

**COUNTY OF SACRAMENTO
CALIFORNIA**



FISCAL YEAR 2009-10

BUDGET IN BRIEF

BOARD OF SUPERVISORS

Roger Dickinson	District 1
Jimmie Yee	District 2
Susan Peters, Chair	District 3
Roberta MacGlashan	District 4
Don Nottoli	District 5

Steven C. Szalay, Interim County Executive
Navdeep S. Gill, Chief Operations Officer

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BUDGET OVERVIEW

The annual budget for Sacramento County is an operational plan, a fiscal plan, a capital (building) expenditure plan, and a staffing plan for the provision of services to the residents of Sacramento County. The Fiscal Year 2009-10 Adopted Budget including reserve increases totals \$4,411,464,493 and consists of the following components:

	AMOUNT	PERCENT
Operating Funds	\$2,489,515,885	56.4
Internal Service Funds	515,846,152	11.7
Enterprise Funds	844,201,737	19.1
Special Revenue Funds	364,359,550	8.3
Public Service Enterprise Funds	197,541,169	4.5
TOTAL	\$4,411,464,493	100.0

The Operating Budget total includes the General Fund requirement of \$1,993,368,003 which accounts for 45.2 percent of the total budget.

In June 2007, the Board of Supervisors adopted a series of obligations/priorities to guide resource allocation and budget decision making. These priorities differ from prior years in that the mandated programs are now split into those where the service level/budget is mandated and those where the Board of Supervisors has some flexibility regarding the level of mandated service provided. The approved spending priorities recognize that certain obligations must be funded before any discretionary priorities can be addressed:

A. **Mandated Countywide Obligations**

Jails, prosecution, juvenile detention, health care for the poor, and welfare payments to eligible clients.

B. **Mandated Municipal Obligations**

Core requirements for providing for the public safety of the citizens living in the Unincorporated Area (Sheriff's patrol and investigations).

C. **Financial Obligations**

Maintenance of the public trust through a sound fiscal policy that focuses on financial discipline, including funding programs that provide for revenue collection and payment of county debts.

D. **Budget Priorities**

When funding of the County's mandated services and obligations are met, the following priorities govern the budget process:

1. **Law Enforcement**: Provide the highest level of discretionary law-enforcement municipal and countywide services possible within the available county budget.
2. **Safety Net**: Provide the safety net for those disadvantaged citizens, such as the homeless, mentally ill, and others who receive no services from other government agencies.
3. **Sustainable and Livable Communities**: Provide the highest possible quality of life for our constituents within available remaining resources.
4. **General Government**: General Government functions shall continue at a level sufficient to support the direct services to citizens.
5. **Prevention**: Continue prevention/intervention programs that can demonstrate that they save the county money over the long-term, such as alcohol and drug programs.

OPERATING FUNDS-GENERAL FUND**FINANCING**

The General Fund is the principal fund of the County, and is used to account for all activities of the County not included in other specified funds. The General Fund also accounts for most general government activities.

Financing for the General Fund comes from a variety of sources as listed below:

<u>FINANCING TYPE</u>	<u>AMOUNT</u>	<u>PERCENT</u>
Property Tax Revenues	\$213,041,060	10.7
Property Tax In Lieu of Vehicle License Fees	132,512,144	6.6
Sales Taxes	45,162,350	2.3
In Lieu Sales Taxes	14,047,474	0.7
Other Taxes	24,645,000	1.2
Licenses and Permits	11,215,664	0.6
Fines, Forfeitures, and Penalties	22,753,284	1.1
Use of Money and Property	3,004,148	0.2
Aid from Other Government Agencies (state and federal)	1,290,211,091	64.7
Charges for Current Services	123,071,920	6.2
Other Revenues	90,570,810	4.5
Non-Departmental Fund Balance	9,139,334	0.5
Department Fund Balance	2,506,481	0.1
Reserve Release	11,487,243	0.6
TOTAL FINANCING	\$1,993,368,003	100.0

The largest source of financing for the General Fund is Aid from Other State and Federal Government Agencies which accounts for 64.7 percent of the total financing.

Property Tax Revenues currently constitute the second largest source of General Fund financing and accounts for 10.7 percent of the total financing. Property Taxes is a 1.0 percent tax on real property under acquisition value basis of California's Proposition 13.

Property Tax In Lieu of Vehicle License Fees is the third largest source of General Fund financing with 6.6 percent of the total financing. This revenue source emerged as a result of the State's "swap" deal.

