

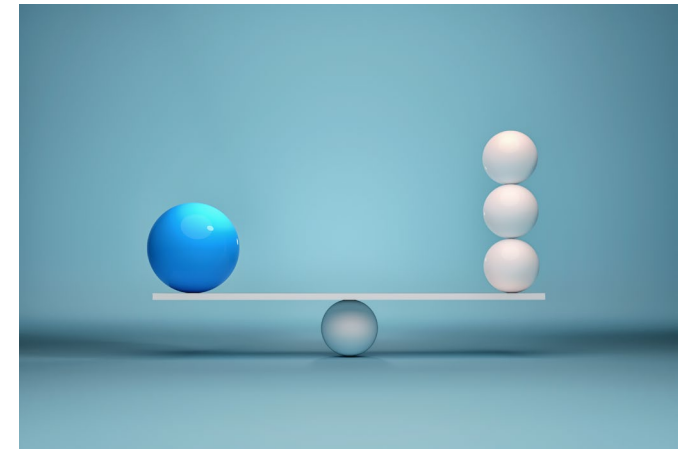


April Budget Presentation

April 10, 2024

Budget Requirement

- County Budget Act – Government Code §29000
- Applies to County, dependent special districts, other agencies “whose affairs and finances are under the supervision and control of the board”
- Requires Single Year Balanced Budget
- §29009: In the recommended, adopted, and final budgets, the **funding sources (revenues) shall equal the financing uses (appropriations).**



Revenues – Broad Categories

General Fund Revenues

- Property Tax, Sales Tax, Transient Occupancy Tax, Franchise Fees
- Discretionary funds

State/Federal Funding – Mandated Programs

- Counties operate as arm of the State
- Level of Service considerations

Special Revenue Funds

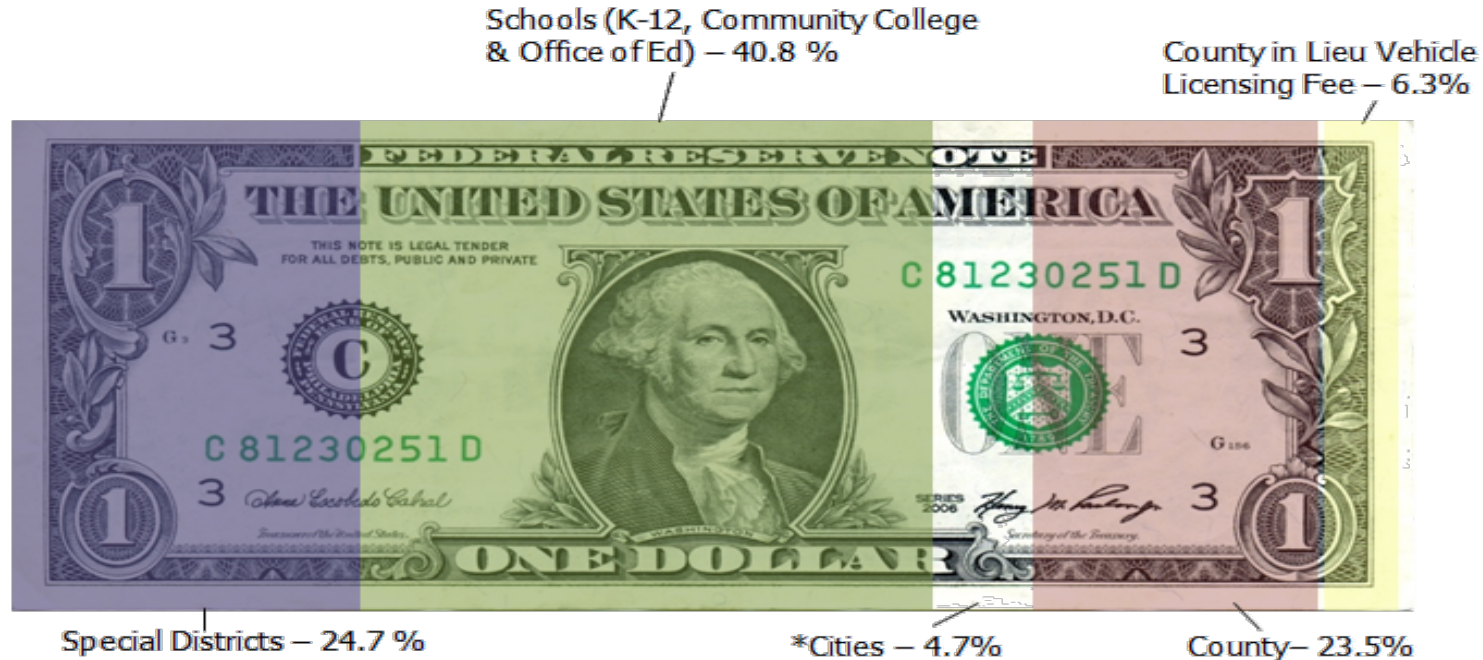
- Funds restricted for specific purposes

