

Fiscal Year 2022-23 Recommended Adopted Budget

Highlights of the Changes

June 7, 2022



Budget Requirements

- County Budget Act – Gov't Code §29000 – 29144, §30200
- Applies to County, dependent special districts, other agencies “whose affairs and finances are under the supervision and control of the board”

Budget Requirements

- Requires Single Year Balanced Budget
- §29009: In the recommended, adopted, and final budgets the funding sources (revenues) shall equal the financing uses (expenditures).



Budget Requirements

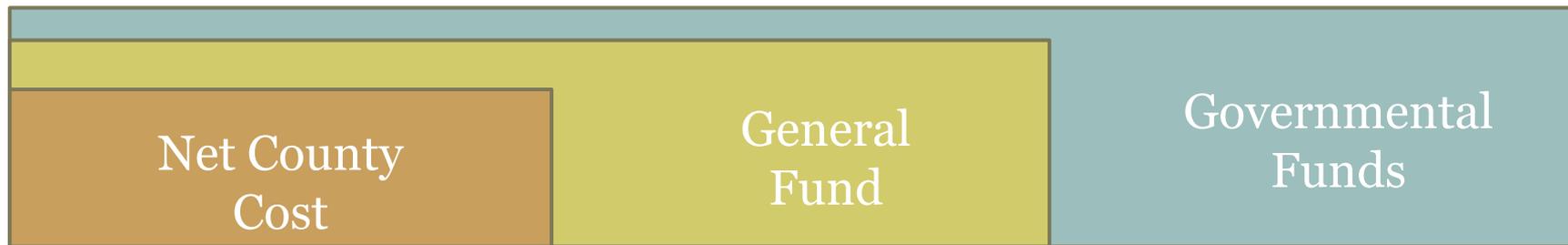
- Public hearing on June 7, 2022, as required, a 3/5 Vote to approve prior to close of hearing.
- Following close of hearing, increases or additions require 4/5 vote.

Report of Budget Ad Hoc Committee on Public Safety Sales Tax Allocation

- No change to current allocation, based upon Strategic Plan Priority:
Support Fire District Reorganization and Consolidation when requested.
- Any additional County-provided funding should support structural change and fiscally sustainable fire service.