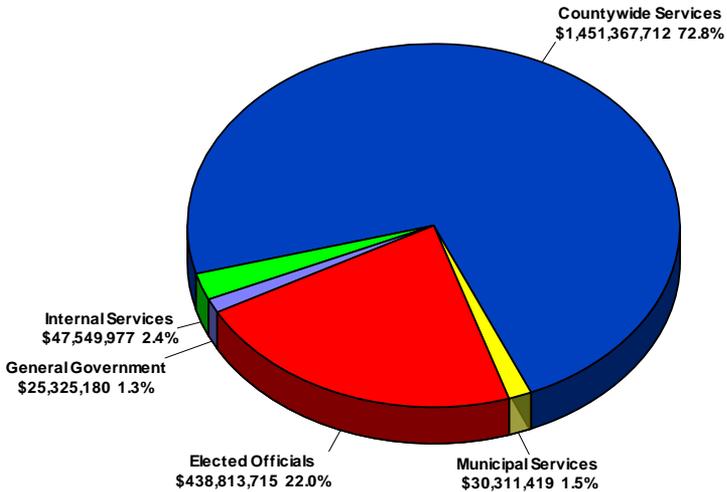
Sales Taxes account for 2.3 percent of the total General Fund financing. With minimal growth anticipated, sales tax is expected to reach approximately \$45.2 million. In Lieu Sales Taxes emerged as a result of the State's "Triple Flip" provision which reduces the County's Sales and Use Taxes by 25.0 percent. The State backfills this 25.0 percent reduction with Educational Revenue Augmentation Fund (ERAF) revenues. In Lieu Sales Taxes is budgeted at \$14.0 million, 0.7 percent of the General Fund financing.

Charges for Current Services account for \$123.1 million or 6.2 percent of the General Fund financing. Charges for Current Services include recording fees, planning fees, personnel service charges, recreation service charges, and various other charges.

OPERATING FUNDS-GENERAL FUND

REQUIREMENTS

The General Fund accounts for 45.2 percent of the total budget and is comprised of the following agencies.



The individual departments/budget units within each agency are detailed below:

	FISCAL YEAR	
	2009-10	POSITIONS
Assessor	\$15,106,744	161.5
Board of Supervisors	4,300,867	27.6
Correctional Health Services	37,048,780	134.5
District Attorney	68,236,915	434.2
Sheriff	314,120,409	1,891.0
Subtotal Elected Officials	\$438,813,715	2,648.8
Civil Service Commission	\$368,797	2.5
Contingencies	1,700,000	0.0
Contribution to Human Rights/Fair Housing	84,218	0.0
Contribution to Local Agency Formation Commission (LAFCo)	228,833	0.0
County Counsel	5,722,510	84.0
County Executive	1,543,067	18.0
County Executive Cabinet	1,852,451	20.6
Criminal Justice Cabinet	-848	1.0
Data Processing-Shared Systems	11,668,143	0.0
Emergency Operations	6,503,250	6.0
Financing-Transfers/Reimbursement	5,156,384	0.0
Labor Relations	1,003,975	4.0
Non-Departmental Costs/General Fund	8,842,626	0.0
Non-Departmental Revenues/General Fund	-20,004,213	0.0
Reserve Increase	655,987	0.0
Subtotal General Government	\$25,325,180	136.1

