

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
September 3, 2008
9:30 A.M.

To: Board of Supervisors

From: Terry Schutten
County Executive

Subject: Recommended Fiscal Year 2008-09 Final Budget

Supervisory
District: All

Contact: Navdeep S. Gill, Chief Operations Officer, 874-5803
Linda Foster-Hall, County Budget Officer, 874-2453

RECOMMENDATIONS:

1. Approve the attached Schedules changing the Fiscal Year 2008-09 Adopted Proposed Budget and constituting approval of the Final Budget for Fiscal Year 2008-09 pending the adoption of the State Budget.
2. Approve the reorganization of the Office of Compliance – Health Insurance Portability and Accountability Act (HIPAA) oversight and the County Clerk/Recorders activities to improved continuity of service to both programs.
3. Adopt a Resolution extending the date of the final adoption of the County's Fiscal Year 2008-09 Budget Resolutions until sixty days after the adoption of the California State Budget.

BACKGROUND:

The Board of Supervisors adopted the Fiscal Year 2008-09 Proposed Budget on June 18, 2008. This year the budget process was changed so that all substantive local items regarding the Fiscal Year 2008-09 Adopted Proposed Budget (including additional requests made by departments and reductions necessary to balance the budget) were dealt with at the Proposed Budget Hearings. The only remaining actions that the Board is required to make during this Final Budget Hearing are:

1. Recognize actual financial results from the previous fiscal year.
2. Approve technical accounting adjustments that have been made to the Adopted Proposed Budget (reflecting an offset to cost as a reimbursement vs. a revenue).

3. Conduct a workshop on the Capital Improvement Program.
4. Adopt a Resolution extending the deadline for final adoption of the County's Fiscal Year 2008-09 Budget to sixty days from the date of adoption of the budget for the State of California.

DISCUSSION:

The County's total budget as reflected in the table below is \$5.27 billion. This is growth of approximately 3.7 percent (\$0.188 billion) from the Fiscal Year 2007-08 Final Budget of \$5.08 billion. The largest increase in the budget is for the Airport because of the terminal construction project at the International Airport.

Funds	Appropriations	Financing	Net Cost¹	Positions
General Fund	\$ 2,198,548,126	\$ 1,583,556,874	\$ 614,991,252	10,480.0
County Library	26,975,960	26,975,960	0	0.0
Economic Development & Intergovernmental Affairs	47,928,599	47,928,599	0	23.8
Environmental Management	22,026,879	22,026,879	0	137.8
Golf Fund	8,922,536	8,922,536	0	9.0
Transient-Occupancy Tax	10,410,186	10,410,186	0	0.0
Transportation	195,492,510	195,492,510	0	0.0
Water Resources	302,830,967	173,116,938	129,714,029	271.0
Airport System	1,166,790,709	166,793,601	999,997,108	414.0
Waste Management and Recycling	97,942,691	97,942,691	0	289.0
Other Operating Funds	249,844,074	249,844,074	0	141.2
Other Enterprise Funds	10,799,395	3,968,206	6,831,189	10.0
Other Internal Service Funds	534,384,222	510,177,303	24,206,919	1,703.1
Other Public Service Enterprise Funds	77,978,448	77,978,448	0	758.0
Other Special Revenue Funds	318,143,920	318,143,920	0	115.5
Total	\$ 5,269,019,222	\$ 3,493,278,725	\$ 1,775,740,497	14,352.4

¹ Net Cost for the General Fund is financed with General Purpose Financing Revenues. Net Cost for other funds are financed with Retained Earnings.

The General Fund is the largest fund in the County Budget at \$2.199 billion. General Fund departments provide a broad range of public services. The County's general purpose financing (\$614.99 million) is allocated to the General Fund to provide the local share of costs for both mandated and discretionary programs. All other funds in the County Budget are financed with earmarked or restricted revenues. While the Board of Supervisors has more discretion over resource allocation and service levels in the General Fund, state and federal mandates on spending severely curtail that discretion and flexibility. Counties are political subdivisions of the State of California and are responsible for the delivery, on a local level, of state and federal services. Most of the funding for these services comes from state and federal sources (approximately two-thirds of all financing in the General Fund comes from other governmental sources).

I. GENERAL FUND FISCAL YEAR 2007-08 YEAR-END RESULTS

After the Fiscal Year 2007-08 financial books closed, the unaudited year-end results indicate that actual total General Fund balance/carryover is \$23.36 million, a decrease of \$5.16 million over the year-end estimate balance/carryover included in the Fiscal Year 2008-09 Adopted Proposed Budget. While many departments/budget units had improvements to year-end carryover beyond estimated projections, there were several departments/budget units that had results worse than originally anticipated. Departments which experienced decreased carryovers compared to their estimates have

made adjustments to their spending plans to balance their budgets. The majority of these decreased carryovers identified below were the result of accounting issues that were addressed in the final budget document.

Budget Unit	Department	Amount
4010000	BOARD OF SUPERVISORS	(241,135)
4210000	CIVIL SERVICE COMMISSION	(4,186)
5730000	COUNTY EXECUTIVE CABINET	(1,988)
5750000	CRIMINAL JUSTICE CABINET	(5,553)
5760000	NEIGHBORHOOD SERVICES	(392,101)
5910000	COUNTY EXECUTIVE	(41,056)
6110000	DEPT OF REVENUE RECOVERY	(593)
6400000	REGIONAL PARKS	(63,683)
6610000	PLANNING	(438,988)
6700000	PROBATION	(1,420,686)
7090000	EMERGENCY OPERATIONS	(12,796)
7230000	JUVENILE MEDICAL SERVICES	(18,277)
7400000	SHERIFF	(1,743,510)
7410000	CORRECTIONAL HEALTH SERVICES	(366,889)

Attachments IA and IB reflect the Fiscal Year 2007-08 year-end results for General Fund departments/budget units.

II. STATE BUDGET UPDATE

At the time of this writing, the legislature was continuing budget deliberations. Assuming that a State Budget is passed before the start of County Budget Hearing process, the Office of Budget and Debt Management (OBDM) will present the impacts of the State Budget in the opening remarks.

Additionally, a resolution has been drafted by County Counsel allowing the Board to extend the final adoption of the County's Fiscal Year 2008-09 Final Budget until sixty days from the date of adoption of the State's budget. This additional time will provide the Agency Administrators and staff the opportunity to review the final budget legislation for any actions that impact the county's operations.

In-Home Supportive Services (IHSS)

There is currently a \$10.3 million unfunded cost in the In-Home Supportive Services (IHSS) program. Since January when the governor's budget was submitted, there have been numerous proposals to modify the program and/or the cost sharing elements at the state level. While many of those proposals have not been accepted by the legislative budget committees, there is still uncertainty about what (if any) program reductions will come out of the continuing budget negotiations. Therefore, it is still recommended that the Board not take any action regarding this program until after the State adopts its budget. Depending upon the State's actions, the required additional funding for this program could change. Therefore, it is premature to craft a solution for

this shortfall at this juncture. Once the State's budget is adopted, the full nature of the issue surrounding this program will be known.

IHSS Task Force

During Proposed Budget Hearings, the Board directed the County Executive to establish an interdepartmental task force to look at various programmatic issues surrounding the IHSS program. Specifically the task force was to come to a common understanding of the program elements, total costs/county share of costs, program growth for Sacramento County compared to regional and statewide trends and the potential for fraud. The task force has been established and has been meeting on a regular basis. The members of the task force include:

- Chief Operating Officer
- County Budget Officer
- Representatives from the Countywide Services Agency
- Representatives from the District Attorney's Office
- Representatives from the Department of Health and Human Services
- Representatives from the Department of Human Assistance
- Representatives from the IHSS Public Authority
- Consultants and subject matter experts as necessary

The task force will report back to the Board with their findings in approximately four months.

The Department will report back to the Board on a quarterly basis (beginning in September 2008) with their monitoring efforts of caseloads, hours and the net cost to the county of the IHSS program.

III. SUMMARY OF NET COST ADJUSTMENTS IN THE GENERAL FUND TO THE ADOPTED PROPOSED BUDGET FOR THE RECOMMENDED FINAL BUDGET

Historically, there are various adjustments in the net cost of the General Fund after the adoption of the Proposed Budget. These adjustments are generally the result of departmental changes associated with fully-funded program augmentations or grants, unavoidable cost increases in existing base programs, changes in state allocations and/or carryover. The departments and agency staff have worked to reduce these types of changes between the Adopted Proposed budget and the Final Recommended budget. This year, there was very little betterment other than those associated with the recognition of fund balance resulting in no additional funding available to offset any additional program growth. (See Attachment II for details).

