



Budget Direction

April 8, 2025

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Board Direction on March 11, 2025 (Legistar file 25-0449)

The Board directed staff to return with more information on:



Plan to Balance the General Fund Budget



Current Facilities Projects



Community Services Programs



Juvenile Treatment Center



Records Management Program



Office of Wildfire Preparedness and Resilience



MC&FP Annual Contribution

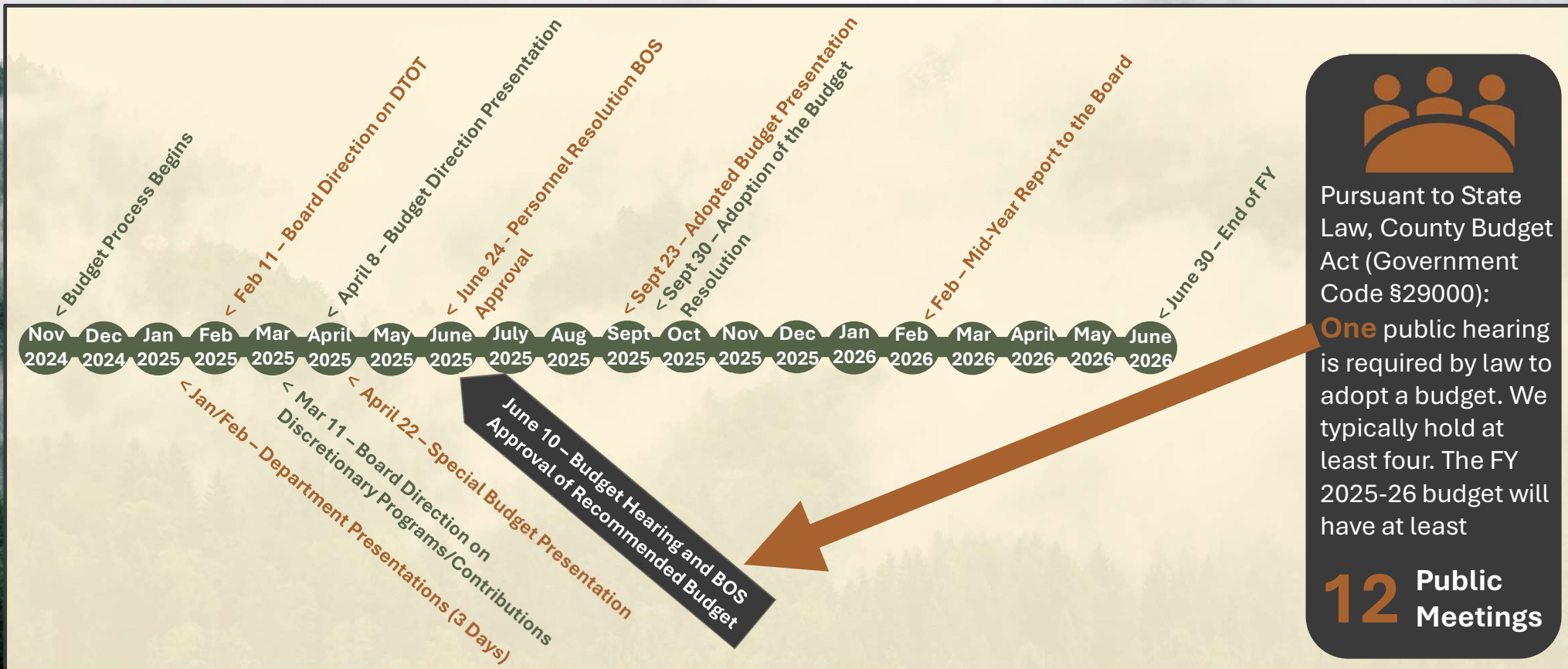


Outside Agency Discretionary Contributions

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Budget Timeline

Budget Development Process for FY 2025-26



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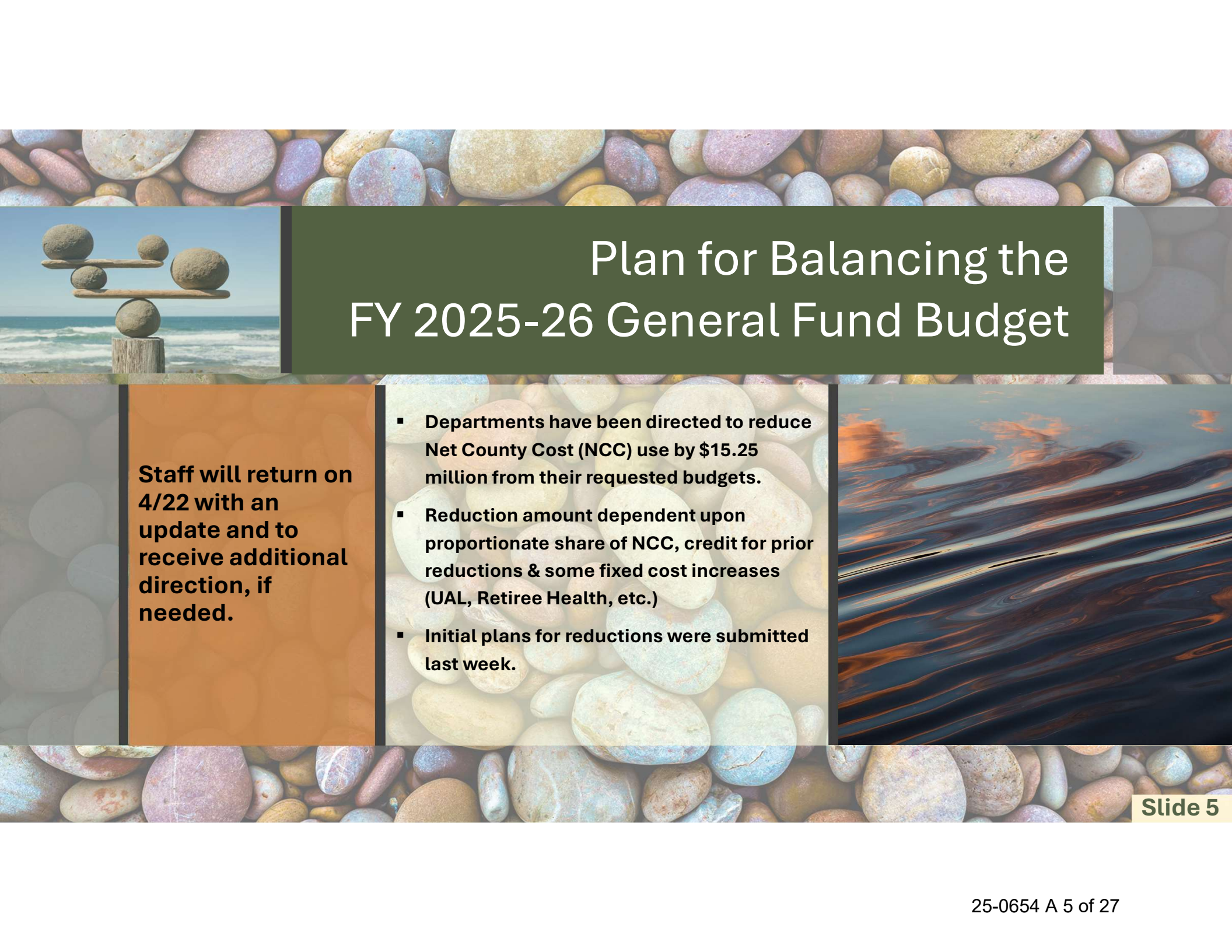
Budget Requirements

“In the Recommended, Adopted, and Final Budgets the funding sources shall equal the financing uses”

- Government Code §29009



- State and Federal Governments can adopt budgets that include deficits, which are funded through borrowing. **County Governments cannot.**
- At the end of the Fiscal Year, the County often has savings, referred to as “**Fund Balance.**” These savings can be due to many factors, including:
 - Revenue coming in higher than budgeted
 - Expenses coming in lower than budgeted due to:
 - Projects/Purchases not completed (often rolled over to the next FY)
 - Staff vacancies
 - Contingency not spent



Plan for Balancing the FY 2025-26 General Fund Budget

Staff will return on 4/22 with an update and to receive additional direction, if needed.

- Departments have been directed to reduce Net County Cost (NCC) use by \$15.25 million from their requested budgets.
- Reduction amount dependent upon proportionate share of NCC, credit for prior reductions & some fixed cost increases (UAL, Retiree Health, etc.)
- Initial plans for reductions were submitted last week.