Summary of the Recommended Budget

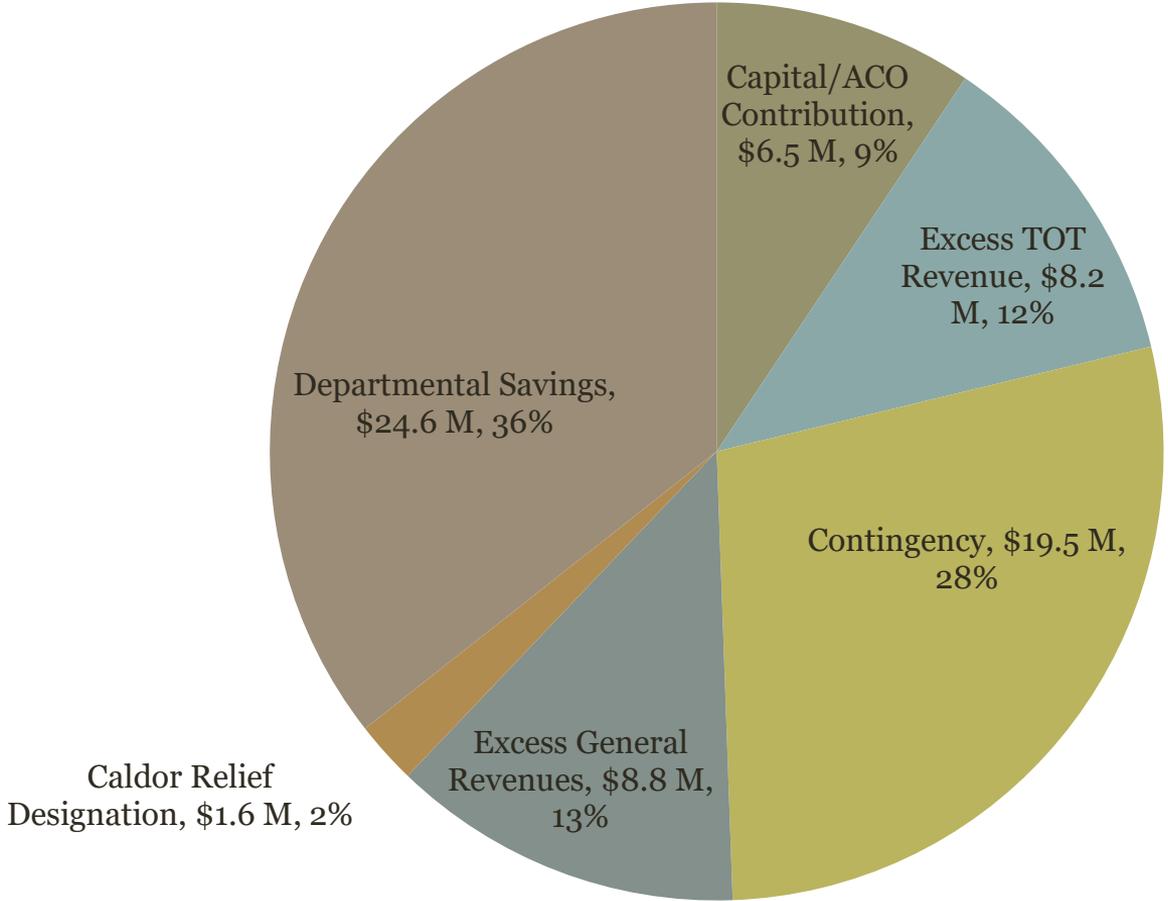
	FY 2022-23 CAO Recm'd Budget	FY 2022-23 Recm'd Adopted Budget	\$ Increase / (Decrease)	Percent Change
Governmental Funds	\$864.9 M	\$952.3 M	\$87.4 M	10%
General Fund	\$397.6 M	\$428.3 M	\$30.7 M	8%
Net County Cost	\$175.7 M	\$182.7 M	\$7.01 M	4%



* All Governmental Funds including Special Revenue Funds; excluding Special Districts & Proprietary Funds

** Departmental operating net cost, not adjusting for Transient Occupancy Tax Contributions, excluding Non-Departmental/ACO Fund/CW Special Revenue Funds/ Special Districts/Proprietary Funds

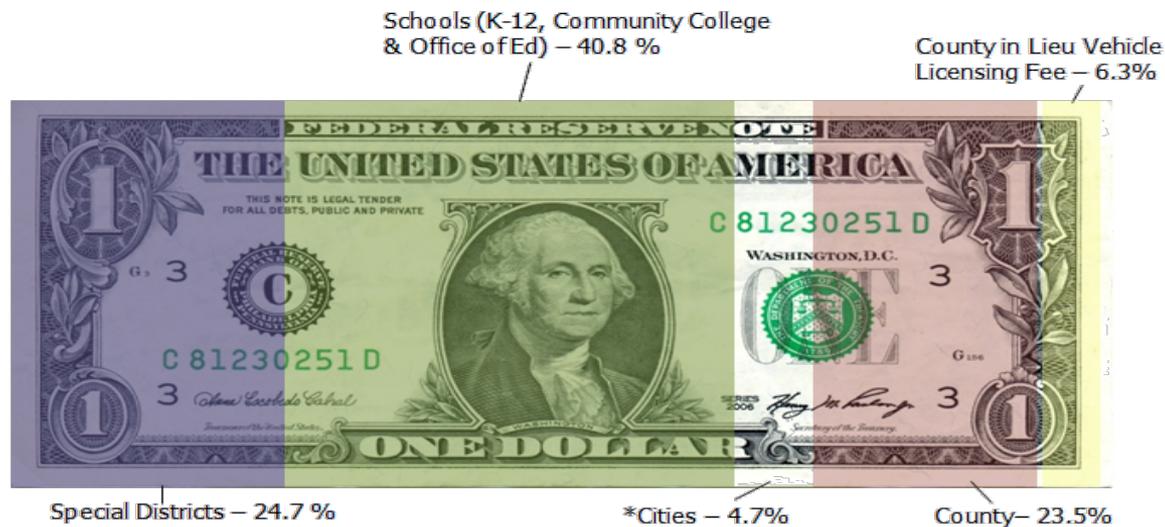
Fund Balance - General Fund



Revenues and Financing Sources

General Fund Revenues - Property Tax

Property tax is a major source of unrestricted revenue for the County general fund, schools, cities, and special districts