IV. SUMMARY OF FISCAL YEAR 2008-09 RECOMMENDED FINAL BUDGET

The following table summarizes the 2008-09 Recommended Final Budget for the General Fund:

2008-09 Recommended Final General Fund Budget							
(Amounts Expressed in millions)							
Program	Appropriations	Estimated Revenues	Net Cost	Carry-Over	Allocation	2008-09 Percent of Allocation	2007-08 Percent of Allocation
<u>ELECTED OFFICIALS</u>							
Assessor	\$ 16.14	\$ 6.27	\$ 9.87	\$ 1.87	\$ 8.00	1.38%	0.70%
Board of Supervisors	4.87	0.73	4.14	0.33	3.81	0.66%	0.61%
District Attorney	72.01	24.11	47.90	0.99	46.91	8.10%	6.61%
Sheriff	362.21	189.41	172.80	(5.19)	177.99	30.73%	28.63%
Correctional Health Services	42.98	20.83	22.15	(0.22)	22.37	3.86%	3.15%
SUBTOTAL	\$ 498.21	\$ 241.35	\$ 256.86	\$ (2.22)	\$ 259.08	44.73%	39.72%
<u>COUNTYWIDE SERVICES</u>							
Child Support Services	\$ 32.46	\$ 32.39	\$ 0.07	\$ -	\$ 0.07	0.01%	0.02%
Health and Human Services	492.61	452.07	40.54	1.01	39.53	6.83%	6.90%
Health Treatment Account	43.39	20.44	22.95	0.00	22.95	3.96%	3.81%
Human Assistance-Admin.	277.90	245.62	32.28	2.85	29.43	5.08%	5.70%
Human Assistance-Payments	385.67	343.09	42.58	0.00	42.58	7.35%	7.06%
IHSS Provider Payments	62.78	49.53	13.25	0.00	13.25	2.29%	2.20%
Probation	128.01	56.90	71.11	1.50	69.61	12.02%	10.03%
Public Defender	28.26	1.09	27.17	0.80	26.37	4.55%	4.12%
Other	117.56	44.94	72.62	3.01	69.61	12.02%	12.18%
SUBTOTAL	\$1,568.64	\$1,246.07	\$ 322.57	\$ 9.17	\$ 313.40	54.11%	52.03%
<u>GENERAL</u>							
GOVERNMENT/COO	\$ 48.60	\$ 13.11	\$ 35.49	\$ 15.53	\$ 19.96	3.45%	-0.06%
INTERNAL SERVICES	54.26	51.61	2.65	0.03	2.62	0.45%	6.96%
MUNICIPAL SERVICES	35.87	21.69	14.18	0.85	13.33	2.30%	2.44%
CONTINGENCIES	3.00	0.00	3.00	0.00	3.00	0.52%	0.83%
RESERVE CHANGES	(32.24)	0.00	(32.24)	0.00	(32.24)	-5.57%	-1.92%
TOTAL	\$2,176.34	\$1,573.83	\$ 602.51	\$ 23.36	\$ 579.15	100.00%	100.00%

The total requirement for departmental appropriations and the recommended reserve increases are just over \$2.19 billion. Approximately 93.1 percent of total appropriations (spending) are for departments of elected officials and for countywide services programs. All other programs, the contingency, and the reserve decreases amount to 6.91 percent of the total appropriations. Most of the General Government and Human Resources programs provide at least some support to the elected department heads and countywide services programs.

The financing for the expenditures and reserves may be summarized:

(Amounts Expressed in Millions)

DEPARTMENTAL REVENUES	\$1,573.84	71.59%
DEPARTMENTAL CARRYOVER	\$9.72	0.44%
NON DEPARTMENTAL REVENUE	\$614.99	27.97%
	<u>\$2,198.55</u>	<u>100.00%</u>

Over 71 percent of the financing comes from departmental revenues which are predominately from state and federal sources. Departmental carryover of \$9.72 million represents 0.44 percent of total financing and is being made available for departmental use.

The general purpose financing is not dedicated to any specific program or function. The general purpose financing makes up 27.9 percent of overall financing in the General Fund and consists of non-departmental general revenues (such as property tax, sales tax, vehicle license fees, utility tax, etc.), transfers in from other funds, and reserve changes. Certain expenditures, such as interest expense on the annual cash-flow borrowing and tax collection fees, are netted against the financing sources.

V. RECOMMENDED INCREASES/DECREASES TO GENERAL FUND RESERVES BETWEEN ADOPTED PROPOSED AND RECOMMENDED FINAL BUDGET

Departmental Carryover Reserve

OBDM normally recommends that any additional carryover for General Fund departments generated between Proposed and Final Budget Hearings be added to our General Fund reserves as a financing source for the next fiscal year. This budget policy was established by the Board in February 2003, and has been followed for the past four fiscal years. However, this year, in order to balance the proposed budget, an additional \$8.6 million of departmental carryover was already budgeted in the Adopted Proposed Budget. At that time, it was acknowledged that if the departments saved more than the \$8.6 million, an additional carryover reserve would be established. However, once the Fiscal Year 2007-08 year-end balances were known, department's overall carryover decreased by an aggregate of \$6.96 million. Therefore, there will be no earmarking of carryover for departments to use as a funding offset for Fiscal Year 2009-10.

Teeter Reserve

At the end of Fiscal Year 2007-08, the secured and unsecured property tax delinquencies were higher than anticipated. As a result, pursuant to statutory requirements, the Teeter Tax Loss Reserve was increased by \$3,289,955 to \$19,540,733 for Fiscal Year 2008-09. The Tax Loss Reserve is a statutory prerequisite of the Teeter Plan and has no relationship to the borrowing through the Treasurer's Pooled Fund.

VI. TRANSIENT-OCCUPANCY TAX (TOT) FUND -- ALLOCATIONS TO COMMUNITY AND CIVIC PROGRAMS

The total available financing for Fiscal Year 2008-09 is \$10,410,186, an increase of \$807,913 from the Adopted Proposed Budget. This increase is largely due to an increase in year-end fund balance of \$730,875 that is the result of an accounting error that failed to encumber funds for year-end

rollover. The fund balance for Fiscal Year 2007-08 (\$77,038) is being recommended to support Economic Development operations. (See Attachment III)

VII. FISCAL YEAR 2007-08 YEAR-END RESULTS FOR OTHER FUNDS

Community Services Fund

Community Services (Budget Unit 860000) (Fund 012) fund balance was \$216,659 greater than estimated for the Adopted Proposed Budget which resulted in a \$216,659 reduction in General Fund transfers to this budget unit.

Economic Development and Intergovernmental Affairs Fund

The year-end fund balance decreased by \$2,096,231 due to a combination of less overall revenues (approximately \$6,000,000) and less expenditures than anticipated in Fiscal Year 2007-08 (approximately \$4,000,000, after being adjusted for encumbrances).

The decrease in revenues of approximately \$6,000,000 is mainly due to less revenue activity at McClellan.

The decrease in expenditures, adjusted for encumbrances, of approximately \$4,000,000 is mainly due to various expenses, anticipated in Fiscal Year 2007-08, but now budgeted to be expended in Fiscal Year 2008-09, for the divisions of McClellan (approximately \$3,200,000), Mather (approximately \$300,000) and the Economic Development Special Projects Fund (approximately \$500,000).

Fiscal Year 2008-09 appropriations and revenues have been adjusted accordingly to account for the decreased fund balance.

Tobacco Litigation Settlement Fund

On November 15, 2005, the Board approved refinancing the 2001 Tobacco Litigation Settlement Bond, to reduce the County debt service on prior bonds. Under the original deallocation schedule, the County was able to fund county-operated programs in the Tobacco Litigation Settlement endowment program. Based on the current deallocation schedule, only new and expanded programs by tax-exempt qualified nonprofits organizations other than the County itself, or qualified capital projects can be funded with the original 2001 Bonds.

To mitigate the problem caused by ending the funding generated from the original Bonds, the Board approved passing normal capital/maintenance costs through the Tobacco Litigation Settlement Fund (Fund 008A) to "free-up" other county funds for the programs originally funded by the Tobacco Litigation Settlement revenues.