Proprietary Funds

- Self-supporting services including Enterprise and Internal Service Funds

Property Tax Distribution

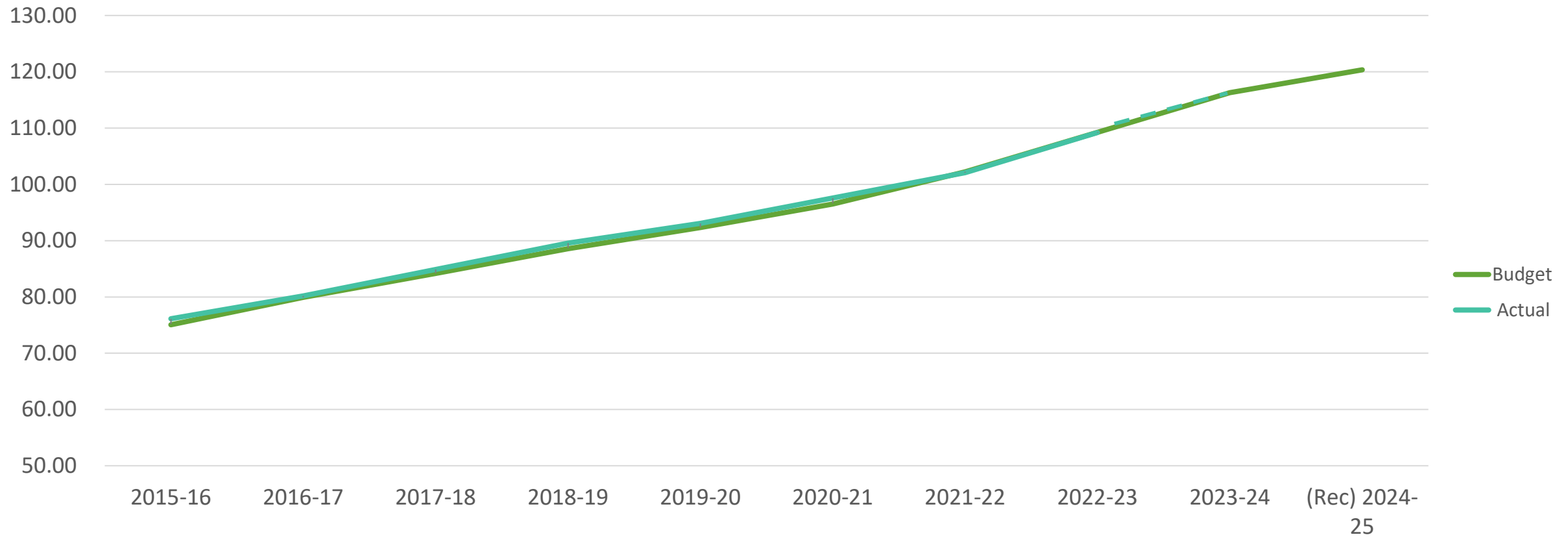
Property taxes are the largest source of unrestricted revenue for the County general fund, schools, cities, and special districts



Graphic developed by the Treasurer-Tax Collector Department. (Source El Dorado County Auditor-Controller's Office)
*includes the Cities of Placerville and South Lake Tahoe (2.5%), Cities in Lieu Vehicle Licensing fees (.9%) and City of So. Lake Tahoe Redevelopment Successor Agency (1.3%)

Property Tax Trend

Assumes 3.5%
Growth in FY
2024-25



Sales Tax Allocation



The Bradley-Burns Uniform Sales and Use Tax Law provides for a city/county rate of 1.25%.

