

GENERAL BUDGET INFORMATION

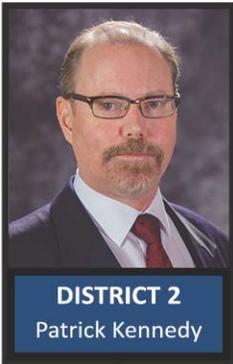
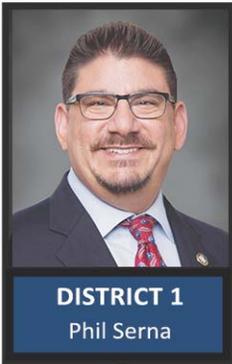
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BOARD OF SUPERVISORS AND COUNTY OFFICIALS



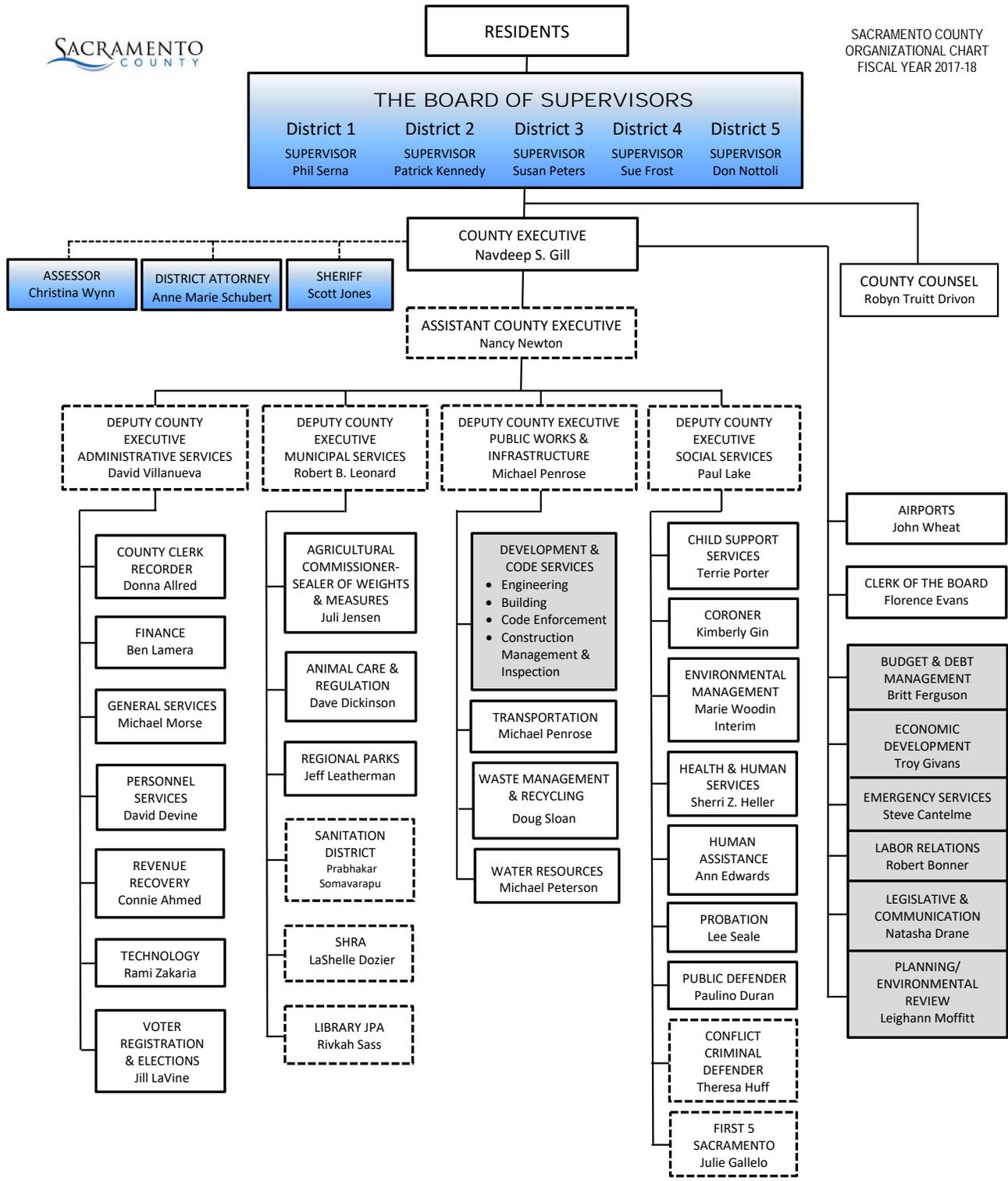
THE BOARD OF SUPERVISORS



ORGANIZATIONAL CHART



SACRAMENTO COUNTY
ORGANIZATIONAL CHART
FISCAL YEAR 2017-18



Legend

———— INDICATES LINE OF DIRECT AUTHORITY

- - - - - INDICATES COORDINATIVE RELATIONSHIP

■ INDICATES ELECTED OFFICIALS

■ INDICATES "OFFICE OF..."

LETTER FROM CHAIR, BOARD OF SUPERVISORS



**CHAIRMAN
BOARD OF SUPERVISORS
COUNTY OF SACRAMENTO**
700 H STREET, SUITE 2450 • SACRAMENTO, CA 95814

DON NOTTOLI
SUPERVISOR, FIFTH DISTRICT
Telephone (916) 874-5465
FAX (916) 874-7593
E-MAIL: nottolid@saccounty.net

October 12, 2017

Dear Sacramento County Residents:

On behalf of the Sacramento County Board of Supervisors, I am pleased to present Sacramento County's Fiscal Year 2017-18 Final Adopted Budget. The budget document is the financial and operational plan for services and programs provided by the County as well as special districts governed by the Board of Supervisors.

The 2017-18 Budget continues to reflect a strong commitment to fiscal integrity and provision of a multitude of essential services to County residents of all ages and from all walks of life. Acknowledging the generally improving economy in recent years, this budget includes significant funding for public safety, public protection, health and welfare programs, and municipal services to communities throughout our County.

Additionally, new funding for recently approved initiatives to address homelessness as well as safety and nuisance activity in the American River and Dry Creek Parkways and unincorporated area neighborhoods and business districts is included in this year's budget.

In developing and preparing this year's budget, County personnel and members of the public were encouraged to participate in the budgeting process through online access to budget documents and schedules as well as through public hearings focused on specific aspects of programs and services and budget workshops held throughout the calendar year.

The final budget totals a little more than \$4 billion and includes \$2.4 billion in General Fund appropriations. In addition to enhanced funding for Child Protective Services, Sheriff, Probation and other public safety needs, and social services, this year's budget includes additional monies set aside for reserves to meet future needs, road and street maintenance work, and replacement of critical technology to better serve County residents.

To access information on the 2017-18 Sacramento County Budget or to view documents online, please visit the County's website at <http://www.bdm.saccounty.net/FY201718BudgetInformation/Pages/default.aspx>, contact your representative on the Board of Supervisors or contact the Office of the County Executive at (916) 874-5833.

Sincerely,

A handwritten signature in black ink that reads "Don Nottoli".

Don Nottoli, Chairman
Supervisor, 5th District

COUNTY VISION, MISSION AND VALUES

VISION

A vision is a compelling conceptual image of the desired future.

This statement describes “what we want to be” in the twenty-first century.

Our Vision is for Sacramento County to be:

- The most livable community with the highest quality public service.

MISSION

Our mission statement defines why our organization exists.

It describes what we want to do for the community.

Our Mission for Sacramento County is to:

- Improve quality of life in the community.
- Promote individual responsibility and achievement.
- Protect one another and the environment we share.
- Provide innovative and cooperative quality customer service.
- Recognize and seize opportunities for improvement.
- Stimulate economic growth and regional cooperation.

VALUES

These values are the basic principles and beliefs for the County of Sacramento.

They govern the way we make and carry out our decisions.

Our Values for Sacramento County are:

- Trust
- Dignity and respect for the individual
- Customer service
- Partnership
- Empowerment
- Continuous improvement
- Personal and professional growth
- Respect for cultural and ethnic diversity

SUMMARY OF 2017-18 ADOPTED BUDGET

The Introduction is a brief summary of Sacramento County's Annual Budget as adopted by the Board of Supervisors after legally required public hearings held in September 2017. The Introduction provides the reader with a guide to the contents of the larger document by summarizing information in the following sections:

- I. Budget Document Content
- II. Summary of the Adopted Budget
 - The General Fund, Programs, Financing, and Fund Balance Changes
 - Other Funds Subject to Appropriation (Other Governmental Funds)
- III. Five-Year Capital Improvement Plan
- IV. County Executive's Recommended Fiscal Year 2017-18 Budget Report

I. Budget Document Content

The County's annual budget document includes fiscal and operational information on county operations and those special districts and enterprises governed by the Board of Supervisors. It consists of several general sections including:

- General budget information summarizes the Adopted Budget and presents the County Executive's Recommended Budget. (The Recommended Budget report may be viewed or downloaded at the following county Web site: <http://www.bdm.saccounty.net/>). This section also includes a summary of the budget policies/process; the basis of budgeting; information about the County, major funds, major revenue trends, a summary of authorized staffing levels, and summaries of appropriations and financing. (See section "A-General Budget Information")
- State-determined Program Areas and Revenue Summary Schedules (tables) listing the financing and requirements for county funds, and appropriations in governmental funds. (See section "B-Summary Schedules")
- Summary of Positions giving the authorized staffing levels by budget unit. (See section "C-Summary of Positions")
- Detailed information (the budget messages) on the various budget units making up the overall county budget. This information is organized into the following five sections that reflect the organizational structure of the County (see page A-3 for Organizational Chart).
 - Elected Officials (See Section D)
 - General Government (See Section E)
 - Administrative Services (See Section F)
 - Municipal Services (See Section G)
 - Public Works and Infrastructure (See Section H)
 - Social Services (See Section I)
 - Sanitation Districts Agency (See Section J)
- The Five-Year Capital Improvement Plan (CIP) is also included as part of the budget document (see Volume II). Annually, the Board of Supervisors holds a separate hearing on the Five-Year Capital Improvement Plan.

II. Summary of the Adopted Budget

Adopted Budget Hearings were held in September 2017. As part of these hearings the Board of Supervisors adopted the County Executive’s Recommended Budget totaling \$4.15 billion and is reflected in the table below. The adopted budget reflects an increase of 4.0 percent (\$0.16 billion) from the Fiscal Year 2016-17 Adopted Budget of \$3.99 billion.

Total County Budget by Fund Type

Fund Types	Amount	Percent
General Fund	\$2,477,036,712	59.7%
Special Revenue Funds	356,660,831	8.6%
Capital Project Funds	72,743,870	1.8%
Debt Service Funds	28,708,783	0.7%
Subtotal - Governmental Funds	2,935,150,196	70.7%
Internal Service Funds	402,974,488	9.7%
Enterprise Funds	461,289,107	11.1%
Special Districts and Other Agencies	351,148,244	8.5%
Total	\$4,150,562,035	100.0%

- **The General Fund, Programs, Financing, and Fund Balance Changes**

The overall authorized spending for departmental programs and the contingency is approximately \$2.48 billion. As reflected in the table above the General Fund is the largest county fund. Support for the General Fund is detailed in the following table:

Financing Source	Amount
Departmental Revenue	\$1,821,655,022
Local Revenue	594,833,339
Reserve Release	11,746,058
Fund Balance	48,802,293
Total	\$2,477,036,712

The General Fund supports the majority of county services and nearly three-quarters of county employees providing both countywide and municipal services. As a California county, Sacramento County provides countywide human services, and law and justice services. The human services include human assistance aid, foster care, public health, mental health, and protective services. The countywide law and justice services include prosecution, adult and juvenile detention (jails), coroner services, and legal defense.

The majority of General Fund appropriations cover employee salary and benefit costs. The following table illustrates the classification of appropriations:

Appropriation Type	Amount (In Millions)	Percent
Salaries and Benefits	1,206.2	48.7%
Welfare Aid Payments	454.7	18.4%
Other Charges	403.4	16.3%
Services and Supplies	379.3	15.3%
Internal Charges	188.2	7.6%
Debt Service	12.6	0.5%
All Other	(167.4)	-6.8%
Total	2,477.0	100.0%

The following tables summarize the net cost of the General Fund programs that are financed from local resources. It compares the Fiscal Year 2016-17 Adopted Budget for the General Fund by Agency to the Fiscal Year 2017-18 Adopted Budget:

ADOPTED BUDGET NET COST COMPARISON
(Amounts Expressed in millions)

Program	2016-17 Adopted Budget Net Cost	2017-18 Adopted Budget Net Cost	Year to Year Variance
Elected Officials			
Assessor	\$9.4	\$9.8	\$0.4
Board of Supervisors	3.4	3.4	0.0
District Attorney	56.1	58.7	2.6
Sheriff	222.5	235.9	13.4
Correctional Health Services	31.4	32.7	1.3
Subtotal	322.8	340.5	17.7
General Government			
County Counsel	2.3	2.3	0.0
Financing-Transfers/Reimbursements	4.0	5.3	1.3
Non-Departmental Costs	19.8	19.6	(0.2)
Other General Government	6.4	10.7	4.3
Subtotal	32.5	37.9	5.4
Administrative Services			
Court	33.6	33.6	0.0
Data Processing-Shared Systems	9.6	10.3	0.7
Finance	3.2	2.6	(0.6)
Voter Registration and Elections	7.6	10.0	2.4
Other Administrative Services	0.5	0.5	0.0
Subtotal	54.5	57.0	2.5

ADOPTED BUDGET NET COST COMPARISON

(Amounts Expressed in millions)

Program	2016-17 Adopted Budget Net Cost	2017-18 Adopted Budget Net Cost	Year to Year Variance
Municipal Services			
Agricultural Comm-Sealer of Wts & Meas	1.5	1.4	(0.1)
Animal Care and Regulation	7.8	9.6	1.8
Regional Parks	6.3	8.1	1.8
Other Municipal Services	7.1	0.1	(7.0)
Subtotal	22.7	19.2	(3.5)
Public Works and Infrastructure			
Code Enforcement	0.0	5.5	5.5
Subtotal	0.0	5.5	5.5
Social Services			
Health and Human Services	22.6	28.5	5.9
Human Assistance-Administration	13.9	20.9	7.0
Human Assistance-Aid Payments	19.7	17.9	(1.8)
Probation	63.0	67.2	4.2
Public Defender & Conflict Criminal Defenders	41.8	42.3	0.5
Other Social Services	19.3	15.8	(3.5)
Subtotal	180.3	192.6	(3.5)
Total	\$612.8	\$652.7	\$24.1

General Purpose Financing

General Purpose Financing is the source used to fund the net cost of the various programs. The following table details the year-to-year recommended changes in general purpose revenues:

General Purpose Revenues
(Amounts Expressed In Millions)

	2016-17 Adopted Budget	2017-18 Adopted Budget	Year to Year Variance
Property Taxes *	\$242.8	\$255.0	\$12.2
Property Tax In Lieu of Vehicle License Fees	150.3	160.1	9.8
Sales Tax & In Lieu Sales Tax	78.7	83.4	4.7
Utility Tax	19.1	19.6	0.5
Fines & Penalties	14.0	11.1	(2.9)
Property Transfer Tax	10.6	11.5	0.9
Franchises	5.5	5.2	(0.3)
Revenue Neutrality & Transition	20.2	20.7	0.5
Other Revenues & Reimbursements	32.8	36.5	3.7
Total	\$574.0	\$603.1	\$29.1

*Includes all sources of property tax revenue (i.e. Secured, Unsecured, Supplemental, Delinquent, Unitary)

- Property Tax Revenues currently constitute the largest source of General Fund financing and account for 42.3 percent of the total financing. Property Taxes is a 1.0 percent tax on real property.
- Property Tax In Lieu of Vehicle License Fees is the second largest source of General Fund financing with 26.5 percent of the total financing. This revenue source emerged as a result of the State’s “swap” deal.
- Sales and Use Tax account for 13.8 percent of the total General Fund financing.

Recent Changes in Fund Balance of General Fund

The following table reflects the beginning total fund balance (both Departmental carryover and Non-Departmental fund balance) of each fiscal year since Fiscal Year 2013-14 and the change in available fund balance from the prior-year fiscal year:

Fiscal Year	Fund Balance	Variance
2013-14	31,042,942	12,795,288
2014-15	43,921,611	12,878,669
2015-16	33,895,539	-10,026,072
2016-17	50,600,943	16,705,404
2017-18	48,802,293	-1,798,650

- Fund Balance carried into Fiscal Years 2013-14 and 2014-15 are slightly improved from the prior year as revenues have begun to stabilize.
- The beginning fund balance for Fiscal Year 2015-16 includes the receipt of \$18.3 million in SB 90 revenues for prior years' claims.
- The beginning fund balance for Fiscal Year 2016-17 consists of \$47,547,865 in Fund 001A (General Fund), \$1,771,797 in Fund 001F (Community Investment) and \$1,281,281 in Fund 001G (Neighborhood Revitalization).
- The beginning fund balance for Fiscal Year 2017-18 consists of \$46,537,263 in Fund 001A (General Fund), \$1,028,943 in Fund 001F (Community Investment) and \$1,236,087 in Fund 001G (Neighborhood Revitalization).

Other Funds Subject to Appropriation (Other Governmental Funds)

The overall financing and requirement for the Other Governmental Funds, or those other funds subject to appropriation is found in Schedule 1 – Summary of County Budget, in the Summary Schedules portion of this document. An analysis of fund balances is reflected in Schedule 2 – Analysis of Fund Balance Unreserved/Undesignated. Reserve change detail is reflected in Schedule 3- Detail of Provisions for Reserves/Designations. All other Summary Schedules are reflected in Section B – Summary Schedules. Following is a brief description of the Other Governmental Funds, the major financing sources, and the Fiscal Year 2017-18 requirement and financing.

SPECIAL REVENUE FUNDS

Affordability Fee – \$2,301,872

0.0 Positions

All fees collected pursuant to Sacramento County Code Section 22.35.050 are solely to purchase land for affordable housing, produce or substantially rehabilitate affordable units, or buy down Extremely Low Income units. The affordability fees collected shall be transferred to the Sacramento Housing and Redevelopment Agency (SHRA) and administered by the SHRA Executive Director who has the authority to govern the funds consistent with Chapter 22.35 of the Sacramento County Code. A portion of the funds may be used to cover reasonable administrative expenses.

Building Inspection Fund – \$20,291,994

0.0 Positions

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

County Library – \$1,188,983

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.

Development and Code Services – \$42,213,890 232.0 Positions

The Office of Development and Code Services is comprised of five divisions: Administrative Services, Building Permits and Inspection, Code Enforcement, and County Engineering (all from the former Department of Community Development), and Construction Management and Inspection from the Department of General Services.

Economic Development – \$52,723,090 16.0 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 – \$22,452,558 124.0 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 \$776,427.

First 5 Sacramento Commission Fund – \$29,339,865 14.0 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.

Fish and Game Fund – \$25,000 0.0 Positions

Financing for this fund comes from fish and game fines. The funds are used for education programs.

Golf Fund – \$7,540,068 6.0 Positions

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

Road Fund – \$74,880,533 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 – \$13,329,745 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 \$1,228,078.

Technology Cost Recovery Fee – \$1,497,828 0.0 Positions

Revenue collected on permits and building licenses are deposited into this fund to provide financing to pay for the implementation and operation of the web-based Automation E-Government Permitting System (ACCELA).

Transient-Occupancy Tax Fund – \$960,133 0.0 Positions

This fund is a subset of the General Fund. 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.

Transportation – \$54,327,549 265.2 Positions

The Department of Transportation provides road improvement services in the Unincorporated Area of Sacramento County and has three broad areas of responsibility: planning, programs and design; pavement, roadside and landscape maintenance; and traffic engineering and operations.

Transportation-Sales Tax Fund – \$33,587,723 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.

CAPITAL PROJECT FUNDS

Capital Construction Fund – \$71,224,604 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.

Park Construction Fund – \$1,519,266 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 \$209,987.

DEBT SERVICE FUNDS

Teeter Plan - \$28,708,783

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).

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.

DEPARTMENT	FISCAL YEAR 2017-18	POSITIONS
Board of Retirement	\$10,024,407	60.0
General Services-Airport District	7,427,760	39.0
General Services-Alarm Services	1,658,623	6.0
General Services-Architectural Services	3,051,033	14.0
General Services-Bradshaw District	15,423,398	87.0
General Services-Capital Outlay	33,210,192	0.0
General Services-Downtown District	9,386,886	61.0
General Services-Energy Management	10,230,648	1.0
General Services-Heavy Equipment	24,335,350	70.0
General Services-Light Equipment	23,239,730	26.0
General Services-Office Of The Director	1,926,747	27.0
General Services-Purchasing	2,636,942	18.0
General Services-Real Estate	46,331,868	25.0
General Services-Security Services	2,844,184	25.0
General Services-Support Services	8,392,407	19.0
Interagency Procurement	51,991,450	0.0
Liability/Property Insurance	20,171,490	0.0
Department of Technology	95,480,802	388.0
Regional Radio Communications System	6,160,917	9.0
Unemployment Insurance	1,556,680	0.0
Workers' Compensation Insurance	27,492,974	0.0
TOTAL INTERNAL SERVICE FUNDS	\$402,974,488	875.0

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 2017-18	POSITIONS
Airport System	\$264,885,764	306.0
Airport-Capital Outlay	186,030	0.0
Parking Enterprise	4,347,241	7.0
Rural Transit	3,860,779	0.0
Solid Waste Enterprise	88,287,997	260.0
Solid Waste Enterprise Capital Outlay	7,597,979	0.0
Water Agency Enterprise	92,123,317	123.0
TOTAL ENTERPRISE FUNDS	\$461,289,107	696.0

SPECIAL DISTRICTS AND OTHER AGENCIES

The following Special Districts and Other Agencies 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 2017-18	POSITIONS
1997-Refunding Public Facilities Debt Service	483,596	0.0
2003 Public Facilities-Debt Service	147,194	0.0
2004 Pension Obligation Bonds	906,233	0.0
2006 Public Facilities-Debt Service	130,193	0.0
2007 Public Facilities Projects-Debt Service	158,331	0.0
2010 Refunding COPs-Debt Service	488,683	0.0
Antelope Assessment	650,418	0.0
Antelope Public Facilities Financing Plan	1,497,773	0.0
Bradshaw/US 50 Financing District	56,327	0.0
Carmichael Recreation and Park District	5,477,870	17.0
Carmichael RPD Assessment District	779,291	0.0
Connector Joint Powers Authority	405,199	3.0
County Parks Community Facilities District 2006-1	20,049	0.0
County Service Area No. 1	2,980,669	0.0
County Service Area No. 10	405,588	0.0
County Service Area No.4B-(Wilton-Cosumnes)	17,203	0.0
County Service Area No.4C-(Delta)	45,561	0.0
County Service Area No.4D-(Herald)	11,095	0.0
Countywide Library Facilities Admin Fee	50,305	0.0

DEPARTMENT	FISCAL YEAR 2017-18	POSITIONS
Del Norte Oaks Park District	7,757	0.0
Fixed Asset Revolving	44,713,000	0.0
Florin Road Capital Project	401,676	0.0
Florin Vineyard No. 1 CFD 2016-2	124,800	0.0
Foothill Park	598,190	0.0
Fulton Avenue Capital Project	43	0.0
Gold River Station No. 7	73,332	0.0
Juvenile Courthouse-Debt Service	145,201	0.0
Laguna Community Facility District	398,764	0.0
Laguna Creek/Elliott Ranch Community Facilities District No. 1	3,648,874	0.0
Laguna Stonelake Community Facilities District	313,929	0.0
Landscape Maintenance District	1,060,674	0.0
Mather Landscape Maintenance Community Facilities District	509,320	0.0
Mather Public Facilities Financing Plan	805,221	0.0
McClellan Park Community Facilities District	12,865,126	0.0
Metro Air Park	13,082,363	0.0
Metro Air Park Service Tax	742,628	0.0
Mission Oaks Maintenance/Improvement District	3,829,774	0.0
Mission Oaks Recreation and Park District	4,169,456	21.0
Natomas Fire District	2,416,571	0.0
North Vineyard Station Specific Plan (NVSSP)	5,379,674	0.0
NVSSP Community Facilities District	26,128,265	0.0
Park Meadows Community Facilities District-Bond Proceeds	132,853	0.0
Pension Obligation Bond-Debt Service	445,795	0.0
Regional Sanitation District-Operating	64,823,431	478.0
Sacramento Area Sewer District	39,742,461	298.0
Sacramento County Landscape Maintenance	160,180	0.0
Sunrise Recreation and Park District	10,885,435	22.0
Tobacco Litigation Settlement-Capital Projects	1,478,279	0.0
Vineyard Public Facilities Financing Plan - Roadway	10,819,499	0.0
Water Agency Zone 11-Drainage Infrastructure	31,863,205	0.0
Water Agency-Zone 13	7,087,064	0.0
Water Resources	47,583,826	134.6
TOTAL SPECIAL DISTRICTS AND OTHER AGENCIES	\$351,148,244	973.6

III. Five-Year Capital Improvement Plan (Volume II)

The 2017-18 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 2021-22 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	235,844,900
County Buildings & Capital Construction	204,594,162
Department of Technology	39,436,906
Libraries	6,499,152
Regional Parks	5,203,280
Transportation	449,271,000
Waste Management & Recycling	84,246,822
Water Resources-Drainage	40,382,201
Water Resources-Water Supply	151,815,302
TOTAL	1,217,293,725

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.

IV. County Executive’s Recommended Fiscal Year 2017-18 Budget Report

COUNTY EXECUTIVE'S RECOMMENDED FISCAL YEAR 2017-18 ADOPTED BUDGET LETTER

County Executive
Navdeep S. Gill



County of Sacramento

Board of Supervisors
Phillip R. Serna, District 1
Patrick Kennedy, District 2
Susan Peters, District 3
Sue Frost, District 4
Don Nottoli, District 5

August 25, 2017

Members of the Board of Supervisors
County of Sacramento
700 H Street, Suite 2450
Sacramento, CA 95814

Re: Fiscal Year 2017-18 Budget Adoption

Honorable Members of the Board:

I am pleased to present the Adopted Budget for FY2017-18 (Adopted Budget) for your review and consideration. The Budget for All Funds totals \$4,121,748,771 in appropriations. This is a \$92,424,345 (2.3%) increase from the Budget approved in June (Approved Budget). The increase is due to:

- A \$68.2 million increase in special revenue and enterprise fund appropriations, including over \$35 million related to the re-budgeting of capital and other project costs based on changes in project timing or changes in project costs; and
- A \$24.2 million increase in General Fund appropriations.

General Fund Overview

The Adopted Budget General Fund appropriation is \$2,461,836,840.

Revenue Adjustments:

FY2017-18 General Fund revenue estimates have increased by \$32,855,747, as reflected in the following adjustments:

- The unaudited FY2016-17 year-end fund balance carry-forward of \$46,537,263, which is a \$6,537,263 increase compared to the Approved Budget;

- A \$4,774,203 increase in discretionary revenue estimates;
- The cancellation of \$452,973 in Teeter Reserves; and
- An additional \$21.09 million in federal, state and other revenue, including a \$3.37 million increase in Realignment revenue.

General Fund Reserves/Set-Asides:

The proposed Adopted General Fund Budget includes \$8.6 million in reserves and set-asides for the following purposes:

- \$5,106,699 to General Reserves. This is consistent with the Board's General Reserve Policy, which calls for placing 10% of the Available fund balance (\$4,653,726) in General Reserves and for reclassifying any reserves no longer needed for the stated purpose (\$452,973 in Teeter Reserves). With this adjustment, the General Reserves balance will stand at \$13,650,976.
- \$3,498,563 to a new Reserve for New Programs. This represents one-time discretionary resources available after meeting the Board's General Reserve requirements, balancing the Base Budget for all departments and funding priority Growth requests. This is money that can be used by the Board to invest in new programs, including the Parkways and Unincorporated Communities Clean Up and Safety Initiative, to increase General Reserves or to pay back more of the inter-fund advances owed to other funds. At its meeting of August 23, 2017, the Board directed that this reserve be allocated to the Parkways and Unincorporated Communities Clean Up and Safety Initiative. A supplemental budget adjustment to implement the Board's direction is attached as Exhibit A.

General Fund Appropriations

The Adopted General Fund budget includes appropriation adjustments totaling \$24,250,485 for the following purposes:

- \$3,000,000 to increase the Appropriation for Contingency to \$4,958,000. This additional \$3 million can be used to fund certain likely cost increases.

- \$12,704,008 (with a \$4,564,170 reduction in Net County Cost) to cover Base Budget increases, including a \$10.2 million increase in appropriations in the Human Assistance – Aid Payments budget due primarily to State-required increases in Foster Care rates and an increase in the CalWORKS caseload. The reduction in Base Net County Cost is due in part to the receipt of additional Title IV-E Foster Care, CalWORKS and Realignment revenue and a decrease in expenses due to a reduction in Foster Care and General Assistance caseloads and is partially offset by the use of Net County Cost to backfill a \$1.2 million reduction in projected funding from private sources for homeless initiatives which we no longer believe will be available. With this backfill, the County will maintain its \$6.5 million funding commitment to the various homeless initiatives that are part of a comprehensive program to address homelessness in the County approved by the Board in FY2016-17.
- \$8,546,477 (\$5,045,227 Net County Cost) to fund certain Growth requests as described more fully in the tables below.