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Facilities

Building Categories

Category 1: 24 hour lock down, OES, 911 (These are facilities, that if closed, could have a significant financial and public safety impact).

Category 2: Government Centers, Sheriff Admin/Patrol, Probation, District Attorney, Public Defender, Public Health, DOT operations

Category 3: General Administration, Support Facilities, Libraries, Senior Centers (Non-essential Services)

Category 4: Parks, Grounds, Cemeteries, Trails

Work Priorities



Fire & Life Safety



Asset Preservation



Americans with Disabilities Act (ADA) Compliance



As Needed Facilities Support
(Moving furniture, hanging pictures, workspace reconfiguration)

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Facilities

County-owned Facilities:



60 Buildings

Approximately 875,000 square feet

Total replacement value of approximately \$530M



2 Airports



113 Acres of Improved Parks



Approximately 28 Miles of Trails



18 County-Managed Cemeteries

Leased Facilities:

28 Leases and Facilities Use Agreements

Approximately **128,000** square feet of leased space

Costs **\$2 Million+ Annually**

Facility	Square Footage	Annual Cost	Funding Source
DOT/Planning & Building/Environmental Mgmt. (SLT)	6,000	\$165,000	23% Road Fund, 23% Env. Mgmt, 54% GF
Behavioral Health (SLT)	7,444	\$160,000	Non-GF
Behavioral Health – Victory Mine (West Slope)	13,770	\$326,500	Non-GF
HHSA – 3057 Briw Road (West Slope)	38,875	\$650,000	Non-GF
HHSA – 3047 Briw Road (West Slope)	5,552	\$112,000	Non-GF
Georgetown Library (West Slope)	3,200	\$27,000	GF
Probation (West Slope)	16,220	\$320,000	GF
Public Defender (West Slope)	5,259	\$122,500	GF
District Attorney (West Slope)	17,926	\$435,500	GF

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Facilities

Deferred Maintenance and Future Risks

“An appropriate budget allocation for routine maintenance and repair will typically be in the range of 2-4% of the aggregate replacement value”

- Building Research Board of the National Research Council

El Dorado County replacement value: \$530,000,000

- **2% Deferred Maintenance: \$10,600,000**
- **FY 25-26 Budget: \$7,876,000 ACO DM + \$2.6M Maintenance = \$10,476,000**

- **Fire & Life Safety Projects - \$4,100,000**
 - Placerville Jail - **\$1,300,000**
 - SLT Jail - **\$1,600,000**
 - Misc. Mechanical, Sidewalks, Handrails - **\$900,000**
 - EDH Senior Center - **\$300,000**
- **Asset Preservation - \$1,821,000**
 - Parking lots, exterior paint, interior finishes
- **Lighting upgrades (future savings) - \$190,000**
- **Continuity of operations (Generator SLT) - \$300,000**
- **Discretionary - \$930,000**
 - EDH Senior Center - **\$225,000**
 - SLT JTC - **\$300,000**
 - Ag Building (Master Gardeners/UCCE) - **\$105,000**
 - Veterans Building - **\$300,000**
- **Deferred Maintenance projects recommended to be pushed to next FY - \$500,000**
- **Future Risk: Spring Street Replacement - \$25,000,000**

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Facilities

Discretionary Projects

- **Juvenile Hall Replacement Planning/Design - \$1,700,000**
 - Acceptance of **\$9.6M** in state funding may obligate the facility to be used as a juvenile detention facility until the lease revenue bonds are paid off (estimated at 25-35 years after completion of construction).
- **Permanent Navigation Center - \$1,000,000** General Fund. Also need to identify future funds for maintenance of the building.
- **Tahoma Garage - \$570,000** for design with an additional **\$500,000** in a General Fund Designation for the build.
- **Forebay Park - \$3,050,000**
- **Chili Bar - \$1,000,000**
- **Diamond Springs Park - \$580,000**

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Facilities

Action
Item: 2(a)

CAO Recommendation:

	Project Continue	Spring St Designation	NCC Savings
Forebay Park	\$0	\$0	\$3,050,000
JTC Update	\$0	\$1,700,000	\$0
Tahoma Garage (DOT)	\$0	\$0	\$1,070,000
Chili Bar	\$0	\$0	\$1,000,000
Navigation Center	\$1,000,000	\$0	\$0
Diamond Springs Park	\$580,000	\$0	\$0
Totals:	\$1,580,000	\$1,700,000	\$5,120,000

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CAO Recommendation: Approve the following rate increase plan, closure of the EDH Facility, and direct staff to explore options to sell or lease the EDH Facility.