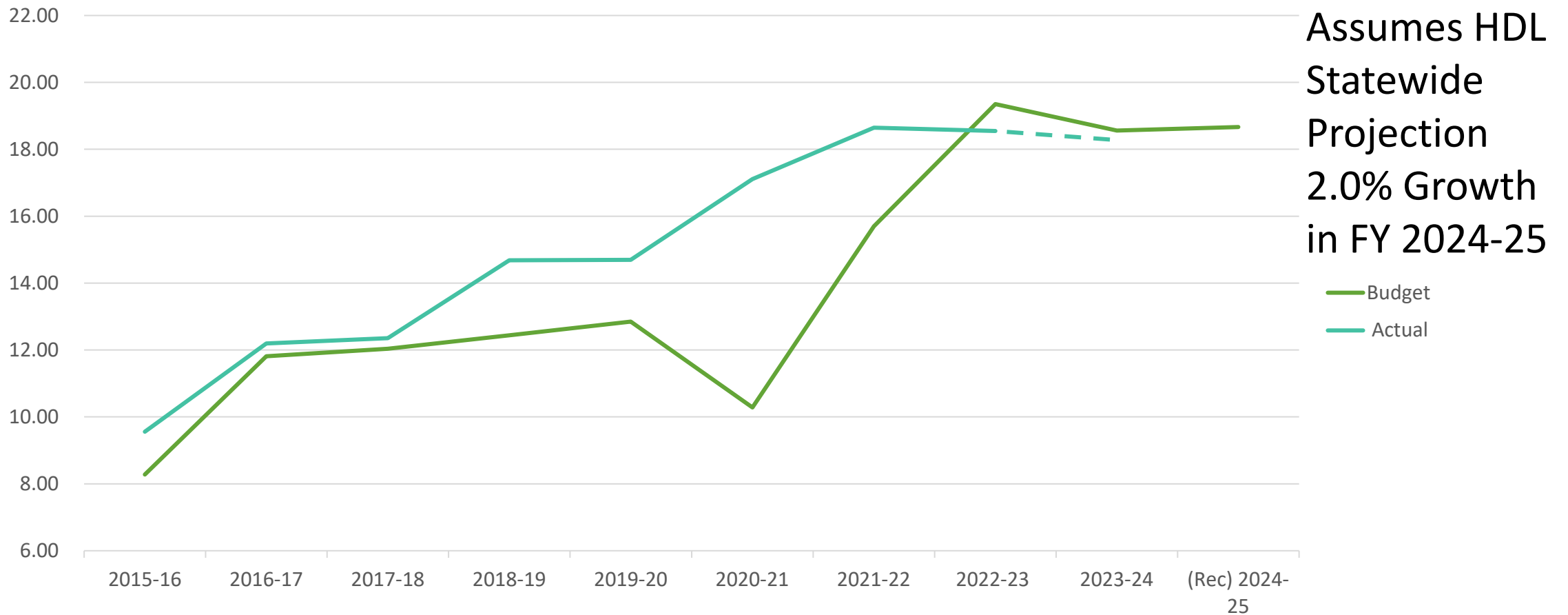


One-quarter cent of the levy is sent to the countywide regional transportation fund.



The balance goes to support local government general funds.

Sales Tax Trend



General Fund Designations & Reserves

General Fund Designations and Reserves	2023-24 Ending Balance
General Reserve	\$12,000,000
Capital Projects Reserve	\$2,247,139
Public Safety Facility Last Loan Payment Reserve	\$2,300,000
Public Safety Facility Loan Payments Designation	\$2,145,100
Audit Reserve Designation	\$1,723,606
TOT Special Projects Designation	\$2,044,627*
CalPERS Cost Increase Designation	\$6,749,423
IT Infrastructure Designation	\$500,000
Disaster Expenses Designation	\$1,818,486
HHSA Indirect Cost Rate Designation	\$250,000
Juvenile Hall Designation	\$808,556

Board Budget Policies

Provide a framework for budgetary decision making regarding the use of County funds, to ensure prudent County fiscal management and to direct the CAO in the development and management of the County Budget (Policy B-16)

1. Pursue Operational Efficiencies
2. Maximize the Board's Discretion
3. Pursuit of New Revenues
4. Grant Funding
5. New or Enhanced Discretionary Programs
6. County Share
7. Vacant and New Positions
8. General Fund Contingency
9. Budget Controlled at Expenditure Class/Object Level
10. General Reserves
11. Designation for Capital Projects
12. Pension Funding
13. Discretionary Transient Occupancy Tax
14. Fixed (Capital) Assets
15. Designation for Road Maintenance
16. Designation for Information Technologies Infrastructure
17. Designation for Disaster Expenses

Board Budget Policies

6. County Share

- Added language to clarify the recovery of General Fund costs from non-General Fund programs
- “Through the Countywide Cost Allocation Plan, the County will recover the General Fund cost of support and services from all non-General Fund programs and from General Fund programs that can recover these costs from other funding sources (e.g. Social Services, Child Support Services). The Chief Administrative Office will determine what General Fund programs will allocate funding for cost recovery through the Countywide Cost Allocation Plan.”