Status of Homeless Initiative

Since the Budget was approved, staff has begun to implement the Board-approved homeless initiative: Redesign Family Homelessness Response and Shelter System; Preserve Mather Community Campus Residential and Employment Program; Create Full Service Rehousing Shelter; and Create a Flexible Supportive Rehousing Program.

Beginning in October 2017, Volunteers of America and Serna Village will be losing Continuum of Care funding from the U.S. Department of Housing and Urban Development for transitional housing programs at the Mather Community Campus and Serna Village. At the same time, in response to a State reduction of the County's CalWORKS allocation, the Board approved ending CalWORKS support for emergency family shelters (VOA-Bannon Street, Next Move and Saint John's Program for Real Change). With these reductions, the local homeless system stood to lose more than 250 units of shelter and housing capacity that would have served approximately 580 homeless individuals and families annually.

With the first two homeless initiatives, along with support for Serna Village and the provision of Housing Choice Vouchers for homeless individuals and families, the Board was able to save most of the capacity that would have

been lost. The Board also added capacity to shelter and house more individuals and families each year. In total, the Board's actions will insure capacity to shelter and house more than 1,000 individuals and families per year, an increase of approximately 480 compared to the number that could have been served prior to the initiative.

Exhibit B provides more detail on the status of homeless shelter units.

Departmental Requests for New or Enhanced Programs

For the preparation of the FY2017-18 Budget, County departments submitted over \$72 million in requests for new or enhanced programs, including over \$36 million in General Fund (Net County Cost) support. To assist in evaluating these requests, departments were asked to prioritize their needs. This prioritization was taken into account, along with Board priorities and other factors, in making Budget recommendations in June. Not all of the requests were able to be funded in June. The remaining requests were considered in the preparation of the Adopted Budget.

The Adopted Budget includes an additional \$9.9 million for All Funds in funding for new or enhanced programs and services. These are funded with the following resources:

- Discretionary revenue/carryover (Net County Cost) of \$5.045 million, and
- Federal, State and fee revenue of \$4.9 million.

Funded Net County Cost New or Enhanced Programs - As detailed in the table below, Net County Cost funding for new or enhanced programs is focused primarily on three areas:

- Implementing Foster Care Continuum of Care Reform, including addressing critical needs at the Children's Receiving Home and providing mental health and support services to foster children and families. Three different Growth requests provide a total of \$2.067 million in Net County Cost for these efforts. In addition, these and other Growth requests provide an additional \$1.57 million in State and federal revenue to further enhance services, for a total investment of over \$3.6 million.
- Addressing critical public safety needs, by implementing a \$1.095 million pilot program in the Sheriff's Department that will use the Shot

Spotter technology and a dedicated team of four new deputies to identify and arrest offenders in the areas of the unincorporated County with high incidences of unreported gun shots.

- Replacing and upgrading critical technology, where equipment or system failure could have serious consequences. The Adopted Budget includes approximately \$1.2 million for 6 Growth Requests, including the replacement of an out-of-date property tax bill software interface component in the Assessor's Tax System, the replacement of Correctional Health's Clinic Management System, which is 10 years old and no longer supported, and the replacement of two servers used by the Probation Department that are at the end of their useful life and not compatible with new security systems at the Youth Detention Facility.

Department	Description	Amount	FTE
Health & Human Services	Continuum of Care Reform (CCR):Children's Receiving Home - Additional Capacity	\$ 400,000	0
Health & Human Services	CCR: Pooled contracts with mental health providers for children who would otherwise be in Children's Receiving Home	\$ 1,467,410	0
Health & Human Services	CCR: Wrap-around mental health services to support families in transitioning children from higher level of care to home-based care	\$ 200,000	0
Total CCR/Children's Receiving Home Issues	Net County Cost in different CCR Growth requests could be reallocated as needed to address CCR/Receiving Home issues	\$2,067,410	0
Health & Human Services	CPS - Windows 10 Software Upgrade - Required by State to continue to utilize Case Management System	\$ 253,000	0
Health & Human Services	Public Health - New Servers for Lab - HIPPA Compliance	\$ 18,070	0
Health & Human Services	CPS - Computer Refresh - Replace 1/3 of PCs - Warranties Expiring	\$ 447,000	0
Health & Human Services	EMS - Implement Cardiac Arrest Registry in Area Hospitals	\$ 5,000	0
Health & Human Services	Total	\$ 2,790,480	0
Probation	Replace 2 servers - Existing Servers at End of Useful Life/Not Compatible with New YDF Security Camera System	\$ 180,000	0
Sheriff/Correctional Health	Replace Clinic Management Software System - Existing System 10 Years Old/ No Longer Supported - 3-year Lease Purchase	\$ 150,000	0
Sheriff	Shotspotter Technology/4 Deputies - Enhanced Response to High Gun Shot areas	\$ 1,095,154	4
Assessor	Replacement Billing Interface System - old system at risk of failure - paid for with Salary Savings (\$300,000)	\$ -	0
Non-Departmental Costs	Measure A Planning	\$ 50,000	0
Planning & Environmental Review	SCHCP Plan Implementation - County's Share	\$ 53,167	0
Data Processing - Shared Systems	Open Data Initiative - Workload Increase	\$ 18,700	0
Finance	Countywide Risk Assessment to prioritize audits	\$ 100,000	0
Voter Registration & Elections	Camera Replacement - Staff Safety/Election Integrity	\$ 25,200	0
Regional Parks	Destruction of 10 Abandoned Wells - Compliance Issue	\$ 193,000	0
Regional Parks	Gibson Ranch Agreement - To Meet Terms Approved by Board	\$ 60,000	0
Regional Parks	ADA Transition Plan Preparation - Parks Share of Costs	\$ 88,078	0
Code Enforcement	To DOT for Residential Parking Permit Program	\$ 58,000	0
Code Enforcement	Marijuana Enforcement Initiative - 2 Code Enforcement Officers	\$ 183,448	2
TOTAL		\$ 5,045,227	6

FTE: Full Time Equivalent Positions

Funded Non-Net County Cost New or Enhanced Programs – The table on the following page shows the funded new or enhanced requests that do not require Net County Cost or that are part of a request that includes both Net County Cost and other funding (in which case the Net County Cost shown in the table is also detailed in the table in the previous section).

Department	Description	Total Amount (a)	Net County Cost	Federal, State, Other	FTE
Health & Human Services	CCR: Mental Health - Children's Receiving Home Additional Capacity	\$ 500,000	\$ 400,000	\$ 100,000	0
Health & Human Services	CCR: Pooled contacts with mental health providers who would otherwise be in Children's Receiving Home	\$ 2,934,820	\$ 1,467,410	\$ 1,467,410	0
Health & Human Services	CPS - Windows 10 Software Upgrade	\$ 440,000	\$ 253,000	\$ 187,000	0
Health & Human Services	CPS - Computer Refresh	\$ 600,000	\$ 447,000	\$ 153,000	
Health & Human Services	Public Health - Tobacco Education Program	\$ 1,375,672		\$ 1,375,672	0
Sheriff	Convert Contracted Intelligence Analyst to Regular Position	\$ -		\$ -	1
Planning & Environmental Review	SCHCP Implementation	\$ 151,335	\$ 53,167	\$ 98,168	0
Code Enforcement	Marijuana Enforcement Initiative - 2 Code Enforcement Officers - Fine Revenue Share (FTE Shown Under Net County Cost)	\$ 253,448	\$ 183,448	\$ 70,000	0
Regional Parks	New Tractor for Parkway	\$ 50,000		\$ 50,000	0
Total General Fund		\$ 6,305,275	\$ 2,804,025	\$ 3,501,250	1
Board of Retirement	One New Executive Secretary for Clerical Support	\$ 89,829		\$ 89,829	1
Liability/Property Insurance	ADA Transition Plan Preparation Costs - Personnel Services Share	\$ 115,000		\$ 115,000	0
Department of Technology	Open Data Initiative - Revenue from General Fund	\$ 18,700		\$ 18,700	0
Department of Technology	Replace Out-of-Date Billing Interface Software System in Assessor's Property Tax System - Revenue from General Fund	\$ 300,000		\$ 300,000	0
Regional Parks - Park Construction	Valensin-Horseshoe Lake Restoration - Phase 2: Wetland Restoration	\$ 129,487		\$ 129,487	0
Regional Parks - Park Construction	American River Parkway - Campfire Day Campsite Improvements at River Bend Park	\$ 80,500		\$ 80,500	0
Development & Code	Site Improvement & Permits- Add Associate Civil Engineer to Plan Rview to Deal with Increased Development Activity	\$ 147,630		\$ 147,630	1
Transportation	Residential Parking Permit Program - Increased Demand (Reimbursement from General Fund)	\$ 58,000		\$ 58,000	0
Waste Management & Recycling	Add 3 FTE Transfer Equipment Operators due to Increase Tonnage at North Area Recovery Station (NARS)	\$ 281,062		\$ 281,062	3
Waste Management & Recycling	Add 1 FTE Scale Attendant due to Increased Tonnage at NARS	\$ 72,642		\$ 72,642	1
Waste Management & Recycling	ADA Transition Plan Preparation - Waste Mangement Share of Costs	\$ 15,543		\$ 15,543	0
Water Agency Enterprise	Vehicle Upgrade - One Replacement Vehicle - Change from Light to Heavy Equipment	\$ 70,888		\$ 70,888	0
Total - Non-General fund		\$ 1,379,281	\$ -	\$ 1,379,281	6
TOTAL		\$ 7,684,556	\$ 2,804,025	\$ 4,880,531	7
(a) Net of Reimbursements					

FTE Positions

The table below provides information concerning the County's FTEs.

Existing FTEs	12,226.6
Recommended Net County Cost FTEs	6.0
Recommended Non-Net County Cost FTEs	(8.6)
Total	12,224.0

The increase in Net County Cost FTEs reflects the Net County Cost-funded Growth requests listed above in the Funded Net County Cost New or Enhanced Programs table.

The decrease in Non-Net County Cost FTEs is the net result of the following increases and decreases:

- An increase of 7 FTE reflecting the Non-Net County Cost-funded Growth requests listed above in the Funded Non-Net County Cost New or Enhanced Programs table; and
- A reduction of 15.6 FTE due to reductions in categorical funding, such as federal and state revenues: 9 FTEs in Human Assistance – Administration due to a reduction in CalFresh revenue and 6.6 FTE in Health & Human Services due to a reduction in Nurse Family Partnership and Adolescent Health Program revenues.

FY2017-18 Adopted Budget – One-Time Revenue

The Adopted Budget is balanced using the following one-time sources:

Description	FY2017-18 Approved	FY2017-18 Adopted
One-time Discretionary	\$ -	\$ 3,752,078
Fund Balance/Carryover	\$ 40,000,000	\$ 46,537,263
Reserve Cancellation	\$ 7,693,085	\$ 7,693,085
Realignment Revenue Carryover	\$ 13,375,957	\$ 20,047,494
Total	\$ 61,069,042	\$ 78,029,920

Realignment Trust Fund Contingency Reserve

Realignment revenue received from the State is deposited in trust funds and only recognized as revenue in the General Fund after it is transferred to the appropriate department to cover the cost of eligible expenditures. Revenue received in the trust funds during the fiscal year and, in some cases, carry-over trust fund balances from the prior year, comprise the resources in the Realignment Trust Funds in any fiscal year.

For purposes of the FY2017-18 Adopted Budget, we estimate that Realignment revenue received in the trust funds will be approximately \$3.2 million lower than estimated when we prepared the Approved Budget. We also estimate that the Realignment Trust Funds carry-over balance from FY2016-17 will be approximately \$11.96 million higher than we estimated when we prepared the Approved Budget. In total, we are projecting an increase in Realignment resources of \$8.7 million above the approved amount. Approximately \$3.4 million of these additional Realignment resources is included as additional Realignment revenue in various departments in the Adopted General Fund Budget – all to cover increased Base Budget costs. We are recommending that the remaining \$5.3 million in estimated Realignment resources be retained in the Realignment Trust Funds as a contingency as follows:

Realignment Trust Fund Contingency Reserve Estimates

Realignment Revenue Category	FY2017-18		Difference
	Approved	Adopted	
Protective Services	\$ -	\$ 132,576	\$ 132,576
Public Health	\$ -	\$ 745,331	\$ 745,331
Social Services	\$ -	\$ 4,412,184	\$ 4,412,184
Total	\$ -	\$ 5,290,091	\$ 5,290,091

As proposed, these contingencies would serve a number of purposes:

- Approximately \$133,000 of Protective Services Realignment revenue would be available to cover future costs related to Continuum of Care Reform and to serve as a hedge against a potential reduction in Protective Services Realignment prior year carry-forward or Realignment revenue in future years.
- Approximately \$745,000 of Public Health Realignment revenue would be available to cover future increases in health program costs, including Correctional Health costs, and to serve as a hedge against the potential reduction in Public Health Realignment prior year carry-forward or Realignment revenue in future years.

- Approximately \$4.4 million of Social Services Realignment revenue would be available to cover costs associated with the ending of the In Home Supportive Services (IHSS) Coordinated Care Initiative and the establishment of a new, higher, IHSS Maintenance of Effort (MOE) requirement. We have not yet received an estimate of what the cost of this change will be to the County in FY2017-18, but it could be significant and it is clear the County's costs will increase substantially in future years.

Transient Occupancy Tax Revenue Allocations

The Adopted Budget includes an additional \$54,000 in Transient Occupancy Tax (TOT) revenue. In addition, the transfer of TOT revenue from the General Fund to the TOT Fund is reduced by \$83,782 in the Adopted Budget due to the identification of unspent TOT Fund balance that could be used to cover approved allocations. This total \$137,782 in available TOT revenue is used to cover the increase in general Net County Cost needs.

Attachments to the Budget Transmittal Letter

There are several attachments included with this transmittal letter that provide in-depth information concerning the Budget:

- Attachment 1 Presents the All Funds Budget;
- Attachment 2 Provides more information on the General Fund Budget; and
- Attachment 3 Provides a summary of significant changes by department.

Conclusion/Acknowledgement

As with the Recommended Budget presented in June, I would like to acknowledge the hard work and dedication of the County's Department heads and fiscal staffs in preparing the Budget you have before you today. Their input and judgement has been critical in crafting a Budget that attempts to address important community needs in a fiscally responsible manner.

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August 25, 2017

The Budget will be presented to the Board on September 6, 2017, at 9:30 A.M., with deliberations on that date and September 7 as needed.

We look forward to working with you as you review the Budget Recommended for Adoption. During your review, please contact me with any questions that you may have concerning the Budget.

Respectfully submitted,


Navdeep S. Gill
County Executive

Sacramento County
Office of Budget & Debt Management
**FY2017-18 BUDGET RECOMMENDED FOR ADOPTION AND CAPITAL IMPROVEMENT PLAN
SUPPLEMENTAL RECOMMENDATIONS**
August 25, 2017

ISSUE

Funding for the Parkways and Unincorporated Communities Clean Up and Safety Initiative

BACKGROUND

On August 23, the Board directed the County Executive to include funding in the Budget Recommended for Adoption ("Adopted Budget") for the "\$5 Million" option for the Parkways and Unincorporated Communities Clean Up and Safety Initiative (the "Initiative"). The goal of the Initiative is to reduce the incidence and mitigate the impact of illegal camping in the American River and Dry Creek Parkways and in the County's unincorporated communities. The Initiative will include:

- Adding two Regional Parks Illegal Camping Teams and three Regional Parks Debris Removal Teams to augment the one existing Illegal Camping Team and Debris Removal Team. These teams will provide seven day a week illegal camping enforcement efforts and debris removal services in the American River and Dry Creek Parkways.
- Adding two Sheriff's Homeless Outreach Teams (HOT), to augment the one existing HOT Team, along with additional debris removal support from the Department of Waste Management & Recycling. These teams will provide increased illegal camping enforcement efforts and debris removal services in the County's unincorporated communities.
- Adding one additional Animal Control Officer to focus specifically on dealing with animal issues related to camping in the American River and Dry Creek Parkways and the County's unincorporated communities.

Funding will come from a \$1.2 million transfer from the Solid Waste Enterprise Fund, a \$1,006,305 transfer from the Neighborhood Revitalization Fund, \$395,000 in services provided by Solid Waste & Recycling (in the Solid Waste Enterprise Fund) and \$3,498,563 in Net County Cost, made available by the cancellation of the General Fund's proposed Reserve for New Programs. Funding the Initiative will add 31 FTE positions, including 30 positions in the General Fund.

ADJUSTMENTS TO THE BUDGET RECOMMENDED FOR ADOPTION

Recommendation: Adjust the Budget Recommended for Adoption as Follows:

Parkways and Unincorporated Communities Clean Up and Safety Initiative								
Adjustments to FY2017-18 Budget Recommended for Adoption								
	Sheriff	Regional Parks	Animal Care	Total General Fund	Solid Waste Enterprise/ Capital Outlay	General Svcs. Capital Outlay	Neighborhood Revitalization	Total
Appropriations	2,649,598	2,864,026	191,244	5,704,868	1,595,000	686,629		7,986,497
Reimbursements		(2,206,305)		(2,206,305)				(2,206,305)
Net Appropriations	2,649,598	657,721	191,244	3,498,563	1,595,000	686,629	-	5,780,192
Revenue				-		686,629		686,629
Reserve Reduction	<u>2,649,598</u>	<u>657,721</u>	<u>191,244</u>	<u>3,498,563</u>	<u>1,595,000</u>	<u>-</u>	<u>-</u>	<u>5,093,563</u>
Total Resources	2,649,598	657,721	191,244	3,498,563	1,595,000	686,629	-	5,780,192

Sheriff

Increase appropriations and Net County Cost by \$2,649,598 and add 4 pick-up trucks and 11 new positions, including:

- 1 Sergeant
- 10 Deputy Sheriffs

Regional Parks

Increase net appropriations and Net County Cost by \$657,721 to add 10 vehicles, 2 Bobcats and associated equipment and 18 new positions along with \$162,882 in extra help funding for debris removal. The additional positions include:

- 6 Rangers
- 2 Ranger Supervisors
- 1 Chief Ranger
- 1 Park Interpretive Specialist
- 2 Senior Park Maintenance Workers
- 4 Park Maintenance Supervisor 2s
- 2 Park Maintenance Worker 1s

Gross appropriations will increase by \$2,864,026, offset by \$2,206,305 in reimbursements from the Solid Waste Enterprise Fund (\$1,200,000) and the Neighborhood Revitalization Fund (\$1,006,305).

Animal Care & Regulation

Increase appropriations and Net County Cost by \$191,244 to add one Animal Control Officer position and one vehicle.

General Fund Provision for Reserves

Cancel the \$3,498,563 Reserve for New Programs.

Solid Waste Enterprise/Capital Outlay Funds

Increase appropriations by \$1,595,000, offset by an equivalent reduction in the Provision for Reserves. The additional appropriations will be used as follows:

- \$1,200,000 in net non-fee revenue will be transferred as a reimbursement to the Regional Parks Budget.
- \$395,000 will be used to add one Collection Equipment Operator and one Boom Truck.

General Services Capital Outlay (Light Fleet) Fund

Increase appropriations and revenue by \$686,629 to cover the cost of purchasing

- 4 Class 140 Vehicles for the Sheriff's Department
- 2 Class 131 Vehicles for the Regional Parks Department
- 8 Class 154 Vehicles for the Regional Park Department
- 1 Class 141 Vehicle for Animal Care and Regulation

Neighborhood Revitalization Fund

No change in overall appropriations is required, however \$1,006,305 in appropriations will be moved from the Services and Supplies Object to the Inter-Fund Transfers Object to allow for a transfer to the Regional Parks Budget.

ADJUSTMENTS TO THE CAPITAL IMPROVEMENT PLAN (CIP)

Recommendation: Adjust the CIP as follows:

- Add the purchase of one Boom Truck for Waste Management and Recycling – FY2017-18 Cost: \$275,000.

Exhibit B

Homeless Shelter and Housing

Beginning in October 2017, Volunteers of America and Serna Village will be losing federal Continuum of Care funding from the Department of Housing and Urban Development for their transitional housing program at Mather Community Campus. At the same time, due to reductions in the County's state allocation for CalWORKs, the County can no longer fund emergency shelters using that revenue source. The table below summarizes how the homeless system stood to lose capacity to shelter and house approximately 580 homeless individuals and families annually without help from other sources.

Potential Impact of Lost HUD and CalWORKs Funding On Capacity

Provider	Annual Capacity Prior to Funding Loss		Annual Capacity With Lost Funding		Potential Loss	
	Units	Approx. Annual Capacity	Units	Approx. Annual Capacity	Units	Approx. Annual Capacity
Emergency Shelters						
VOA-Bannon Street	16	130	0	0	-16	-130
Next Move	17	140	0	0	-17	-140
Saint John's Program For Real Change	19	19	0	0	-19	-19
Total Emergency	52	289	0	0	-52	-289
Transitional Housing						
VOA-Mather	241	330	31	40	-210	-290
Total Transitional	241	330	31	40	-210	-290
Permanent Housing						
Serna Village	4	4	0	0	-4	-4
Total Permanent	4	4	0	0	-4	-4
TOTAL ALL CATEGORIES	297	623	31	40	-266	-583

Exhibit B

As shown in the table below, the Board's budget actions in June and its approval of Limited Homeless Allocation Housing Choice Vouchers during the summer ensure capacity to shelter and house more than 1,000 individuals and families per year who otherwise would not have had a place to live.

Impact of Board Actions on Potential Lost Capacity								
Provider	Potential Loss		Saved Capacity		Added Capacity		Total Capacity	
	Units	Approx. Annual Capacity						
Emergency Shelters								
VOA-Bannon Street	-16	-130	16	130	0	0	16	130
Next Move	-17	-140	17	140	0	0	17	140
St. John's Program For Real Change	-19	-19	0	0	-19	-19	-19	-19
Full Service Re-Housing Shelter	n/a				75	300	75	300
Total Emergency	-52	-289	33	270	56	281	89	551
Transitional Housing								
VOA-Mather	-210	-290	210	290	29	50	239	340
Total Transitional	-210	-290	210	290	29	50	239	340
Permanent Housing								
Serna Village	-4	-4	4	4	0	0	4	4
Housing Choice Vouchers	n/a				150	150	150	150
Total Permanent	-4	-4	4	4	150	150	154	154
TOTAL ALL CATEGORIES	-266	-583	247	564	235	481	482	1045

ATTACHMENT 1

**FY2017-18 Budget Recommended for Adoption
THE ALL FUNDS BUDGET**

The FY2017-18 Adopted All Funds Budget totals \$4,121,748,771 in appropriations. This is a \$92,424,345 (2.3%) increase compared to the Budget approved by the Board on June 14, 2017 (the "Approved Budget"). A more detailed comparison of the FY2017-18 Adopted Budget and the FY2017-18 Approved Budget is shown below.

Fiscal Year 2017-18 Approved Budget Compared to Adopted Budget All County Funds			
Fund	FY 2017-18 Approved Budget Appropriations	FY 2017-18 Adopted Budget Appropriations	Variance
General Fund	\$2,437,586,355	\$2,461,836,840	\$24,250,485
Community Investment Program	\$1,031,361	\$1,028,943	(\$2,418)
Neighborhood Revitalization	\$1,693,880	\$1,965,667	\$271,787
Economic Development	\$49,179,041	\$52,723,090	\$3,544,049
Environmental Management	\$21,676,131	\$21,676,131	\$0
Golf Fund	\$7,617,665	\$7,540,068	(\$77,597)
Transient Occupancy Tax	\$600,244	\$960,133	\$359,889
Transportation	\$165,014,456	\$182,895,982	\$17,881,526
Water Resources	\$165,607,004	\$176,038,772	\$10,431,768
Airport System	\$251,269,694	\$265,071,794	\$13,802,100
Waste Management & Recycling	\$84,151,592	\$85,322,917	\$1,171,325
Capital Projects Funds	\$63,060,213	\$72,533,883	\$9,473,670
Debt Service Funds	\$31,260,427	\$28,708,783	(\$2,551,644)
Other Special Revenue Funds	\$96,723,126	\$96,859,432	\$136,306
Other Enterprise Funds	\$3,423,676	\$4,347,241	\$923,565
Other Internal Service Funds	\$394,303,031	\$402,287,859	\$7,984,828
Other Special Districts & Agencies	\$255,126,530	\$259,951,236	\$4,824,706
Total	\$4,029,324,426	\$4,121,748,771	\$92,424,345

In addition to the increase in General Fund appropriations, funds or fund groups with major increases in appropriations include:

- Transportation, with a total increase of \$17.8 million, including increases in the Roads, Department of Transportation, Roadways and Transportation – Sales Tax Funds, due primarily to re-budgeting for capital and maintenance projects caused by changes in project schedules.

ATTACHMENT 1

FY2017-18 Budget Recommended for Adoption
THE ALL FUNDS BUDGET

- The Airport System Fund, with an increase of \$13.8 million, due to the re-budgeting of capital and other projects and approximately \$2.8 million in new capital projects.
- Water Resources, with a total increase of \$10.4 million, including increases in the Water Agency – Zone 11, Water Agency – Zone 13 and Water Resources Funds, due primarily to an increase in the reimbursement payments to developers, increased capital project costs and an increase in home elevation grant pass-through payments and local share of cost for two Federal Emergency Management (FEMA) Hazard Mitigation Grant programs.
- Capital Projects Funds, with a total \$9.5 million increase, including increases in the Capital Projects and Park Construction Funds, due primarily to the re-budgeting for capital projects based on revised project schedules.
- Other Internal Service Funds, with a total increase of \$7.9 million, including increases in the Liability-Property Insurance, General Services, Regional Radio Communications, Department of Technology, Fixed Asset Acquisition (FAAF) and General Services Capital Outlay Funds, due primarily to the re-budgeting for equipment purchases and new equipment purchases, including vehicle and heavy equipment replacement.

More detailed information regarding appropriation increases in the General Fund and other funds is provided in Attachments 2 and 3.

FY2017-18 Budget Recommended for Adoption
THE GENERAL FUND BUDGET

Approved (June) Budget

At budget hearings in June, the Board considered the County's Recommended Budget for FY2017-18 and approved a budget totaling \$2.437 billion in appropriations, which represents a \$41.2 million (1.7%) increase from the FY2016-17 Adopted Budget as shown below.

General Fund Budget
FY2016-17 Adopted - FY2017-18 Approved

	FY2016-17 Adopted	FY2017-18 Approved	Difference
Resources			
Beginning Balance	\$ 47,547,865	\$ 40,000,000	\$ (7,547,865)
Use of Reserves	\$ 1,147,609	\$ 7,693,085	\$ 6,545,476
Discretionary Revenue	\$ 565,932,025	\$ 590,059,136	\$ 24,127,111
Semi-discretionary Revenue	\$ 687,277,299	\$ 705,103,403	\$ 17,826,104
Other Departmental Revenue	\$ 1,104,272,614	\$ 1,094,730,731	\$ (9,541,883)
Total Revenue	<u>\$ 2,357,481,938</u>	<u>\$ 2,389,893,270</u>	<u>\$ 32,411,332</u>
Total Resources	\$ 2,406,177,412	\$ 2,437,586,355	\$ 31,408,943
Requirements			
Expenditures	\$ 2,402,474,261	\$ 2,443,610,317	\$ 41,136,056
Discretionary Reimbursements	\$ (8,100,891)	\$ (7,981,962)	\$ 118,929
Contingency	<u>\$ 1,958,000</u>	<u>\$ 1,958,000</u>	<u>\$ -</u>
Total Appropriations	\$ 2,396,331,370	\$ 2,437,586,355	\$ 41,254,985
Provision for Reserves	<u>\$ 9,846,042</u>		<u>\$ (9,846,042)</u>
Total Requirements	\$ 2,406,177,412	\$ 2,437,586,355	\$ 31,408,943

FY2017-18 Adopted Budget

The County's FY2017-18 Adopted Budget totals \$2,461,836,840 in appropriations. This is an increase of \$24,250,485 (1%) compared to the FY2017-18 Approved Budget. A more detailed comparison of the FY2017-18 Adopted Budget and the FY2017-18 Approved Budget is shown below.