The Fiscal Year 2007-08 fund balance increased by \$93,262 primarily due to an increase in unanticipated interest earnings of \$139,159 and an increase in Tobacco Cessation Program contract

payments of \$45,897. A release of reserves in the amount of \$4,679,635 is necessary to fund the Fiscal Year 2008-2009 budget leaving a remaining reserve balance of \$36,127,376

Teeter Fund

The Teeter Plan of Tax Apportionment fund balance was \$19,605,103 or \$12.86 million higher than anticipated. The significant increase in available fund balance is due to higher than anticipated delinquent tax collection at year end. The fund balance will be used to finance Fiscal Year 2008-09 debt service payments on July 1, 2008.

Golf Fund

Fund balance decreased by \$98,605 due to lower than anticipated revenues. An appropriation decrease of \$1,808 reflects a reduction in budgeted cost of living adjustments, group insurance, facility and surplus property charges. A revenue increase of \$96,797 reflects increases in food and recreational concession revenues, an increase in green fees effective January 2009 and the Department of General Services refund of retained earnings.

Insurance Funds

The County utilizes three separate funds to accumulate charges and payments for Workers' Compensation Insurance, Liability/Property Insurance, and Unemployment Insurance. The County is basically self-insured for Workers' Compensation Insurance and Liability/Property Insurance; however, the County does purchase additional coverage above the self-insured retention levels of \$2.0 million. All three insurance funds are financed through a combination of charges to county departments and retained earnings.

Charges to county departments for all three insurance funds are determined on the basis of each department's claims experiences and exposure. The County has several higher risk services, particularly in the provision of municipal services to the Unincorporated Area. The following table reflects adopted insurance funds charges for the 2007-08 Fiscal Year and recommended charges for the 2008-09 Fiscal Year:

Insurance Funds Charges			
	Adopted 2007-08	Recommended 2008-09	Variance
Workers' Compensation	38,579,882	30,407,887	-8,171,995
Liability/Property	19,178,656	20,461,935	1,283,279
Unemployment	<u>2,029,068</u>	<u>2,021,133</u>	<u>-7,935</u>
TOTAL	59,787,606	52,890,955	-6,896,651

Overall recommended charges are lower for Fiscal Year 2008-09.

Cost reductions in the Workers' Compensation Insurance program are due primarily to reductions in legal services, reporting services and workers compensation payments. In addition, a reserve

provision of \$5.0 million was eliminated and an additional \$2.0 million reduction in charges was passed through to county departments.

Costs for the Liability/Property Insurance program have increased as the result of increased insurance premium costs.

Cost reductions in the Unemployment Insurance program are primarily attributable to reductions in unemployment claim expenses, actuarial services and benefit services. In addition, \$1.2 million in retained earnings was rebated to county departments.

VIII. FISCAL YEAR 2007-08 YEAR-END RESULTS FOR CAPITAL CONSTRUCTION FUND

The Capital Construction Fund (CCF) typically budgets projects based on anticipated expenditures. Often the design, engineering and construction are not completed within the fiscal year in which a project is authorized, or, on occasion, the succeeding fiscal year. Those encumbered funds have a significant effect on the fund balance. When a large project is financed, CCF typically provides the financing for the expense and receives reimbursement for those expenses. Since the revenue is received in arrears, it is not listed as a balancing entry for the encumbrance. This may have the effect of creating a large negative fund balance.

Also prior to Fiscal Year 2002-03, construction contract encumbrances were liquidated at year-end and then rebudgeted, which resulted in a fund balance unaffected by multiyear construction contracts. That practice was changed in Fiscal Year 2002-03. From that point on, multiyear construction contracts have been encumbered for the entire amount of the contract, negatively impacting year-end fund balances.

In Fiscal Year 2007-08, multiyear construction projects were awarded including the Juvenile Hall 120-Bed Expansion, the New Animal Care Facility and Phase III of the Juvenile Hall Expansion and Modification project. As a result of the award of these multiyear construction projects and other encumbrances, CCF ended the fiscal year with a negative fund balance of \$25,825,939. The Recommended Final Budget has been adjusted to account for the decrease in fund balance.

IX. FISCAL YEAR 2007-08 YEAR-END RESULTS FOR MUNICIPAL SERVICES AGENCY (MSA) GOVERNMENTAL/ENTERPRISE FUNDS

MSA adjustments to the Recommended Final Budget generally reflect changes resulting from the Fiscal Year 2007-08 Available Fund Balance at year-end. Overall, there is a net decrease in appropriations of \$31.8 million with total appropriations exceeding \$89.4 million.

County Roads, Roadways, and Transportation Sales Tax increased by \$32.5 million. These funds involve a construction program that is adopted as a long-range plan (five to seven years) and are managed through a series of approved annual expenditure plans. Due to the multiple-year demands of the projects, the annual budget represents the portion of the five to seven year construction plan that can reasonably be accomplished in the current fiscal year. Actual project expenditures generally differ from the budget due to many factors affecting project life cycles, i.e. environmental

issues, public discussion, legal opinions, right-of-way acquisitions, availability of consultants and contractors, and weather. Consequently, adjustments are almost entirely due to the necessity of rebudgeting for work that was planned, but could not be accomplished, in Fiscal Year 2007-08.

Water Agency and Stormwater Utility District fund appropriations have decreased by \$60.9 million primarily due to an overstatement of construction costs resulting from the encumbrance of the full contract amount for the Vineyard Surface Water Treatment Plant in the Water Agency Enterprise Fund. Due to the encumbrance of the full contract amount, those costs no longer needed to be included in the 2008-09 final budget appropriations. Other funds within the Water Agency and Stormwater Utility experienced some adjustments due to shifting project timelines.

Special district budgets administered by the Infrastructure and Finance Section have decreased \$10.3 million. The majority of this decrease can be attributed to decreased special assessment revenues and activities in the Metro Air Park Community Facilities District (CFD), Metro Air Park Service Tax, North Vineyard Station Specific Plan and Laguna CFD.

An increase of \$9.0 million in the Solid Waste Enterprise is primarily due to a recently approved collection and tipping fee increase and one-time transfer of retained earnings from General Services as well as a year end fund balance increase related to various position vacancies including the Director of Waste Management and Recycling and the deferral of the use of Solid Waste Authority Franchise fee revenues from Fiscal Year 2007-08 to Fiscal Year 2008-09.

Water Quality's Sacramento Area Sanitation District and Sacramento Regional County Sanitation District budgets decreased a total of \$2.0 million due to reductions resulting from the decrease of 0.1 percent in the cost of living adjustment and additional reductions associated with vacancy levels.

Miscellaneous changes in the remaining MSA funds resulted in a net decrease of \$0.1 million and include changes in labor rates, service agreements and equipment needs.

The changes between the Proposed and Final Budget for MSA in the Governmental and Enterprise funds are summarized in Attachment IV.

X. FISCAL YEAR 2007-08 YEAR-END RESULTS FOR AIRPORTS ENTERPRISE

Sacramento County Airport System

Ending working capital for Fiscal Year 2007-08 increased by \$331,187,245 due to the issuance of new bonds. The increased working capital plus additional bond proceeds in Fiscal Year 2008-09 will fund the Terminal Modernization Program to accommodate future growth of the Airport System, as well as projects that will extend the useful life of airport facilities.

XI. FISCAL YEAR 2007-08 YEAR-END RESULTS FOR SPECIAL DISTRICTS

All district budgets as submitted are balanced. Following is a brief summary of year-end results for the county's special districts (See Attachment V):

CSA 4B

Fund balance decreased by \$29,005 due to higher than anticipated expenditures and lower revenues. An appropriation decrease of \$29,005 reflects reduced maintenance services.

CSA 4C

Fund balance decreased by \$40,287 due to higher than anticipated expenditures. An appropriation decrease of \$40,287 reflects reduced maintenance services. Revenues increased \$43 due to the Department of General Services refund of retained earnings.

CSA 4D

Fund balance increased by \$2,780 due to lower than anticipated expenditures. The reserve release has been reduced by \$2,780 due to the increased available financing.

Del Norte Oaks Park Maintenance District

Fund balance increased by \$1,174 due to lower than anticipated expenditures and higher revenues. The reserve provision has increased by \$1,174 due to the increased available financing.

Fish and Game Propagation

Fund balance increased by \$13,557 due to lower than anticipated expenditures. The reserve release decreased \$13,363 and reserve provision increased \$194 due to the higher fund balance.