Board Budget Policies

13. Discretionary Transient Occupancy Tax

- Added language to clarify the requests from County programs for Discretionary Transient Occupancy Tax will be prioritized over outside agencies.
- Added language at the end of the policy: “The County will prioritize impacts to County services and facilities, such as road maintenance, snow removal, law enforcement, etc., to be funded first before funding outside agencies.”

Status of Board Policy Funding

Included in the FY 2024-25 Recommended Budget:

- General Fund Contingency - 3% of total adjusted General Fund appropriations
- General Fund Reserve - 5% of total adjusted General Fund appropriations
- Pension Funding – CalPERS designation holding three years of projected increases
- Designation for Road Maintenance ~\$7m

\$11.2m Not Included in the FY 2024-25 Recommended Budget

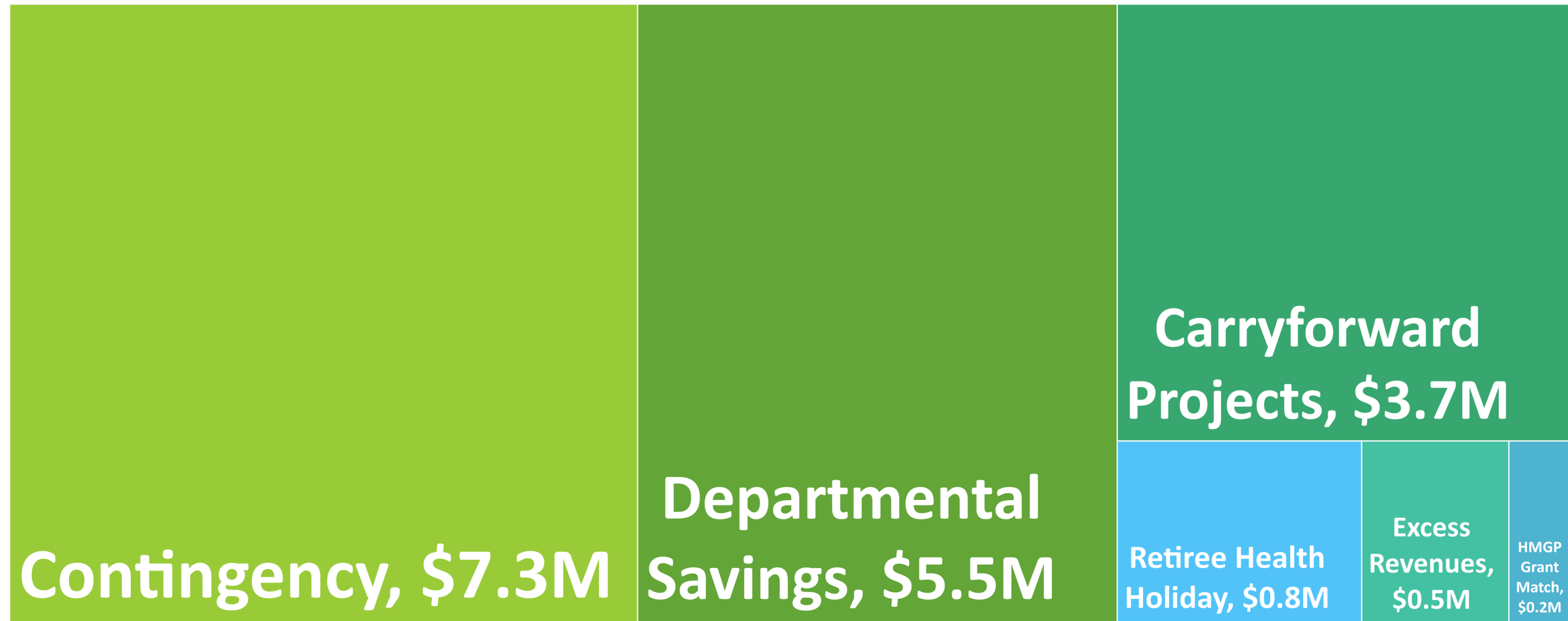
- Designation for Capital Projects – Need \$6m
- Designation for IT Infrastructure – Need ~\$1.2m
- Designation for Disaster Expenses – Need \$4m