General Fund Budget
FY2017-18 Approved - FY2017-18 Adopted

	FY2017-18 Approved	FY2017-18 Adopted	Difference
Resources			
Beginning Balance	\$ 40,000,000	\$ 46,537,263	\$ 6,537,263
Use of Reserves	\$ 7,693,085	\$ 8,146,058	\$ 452,973
Discretionary Revenue	\$ 590,059,136	\$ 594,833,339	\$ 4,774,203
Semi-discretionary Revenue	\$ 705,103,403	\$ 708,472,302	\$ 3,368,899
Other Departmental Revenue	\$ 1,094,730,731	\$ 1,112,453,140	\$ 17,722,409
Total Revenue	\$ 2,389,893,270	\$ 2,415,758,781	\$ 25,865,511
Total Resources	\$ 2,437,586,355	\$ 2,470,442,102	\$ 32,855,747
Requirements			
Expenditures	\$ 2,443,610,317	\$ 2,465,182,682	\$ 21,572,365
Discretionary Reimbursements	\$ (7,981,962)	\$ (8,303,842)	\$ (321,880)
Contingency	\$ 1,958,000	\$ 4,958,000	\$ 3,000,000
Total Appropriations	\$ 2,437,586,355	\$ 2,461,836,840	\$ 24,250,485
Provision for Reserves	\$ -	\$ 8,605,262	\$ 8,605,262
Total Requirements	\$ 2,437,586,355	\$ 2,470,442,102	\$ 32,855,747

Fund Balance and Reserves

The General Fund's unaudited FY2016-17 ending fund balance, which becomes the beginning balance for FY2017-18, totals \$112,997,971. This includes \$66.5 million in reserves, consisting primarily of \$10.3 million in Teeter Reserves, a \$32.4 million Reserve for Cash Flow, a \$9.2 million Reserve for Audit Report Paybacks and \$4.9 million in General Reserves, and an Available (unobligated) balance of \$46,537,263. The Available balance is approximately \$6.5 million higher than identified in the Approved General Fund Budget.

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The Approved Budget included the following reserve changes:

- Cancellation of \$4.2 million of the Reserve for Audit Report Payback to partly cover the cost of mental health audit claims.
- Cancellation of \$3.49 million of the Reserve for Future Pension Obligation Bond Debt Service to help cover Pension Obligation Bond debt service cost increases in the General Fund.
- Cancellation of the \$3.6 million WETYC/MAC Reserve, which is no longer needed, and an equivalent increase in General Reserves, consistent with the Board's approved General Reserve Policy, which states that any existing discretionary reserves no longer needed for the stated purpose will be reclassified as General Reserves.

The Adopted Budget also includes the following reserve adjustments:

- A \$452,973 reduction in the various Teeter Reserves, reflecting a decrease in the amount of reserves that need to be set aside for the Teeter Plan.
- A \$5,106,699 increase in General Reserves. Approximately \$4,653,000 of this increase is due to the Board's General Reserve Policy that calls for placing 10% of the General Fund's actual Available fund balance in General Reserves each year. \$452,973 of the increase is due to the Board's General Reserve Policy that states that any existing reserves no longer needed for the stated purpose will be reclassified as General Reserves. As indicated, a portion of the Teeter Reserves are no longer needed.
- The creation of a new \$3,498,563 Reserve for New Programs. This represents one-time discretionary resources available after meeting the Board's General Reserve requirements, balancing the Base Budget for all departments and funding priority Growth requests. This is money that can be used by the Board to invest in new programs, including the Parkways and Unincorporated Communities Clean Up and Safety Initiative, to increase General Reserves or to pay back more of the inter-fund advances owed to other funds.

The following table summarizes the General Fund's reserve status reflected in the Adopted Budget.

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FY2017-18 Adopted Budget
GENERAL FUND RESERVE STATUS

	FY2016-17	FY2017-18	FY2017-18	Change from
Reserved For:	Ending	Approved	Adopted	Approved
Loan Buyout (Teeter)	\$ 3,065,626	\$ 3,065,626	\$ 2,934,879	\$ (130,747)
Tax Loss (Teeter)	\$ 5,551,759	\$ 5,551,759	\$ 5,261,630	\$ (290,129)
Teeter Delinquencies	\$ 1,668,736	\$ 1,668,736	\$ 1,636,639	\$ (32,097)
River Delta Fire Loan	\$ 25,000	\$ 25,000	\$ 25,000	\$ -
Imprest Cash	\$ 290,955	\$ 290,955	\$ 290,955	\$ -
Special Deposits Travel	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
Health for All Loan	\$ 104,730	\$ 104,730	\$ 104,730	\$ -
General Reserves	\$ 4,944,277	\$ 8,544,277	\$ 13,650,976	\$ 5,106,699
Cash Flow	\$ 32,421,527	\$ 32,421,527	\$ 32,421,527	\$ -
Future Pension Obligation Bond	\$ 4,211,333	\$ 718,248	\$ 718,248	\$ -
Audit Report Paybacks	\$ 9,200,000	\$ 5,000,000	\$ 5,000,000	\$ -
Technology Upgrades	\$ 1,276,765	\$ 1,276,765	\$ 1,276,765	\$ -
WETYC/MAC Construction	\$ 3,600,000			\$ -
New Programs			\$ 3,498,563	\$ 3,498,563
Total	\$ 66,460,708	\$ 58,767,623	\$ 66,919,912	\$ 8,152,289

Discretionary Revenue and Reimbursements

The Adopted Budget includes approximately \$5.1 million (0.9%) more in discretionary revenue and reimbursements than the Approved Budget. This is the result of increases and decreases in a number of revenue sources as shown in the following table:

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DISCRETIONARY REVENUE AND REIMBURSEMENTS

	FY2016-17 Actual	FY2017-18 Approved	FY2017-18 Adopted	Approved to Adopted Difference
Property Tax-Secured/MLF In-Lieu	\$ 369,358,108	\$ 391,225,000	\$ 393,799,504	\$ 2,574,504
Property Tax - Supplemental	\$ 5,051,465	\$ 7,800,000	\$ 5,682,127	\$ (2,117,873)
Other Property Tax	<u>\$ 15,414,308</u>	<u>\$ 16,000,000</u>	<u>\$ 15,591,720</u>	<u>\$ (408,280)</u>
Total Property Tax	\$ 389,823,881	\$ 415,025,000	\$ 415,073,351	\$ 48,351
Sales and In-Lieu Sales Tax	\$ 82,004,504	\$ 83,212,000	\$ 83,173,738	\$ (38,262)
Utility User Tax	\$ 19,100,519	\$ 18,700,000	\$ 19,577,197	\$ 877,197
Transient Occupancy Tax	\$ 5,841,818	\$ 6,200,000	\$ 6,253,795	\$ 53,795
Property Transfer Tax	\$ 11,986,855	\$ 11,000,000	\$ 11,500,000	\$ 500,000
Other One-Time Revenue	\$ 1,066,451		\$ 2,950,000	\$ 2,950,000
Other On-Going Revenue	<u>\$ 60,128,580</u>	<u>\$ 55,922,136</u>	<u>\$ 56,305,258</u>	<u>\$ 383,122</u>
Total Revenue	\$ 569,952,608	\$ 590,059,136	\$ 594,833,339	\$ 4,774,203
Teeter	\$ 8,536,555	\$ 6,955,035	\$ 6,474,837	\$ (480,198)
SWA	<u>\$ 1,145,856</u>	<u>\$ 1,026,927</u>	<u>\$ 1,829,005</u>	<u>\$ 802,078</u>
Total Reimbursements	\$ 9,682,411	\$ 7,981,962	\$ 8,303,842	\$ 321,880
TOTAL	\$ 579,635,019	\$ 598,041,098	\$ 603,137,181	\$ 5,096,083

Major contributors to the net \$5.1 million increase in discretionary revenue and reimbursements compared to the Approved Budget include:

- The receipt of \$2.95 million in one-time revenue from the anticipated sale of 17 acres of land at the former Mather Air Force Base to the Department of Veterans Affairs. The property being sold, as well as various other properties at Mather, was conveyed from the Air Force as an economic development conveyance (EDC) at no cost to the County. Consistent with federal law, the EDC agreement between the Air Force and the County for Mather properties required that land sale and lease proceeds received by County during the first seven years of the EDC agreement term (Reinvestment Period) be utilized for economic development purposes at Mather. That seven-year Reinvestment Period is over for a number of land parcels, including the property being sold to the Department of Veterans Affairs, and all revenue from the sale of that property is now fully discretionary.

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- A \$2.57 million (0.7%) increase in Secured and VLF In-Lieu Property Tax revenue. The revised estimate is \$24.4 million (6.6%) higher than FY2016-17 actual revenue from these sources and is based on the July Assessment Roll prepared by the County Assessor.
- An \$877,000 (4.7%) increase in Utility User Tax revenue. The revised estimate is \$477,000 (2.5%) higher than FY2016-17 actual revenue from this source. Approved Budget estimates were based on Utility User Tax revenue collection trends through the first six months of FY2016-17. We now have revenue collections through April of 2017 and the more recent trend suggests revenue will increase in FY2017-18.
- An \$802,000 (78.1%) increase in SWA reimbursements. The revised estimate is \$683,000 (59.6%) higher than FY2016-17 actual reimbursements from this source and reflects the allocation of one-time resources as recommended to the SWA Board by the Department of Waste Management & Recycling staff (the SWA Board has not yet approved this recommendation). These resources are available primarily because of the delay in full implementation of certain projects approved for funding by the SWA Board in FY2016-17, thus leaving funds unspent at the end of that fiscal year, and the receipt of additional franchise fee revenue.
- A \$500,000 (4.5%) increase in Property Transfer Tax revenue. The revised estimate is \$487,000 (4.1%) lower than the FY2016-17 actual revenue from this source and is based on updated data provided by the Clerk-Recorder's Office that shows an increase in development activity in the County. The FY2017-18 revised estimate is lower than FY2016-17 actual revenue from this source because the actual revenue included a number of major one-time transactions, including the Golden 1 Arena.
- A \$2.1 million (27.2%) decrease in Supplemental Property Tax revenue. The revised estimate is \$630,000 (12.5%) higher than the FY2016-17 actual revenue from this source. The revised estimate is lower than the Approved Budget estimate due to changes in the supplemental apportionment factors related in part to errors identified in a State Controller's audit and in part to the impact of a recent court ruling on a Los Angeles County case.
- A \$480,000 reduction in Teeter reimbursements, reflecting increasing property tax collection rates.

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Semi-Discretionary Revenue

The Approved Budget included \$705.1 million in Semi-discretionary (Proposition 172 and Realignment) revenue, comprised of both new revenue received or estimated to be received in FY2017-18 and, in some cases, carry-over Realignment Trust Fund balances or estimated balances. The Adopted Budget includes \$708.5 million in Semi-discretionary revenue, an increase of \$3.4 million (0.5%) compared to the amount included in the Approved Budget.

The following table summarizes the amount of Proposition 172 and Realignment revenue included in the FY2017-18 Adopted Budget compared to the amount included in the Approved Budget.

General Fund Semi-Discretionary Revenue - FY2017-18 Approved-Adopted Budgets

	FY2017-18 Approved	FY2017-18 Adopted	Difference
Enhancing Law Enforcement Activities	\$ 20,246,739	\$ 20,522,746	\$ 276,007
Law Enforcement Services	\$ 84,626,012	\$ 85,201,476	\$ 575,464
Behavioral Health	\$ 62,297,022	\$ 64,637,375	\$ 2,340,353
Protective Services	<u>\$ 118,041,506</u>	<u>\$ 121,212,629</u>	<u>\$ 3,171,123</u>
Total 2011 Realignment	\$ 285,211,279	\$ 291,574,226	\$ 6,362,947
Mental Health	\$ 57,906,520	\$ 54,912,472	\$ (2,994,048)
Public Health	\$ 15,832,845	\$ 15,832,845	\$ -
Social Services	<u>\$ 114,714,203</u>	<u>\$ 114,714,203</u>	<u>\$ -</u>
Total 1991 Realignment - Non-CalWORKS	\$ 188,453,568	\$ 185,459,520	\$ (2,994,048)
CalWORKS	<u>\$ 116,805,738</u>	<u>\$ 116,805,738</u>	<u>\$ -</u>
Total 1991 Realignment	\$ 305,259,306	\$ 302,265,258	\$ (2,994,048)
Total Realignment	\$ 590,470,585	\$ 593,839,484	\$ 3,368,899
Proposition 172	\$ 114,632,818	\$ 114,632,818	\$ -
Total	\$ 705,103,403	\$ 708,472,302	\$ 3,368,899

Realignment revenue received from the State is deposited in trust funds and only recognized as revenue in the General Fund after it is transferred to the appropriate department to cover the cost of eligible expenditures. Revenue received in the trust funds during the fiscal year and, in some cases, carry-over trust fund balances from the prior year, comprise the resources in the Realignment Trust Fund in any fiscal year.

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For purposes of the FY2017-18 Adopted Budget, we estimate that Realignment revenue received in the trust funds will be approximately \$3.2 million lower than estimated when we prepared the Approved Budget. We also estimate that the Realignment Trust Funds carry-over balance from FY2016-17 will be approximately \$11.9 million higher than we estimated when we prepared the Approved Budget. In total, we are projecting an increase in Realignment resources of \$8.7 million above the approved amount. Approximately \$3.4 million of these additional Realignment resources is included as additional Realignment revenue in various departments in the Adopted General Fund Budget – all to cover increased Base Budget costs. We are recommending that the remaining \$5.3 million in estimated Realignment resources be retained in the Realignment Trust Fund as a contingency as follows:

Realignment Trust Fund Contingency Reserve Estimates

Realignment Revenue Category	FY2017-18		Difference
	Approved	Adopted	
Protective Services	\$ -	\$ 132,576	\$ 132,576
Public Health	\$ -	\$ 745,331	\$ 745,331
Social Services	\$ -	\$ 4,412,184	\$ 4,412,184
Total	\$ -	\$ 5,290,091	\$ 5,290,091

As proposed, these contingencies would serve a number of purposes:

- Approximately \$133,000 of Protective Services Realignment revenue would be available to cover future costs related to Continuum of Care Reform and to serve as a hedge against a potential reduction in Protective Services Realignment prior year carry-forward or Realignment revenue in future years.
- Approximately \$745,000 of Public Health Realignment revenue would be available to cover future increases in health program costs, including Correctional Health costs, and to serve as a hedge against the potential reduction in Public Health Realignment prior year carry-forward or Realignment revenue in future years.
- Approximately \$4.4 million of Social Services Realignment revenue would be available to cover costs associated with the ending of the In Home Supportive Services (IHSS) Coordinated Care Initiative and the establishment of a new, higher, IHSS Maintenance of Effort (MOE) requirement. We have not yet received an estimate of what the cost of this change will be to the County in FY2017-18, but it could be significant

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and it is clear the counties costs will increase substantially in future years.

Net County Cost/Discretionary and Semi-Discretionary Revenue Allocations

The FY2017-18 Adopted Budget includes a Net County Cost of approximately \$649.2 million, which represents an increase of approximately \$3.48 million (0.5%) compared to the Approved Budget. The recommended allocations are summarized in the following table:

FY 2017-18 General Fund Allocations

	FY2017-18 Approved	FY2017-18 Adopted	Variance
Elected Departments			
Assessor	\$9,787,025	\$9,787,025	\$0
Board of Supervisors	\$3,421,073	\$3,421,073	\$0
District Attorney	\$58,472,049	\$58,684,122	\$212,073
Sheriff	\$232,779,441	\$233,274,808	\$495,367
Correctional Health Services	\$32,571,328	\$32,675,959	\$104,631
Subtotal	\$337,030,916	\$337,842,987	\$812,071
General Government			
County Counsel	\$2,326,957	\$2,326,957	\$0
Financing-Transfers/Reimbursement	\$5,450,536	\$5,379,774	(\$70,762)
Non-Departmental Costs/General Fund	\$19,494,778	\$19,604,778	\$110,000
Other General Government	\$8,002,174	\$11,311,569	\$3,309,395
Subtotal	\$35,274,445	\$38,623,078	\$3,348,633
Administrative Services			
Court	\$33,604,989	\$33,604,989	\$0
Data Processing-Shared Systems	\$10,271,072	\$10,289,772	\$18,700
Finance	\$2,515,632	\$2,615,632	\$100,000
Voter Registration And Elections	\$9,994,644	\$10,019,844	\$25,200
Other Administrative Services	\$442,884	\$462,782	\$19,898
Subtotal	\$56,829,221	\$56,993,019	\$163,798
Municipal Services			
Agricultural Comm-Sealer Of Wts & Meas	\$1,387,894	\$1,387,894	\$0
Animal Care And Regulation	\$9,449,424	\$9,449,424	\$0
Community Development	\$0	\$0	\$0
Regional Parks	\$7,190,164	\$7,446,063	\$255,899
Wildlife Services	\$61,609	\$61,609	\$0
Subtotal	\$18,089,091	\$18,344,990	\$255,899
Public Works and Infrastructure			
Code Enforcement	\$5,266,865	\$5,508,313	\$241,448
Subtotal	\$5,266,865	\$5,508,313	\$241,448

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Social Services			
Health And Human Services	\$27,030,490	\$28,492,100	\$1,461,610
Human Assistance-Administration	\$19,905,016	\$20,276,233	\$371,217
Human Assistance-Aid Payments	\$20,807,987	\$17,893,459	(\$2,914,528)
Probation	\$66,145,783	\$67,207,448	\$1,061,665
Public Defender & Conflict Criminal Defenders	\$42,523,941	\$42,523,941	\$0
Other Social Services	\$16,830,428	\$15,509,672	(\$1,320,756)
Subtotal	\$193,243,645	\$191,902,853	(\$1,340,792)
Total Net County Cost	\$645,734,183	\$649,215,240	\$3,481,057

As can be seen, the largest increase in Net County Cost is in the General Government category, which includes a \$3 million increase in the Appropriation for Contingency, to cover likely FY2017-18 cost increases in a number of areas where the exact amount is not known, such as potential increased General Assistance grants. The operating departments with the largest increases in Net County cost are:

- Health & Human Services, with a \$1.46 million increase, due primarily to funding for a number of Growth requests totaling approximately \$2.79 million in Net County Cost.
- Probation, with a \$1.06 million increase, due primarily to a reduction in Title IV-E Foster Care Waiver revenue, based on a determination that certain expenses are not claimable.
- The Sheriff, with a \$495,000 increase, due primarily to funding for a growth request requiring \$1.1 million in Net County Cost.

The Net County Cost for three operating departments is lower in the Adopted Budget than in the Approved Budget:

- Human Assistance – Aid Payments, with a \$2.9 million decrease, due primarily to the receipt of additional State and federal revenue.
- IHSS Provider Payments, with a \$725,000 decrease, due to the reallocation of Realignment revenue from Health & Human Services.
- Child Support Services, which is actually contributing \$596,000 to the General Fund, to correct for an accrual error in FY2016-17.

In some cases, though, increases in Semi-discretionary revenue offset what would otherwise be increases in Net County Cost or allow for a reduction in Net County Cost or can be used to fund increased spending on Board priorities. The following table compares the allocation of Net County Cost and Semi-discretionary revenues to all departments in the FY2017-18 Approved Budget and FY2017-18 Adopted Budget.

Centrally Allocated Resources
Net County Cost, Semi-Discretionary Resources
FY 2017-18 Approved - FY 2017-18 Adopted

	FY 2016-17 Approved	FY 2016-17 Adopted	Difference
AG COMM-SEALER OF WTS & MEASURES	\$1,387,894	\$1,387,894	\$0
ANIMAL CARE AND REGULATION	\$9,449,424	\$9,449,424	\$0
APPROPRIATION FOR CONTINGENCY	\$1,958,000	\$4,958,000	\$3,000,000
ASSESSOR	\$9,787,025	\$9,787,025	\$0
BOARD OF SUPERVISORS	\$3,421,073	\$3,421,073	\$0
CARE IN HOMES AND INSTITUTIONS	\$715,000	\$715,000	\$0
CHILD SUPPORT SERVICES	\$0	-\$596,252	-\$596,252
CIVIL SERVICE COMMISSION	\$363,914	\$363,914	\$0
CLERK OF THE BOARD	\$1,493,863	\$1,499,072	\$5,209
CODE ENFORCEMENT	\$5,266,865	\$5,508,313	\$241,448
CONFLICT CRIMINAL DEFENDERS	\$10,525,387	\$10,525,387	\$0
CONTRIBUTION TO LAFCO	\$239,500	\$239,500	\$0
CONTRIBUTION TO LAW LIBRARY	\$22,658	\$22,658	\$0
COOPERATIVE EXTENSION	\$368,521	\$368,521	\$0
CORONER	\$6,452,661	\$6,452,661	\$0
CORRECTIONAL HEALTH SERVICES	\$40,501,171	\$40,651,171	\$150,000
COUNTY CLERK/RECORDER	\$0	\$19,898	\$19,898
COUNTY COUNSEL	\$2,326,957	\$2,326,957	\$0
COUNTY EXECUTIVE	\$1,075,344	\$1,075,344	\$0
COUNTY EXECUTIVE CABINET	\$242,770	\$436,946	\$194,176
COURT / COUNTY CONTRIBUTION	\$24,761,756	\$24,761,756	\$0
COURT / NON-TRIAL COURT FUNDING	\$8,843,233	\$8,843,233	\$0
DATA PROCESSING-SHARED SYSTEMS	\$10,271,072	\$10,289,772	\$18,700
DEPARTMENT OF FINANCE	\$2,515,632	\$2,615,632	\$100,000
DISTRICT ATTORNEY	\$73,495,231	\$73,713,098	\$217,867
EMERGENCY OPERATIONS	\$946,862	\$1,003,705	\$56,843
FAIR HOUSING SERVICES	\$154,729	\$154,729	\$0
FINANCING-TRANSFERS/REIMB	\$5,450,536	\$5,379,774	-\$70,762
GRAND JURY	\$312,884	\$312,884	\$0
HEALTH AND HUMAN SERVICES	\$228,414,386	\$228,497,797	\$83,411
HEALTH-MEDICAL TREATMENT PAYMENTS	\$3,720,000	\$3,720,000	\$0
HUMAN ASSISTANCE-ADMIN	\$28,386,114	\$28,757,331	\$371,217
HUMAN ASSISTANCE-AID PAYMENTS	\$232,944,692	\$233,201,287	\$256,595
IHSS PROVIDER PAYMENTS	\$59,046,807	\$59,046,807	\$0
JUVENILE MEDICAL SERVICES	\$6,486,737	\$6,486,737	\$0

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Centrally Allocated Resources
Net County Cost, Semi-Discretionary Resources
FY 2017-18 Approved - FY 2017-18 Adopted

	FY 2016-17 Approved	FY 2016-17 Adopted	Difference
NON-DEPARTMENTAL COSTS/GF	\$19,494,778	\$19,604,778	\$110,000
OFFICE OF INSPECTOR GENERAL	\$130,000	\$130,000	\$0
PLANNING AND ENVIRONMENTAL REVIEW	\$1,527,192	\$1,580,359	\$53,167
PROBATION	\$120,842,390	\$122,191,787	\$1,349,397
PUBLIC DEFENDER	\$32,646,829	\$32,646,829	\$0
REGIONAL PARKS	\$7,190,164	\$7,446,063	\$255,899
SHERIFF	\$377,585,330	\$378,593,273	\$1,007,943
VETERAN'S FACILITY	\$15,952	\$15,952	\$0
VOTER REGISTRATION/ ELECTIONS	\$9,994,644	\$10,019,844	\$25,200
WILDLIFE SERVICES	\$61,609	\$61,609	\$0
	\$1,350,837,586	\$1,357,687,542	\$6,849,956

The amount of Net County Cost and Semi-discretionary resources allocated to programs in the Adopted Budget is approximately \$6.85 million (0.5%) greater than the FY2017-18 Approved Budget level. The budget units with the largest increases include:

- The Appropriation for Contingency, with a \$3 million increase.
- Probation, with a \$1.35 million increase, \$1.06 million in Net County Cost and the rest Realignment, due primarily to the reduction in Title IV-E Waiver revenue.
- The Sheriff, with a \$1 million increase, due primarily to funding for a Growth request to implement a pilot program that will use the Shot Spotter technology and a dedicated team of four new deputies to identify and arrest offenders in the areas of the unincorporated County with high incidences of unreported gunshots.

EXHIBIT A

**SACRAMENTO COUNTY
GENERAL FUND SUMMARY TABLE**
Reflects Departmental Restructuring

	FY2017-18 Approved Budget	FY2017-18 Recommended for Adoption	Difference	Percent Difference
Discretionary				
Property Tax	\$415,025,000	\$415,073,351	\$48,351	0.01%
Sales Tax	\$83,212,000	\$83,173,738	(\$38,262)	-0.05%
Utility User Tax	\$18,700,000	\$19,577,197	\$877,197	4.69%
Transient Occupancy Tax	\$6,200,000	\$6,253,795	\$53,795	0.87%
Real Property Transfer Tax	\$11,000,000	\$11,500,000	\$500,000	4.55%
Revenue Neutrality Payments	\$20,161,548	\$20,674,712	\$513,164	2.55%
Teeter	\$6,955,035	\$6,474,837	(\$480,198)	-6.90%
Solid Waste Authority	\$1,026,927	\$1,026,927	\$0	0.00%
Other Court Fines	\$9,412,400	\$8,386,738	(\$1,025,662)	-10.90%
Other Discretionary	\$26,348,188	\$27,243,808	\$895,620	3.40%
Subtotal	\$598,041,098	\$599,385,103	\$1,344,005	0.22%
One Time revenues	\$0	\$3,752,078	\$3,752,078	
Total Discretionary	\$598,041,098	\$603,137,181	\$5,096,083	0.85%
Semi Discretionary				
Prop 172	\$114,632,818	\$114,632,818	\$0	0.00%
Realignment				
1991 (Mental Health, Public Health, Social Services, CalWORKS)	\$305,259,306	\$302,265,258	(\$2,994,048)	-0.98%
2011 (Enhancing Law Enforcement Activities, Law Enforcement Services, Behavioral Health Services, Protective Services)	\$285,211,279	\$291,574,226	\$6,362,947	2.23%
	\$590,470,585	\$593,839,484	\$3,368,899	0.57%
Semi Discretionary	\$705,103,403	\$708,472,302	\$3,368,899	0.48%
Total Discretionary & Semi Discretionary	\$1,303,144,501	\$1,311,609,483	\$8,464,982	0.65%
Departmental Revenue				
Federal Welfare/Administration	\$434,660,315	\$444,989,112	\$10,328,797	2.38%
Federal Health	\$117,876,636	\$118,262,302	\$385,666	0.33%
State Welfare/Administration	\$205,904,411	\$213,300,806	\$7,396,395	3.59%
State Aid - Other Programs	\$119,929,307	\$122,275,910	\$2,346,603	1.96%
Charges for Services/Fees	\$106,233,912	\$106,254,014	\$20,102	0.02%
Other Department Revenue	\$110,126,150	\$107,370,996	(\$2,755,154)	-2.50%
Total Departmental Revenue	\$1,094,730,731	\$1,112,453,140	\$17,722,409	1.62%
Total GF Revenue	\$2,397,875,232	\$2,424,062,623	\$26,187,391	1.09%
Appropriation from/(to) Fund Balance	\$40,000,000	\$46,537,263	\$6,537,263	16.34%
	\$2,437,875,232	\$2,470,599,886	\$32,724,654	1.34%

EXHIBIT A

**SACRAMENTO COUNTY
GENERAL FUND SUMMARY TABLE**
Reflects Departmental Restructuring

Appropriations

	FY2017-18 Approved Budget	FY2017-18 Recommended for Adoption	Difference	Percent Difference
Elected Departments				
Assessor	\$17,659,292	\$17,659,292	\$0	0.00%
Board of Supervisors	\$3,421,073	\$3,421,073	\$0	0.00%
District Attorney	\$88,726,898	\$88,944,765	\$217,867	0.25%
Sheriff	\$472,101,694	\$472,971,637	\$869,943	0.18%
Correctional Health Services	\$48,261,714	\$48,411,714	\$150,000	0.31%
Total Elected Departments	\$630,170,671	\$631,408,481	\$1,237,810	0.20%
General Government				
County Counsel	\$5,862,028	\$5,862,028	\$0	0.00%
County Executive/Cabinet	\$4,577,211	\$4,771,387	\$194,176	4.24%
Emergency Services	\$4,165,502	\$4,222,345	\$56,843	1.36%
Non-Departmental Costs	\$19,494,778	\$19,604,778	\$110,000	0.56%
Planning and Environmental Review	\$11,809,138	\$11,960,473	\$151,335	
Other General Government	\$10,485,275	\$13,604,851	\$3,119,576	29.75%
Total General Government	\$56,393,932	\$60,025,862	\$3,631,930	6.44%
Administrative Services				
County Clerk/Recorder	\$12,177,763	\$12,177,763	\$0	0.00%
Court	\$34,732,564	\$34,809,231	\$76,667	0.22%
Data Processing-Shared Systems	\$10,365,740	\$10,384,440	\$18,700	0.18%
Finance	\$27,187,177	\$27,362,177	\$175,000	0.64%
Personnel Services	\$13,140,626	\$13,140,626	\$0	0.00%
Revenue Recovery	\$8,538,949	\$8,538,949	\$0	0.00%
Voter Registration and Elections	\$11,514,330	\$11,539,530	\$25,200	0.22%
Other Administrative Services	\$1,142,884	\$1,142,884	\$0	0.00%
Total Administrative Services	\$118,800,033	\$119,095,600	\$295,567	0.25%
Municipal Services				
Agricultural Comm-Sealer Of Wts & Meas	\$4,767,350	\$4,767,350	\$0	0.00%
Animal Care And Regulation	\$11,302,257	\$11,302,257	\$0	0.00%
Community Development	\$0	\$0	\$0	#DIV/0!
Regional Parks	\$14,066,189	\$14,372,088	\$305,899	2.17%
Other Municipal Services	\$85,905	\$85,905	\$0	0.00%
Total Municipal Services	\$30,221,701	\$30,527,600	\$305,899	1.01%
Public Works and Infrastructure				
Code Enforcement	\$9,219,767	\$9,531,215	\$311,448	
Total Public Works and Infrastructure	\$9,219,767	\$9,531,215	\$311,448	3.38%