Carmichael Recreation and Park District

Fund balance decreased by \$1,228,286 due to the encumbrance of funds for the Patriots Park construction project during 2007-08 and less than anticipated revenues. An appropriation decrease of \$29,270 reflects increases in salaries and benefits due to cost of living adjustments and the addition of 1.0 Payroll/Account Clerk position, increased maintenance and other miscellaneous services and supplies, capital improvement accounts for projects at various district sites; offset by reduced costs for the Patriots Park project funded in 2007-08. Revenues increased by \$1,200,402 due to increased grants, in-lieu taxes, recreation service charges and the Department of General Services refund of retained earnings. The reserve provision increased by \$1,404 due to increased available financing.

Mission Oaks Recreation and Park District

Fund balance increased by \$305,368 due to lower than anticipated expenditures and higher revenues from property taxes, recreation programs and facility rentals. An appropriation increase of \$331,866 reflects the deletion of 1.0 Park Maintenance Supervisor and the addition of 2.0 Sr. Park Maintenance Worker positions, extra help staffing for Building Bridges program, and replacement of equipment and vehicles; offset by reductions to various service and supply accounts. Revenues increased by \$338,000 due to increased building rental income and state grant funding for Building

Bridges program; offset by a reduction in leased property charges. The reserve release decreased by \$165,589 and the reserve provision increased by \$157,155 due to the increased available financing.

Mission Oaks Maintenance/Improvement District

Fund balance increased by \$1,185,386 due to reduced expenditures and additional revenue from grant reimbursements, assessment revenue and wireless communication facility leases, and a reserve provision that was not posted in 2007-08. An appropriation increase of \$84,000 reflects increased water charges transferred from the operating budget, new equipment purchases, increased contract patrol services and increases in various maintenance and improvement projects, offset by reductions in planning costs, equipment replacement and contingency appropriation. Revenues have increased by \$11,000 due to new lease revenue, offset by reductions in interest income and reimbursement for maintenance projects. The reserve release decreased by \$42,629 and the reserve provision increased by \$1,069,757 due to increased available financing.

Sunrise Recreation and Park District

Fund balance increased by \$138,931 due to lower than anticipated expenditures. An appropriation increase of \$241,142 reflects increases in salaries for staffing an after school program, insurance liability costs, fuel costs, improvements at various sites and new equipment purchases, offset by a decreased contingency appropriation. Revenues have increased by \$102,210 due to increased grant funding for after school program, trust fund fees and in-lieu assessment fees, offset by a reduction in property tax, state grant funding and miscellaneous revenues.

Antelope Assessment District

Fund balance increased by \$737,148 due to lower than anticipated expenditures. An appropriation increase of \$737,148 reflects an increase in contingency appropriation.

Natomas Fire District

Fund balance increased by \$507,041 due to a year-end actual revenues for 2007-08 coming in \$365,479 higher than budgeted and expenditures coming in \$141,562 lower than projected for Fiscal Year 2007-08.

XII. STRATEGIC PLAN

In an ongoing effort to align the budget priorities with the Board strategic objectives, OBDM has expanded the budget program database to include the strategic objectives that the Board adopted on April 18, 2006. The entire county budget, including the enterprise and internal service funds, is tracked and reported to the Board by the six major strategic issues.

Strategic Issue	Appropriations	Estimated Financing	Net Cost	Percent Net Cost	Positions
Strong and Healthy Families	\$ 1,337.50	\$ 1,196.13	\$ 141.37	8%	5,021.4
Law and Justice	857.9	452.7	405.2	23%	4,113.9
Transportation	1,423.6	423.5	1,000.1	56%	775.0
Public Health and Safety	606.7	463.9	142.8	8%	1,976.3
Sustainable and Livable Communities	238.0	221.5	16.5	1%	356.5
Economic Growth	55.8	51.5	4.3	0%	66.0
General Government	9.1	13.8	(4.7)	0%	175.3
Internal Services	740.3	670.2	70.1	4%	1,868.0
GRAND TOTAL	\$ 5,268.90	\$ 3,493.28	\$ 1,775.62	100%	14,352.4

¹ Net Cost for the General Fund is financed with General Purpose Financing Revenues. Net Cost for other funds are financed with Retained Earnings.

Last year the Board also asked that the year to year changes in net costs and positions be reported.

Strategic Issues	FY 2007-08		FY 2008-09		Year to Year	
	Net Cost	Positions	Net Cost	Positions	Net Cost	Positions
Strong and Healthy Families	\$ 122.90	5,082.8	\$ 141.39	5,021.4	\$ 18.49	(61.35)
Law and Justice	382.61	4,147.4	405.24	4,113.9	22.63	(33.50)
Transportation	543.75	772.0	1,000.06	775.0	456.32	3.00
Public Health and Safety	324.66	2,042.0	142.81	1,976.3	(181.85)	(65.70)
Sustainable and Livable Communities	16.47	416.2	16.52	356.5	0.04	(59.65)
Economic Growth	4.54	73.1	4.30	66.0	(0.24)	(7.10)
General Government	15.14	48.6	(4.64)	175.3	(19.77)	126.70
Internal Services	77.19	1,952.4	70.06	1,868.0	(7.13)	(84.40)
GRAND TOTAL	\$ 1,487.25	14,534.5	\$ 1,775.74	14,352.4	\$ 288.49	(182.00)

1. The most significant increase was in Transportation caused predominately from the increased appropriation associated with the Terminal Modernization Project.
2. The decrease in net cost for Public Health and Safety is predominately the result of the changes in appropriations for the Water Agency and Stormwater Utility District. The changes reflect changes in construction costs for the Vineyard Surface Water Treatment Plant in the Water Agency Enterprise Fund.
3. There are two issues that are affecting the change in positions between the fiscal years>
 - a. The centralization of the Department of Personnel Services has resulted in an increase in positions in the General Government category and the reduction of a like number of positions throughout the various other strategic categories.
 - b. The overall decrease in position is the result of the various program changes that the Board enacted at the Proposed Budget Hearings in June 2008.

XIII. COUNTY CLERK/RECORDER AND OFFICE OF COMPLIANCE RECORDS RETENTION JOINT EFFORT

When the County Clerk/Recorder Department was established in 2005 it was anticipated that existing staff would be able to assist with a countywide records retention program; however, since a 2007 legislative action added the Social Security Number Truncation program, the County Clerk/Recorder has been unable to complete a comprehensive inventory of records due to staff constraints. In its Fiscal Year 2008-09 Proposed Budget the Board of Supervisors approved three additional positions for the County Clerk/Recorder to assist in the countywide effort.

Subsequently an analysis was conducted to see if savings could be realized by combining the activities of the Office of Compliance related to HIPAA oversight and the countywide records

retention program. This analysis supported the combination as the result of improved continuity of service to both programs, creation of adequate redundancy for the complete support of HIPAA oversight and an enhanced countywide records management program.

To effectuate the combining of these efforts the three positions approved for the County Clerk/Recorder in the Fiscal Year 2008-09 Proposed Budget will be reallocated to two positions and transferred to the Office of Compliance. The budgetary change will be reduced costs of \$56,934 to the Department of Health and Human Services (DHHS) due to economies realized by the combination and assignment of costs to the County Clerk/Recorder previously charged to DHHS. The new activities in the Office of Compliance will be supported using dedicated funds under Government Code Section 27361.4(a) as appropriate to the extent that the efforts benefit the County Clerk/Recorder.

There will be no additional general fund costs as a result of implementing the above operational change.

XVI. REPORT BACK FROM THE COUNTY EXECUTIVE ON THE PROVISION OF INDIGENT DEFENSE AND REPRESENTATION OF CONFLICTS AND/OR OVERLOADS IN THE PUBLIC DEFENDERS OFFICE.

During the Proposed Budget Hearings the Board requested a report back on the various options of providing indigent defense and representation of conflicts and/or overloads. The research on this item has not been finalized. It is anticipated that the report will be finalized within the next six months.

XVII. ADOPTION OF BUDGET RESOLUTIONS

Following the conclusion of this Final Budget Hearing, it is recommended that the Board adopt a resolution extending the date of the final adoption of the County's Fiscal Year 2008-09 Final Budget until sixty days after the adoption of the California State Budget. Once the State's spending plan is finalized, staff will quickly review the impacts and return to the Board with any additional modifications necessary to finalize the County's document. At the conclusion of that discussion the Board will direct the Department of Finance to prepare the annual budget resolutions for adoption. Generally the Department of Finance will return within two to three weeks with the final resolutions for the Board's approval.