Board Budget Polices

District Attorney's General Fund Request for The Center Advocacy Services

- Previously fully grant funded by federal Sexual Assault Program but funding is no longer available
- Recommendation of the DA and CAO to continue to fund the program with General Fund due to the effectiveness of the program and the significant victim-based services it provides
- Total cost = \$70,000
- General Fund request = \$53,758

Projected Fiscal Year 2023-24 Fund Balance - \$18 M





Budget Pressures

504 Increases: \$2.4 million

Health Insurance 10% Increase: \$2.4 million

Risk Program Increases: \$4.2 million

Correctional Medical: ~\$5 million

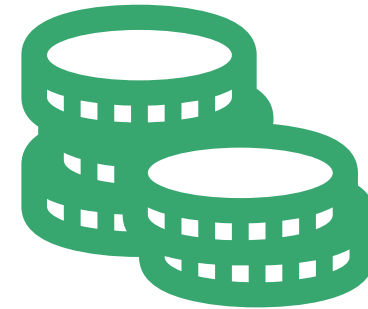
Total: \$14 million

Discretionary Revenue Growth: \$4.39 million

Departmental Reductions & Deferrals



Defer \$1.75 million of supplemental General Fund requests out of \$2.1 million



\$3 million in departmental General Fund reductions

Board-Directed Updates

Hubs Funding



FY 24-25 Community Hubs Budget with staffing at 16 FTE*, 2 Coordinators and 14 Navigators

Community Hub services are provided through 16 FTE staff to respond to 833 calls, assist clients, provide outreach to isolated communities and offer programming on site.

FY 2024-25 is the last year of First 5 Funding for the Hubs

Hub Partner	FY 23-24 Budget Current Model 16 FTE*
	Current Model
First 5	\$630,100 (6.3 FTE)
EDCOE	\$394,557 (3.2 FTE)
Library	\$602,682 (6.5 FTE)
Total Funding	\$1,627,339 (16 FTE)

County Service Area 3 Ambulance Rates

Staff will return to the Board later in the year to update ambulance rates after a full exploration of all options for updating rates and implementing new EMS laws that impact rates.





	Amount Recommended
Placerville Pool	\$76,557
Parks Master Plan Consultant	\$100,000
Arts & Culture El Dorado	\$95,600
El Dorado Hills County Water District	\$109,200
BOS Community Funding	\$75,000
Recommend One Year Holiday	\$456,357

Discretionary General Fund Costs

SEEKING BOARD DIRECTION

City of Placerville Pool Direction

- 76% of Pool Users reside outside the City
- Prior to FY 2022-23 Budgets included \$20,000 to provide aid for maintenance costs
- FY 2022-23 increased funding to \$76,500
- FY 2023-24 funding of \$77,555



City of Placerville Pool Direction

California Government Code: GOV § 25551- 25557 – City Park Maintenance Costs

City of Placerville must:

- Find its park/rec facility is being used by large numbers of non-City residents
- Find that use by the nonresidents increases the cost of maintenance
- Request financial assistance via resolution adopted by 4/5 vote
- State the nature of the additional maintenance cost
- Provide report showing the disposition of the aid within one year

El Dorado County must:

- Find that the cost of maintenance is increased due to use by non-City residents
- Extend aid to the city via resolution adopted by 4/5 vote
- Have any aid remaining at the end of the year returned to the County



City of Placerville Pool Direction

The average net expenditures over the past 9 years (2014-2023) is \$147,024. This amount considers revenues from user fees.