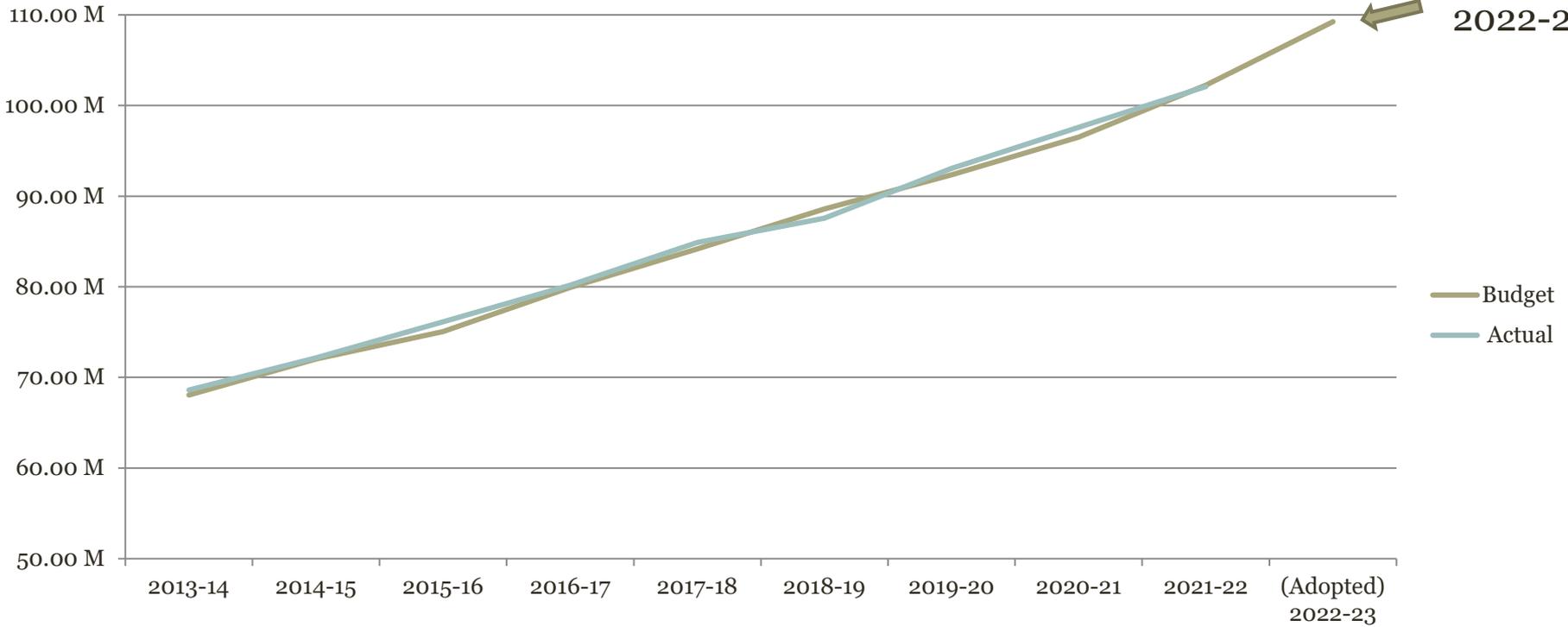
Graphic developed by the Treasurer-Tax Collector Department. (Source El Dorado County Auditor-Controller's Office)

*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%)

