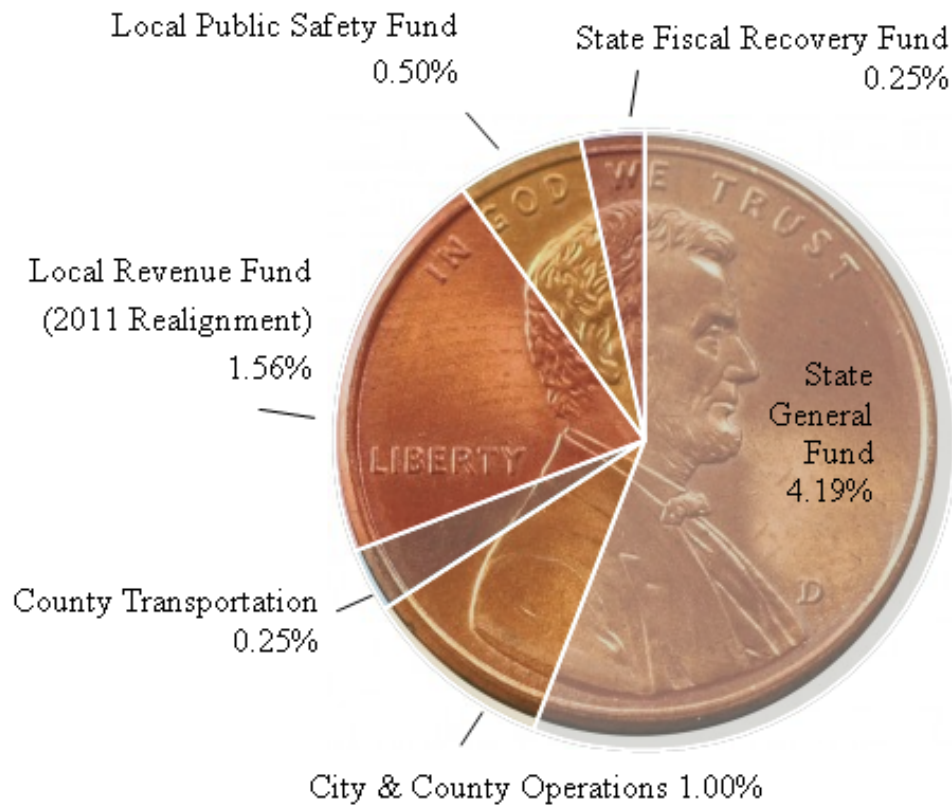


SALES TAX



- The Bradley-Burns Uniform Sales and Use Tax Law provides for a city/county rate of 1.25%. One-quarter cent of the levy is sent to the county-wide regional transportation fund. The balance goes to support local government general funds.

SALES TAX ALLOCATION



FY 2017-18 RECOMMENDED BUDGET



- Balanced Budget for this year...
- Funding to Board Policy Levels
 - General Reserve ~ \$8.47 million
 - Slight increase from last year – funding advanced to Resource Conservation District
 - Contingency ~ \$5.5 million
 - Same as last year w/additional
 - Capital Projects/Deferred Maintenance ~ \$5 million
 - Minimum Contribution

FY 2017-18 RECOMMENDED BUDGET

- Board Priorities & Prior Direction
 - ❑ Road Funding – Local Tribe Funds: \$3 million
 - ❑ Public Safety Facility: \$220,000 plus 2017-18 County Costs
 - ❑ Financing Plan Study: \$100,000
 - ❑ Property Tax Megabyte System: \$1.2 million, with use of SRF
 - ❑ Progress on Facility ADA Improvements: \$1.0 million
 - ❑ Timber Mortality Grant Match, 2nd Year: \$125,000
 - ❑ Public Safety Charter-504 Increases: \$800,000 +/-
 - ❑ HR Staffing Augmentation: \$125,000, pending new director
 - ❑ Legal Defense Funding: \$110,000 (1 @ \$65,000; 1 @ \$45,000)
 - ❑ IT Deferred Infrastructure & Maintenance: \$804,500

FY 2017-18 RECOMMENDED BUDGET

Major Revenue Assumptions

- General Fund Property Tax  4.5%
- General Fund Sales Tax  2%
- Transient Occupancy Tax  Same as LY
 - Might Change in September