OPERATING FUNDS-GENERAL FUND

REQUIREMENTS

	FISCAL YEAR	
	2009-10	POSITIONS
County Clerk/Recorder	\$10,949,874	65.0
Department of Finance	15,916,005	130.0
Department of Revenue Recovery	6,849,901	64.0
Office of Compliance	285,018	3.0
Personnel Services	13,549,179	270.1
Subtotal Internal Services	\$47,549,977	532.1
Ag. Comm.-Sealer of Weights & Measures	\$4,518,909	30.6
Behavioral Health Services	209,403,096	552.7
Care in Homes and Institutions	2,512,000	0.0
Child Support Services	33,227,932	352.0
Cooperative Extension	339,995	1.6
Conflict Criminal Defenders	11,782,620	7.0
Contribution to Law Library	831,527	0.0
Coroner	6,563,099	40.0
Court/County Contribution	24,748,297	0.0
Court/Non-Trial Court Funding	13,796,396	0.0
Court Paid County Services	25,112,605	0.0
Dispute Resolution Program	390,500	0.0
Grand Jury	272,495	0.0
Health and Human Services	221,556,140	1,566.4
Health-Medical Treatment Payments	42,206,730	0.0
Human Assistance-Administration	241,485,778	2,008.1
Human Assistance-Aid Payments	390,784,380	0.0
In-Home Support Services Provider Payments	63,928,141	0.0
Juvenile Medical Services	10,497,118	39.5
Probation	109,151,247	739.0
Public Defender	28,203,870	160.0
Veteran's Facility	16,411	0.0
Voter Registration and Elections	9,927,923	38.0
Wildlife Services	110,503	0.0
Subtotal Countywide Services	\$1,451,367,712	5,534.9
Animal Care and Regulation	\$5,323,257	37.0
Contribution to Paratransit	66,600	0.0
Environmental Review	3,920,330	22.8
Neighborhood Services	7,047,010	38.8
Regional Parks	8,157,312	66.0
Planning and Community Development	5,796,910	40.9
Subtotal Municipal Services	\$30,311,419	205.5
TOTAL GENERAL FUND	\$1,993,368,003	9,057.4

OTHER OPERATING FUNDS

Building Inspection Fund -- \$10,274,236 0.0 Positions

Primary financing comes from building inspection charges. The County is responsible for building inspection in the Unincorporated Area.

Capital Construction Fund -- \$23,286,436 0.0 Positions

Financing comes from a use allocations charge to the departments occupying county owned facilities, debt financing, and grants. The acquisition, construction, and major maintenance of county facilities are financed from this fund.

Community Services Fund -- \$27,311,764 98.1 Positions

Housing and homeless programs are financed from this fund. Major funding sources include redevelopment project allocations, grants, state allocations, and transfers from the General Fund. The purpose of this fund is to segregate the restricted housing revenues.

County Library -- \$23,438,563 0.0 Positions

The primary source of financing for this fund comes from a dedicated share of property taxes collected in the Unincorporated Area and the cities of Sacramento, Elk Grove, Citrus Heights, Galt, Rancho Cordova, and Isleton. Library services are provided by a joint City of Sacramento – Sacramento County Joint Powers Authority with a separate Authority Board. Funding allocated to this fund is transferred to the Library Authority for services and materials. Requirements include reserve increase of \$500,000.

Economic Development & Intergovernmental Affairs -- \$45,520,584 22.8 Positions

County economic development activities are financed from this fund. Major projects include the conversion of two former air force bases from military to mixed private and public use. Funding comes from the sale of land and facilities, grants, and a contribution from the General Fund.

Environmental Management Fund -- \$22,663,901 127.8 Positions

Environmental Management provides countywide regulatory services that protect public health and the environment. The primary source of financing for this fund comes from fees and contracts associated with the various regulatory activities of the Environmental Health, Hazardous Materials, and Water Protection Divisions. Requirements include reserve increase of \$5,350,812.

First 5 Sacramento Commission Fund -- \$49,113,568 21.5 Positions

Funding comes from the State of California under the terms of a voter-approved statewide initiative. The funding is restricted to services to youths and may not be used for basic county operations. Allocations are approved by a Commission consisting of elected officials and appointed members. Requirements include reserve increase of \$29,229,988.

Fish and Game Fund -- \$41,279 0.0 Positions

Financing for this fund comes from fish and game fines. The funds are used for education programs. Requirements include reserve increase of \$11,279.

Golf Fund -- \$8,061,990 9.0 Positions

The operations and maintenance of three county golf courses is financed from this fund. Major financing sources include user fees and concession charges.

OTHER OPERATING FUNDS

Health Care for the Uninsured Fund -- \$669,482 **0.0 Positions**

Funding came from Tobacco Litigation Settlement Revenue received before the securitization of this revenue stream. Projected use of this fund is to provide seed funding for the extension of health benefits to that portion of the population currently uninsured.

Park Construction Fund -- \$5,106,561 **0.0 Positions**

Funding comes from grants, donations, state bond sales, and contributions from the County Transient-Occupancy Tax Fund. Parks acquisition, development, and rehabilitation projects are financed from this fund. Requirements include reserve increase of \$96,546.

Road Fund -- \$75,454,200 **0.0 Positions**

Gas tax and restricted state road funding accrue to this fund. Street and road acquisition, construction, and maintenance are financed from this fund. The purpose of this fund is to segregate the gas tax revenue.