Revenues and Financing Sources

General Fund Revenues - Property Tax*

Assumes 7%
Growth in FY
2022-23

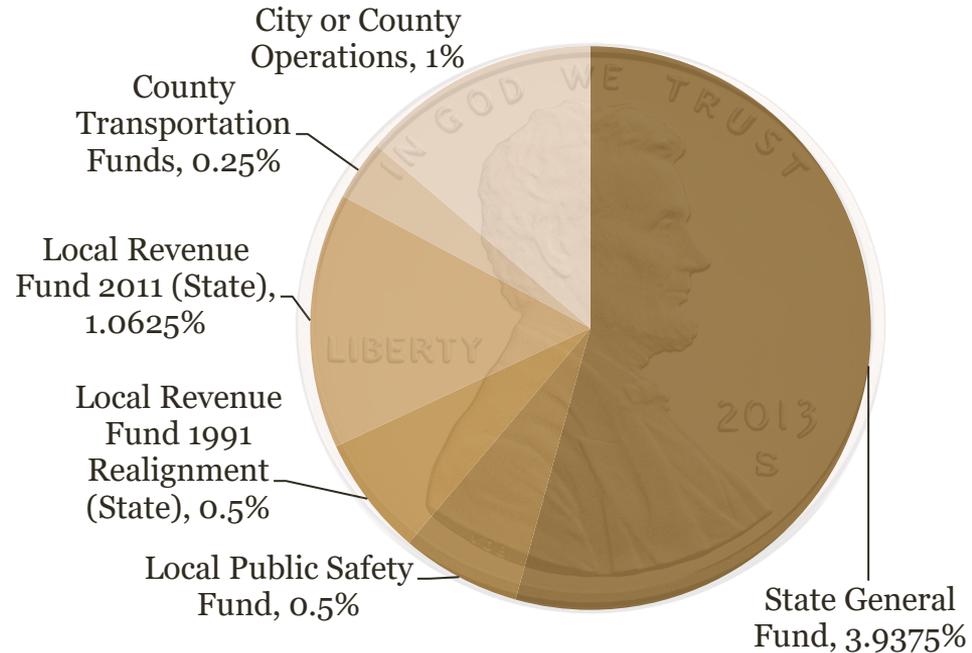


*Represents only General Fund Current Secured and In-Lieu of VLF Property Taxes

Revenues and Financing Sources

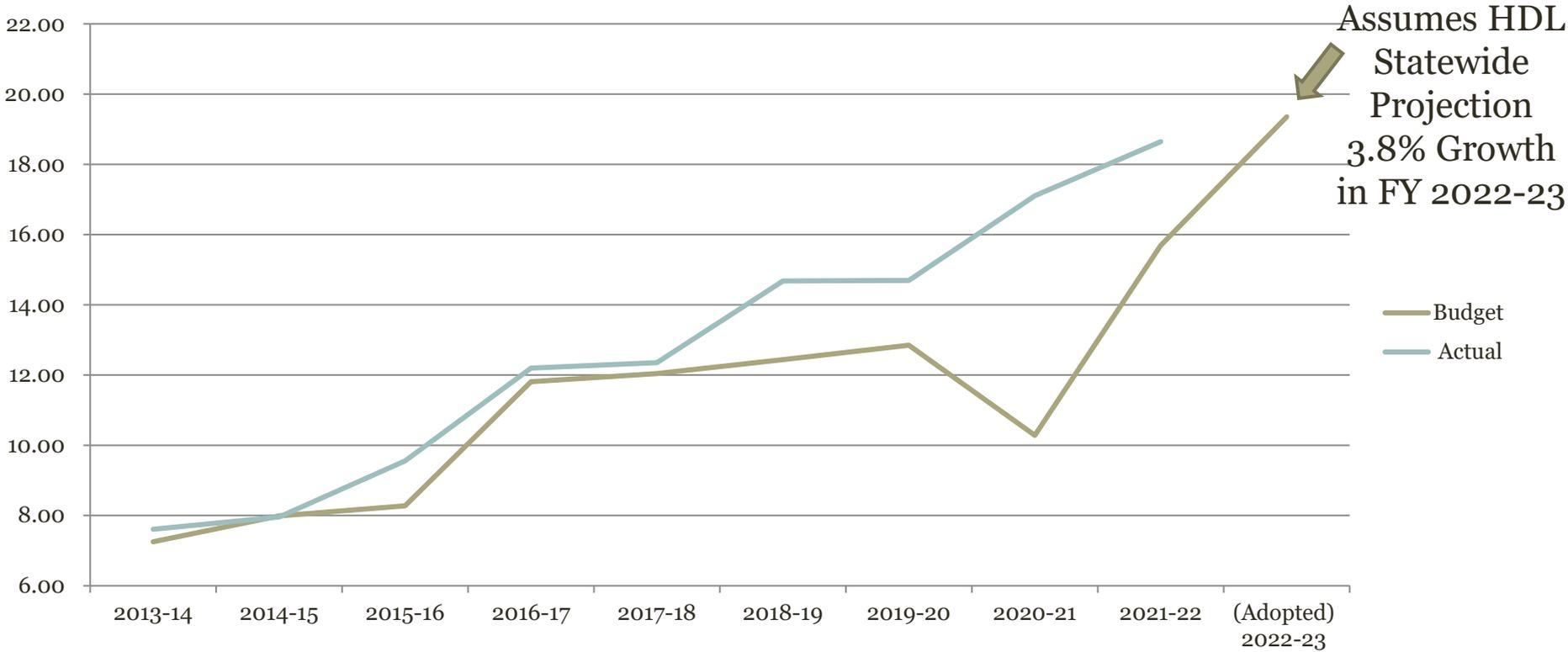
General Fund Revenues - Sales and Use Tax*