The City is requesting 76% of this figure, which is **\$111,739.**

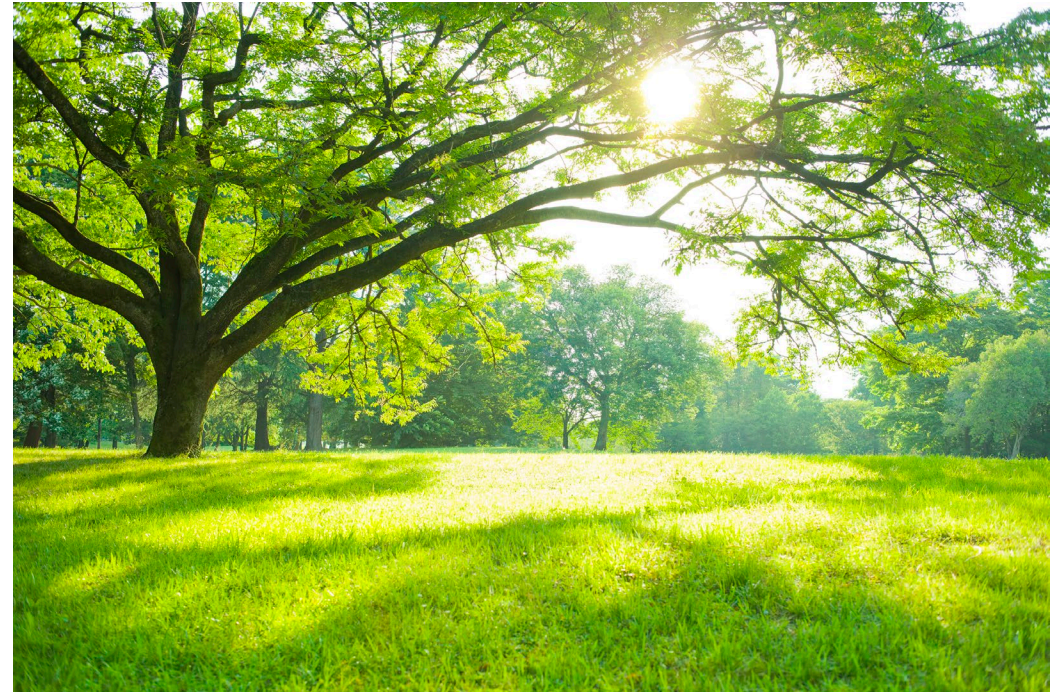
As in prior years, the County would decrease this amount by the utilities and other services costs of the pool, which are operational costs rather than maintenance, bringing the revised amount the Board could approve to **\$76,557.**

Parks Master Plan Consultant Board Direction

The Strategic Plan lists completion of the Parks Master Plan under its Public Infrastructure Goal.

\$100,000 was requested by the Parks Commission as "contingency" funding for the Plan, should a consultant be needed to complete some portion. Completion is intended for calendar year 2024, and hiring a consultant may extend that timeline into 2025.

Staff recommends this be deferred until the Board is updated on the Parks Master Plan.



Arts & Culture El Dorado



Board approved \$95,600 (50 cents per capita) with the FY 2022-23 Recommended Budget from the General Fund.



Funding for initiating free cultural programming and promoting arts and culture throughout the County.



Arts & Culture has requested \$95,600 in General Fund for FY 2024-25.





El Dorado Hills County Water District

El Dorado Hills County Water District (EDH Fire Department) payment of Educational Revenue Augmentation Fund (ERAF) encumbrance equivalent amount.

Estimated FY 2023-24
amount of \$109,200



Board of Supervisors Community Funding

The Board of Supervisors has allocated \$75,000 for Board directed Community Funding projects the last two years.

In prior years, the funding was \$35,000.



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Discretionary General Fund Costs

SEEKING BOARD DIRECTION



Explore Additional General Fund Savings

Staff are in the process of exploring mandated and discretionary programs and levels of service with departments.

The CAO will return to the Board in the Fall seeking direction on options for programmatic changes.