BUDGET CHANGES

- Elimination of Senior Legal GF Support – (RIF)
- Elimination of 1 FTE – Elections (RIF)
- Elimination of 1 FTE – Surveyor (following retirement)
- IHSS MOE / Cost Shift affecting HHSA
- \$1.7 NCC decrease in Sheriff budget
- Transfer of Revenue Recovery to Treasurer

DEPARTMENT POSITION CHANGES

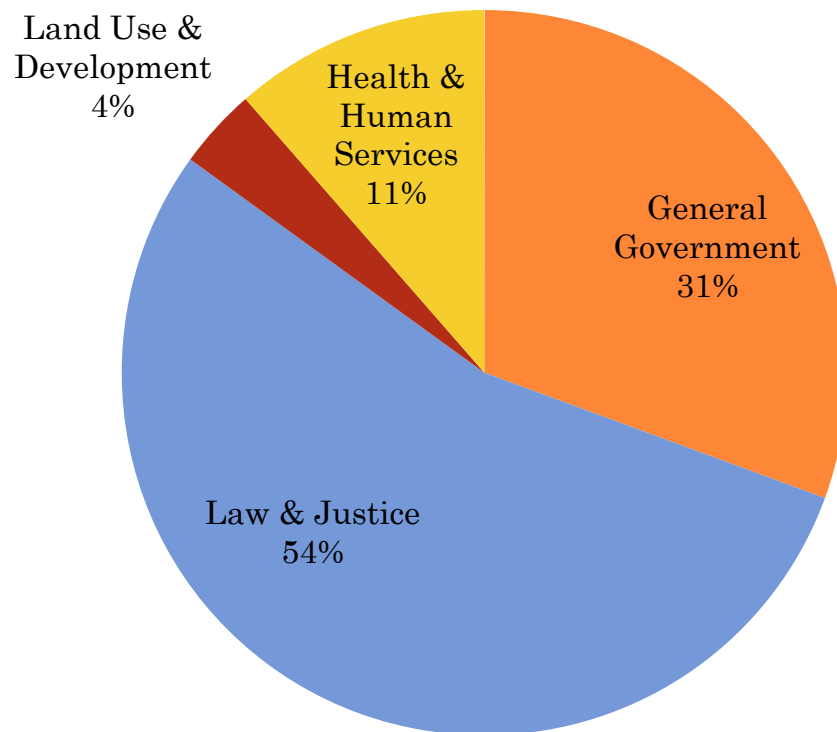
Department	Addition	Deletion	Total
Agriculture		(2.00)	(2.00)
CAO Budget and Operations	1.50	(1.00)	0.50
CAO Central Fiscal/Admin, Facilities, Procurement	6.00	(6.00)	0.00
Child Support Services		(12.00)	(12.00)
Community Development Services Admin & Finance	3.00	(7.00)	(4.00)
Environmental Management		(0.50)	(0.50)
Health and Human Services	21.00	(35.20)	(14.20)
Information Technologies	1.00	(2.00)	(1.00)
Library		(2.40)	(2.40)
Planning & Building	2.00	(3.20)	(1.20)
Probation	1.50	(1.00)	0.50
Registrar of Voters		(1.00)	(1.00)
Transportation		(4.00)	(4.00)
Treasurer-Tax Collector	1.00		1.00
Totals	37.00	(77.30)	(40.30)