- 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 countywide regional transportation fund.
- The remaining 1% is discretionary.



Revenues and Financing Sources

General Fund Revenues - Sales and Use Tax*



*Represents only General Fund Discretionary Sales Tax

What is included in the Budget

Board Policies and Priorities

General Reserve at \$11 million

General Fund Contingency at \$6.75 million to meet 3% of adjusted General Fund appropriations

\$10 million in additional General Fund Contingency due to economic uncertainty and compensation increases

\$4.2 million more to Transportation for Caldor Fire Road Repair Project

Adds \$7 million more to the Capital Projects Reserve, totaling \$13 million added this Fiscal Year

\$4 million set aside in designation for Chili Bar and Diamond Springs Park

\$1 million for Broadband & Biomass from Transient Occupancy Tax (TOT)

\$2.2 million in Non-Departmental Salaries & Benefits due to 2% salary increases

What is included in the Budget

Board Policies and Priorities

\$288,750 of TOT for a portion of a new engine for Rescue Fire Department

\$250,000 of TOT for Wet Lab Economic Development Project

\$500,000 of TOT to Barton for Interfacility Transport Strategy Development and to offset tourism impacts to the EMS system

\$500,000 of TOT for design of Tahoma staff housing for Transportation

\$25,000 in additional Community Funding, new total of \$75,000 available

\$75,000 for Strategic Plan / Good Governance Consultant

\$250,000 in Office of Wildfire Preparedness & Resilience for countywide Risk Assessment & Strategic Plan

\$225,821 for the creation of a maintenance unit responsible for vegetation clearing on roadways & County property.

What is included in the Budget

Personnel Allocation Changes

Department	Addition	Deletion	Total
Chief Administrative Office - Parks	1.00		1.00
Chief Administrative Office - Central Services	2.00	(1.00)	1.00
HHSA - Behavioral Health	1.00	(1.00)	0.00
Planning & Building	4.00	(1.00)	3.00
Probation	1.00		1.00
Sheriff	1.00		1.00
Transportation	1.00		1.00
Total	11.0	(3.0)	8.0