XVII. SCHEDULE FOR FINAL BUDGET HEARINGS

Following is the schedule for the Final Budget Hearings:

September 3, Wednesday 9:30 a.m.	<u>Overview, Recognition of Fund Balance</u> <u>Five-Year Capital Improvement Plan</u>
September 11, Thursday 9:30 a.m.	<u>Continue Final Deliberations (if necessary)</u>

Respectfully submitted,

TERRY SCHUTTEN
County Executive

LFH: sf

cc: County Counsel; Agency Administrators; Department Heads; County Executive Analysts;
Department Administrative and Fiscal Staff

Attachments

- I-A. Fund Balance Analysis, Year-End Results For General Fund Departments
- I-B. Changes In Carryover Between Proposed And Final Recommended, Carryover Reserve For Certain General Fund Budget Units
- II. Summary of Net Cost Adjustments In The General Fund To The Adopted Proposed Budget
- III. Transient-Occupancy Tax Fund Allocation Summary
- IV. Municipal Services Agency's Governmental/Enterprise Funds Financing Changes
- V. Special Districts Budget Summaries
- VI. Final Budget Schedules (Binders)

County of Sacramento

Changes in Carryover Between Proposed and Final Recommended

FUND	BU	NAME	Dept Carryover Final 2007-08	Dept Carryover Proposed Budget 2007-08	Department Carryover Change	Department Reductions/ Usage	One-Time Additional Allocation	Total
001A	3610000	ASSESSOR	1,867,208	1,638,777	228,431	0		228,431
001A	4010000	BOARD OF SUPERVISORS	332,840	573,975	(241,135)	(120,630)	120,505	431
001A	5800000	DISTRICT ATTORNEY	988,966	694,581	294,385	0		294,385
001A	7400000	SHERIFF	(5,187,522)	(3,444,012)	(1,743,510)	(1,743,510)	0	0
001A	7410000	CORRECTIONAL HEALTH SERVICES	(217,031)	149,858	(366,889)	(366,889)	0	0
		Subtotal - ELECTED OFFICIALS	(2,215,539)	(386,821)	(1,828,718)	(2,231,029)	120,505	522,816
001A	4210000	CIVIL SERVICE COMMISSION	13,031	17,217	(4,186)	(3,345)	841	0
001A	4810000	COUNTY COUNSEL	785,677	530,290	255,387	0	0	255,387
001A	5710000	DATA PROCESSING-SHARED SYSTEMS	669,064	669,064	0	0	0	0
001A	5730000	COUNTY EXECUTIVE CABINET	(1,988)	0	(1,988)	(1,988)	0	0
001A	5750000	CRIMINAL JUSTICE CABINET	223,294	228,847	(5,553)	(5,553)	0	0
001A	5910000	COUNTY EXECUTIVE	573,369	614,425	(41,056)	(41,056)	0	0
001A	5970000	LABOR RELATIONS	94,481	69,160	25,321	0	0	25,321
001A	7090000	EMERGENCY OPERATIONS	(465,714)	(452,918)	(12,796)	(12,796)	0	0
		Subtotal - GENERAL GOVERNMENT	1,891,214	1,676,085	215,129	(64,738)	841	280,708
001A	3230000	DEPARTMENT OF FINANCE	20,000	0	20,000	20,000	0	0
001A	3240000	COUNTY CLERK/RECORDER	(828)	0	(828)	(828)	0	0
001A	5740000	OFFICE OF COMPLIANCE	14,824	0	14,824	0	0	14,824
001A	6110000	DEPT OF REVENUE RECOVERY	(593)	0	(593)	(593)	0	0
		Subtotal - INTERNAL SERVICES	33,403	0	33,403	18,579	0	14,824
001A	2820000	VETERAN'S FACILITY	3,622	300	3,322	0	0	3,322
001A	3210000	AG COMM-SEALER OF WTS & MEASURES	395,667	365,636	30,031	0	0	30,031
001A	3260000	WILDLIFE SERVICES	4,499	0	4,499	0	0	4,499
001A	3310000	COOPERATIVE EXTENSION	7,542	100	7,442	0	0	7,442
001A	4410000	VOTER REGISTRATION/ ELECTIONS	50,000	0	50,000	0	0	50,000
001A	4522000	CONTRIBUTION TO THE LAW LIBRARY	7,433	1,146	6,287	0	0	6,287
001A	4610000	CORONER	110,154	100,000	10,154	0	0	10,154
001A	5020000	COURT / NON-TRIAL COURT FUNDING	1,113,376	953,596	159,780	50,641	0	109,139
001A	5040000	COURT / COUNTY CONTRIBUTION	257,815	257,815	0	0	0	0
001A	5050000	CT PAID COUNTY SERVICES	50,107	0	50,107	50,107	0	0
001A	5510000	CONFLICT CRIMINAL DEFENDERS	190,042	70,519	119,523	0	0	119,523
001A	5520000	DISPUTE RESOLUTION PROGRAM	595	0	595	595	0	0
001A	5660000	GRAND JURY	156,722	0	156,722	0	0	156,722
001A	5810000	CHILD SUPPORT SERVICES	0	0	0	0	0	0
001A	6700000	PROBATION	1,493,912	2,914,598	(1,420,686)	(1,420,686)	0	0
001A	6760000	CARE IN HOMES AND INSTITUTIONS	610,887	198,356	412,531	0	0	412,531
001A	6910000	PUBLIC DEFENDER	800,367	462,252	338,115	0	0	338,115
001A	7200000	HEALTH AND HUMAN SERVICES	1,013,708	0	1,013,708	0	0	1,013,708
001A	7230000	JUVENILE MEDICAL SERVICES	48,320	66,597	(18,277)	0	18,277	0
001A	8100000	HUMAN ASSISTANCE-ADMIN	2,849,859	0	2,849,859	0	0	2,849,859
		Subtotal - COUNTYWIDE SERVICES	9,164,627	5,547,637	3,616,990	(1,319,343)	18,277	4,954,610
001A	3220000	ANIMAL CARE AND REGULATION	233,808	200,000	33,808	0	0	33,808
001A	5690000	ENVIRONMENTAL REVIEW	538,433	101,000	437,433	437,433	0	0
001A	5760000	NEIGHBORHOOD SERVICES	291,299	683,400	(392,101)	(392,101)	0	0
001A	6400000	REGIONAL PARKS	(42,388)	21,295	(63,683)	(63,683)	0	0
001A	6610000	PLANNING	(177,346)	261,642	(438,988)	(438,988)	0	0
		Subtotal - MUNICIPAL SERVICES	843,806	1,267,337	(423,531)	(457,339)	0	33,808
DEPARTMENTAL CARRYOVER:								
		Departmental Carryover	9,717,511	8,104,238	1,613,273	(4,053,870)	139,623	5,806,766
		Additional Departmental Carryover		2,880,000	(2,880,000)	0	0	(2,880,000)
		Departmental Carryover Due to Reduced Workers' Comp Charges		5,198,301	(5,198,301)	0	0	(5,198,301)
		Departmental Carryover Due to Reduced Unemployment Ins Charges		495,707	(495,707)	0	0	(495,707)
		Subtotal-Departmental Carryover	9,717,511	16,678,246	(6,960,735)	(4,053,870)	139,623	(2,767,242)
NON-DEPARTMENTAL CARRYOVER:								
		Non-Departmental Revenues	(2,338,574)	1,310,379	(3,648,953)	0	0	(3,648,953)
		Non-Departmental Costs	2,752,337	1,689,712	1,062,625	0	0	1,062,625
		Public Defender	1,631	45,096	(43,465)	0	0	(43,465)
		DHA-Assistance Payments	8,369,769	6,017,807	2,351,962	0	0	2,351,962
		Medical Treatment Payments	(414,482)	34,174	(448,656)	0	0	(448,656)
		Data Processing-Shared Systems	1,077,222	1,374,536	(297,314)	0	0	(297,314)
		Court/County Contribution	271,296	145,629	125,667	0	0	125,667
		Personnel Services	864,660	1,219,610	(354,950)	0	0	(354,950)
		IHSS Provider Payments	242,470	0	242,470	0	0	242,470
		Voter Registration and Elections	2,109,069	0	2,109,069	0	0	2,109,069
		Finance	1,092,861	0	1,092,861	0	0	1,092,861
		Child Support Services	103,973	0	103,973	0	0	103,973
		001A Fund Balance Adjustment	(492,487)	0	(492,487)	0	0	(492,487)
		Subtotal-Non-Departmental Carryover	13,639,745	11,836,943	1,802,802	0	0	1,802,802
TOTAL GENERAL FUND CARRYOVER			23,357,256	28,515,189	(5,157,933)	(4,053,870)	139,623	(964,440)