EXHIBIT A

**SACRAMENTO COUNTY
GENERAL FUND SUMMARY TABLE**
Reflects Departmental Restructuring

	FY2017-18 Approved Budget	FY2017-18 Recommended for Adoption	Difference	Percent Difference
Social Services				
Child Support Services	\$35,361,336	\$35,361,336	\$0	0.00%
Health and Human Services	\$556,715,828	\$562,028,431	\$5,312,603	0.95%
Human Assistance-Admin	\$314,176,465	\$315,237,655	\$1,061,190	0.34%
Human Assistance-Aid Payments	\$385,323,023	\$395,504,641	\$10,181,618	2.64%
IHSS Provider Payments	\$88,710,673	\$88,710,673	\$0	0.00%
Probation	\$153,183,791	\$153,418,091	\$234,300	0.15%
Public Defender/Conflict Criminal Defenders	\$44,046,216	\$44,046,216	\$0	0.00%
Other Social Services	\$23,244,881	\$25,244,881	\$2,000,000	8.60%
Total Social Services	\$1,600,762,213	\$1,619,561,924	\$18,789,711	1.17%
Total Appropriations	\$2,445,568,317	\$2,470,140,682	\$24,572,365	1.00%
Reserve Changes				
Increase to Reserves - General Reserves	\$3,600,000	\$8,706,699	\$5,106,699	141.85%
Increase to Reserves - New Programs	\$0	\$3,498,563	\$3,498,563	#DIV/0!
Decrease to Reserves - WETC/Mac Construction	(\$3,600,000)	(\$3,600,000)	\$0	0.00%
Decrease to Reserves - Teeter	\$0	(\$452,973)	(\$452,973)	#DIV/0!
Decrease to Reserves - Audit Report Payback	(\$4,200,000)	(\$4,200,000)	\$0	0.00%
Decrease to Reserves - Future Pension Obligation Bond	(\$3,493,085)	(\$3,493,085)	\$0	0.00%
Net Reserve Changes	(\$7,693,085)	\$459,204	\$8,152,289	-105.97%
Variance	\$0	\$0	\$0	

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**SACRAMENTO COUNTY
NET COUNTY COST TABLE**
Reflects Departmental Restructuring

	FY2017-18 Approved Budget	FY2017-18 Recommended for Adoption	Difference	Percent Difference
Elected Departments				
Assessor	\$9,787,025	\$9,787,025	\$0	0.00%
Board of Supervisors	\$3,421,073	\$3,421,073	\$0	0.00%
District Attorney	\$58,472,049	\$58,684,122	\$212,073	0.36%
Sheriff	\$232,779,441	\$233,274,808	\$495,367	0.21%
Correctional Health Services	\$32,571,328	\$32,675,959	\$104,631	0.32%
Total Elected Departments	\$337,030,916	\$337,842,987	\$812,071	0.24%

General Government				
Appropriation For Contingency	\$1,958,000	\$4,958,000	\$3,000,000	153.22%
Civil Service Commission	\$363,914	\$363,914	\$0	0.00%
Clerk of the Board	\$1,493,863	\$1,499,072	\$5,209	0.35%
Contribution To LAFCO	\$239,500	\$239,500	\$0	0.00%
County Counsel	\$2,326,957	\$2,326,957	\$0	0.00%
County Executive	\$1,075,344	\$1,075,344	\$0	0.00%
County Executive Cabinet	\$242,770	\$436,946	\$194,176	79.98%
Criminal Justice Cabinet	\$0	\$0	\$0	
Emergency Services	\$946,862	\$1,003,705	\$56,843	6.00%
Fair Housing Services	\$154,729	\$154,729	\$0	0.00%
Financing-Transfers/Reimbursement	\$5,450,536	\$5,379,774	(\$70,762)	-1.30%
Non-Departmental Costs/General Fund	\$19,494,778	\$19,604,778	\$110,000	0.56%
Office of Labor Relations	\$0	\$0	\$0	
Planning and Environmental Review	\$1,527,192	\$1,580,359	\$53,167	
Total General Government	\$35,274,445	\$38,623,078	\$3,348,633	9.49%

Administrative Services				
County Clerk/Recorder	\$0	\$19,898	\$19,898	
Court / County Contribution	\$24,761,756	\$24,761,756	\$0	0.00%
Court / Non-Trial Court Operation	\$8,843,233	\$8,843,233	\$0	0.00%
Court Paid County Services	\$0	\$0	\$0	
Data Processing-Shared Systems	\$10,271,072	\$10,289,772	\$18,700	0.18%
Dispute Resolution Program	\$0	\$0	\$0	
Finance	\$2,515,632	\$2,615,632	\$100,000	3.98%
Grand Jury	\$312,884	\$312,884	\$0	0.00%
Office of Compliance	\$0	\$0	\$0	
Office of Inspector General	\$130,000	\$130,000	\$0	0.00%
Personnel Services	\$0	\$0	\$0	
Revenue Recovery	\$0	\$0	\$0	
Voter Registration And Elections	\$9,994,644	\$10,019,844	\$25,200	0.25%
Total Administrative Services	\$56,829,221	\$56,993,019	\$163,798	0.29%

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**SACRAMENTO COUNTY
NET COUNTY COST TABLE**
Reflects Departmental Restructuring

	FY2017-18 Approved Budget	FY2017-18 Recommended for Adoption	Difference	Percent Difference
Municipal Services				
Agricultural Comm-Sealer Of Wts & Meas	\$1,387,894	\$1,387,894	\$0	0.00%
Animal Care And Regulation	\$9,449,424	\$9,449,424	\$0	0.00%
Community Development	\$0	\$0	\$0	#DIV/0!
Regional Parks	\$7,190,164	\$7,446,063	\$255,899	3.56%
Wildlife Services	\$61,609	\$61,609	\$0	0.00%
Total Municipal Services	\$18,089,091	\$18,344,990	\$255,899	1.41%
Public Works and Infrastructure				
Code Enforcement	\$5,266,865	\$5,508,313	\$241,448	
Total Public Works and Infrastructure	\$5,266,865	\$5,508,313	\$241,448	
Social Services				
Care In Homes And Inst-Juv Court Wards	\$715,000	\$715,000	\$0	0.00%
Child Support Services	\$0	(\$596,252)	(\$596,252)	
Conflict Criminal Defenders	\$10,525,387	\$10,525,387	\$0	0.00%
Contribution To The Law Library	\$22,658	\$22,658	\$0	0.00%
Cooperative Extension	\$368,521	\$368,521	\$0	0.00%
Coroner	\$6,452,661	\$6,452,661	\$0	0.00%
Health - Medical Treatment Payments	\$1,330,649	\$1,330,649	\$0	0.00%
Health And Human Services	\$27,030,490	\$28,492,100	\$1,461,610	5.41%
Human Assistance-Administration	\$19,905,016	\$20,276,233	\$371,217	1.86%
Human Assistance-Aid Payments	\$20,807,987	\$17,893,459	(\$2,914,528)	-14.01%
IHSS Provider Payments	\$2,666,811	\$1,942,307	(\$724,504)	-27.17%
Juvenile Medical Services	\$5,258,176	\$5,258,176	\$0	0.00%
Probation	\$66,145,783	\$67,207,448	\$1,061,665	1.61%
Public Defender	\$31,998,554	\$31,998,554	\$0	0.00%
Veteran's Facility	\$15,952	\$15,952	\$0	0.00%
Total Social Services	\$193,243,645	\$191,902,853	(\$1,340,792)	-0.69%
Total Net County Cost	\$645,734,183	\$649,215,240	\$3,481,057	0.54%

FY2017-18 Budget Recommended for Adoption
SELECTED SIGNIFICANT CHANGES – APPROVED TO ADOPTED

GENERAL FUND

Assessor

No change is recommended in the Assessor's overall appropriation level, however, salary and benefit expenditures are reduced by \$300,000 and services and supplies expenditures increased by a similar amount to fund a one-time Growth request in the Department of Technology budget that will provide for the replacement of an out-of-date property tax bill software interface component of the Assessor's tax system. This replacement will minimize inaccurate property tax bills, system patches and maintenance costs. The reduction in salary and benefit costs is possible because of unanticipated vacancies, including the Assistant Assessor position that became vacant when the incumbent was appointed to fill the vacant Assessor position.

District Attorney

A \$217,867 increase in appropriations, \$5,794 increase in revenue and \$212,073 increase in Net County Cost is recommended. The increase in appropriations and Net County Cost will cover the cost of purchasing an Electron Microscope for the Crime Lab that was originally expected to be purchased in FY2016-17 and must now be re-budgeted in FY2017-18. The increase in revenue reflects a revised estimate of the amount of AB109 revenue the County will receive.

Sheriff

An \$869,943 increase in appropriations, \$374,576 increase in revenue and \$495,367 increase in Net County Cost is recommended. The increase in appropriations and Net County Cost is due primarily to funding for an on-going Growth request: \$1,095,154 in appropriations and Net County Cost to implement a two-year pilot program to identify and arrest offenders in areas of the unincorporated County with high incidences of unreported gun shots. The goal is to reduce gun violence against residents of those communities. This program will include contracting for the ShotSpotter technology, which will immediately identify when shots are fired within a three-square mile area, triangulate exactly where the shooting occurred and notify a dedicated team

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of Deputies who can respond quickly to the scene. The Growth request includes adding 4 Deputy Sheriff positions.

The Adopted Budget also includes:

- Funding for a Growth request that converts a contracted Cyber Intelligence Analyst position to a regular Information Analyst II position – resulting in the addition of 1 FTE position – with no change in appropriations;
- The cancellation of a \$183,000 Growth request for the purchase of vehicles for deputies providing security services for the Elk Grove Unified School District that was included in the Approved Budget (the District is no longer requesting that the Sheriff provide these vehicles);
- Appropriations related to the receipt of \$45,050 in additional State Privacy and Piracy grant revenue; and
- An \$87,211 reduction in appropriations due to the deletion of one position approved by the Board in July.

The \$374,576 increase in revenue is the net result of the receipt of \$512,576 in additional Public Safety Realignment revenue and the \$45,050 increase in State Privacy and Piracy grant revenue, partially offset by a \$183,050 reduction in revenue from the Elk Grove Unified School District due to the cancellation of the previously approved Growth request for vehicle purchases.

Correctional Health Services

A \$150,000 increase in appropriations, \$45,369 increase in revenue and \$104,631 increase in Net County Cost is recommended. The increase in appropriation will fund one Growth request: \$150,000 for the first year cost to lease-purchase a new clinical management system for the jails. The current system was installed 10 years ago and will no longer be supported by the vendor after March 31, 2018. The purchase cost of the new system over the next four fiscal years will be approximately \$1.8 million. With maintenance fees and other costs, the four-year cost will be approximately \$4.5 million, however approximately \$2.3 million of these costs will be offset by the elimination of maintenance fees for the existing clinical management system, resulting in a net four-year cost of \$2.2 million. In addition, annual maintenance and other costs in year five and beyond will be approximately \$200,000 higher than with the current clinical management system. The annual impact is shown in the following table:

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Correctional Health Services
Clinical Software System Costs

	FY2017-18	FY2018-19	FY2019-20	FY2020-21	Future Annual
New System Purchase Costs	\$ 249,480	\$ 598,752	\$ 598,752	\$ 349,272	\$ -
Maintenance Fee/Other Costs	\$ 339,855	\$ 799,612	\$ 799,612	\$ 799,612	\$ 799,612
Total Cost	\$589,335	\$ 1,398,364	\$ 1,398,364	\$ 1,148,884	\$ 799,612
Current System Savings	\$ 439,335	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000
Net Cost	\$ 150,000	\$ 798,364	\$ 798,364	\$ 548,884	\$ 199,612

The increase in revenue is due to the receipt of additional Community Corrections (AB109) Realignment revenue.

Appropriation for Contingency

A \$3 million increase in appropriations and Net County Cost is recommended to cover likely FY2017-18 cost increases in a number of areas where the exact amount is not yet known. With this adjustment, the Appropriation for Contingency will stand at \$4,958,000.

Clerk of the Board

A \$190,338 increase in appropriations, \$185,129 increase in revenue and \$5,209 increase in Net County Cost is recommended. The increase in revenue and \$185,129 of the increase in appropriations will fund the implementation of a new version of the Agenda Net agenda management system, funded by a Public, Education and Government (PEG) grant from the Metropolitan Cable Commission. The recommended increase in Net County Cost and \$5,209 of the increase in appropriations will provide funding to finish the computer replacement project for department staff that was originally expected to be completed in FY2016-17 and must now be re-budgeted in FY2017-18.

County Executive Cabinet

A \$194,176 increase in appropriations and Net County Cost is recommended due to the transfer of a Principal Planner position from the Department of Waste Management and Recycling to the Office of Budget & Debt Management. This transfer will establish a more appropriate reporting relationship for a position that currently works on organization-wide environmental management issues, as well as provide assistance in coordinating the County's involvement in preparations for the 2020 decennial census, which are already under way, and in certain other areas. Some of the cost of the work performed by the position may be allocated to other

departments – such as Waste Management & Recycling – thus reducing the Net County Cost.

Emergency Services

A \$56,843 increase in appropriations and Net County Cost is recommended to cover the cost of grant-related expenditures. The County received grant funds to cover certain costs in FY2016-17 and unspent grant funds are part of the FY2016-17 General Fund ending fund balance.

Financing Transfers/Reimbursements

A \$70,762 decrease in appropriations and Net County Cost is recommended. This is the net result of increases and decreases in transfers to other funds, including: (1) a new \$25,878 transfer to the Development & Code Fund, reflecting revenue in excess of expenditures for certain programs in FY2016-17, when the programs were part of the Community Development budget in the General Fund; (2) a \$96,782 transfer to the Economic Development Fund to cover additional PBID costs resulting from the Board's policy decision regarding PBID funding; (3) an \$83,782 reduction in the amount transferred to the TOT Fund, due to additional identified fund balance in that Fund; and (4) a \$109,699 reduction in the transfer to the Golf Fund, to match the actual FY2016-17 year-end negative fund balance in that Fund, which is lower than the projected amount reflected in the Approved Budget.

Non-Departmental Costs

A \$110,000 increase in appropriations and Net County Cost is recommended to re-budget the balance of the Aerospace Museum project costs that were not spent as anticipated in FY2016-17 (\$60,000) and to fund a one-time Growth request of \$50,000 to provide contribution toward planning for a Measure A renewal ballot measure.

Planning and Environmental Review

A \$151,335 increase in appropriations, \$98,168 increase in revenue and \$53,167 increase in Net County Cost is recommended to fund a Growth request for costs related to implementing the South Sacramento Habitat Conservation Plan, with the revenue coming from the various partners in that project and the Net County Cost representing the County's share of cost.

Court Paid County Services

A \$76,667 increase in appropriations and revenue is recommended to fund a security upgrade identified after the Approved Budget was submitted. Funding will come from the Superior Court.

Data Processing – Shared Systems

An \$18,700 increase in appropriations and Net County Cost is recommended to fund one Growth request: The provision of additional resources to manage the Open Data Initiative, as the number of data sets have increased significantly.

Department of Finance

A \$175,000 increase in appropriations, \$75,000 increase in revenue and \$100,000 increase in Net County Cost is recommended. The increase in revenue and \$75,000 of the increase in appropriations is requested to cover a cost increase related to the purchase of new remittance processing equipment, with funding coming from charges to other agencies. The increase in Net County Cost and \$100,000 of the increase in appropriations is recommended to fund a one-time Growth request to engage an independent auditing firm to conduct a risk assessment study and develop a risk-based model to be used by the County Audit Committee to prioritize audits of County programs and vendors.

Voter Registration & Elections

A \$25,200 increase in appropriations and Net County Cost is requested to fund a one-time Growth request: the purchase of new and replacement security cameras in the extracting and Pitney Bowes rooms, the warehouse and loading dock areas and the ballot drop off box, to increase election integrity and security.

Regional Parks

A \$305,899 increase in appropriations, \$50,000 increase in revenue and \$255,899 increase in Net County Cost is recommended. The increase in appropriations is due primarily to funding for \$391,078 in Growth requests, partially offset by an \$85,179 reduction in lease costs due to delays in approval of a lease for new Department offices. The Growth requests include:

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(1) \$193,000 in one-time Net County Cost to destroy 10 abandoned wells on Regional Parks property to comply with a mandate from the Environmental Management Department; (2) \$88,078 in one-time Net County Cost to pay Regional Parks share of the cost of an Americans with Disabilities Act (ADA) Transition Plan being developed for the County in accordance with federal law; (3) \$60,000 in on-going Net County Cost to pay Gibson Ranch, LLC, based on new agreement terms approved by the Board; and (4) \$50,000 in one-time grant revenue to purchase a tractor for use on the American River Parkway.

Code Enforcement

A \$311,448 increase in appropriations, \$70,000 increase in revenue and a \$241,448 increase in Net County Cost is recommended to fund two on-going Growth requests: (1) \$58,000 in appropriations and Net County Cost to provide additional funding to the Department of Transportation to cover the full cost of the Residential Parking Permit Program (bringing the total amount of funding for this Program to \$108,000); and (2) \$253,448 in appropriations, \$70,000 in additional fee revenue and \$183,448 in Net County Cost to add two Code Enforcement Officer positions to deal with the anticipated workload increase related to enforcement of the County's marijuana ordinance.

Child Support Services

A \$596,252 increase in revenue and decrease in Net County Cost is recommended to correct for an accrual error made in FY2016-17. Due to staff turnover at the end of FY2016-17, the Department inadvertently failed to accrue \$596,252 in revenue to cover the last quarter of expenditures, with the result that that amount of Net County Cost was used to fund the program and the General Fund's ending fund balance was \$596,252 lower than it would otherwise have been. This adjustment will correct for that error.

Health & Human Services

A \$5,312,613 increase in appropriations, \$3,850,993 increase in revenue and \$1,461,610 increase in Net County Cost is recommended. The increase in appropriations is the net result of increases and decreases in a number of programs, including:

- A \$361,854 increase in support to the Department of Human Assistance and Sacramento Housing and Redevelopment Agency (SHRA) for the Bringing Families Home Program, funded by grant revenue.

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- A \$1,183,666 reduction for the Nurse Family Partnership and Maternal and Adolescent Health Programs, including the elimination of 6.6 vacant Public Health Nurse positions due to a reduction in federal funding (the County's policy is not to backfill reductions in categorical funding). These reductions will reduce the number of low income pregnant women and their children receiving services.
- A \$6,073,562 increase in net appropriations and \$2,790,480 in Net County Cost to fund the following Growth requests:
 - \$3,634,820 for three on-going Growth requests related to foster care Continuum of Care Reform, including addressing capacity issues at the County's Centralized Placement Support Unit (CPU) at the Children's Receiving Home, providing mental health and other services to foster care youth and wrap-around services to families as children transition from higher levels of care to home-based care. Funding will come from State and federal revenue and \$2,067,410 in Net County Cost.
 - \$440,000 for a one-time Growth request for a software upgrade for computers used by Child Protective Services (CPS). The existing software is no longer supported by the vendor and the upgrade is required by the State Department of Social Services. If this upgrade is not completed by March of 2018 the Child Welfare Case Management System will no longer work on the County's computers. Funding will come from federal revenue and \$253,000 in Net County Cost.
 - \$600,000 reflecting the first year of a three year plan to refresh all personal computers (PCs) in Child Protective Services. The warranties on all PCs will expire by April of 2018. Funding will come from federal revenue and \$447,000 in Net County Cost.
 - \$18,070 for an on-going Growth request to provide three new virtual servers for the Public Health Laboratory Information Management System. These are needed to meet HIPAA requirements related to adequate back-up and recovery for health-related data. Funding will come from Net County Cost.
 - \$5,000 for an on-going Growth request to provide the five local hospital systems with the Cardiac Arrest Registry to Enhance Survival (CARES). CARES utilizes an internet data base system

that assists in tracking EMS patient outcomes at hospitals and response intervals for first responders and EMS. The goal is to improve EMS treatment and pre-hospital survival. Funding will come from Net County Cost.

- o \$1,375,672 for an on-going Growth request to provide enhanced tobacco education activities designed encourage people to stop using tobacco products. Funding will come from a four-year grant from Proposition 56 tobacco tax revenue.

The \$3,850,993 increase in revenue is the net result of increases and decreases in a variety of sources, including:

- A \$2,705,147 increase in Foster Care Title IV-E Waiver revenue, which was reflected in the Probation Department's Approved Budget but is being reallocated to the Health & Human Services budget because the Probation Department has determined that certain activities are not claimable. This revenue is used to offset Net County Cost and free up Social Services Realignment revenue which, in turn, is being re-allocated to the IHSS Provider Services budget to offset Net County Cost.
- A net decrease of \$1,378,199 in Realignment revenue due in part to the reallocation of \$724,505 to IHSS Provider Payments noted above and in part to revised Realignment revenue estimates.
- A \$1,181,744 decrease in federal funding for the Nurse Family Partnership and Maternal Child and Adolescent Health programs.
- \$361,854 in additional grant funding for the Bringing Families Home Program.
- A \$3,283,082 increase in federal and State revenue to help fund Growth requests.

Human Assistance – Administration

A \$1,061,190 increase in appropriations, \$689,973 increase in revenue and \$371,217 increase in Net County Cost is recommended. The recommended increase in appropriations is due primarily to a \$1.2 million increase in salary and benefit costs as the result of an agreement with the union representing welfare supervisors and a \$365,000 increase in CalWORKS services contract costs, partially offset by an \$110,000 reduction in indirect cost charges to the Department and a \$400,000 reduction in expenditures (and Net County Cost) needed for various homeless programs, including:

- A \$100,000 reduction in salary costs reflecting the time needed to fill vacant positions;
- A \$50,000 reduction in expenditures related to the semi-annual homeless count since that will not occur this year; and
- A \$250,000 reduction in the contract with Sacramento Steps Forward reflecting a change in approach to providing services.

The net increase in revenue is due to the projected receipt of an additional \$4.98 million in CalWORKS Single Allocation revenue partially offset by a \$3,090,000 decrease in the CalFresh Allocation and \$1,210,000 decrease in funding for the Homeless Initiative from private sources that was included in the Approved Budget, but which we no longer believe will be available. The latter reduction is back-filled with Net County Cost, including redirecting \$400,000 from the reduced expenditures for homeless programs noted above and \$810,000 in additional Net County Cost.

Human Assistance – Aid Payments

A \$10,181,618 increase in appropriations, \$13,096,146 increase in revenue and \$2,914,528 decrease in Net County Cost is recommended. The increase in appropriations is the net result of increases and decreases in a number of assistance programs, including:

- A \$6.3 million increase in Foster Care costs associated with the implementation of Continuum of Care Reform, Phase 2, which will result in increased reimbursement rates, and a \$3.3 million increase in Foster Care Wraparound program costs due to recent instructions from the California Department of Social Services raising Wraparound rates, partially offset by a \$3.3 million decrease in Foster Care assistance costs due to data showing program caseloads trending downward.
- A \$2.1 million increase in CalWORKS costs due to the repeal of the "once in a lifetime" Homeless Assistance regulation.
- A \$1.9 million increase in the Cash Assistance Program for Immigrants and Refugee Cash Assistance Program based on updated caseload and average cost per case data.
- A net decrease of \$957,517 in the General Assistance program due to updated caseload and average cost per case data.

- A net increase of \$752,027 in the Adoptions, KinGAP and Approved Relative Caregiver programs due to updated caseload and cost per case data.

The recommended increase in revenue is the net result of revenue increases from a number of sources, including:

- An increase of \$6.3 million in revenue (\$3.17 million in State revenue and \$3.17 million in Protective Services Realignment revenue) to cover the costs of implementing Continuum of Care Phase 2 rate increases.
- A \$7.9 million increase in federal revenue, largely due to updated caseload and cost data for the CalWORKS and Foster Care Wraparound programs.
- A net \$2.6 million increase in State revenue, largely due to updated case costs in the Foster Care Assistance and Cash Assistance for Immigrants programs.
- A net decrease of \$4.1 million in CalWORKS 1991 Child Poverty reimbursement revenue based on updated caseload, cost per case and cost sharing ratio data.

IHSS Provider Payments

A \$724,505 increase in revenue and decrease in Net County Cost is recommended. This reflects the use of 1991 Social Services Realignment revenue that was being used in the Health & Human Services Budget, but is no longer needed to fund that budget because of the receipt of additional Title IV-E Foster Care Waiver revenue.

As recommended, the IHSS Provider Payments Budget does not reflect the impact of the change in the IHSS MOE approved by the Legislature as part of the State's FY2017-18 Adopted Budget. At the time this Budget was prepared, the State had not yet provided estimates of the impact on counties in FY2017-18 and future years.

Juvenile Medical Services

A \$2 million increase in appropriations and revenue is recommended to account for expenditures and revenue related to the FY2016-17 Medi-Cal Intergovernmental Transfer (IGT). The Approved Budget included revenue

and expenditures related to the FY2015-16 IGT, but the State has changed the timing for requesting IGTs and FY2017-18 will include two years' worth of requests. The net gain to the County from this transaction will be received in FY2018-19.

Probation

A \$234,300 increase in appropriations, \$827,365 decrease in revenue and \$1,061,665 increase in Net County Cost is recommended. Approximately \$54,000 of the increase in appropriations and revenue is due to the inadvertent failure to include revenue and expenditures related to vending machine sales and Youth Detention Facility phone usage in the Approved Budget. The remaining \$773,000 decrease in revenue is the net result of a \$2.7 million decrease in Title IV-E Waive Foster Care revenue due to a determination that certain activities are not claimable (this revenue being reallocated to Health & Human Services), partially offset by a \$1.3 million increase in Title IV- E non-waiver revenue due to a determination that certain activities are claimable, a \$235,750 increase in State funding to address the increase in the Post Release Community Supervision population caused by Proposition 57 and \$287,732 increase in Public Safety Realignment revenue. \$180,000 of the increase in appropriations and Net County Cost will fund one Growth request: the replacement of two servers that support all of the Department's programs. The two existing servers are at the end of their useful life and are not compatible with the upgraded security camera system being installed at the Youth Detention Facility (YDF).

OTHER FUNDS

Economic Development

A \$3,544,049 increase in appropriations, \$1,314,500 increase in revenue and \$2,229,549 increase in the use of fund balance is recommended. Most of the increase in appropriations and use of fund balance and approximately \$929,000 of the increase in revenue is due to the timing of construction projects at the former McClellan Air Force Base and other economic development projects. Approximately \$1.3 million of the additional revenue is to correct for a posting error of negative interest in FY2016-17 that resulted in a lower than appropriate ending fund balance.

Airport System

A \$13,746,100 increase in appropriations, \$67,200 increase in revenue and \$13,678,900 increase in use of fund balance is recommended, due primarily to:

- A \$4,969,900 increase in services and supplies costs related to the addition and re-budgeting of various projects;
- An \$8,756,000 increase in inter-fund transfers to the Airport Capital Outlay Fund for facility/infrastructure construction projects and equipment purchases, due partly to the re-budgeting for costs that were originally expected to be incurred in FY2016-17 (approximately \$5.9 million) and to the inclusion of funding for a number of new projects (approximately \$2.8 million).

Capital Construction

An \$8,172,974 increase in appropriations, \$2,068,923 increase in revenue and \$6,104,051 increase in use of fund balance is recommended.

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, the revenue is not listed as a balancing entry for the encumbrance. If a project is grant funded, reimbursement for the current fiscal year may be delayed into the following fiscal year.

Awarded contract encumbrances do not automatically roll into the following fiscal year. This means that a large cash balance may be reflected in year-end balances. CCF needs to re-budget these projects and fund them with this fund balance. An estimate is made in the June Recommended Budget on contract encumbrance amounts. After fiscal year-end close, adjustments are necessary to account for the difference between estimates and actuals. A portion of the fund balance is also attributable to projects funded in the previous fiscal year that were not completed and need to be re-budgeted in the following fiscal year. The Adopted Budget includes approximately \$9.9 million in re-budgeted appropriations for 41 projects.

In addition to the need to re-budget for projects not completed in FY2016-17, there are increases and decreases in costs for various projects. The Approved Budget reflects the net impact of approximately \$3.57 million in project cost reductions for 21 projects and approximately \$1.1 million in project cost increases for 7 projects.

Lastly, the Adopted Budget includes approximately \$421,119 in additional appropriations to fund part of the cost of preparing an Americans with Disabilities Act (ADA) Transition Plan, as required by law, and an additional \$285,611 for facilities master planning efforts.