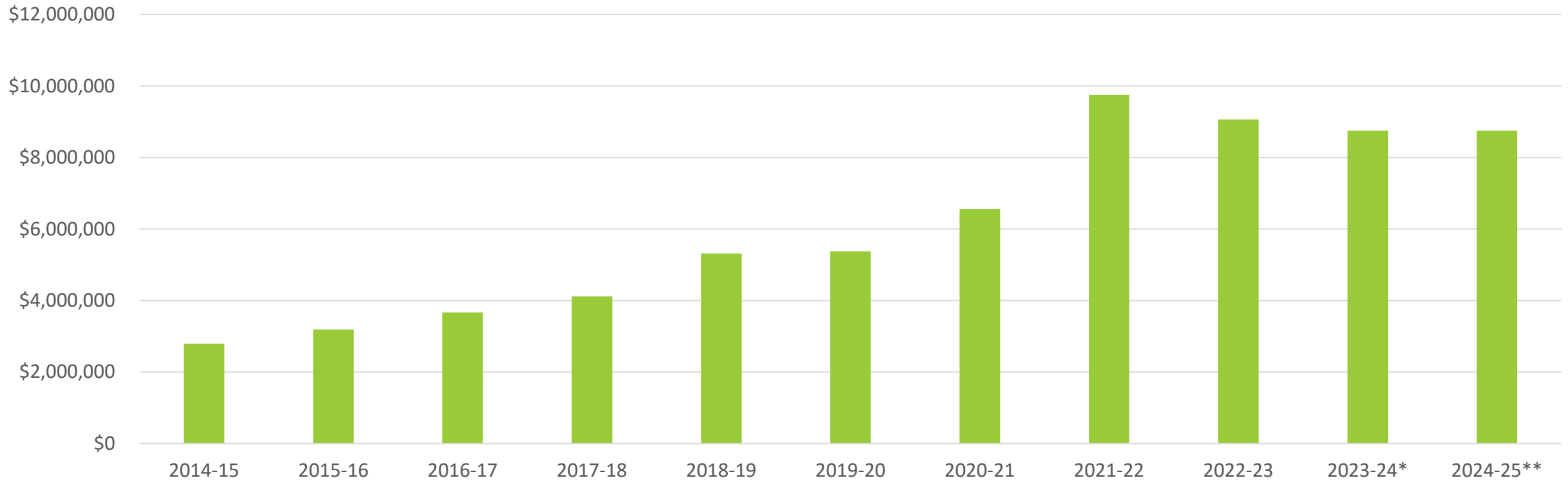
A photograph of a hotel room, likely a bedroom, with a bed, pillows, and a tray of amenities. The image is overlaid with a semi-transparent green filter. The text is centered over the image.

Discretionary Transient Occupancy Tax (DTOT)

BOARD DIRECTION

Sources of Funding – New DTOT

Actual DTOT Revenue



*FY 2023-24 is a projection.

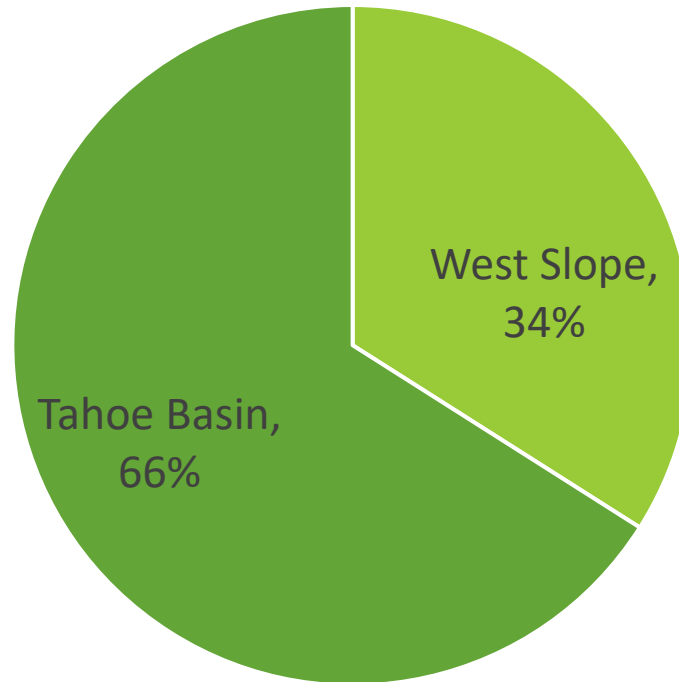
** FY 2024-25 is the proposed Recommended Budget.

Sources of Funding

New DTOT, \$8,750,000	Current Year Carryforward, \$3,048,480	
	TOT Designation, \$992,000	Current Year Savings, \$347,020

Sources of Funding – New DTOT

**2/3
Tahoe**



**1/3
West
Slope**

Based upon FY 2022-23 receipts from all DTOT sources VHRs, hotel/motels, and hosted rentals.

Seeking Board Direction on use of funding

\$13,137,500 to allocate



\$3 million in carryforward projects



\$18.6 million in requests



Seeking Board direction on staff's recommendation