What is included in the Budget

GENERAL FUND RESERVES & DESIGNATIONS	FY 2021-22 ENDING BALANCE	FY 2022-23 ADDITIONS	FY 2022-23 USES	FY 2022-23 ENDING BALANCE
GENERAL RESERVE	\$10,300,000	\$ 700,000		\$11,000,000
CAPITAL PROJECTS	\$20,992,188	\$ 13,005,347		\$33,997,535
PUBLIC SAFETY FACILITY LAST LOAN PAYMENT	\$2,300,000			\$2,300,000
PUBLIC SAFETY FACILITY LOAN PAYMENTS	\$2,145,100			\$2,145,100
CHILI BAR & DIAMOND SPRINGS PARK	\$125,000	\$ 4,000,000		\$4,125,000
EL DORADO CENTER	\$2,310,019			\$2,310,019*
AUDIT RESERVE	\$861,464			\$861,464
TOT SPECIAL PROJECTS	\$2,276,417			\$2,276,417
CALPERS COST INCREASES	\$4,931,589	\$ 299,181	(\$2,305,705)	\$2,925,065
CALPERS OPEB	\$1,368,765		(\$1,368,765)	\$0
CALDOR FIRE RELIEF	\$2,864,039		(\$1,045,553)	\$1,818,486
RAY LAWYER DR	\$3,000,000		(\$3,000,000)	\$0
ROAD INFRASTRUCTURE	\$380,000			\$380,000
JUVENILE HALL	\$1,722,556		(\$250,000)	\$1,472,556
GENERAL LIABILITY & WORKERS' COMP	\$3,000,000		(\$3,000,000)	\$0
OTHER - INDUSTRIAL DRIVE	\$349,299		(\$349,299)	\$0

* Board Direction on 3/23/21 to hold \$380,000 for grant match in FY 2023-24 if granted FEMA's Hazard Mitigation Grant Program

** Separate item going on 9/20 that will utilize funding from this designation

Budget Considerations

Taxes Collected Per Resident

\$2,270.10	Placer
\$2,211.60	Yolo
\$1,808.20	San Luis Obispo
\$1,652.70	Sutter
\$1,290.80	Butte
\$1,248.90	Amador
\$1,186.40	Sacramento
\$880.40	El Dorado
\$804.10	Nevada

County Employees Per 1,000 Residents

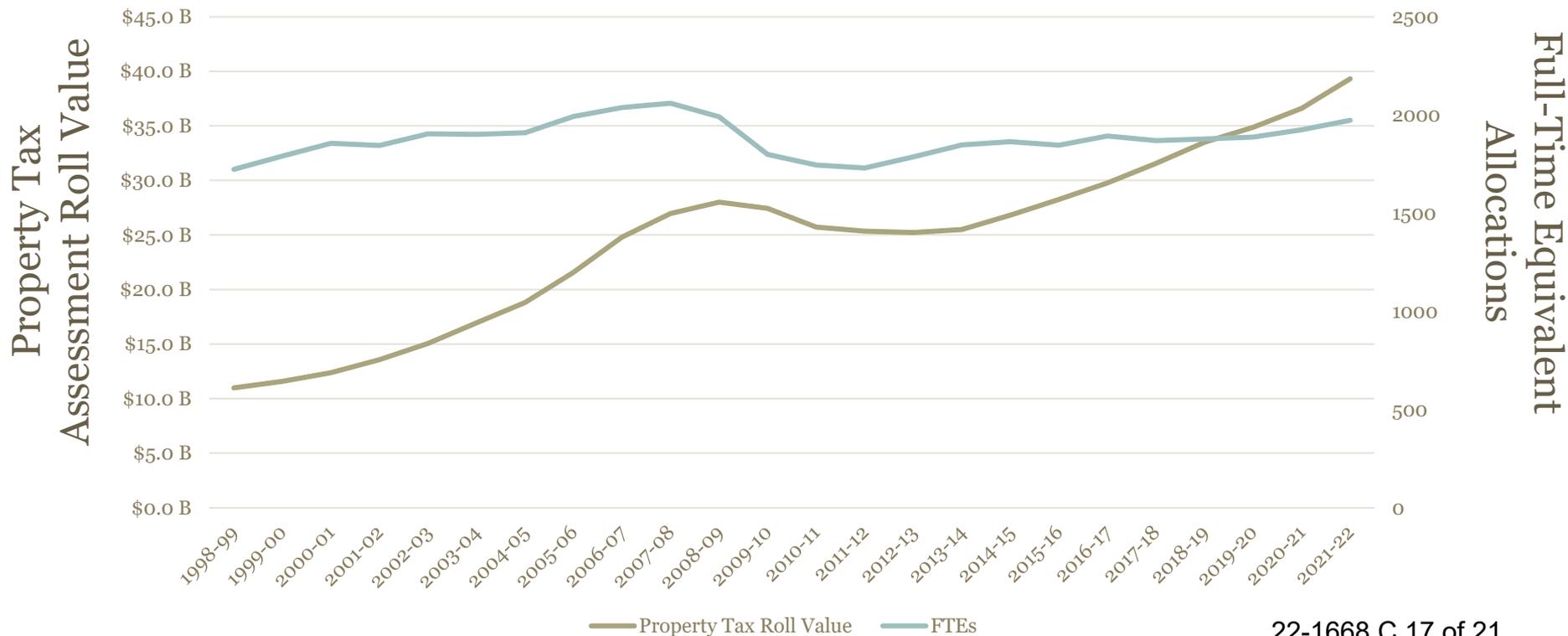
64.6	Yolo
50.1	Sutter
40.6	Butte
24.5	San Luis Obispo
23.6	Placer
22.2	Sacramento
18.0	Amador
12.2	Nevada
11.9	El Dorado