BU	Department	Adj. Budget 2007-08 Appropriation	Expenditures 2007-08	Encumbrances	Under/ (Over) Appropriations	Adj. Budget 2007-08 Revenues	Revenues 2007-08	Over/ (Under) Est. Revenues	2007-08 Final Carryover			
									2007-08 Budget Unit Savings	Department Savings	General Fund Savings	Restricted Savings
5110000	Financing-Transf/Reimb	4,598,792	4,598,792	0	0	0	0	0	0	0	0	0
7250000	IHSS Provider Payments	65,615,155	65,395,989	0	219,166	50,797,138	50,820,442	23,304	242,470	0	242,470	0
7270000	Health-Medical Treatment Pmt	48,877,851	48,862,630	15,162	59	20,526,762	20,112,221	(414,541)	(414,482)	0	(414,482)	0
8700000	Human Assist-Aid Payment	390,234,420	360,642,574	0	29,591,846	347,652,271	326,430,194	(21,222,077)	8,369,769	0	8,369,769	0
5980000	Contingency	0	0	0	0	0	0	0	0	0	0	0
5770000	Non-Departmental Costs/GF	9,193,654	5,807,544	241,511	3,144,599	510,000	117,734	(392,266)	2,752,337	0	2,752,337	0
5700000	Non-Departmental Rev/GF	(5,131,097)	(6,084,145)	34,448	918,600	563,932,962	560,675,788	(3,257,174)	(2,338,574)	0	(2,338,574)	0
5700000	Reserve Increases	12,010,001	12,010,001	0	0	0	0	0	0	0	0	0
5700000	Reserve Cancellations	0	0	0	0	23,577,516	23,577,516	0	0	0	0	0
5700000	Fund Balance Adjustment	0	0	0	0	74,532,227	74,039,727	(492,487)	(492,487)	0	(492,487)	0
5700000	Fund Balance-Enc.(Adj)/Reserve Rel	0	0	0	0	18,580,801	18,580,801	0	0	0	0	0
SUBTOTAL-GENERAL FINANCING		525,398,776	491,233,385	291,121	33,874,270	1,100,109,677	1,074,354,423	(25,755,241)	8,119,033	0	8,119,033	0
GRAND TOTAL		2,242,713,820	2,090,990,133	13,537,273	138,186,414	2,242,713,820	2,127,884,658	(114,829,149)	23,357,256	9,717,511	13,639,745	0

INCREASED NET COST ADJUSTMENTS

(Amounts Expressed In Millions)

BUDGET UNIT/ DEPARTMENT	DESCRIPTION	NET AMOUNT
5020000 Court/Non-Trail Court Funding	Increase in net appropriations for Traffic Court	0.05
5110000 Financing-Transfers /Reimbursements	Additional funding transfer from the Transient Occupancy Tax fund to offset unfunded cost of Economic Development activities identified at Proposed Budget	0.08
7400000 Sheriff	Increased appropriation transferred from Probation for Sienna Vista Program	0.12
	Net increase in cost from changes in grant funding and carryover adjustments	0.10
General Fund - Reserves	Increased in Teeter Reserve requirements	3.30
	Increase in TRANS Reserve requirements	0.72
	Various small changes in appropriations and revenue in numerous departments.	0.71
	TOTAL	\$5.08

DECREASED NET COST FACTORS

(Amounts Expressed In Millions)

BUDGET UNIT/ DEPARTMENT	DESCRIPTION	NET AMOUNT
5700000 Non-Departmental Revenues	One-time reduction in debt service payments for General Fund departments	\$0.72
	Net improvement in the Teeter Plan collections used to support additional reserve requirement	3.45
	Miscellaneous other cost reductions	0.11
	Net reclassification of Office of Communication and Information Technology (OCIT) retained earnings from revenue to reimbursements.	0.21
5800000 District Attorney	Reduction in Traffic Court costs resulting from additional city reimbursements and decrease in extra help expenses	0.19
6700000 Probation	Reduction in costs for Sienna Vista Program	0.12
7200000 Health & Human Services	Reduction in costs associated with Health Insurance Portability and Accountability Act (HIPAA) program	0.06
8100000 Department of Human Assistance	Reduction in net cost for Community Services programs	0.22
	TOTAL	\$5.08

**Transient Occupancy Tax
2008/09 Final Budget Hearing Adjustments**

ATTACHMENT III

	Final Adopted 2007-08	Proposed 2008/09	FYE Adjustments	Adjusted 2008/09
Revenue				
Fund Balance	\$ 628,695	\$ -	\$ 807,913	\$ 807,913
Tax Collections	6,900,000	6,300,000		6,300,000
Interest Income	40,000	35,000		35,000
Pass Throughs				
Raley Field Bond Financing	2,388,696	2,388,696		2,388,696
Sacramento Regional Arts Facilities	528,577	528,577		528,577
City of Sacramento - Cultural Arts Awards	350,000	350,000		350,000
Total Revenue	\$ 10,835,968	\$ 9,602,273	\$ 807,913	\$ 10,410,186
Expenditures				
Mandatory Allocation				
Sacramento Theatre Company/Music Circus	\$ 66,000	\$ 66,000		\$ 66,000
Pass Throughs				
Raley Field Bond Financing	\$ 2,388,696	\$ 2,388,696		\$ 2,388,696
Sacramento Regional Arts Facilities	528,577	528,577		528,577
City of Sacramento - Cultural Arts Awards	350,000	350,000		350,000
Total Pass Throughs & Bond Financing	\$ 3,333,273	\$ 3,333,273	\$ -	\$ 3,333,273
Discretionary Expenditures				
Administrative Costs				
Economic Development Administration	\$ 40,000	\$ 75,000		\$ 75,000
Dept. of Finance - Hotel Audits	10,560	11,400		11,400
Dept. of Finance - Contract Audits	10,560	11,400		11,400
Dept. of Finance - Revenue Estimates/Monitoring	25,000	25,000		25,000
Subtotal Discretionary Expenditures	\$ 86,120	\$ 122,800	\$ -	\$ 122,800
Other General Fund				
Board of Supervisors - Neighborhood Programs	\$ 250,000	\$ 270,726	\$ 13,000	\$ 283,726
Re-appropriation of BOS Neighborhood Funds	235,343	0	338,794	338,794
Transfer to General Fund	3,832,200	3,891,779	77,038	3,968,817
Subtotal Other General Fund	\$ 4,317,543	\$ 4,162,505	\$ 428,832	\$ 4,591,337
Sports, Tourism, Arts, Quality of Life				
Sacramento Tree Foundation	\$ 70,200	\$ 55,200		\$ 55,200
California Youth Soccer Association (Cherry Isl)	45,000	35,000		35,000
Sacramento Convention and Visitor's Bureau	704,975	404,975		404,975
Sacramento Sports Commission	214,750	214,750		214,750
Sacramento Sports Commission Event Support		50,000		50,000
American River Parkway Foundation	54,000	43,000		43,000
Archives & Museum Collection Center	200,000	200,000		200,000
Sacramento Museum of History, Science & Tech	277,022	218,022		218,022
Subtotal Sports, Tourism, Arts, Quality of Life	\$ 1,565,947	\$ 1,220,947	\$ -	\$ 1,220,947
Sacramento Metropolitan Arts Commission				
Operations	\$ 265,610	\$ 250,610		\$ 250,610
Cultural Arts Awards	350,003	350,003		350,003
Re-appropriation of Cultural Arts Awards			392,081	392,081
Neighborhood Arts/Arts in Schools Programs	99,121	99,121		99,121
Regranting/Arts Stabilization	158,740	33,740		33,740
Subtotal Sacramento Metropolitan Arts Commission	\$ 873,474	\$ 733,474	\$ 392,081	\$ 1,125,555
Reserves and Contingencies				
Raley Field Reserve Build-up	150,000	0		0
Reserves and Contingencies	\$ 150,000	\$ -	\$ -	\$ -
Final Budget Projects 08/09				
Bus License Fee Reduction Qualifying for Veterans (Note 2: District 4)	\$ -	\$ 13,000	\$ (13,000)	\$ -
Health Education-Immunization or Dental (Note 3: District 5)		16,274		16,274
Rancho Murieta (Note 2: District 5)	50,000			0
Discovery Museum	210,000			0
Roberts Family	50,000			0
Alan Osbourne/Olympic Sculpture	10,000			0
Jim Hopp/McClellan Museum	90,000			0
St. John's Shelter	80,000			0
McFarland Ranch	15,000			0
Total Final Budget Additions	\$ 505,000	\$ 29,274	\$ (13,000)	\$ 16,274
Total Allocation	\$ 10,831,357	\$ 9,602,273	\$ 807,913	\$ 10,410,186
Unallocated Funds	\$ 4,611	\$ -	\$ -	\$ (0)
Total Expenditures	\$ 10,835,968	\$ 9,602,273	\$ 807,913	\$ 10,410,186