NET COUNTY COST/GF COST BY GROUP

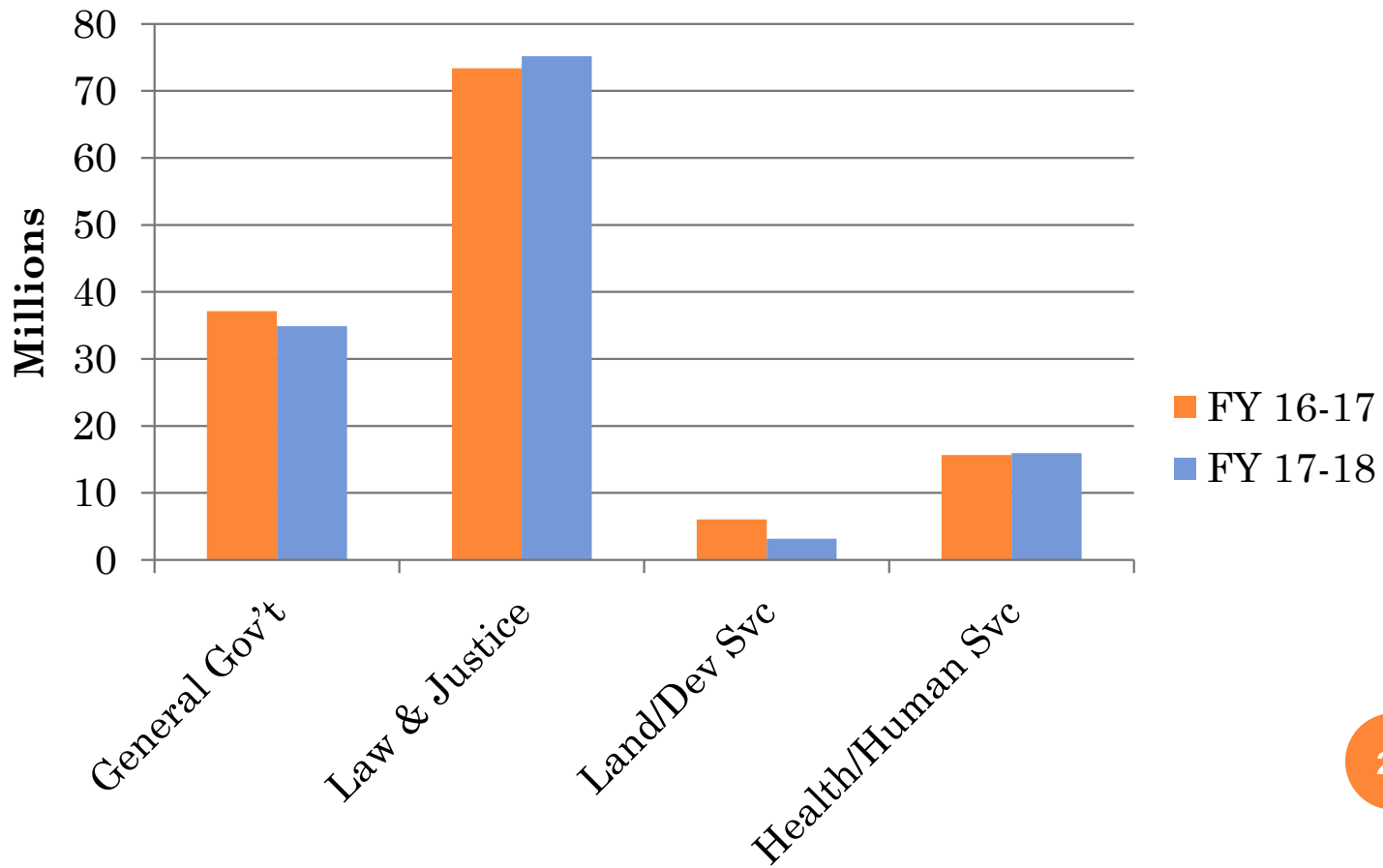
Functional Group	FY 2016-17 Adopted	FY 2017-18 CAO Recm'd	\$ Increase/ (Decrease)	% Increase/ (Decrease)
General Gov't	46,094,596	42,297,720	(3,796,876)	(8.2%)
Law & Justice	73,397,436	75,166,692	1,769,256	2.4%
Land/Dev Svc	6,038,424	4,955,203	(1,083,221)	(17.9%)
Hlth/Human Svc	15,871,875	15,788,826	(83,049)	(0.5%)
Total	\$141,602,331	138,208,541	(3,393,790)	(2.4%)

The Net County Cost related to General Government has decreased \$3.8 million, or 8.2%, based on a net reduction in appropriations primarily related to a reduced fund balance available when compared to the FY 2016-17 Adopted Budget. (This figure includes Non-Departmental Expenses budgeted in Department 15 – Other County Operations, but excludes operating transfers to other funds and the Accumulated Capital Outlay fund.)