FY 2020-21, Excludes cities, in millions

FY 2020-21, Excludes cities

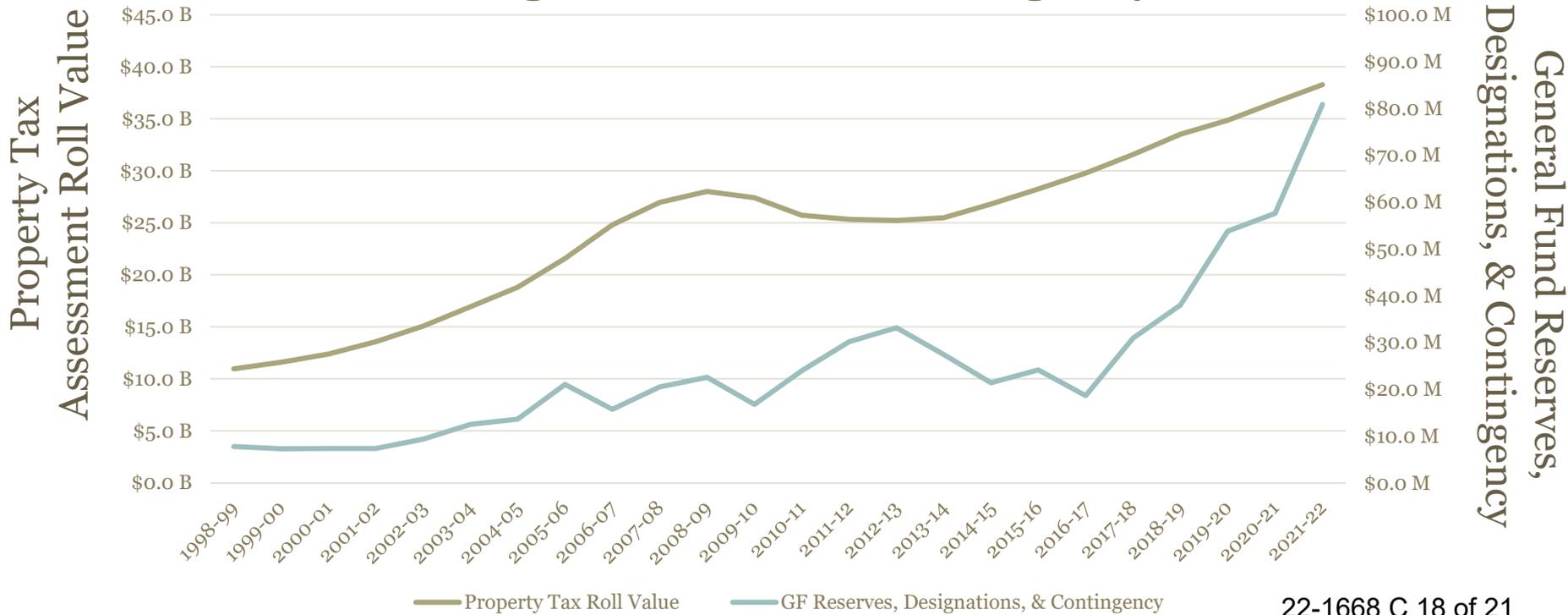
Are we prepared for a recession?