Note 1: District 5 used 07-08 Board Allocation of Neighborhood Funds for Rancho Murieta

Note 2: District 4 08-09 Board Allocation of Neighborhood Funds for General Business License Fee reduction for Qualifying Veterans

Note 3: District 5 used 08-09 Board Allocation of Neighborhood Funds for Health education-Immunization Assistance or Dental Education

MSA GOVERNMENTAL/ENTERPRISE FUNDS FINANCING CHANGES

Fund Center	Description	Available Financing				Financing Requirements		
		Fund Balance	Reserve Release	Financing Sources	Total Financing	Financing Uses	Provision for Reserves	Total Appropriation
1182880	Florin Road Capital Project	427,899	0	2,500	430,399	430,399	0	430,399
	Changes Since May Hearings	17,779	0	0	17,779	17,779	0	17,779
1182881	Fulton Avenue Capital Project	57,557	0	1,500	59,057	59,057	0	59,057
	Changes Since May Hearings	-15,139	0	0	-15,139	-15,139	0	-15,139
1300000	Laguna Stonelake CFD - Bond	111,466	0	132,500	243,966	243,966	0	243,966
	Changes Since May Hearings	1,959	0	0	1,959	1,959	0	1,959
1310000	Park Meadows CFD - Bond	190,293	0	63,366	253,659	253,659	0	253,659
	Changes Since May Hearings	-166	0	3,299	3,133	3,133	0	3,133
1320001	Mather Landscape Maintenance	540,300	0	150,207	690,507	690,507	0	690,507
	Changes Since May Hearings	48,259	0	0	48,259	48,259	0	48,259
1360000	Mather PFFP	3,061,074	0	525,000	3,586,074	3,586,074	0	3,586,074
	Changes Since May Hearings	61,822	0	0	61,822	61,822	0	61,822
1370000	Gold River Station #7 Landscape CFD	38,774	0	33,000	71,774	71,774	0	71,774
	Changes Since May Hearings	5,828	0	0	5,828	5,828	0	5,828
1390000	Metro Air Park CFD	45,785,798	0	1,094,884	46,880,682	46,880,682	0	46,880,682
	Changes Since May Hearings	-627,965	0	-7,982,750	-8,610,715	-8,610,715	0	-8,610,715
1400000	McClellan CFD	2,135,397	0	140,000	2,275,397	2,275,397	0	2,275,397
	Changes Since May Hearings	16,063	0	0	16,063	16,063	0	16,063
1410000	Sacramento County Land Maintenance CFD	254,718	0	221,500	476,218	284,218	192,000	476,218
	Changes Since May Hearings	12,232	0	20,000	32,232	-159,768	192,000	32,232
1420000	Metro Air Park Service Tax	786,065	0	527,503	1,313,568	1,313,568	0	1,313,568
	Changes Since May Hearings	25,166	0	-241,326	-216,160	-216,160	0	-216,160
1430000	North Vineyard Station Specific Plan	1,744,523	0	334,000	2,078,523	2,078,523	0	2,078,523
	Changes Since May Hearings	-11,319	0	0	-11,319	-11,319	0	-11,319
1440000	North Vineyard Station Specific Plan CFD	1,363,130	0	89,000	1,452,130	1,452,130	0	1,452,130
	Changes Since May Hearings	-2,631,124	0	0	-2,631,124	-2,631,124	0	-2,631,124
2140000	Transportation Sales Tax	-11,255,401	0	109,468,135	98,212,734	98,212,734	0	98,212,734
	Changes Since May Hearings	24,768,963	0	2,469,348	27,238,311	27,238,311	0	27,238,311
2150000	Building Inspection Division	155,762	1,678,909	15,046,986	16,881,657	14,855,256	2,026,401	16,881,657
	Changes Since May Hearings	-742,755	1,678,909	332,973	1,269,127	-99,789	1,368,916	1,269,127
2200000	Refuse Enterprise Operations	6,630,018	8,672,621	73,092,305	88,394,944	79,567,170	8,827,774	88,394,944
	Changes Since May Hearings	1,953,785	-104,437	7,185,200	9,034,548	3,398,823	5,635,725	9,034,548
2250000	Refuse Enterprise Capital Outlay	9,067,747	0	480,000	9,547,747	8,097,130	1,450,617	9,547,747
	Changes Since May Hearings	5,652,963	-5,611,346	0	41,617	-1,409,000	1,450,617	41,617
2300000	Construction Management Inspection Division	0	0	38,270,604	38,270,604	38,270,604	0	38,270,604
	Changes Since May Hearings	0	0	34,723	34,723	34,723	0	34,723
2450000	Development & Surveyor Services	0	0	12,930,512	12,930,512	12,930,512	0	12,930,512
	Changes Since May Hearings	0	0	170,570	170,570	170,570	0	170,570
2470000	Cosolidated Utility Billing Services	0	0	11,057,783	11,057,783	11,057,783	0	11,057,783
	Changes Since May Hearings	0	0	10,367	10,367	10,367	0	10,367
2510000	Water Resources Division	0	0	29,619,813	29,619,813	29,619,813	0	29,619,813
	Changes Since May Hearings	0	0	1,398,033	1,398,033	1,398,033	0	1,398,033
2530000	County Service Area No. 1							
	Zone 1 - Sacramento Unincorporated	1,450,723	0	2,654,230	4,104,953	3,319,635	785,318	4,104,953
	Zone 2 - City of Rancho Cordova	35,838	0	290,000	325,838	325,838	0	325,838