Roadways Fund -- \$31,624,433 **0.0 Positions**

This fund is used to segregate development impact and special assessment revenue dedicated to street and road acquisition, construction, and maintenance. Requirements include reserve increase of \$14,334,533.

Rural Transit Fund -- \$1,208,387 **0.0 Positions**

This fund provides transit services to the rural areas of the Unincorporated Area of the county. Funding comes from various sources including the Transportation Development Act, Federal Transit Administration, grants and fare box revenues.

Teeter Plan -- \$106,678,817 **0.0 Positions**

The County utilizes the Teeter Plan of property tax distribution. All secured tax delinquencies are advanced to those public agencies in the County which receive property taxes. The County borrows the funds to advance the delinquent taxes from the Treasury Pool in an annual five-year note. The borrowed funds are repaid with delinquent tax principal, redemption charges, and interest (18.0 percent per year).

Tobacco Litigation Settlement Fund -- \$8,782,004 **0.0 Positions**

Financing for this fund comes from the proceeds of the tobacco revenue bond sale (securitization). Included in the bond sale was an amount that together with interest earnings could provide \$6.3 million in funding for health, youth, and community programs. The Board of Supervisors approves allocations to community based organizations on a competitive basis and on a three-year funding cycle.

Transient-Occupancy Tax Fund -- \$9,795,193 **0.0 Positions**

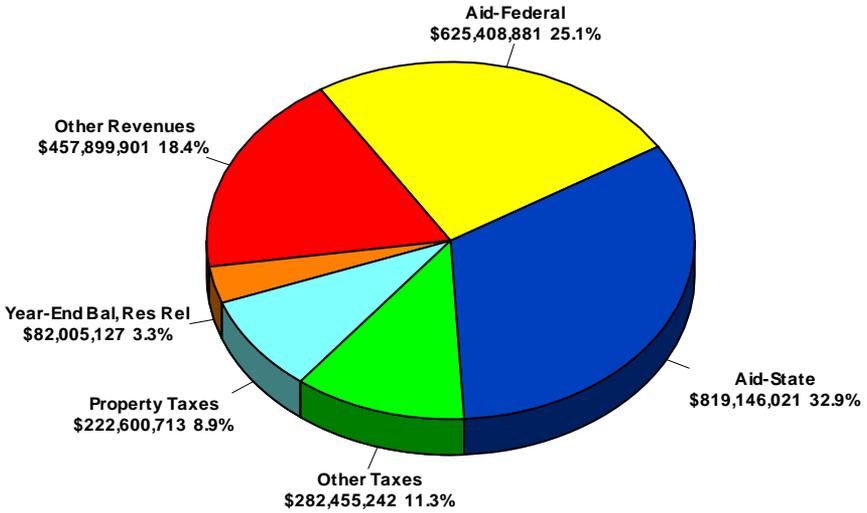
This fund is a subset of the General Fund. The county's hotel tax accrues to this fund, and this revenue is general purpose financing and may be expended on any county activity. The Board of Supervisors holds special hearings to allocate financing from this fund to community organizations, facilities and programs jointly funded with the City of Sacramento, and County Departments. Requirements include reserve increase of \$3,154.

Transportation-Sales Tax Fund -- \$47,116,484 **0.0 Positions**

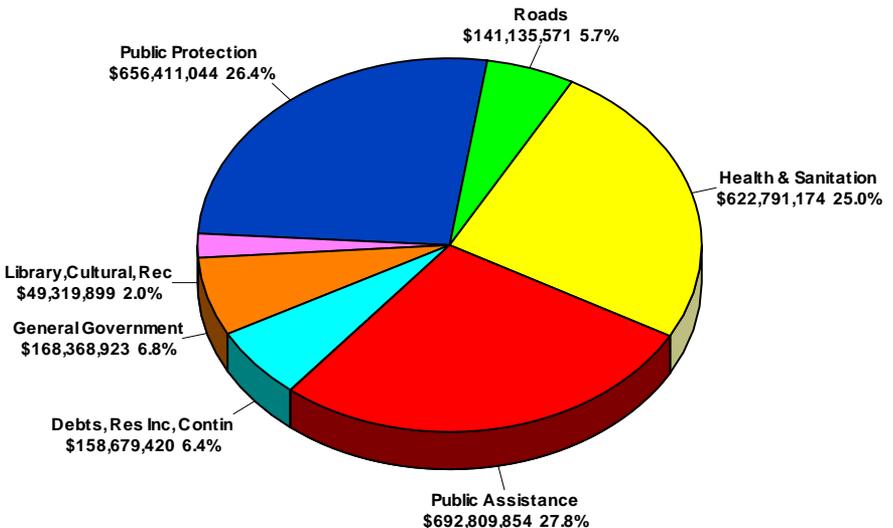
In Sacramento County the voters have approved a ½ cent increase in the sales tax to be dedicated to transportation capital projects and operations. Revenue is share by the County, cities, and the Regional Transit System (bus and train service). This fund is use to segregate the county's share of the special sales tax revenue.