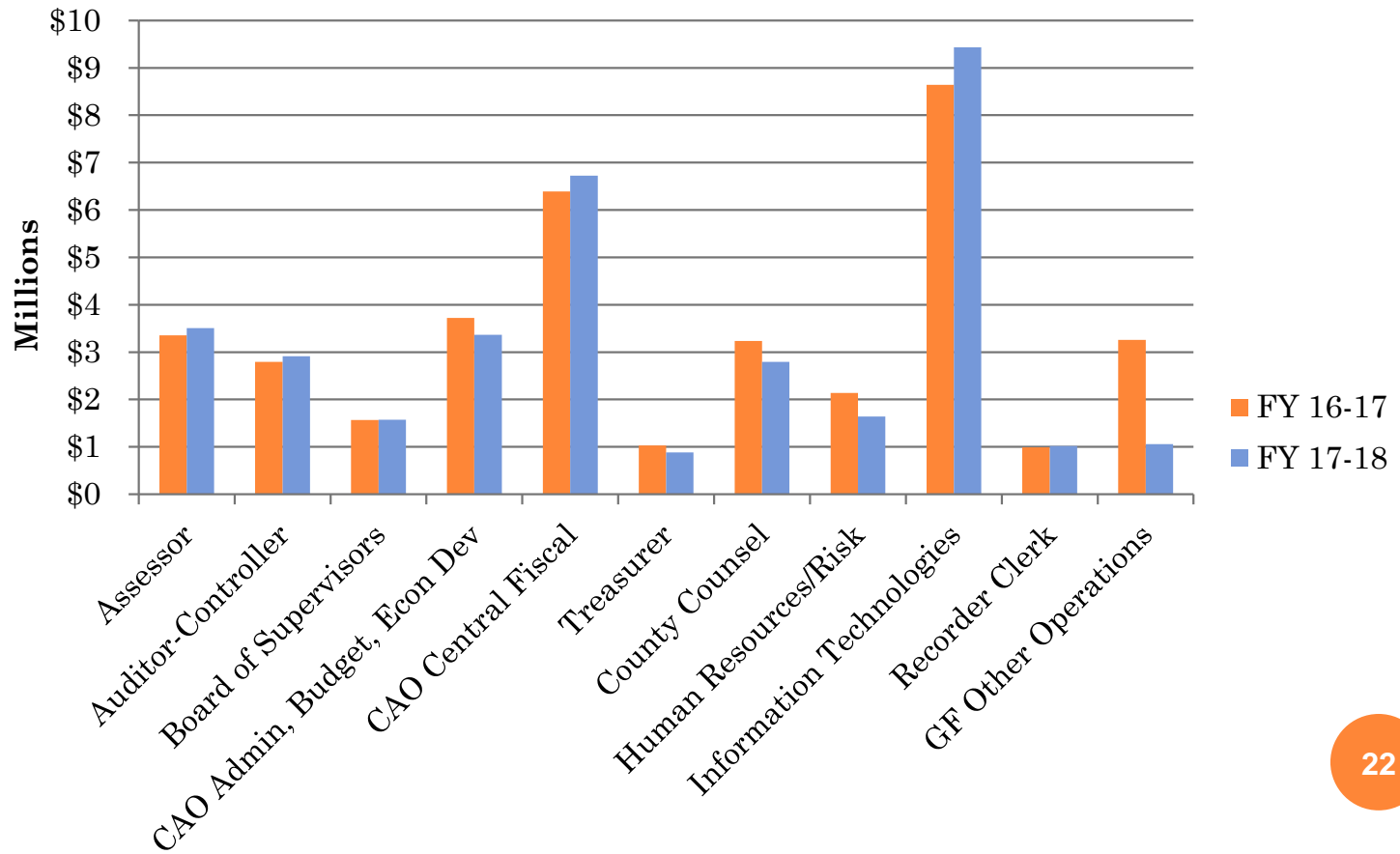
NET COUNTY COST/GF COST BY GROUP



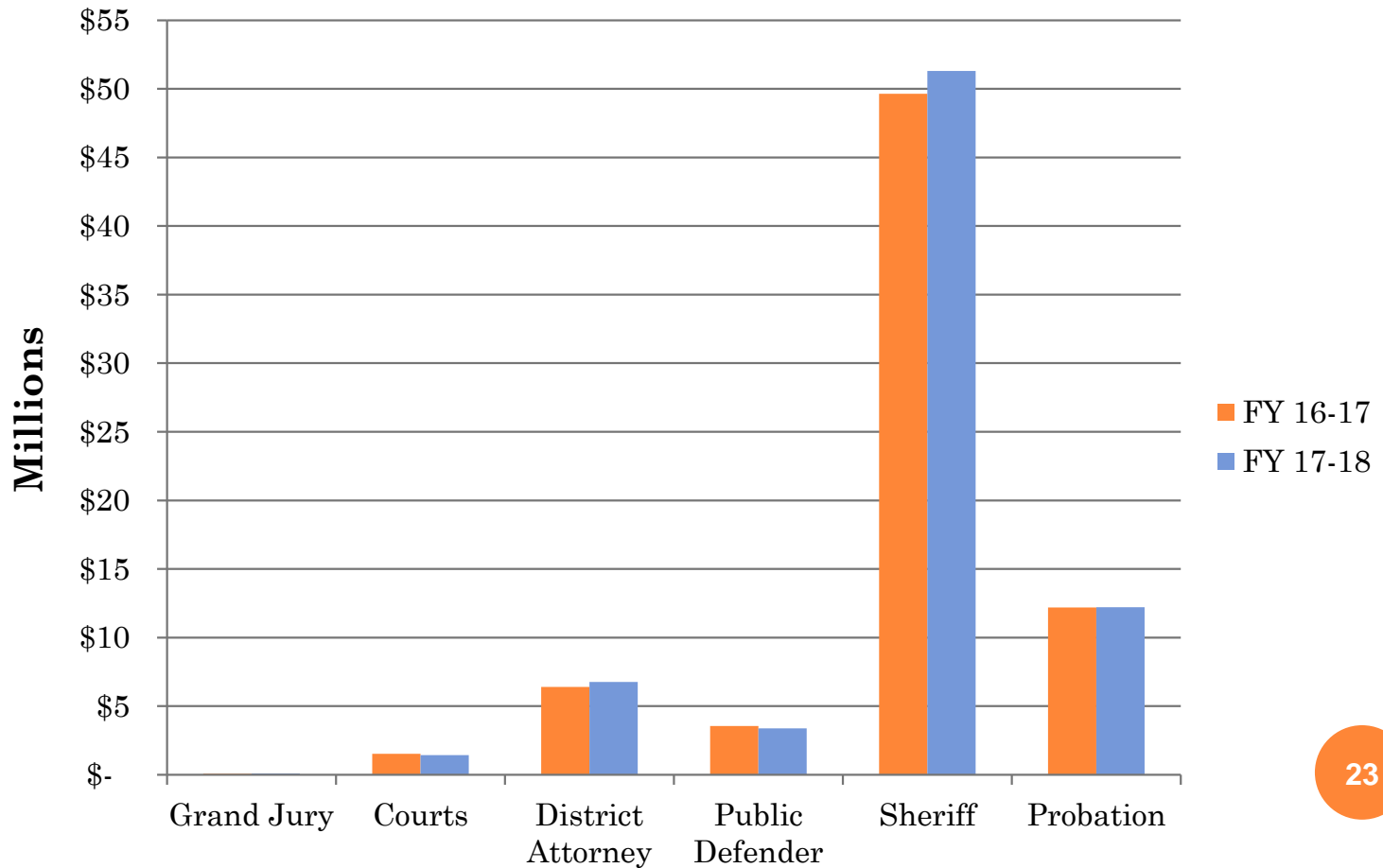
TOTAL COUNTY COST: CHANGE FROM LAST FISCAL YEAR



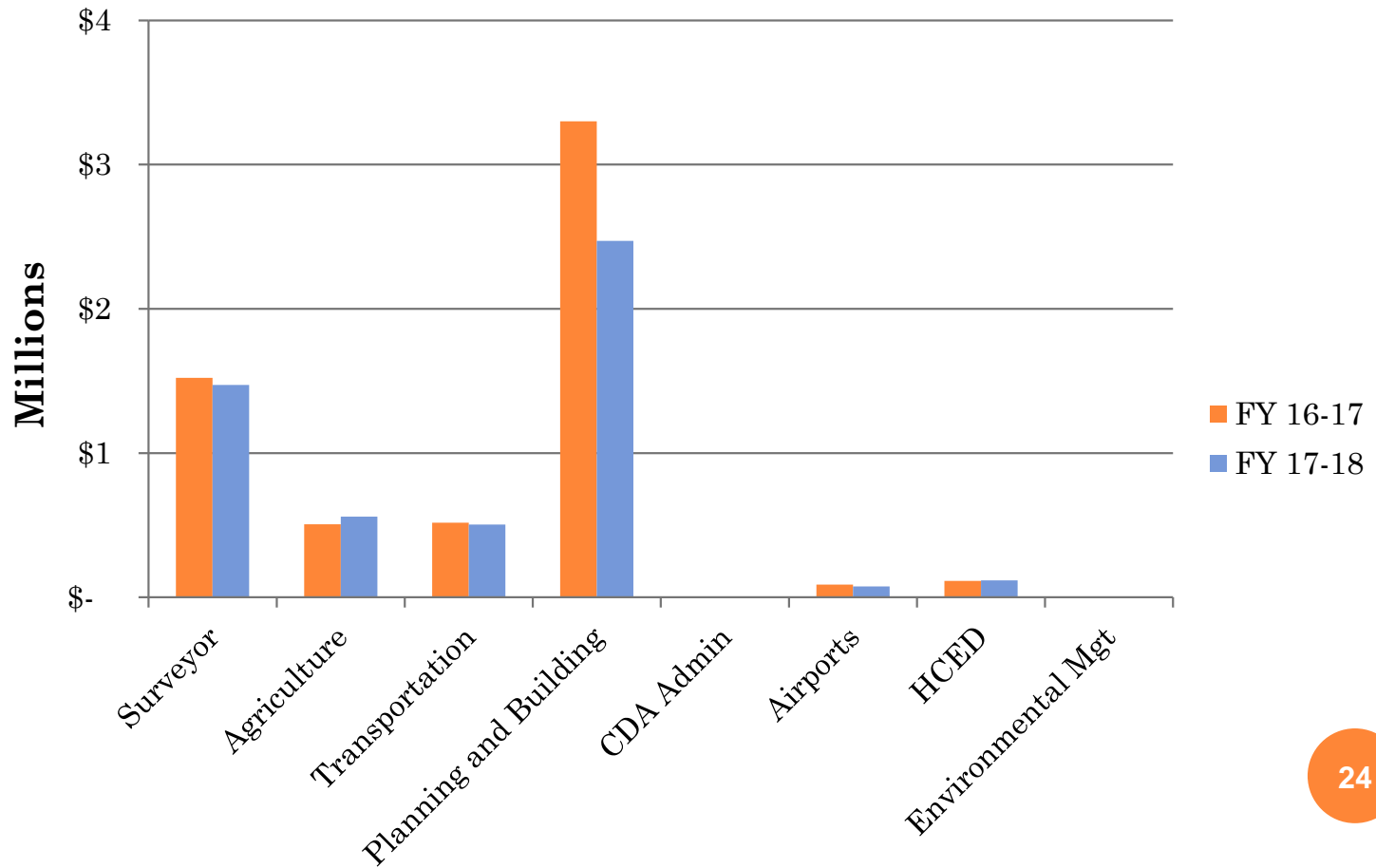
TOTAL COUNTY COST BY DEPARTMENT: GENERAL GOVERNMENT



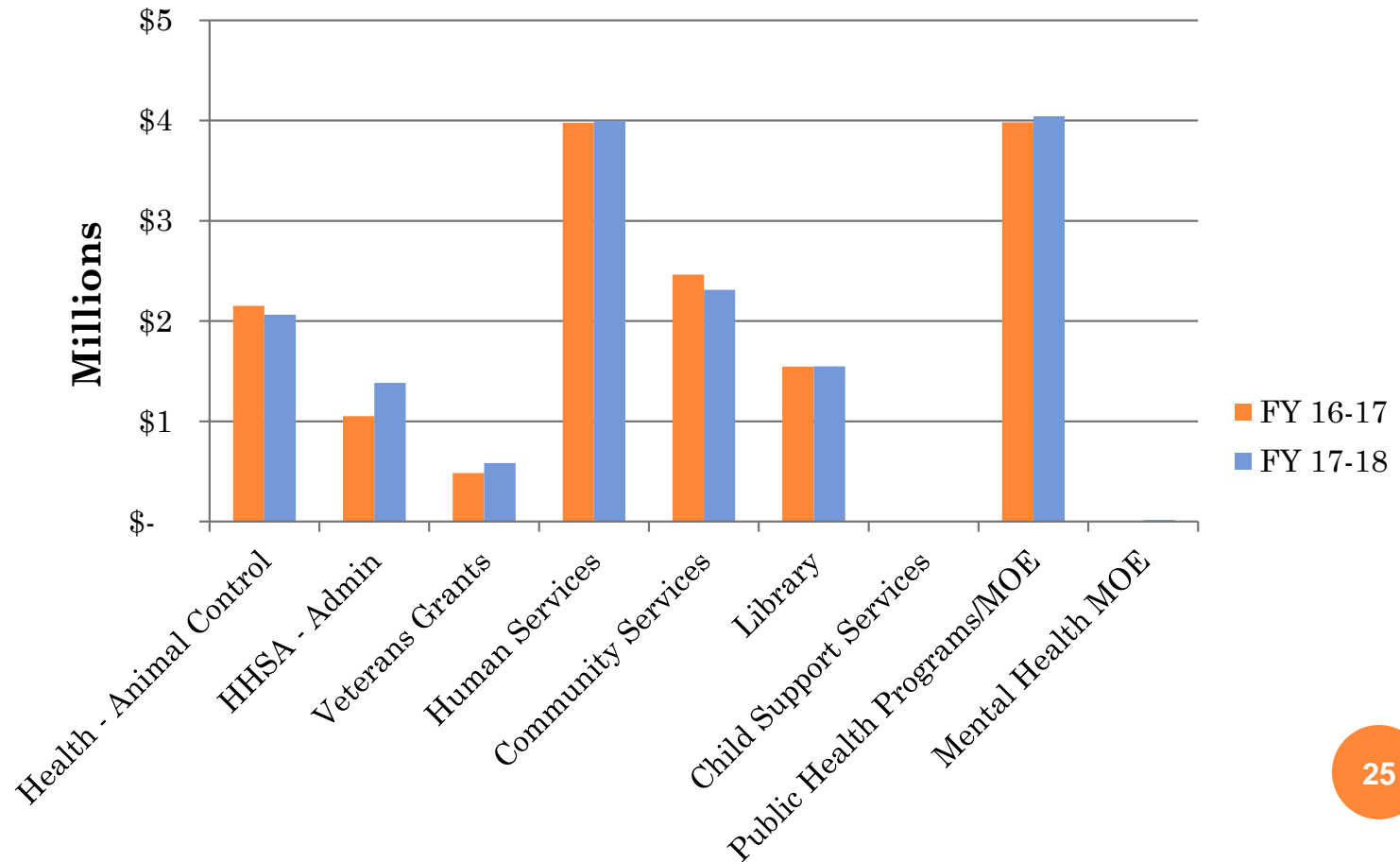
TOTAL COUNTY COST BY DEPARTMENT: LAW AND JUSTICE



TOTAL COUNTY COST BY DEPARTMENT: LAND USE AND DEVELOPMENT



TOTAL COUNTY COST BY DEPARTMENT: HEALTH AND HUMAN SERVICES



NOT INCLUDED

- ❑ Medical Marijuana – Regulation, Enforcement, etc.
 - Undetermined