Department of Technology

A \$421,711 increase in appropriations and revenue is recommended to fund \$103,011 in increased costs related to the Agenda Net upgrade for the Clerk of the Board and two Growth requests: (1) a one-time \$300,000 Growth request to replace an out-of-date property tax bill software interface component of the Assessor's tax system; and (2) an on-going \$18,700 Growth request to cover costs related to the Open Data Initiative Application.

General Services/General Services Capital Outlay

A \$6,343,837 increase in appropriations, \$1,474,551 increase in revenue and \$4,869,286 increase in use of fund balance is recommended. Approximately \$4.15 million is due to the re-budgeting of vehicle and equipment purchases that were originally expected to occur in FY2016-17 and new equipment for vehicles addition and upgrades include in the Approved Budget. The remaining appropriation increase reflects the appropriation of retained earnings for maintenance projects and contingencies and re-budgeting projects not completed in the previous fiscal year.

Liability/Property Insurance

A \$115,000 increase in appropriations and revenue is recommended to fund one Growth request: the Personnel Services Department's share of cost for the ADA Transition Plan the County is preparing.

Parking Enterprise

A \$923,565 increase in appropriations and use of fund balance is recommended to re-budget the costs of on-going repair projects and implementation of the new parking system at the Downtown Public Parking

Garage that were originally expected to occur in FY2016-17.

Park Construction

A \$1,300,696 increase in appropriations, \$209,987 increase in revenue and \$1,090,709 increase in use of fund balance is recommended, due primarily to: (1) the re-budgeting of \$1,090,709 in appropriations and use of fund balance to cover the cost of flood repairs, the Farm to Futures Park development project the Wilton Restroom project and various Measure A projects that were originally expected to occur in FY2016-17; and (2) the inclusion of funding for two grant-funded Growth requests: \$129,487 for the Velensin-Horseshoe Lake Restoration Project – Phase 2 and \$80,500 for the American River Parkway Fire Day Camp Campsite Improvements at River Bend Park Project.

Golf

A \$77,597 decrease in appropriations, \$187,266 decrease in revenue and \$109,669 increase in the use of fund balance is recommended. The Approved Budget included a \$441,000 General Fund contribution to this Fund to make-up for an estimated FY2016-17 negative ending fund balance of \$334,000 and backfill projected FY2017-18 revenue decreases. That General Fund contribution was accounted for as a reimbursement, thus effectively reducing appropriations by that amount. The FY2016-17 actual Golf Fund ending balance came in \$109,669 higher than the Approved Budget estimate, allowing for an equivalent reduction of the General Fund reimbursement and increase in net Golf Fund appropriations. At the same time, the Regional Parks Department is projecting that Golf Fund revenues will decrease by an additional \$187,266 based on updated green and cart fee and food and beverage sales trends. To mitigate this loss of revenue, the Adopted Budget reflects \$187,266 in appropriation reductions, including a reduction in the cost of purchasing goods for re-sale, since sales are down, a reduction in the incentive payment to a fee manager since contractual revenue targets are not being met and a reduction in funding for grounds maintenance extra help and supplies. The \$77,597 reduction in appropriations is the net impact of the \$109,669 increase in appropriations due to the reduction in the General Fund reimbursement and the \$187,266 decrease in appropriations to balance the additional reduction in revenue. At this level of funding, the Department believes that the golf courses can be maintained at a sustainable level.

Roads

An \$8,463,522 increase in appropriations, \$6,210,392 increase in revenue and \$2,253,130 increase in the use of fund balance is recommended. The increase in appropriations is the net result of increases and decreases in spending on capital and maintenance projects, due primarily to a shift in project timelines (such as for the Asphalt Concrete Overlay Project 2017- Federal, the Fulton Avenue Overlay Project and the Old Florin Town Streetscapes – Phase 2), funding for additional materials for road maintenance projects financed with additional SB 1 revenue, funding for parcel acquisition for the Franklin Bridge Replacement Project, \$2.26 million in funding to cover increased labor rates for County employees, and approximately \$236,000 to cover miscellaneous services and supplies cost increases.

The increase in revenue is due to the projected receipt of additional federal and state funding as a result of the shifts in capital projects and the receipt of an additional \$1,335,576 in gas tax revenue, including approximately \$700,000 in additional SB 1-related revenue, based on revised estimates from CSAC of SB 1 funding.

Exhibit A includes the list of construction and maintenance projects being financed with SB 1 funds in both the Roads and Transportation Funds.

Transportation

A \$1,362,604 increase in appropriations, \$1,263,397 increase in revenue and \$99,207 increase in the use of fund balance is recommended, due primarily to the re-budgeting of costs for capital projects originally expected to occur in FY2016-17. The Adopted Budget also includes one on-going Growth Request: a \$58,000 increase in costs for the Residential Parking Permit Program, reflecting the actual demand for services. This increase is funded by a contribution from the General Fund.

Development and Code Services

A \$44,251 increase in appropriations and revenue is recommended. This increase is the net result of funding for an on-going \$147,630 Growth request to add one Associate Civil Engineer position in the Site Improvement and Permits Program, partially offset by an increase in reimbursements from other funds, that have the effect of reducing net appropriations, and the re-budgeting of \$19,310 to cover costs of the Civitas contract for the PBID program that was originally anticipated to be spent in FY2016-17. The Growth

request is related to a growth in the plan review workload due to increased development activity. The increase in reimbursements includes \$96,811 from the Economic Development Fund for the County's share of PBID costs (of which, \$77,000 was erroneously budgeted as revenue in the Approved Budget) and \$25,878 from the General Fund that was reflected as revenue in the Approved Budget.

Roadways

A \$1,828,256 increase in appropriations, \$469,105 increase in revenue and \$1,359,151 increase in use of fund balance is recommended, due to shifts in capital project timelines as a result of construction work not being completed as planned in FY2016-17. Projects with re-budgeted appropriations include the Fair Oaks Boulevard-Landis Avenue to Engle Road Project and the Hazel Avenue at US 50 Highway Interchange project.

Transportation – Sales Tax

A \$5,704,976 increase in appropriations, \$3,173,553 increase in revenue and \$2,531,423 increase in use of fund balance is recommended, due primarily to shifts in project timelines as a result of construction work not being completed as planned in FY2016-17. Projects with re-budgeted appropriations include the Countywide Sidewalk Improvements – Phases 1 and 2, Howe Avenue Safe Routes to School – Phase 2, Madison Avenue – Main ADA Improvements and Hazel Avenue – Phase 2.

Solid Waste Enterprise

A \$1,171,325 increase in appropriations, \$1,344,503 increase in revenue and \$173,178 reduction in use of fund balance is recommended. The main reasons for the increase in appropriations include:

- A \$975,000 increase in SWA revenue, due to delays in program implementation and additional SWA revenue collections, with \$173,000 being transferred to reserves and \$802,000 transferred to the General Fund as a discretionary reimbursement; and
- Funding for three Growth requests: (1) \$281,062 to add three Transfer Equipment Operator positions at the North Area Recovery Station (NARS) facility due to increased tonnage, with revenue coming from additional fee revenue (NARS has been experiencing an increase in tonnage now for some time, with material coming both from commercial

accounts and individual loads); (2) \$72,642 to add one Scale Attendant position at NARS to deal with the increase in tonnage; and (3) \$15,543 to pay Waste Management's share of cost for the ADA Transition Plan the County is preparing.

Water Agency Zone 11/Water Agency Zone 13/Water Agency Enterprise/Water Resources

A \$10,431,768 increase in appropriations, \$6,144,881 increase in revenue and \$4,287,157 increase in use of fund balance is recommended. The main reasons for these increases include:

- A \$5.27 million increase in appropriations, a \$1.58 million increase in revenue and a \$3.69 million increase in the use of fund balance in the Water Agency Zone 11 Fund, due primarily to a \$2.2 million increase in reimbursement payments to developers, a \$2.1 million transfer to the Water Resources Fund to cover costs related to the Elder Creek Phase 4 capital project, and a \$900,000 increase in construction services and supplies costs for flood risk reduction activities in the Beach Stone Lakes area, including raising home foundations, filling basements and constructing flood walls around homes. The revenue increase is due primarily to a \$2 million increase in anticipated development fee revenue, partially offset by revenue reductions in certain areas.
- A \$5.3 million increase in appropriations, \$4.6 million increase in revenue and \$731,000 increase in the use of fund balance in the Water Resources Fund, due primarily to an increase of \$5.19 million in home elevation grant pass-through payments and local share of cost for two Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Programs.

The Water Agency Enterprise Fund budget also includes funding for one Growth request: \$70,888 to cover the cost of upgrading a light fleet vehicle being replaced to a Ford F-550 service truck with cabinets and a 5,000 pound crane that will better meet the Water Resources Department's needs.

Exhibit A

Sacramento County - Department of Transportation

Proposed Projects to be Funded with Road Maintenance and Rehabilitation Account Funding FY 2017-18

Project Description	Project Location	Proposed Schedule for Completion	Estimated Useful Life
<p>AC Overlay Projects- Federal: Rehabilitate 8 arterial streets including: repair failed areas of the pavement (base repair); overlay the roadway with rubberized asphalt concrete pavement; install complete street features including ADA compliant curb ramps and bike lanes; install video vehicle detection; and various items of work to complete the overlay including but not limited to placing slurry seal, adjusting manholes, and restriping the roadway.</p>	<ul style="list-style-type: none"> • Garfield Ave., from Verner Ave. to Greenback Lane • Antelope North Rd., from Poker Lane to Olive St. • Eastern Ave., from Marconi Ave. to Whitney Ave. • El Camino Ave. from Marconi Ave., to Watt Ave. • Marconi Ave., from Watt Ave. to Eastern Ave. • Gerber Rd., from Power Inn Rd. to French Rd. • Goethe Rd., from Mayhew Dr. to Branch Center Rd. • Kiefer Bl., from Huntsman Dr. to Bradshaw Rd. 	<p>Nov-18</p>	<p>20 years</p>

Exhibit A

<p>HSIP Traffic Signal System Upgrade: Provide enhanced traffic signal coordination and monitoring at 71 existing signalized intersections by upgrading the signal control equipment to allow for traffic responsive signal coordination on the new County central signal system.</p>	<p>Signalized intersections along the following street segments: • Walnut Ave., from Winding Way to El Camino Ave. • Marconi Ave., from Norris Ave. to Mission Ave. • El Camino Ave., from Garfield Ave. to Mission Ave. • Elkhorn Bl., from Cantel Way to Garfield Ave. • Hazel Ave., from Central Ave. to Madison Ave. • Bradshaw Rd., from Folsom Bl. to Kiefer Bl. • Kiefer Bl., from Bradshaw Rd. to South Watt Ave. • Stockton Bl., from Chandler Dr./66th St. to Elsie Rd./Mack Rd. • Power Inn Rd., from Scottsdale Rd. to Haystack Dr. • Gerber Rd., from Stockton Bl. to Elk Grove-Florin Rd. • Franklin Bl., from Martin Luther King, Jr. Bl. to Turnbridge Dr. • 47th Ave., from Martin Luther King, Jr. Bl. to SR 99</p>	<p>Jul-18</p>	<p>10 years</p>
<p>SHRA District 1 Sidewalk Repair: Remove and replace damaged existing sidewalk, curb and gutter, and install ADA compliant curb ramps.</p>	<p>Along the following Fruitridge area streets:</p> <ul style="list-style-type: none"> • 14th Ave. • Stockton Blvd. • 23rd Ave. • West Nichols Ave. 	<p>Aug-18</p>	<p>50 years</p>
<p>SHRA District 4 ADA Ramp Project: Install nine ADA-compliant curb ramps along Scotland Drive.</p>	<p>On Scotland Drive at the following intersections:</p> <ul style="list-style-type: none"> • Banff Court • Rudyard Circle • Angus Way • Caber Way 	<p>Aug-18</p>	<p>50 years</p>
<p>Walnut Grove Bridge Rehabilitation Project: Replace the existing bridge deck (open grid floor grating) and repair the existing southwest abutment wall.</p>	<p>Walnut Grove Bridge at the Sacramento River in the community of Walnut Grove</p>	<p>Oct-20</p>	<p>25 years</p>
<p>Walnut Grove Road Bridge Replacement at Mokelumne River: Replace the existing structurally deficient swing bridge with a single leaf bascule bridge.</p>	<p>Walnut Grove Road at the Mokelumne River, located at the Sacramento/San Joaquin County line</p>	<p>Oct-22</p>	<p>75 years</p>

Exhibit A

<p>44th Avenue Pedestrian Improvements, Phase 2: Rehabilitate existing sidewalks including replacement of damaged sidewalks and installation of ADA-compliant curb ramps, Repair and overlay damaged pavement at Martin Luther King, Jr., Blvd. intersection.</p>	<p>44th Avenue, from Franklin Blvd. to 39th Street</p>	<p>Oct-19</p>	<p>20 years</p>
<p>Alta Mesa Rd Bridge Replacement at Laguna Creek: Replace the existing structurally-deficient two-lane concrete deck on timber stringers bridge with a new two-lane concrete slab bridge.</p>	<p>Alta Mesa Road at Laguna Creek, located north of State Route 104</p>	<p>Sep-20</p>	<p>75 years</p>
<p>Florin Area New Street Light Project: Install approximately 95 new LED street lights along residential streets for pedestrian and traffic safety.</p>	<p>The residential streets within the neighborhood bounded by Florin Road on the north, Lindale Drive on the west and south, and Palmerhouse Drive on the east</p>	<p>Jul-18</p>	<p>25 years</p>
<p>Franklin Blvd Bridge Replacement at Lost Slough: Replace the existing structurally deficient two-lane timber trestle bridge with a new two-lane steel reinforced concrete bridge.</p>	<p>Franklin Boulevard at Lost Slough waterway, located south of Twin Cities Road and east of Interstate 5</p>	<p>Oct-19</p>	<p>75 years</p>
<p>Fulton Ave Overlay Phase 2: Rehabilitate approximately 2.5 miles of Fulton Avenue including: repair failed areas of the pavement (base repair); grind pavement prior to paving; overlay the roadway with rubberized asphalt concrete pavement; repair curb and gutter and medians; install complete street features including ADA compliant curb ramps, infill sidewalks and bike lanes; install video vehicle detection; and various items of work to complete the overlay including but not limited to placing slurry seal, adjusting manholes, and restriping the roadway.</p>	<p>Fulton Ave., from Arden Way to Auburn Blvd.</p>	<p>Mar-18</p>	<p>20 years</p>

Exhibit A

<p>Hurley Way Complete Street Improvements: Install complete street improvements including new sidewalks, ADA-compliant curb ramps, curb and gutter, storm drain inlets, pedestrian lighting, and bike lanes.</p>	<p>Hurley Way, from Fulton Avenue to Morse Avenue</p>	<p>Sep-19</p>	<p>50 years</p>
<p>Ione Road Bridge Replacement at Buckeye Creek: Replace the existing structurally deficient two-lane steel reinforced concrete with steel stringers bridge with a new two-lane steel reinforced concrete bridge.</p>	<p>Ione Road at Buckeye Creek, located south of Meiss Road</p>	<p>Oct-18</p>	<p>75 years</p>
<p>Ione Road Bridge Replacement at Willow Creek: Replace the existing structurally deficient two-lane concrete bridge with a new two-lane concrete slab bridge.</p>	<p>Ione Road at Willow Creek, located south of Carbondale Road</p>	<p>Oct-18</p>	<p>75 years</p>
<p>LED Street Light Installation Project SHRA 2017: Install approximately --- new LED street lights along residential streets for pedestrian and traffic safety.</p>	<p>The residential streets within the neighborhood bounded by 53rd Avenue on the north, Stockton Blvd. on the west, Florin Road on the south, and Briggs Drive on the east</p>	<p>Aug-18</p>	<p>25 years</p>
<p>Rosemont Area Street Light Project: Install approximately 45 new LED street lights along residential streets for pedestrian and traffic safety.</p>	<p>The residential streets within the neighborhood bounded by Rosemont Drive on the north and west, Kiefer Blvd. on the south, and Pageant Drive on the east</p>	<p>Aug-18</p>	<p>25 years</p>
<p>McKenzie Road Bridge Replacement at Laguna Creek: Replace the existing structurally deficient two-lane reinforced concrete slab on timber stringers bridge with a new two-lane concrete slab bridge.</p>	<p>McKenzie Road at Laguna Creek, located south of Arno Road</p>	<p>Nov-18</p>	<p>75 years</p>
<p>Michigan Bar Road Bridge Replacement at Cosumnes River: Replace the existing structurally deficient modular concrete panel deck on modular steel box deck trusses and steel girders bridge with a new one-lane concrete slab bridge.</p>	<p>Michigan Bar Road at the Cosumnes River, located approximately one mile north of State Route 16</p>	<p>Dec-19</p>	<p>75 years</p>

Exhibit A

<p>New Hope Road Bridge Replacement at Grizzly Slough: Replace the existing structurally deficient two-lane concrete bridge with a new two-lane pre-tension multiple-girder bridge.</p>	<p>New Hope Road at Grizzly Slough waterway, located approximately one half-mile north of the San Joaquin County line</p>	<p>Oct-19</p>	<p>75 years</p>
<p>Old Florin Town Improvements Phase 2: Construct complete street improvements including new sidewalks, curb and gutter, ADA-compliant curb ramps, bike lanes, street lighting, center medians, and traffic signal upgrades including ADA-compliant pedestrian signals. Rehabilitate the existing roadway including repair of failed pavement areas, slurry seal and asphalt concrete pavement overlay.</p>	<p>Florin Road, from Power Inn Road to French Road/Florin Perkins Road</p>	<p>Dec-18</p>	<p>50 years</p>
<p>Power Inn Rd Improvements Project: Construct complete street improvements including new sidewalks, curb and gutter, ADA-compliant curb ramps, bike lanes, street lighting, and center medians. Rehabilitate the existing roadway including repair of failed pavement areas, slurry seal and asphalt concrete pavement overlay.</p>	<p>Power Inn Road, from 450 feet south of Loucreta Drive to 52nd Avenue</p>	<p>Dec-19</p>	<p>50 years</p>
<p>Rio Linda Blvd Bridge Replacement at North Channel Dry Creek: Replace the existing structurally deficient two-lane concrete bridge with a new two-lane concrete slab bridge.</p>	<p>Rio Linda Boulevard at North Channel Dry Creek, located 0.8 miles south of Elkhorn Boulevard</p>	<p>Nov-18</p>	<p>75 years</p>
<p>Twin Cities Road Bridge Replacement at Snodgrass Slough: Replace the existing structurally deficient movable swing, steel bridge with a new concrete structure and roadway approaches.</p>	<p>Twin Cities Road at Snodgrass Slough, located 2.0 miles east of River Road</p>	<p>Nov-20</p>	<p>75 years</p>

Exhibit A

<p>Winding Way Bridge Replacement at Chicago Creek: Replace the existing structurally deficient concrete slab bridge and perform erosion control measures in the creek channel.</p>	<p>Winding Way at Chicago Creek, located west of Chicago Avenue</p>	<p>Nov-19</p>	<p>75 years</p>
<p>Pavement Maintenance and Rehabilitation: Repair and rehabilitate failed areas of pavement on arterial, residential and rural roadways, including: removal and replacement of failed pavement and base material, pothole repair, patching, crack sealing, pavement balancing, slurry and chip sealing, and pavement overlay.</p>	<p>This project is continuous throughout the fiscal year and involves pavement maintenance on roadways in all communities of unincorporated Sacramento County that cannot be planned or anticipated in advance, as those maintenance needs develop within a short period of time due to an aging roadway system. At this time, the following roadways have been identified for pavement maintenance and rehabilitation work to be completed in FY 2017-18. During the year, work will be completed at additional locations as the needs are identified, and these locations will be reported in the Completed Project Expenditure Report.</p> <ul style="list-style-type: none"> • Powerline Rd., from Bayou Way to W. Elverta Rd. • Fruitridge Rd., from MLK, Jr. Bl. to 53rd. St. • A Parkway, from East Parkway to Center Parkway • East Parkway, from Florin Rd. to A Parkway • Woodland Ln., from Bannister Rd. to East End • Morse Ave., from Fair Oaks Bl. to Northrup Ave. • Nugget Rd., from Phoenix Ave. to North End • Auburn Bl., from SR 244 Ramp to Winding Way • Morse Ave., from Hurley Way to Arden Way • Howe Ave., from Northrup Ave. to Hurley Way • Winding Way, from Manzanita Av. to San Juan Av. • Watt Ave., from Antelope Rd. to Karl Dr. • Watt Ave., from Auburn Bl. to Roseville Rd. • Arden Way, from Eastern Ave. to Stuart Rd. • Arden Way, from Bell St. to Fulton Ave. 	<p>Jun-18</p>	<p>20 years</p>

Exhibit A

	<ul style="list-style-type: none"> • Beacon Ave., from Santa Juanita Ave. to West End • Elkhorn Bl., from Marysville Bl. to W. 6th St. • Walnut Ave., from Madison Ave. to Ultra Ct. • Elverta Rd., from Bellingrath Dr. to 28th St. • Antelope Rd., from Walerga Rd. to Don Julio Bl. • Valensin Rd., from Colony Rd. to Alta Mesa Rd. • Colony Rd., from Arno Rd. to Valensin Rd. • Imperial Way, from Mojave Dr. to Southport Dr. • Hedge Ave., from Elder Creek Rd. to Fruitridge Rd. 	
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SACRAMENTO COUNTY BUDGET COMPLIANCE WITH APPROPRIATION LIMITS

In 1979, California voters passed Proposition 4 which imposed constitutional limits on certain kinds of appropriations made from tax revenues (Article XIII B). Proposition 4 established a limit on the growth of certain appropriations based on changes in population and cost of living. In 1990, voters passed Proposition 111, which changed some of the provisions of Article XIII B.

Sacramento County's appropriation limit is established as required by Article XIII B of the State Constitution. The table below sets forth the appropriation limit and the appropriations subject to limitation.

With the adoption of the budget, the Board of Supervisors also approves publication of the annual appropriation limit set by Article XIII B of the State Constitution. The appropriation limit is formally established by the Board of Supervisors.

SACRAMENTO COUNTY APPROPRIATION LIMIT

Fiscal Year	Appropriation Limit	Appropriations Subject to Limitation	Amount Under Limit
2012-13	1,837,880,766	329,776,706	1,508,104,060
2013-14	1,949,561,282	333,031,810	1,616,529,472
2014-15	1,957,136,770	342,212,234	1,614,924,536
2015-16	2,056,688,567	370,473,337	1,686,215,230
2016-17	2,210,475,398	420,559,709	1,789,915,689
2017-18 (Budget)	2,328,026,999	441,802,594	1,886,224,405

2017-18 DISTRICTS APPROPRIATION LIMITS

Fund	District	Appropriation Limit	Appropriations Subject to Limitation	Amount Under Limit
229	Natomas Fire District	6,854,520	2,324,600	4,529,920
253	County Service Area No. 1	6,378,265	389,738	5,988,527
319	Sacramento County Water Agency - Zone 12	19,740,925	5,705,332	14,035,593
336	Mission Oaks Recreation and Park District	20,376,314	2,461,929	17,914,385
337	Carmichael Recreation and Parks District	4,576,608	1,916,300	2,660,308
338	Sunrise Recreation and Park District	15,806,823	4,680,063	11,126,760
351	Del Norte Oaks Recreation and Park District	41,684	3,662	38,022

SACRAMENTO COUNTY BUDGET (REQUIREMENTS) FUNCTIONS DESCRIPTIONS

PUBLIC ASSISTANCE:

- Human Assistance-Administration – Social Services Department, Adoptions, Food Stamps, Veterans Service Officer.
- Human Assistance – Aid –programs.
- Other Assistance – Child Support Services.

HEALTH AND SANITATION:

Health – Environmental Management, Health and Human Services, First 5 Sacramento Commission, Juvenile Medical Services, In-Home Support Services Provider Payments, Medical Treatment Payments, Correctional Health Services, Office of Compliance, and Office of Inspector General.

ROADS:

Public Ways and Facilities –Sacramento County Roads, Roadways, Transportation-Sales Tax, Road Construction and Maintenance and Street Lighting (if part of road construction) and Rural Transit.

PUBLIC PROTECTION:

- Judicial – Contribution to Law library, Court-Non-Trial Court Funding, Court-County Contribution, Conflict Criminal Defenders, Sacramento Grand Jury, Court Paid County Services, Criminal Justice Cabinet, Public Defender and District Attorney.
- Police Protection – Sheriff’s Department.
- Detention and Correction – Care In Homes and Institutions-Juvenile Court Wards, Probation, and Sheriff-Detention and Correction.
- Protective Inspection – Agricultural Commissioner and Sealer of Weights and Measures, Building Inspection.
- Other Protection – Animal Care and Regulation, Wildlife Services, Fair Housing Services, Coroner, Dispute Resolution Program, Data Processing-Law and Justice, Contribution to Local Agency Formation Commission, Development and Code Services, Emergency Services and County Clerk/Recorder.

LIBRARY, CULTURAL, AND RECREATIONAL:

- Library – County Library Operation, Cooperative Extension.
- Cultural Services – Transient-Occupancy Tax.
- Recreation Facilities – Regional Parks, Propagation-Fish and Game, Golf.

GENERAL GOVERNMENT:

- Legislative and Administrative – Board of Supervisors and Clerk of the Board, County Executive, County Executive Cabinet.
- Finance – Assessor, Department of Finance (Auditor-Controller, Treasurer, Tax Collector), Non-Departmental Revenues-General Fund, Non-Departmental Cost-General Fund.
- Counsel – County Counsel.
- Personnel – Civil Service Commission, Office of Labor Relations and Personnel Services.
- Elections – Voter Registration and Elections.
- Property Management – Veteran’s Facility.
- Plant Acquisition – Capital Construction Building and Libraries – budget units accounting for acquisition of land, structures, and improvements, and Park Construction.
- Promotion – Economic Development and Financing Transfers/Reimbursements-General Fund.
- Other General – Data Processing and Revenue Recovery.

DEBT SERVICE, RESERVES, CONTINGENCIES:

Debt Service – Teeter Plan (retirement of long-term debt, and interest on notes and warrants).

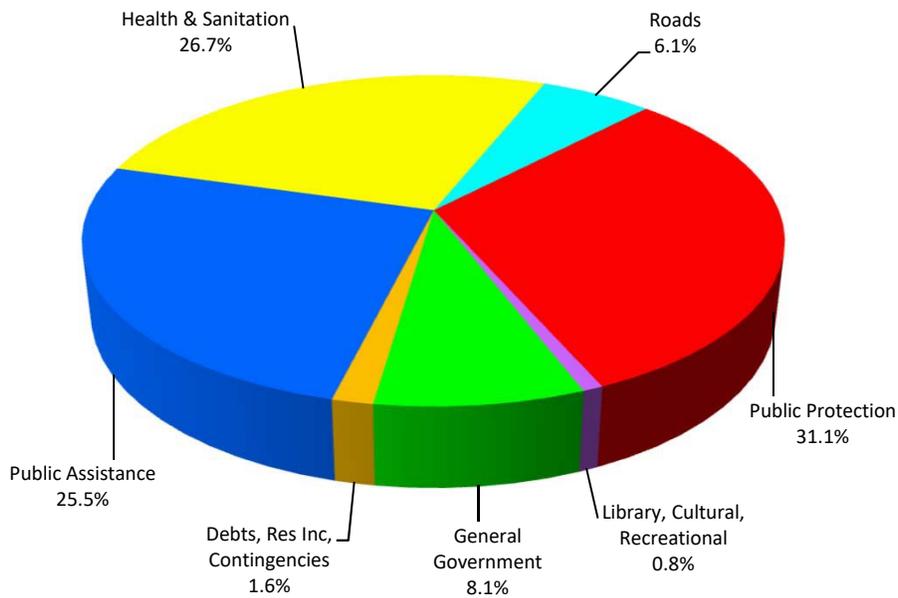
THE COUNTY BUDGET (REQUIREMENTS)

THE COUNTY BUDGET

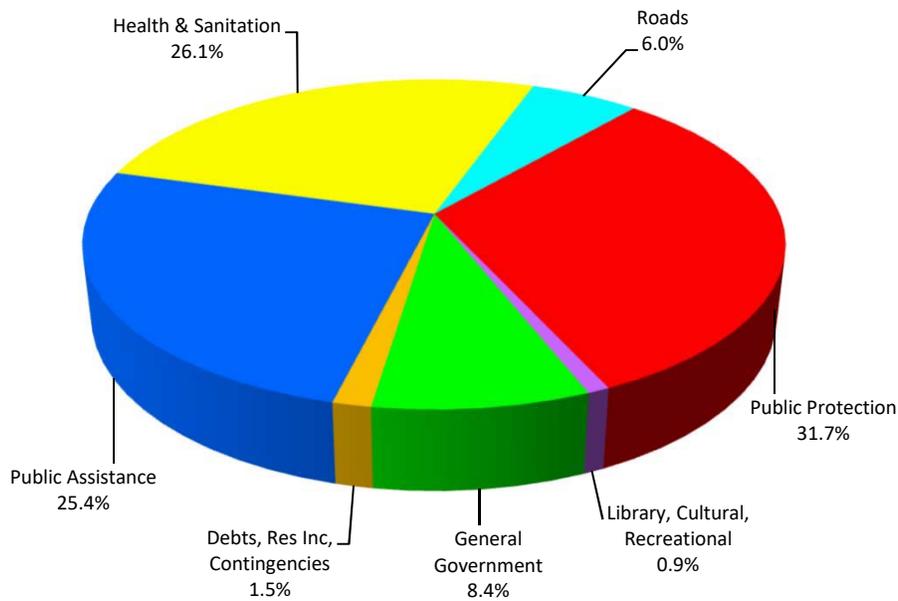
GOVERNMENTAL FUNDS

REQUIREMENTS

2016-17 BUDGET TOTAL \$2,802,117,716



2017-18 BUDGET TOTAL \$2,935,150,196



REQUIREMENTS				
	Fiscal Year		Fiscal Year	
	2016-17	Percent	2017-18	Percent
Public Assistance	\$715,300,479	25.5%	\$746,773,632	25.4%
Health & Sanitation	747,880,360	26.7%	766,246,169	26.1%
Roads	171,723,344	6.1%	174,897,472	6.0%
Public Protection	872,830,741	31.1%	931,902,094	31.7%
Library, Cultural, Recreational	22,248,137	0.8%	25,112,514	0.9%
General Government	227,440,722	8.1%	246,300,341	8.4%
Debts, Reserve Increase, Contingencies	44,693,933	1.6%	43,917,974	1.5%
GRAND TOTAL	\$ 2,802,117,716	100.0%	\$ 2,935,150,196	100.0%
FINANCING				
	Fiscal Year		Fiscal Year	
	2016-17	Percent	2017-18	Percent
Taxes	\$534,653,562	19.1%	\$563,722,469	19.2%
Licenses, Permits, Franchises	50,183,732	1.8%	54,172,583	1.8%
Fines, Forfeitures, Penalties	30,363,292	1.1%	27,069,113	0.9%
Intergovernmental	1,734,077,749	61.9%	1,789,716,935	61.0%
Charges for Services	194,748,158	7.0%	223,973,670	7.6%
Other Revenues	138,424,261	4.9%	143,477,180	4.9%
Year-End Balance, Reserve Release	119,666,962	4.3%	133,018,246	4.5%
GRAND TOTAL	\$ 2,802,117,716	100.0%	\$ 2,935,150,196	100.0%

THE COUNTY BUDGET (FINANCING)

FUNCTIONS DESCRIPTIONS

TAXES:

Secured Property Taxes, Unsecured Property Taxes, Current Supplemental Property Taxes, Property Tax Unitary, Property Taxes Secured Delinquent, Property Tax Supplemental Delinquent, Property Tax Prior-Unsecured, Property Taxes Redemption, Penalty/Costs-Property Taxes, Sales Use Tax, One-Half Sales Tax, Transient Occupancy Tax, Property Tax Transfer, Property Tax In Lieu of Vehicle License Fee.