OPERATING FUNDS-SUMMARY

REVENUE/FINANCING SOURCES: \$2,489,515,885



APPROPRIATIONS/REQUIREMENTS BY FUNCTION: \$2,489,515,885



INTERNAL SERVICE FUNDS

The following Internal Service Funds are used to accumulate and allocate costs internally among the county's various functions and special services provided by the Municipal Services Agency.

DEPARTMENT	FISCAL YEAR	
	2009-10	POSITIONS
Architectural Services	\$4,433,108	23.4
Board of Retirement	6,962,738	44.5
Consolidated Utilities Billing Services	11,478,042	52.8
Construction Management and Inspection	35,500,644	229.3
Development and Surveyor Services	10,296,156	49.0
General Services-Airport District	5,569,441	40.0
General Services-Bradshaw District	13,533,192	95.0
General Services-Capital Outlay	10,022,000	0.0
General Services-Downtown District	9,239,881	66.0
General Services-Energy Management	8,935,691	1.0
General Services-Heavy Equipment	29,655,638	106.0
General Services-Light Equipment	25,052,619	37.0
General Services-Office Of The Director	1,935,782	25.8
General Services-Purchasing	2,038,717	18.0
General Services-Security Services	2,764,577	32.0
General Services-Support Services	11,767,913	28.0
Interagency Procurement	77,391,059	0.0
Liability/Property Insurance	18,142,302	0.0
Municipal Services Agency-Administrative Services	10,830,204	89.0
Office of Communications & Information Technology	48,185,471	222.0
Real Estate	55,236,108	27.0
Regional Radio Communications System	4,666,223	7.0
Transportation	54,046,012	335.6
Unemployment Insurance	2,021,133	0.0
Water Resources	25,378,613	155.1
Workers' Compensation Insurance	30,762,888	0.0
TOTAL INTERNAL SERVICE FUNDS	\$515,846,152	1,683.5

ENTERPRISE FUNDS

The following Enterprise Funds are established to account for county operations financed and operated in a manner similar to private business enterprises (e.g., utilities, airports, parking garages). The costs of these activities are financed or recovered primarily through user charges.

DEPARTMENT	FISCAL YEAR	
	2009-10	POSITIONS
Airport System	\$314,600,040	411.0
Airport-Capital Outlay	444,749,864	0.0
Parking Enterprise	3,189,916	7.0
Refuse	79,431,925	290.0
Refuse Capital Outlay	2,229,992	0.0
TOTAL ENTERPRISE FUNDS	\$844,201,737	708.0

SPECIAL REVENUE FUNDS

The following Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for those specific purposes.