MSA GOVERNMENTAL/ENTERPRISE FUNDS FINANCING CHANGES

Fund Center	Description	Available Financing				Financing Requirements		
		Fund Balance	Reserve Release	Financing Sources	Total Financing	Financing Uses	Provision for Reserves	Total Appropriation
	Zone 3 - City of Citrus Heights	0	0	0	0	0	0	0
	Zone 4 - City of Elk Grove	0	0	0	0	0	0	0
	Changes Since May Hearings (B.U. level)	973,232	0	76,460	1,049,692	264,374	785,318	1,049,692
2600000	Transportation Division	0	0	56,433,670	56,433,670	56,433,670	0	56,433,670
	Changes Since May Hearings	0	0	102,317	102,317	102,317	0	102,317
2700000	Administrative Services Division	0	0	14,199,823	14,199,823	14,199,823	0	14,199,823
	Changes Since May Hearings	0	0	35,932	35,932	35,932	0	35,932
2814000	Beach Stone Lake Flood Mitigation	17,174	30,831	54,265	102,270	102,270	0	102,270
	Changes Since May Hearings	-19,980	19,987	0	7	7	0	7
2815000	Sacramento Cnty Water Agency Zone 11A	-3,615,092	7,059,603	4,023,587	7,468,098	7,468,098	0	7,468,098
	Changes Since May Hearings	-2,164,693	2,162,469	2,336	112	112	0	112
2816000	Sacramento Cnty Water Agency Zone 11B	514,938	0	903,342	1,418,280	1,213,072	205,208	1,418,280
	Changes Since May Hearings	178,467	0	0	178,467	-9	178,476	178,467
2817000	Sacramento Cnty Water Agency Zone 11C	279,798	275,915	616,729	1,172,442	1,172,442	0	1,172,442
	Changes Since May Hearings	-422,002	275,915	0	-146,087	26	-146,113	-146,087
2818000	No Vineyard Station Right of Way	51,644	0	543,344	594,988	594,988	0	594,988
	Changes Since May Hearings	-10,771	0	2,427	-8,344	-8,344	0	-8,344
2840000	Vineyard PFFP	6,731,958	0	471,000	7,202,958	7,202,958	0	7,202,958
	Changes Since May Hearings	-375	0	0	-375	-375	0	-375
2857000	County Service Area No. 10	303,687	0	78,721	382,408	349,754	32,654	382,408
	Changes Since May Hearings	-100,841	0	37,348	-63,493	-96,147	32,654	-63,493
2870000	Laguna Creek Ranch/Elliott Ranch	3,419,706	0	505,000	3,924,706	3,668,401	256,305	3,924,706
	Changes Since May Hearings	-40,347	0	15,551	-24,796	-24,796	0	-24,796
2900000	Road Fund	-4,760,995	0	74,554,991	69,793,996	69,793,996	0	69,793,996
	Changes Since May Hearings	467,047	0	5,602,460	6,069,507	6,069,507	0	6,069,507
2910000	Roadway Developer Fees							
	District 1	705,818	669,999	0	1,375,817	403,394	972,423	1,375,817
	District 2	448,328	1,090,000	0	1,538,328	78,240	1,460,088	1,538,328
	District 3	8,166,255	2,330,000	0	10,496,255	7,552,541	2,943,714	10,496,255
	District 4	2,106,126	1,650,000	0	3,756,126	3,756,126	0	3,756,126
	District 7	93,133	150,000	0	243,133	190,216	52,917	243,133
	Fee District Administration	135,864	148,797	0	284,661	284,661	0	284,661
	Changes Since May Hearings (B.U. level)	294,998	0	-1,071,212	-776,214	-1,863,960	1,087,746	-776,214
2930000	Rural Transit Program	-315,804	0	9,219,274	8,903,470	8,903,470	0	8,903,470
	Changes Since May Hearings	-144,369	0	-2,673,599	-2,817,968	-2,817,968	0	-2,817,968
3005000	Water Quality CSD 1 Division	0	0	30,513,116	30,513,116	30,513,116	0	30,513,116
	Changes Since May Hearings	0	0	-529,251	-529,251	-529,251	0	-529,251
3028000	Water Quality SRCSD Division	0	0	47,465,332	47,465,332	47,465,332	0	47,465,332
	Changes Since May Hearings	0	0	-1,476,449	-1,476,449	-1,476,449	0	-1,476,449
3044000	Sacramento Cnty Water Agency Zone 13	801,575	959,964	2,349,363	4,110,902	4,110,902	0	4,110,902
	Changes Since May Hearings	-78,707	78,714	41	48	48	0	48
3050000	Sacramento Cnty Water Agency Zone 40	0	0	28,616,138	28,616,138	145,743,544	0	145,743,544
	Changes Since May Hearings	0	0	-9,461,530	-9,461,530	-60,601,845	0	-60,601,845
3055000	SCWA Zone 41 General Operations	0	0	26,355,271	26,355,271	36,806,827	0	36,806,827
	Changes Since May Hearings	0	0	-7,139,411	-7,139,411	705,525	0	705,525

MSA GOVERNMENTAL/ENTERPRISE FUNDS FINANCING CHANGES

Fund Center	Description	Available Financing				Financing Requirements		
		Fund Balance	Reserve Release	Financing Sources	Total Financing	Financing Uses	Provision for Reserves	Total Appropriation
3057000	SCWA Zone 50	0	0	10,100	10,100	2,145,167	0	2,145,167
	Changes Since May Hearings	0	0	0	0	13	0	13
3066000	Sacramento Cnty Water Agency Zone 12	607,242	0	7,487,747	8,094,989	8,094,989	0	8,094,989
	Changes Since May Hearings	432,047	0	0	432,047	432,047	0	432,047
3070000	Antelope Public Facilities Financing Plan	0	0	3,914,194	3,914,194	3,914,194	0	3,914,194
	Changes Since May Hearings	0	0	1,222,325	1,222,325	1,222,325	0	1,222,325
3081000	Bradshaw Rd/US 50 Corridor Integ Finan Dist	0	0	308,958	308,958	308,958	0	308,958
	Changes Since May Hearings	0	0	12,231	12,231	12,231	0	12,231
3090000	Laguna Community Facilities District	0	0	5,434,329	5,434,329	5,434,329	0	5,434,329
	Changes Since May Hearings	0	0	-166,868	-166,868	-166,868	0	-166,868
3171010	SCWA No. Vineyard Well Protection	-13,116	50,129	170,300	207,313	207,313	0	207,313
	Changes Since May Hearings	-19,616	19,679	0	63	63	0	63
3220001	Stormwater Utility	7,578,974	28,388,973	24,947,596	60,915,543	32,128,388	28,787,155	60,915,543
	Changes Since May Hearings	289,115	-3,247,116	4,737	-2,953,264	-2,027,894	-925,370	-2,953,264
3300000	Landscape Maintenance Districts							
	Zone 4	44,501	843,489	0	887,990	877,288	10,702	887,990
	Zone 5	0	0	0	0	0	0	0
	Changes Since May Hearings (B.U. level)	-52,028	0	79,923	27,895	17,193	10,702	27,895

Special Districts Budget Summaries

	Appropriations			Revenues			Fund Balance		
	Adopted	Recom'd	Variance	Adopted	Recom'd	Variance	Adopted	Recom'd	Variance
	2007-08	2008-09		2007-08	2008-09		2007-08	2008-09	
CSAs									
4B (Wilton-Corral	113,755	85,705	-28,050	6,840	10,921	4,081	106,915	74,784	-32,131
4C (Delta)	123,314	107,898	-15,416	76,108	96,918	20,810	47,205	10,980	-36,225
4D (Herald)	25,959	16,551	-9,408	9,820	13,178	3,358	13,639	3,372	-10,267
Park Districts									
Mission Oaks	4,104,117	3,844,215	-259,902	2,929,971	2,900,056	-29,915	1,049,334	944,159	-105,175
Carmichael	5,783,277	4,904,197	-879,080	4,747,963	4,726,197	-21,766	1,035,314	177,421	-857,893
Sunrise	14,498,619	16,502,510	2,003,891	12,599,320	14,030,081	1,430,761	1,899,299	2,472,429	573,130
Other Districts									
Del Norte Oaks Park	6,229	4,762	-1,467	5,323	3,272	-2,051	906	1,490	584
Mission Oaks	1,988,631	2,259,257	270,626	3,304,506	893,418	-2,411,088	-1,315,875	1,365,839	2,681,714
Sunrise Maintenance	9,764,520	3,012,308	-6,752,212	7,499,790	5,120,000	-6,987,790	2,264,730	2,500,308	235,578
Natomas Fire	2,748,622	2,087,841	-660,781	2,748,622	2,087,841	-660,781	1,167,822	507,041	-660,781

CSA 4B– This district’s fund balance is \$32,131 less than last year’s due to less spending variance from budget.

CSA 4C– This district’s fund balance is \$36,225 less than last year’s due to less spending variance from budget.

CSA 4D– This district’s fund balance is \$10,267 less than last year’s due to less spending variance from budget.

Mission Oaks Park District – This district’s fund balance is \$105,175 less than last year’s due to less spending variance from budget.

Carmichael Park District – This district’s fund balance is \$857,893 less than last year’s due to the encumbrance of funds for the multi-year Patriots Park construction project.

Sunrise Park District – This district’s fund balance is \$573,130 higher than last year’s due to higher revenues. District appropriations are \$2,003,891 higher than last year’s primarily due to operation of the Antelope Community Park Joint Use Area and other construction projects.

Del Norte Oaks Park Maintenance District – This district’s fund balance is \$584 higher than last year’s due to higher revenues from a reserve release in 2007-08.

Mission Oaks Maintenance and Improvement District – This district’s fund balance is \$2,681,714 higher than last year’s due to reduced expenditures and additional revenue from grant reimbursements, assessment revenue and wireless communication facility leases, and a reserve provision that was not posted in 2007-08. District revenues are \$\$2,411,088 less than last year’s due to the timing of construction project reimbursement.

Sunrise Maintenance and Improvement District (Antelope) – This district’s appropriations are \$6,752,212 less than last year’s due to the completion of a major construction project at Antelope Community Park.

Natomas Fire District – This district’s fund balance is \$507,041 lower than last year’s resulting from current year account reconciliation against city-county agreement and the resulting implementation of bringing county budget in-line with agreement terms and conditions.