1. Implement Recommended Rate Increase, spread evenly across three-years with Consumer Price Index increases.

- Approximately 71% of current members who responded to staff survey said that they would continue to participate if the rate increase was spread over three-years

2. Combine Sites - Close El Dorado Hills Facility and move to Placerville Facility:

- Estimated General Fund Cost Savings with Rate Increase: \$440,864
- 7.5 participants a day per site in FY 2023-24, down from an average of 25 a day per site before the pandemic.
- Approximately 54% of current El Dorado Hills members who responded to staff survey indicated that they will continue participation if program moves to Placerville.

3. After Closure of the El Dorado Hills Facility:

- Staff can explore options to sell or lease the County-owned El Dorado Hills Senior Day Care site and return to the Board with recommendations for the FY 2025-26 Adopted Budget.
- Potential closure and lease/sale of the site could result in an additional \$525,000 in deferred maintenance savings related to the facility.

Community Services Programs

Other Community Services Programs

CAO Recommendation: Direct staff to explore the below cost savings options and give conceptual approval for modifications to Ordinance Code Title 6 - Animals

Explore potential for cost savings and revenue generating opportunities in the following Community Services Programs:

- **Senior Nutrition***
 - Senior Nutrition Program is currently budgeted with 6.62 Mealsite Coordinators, HHSA has identified operational efficiencies that will allow for the elimination of one vacant position.
 - HHSA will increase efforts to generate community donations.
- **Senior Legal***
 - Staff will continue to explore opportunities for cost savings.
 - HHSA will increase efforts to generate community donations.
- **Animal Services**
 - HHSA is requesting conceptual approval to review the current County Ordinance to identify revenue generating and cost saving opportunities.
 - HHSA will review current fee structure to identify additional revenue generating opportunities.
 - HHSA will continue to explore opportunities to increase revenue through grant opportunities and public donations.

*Area Agency on Aging Program changes may require State and AAA approval, taking approximately six months.

**Department:
Probation**

Juvenile Treatment Center

Annual Net County Cost:
Average \$3.7m
Total FTE:
34.0 FTEs

**CAO Recommendation:
Explore alternative
service models for
juvenile detention
with regional
partners for
incorporation into
future budgets***



- 40-bed medium-security facility
- Average daily population between 10 and 16 youth
- Must comply with State Title 15 and Title 24 regulations covering staff-to-juvenile ratios, care and custody programming, housing conditions, facility maintenance, medical services, education services, treatment services, and safe transportation to services outside of the facility
- This is a mandated service, but could potentially be provided by contracting with another county's facility

* Exploring alternative service models will take time, so any potential savings will not likely be realized until FY 2026-27 or later.

Records Management Program

CAO Recommendation: Approve the following program modifications

Program Overview and Accomplishments since program moved to the Clerk of the Board in 2022:



Maintain roughly 10,000 boxes of documents for County departments including the intake, delivery, tracking, digitization, and destruction.



Caught up on years of overdue records destruction, equating to 2,500 boxes since 2023.



Conducted an audit of about 13,000 boxes, identified over 1,100 problems, and resolved over 900 to date.



Revamped the tracking system to enhance organization and streamline the check-out and check-in processes



Conducted an RFI and RFP for records digitization, selected a vendor, and the contract is in final review.

	FY 2025-26	FY 2026-27
Net County Cost:	\$372,335	\$372,335
Don't fill Records Center Manager position after retirement and transfer duties to Clerk of the Board	-\$39,000	-\$175,000
Reduction of records digitization project and only focus on digitization for non-GF departments	-\$140,000	\$0
Proposed Revised Net County Cost:	\$193,335	\$57,335*
	48% Reduction	85% Reduction

*Due to countywide cost allocation plan spread

Office of Wildfire Preparedness and Resilience

Action
Item: 2(g)