DEPARTMENT	FISCAL YEAR	
	2009-10	POSITIONS
1997-Public Facilities Debt Service	\$475,978	0.0
1997-Public Facilities-Construction	1,688,733	0.0
1997-Refunding Public Facilities Debt Service	-5,000	0.0
2003 Public Facilities-Debt Service	6,870	0.0
2004 Pension Obligation Bonds	51,943,642	0.0
2006 Public Facilities-Construction	0	0.0
2006 Public Facilities-Debt Service	3,603,577	0.0
2007 Public Facilities Projects-Construction	7,570,046	0.0
2007 Public Facilities Projects-Debt Service	1,073,525	0.0
Antelope Assessment	1,779,373	0.0
Antelope Public Facilities Financing Plan	3,549,782	0.0
Beach Stone Lakes Flood Mitigation	596,979	0.0
Bradshaw/US 50 Financing District	257,542	0.0
Capital Projects-Debt Service	25,546	0.0
Carmichael Recreation and Park District	4,401,176	19.0
Connector Joint Powers Authority	585,288	4.0
County Parks Community Facilities District 2006-1	11,149	0.0
County Service Area No. 1	3,549,022	0.0
County Service Area No. 10	52,153	0.0
County Service Area No.4B-(Wilton-Cosumnes)	76,949	0.0
County Service Area No.4C-(Delta)	141,119	0.0
County Service Area No.4D-(Herald)	15,420	0.0
Del Norte Oaks Park District	7,421	0.0
Fixed Asset Revolving	68,775,521	0.0
Florin Road Capital Project	436,447	0.0
Fulton Avenue Capital Project	47,990	0.0
Gold River Station No. 7	69,037	0.0
Jail Debt Service	23,015	0.0
Juvenile Courthouse-Debt Service	-695	0.0
Laguna Community Facility District	1,369,941	0.0
Laguna Creek/Elliott Ranch Community Facilities District No. 1	3,327,034	0.0
Laguna Stonelake Community Facilities District	224,130	0.0
Landscape Maintenance District	810,108	0.0
Mather Landscape Maintenance Community Facilities District	449,527	0.0
Mather Public Facilities Financing Plan	4,673,609	0.0
McClellan Park Community Facilities District	1,234,135	0.0
Metro Air Park	34,188,018	0.0
Metro Air Park Service Tax	994,388	0.0
Mission Oaks Maintenance/Improvement District	1,701,000	0.0
Mission Oaks Recreation and Park District	4,058,494	15.0
Natomas Fire District	3,124,807	0.0
North Vineyard Station	80,330	0.0
North Vineyard Station Specific Plan (NVSSP)	1,772,875	0.0
NVSSP Community Facilities District	1,639,801	0.0
North Vineyard Well Protection	113,579	0.0
Park Meadows Community Facilities District-Bond Proceeds	217,400	0.0
Pension Obligation Bond-Debt Service	5,151,382	0.0
Pension Obligation Bond-Interest Rate Stabilization	298,463	0.0
Sacramento County Landscape Maintenance	340,470	0.0
Storm Water Utility	54,312,724	0.0
Sunrise Recreation and Park District	11,690,771	30.0
Tobacco Litigation Settlement	48,628,568	0.0
Vineyard Public Facilities Financing Plan - Roadway	7,696,016	0.0
Water Agency-Zone 11A	11,661,246	0.0
Water Agency-Zone 11B	1,222,742	0.0
Water Agency-Zone 11C	1,141,469	0.0
Water Agency-Zone 12	7,736,525	0.0
Water Agency-Zone 13	3,742,393	0.0
TOTAL SPECIAL REVENUE FUNDS	\$364,359,550	68.0

PUBLIC SERVICE ENTERPRISE FUNDS

The following Public Service Enterprise Funds are established to account for regional sanitation and water district operations financed and operated in a manner similar to private business enterprises (e.g., utilities). The costs of these activities are financed or recovered primarily through user charges.

DEPARTMENT	FISCAL YEAR	
	2009-10	POSITIONS
Sacramento Area Sewer Operations	\$33,846,172	309.0
Regional Sanitation District-Operating	48,299,350	425.0
Sacramento County Water Agency-Zone 50	176,478	0.0
Water Agency-Zone 40	81,974,473	33.0
Water Agency-Zone 41	33,244,696	67.8
TOTAL PUBLIC SERVICE ENTERPRISE FUNDS	\$197,541,169	834.8

FIVE-YEAR CAPITAL IMPROVEMENT PLAN

The 2009-10 Final Adopted Budget includes a Five-Year Capital Improvement Plan (CIP) for Sacramento County. The Capital Improvement Plan lists both the approved and proposed capital improvements to be acquired or constructed through the 2013-14 Fiscal Year. The approved and proposed capital projects are broken into three major categories: Airports, County Facilities, and Regional Parks. The funding needs may be summarized.

CATEGORY	PRIOR-YEARS AND FIVE-YEAR COSTS
Airports	\$1,561,139,257
County Facilities	890,648,977
Regional Parks	12,410,713
TOTAL	\$2,464,198,947

Funding has not been obtained for all the projects, particularly those in the later years of the five-year plan. Following the Five-Year Capital Improvement Plan will result in additional operating and debt service expenditures in the present and future years. The levels of new expenditures will depend upon factors such as the timing of the facility development, operating offsets from current facilities, and interest rates. All operating and debt service costs relating to the budget year are included in the budget. The multiyear modeling is used to estimate the impact of new facilities on the operating budget.