Historical Property Tax Roll Value and Personnel Allocations



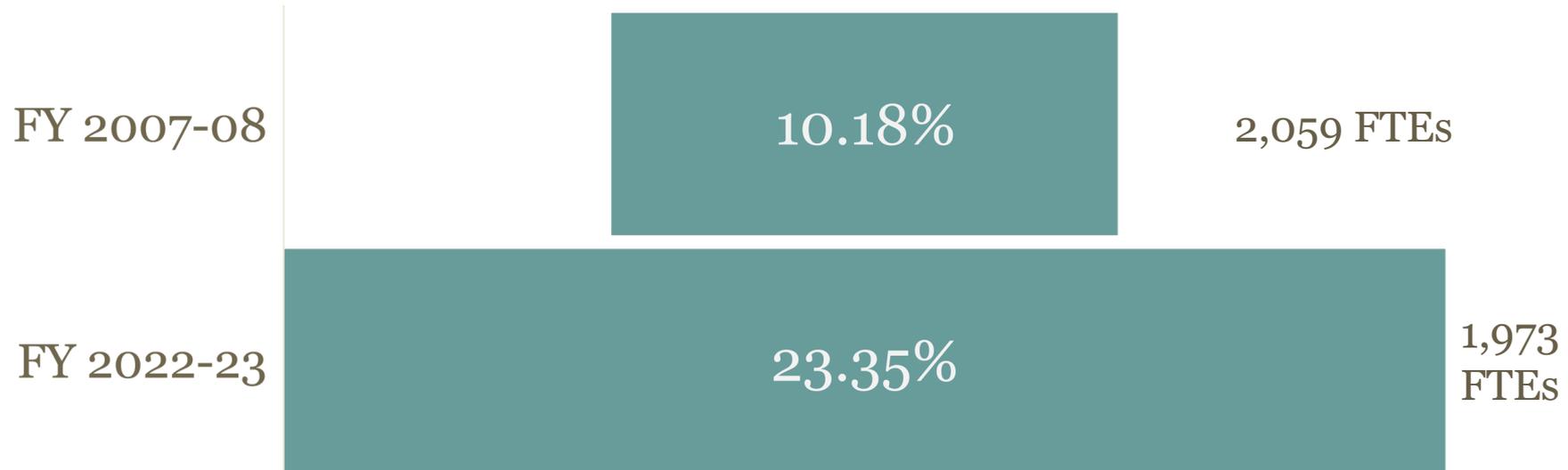
Are we prepared for a recession?

Historical Property Tax Roll Value and General Fund Reserves, Designations, and Contingency



Are we prepared for a recession?

Total General Fund designations, reserves, and contingency as a percentage of total appropriations, less Social Services and Child Support appropriations.



Budget Challenges

5-Year General Fund Projection

Summary of Major Differences

	Cautious	Conservative	Moderate
Property Tax after FY 2022-23	2% growth from prior year	4% growth from prior year	5% growth from prior year

Summary of Revenue Surplus / (Shortfall)

In millions	FY 2022-23 Adopted Budget	FY 2023-24 Projected	FY 2024-25 Projected	FY 2025-26 Projected	FY 2026-27 Projected
Cautious	\$ 0	(\$5.76)	(\$8.29)	(\$9.54)	(\$10.82)
Conservative	\$ 0	(\$3.53)	(\$3.69)	(\$2.43)	(\$1.06)
Moderate	\$ 0	(\$2.41)	(\$1.35)	\$1.23	\$4.03

Next Steps in the Budget Process

- Discuss any Additions or Revisions to the Budget
- Direction from the Board on any changes
- Consent Budget Board item on September 27, 2022
 - Budget Transfer to approve changes outlined today.
 - Budget Transfer to approve fund balance adjustments, other than General Fund.
 - Personnel Allocation Changes
 - Budget Resolution with exhibits outlining all changes and a fixed asset list.