CAO Recommendation: Approve the following program modifications

Reorganization and Reassignments	<ul style="list-style-type: none">Reassignment of administrative/management staff to other non-General Fund roles within the CAO's Office	-\$175,380
Removal of Supplemental Requests	<ul style="list-style-type: none">County-owned parcel clearingCommunity Assessments/Wildfire Behavior Modeling	-\$100,000
Don't Renew the Lake Valley Contract	<ul style="list-style-type: none">Defensible space inspection workload from Strawberry to the Basin would go to West Slope DSI staff	-\$82,700
Strategic Utilization of Grants*	<ul style="list-style-type: none">Less reliance on the General Fund by increasing utilization of grant funding	-\$38,487
Reduction of EH Staff assigned to Biomass	<ul style="list-style-type: none">Reducing EH Biomass staff to align with actuals	-\$10,000
Proposed Revised Net County Cost:		\$486,610 ~ 47% NCC Reduction

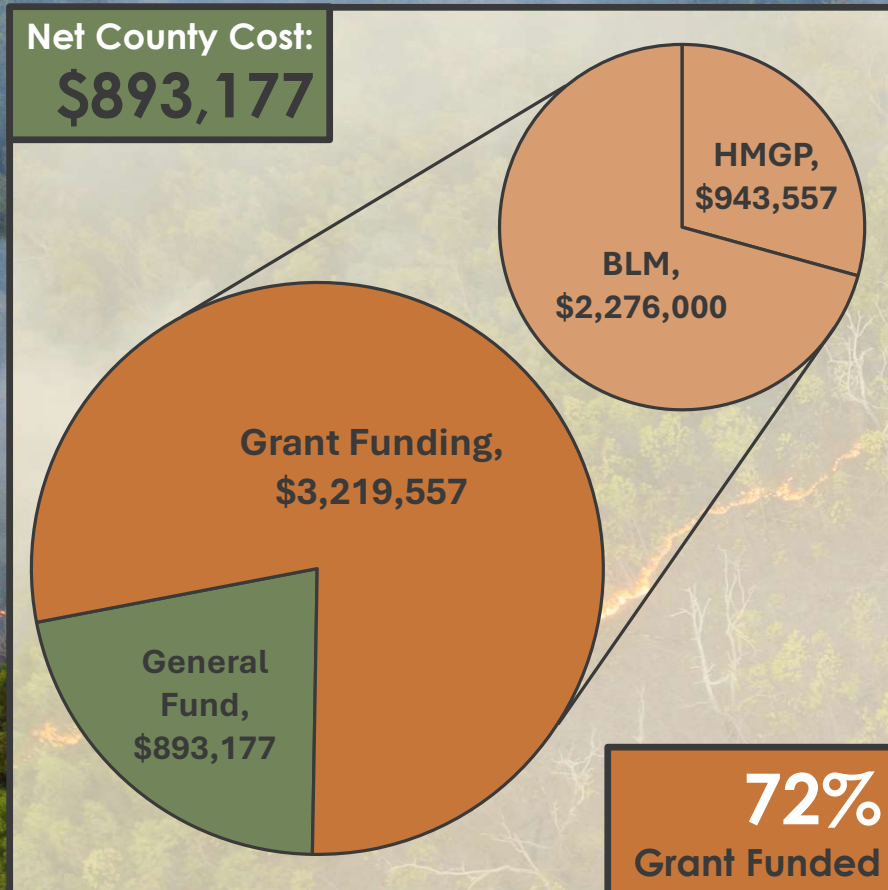
* Contingent on pending grant amendment approval