LICENSES, PERMITS, FRANCHISES:

Animal Licenses, Business Licenses, Special Business Licenses, Fictitious Business Licenses, Roadway Development/Building Permits, Building Permits-Residential and Commercial, Encroachment Permits, Zoning Permits, Cable TV Franchise Fee, Franchise Fee-Other, Road Permits, Licenses/Permits-Other, Bingo License Fee.

FINES, FORFEITURES, PENALTIES:

Vehicle Code Fines, Other Court Fines, Forfeitures/Penalties, Civil Penalties, Federal Asset Forfeitures and State Asset Forfeitures.

INTERGOVERNMENTAL:

- Federal – Welfare Administration, Children Services Administration, Children Assistance Administration, other Welfare programs, other health programs, Planning and Construction, other miscellaneous programs.
- State – Cigarette Tax Unincorporated Area, Highway User Tax, Homeowne's Property Tax Relief, Motor Vehicle In Lieu Tax, Welfare, Welfare Administration, CALWIN, COPS, VHL mental health, Agriculture, Construction, Public Safety, Veterans Affairs, Trial Court, Health Administration, Services Program, Children's Assistance, other Welfare programs, other health programs, Realignment, Redevelopment pass through, revenue neutrality payments, other miscellaneous programs.

CHARGES FOR SERVICES:

Special Assessments, Civil Filings Fees, Vital Statistic Fees, Adoption Fees, Candidate Filing Fees, Civil Process Service Fees, Civil/Small Claims Filing Fees, Estate/Public Administration Fees, Recording Fees, Electricity Services Charges, Natural Gas Services Charges, Assessing/Collecting Fees, Auditing/Accounting Fees, Court/Legal Fees, Court Reporter Fees, Election Service Charges, Planning Service Charges, Planning/Engineering-Plan Check and Inspection Fees, Jail Booking Fees, Recreation Service Charges, Copying Charges, Building Maintenance Service Charges, Park/Grounds Maintenance Service Charges, Road Maintenance Service Charges, Crippled Children Treatment Charges, Medical Care-Indigent and Private Patient Charges, Medical Health Private Patient Charges, Alcoholism Services-Client Fees, Medical Care-Other, Institutional Care-Adult-Juvenile-State Institution Prisoner Charges, Work Furlough Charges, Data Processing Services, Auditor-Controller Services, Public Works Services, Leased Property Use Charges, Education/Training Charges, Cemetery Services, Humane Service, Law Enforcement Services, Milk Inspection Services, Service Fees/Charges-Other.

OTHER REVENUES:

- Use of Money and Property – Interest Income, Contributions, Building Rental-Other, Agricultural Leases-Other, Aviation Ground Leases, Ground Leases-Other, Food Service Concessions, Fuel Flowage Fees, Recreational Concession, Other Vending Devices.
- Miscellaneous Revenues – Countywide Cost Plan, Sales-Other, Cash Overages, Bad Debt Recovery, Aid Payment Recoveries, TRANS (Short Term Anticipation Notes) Reimbursement, Donations and Contributions, Electricity Resales, Insurance Proceeds, Revenue-Other, Assessment Fees, Child Support Recoveries, In-Kind Revenues, Prior Year Revenues.
- Other Financing Revenues – Sale of Real Property, Proceeds from Asset Sales-Other, Gain on Sale of Fixed Asset, Debt issue Financing, Vending Card Revenue, Medical Fee Collections.

YEAR-END BALANCE, RESERVE RELEASE:

Prior-Year Carryover/Fund Balance, Reserve Release.

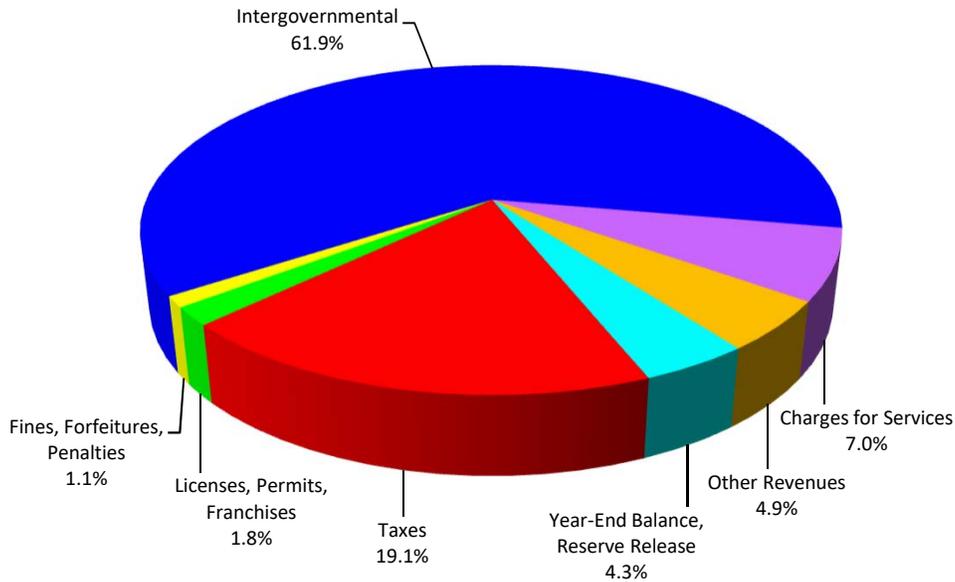
THE COUNTY BUDGET (FINANCING)

THE COUNTY BUDGET

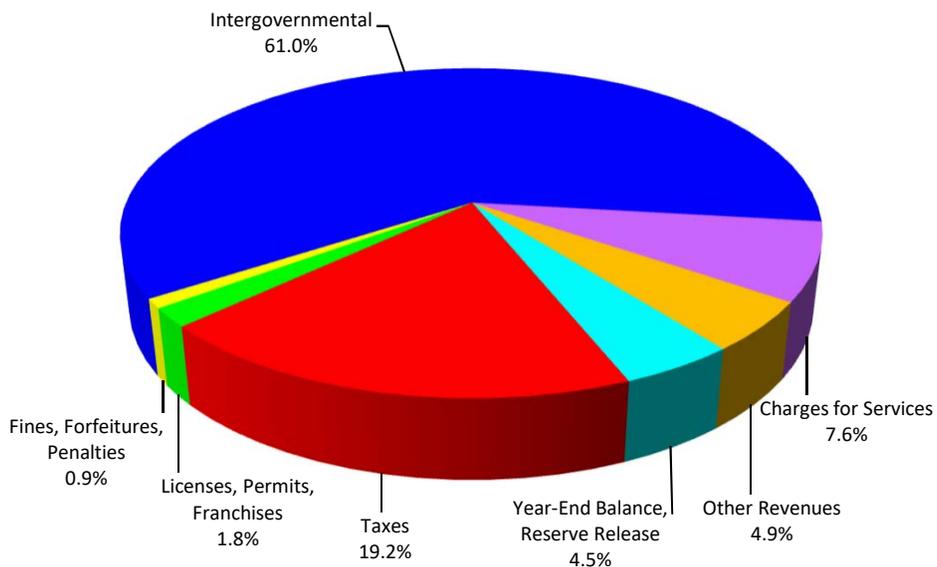
GOVERNMENTAL FUNDS

FINANCING

2016-17 BUDGET TOTAL \$2,802,117,716



2017-18 BUDGET TOTAL \$2,935,150,196



SUMMARY OF FUND BALANCES

Fund Description	Fund Number	Adopted 2016-17	Adopted 2017-18	Variance	Percent
GENERAL	001A-G	50,600,943	48,802,293	-1,798,650	-3.6%
FISH AND GAME	002A	1,857	-1,308	-3,165	-170.4%
ROAD	005A	6,991,746	2,347,923	-4,643,823	-66.4%
DEPARTMENT OF TRANSPORTATION	005B	945,034	99,207	-845,827	-89.5%
PARKS CONSTRUCTION	006A	344,268	1,301,279	957,011	278.0%
CAPITAL CONSTRUCTION	007A	13,921,439	18,847,789	4,926,350	35.4%
TOBACCO LITIGATION SETTLEMENT	008A	6,092	0	-6,092	-100.0%
ENVIRONMENTAL MANAGEMENT	010B	708,477	3,121,736	2,413,259	340.6%
LIBRARY	011A	299,140	180,685	-118,455	-39.6%
FIRST 5 SACRAMENTO COMMISSION	013A	5,432,760	5,113,198	-319,562	-5.9%
TRANSIENT OCCUPANCY	015A	488,878	960,133	471,255	96.4%
TEETER PLAN	016A	4,108,216	3,910,341	-197,875	-4.8%
GOLF	018A	37,293	-224,872	-262,165	-703.0%
ECONOMIC DEVELOPMENT	020A	10,916,689	10,322,821	-593,868	-5.4%
BUILDING INSPECTION	021A	4,382,962	4,897,494	514,532	11.7%
TECHNOLOGY COST RECOVERY FEE	021D	481,249	297,373	-183,876	-38.2%
AFFORDABILITY FEE	023A	2,702	1,872	-830	-30.7%
ROADWAYS	025A-H	4,014,654	4,438,402	423,748	10.6%
TRANSPORTATION-SALES TAX	026A	335,614	3,177,299	2,841,685	846.7%
SOLID WASTE ENTERPRISE	051A	7,097,049	9,597,361	2,500,312	35.2%
SOLID WASTE ENTERPRISE-CAPITAL OUTLAY	052A	3,564,699	7,472,979	3,908,280	109.6%
ANTELOPE PUBLIC FACILITIES FINANCING	101A-E	1,448,059	1,447,273	-786	-0.1%
LAGUNA CRK/ELLIOTT RCH CFD 1	105A/C	3,017,416	3,169,874	152,458	5.1%
LAGUNA COMMUNITY FACILITY DISTRICT	107A-B	432,482	394,764	-37,718	-8.7%
VINEYARD PFFP - ROADWAYS	108A-B	8,493,718	7,812,499	-681,219	-8.0%
BRADSHAW/US 50 FINANCING DISTRICT	115A	113,766	55,727	-58,039	-51.0%
FLORIN ROAD CAPITAL PROJECT	118A	407,777	387,843	-19,934	-4.9%
FULTON AVENUE CAPITAL PROJECT	118B	4,257	29	-4,228	-99.3%
LAGUNA STONELAKE CFD-BOND PROCEEDS	130A	184,173	181,929	-2,244	-1.2%
PARK MEADOWS CFD-BOND PROCEEDS	131A	60,309	64,853	4,544	7.5%
MATHER LANDSCAPE MAINT CFD	132A	291,394	344,320	52,926	18.2%
MATHER PFFP	136A-B	619,438	549,545	-69,893	-11.3%
GOLD RIVER STATION #7 LANDSCAPE CFD	137A	9,228	28,932	19,704	213.5%
METRO AIR PARK CFD 2000-1	139A	4,646,492	10,757,363	6,110,871	131.5%
MCCLELLAN PARK CFD	140A	328,269	386,626	58,357	17.8%
SACRAMENTO CO LANDSCAPE MAINT	141A	67,003	61,294	-5,709	-8.5%
METRO AIR PARK SERVICE TAX	142A	616,088	628,128	12,040	2.0%
NORTH VINEYARD STATION SPECIFIC PLAN	143A	4,369,995	3,974,674	-395,321	-9.0%
NORTH VINEYARD STATION SPECIFIC PLAN CFD	144A	25,880,164	25,517,765	-362,399	-1.4%
COUNTYWIDE LIBRARY FACILITIES ADMIN FEE	160A	36,064	30,305	-5,759	-16.0%
NATOMAS FIRE DISTRICT	229A	170,785	91,471	-79,314	-46.4%
CSA NO. 1	253A	461,215	470,369	9,154	2.0%
CSA NO. 10	257A	249,207	197,688	-51,519	-20.7%
FIXED ASSET REVOLVING	277A	0	0	0	#DIV/0!
JUVENILE COURTHOUSE PROJECT-DEBT SERVICE	280A	95,415	145,201	49,786	52.2%
2004 PENSION OBLIGATION BONDS	282A	907,776	906,233	-1,543	-0.2%
TOBACCO LITIGATION SETTLEMENT-CAPITAL PROJECTS	284A	2,011,774	1,478,279	-533,495	-26.5%
1997-PUBLIC FACILITIES DEBT SERVICE	288A	466,196	483,596	17,400	3.7%
2003 PUBLIC FACILITIES PROJ-DEB SERVICE	298A	113,840	147,194	33,354	29.3%
2010 REFUNDING COPS-DEBT SERVICE	300A	368,479	488,683	120,204	32.6%
2010 REFUNDING COPS-PARKING GARAGE-DEBT SERVICE	300B	0	0	0	#DIV/0!

Fund Description	Fund Number	Adopted 2016-17	Adopted 2017-18	Variance	Percent
2007 PUBLIC FACILITIES PROJECTS-CONSTRUCTION	303A	26,605	0	-26,605	-100.0%
2007 PUBLIC FACILITIES PROJECTS-DEBT SERVICE	304A	76,867	158,331	81,464	106.0%
2006 PUBLIC FACILITIES-DEBT SVC	306A	84,918	130,193	45,275	53.3%
1997-PUBLIC FACILITIES DEBT SERVICE	308A	16,451	0	-16,451	-100.0%
1997-PUBLIC FACILITIES-CONSTRUCTION	309A	758	0	-758	-100.0%
PENSION OBLIGATION BOND-DEBT SERVICE	313A	327,248	445,795	118,547	36.2%
WATER AGENCY-ZONE 11A	315A	9,949,773	7,759,066	-2,190,707	-22.0%
WATER AGENCY-ZONE 13	318A	1,014,766	1,151,750	136,984	13.5%
STORMWATER UTILITY DISTRICT	322A	5,619,002	7,215,087	1,596,085	28.4%
LANDSCAPE MAINTENANCE DISTRICT	330A	237,304	172,774	-64,530	-27.2%
MISSION OAKS PARK DISTRICT	336A	1,086,245	756,456	-329,789	-30.4%
MISSION OAKS MAINT IMPROVEMENT ASSESSMENT DISTRICT	336B	1,237,032	2,273,376	1,036,344	83.8%
CARMICHAEL PARK DISTRICT	337A	1,012,724	1,043,572	30,848	3.0%
CARMICHAEL RPD ASSESSMENT DISTRICT	337B	1,320,977	774,791	-546,186	-41.3%
SUNRISE PARK DISTRICT	338A	1,078,458	1,703,537	625,079	58.0%
ANTELOPE ASSESSMENT	338B	75,303	26,326	-48,977	-65.0%
FOOTHILL PARK	338F	618,268	598,190	-20,078	-3.2%
DEL NORTE OAKS PARK DISTRICT	351A	6,479	4,085	-2,394	-37.0%
COUNTY SERVICE AREA 4B	560A	149,256	4,960	-144,296	-96.7%
COUNTY SERVICE AREA 4C	561A	9,411	9,849	438	4.7%
COUNTY SERVICE AREA 4D	562A	1,117	1,665	548	49.1%
COUNTY PARKS CFD 2006-1	563A	11,344	9,117	-2,227	-19.6%
TOTAL		194,512,846	209,105,382	14,592,536	7.5%

RELATIONSHIP BETWEEN FUNDS, BUDGET UNITS AND DEPARTMENTS

Fund	Fund Name	Budget Unit	Department
001A	GENERAL FUND	3210000	AG COMMISSIONER-SEALER OF WEIGHTS & MEASURES
001A	GENERAL FUND	3220000	ANIMAL CARE AND REGULATION
001A	GENERAL FUND	5980000	APPROPRIATION FOR CONTINGENCY
001A	GENERAL FUND	3610000	ASSESSOR
001A	GENERAL FUND	4050000	BOARD OF SUPERVISORS
001A	GENERAL FUND	6760000	CARE IN HOMES AND INSTITUTIONS
001A	GENERAL FUND	5810000	CHILD SUPPORT SERVICES
001A	GENERAL FUND	4210000	CIVIL SERVICE COMMISSION
001A	GENERAL FUND	4010000	CLERK OF THE BOARD
001A	GENERAL FUND	5725729	CODE ENFORCEMENT
001A	GENERAL FUND	5720000	COMMUNITY DEVELOPMENT
001A	GENERAL FUND	5510000	CONFLICT CRIMINAL DEFENDERS
001A	GENERAL FUND	5920000	CONTRIBUTION TO LAFCO
001A	GENERAL FUND	4522000	CONTRIBUTION TO THE LAW LIBRARY
001A	GENERAL FUND	3310000	COOPERATIVE EXTENSION
001A	GENERAL FUND	4610000	CORONER
001A	GENERAL FUND	7410000	CORRECTIONAL HEALTH SERVICES
001A	GENERAL FUND	3240000	COUNTY CLERK/RECORDER
001A	GENERAL FUND	4810000	COUNTY COUNSEL
001A	GENERAL FUND	5910000	COUNTY EXECUTIVE
001A	GENERAL FUND	5730000	COUNTY EXECUTIVE CABINET
001A	GENERAL FUND	5040000	COURT / COUNTY CONTRIBUTION
001A	GENERAL FUND	5020000	COURT / NON-TRIAL COURT FUNDING
001A	GENERAL FUND	5050000	COURT PAID COUNTY SERVICES
001A	GENERAL FUND	5750000	CRIMINAL JUSTICE CABINET
001A	GENERAL FUND	5710000	DATA PROCESSING-SHARED SYSTEMS
001A	GENERAL FUND	3230000	DEPARTMENT OF FINANCE
001A	GENERAL FUND	6110000	DEPARTMENT OF REVENUE RECOVERY
001A	GENERAL FUND	5520000	DISPUTE RESOLUTION PROGRAM
001A	GENERAL FUND	5800000	DISTRICT ATTORNEY
001A	GENERAL FUND	7090000	EMERGENCY OPERATIONS
001A	GENERAL FUND	4660000	FAIR HOUSING SERVICES
001A	GENERAL FUND	5110000	FINANCING-TRANSFERS/REIMBURSEMENTS
001A	GENERAL FUND	5660000	GRAND JURY
001A	GENERAL FUND	7200000	HEALTH AND HUMAN SERVICES
001A	GENERAL FUND	7270000	HEALTH-MEDICAL TREATMENT PAYMENTS
001A	GENERAL FUND	8100000	HUMAN ASSISTANCE-ADMINISTRATION
001A	GENERAL FUND	8700000	HUMAN ASSISTANCE-AID PAYMENTS
001A	GENERAL FUND	7250000	IN-HOME SUPPORT SERVICES (IHSS) PROVIDER PAYMENTS
001A	GENERAL FUND	7230000	JUVENILE MEDICAL SERVICES
001A	GENERAL FUND	5970000	LABOR RELATIONS
001A	GENERAL FUND	5770000	NON-DEPARTMENTAL COSTS/GENERAL FUND
001A	GENERAL FUND	5700000	NON-DEPARTMENTAL REVENUES/GENERAL FUND
001A	GENERAL FUND	5740000	OFFICE OF COMPLIANCE
001A	GENERAL FUND	5780000	OFFICE OF INSPECTOR GENERAL
001A	GENERAL FUND	6050000	PERSONNEL SERVICES
001A	GENERAL FUND	5725728	PLANNING AND ENVIRONMENTAL REVIEW
001A	GENERAL FUND	6700000	PROBATION
001A	GENERAL FUND	6910000	PUBLIC DEFENDER
001A	GENERAL FUND	6400000	REGIONAL PARKS
001A	GENERAL FUND	7400000	SHERIFF
001A	GENERAL FUND	2820000	VETERAN'S FACILITY
001A	GENERAL FUND	4410000	VOTER REGISTRATION AND ELECTIONS
001A	GENERAL FUND	3260000	WILDLIFE SERVICES
001F	COMMUNITY INVESTMENT PROGRAM	5060000	COMMUNITY INVESTMENT PROGRAM
001G	NEIGHBORHOOD REVITALIZATION	5790000	NEIGHBORHOOD REVITALIZATION
002A	FISH AND GAME	6460000	FISH AND GAME PROPAGATION
005A	ROAD	2900000	ROADS
005B	DEPARTMENT OF TRANSPORTATION	2960000	DEPARTMENT OF TRANSPORTATION
006A	PARKS CONSTRUCTION	6570000	PARK CONSTRUCTION
007A	CAPITAL CONSTRUCTION	3100000	CAPITAL CONSTRUCTION
008A	TOBACCO LITIGATION SETTLEMENT	7220000	TOBACCO LITIGATION SETTLEMENT
010B	ENVIRONMENTAL MANAGEMENT	3350000	ENVIRONMENTAL MANAGEMENT
011A	LIBRARY	6310000	COUNTY LIBRARY
013A	FIRST 5 SACRAMENTO COMMISSION	7210000	FIRST 5 SACRAMENTO COMMISSION
015A	TRANSIENT OCCUPANCY	4060000	TRANSIENT-OCCUPANCY TAX
016A	TEETER PLAN	5940000	TEETER PLAN
018A	GOLF	6470000	GOLF
020A	ECONOMIC DEVELOPMENT	3870000	ECONOMIC DEVELOPMENT

**GENERAL BUDGET
INFORMATION**

**RELATIONSHIP BETWEEN FUNDS, BUDGET UNITS
AND DEPARTMENTS**

Fund	Fund Name	Budget Unit	Department
021A	BUILDING INSPECTION	2150000	BUILDING INSPECTION
021D	TECHNOLOGY COST RECOVERY FEE	2180000	TECHNOLOGY COST RECOVERY FEE
021E	DEVELOPMENT AND CODE SERVICES	2151000	DEVELOPMENT AND CODE SERVICES
023A	AFFORDABILITY FEE	3830000	AFFORDABILITY FEE
025A	ROADWAYS	2910000	ROADWAYS
026A	TRANSPORTATION-SALES TAX	2140000	TRANSPORTATION-SALES TAX
028A	CONNECTOR JOINT POWERS AUTHORITY	2800000	CONNECTOR JOINT POWERS AUTHORITY
030A	INTERAGENCY PROCUREMENT	9030000	INTERAGENCY PROCUREMENT
031A	DEPARTMENT OF TECHNOLOGY	7600000	DEPARTMENT OF TECHNOLOGY
034A	GENERAL SERVICES-CAPITAL OUTLAY	2070000	GENERAL SERVICES (GS)-CAPITAL OUTLAY
035A	GENERAL SERVICES-ARCHITECTURAL SERVICES	7007900	GENERAL SERVICES-ARCHITECTURAL SERVICES
035B	GENERAL SERVICES-CONSTRUCTION MGMT & INSPECTION	7007200	GENERAL SERVICES-CONSTRUCTION MGMT & INSPECTION
035C	ADMINISTRATIVE SERVICES-GS	7110000	GENERAL SERVICES-OFFICE OF THE DIRECTOR
035F	BUILDING MAINTENANCE AND OPERATIONS-GS	7007440	GENERAL SERVICES-AIRPORT DISTRICT
035F	BUILDING MAINTENANCE AND OPERATIONS-GS	7007410	GENERAL SERVICES-ALARM SERVICES
035F	BUILDING MAINTENANCE AND OPERATIONS-GS	7007420	GENERAL SERVICES-BRADSHAW DISTRICT
035F	BUILDING MAINTENANCE AND OPERATIONS-GS	7007430	GENERAL SERVICES-DOWNTOWN DISTRICT
035F	BUILDING MAINTENANCE AND OPERATIONS-GS	7007046	GENERAL SERVICES-ENERGY MANAGEMENT
035F	BUILDING MAINTENANCE AND OPERATIONS-GS	7450000	GENERAL SERVICES-SECURITY SERVICES
035H	CONTRACT & PURCHASING SERVICES-GS	7007063	GENERAL SERVICES-PURCHASING
035J	GENERAL SERVICES-SUPPORT SERVICES	7700000	GENERAL SERVICES-SUPPORT SERVICES
035K	GENERAL SERVICES-REAL ESTATE	7007030	GENERAL SERVICES-REAL ESTATE
035L	GENERAL SERVICES-LIGHT EQUIPMENT	7007500	GENERAL SERVICES-LIGHT EQUIPMENT
035M	FLEET SERVICES HEAVY EQUIP	7007600	GENERAL SERVICES-HEAVY EQUIPMENT
036A	GENERAL SERVICES CAPITAL OUTLAY	7080000	GENERAL SERVICES-CAPITAL OUTLAY
037A	LIABILITY PROPERTY INSURANCE	3910000	LIABILITY PROPERTY INSURANCE
039A	WORKERS COMPENSATION INSURANCE	3900000	WORKERS COMPENSATION INSURANCE
040A	UNEMPLOYMENT INSURANCE	3930000	UNEMPLOYMENT INSURANCE
041A-045A	AIRPORT MAINTENANCE	3400000	AIRPORT SYSTEM
043A	AIRPORT CAPITAL IMPROVEMENT	3480000	AIRPORT SYSTEM-CAPITAL OUTLAY
051A	SOLID WASTE OPERATIONS	2200000	SOLID WASTE ENTERPRISE
052A	SOLID WASTE CAPITAL	2250000	SOLID WASTE ENTERPRISE-CAPITAL OUTLAY
056A	PARKING ENTERPRISE	7990000	PARKING ENTERPRISE
059A	REGIONAL RADIO COMMUNICATIONS SYSTEM	7020000	REGIONAL RADIO COMMUNICATIONS SYSTEM
060B	BOARD OF RETIREMENT	7860000	BOARD OF RETIREMENT
068A	PUBLIC WORKS TRANSIT PROGRAM	2930000	RURAL TRANSIT
101A	ANTELOPE PUBLIC FACILITIES FINANCING	3070000	ANTELOPE PUBLIC FACILITIES FINANCING PLAN (PFFP)
105A	LAGUNA CREEK/ELLIOTT RANCH CFD	2870000	LAGUNA CREEK/ELLIOTT RANCH COMMUNITY FACILITIES DISTRICT (CFD) NO. 1
107A	LAGUNA COMMUNITY FACILITY DISTRICT	3090000	LAGUNA COMMUNITY FACILITY DISTRICT
108A	VINEYARD PFFP - ROADWAYS	2840000	VINEYARD PUBLIC FACILITIES FINANCING PLAN
115A	BRADSHAW/US 50 FINANCING DISTRICT	3081000	BRADSHAW/US 50 FINANCING DISTRICT
118A	FLORIN ROAD CAPITAL PROJECT	1182880	FLORIN ROAD CAPITAL PROJECT
118B	FULTON AVENUE CAPITAL PROJECT	1182881	FULTON AVENUE CAPITAL PROJECT
130A	LAGUNA STONELAKE CFD-BOND PROCEEDS	1300000	LAGUNA STONELAKE CFD
131A	PARK MEADOWS CFD-BOND PROCEEDS	1310000	PARK MEADOWS CFD-BOND PROCEEDS
132A	MATHER LANDSCAPE MAINTENANCE CFD	1320000	MATHER LANDSCAPE MAINTENANCE CFD
136A	MATHER PFFP	1360000	MATHER PFFP
137A	GOLD RIVER STATION #7 LANDSCAPE CFD	1370000	GOLD RIVER STATION #7
139A	METRO AIR PARK CFD 2000-1	1390000	METRO AIR PARK
140A	MCCLELLAN CFD 2004-1	1400000	MCCLELLAN PARK CFD
141A	SACRAMENTO CO LANDSCAPE MAINTENANCE	1410000	SACRAMENTO COUNTY LANDSCAPE MAINTENANCE
142A	METRO AIR PARK SERVICE TAX	1420000	METRO AIR PARK SERVICE TAX
143A	NVSSP-ROADWAY	1430000	NORTH VINEYARD STATION SPECIFIC PLAN (NVSSP)
144A	NVSSP CFD 2005-2-ADMIN	1440000	NORTH VINEYARD STATION SPECIFIC PLAN CFD
147A	FLORIN VINEYARD NO. 1 CFD 2016-2	1470000	FLORIN VINEYARD NO. 1 CFD 2016-2
160A	COUNTYWIDE LIBRARY FACILITIES ADMIN FEE	1600000	COUNTYWIDE LIBRARY FACILITIES ADMIN FEE
229A	NATOMAS FIRE DISTRICT	2290000	NATOMAS FIRE DISTRICT
253A	CSA NO. 1	2530000	COUNTY SERVICE AREA (CSA) NO. 1
257A	CSA NO. 10	2857000	CSA NO. 10
261A	REGIONAL SANITATION DISTRICT	3028000	REGIONAL SANITATION DISTRICT
267A	SACRAMENTO AREA SEWER OPERATIONS	3005000	SACRAMENTO AREA SEWER OPERATIONS
277A	FIXED ASSET REVOLVING	9277000	FIXED ASSET REVOLVING
280A	JUVENILE COURTHOUSE PROJECT-DEBT SERVICE	9280000	JUVENILE COURTHOUSE-DEBT SERVICE
282A	2004 PENSION OBLIGATION BOND-DEBT SERVICE	9282000	2004 PENSION OBLIGATION BONDS
284A	TOBACCO LITIGATION SETTLEMENT-CAPITAL PROJECTS	9284000	TOBACCO LITIGATION SETTLEMENT-CAPITAL PROJECTS
288A	1997-REFUNDING PUBLIC FACILITIES DEBT SERVICE	9288000	1997-REFUNDING PUBLIC FACILITIES DEBT SERVICE
298A	2003 PUBLIC FACILITIES PROJ-DEBT SERVICE	9298000	2003 PUBLIC FACILITIES-DEBT SERVICE
300A	2010 REFUNDING COPS-DEBT SERVICE	9300000	2010 REFUNDING COPS-DEBT SERVICE