- ❑ New Position Requests, Departmental Software Requests
 - If no funding identified to cover the increased cost
- ❑ District Attorney New Lease or Alternate Building
 - \$300,000 in Supplemental Request
- ❑ Community Contribution Requests for Non-County Activities
 - Separate Budget Write-Up
- ❑ Federal Lobbyist Contract
 - Estimated at \$60,000
- ❑ EDH/Latrobe Annexation Property Tax transfer
 - (Board approved, action to finalize not taken by EDH)
 - FY 2016-17 and FY 2017-18 = \$500,000 +/-
- ❑ Establish Reserve to fund future CalPERS increases
 - Year-End Carryover Fund Balance

POLICY CONSIDERATIONS & UPDATES

- CalPERS – Recap Future Cost Increases
- IHSS – Update on State Budget/Legislation
- County Infrastructure – Recap of Major Projects
- Economic Development Focus Area & Budget
- Community Funding Requests

CALPERS – RECAP FUTURE COST INCREASES

CalPERS Retirement Plans	Tuesday, April 18, 2017	
Snapshot Comparison Miscellaneous & Safety		
	<u>Miscellaneous</u>	<u>Safety</u>
Number of Actives	1,461	357
Number Receiving Benefits	1,765	372
Avg. Service Benefit	\$17,800	\$43,600
FY 2017-18 Contribution Rate	19.6% of payroll	38.2% of payroll
Likely FY 2018-19 Rate	22.0 % of payroll	41.9% of payroll
Likely FY 2019-20 Rate	24.4 % of payroll	45.7% of payroll
FY 2017-18 Contribution	\$18,887,000	\$11,647,000
Likely FY 2018-19 Contribution	<u>\$21,799,000</u>	<u>\$13,156,000</u>
FY 2018-19 Increase	\$2,912,000	\$1,509,000
Likely FY 2019-20 Contribution	<u>\$24,934,000</u>	<u>\$14,781,000</u>
FY 2019-20 Increase	\$3,135,000	\$1,625,000
Total Increase over 2 years	\$6,047,000	\$3,134,000
SUM MISC and SAFETY INCREASE	\$9,181,000	
ESTIMATED GENERAL FUND SHARE	\$5,508,600	

