



Legislation Text

File #: 21-1519, **Version:** 1

Chief Administrative Office recommending the Board:

- 1) Approve an amendment to the FY 2021-22 Budget to reflect the direction provided by the Board on September 21, 2021 during the review of the recommended Adopted Budget changes and the correction of a clerical error in the budget table presented for fund 1353 as discussed below (4/5 vote required);
- 2) Adopt and authorize the Chair to sign Resolution **123-2021**, incorporating Exhibits 1 through 3, adopting the County Budget and Budgets for Board Governed Special Districts for Fiscal Year 2021-22; and
- 3) Adopt and authorize the Chair to sign Resolution **124-2021** amending the adopted Personnel Resolution.

FUNDING: Countywide Budget Adoption.

DISCUSSION / BACKGROUND

The Board conducted the budget hearing and approved the Fiscal Year (FY) 2020-21 Recommended Budget on June 7, 2021, with Legistar item 21-0922. State law requires formal budget adoption no later than October 2nd. Though the Board technically adopted the Recommended Budget in June, El Dorado County's practice is to revise the Recommended Budget after the close of the financial records each year in order to file an Adopted Budget with the State that includes adjusted final fund balances and addresses department needs identified after approval of the Recommended Budget and makes necessary adjustments due to State budget impacts.

Staff prepared a recommended Adopted Budget for Board consideration and review on September 21, 2021, with Legistar item 21-1503. The documents outlining the proposed changes to the Recommended Budget were made available to the public through the El Dorado County website on September 15, 2021. The Budget documents, linked to this Legistar item, contain an updated budget memo, budget summary, and department recommended Adopted Budget narratives. The recommended Adopted Budget for Board consideration did not include final fund balance adjustments as the financial records had not closed by September 15, 2021, when the Agenda for the September 21, 2021 was published.

On September 17, 2021, the Auditor-Contoller's Office closed the FY 2020-21 financial records, finalizing the fund balance amounts that will need to be included in the Adopted Budget. The General Fund fund balance totaled \$50,099,235; \$10,553,291 above what was included in the recommended Adopted Budget Changes. On September 21, 2021, the Board directed that this funding be used to increase General Fund Contingency by \$5,553,291, for a total of \$20,053,291, and create a Caldor Fire Designation of \$5,000,000.

Staff have prepared two resolutions for Board approval. The first resolution adopts the County Budget and Budgets for Board Governed Special Districts for Fiscal Year 2021-22. The resolution contains Exhibit 1 the Recommended Adopted Budget Documents as they were presented to the Board on September 21, 2021. The recommended Adopted Budget includes additions and revisions to Fixed

Assets, and per Board Budget Policy B-16, Exhibit 2 is a list of Fixed Assets for Fiscal Year 2021-22 that were included in the Recommended Budget, approved by the Board prior to September 21, 2021, or included in the recommended Adopted Budget changes. Exhibit 3 reflects Board direction from September 21, 2021 regarding General Fund fund balance. The Resolution references further budget detail that can be found at Chief Administrative Office website located at <https://www.edcgov.us/Government/CAO/Pages/Fiscal-Year-2021-2022-Recommended-Budget.aspx>

The Adopted Budget Resolution delegates the authority to adjust fund balance to actual fund balance amounts following the close of the FY 2020-21 financial records. The financial records closed five days before the publishing of this agenda item. The budget amendment in this item adjusts General Fund fund balance per Board direction provided on September 21, 2021. All other funds will be adjusted as outlined in the Budget Resolution and will be brought back to the Board in a budget amendment before November 1, 2021.

The second resolution for Board approval is an amendment to the Fiscal Year 2021-22 Personnel Allocation that adds an additional 6.0 full time equivalent (FTE) allocations. The Resolution reflects staffing changes outlined in the recommended Adopted Budget narratives for the Auditor-Controller, Clerk of The Board, Chief Administrative Office, District Attorney, Information Technologies, Planning and Building, Public Defender, Recorder-Clerk, and the Surveyor. One Administrative Technician (1.0 FTE) position in Planning and Building is included in the resolution for the Cemeteries program. This position was discussed as part of the Cemeteries Workplan and was included in the budget narrative and budget changes, but was inadvertently left out of the Summary section of the Recommended Adopted Budget document and presentation. On September 21, 2021 the Board conceptually approved the addition of 3.2 full time equivalent allocations to the Assessor's Office. These positions will be added by resolution; that will be brought to the Board once Human Resources and the Assessor's Office have made a final determination of the specific allocations to be added.

Following publication of the Recommended Adopted Budget and the Board meeting on September 21, 2021, it was determined that there was a clerical error in the budget table for fund 1353, County Service Area 3 Ambulance Service. Rather than reducing contingency by \$313,509 to offset the needed increase in appropriations the use of fund balance should have been increased by \$313,509. This adjustment has been included in the proposed budget amendment and does not have an impact on the County General Fund. The approved budget amendment will be processed by the Auditor-Controller's Office and incorporated into the Adopted Budget reports that will be submitted to the State Controller's Office.

PRIOR BOARD ACTION

See above.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

All Departments have participated in the development of FY 2021-22 Budget.

FINANCIAL IMPACT

Countywide Budget Adoption

CLERK OF THE BOARD FOLLOW UP ACTIONS

Obtain the Chair's signature on both resolutions and the budget amendment, if approved.

CONTACT

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