**GENERAL BUDGET
INFORMATION**

**RELATIONSHIP BETWEEN FUNDS, BUDGET UNITS
AND DEPARTMENTS**

Fund	Fund Name	Budget Unit	Department
300B	2010 REFUNDING COPS-PG-DEBT SERVICE	9300500	2010 REFUNDING COPS PARKING GARAGE-DEBT SERVICE
303A	2007 PUBLIC FACILITIES PROJ-CONSTRUCTION	9303303	2007 PUBLIC FACILITIES PROJECT-CONSTRUCTION
304A	2007 PUBLIC FACILITIES PROJ-DEBT SERVICE	9304304	2007 PUBLIC FACILITIES PROJECT-DEBT SERVICE
306A	2006 PUBLIC FACILITIES PROJ-DEBT SERVICE	9306306	2006 PUBLIC FACILITIES-DEBT SERVICE
308A	1997-PUBLIC FACILITIES DEBT SERVICE	3080000	1997-PUBLIC FACILITIES-DEBT SERVICE
309A	1997-PUBLIC FACILITIES-CONSTRUCTION	9309000	1997-PUBLIC FACILITIES-CONSTRUCTION
313A	PENSION OBLIGATION BOND-DEBT SERVICE	9313000	PENSION OBLIGATION BOND-DEBT SERVICE
315A	WATER AGENCY-ZONE 11-DRAINAGE INFRASTRUCTURE	2810000	WATER AGENCY ZONE 11-DRAINAGE INFRASTRUCTURE
318A	WATER AGENCY-ZONE 13	3044000	WATER AGENCY-ZONE 13
320A	WATER AGENCY ENTERPRISE	3050000	WATER AGENCY ENTERPRISE
322A	WATER RESOURCES	3220001	WATER RESOURCES
330A	SACRAMENTO CO LANDSCAPE MAINTENANCE	3300000	LANDSCAPE MAINTENANCE DISTRICT
336A	MISSION OAKS PARK DISTRICT	9336100	MISSION OAKS RECREATION AND PARK DISTRICT
336B	MISSION OAKS MAINTENANCE & IMPROVEMENT ASSESSMENT DISTRICT	9336001	MISSION OAKS MAINTENANCE/IMPROVEMENT DISTRICT
337A	CARMICHAEL PARK DISTRICT	9337000	CARMICHAEL RECREATION AND PARK DISTRICT
337B	CARMICHAEL RPD ASSESSMENT DISTRICT	9337100	CARMICHAEL RPD ASSESSMENT DISTRICT
338A	SUNRISE PARK DISTRICT	9338000	SUNRISE RECREATION AND PARK DISTRICT
338B	ANTELOPE ASSESSMENT	9338001	ANTELOPE ASSESSMENT
338D	ARCADE CREEK PARK	9338004	ARCADE CREEK PARK
338F	FOOTHILL PARK	9338006	FOOTHILL PARK
351A	DEL NORTE OAKS PARK DISTRICT	3516494	DEL NORTE OAKS PARK DISTRICT
560A	COUNTY SERVICE AREA 4B	6491000	CSA NO.4B-(WILTON-COSUMNES)
561A	COUNTY SERVICE AREA 4C	6492000	CSA NO.4C-(DELTA)
562A	COUNTY SERVICE AREA 4D	6493000	CSA NO.4D-(HERALD)
563A	COUNTY PARKS CFD 2006-1	6494000	COUNTY PARKS CFD 2006-1

DESCRIPTIONS OF COUNTY FUNDS

GENERAL FUND 001:

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

SPECIAL REVENUE FUNDS:

- Fish and Game Propagation Fund 002 – Accounts for activities related to fish and game, including education.
- Road Fund 005 – Accounts for Sacramento County road activities in the unincorporated area, including design, construction, and maintenance of roads, traffic signals, other right-of-way, safety-related road improvement projects, and the Radar/Speed Control program.
- Tobacco Litigation Settlement Fund 008 – Accounts for the Tobacco Litigation Settlement revenues for programs related to health, youth and tobacco prevention.
- Environmental Management Fund 010 – Accounts for revenues and expenditures for public health and environmental regulatory services of water, food, and hazardous materials.
- Library Fund 011 – Accounts for capital maintenance and related costs at Sacramento County owned Sacramento Public Library Authority branches.
- First 5 Sacramento Commission Fund 013 – Accounts for funds received from State of California Children and Families First Act of 1998 (Proposition 10).
- Transient-Occupancy Tax Fund 015 – Accounts for a portion of the TOT revenue allocated for artistic, cultural, civic, and other activities which enhance the image and quality of life of the community.
- Golf Fund 018 – Includes the costs of operating, maintaining and improving the county's three golf courses. The major sources of funding are greens fees and concession payments. There is no General Fund subsidy and fully reimburses the General Fund for overhead and support services.
- Economic Development Fund 020 – Accounts for assistance to employers and to help attract and retain jobs in the county and region. The Department also engages in more general economic development and job creation programs.
- Building Inspection Fund 021 – Accounts for building inspection and code enforcement services to the unincorporated area of the County.

SPECIAL REVENUE FUNDS (cont.):

- Affordability Fee Fund 023 – Accounts for fees collected to purchase land for affordable housing, produce or substantially rehabilitate affordable units, or buy down Extremely Low Income units.
- Roadways Fund 025 – Accounts for public road improvements with several geographical districts in response to land use development decisions.
- Transportation Sales Tax fund 026 – Accounts for the public road improvements in the unincorporated area of the County, which are funded from the Measure A Transportation Sales Tax.

CAPITAL PROJECT FUNDS:

- Park Construction Fund 006 – Accounts for the acquisition, development and improvement of county park properties.
- Capital Construction Fund 007 – Accounts for general capital outlay expenditures of the County.

DEBT SERVICE FUNDS:

Teeter Plan Fund 016 – Services the debt associated with the County purchases of delinquent recurrent property taxes receivables under the Alternative Method of Tax Apportionment, the “Teeter Plan”.

INTERNAL SERVICE FUNDS:

- Interagency Procurement Fund 030 – Accounts for a comprehensive approach to providing for and financing public facilities and major infrastructure assets within the County.
- Department of Technology Fund 031 – Accounts for central telecommunication and data processing support to county departments.
- General Services Funds 034 through 036 – Created to centralize many of the activities providing services to County departments. These activities include Automobile Fleet Operations, Purchasing, Printing, Mail, Central Stores, Surplus Property Disposal, and Building Maintenance and Operations.
- Liability/Property Self-Insurance Fund 037 – Accounts for the County’s program of self-insurance for liability/property perils.

INTERNAL SERVICE FUNDS (cont.):

- Workers' Compensation Self-Insurance Fund 039 – Accounts for the County's self-insurance of all workers' compensation claims.
- Unemployment Self-Insurance Fund 040 – Accounts for the County's self-insurance of all unemployment claims.
- Regional Radio Communications System Fund 059 – Accounts for the operations of the County's emergency communications function.
- Board of Retirement Fund 060 – Accounts for activities related to the management of the Sacramento County Employees' Retirement System.

ENTERPRISE FUNDS:

- Airport System Funds 041, 042, 043, 044, 045 – Accounts for the operations of the Airport Department, including the Metro, Executive, and Franklin Airports, and Mather Airfield.
- Solid Waste Enterprise Funds 051 and 052 – Accounts for the costs of the refuse collection business, including the refuse disposal site and transfer locations.
- Parking Enterprise Fund 056 – Accounts for all downtown parking facilities, which generate revenues from user fees from both the public and county employees.
- Rural Transit Fund 068 – Accounts for operations of the South County Transit Program.
- Water Agency Enterprise Fund 320 – Accounts for operations of the Water Agency Supply Division, which generate revenues from developer fees and businesses and individuals that purchase water from the Water Agency.

SPECIAL DISTRICTS AND OTHER AGENCIES FUNDS:

- Connector Joint Powers Authority Fund 028 – Accounts for the operations of the proposed Capital Southeast Connector. Only the salary and benefit appropriations are reflected in the County budget document.
- Antelope Public Facilities Financing Plan Fund 101 – Accounts for public facilities in the Antelope area including construction of roadway, park, fire protection facilities, and storm drainage and water supply mitigation measures.

SPECIAL DISTRICTS AND OTHER AGENCIES FUNDS (cont.):

- Laguna Creek/Elliott Ranch Community Facilities District (CFD) Number 1 Fund 105 – Accounts for construction activity in the Laguna Creek Ranch/Elliott Ranch Community Facilities District.
- Laguna Community Facility District Fund 107 – Accounts for construction activity in the Laguna Community Facilities District.
- Vineyard Public Facilities Financing Plan (PFFP) Fund 108 – Accounts for portions of major public infrastructure necessary for the Vineyard area to urbanize including construction of major freeway interchanges, roadways, public transit, library, community center and park facilities.
- Bradshaw/US 50 Financing District Fund 115 – Accounts for portions of major infrastructure necessary for Sacramento County residents, local employees, and business customers to efficiently utilize transportation facilities in the Bradshaw Road and US 50 areas.
- Florin Road/Fulton Avenue Capital Projects Fund 118 – Accounts for services and enhancements in the Florin Road and Fulton Avenue areas.
- Laguna Stonelake CFD Fund 130 – Accounts for portions of the public infrastructure and public facilities necessary to urbanize the Laguna Stonelake area including construction of roadway, drainage, sewer, water, library, and park and fire protection facilities.
- Park Meadows CFD-Bond Proceeds Fund 131 – Accounts for the necessary acquisition and construction of West Stockton Boulevard.
- Mather Landscape Maintenance CFD Fund 132 – Accounts for landscape maintenance and installation services associated with the Independence at Mather residential subdivision.
- Mather PFFP Fund 136 – Accounts for portions of the major public infrastructure roadway facilities necessary for the Mather area to develop.
- Gold River Station Number 7 Fund 137 – Accounts for landscape maintenance services associated with the Gold River Station Number 7 Landscape CFD.
- Metro Air Park Fund 139 – Accounts for construction activity in the Metro Air Park Community Facilities District.

SPECIAL DISTRICTS AND OTHER AGENCIES FUNDS (cont.):

- McClellan Park CFD Fund 140 – Accounts for portions of the public infrastructure and public facilities necessary for the reuse of McClellan Park CFD including construction of roadway, drainage, sewer and landscape facilities.
- Sacramento County Landscape Maintenance Fund 141 – Accounts for landscape maintenance services associated with the Sacramento County Landscape Maintenance Community Facilities District including the installation, maintenance, repair and replacement of landscape facilities within the boundaries of the District.
- Metro Air Park Service Tax Fund 142 – Accounts for Service Tax revenues needed for authorized maintenance services within the Metro Air Park Community Facilities District.
- North Vineyard Station Specific Plan (NVSSP) Fund 143 – Accounts for portions of major public infrastructure necessary for the NVSSP area to urbanize including construction of roadways, frontage lanes, public transit, library, and park facilities.
- North Vineyard Station Specific Plan CFD Fund 144 – Accounts for portions of major public infrastructure necessary for the North Vineyard Station area to urbanize including construction of roadway and transportation improvements, signalized intersections, landscaping improvements, sanitary water, storm drainage, and potable water systems.
- Florin Vineyard No. 1 CFD 2016-2 Fund 147 – Accounts for major public infrastructure necessary for the Florin Vineyard area to urbanize including roadway and transportation, park, parkway and open space improvements.
- Countywide Library Facilities Administration Fee Fund 160 – Accounts for ongoing program administration including but not limited to fee collection, annual reporting and program update for the Library Facilities Development Impact Fee Program, which uses fees collected to fund land acquisition, building construction, book collection, furnishings and computer equipment for the planned new library construction and/or expansion and relocation of existing libraries within the Urban Services Boundary of the unincorporated County.
- Natomas Fire District Fund 229 – Accounts for fire protection services to approximately forty square miles of the unincorporated area in the northwestern portion of the County.
- County Service Area (CSA) Number One Fund 253 – Formed to provide all street and highway safety lighting services in the unincorporated area of the County.

SPECIAL DISTRICTS AND OTHER AGENCIES FUNDS (cont.):

- CSA Number 10 Fund 257 – Accounts for miscellaneous extended transportation services to achieve trip reduction targets in the North Vineyard Station Specific Plan and other urban development areas in the County.
- Regional Sanitation District Fund 261 – Accounts for the operations of the Regional Sanitation Utility System. Only the salary and benefit appropriations are reflected in the County budget document.
- Sacramento Area Sewer Operations Fund 267 – Accounts for the operations of the Sacramento Area Sewer District. Only the salary and benefit appropriations are reflected in the County budget document.
- Fixed Asset Revolving Fund 277 – Accounts for transfer of funds to the 1990 Fixed Asset Debt Service Fund 278 for payment of debt service and other costs of the program.
- Juvenile Courthouse Debt Service Fund 280 – Services the 2003 Juvenile Courthouse Certificates of Participation.
- 2004 Pension Obligation Bonds Fund 282 – Reflects the annual debt service and related financial services costs for the County's Taxable Pension Funding Bonds Series 2004.
- Tobacco Litigation Settlement Capital Projects Fund 284 – Accounts for construction projects from the Tobacco Securitization proceeds including the Juvenile Hall expansion project and the Primary Care Clinic Facility.
- 1977 Refunding Public Facilities Debt Service Fund 288 – Reflects the debt service requirement for payment of principal, interest, and various other costs related to the 1997 Public Facilities Project Certificates of Participation for the construction of the Coroner/Crime lab and Data Center (the 1994 Certificates).
- 2003 Public Facilities Debt Service Fund 298 – Services the 2003 Public Facilities Projects Certificates of Participation (expansion of the Warren E. Thornton Youth Center, expansion of the Boys Ranch and improvement to various county facilities to accommodate Americans with Disabilities Act).
- 2010 Refunding COPS Debt Service Fund 300 – Accounts for the annual lease payments of the 2010 Refunding Certificates of Participation.

SPECIAL DISTRICTS AND OTHER AGENCIES FUNDS (cont.):

- 2007 Public Facilities Projects Construction Fund 303 – Accounts for the uses of proceeds of the County's 2007 Certificates of Participation Animal Care Facility/Youth Detention Facilities-120 Bed Expansion projects.
- 2007 Public Facilities Projects Debt Service Fund 304 – Accounts for the debt service requirement for payment of principal, interest and various other costs related to the County's 2007 Certificates of Participation Animal Care Facility/Youth Detention Facilities, 120-Bed Expansion projects.
- 2006 Public Facilities Debt Service Fund 306 – Services the 2006 Public Facilities Projects Certificates of Participation (construction of a new Fleet Maintenance Facility; purchase of the Voter Registration and Elections/Sheriff Station House Facility; partial refunding of the 1997 Public Building Certificates of Participation [purchase of the Bank of America building and construction of a 448-Bed Dormitory at Rio Cosumnes Correctional Center]).
- 1997 Public Facilities Debt Service Fund 308 – Services all debt associated with the 1997 borrowing which financed an additional dormitory-style jail at the Rio Cosumnes Correctional Center, and acquisition of the Bank of America building in downtown Sacramento.
- 1997 Public Facilities Construction Fund 309 – Accounts for construction of an additional dormitory-style jail at the Rio Cosumnes Correctional Center, acquisition of the Bank of America building in downtown Sacramento and various other approved construction projects.
- Pension Obligation Bond Debt Service Fund 313 – Services the debt related to Pension Bonds issued to pay off the unfunded pension liability the county owed to the Sacramento County Employee Retirement System.
- Beach Stone Lake Flood Mitigation Fund 314 – Accounts for a portion of the cost of a flood control project to reduce flooding in the area and to provide flood insurance for local residents impact by the project.
- Water Agency Zone 11 Fund 315 – Accounts for the design and construction of drainage facilities in the zone's geographical area.
- North Vineyard Well Protection Fund 317 – Accounts for the rehabilitation or replacement of private wells as a result of groundwater production from the North Vineyard Well Field.

SPECIAL DISTRICTS AND OTHER AGENCIES FUNDS (cont.):

- Water Agency Zone 13 Fund 318 – Accounts for regional water supply, drainage and flood control studies.
- Water Agency Enterprise Fund 320 – Accounts for the operations of the Sacramento County Water Agency (SCWA) Water Supply Division.
- Water Resources Fund 322 – Accounts for the operations of the Storm Utility Program.
- Department of Flood Management Fund 325 – Accounts for the employees serving the Sacramento Area Flood Control Agency (SAFCA).
- Landscape Maintenance District Fund 330 – Accounts for the maintenance of approximately two million square feet of landscaped corridors, medians and natural open spaces throughout the County.
- Mission Oaks Recreation and Park District Fund 336 – Accounts for the operations of the Mission Oaks Recreation and Park District, a Board of Supervisors-governed park district.
- Carmichael Recreation and Park District Fund 337 – Accounts for the operations of the Carmichael Recreation and Park District, a Board of Supervisors-governed park district.
- Sunrise Recreation and Park District/Antelope Assessment Fund 338 – Accounts for the operations of the Sunrise Recreation and Park District, a Board of Supervisors-governed park district.
- Del Norte Oaks Park District Fund 351 – Accounts for the grounds maintenance of 8,200 square feet of landscaped area in the Del Norte Oaks subdivision.
- CSA Number 4B (Wilton-Cosumnes) Fund 560 – Accounts for recreation and park services to the Wilton Community and surrounding areas in the south county.
- CSA Number 4C (Delta) Fund 561 – Accounts for recreation and park services to the Delta area in the south county.
- CSA Number 4D (Herald) Fund 562 – Accounts for park maintenance aide and supplies for operations of Herald Park.

SPECIAL DISTRICTS AND OTHER AGENCIES FUNDS (cont.):

- County Parks CFD 2006-1 Fund 563 – Accounts for local and regional park maintenance and operation services for park, parkway, trails, park and recreational programs and open space facilities within the boundary of County Service Area 4B.

GOVERNMENTAL FUNDS:

Governmental Funds record expenditures for compensated absences as they are taken by employees. Each year's budget includes a provision for the estimated expenditure for the current year. A year-end accrual for compensated absences has not been made in the Governmental Funds as of June 30, 2000, because the County does not believe any of the available year-end resources will be required to fund the year-end compensated absences liability. Accordingly, this liability is recorded in the General Long-Term Obligations Account Group.

PROPRIETARY FUNDS:

Proprietary Funds accrue a liability for unused compensated absences earned through year-end. An expense is recognized for the increase in liability from the prior year.

TRUST AND AGENCY FUNDS:• **TRUST FUNDS**

- Investment Trust Fund – Accounts for assets held for external investment pool participants.
- Expendable Trusts:
 - Inmates' Welfare – Accounts for profits from the jails' commissaries, which are used solely for the benefit of the inmates.
 - Jail Industry – Accounts for operations of the County's "inmate industry" program.
 - Law Library – Accounts for an apportionment of civil case filing fees received solely for maintenance of the County's Law Library.
 - Local Improvement Pre-Assessment District – Accounts for funds collected from developers/property owners' for preliminary work prior to issuing special assessment debt to finance infrastructure projects.

- **AGENCY FUNDS:**
 - **Law Enforcement** – Accounts for law enforcement revenues collected pending disbursement, reimbursement, or apportionment to the appropriate County law enforcement department of other local police agency.
 - **Federal Program Transfer** – Accounts for receipts from governmental programs administered by the County. Funds are held by the Count in the Agency Fund until earned by the appropriate department, at which time they are transferred.
 - **Unapportioned Tax Collection** – Accounts for property taxes received but not yet apportioned by the County.
 - **Public Safety** – Accounts for receipts from the one half percent sales tax approved by voters for law enforcement functions. These receipts are held pending apportionment to the appropriate county law enforcement department or local police agency.
 - **Pooled Treasury Income** – Accounts for interest earned and received by the County Treasury and allocated to appropriate funds.
 - **Other** – Accounts for other agency funds where the County holds money in a custodial capacity.

DESCRIPTION OF MAJOR COUNTY REVENUE SOURCES AND TRENDS

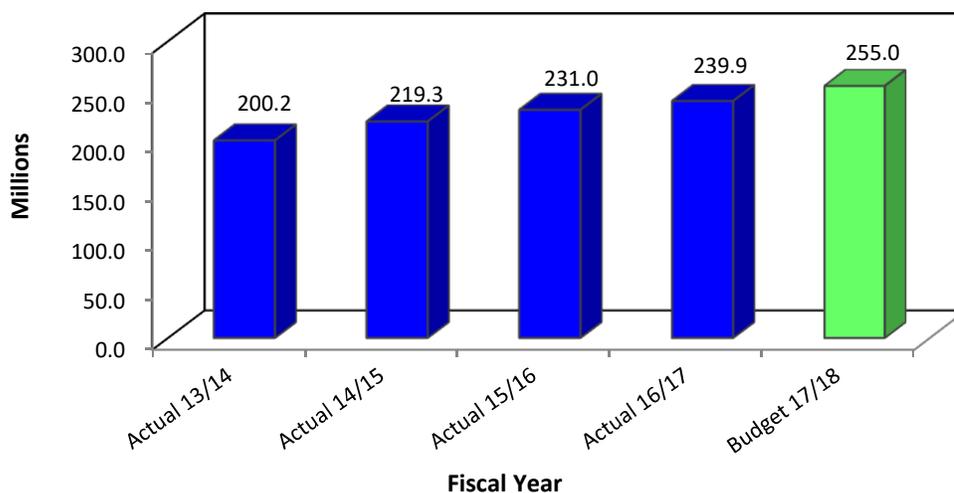
Revenue Source: Property Tax

	Trend	Percent Change	Comments
2013-14 Actual	\$ 200,223,065		1.0 percent tax on real property under acquisition value basis of California's Proposition 13.
2014-15 Actual	\$ 219,319,661	9.54%	
2015-16 Actual	\$ 231,032,796	5.34%	
2016-17 Actual	\$ 239,898,490	3.84%	
2017-18 Budget	\$ 254,960,746	6.28%	

PROPERTY TAX REVENUES:

The revenue estimate includes various property tax-related accounts including secured, unsecured, supplemental, delinquent, and unitary. The estimate is based on the Assessor's property tax roll. The Fiscal Year 2017-18 projected total for property tax revenues is \$255.0 million.

Property Tax Revenues



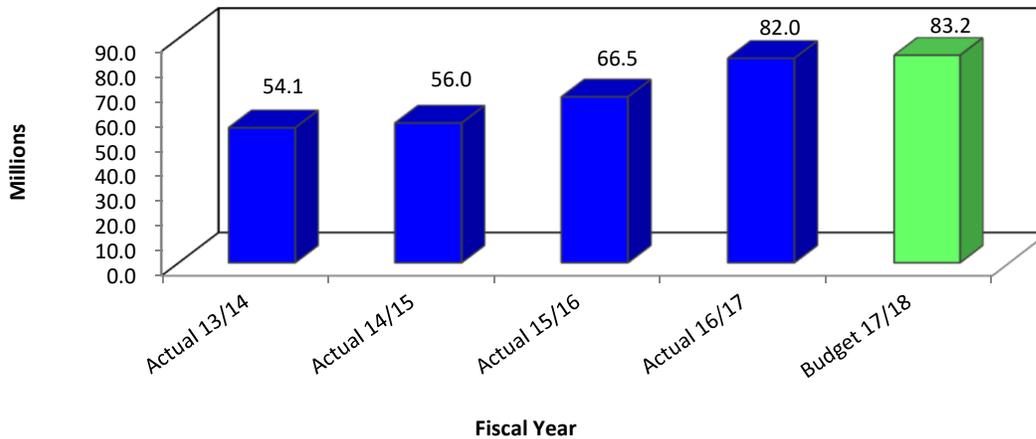
Revenue Source: Sales Tax

Trend		Percent Change	Comments
2013-14 Actual	\$ 54,100,000		A 1.00 percent share of statewide collected sales tax rate of 8.00 percent, collected from the Unincorporated Area. Amounts prior to Fiscal Year 2016-17 were impacted by the State's "Triple Flip" provision and do not reflect the full 1.00 percent.
2014-15 Actual	\$ 55,975,846	3.47%	
2015-16 Actual	\$ 66,521,061	18.84%	
2016-17 Actual	\$ 82,004,504	23.28%	
2017-18 Budget	\$ 83,173,738	1.43%	

SALES TAX REVENUES:

The budget estimate is based on the full 1.00 percent share of statewide collected sales tax rate of 8.00 percent, collected from the Unincorporated Area. The Fiscal Year 2017-18 projected total of \$83.2 million assumes a growth rate of approximately 1.43 percent from the Fiscal Year 2016-17 actuals.

Sales Tax Revenues



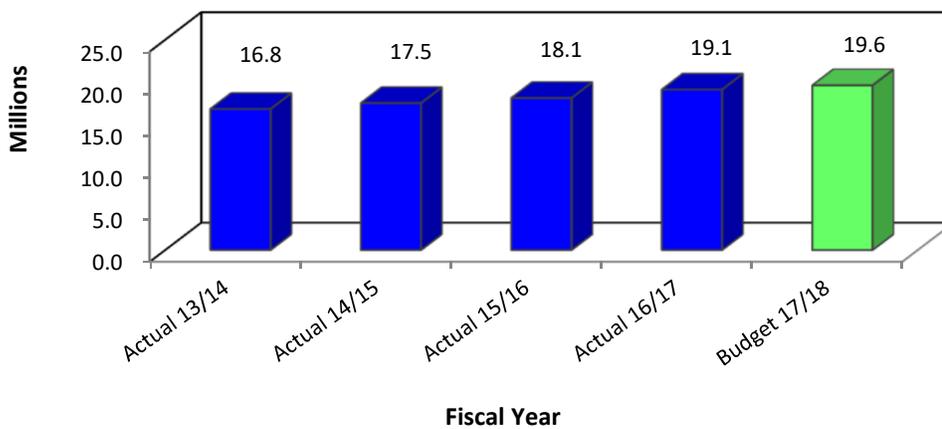
Revenue Source: Utility Tax

Trend		Percent Change	Comments
2013-14 Actual	\$ 16,790,817		A 2.5 percent tax on electricity, gas, sewer, phone (not cellular), and cable TV use in the Unincorporated Area.
2014-15 Actual	\$ 17,507,379	4.27%	
2015-16 Actual	\$ 18,083,035	3.29%	
2016-17 Actual	\$ 19,100,519	5.63%	
2017-18 Budget	\$ 19,577,197	2.50%	

UTILITY TAX REVENUES:

The revenue estimate is based on a 2.50 percent increase in utility collections in the Unincorporated Area. The total budgeted for Fiscal Year 2017-18 is \$19.6 million.