IHSS UPDATE - COST SHIFT TO COUNTIES

- State Budget adopted new IHSS MOE
 - Budget Trailer Bill - - SB 90 / AB 106
 - Reinststitutes county Maintenance of Effort
 - Directs decreasing amount of State General Fund dollars to off-set cost shift to counties
 - New MOE will have new “base” for county cost
 - Will be developed by CSAC and DoF w/ CWDA
 - Impact on County General Funds
 - FY 2017-18 – small increase
 - Inflaters beginning in year 3
 - No Change to Recommended Budget at this time
 - Will adjust 1991 Realignment Transfers, etc. at Addenda

COUNTY INFRASTRUCTURE

○ *Facilities*

- *General Deferred Facility Maintenance*
- *Public Safety Facility*
- *West Slope Juvenile Hall Replacement*
- *Placerville Jail Expansion*
- *District Attorney Facility Needs*
- *El Dorado Center*
- *ADA Consent Decree*

○ *Information Technology*

○ *Road Maintenance*

ECONOMIC DEVELOPMENT FOCUS AREAS

- Build a County-wide Economic Development Team and Culture so that we are in a position to respond quickly to opportunities as they present themselves
 - Memberships and subscriptions:
 - GSEC - \$60,200
 - Sierra Business Council/EDA match - \$15,000
 - Buxton Reporting - \$20,000

ECONOMIC DEVELOPMENT FOCUS AREAS

- Improve Communication, Outreach, and Image Development:
 - Website Development - \$20,000
 - Marketing & Branding (incl. site selection software) - \$55,000
 - 2nd Year Economic Development Funding Agmts - \$691,750
 - El Dorado County – Visitors Authority (\$230,919 / 33.4%)
 - El Dorado County – Film Commission (\$140,750 / 20.3%)
 - El Dorado County Arts Council (\$95,811 / 13.9%)
 - El Dorado Hills – California Welcome Center (\$120,320 / 17.4%)
 - South Tahoe Chamber (\$78,950 / 11.4%)
 - Tahoe Prosperity Center (\$25,000 / 3.6%)

ECONOMIC DEVELOPMENT FOCUS AREAS

- Explore 90-day Permit Processing:
 - Contract a parcel-specific nonresidential land inventory with constraints analysis - \$100,000
 - Contract a market demand study for nonresidential uses that identifies potential infrastructure barriers to those - \$75,000
- Broadband Planning - \$150,000
- Community Events/Contributions
 - Caltrans Apple Hill Traffic Control - \$12,000
 - Wagon Train Event/Other - \$13,000

COMMUNITY FUNDING REQUESTS

	Amount Requested	Type of Organization
Motherlode Century	Not noted	Not Noted
Slide the City Event	\$35,000	For-Profit LLC
Placerville Aquatic Center	\$20,000	City of Placerville
Lake Tahoe Bike Coalition	\$5,000	Member-supported Non-profit

Requests from local organizations for financial assistance. The Chief Administrative Office has not made recommendations for funding in this budget unit, as these funding decisions are made solely at the discretion of the Board of Supervisors. No amount of money is budgeted for any subsidies requested.

RECAP OF MORNING SESSION

- Senior Legal Program
- 2017/2018 Road Work Plan

RECOMMENDED ACTION ITEMS

- 2) Approve the Fiscal Year 2017-18 Recommended Budget
- 3) Final action on Reductions in Force
- 4) Authorize the Chief Administrative Office, Facilities Division, and the Department of Transportation to proceed with the Capital Projects and Road work plans, effective July 1, 2017
- 5) Approve the fixed asset listing and authorize the respective departments to proceed with purchases, effective July 1, 2017
- 6) Authorize the Human Resources Department to proceed with filling positions, effective July 1, 2017
- 7) Approve Vehicles for Permanent Assignment and Overnight Retention (Take Home-Vehicles)
- 8) Direct the CAO to return no later than June 27, 2017, with the FY 2017-18 Personnel Allocation Resolution
- 9) Approve Budget Transfer establishing an operating budget for the Rare Plant Preserve Endowment Fund