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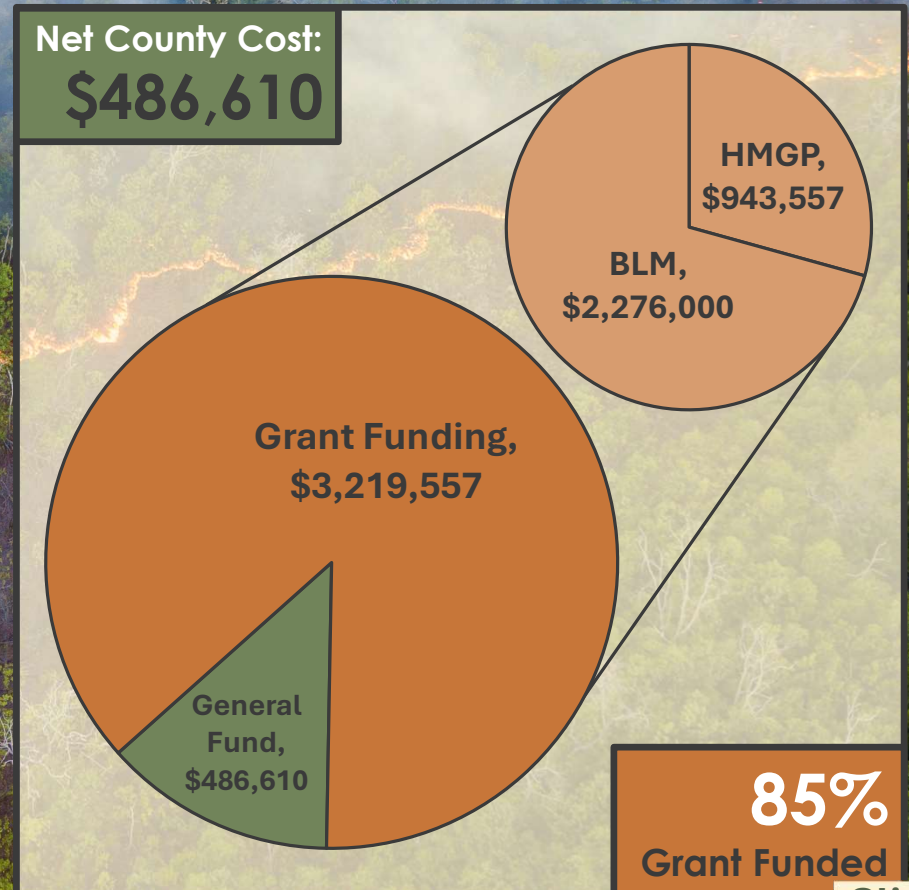
Office of Wildfire Preparedness and Resilience

Action
Item: 2(g)

FY 2025-26 Requested Budget



FY 2025-26 Proposed Budget



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Annual General Fund Contribution

Missouri Flat Area Master Circulation and Financing Plan (MC&FP)

Approximate Annual
General Fund Contribution:

\$1,128,327

CAO Recommendation:

**Continue to fund
until MC&FP Phase
One is complete**

- Missouri Flat Area Master Circulation and Financing Plan (MC&FP) is a mechanism for the County, in a cooperative effort with major property owners and developers, to fund improvements to the U.S. Highway 50/Missouri Flat Road Interchange and adjacent arterials and collector roads
- MC&FP Phase One Obligations & Due Dates:
 1. Diamond Springs Parkway Phase 1B– FY 2027-28
 2. The Crossings at El Dorado Road Widening Improvement Reimbursement Agreement – FY 2027-28
 3. Repayment of the Tribe Fund Loan – FY 2031-32



Annual Discretionary Contributions

February 11, 2025, Board Direction with Legistar File 25-0236



On February 11, 2025, the Board directed that FY 2025-26 Recommended Budget:

- Not provide discretionary funding to outside agencies for tourism and economic promotion, **\$868,567** reduction.
- Reduce discretionary funding to Planning and Building and the Department of Transportation for tourism-related programs, **\$1.3 million reduction**.
- Treat Discretionary Transient Occupancy Tax like any other discretionary revenue in the General Fund.
- Include funding for Fire Districts for tourism impacts at the FY 2024-25 level, funding **\$836,595**.

Annual Discretionary Contribution

Contributions to Outside Fire Agencies for Tourism Impacts

**CAO Recommendation:
Discontinue Fire
Tourism Impact
Funding for
FY 2025-26**

Requests from Fire Districts for 2024 Tourism Call Response Costs:

	Requested Amount		Adjusted	
El Dorado County Fire	\$	92,112.37	\$	60,353
North Tahoe	\$	488,745.85	\$	320,231
Lake Valley	\$	677,131.09	\$	443,662
Georgetown Fire	\$	18,848.19	\$	12,349
Total	\$	1,276,837.50	\$	836,595

Annual Discretionary Contribution

Resource Conversation Districts

Estimated FY 2025-26
Contribution:

\$520,327

**CAO Recommendation:
Renegotiate the FY
2026-27 Agreement
to be comparable
to Tahoe RCD**

- On August 27, 2024, the Board approved a \$262,737 increase across both districts, based on 0.0015% of the assessed value of land within the district
- The alternative formula would bring the RCDs comparable to the Tahoe RCD rate, which would have been an increase of \$65,468



Annual Discretionary Contribution

El Dorado Hills Fire for Latrobe Educational Revenue Augmentation Fund (ERAF) Obligation

Estimated FY 2025-
26 General Fund
Contribution:

\$116,500

CAO Recommendation:

**Defer to
Adopted**

- **2014:** Board approved dissolving Latrobe Fire Protection District & annexation into El Dorado Hills Fire
- **Tax Issue:** Initial resolution lacked clarity on ERAF obligations.
- **2018:** New resolution directed annual consideration of funding through the budget
- **2024:** Board reaffirmed commitment to consider funding at Adopted Budget with Resolution 151-2024



Annual Discretionary Contribution

Placerville Aquatic Center

FY 2025-26 Amount
Requested by the City:

\$115,245

CAO Recommendation:

**Discontinue
funding for FY
2025-26**

- The Pool's average net expenditures over the past 10 years (2014-2024) is \$151,638.02. The City is requesting 76% of this figure, which is \$115,244.90.
- As in prior years, the County would decrease the request to only maintenance costs, bringing the revised amount the Board could approve to \$75,615.
- 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.
- Board reduced to \$37,500 in FY 2024-25



Annual Discretionary Contribution

South Tahoe Transit JPA

Start-up Contribution:

\$54,496

**Approximate Ongoing
Annual Contribution:**

Unknown

CAO Recommendation:

**Request Board
Discussion**

- The JPA was formed on October 15, 2024, between the City of South Lake Tahoe and the County to jointly implement transit services in the Lake Tahoe south shore area.
- The City agrees to fund 2/3 of costs, while the County makes up the remaining 1/3.



Annual Discretionary Contribution

Sacramento-Placerville Transportation Corridor JPA

Annual General Fund
Contribution:

\$29,200

CAO Recommendation:

**Request Board
Discussion**

- Manages the Sacramento-Placerville Transportation Corridor (SPTC), 28 miles of former Southern Pacific Railroad right-of-way
- The SPTC-JPA's member agencies include the County of El Dorado, the County of Sacramento, the City of Folsom, Sacramento Regional Transit District, and the City of Rancho Cordova
- Develops excursion rail services and nature trails along the corridor
- The JPA is currently receiving \$27,500 annually and is asking for a \$1,700 increase for a new total annual contribution of \$29,200 with a 2% increase each year



Board of Supervisors Travel

On October 8, 2024, Legistar File 24-1749,
The Board directed CAO's Office to return to the
Board with a discussion on the BOS Travel Budget.

**Action
Item: 2(m)**

CAO Recommendation: Request Board discussion regarding BOS Travel


Prior Fiscal Year (FY 2023-24)

	BUDGETED:	\$24,700
	ACTUALS (TOTAL):	\$29,138
	OVERNIGHT:	\$13,289
	ALL OTHER:	\$15,849

Current Fiscal Year (FY 2024-25)

	BUDGETED:	\$41,300
	ACTUALS (TO DATE):	\$22,330
	OVERNIGHT:	\$13,829
	ALL OTHER:	\$ 8,501


Potential Savings Options (FY 2025-26)



**Suspend County-paid travel for
FY 2025-26**



**Only travel to conferences where the
member has been designated by the
Board as a representative**



**Maximize use of County vehicles
rather than mileage reimbursements
for personal vehicles**

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Retirement Health Savings Account Retirement Incentive

CAO Recommendation:

**Direct staff to
develop a
Retirement
Incentive Plan as
soon as feasible.**

- In FY 2009-10 and again in FY 2015-16, the Board has approved Retirement Incentive Programs (Legistar files 09-1195 & 15-0640).
- A Retirement Incentive Program offers employees funding for a Retirement Health Savings Account in exchange for a retirement commitment, resulting in Salaries and Benefits savings.



Action Items:
4 and 5

FY 2026-27 Budget

Looking Forward

CAO Recommendation:

1.) Direct staff to begin working with departments on 5% and 10% budget reduction scenarios for the development of the FY 2026-27 Budget.

2.) Direct staff to work with the Budget Ad Hoc to explore revenue generating options.



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