Utility Tax Revenues



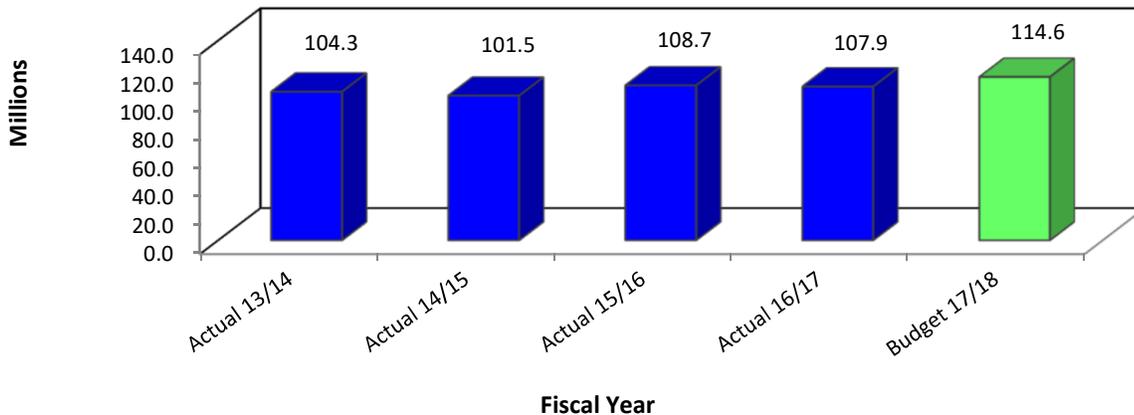
Revenue Source: Proposition 172 - Public Safety

Trend		Percent Change	Comments
2013-14 Actual	\$ 104,257,713		County share of statewide 1/2 cent sales tax. Allocated to counties and cities by formula in state law. Changes in revenue depend on statewide sales tax collections and countywide sales tax collections as a share of the statewide total collections.
2014-15 Actual	\$ 101,497,749	-2.65%	
2015-16 Actual	\$ 108,711,933	7.11%	
2016-17 Actual	\$ 107,930,592	-0.72%	
2017-18 Budget	\$ 114,632,818	6.21%	

PUBLIC SAFETY REVENUES:

The budget estimate is based on an growth rate in statewide Prop. 172 sales tax collections of approximately 3.3% and an moderate increase in Sacramento County's share of the statewide total revenue.

Proposition 172 - Public Safety Revenues



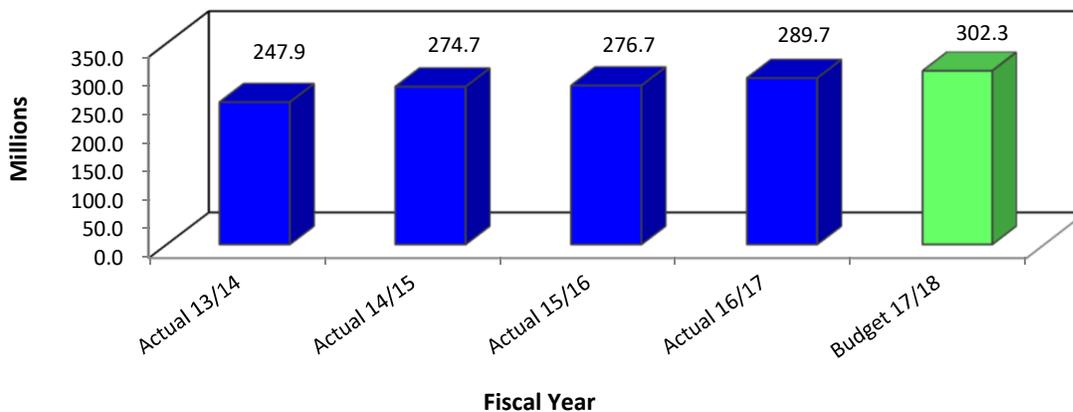
Revenue Source: Realignment 1991 Revenues

Trend		Percent Change	Comments
2013-14 Actual	\$ 247,918,309		1991 realignment funding is used to support public health, mental health, and social service programs, and is a major funding source for these service areas.
2014-15 Actual	\$ 274,682,240	10.80%	
2015-16 Actual	\$ 276,679,784	0.73%	
2016-17 Actual	\$ 289,689,674	4.70%	
2017-18 Budget	\$ 302,265,258	4.34%	

REALIGNMENT 1991 REVENUES:

The budgeted estimate of \$302.3 million is comprised of \$12.1 million in 1991 realignment revenue carried over from prior years, \$286.9 million in new base revenue, and \$3.3 million in growth revenue. The 1991 realignment is supported by a portion of statewide sales tax and vehicle license fee collections.

Realignment 1991 Revenues



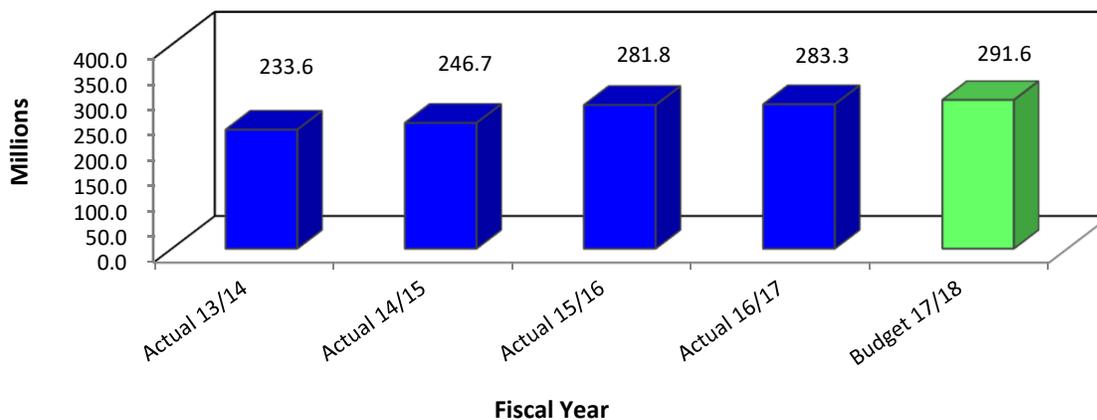
Revenue Source: Realignment 2011 Revenues

Trend		Percent Change	Comments
2013-14 Actual	\$ 233,551,111		As part of the 2011-12 State budget plan, the Legislature enacted a major shift of State program responsibilities and revenues to local governments. The realignment plan funds various criminal justice, mental health, and social services programs.
2014-15 Actual	\$ 246,684,660	5.62%	
2015-16 Actual	\$ 281,812,578	14.24%	
2016-17 Actual	\$ 283,327,454	0.54%	
2017-18 Budget	\$ 291,574,226	2.91%	

REALIGNMENT 2011 REVENUES:

The budgeted estimate of \$291.6 million is comprised of \$7.7 million in 2011 realignment revenue carried over from prior years, \$272.4 million in new base revenue, and \$11.5 million in growth revenue. The 2011 realignment is supported by a portion of statewide sales tax and vehicle license fee collections.

Realignment 2011 Revenues



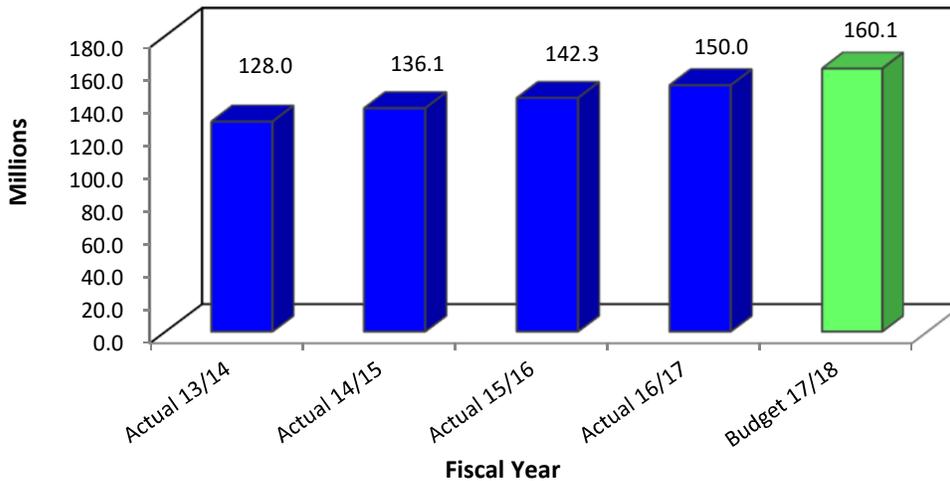
Revenue Source: Property Tax In-Lieu of Vehicle License Fees

	Trend		Percent Change	Comments
2013-14 Actual	\$	127,961,232		This revenue source emerged as the result of the State's "Swap" deal. The amount reflects backfill of the Vehicle License Fee that now flows to the State General Fund.
2014-15 Actual	\$	136,143,804	6.39%	
2015-16 Actual	\$	142,280,287	4.51%	
2016-17 Actual	\$	149,925,391	5.37%	
2017-18 Budget	\$	160,112,605	6.79%	

PROPERTY TAX IN-LIEU OF VEHICLE LICENSE FEES REVENUES:

The assumption for this revenue source is based on the State's "Swap" deal. The Fiscal Year 2017-18 projected total of \$160.1 million reflects a 6.79 percent increase from the prior year actual levels.

Property Tax In-Lieu of Vehicle License Fees Revenues



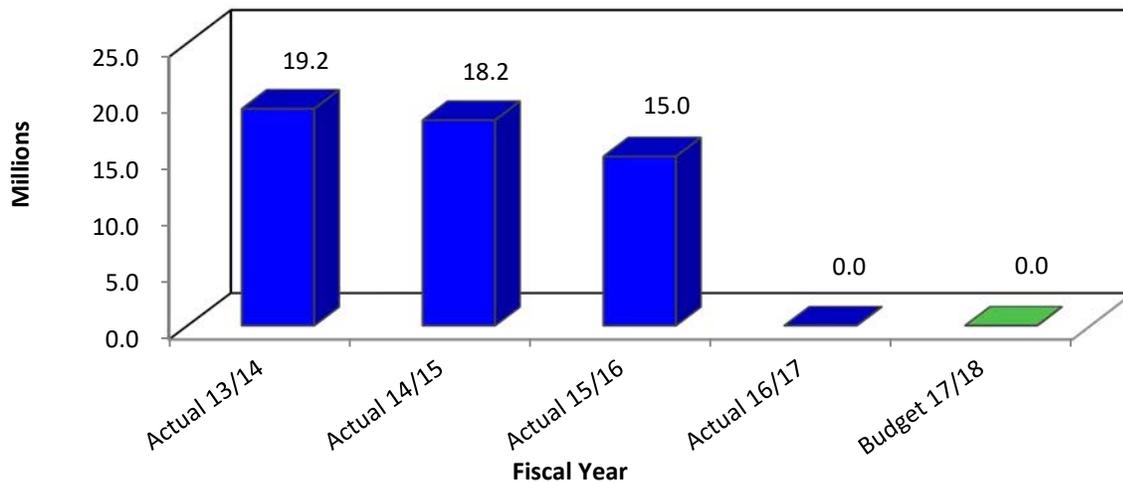
Revenue Source: In Lieu Local Sales and Use Tax

Trend		Percent Change	Comments
2013-14 Actual	\$ 19,183,789		This revenue source emerged as the result of the State's "Triple Flip" provision. This amount represents the backfill of the 25.0 percent Sales and Use Taxes revenue that are reallocated to the State Fiscal Recovery Fund.
2014-15 Actual	\$ 18,195,488	-5.15%	
2015-16 Actual	\$ 14,990,939	-17.61%	
2016-17 Actual	\$ 0		
2017-18 Budget	\$ 0		

IN LIEU LOCAL SALES AND USE TAX REVENUES:

The "Triple Flip" ended in Fiscal Year 2015-16. There is no budget for this revenue source in Fiscal Year 2017-18.

In Lieu Local Sales and Use Tax Revenues



GENERAL BUDGET POLICIES AND PLANNING

GENERAL BUDGET INFORMATION

This summary includes:

- I. THE BUDGET, LEGAL REQUIREMENTS, BUDGETING BASIS, AND BUDGET POLICIES
- II. DEBT MANAGEMENT POLICIES
- III. LONG-RANGE BUDGET PLANNING

I. THE BUDGET, LEGAL REQUIREMENTS, BUDGETING BASIS, AND BUDGET POLICIES

THE BUDGET

The annual budget for Sacramento County is an operational plan, a fiscal plan, and a staffing plan for the provision of services to the residents of Sacramento County. The budget also includes a five-year Capital Improvement Plan for the County. This plan is presented to the Board of Supervisors and is reviewed during the budget hearings. The County Board of Supervisors approves the budget each year at the conclusion of an open and deliberative process in which county residents, county employees, and county officials are active participants.

LEGAL REQUIREMENTS

The county's budget process conforms to state law and the County Charter. The California State County Budget Act of 1986 provides statewide uniformity in the budget process, content, and format among California counties and special districts. Deadlines for the public release of budget information and the adoption of proposed and final budgets are given. The Budget Act also sets the content and format of budget schedules.

The County Charter specifies the roles of the Board of Supervisor and the County Executive in the budget process. The County Executive is charged with recommending a balanced budget (a budget in which the expenditures incurred during a given period are matched by revenues and/or current expenditures are equal to receipts) to the Board and with executing the budget plan once it is adopted. The County Executive is also responsible for monitoring the status of the budget throughout the year and with recommending budget changes when circumstances warrant.

BUDGETING BASIS

For the governmental funds, or those funds subject to appropriation, Sacramento County uses a modified accrual basis of budgeting and accounting. Under this basis of budgeting and accounting, revenues are recognized when they become both measurable and available, and expenditures are recorded when the liability is incurred. Measurable means the amount of the transaction is known. Available means the revenue will be received as cash within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current period.

Proprietary funds use an accrual basis of accounting in essentially the same manner as commercial accounting. Recognition occurs at the time of the transaction – revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flow takes place.

BUDGET POLICIES

Sacramento County's budget process operates under long standing Board of Supervisors-approved budget policies. In summary, the policies are designed to control growth in the budget, maximize fund balance, give departments operational flexibility, and establish prudent reserve levels.

Alignment of Ongoing Expenditures and Revenues and Use of Fund Balance

In 1985 the Board adopted long-term policies intended to keep ongoing county expenditures in alignment with ongoing financing sources and to increase fund balance. These policies state:

- General Fund, fund balance will be used as an ongoing financing source.
- The higher costs of new programs, higher service levels, and new staff will be recognized on a full-year basis to ensure the recognition of the full cost of new commitments.
- Unanticipated revenue windfalls not included in the budget plan will not be expended during the year unless such spending is required in order to receive the funding.
- Short-term funding sources are not to be applied to ongoing requirements.

Reserve Levels

General Reserves Level Goal

The County's goal is to have General Reserves equal to ten percent of Discretionary Revenues and Reimbursements. In accordance with State law, except in cases of a legally declared emergency, General Reserves may only be canceled or decreased at the time of Budget adoption. In addition to emergencies, in times of fiscal stress these funds can be used to help balance the General Fund budget as part of a plan to achieve structural balance. Any Plan to achieve structural balance should include a provision to replenish the General Reserves to the ten percent level.

General Reserves Funding Policies

1. Any existing discretionary reserves no longer needed for the stated purpose will be reclassified as General Reserves.
2. In any fiscal year, the Budget Recommended for Adoption (September Hearings Budget) will include an increase in General Reserves in an amount equal to ten percent of the General Fund's actual "Available" Fund Balance carry-forward (as determined in July following the close of the County's books), until the General Reserve level reaches ten percent of Discretionary Revenues and Reimbursements.

Resource Allocation

In June 2007, upon recommendation of the County Executive, the Board of Supervisors adopted a series of obligations/priorities to guide resource allocation and budget decision making. The approved spending priorities recognize that certain obligations must be funded before any discretionary priorities can be addressed:

Resource Allocation (cont.)

- **Mandated Countywide Obligations**, such as jails, prosecution, juvenile detention, health care for the poor, and welfare payments to eligible clients. These obligations are now designated as specifically mandated programs.
- **Mandated Municipal Obligations** such as the core requirements for providing for the public safety of the citizens living in the unincorporated area (Sheriff's patrol and investigations).
- **Financial Obligations** is the 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.
- **Budget Priorities**, when funding of the County's mandated services and obligations are met, the following priorities shall govern the budget process:
 - Provide the highest level of discretionary law-enforcement municipal and countywide services possible within the available county budget, such as Sheriff's patrol and investigations, and Probation supervision.
 - Provide the safety net for those disadvantaged citizens, such as the homeless, mentally ill, and others who receive no services from other government agencies.
 - Provide the highest possible quality of life for our constituents within available remaining resources (i.e. neighborhood programs, reinvestment in communities, Parks and Recreation, and non-law enforcement municipal services, etc.)
 - General government functions (such as Clerk of the Board, County Counsel, Personnel Services, Department of Technology, County Executive, etc.) shall continue at a level sufficient to support the direct services to citizens.
 - Continue prevention/intervention programs that can demonstrate that they save the county money over the long-term, such as alcohol and drug programs.

II. DEBT MANAGEMENT POLICIES

The County has also adopted comprehensive Debt Management Policies, which are intended to improve coordination and management of all debt issued in which the County has complete or limited obligation (e.g. special assessment or Mello-Roos financings) for debt repayment. As the municipal debt market changes, all outstanding debt should be monitored to take advantage of changing opportunities.

Major elements of the policy include:

- Establishment of a County Debt Utilization Committee (CDUC) which has the responsibility for reviewing, coordinating and advising the County Executive and Board of Supervisors regarding proposed and existing debt issues in order to assure that debt is utilized in a favorable manner to the County and only when it is in the best interest of the County.
- Formalizing the concept that debt proposals by individual departments must be closely coordinated with the county's capital and operating budget processes and must take into account the impact of the proposed debt issue on the county's credit rating and total debt burden.
- Assignment of responsibilities related to analysis of proposed borrowings and monitoring compliance with covenants and restrictions in approved debt agreements.

Major elements of the policy include (cont.):

- To the extent feasible, debt issued shall be tied to revenues from those taxpayers who will directly or indirectly receive benefits of the purpose of the debt.
- Short-term and long-term borrowing will be limited to borrowings that are within prudent limits regarding applicable debt ratios and those which improve county cash flow and related interest earning capabilities.
- Proceeds from long-term financing will be limited to the uses authorized by law and allowed by the provisions of the particular debt. Generally, these limitations allow payment for planning, design, land, construction, or acquisition of buildings, permanent structures, attached fixtures and/or equipment, movable furniture, and equipment and also the costs related to planning and issuing the debt.
- Short-term financing will include funding the county's cash flow deficit in anticipation of tax and revenue receipts.
- Structure (e.g. General Obligation, Certificates of Participation, Assessment Districts, or Revenue Bonds) and type of debt issuance (negotiated or competitive) is dependent upon various factors, including the nature of the project to be financed, available revenue sources and revenue streams, budget impact and the financial market environment.
- No financing will be undertaken to finance an operating deficit.

Debt Limits

In California there are no statutory or constitutional limits on debt levels for counties. Overall, debt levels for Sacramento County are very low. In the General Fund, total debt service payments amount to five percent of appropriations.

III. LONG-RANGE BUDGET PLANNING

General Fund Five-Year Sensitivity Analysis

Recognizing that expenditure and revenue decisions made in one year can have a significant effect on the resources that will be available to General Fund programs in future years, but also recognizing the difficulties in predicting future year economic and fiscal conditions, we are providing the Board with a Five-Year Sensitivity Analysis that suggests what the impact could be on the General Fund's fiscal condition under three scenarios:

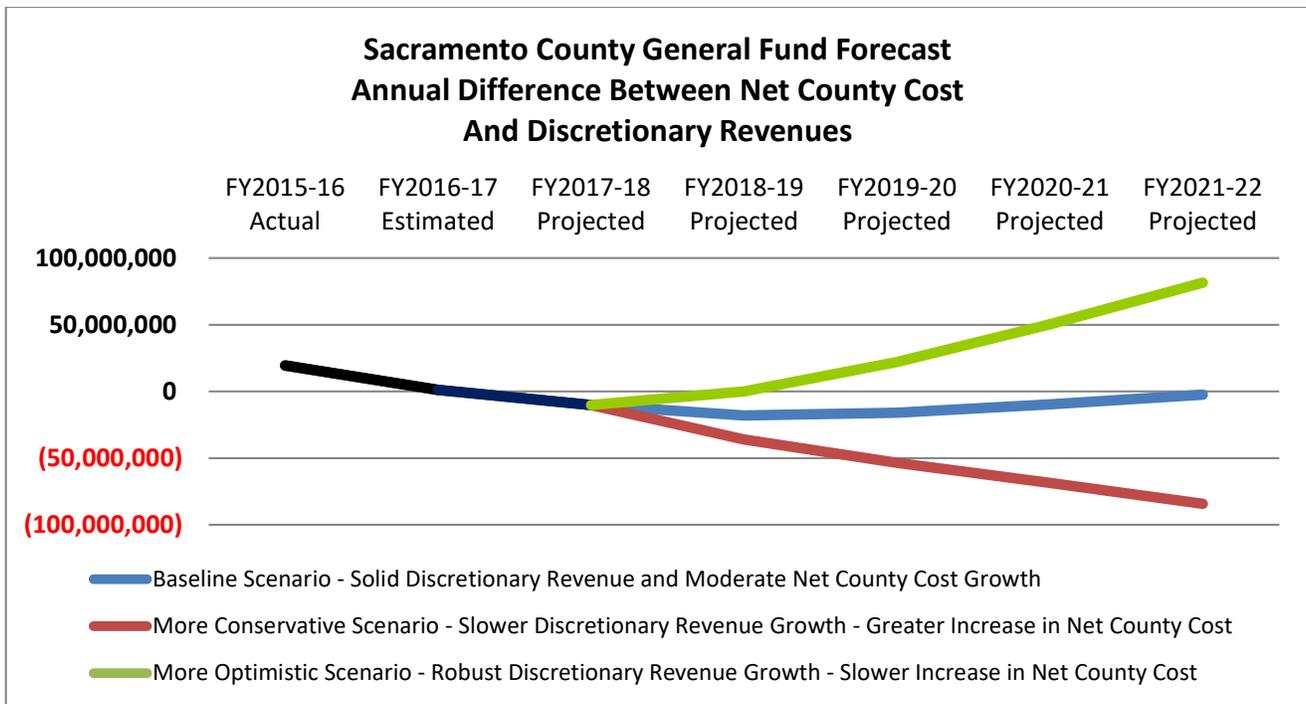
- A "Baseline" Scenario that assumes discretionary revenue and reimbursements will grow at a solid annual average rate of five percent over the projection period and that Net County Cost will grow at a moderate average annual rate of three percent, after adjusting for known or likely changes in Net county Cost. Based on recent economic trends and fiscal conditions, we believe that this a reasonable scenario to use for fiscal planning purposes.

General Fund Five-Year Sensitivity Analysis (cont.)

- A “More Conservative” Scenario that shows what the impact might be if discretionary revenue grew at a slower rate and/or Net County Cost increased at a higher rate than the assumptions used in the Baseline Scenario (the impact of slower discretionary revenue growth is essentially the same as the impact of a greater increase in Net County Cost). This Scenario assumes total discretionary revenue and reimbursements will grow at an average annual rate of three percent and Net County Cost will grow at an average annual rate of four percent.
- A “More Optimistic” Scenario that shows what the impact might be if discretionary revenue grew at a faster rate and/or Net County Cost grew at a lower rate than the assumptions used in the Baseline Scenario. This Scenario assumes that total discretionary revenue and reimbursements will grow at an average annual rate of seven percent and that Net County Cost will grow at an average annual rate of two percent.

All projections use Fiscal Year 2016-17 Recommended Budget discretionary revenues and reimbursements as a starting point, adjust the budgeted Net County Cost downward to reflect the historic difference between budgeted and actual Net County Cost, and make certain other adjustments based on known or likely changes, such as the full year implementation cost of partial year funding included in the Fiscal Year 2017-18 Recommended budget, reductions or elimination of one-time costs or revenues and likely future cost increases. Significantly, none of the scenarios assume any impact from the Governor’s proposal to eliminate the In-Home Supportive Services (IHSS) MOE.

The results of these different scenarios are shown in the following table:



As can be seen, depending on the assumptions used, the Sensitivity Analysis provides a fairly wide range of possible outcomes. Given all of the uncertainties involved in projecting into the future, it is likely that the General Fund's fiscal condition will be different from all three scenarios. Notwithstanding this, we believe it is possible to draw three conclusions:

- The Baseline Scenario is generally consistent with current trends in economic conditions, discretionary revenue and Net County Cost growth, while the other two Scenarios would require significant changes in economic and fiscal conditions either positively or negatively.
- The General Fund will likely not be in structural balance over the five-year projection period but if costs can be controlled, and discretionary revenue comes in at a rate only slightly above the Baseline assumptions, structural balance is potentially achievable without significant expenditure reductions.
- It would be prudent over the next few years to focus on controlling costs and building reserves rather than adding or expanding programs.

BUDGET PROCESS AND TIMELINE

BUDGET PROCESS:

The annual budget is prepared, reviewed and approved in accordance with the County Budget Act (California Government Code Sections 29000 through 30200). The Budget and the Comprehensive Annual Financial Report (CAFR) are prepared using generally accepted accounting principles. Governmental fund types like the General Fund, Special Revenue Funds, and Debt Service use the modified accrual basis, Proprietary Funds use the full accrual basis.

The annual operating budget includes all operating, capital, and debt service requirements of Sacramento County for the following fiscal year. The fiscal year is from July 1 to June 30. In addition, the budget includes: the revenue and expense assumptions upon which the budget is based; the number of budgeted positions by department and cost center; the mission, strategic priorities, impact and performance measures of each operating department; prior-year actual and current year budgeted and estimated actual expenditures and revenue by department and cost center; and a description of significant expenditure changes by department and division, along with significant revenue changes at the department level.

The capital budget reflects the annual amount appropriated for each capital project included in the long-range capital improvement plan. When the Board of Supervisors (Board) authorizes a new capital project, the Board approves the total project cost and schedule. The approval of the project budget authorizes total expenditures over the duration of the construction project, which oftentimes spans multi-fiscal years. The annual capital budget authorizes the anticipated expenditures for the scope of work anticipated to be completed in the upcoming fiscal year.

The annual budget process includes seven phases:

Phase I – (July-November) – Establish Budget Priorities and Principles

The Board, working with the County Executive, establishes the operating and capital budget priorities and the budget principles for the next fiscal year based upon relevant economic, social, and demographic trends, a budget update with a three-year forecast and an in depth discussion of proposed budget principles.

Phase II – (December – April) Develop Operating Budget

The County Executive's Office develops and distributes the annual operating budget instructions based upon: Board priorities and budget principles established in November and February; the impact of annual capital budget requests on the operating budget; revenue and expense projections for the following fiscal year; and state and county long-range economic indicators.

Department budgets are developed by the department heads and staff. They are subsequently reviewed and modified, as necessary, through a collaborative effort among the County Executive's Office and the departments.

In developing the annual capital budget, departments must determine the impact these capital projects will have on the following fiscal year's operating budget. Consequently, this phase must be submitted in advance of the departmental annual operating budget.

Phase III – (March-April)

The Board holds public workshop hearings, if appropriate.

Phase IV – (May-June)

After a series of public meetings, the Recommended Budget must be approved by a three-fifths majority of the Board.

Phase V – (July 1st)

The Approved Recommended Budget is implemented as the operating budget until Budget is adopted.

Phase VI – (August-September)

The County Executive’s Office prepares revised budget recommendations report and submits it to the Board for the Budget Hearings in early September. The Budget is adopted by a three-fifths majority of the Board.

The Director of Finance prepares Adopted Budget Resolutions and submits them to the Board for approval prior to the October deadline.

Phase VII – (September-October)

As directed by the Board, budget hearing adjustments are documented by County Executive’s Office Analysts. The various departmental budgets are submitted to the staff of the Office of Budget & Debt Management for compilation and production of the final budget book.

The legally mandated time requirements for budget approval per the County Budget Act are as follows:

Revenue and Expenditure Estimates	June 10th
Approve Recommended Budget	June 30th
Post Recommended Budget	September 8th
Announce Public Hearings	September 8th
Commence Public Hearing	September 18th
Conclude Budget Hearings	October 2nd
Adopted Budget Approval	October 2nd
Adopted Budget Filed with the State	December 1st

AMENDING THE ADOPTED BUDGET BY APPROPRIATION ADJUSTMENT REQUESTS:

Guidelines and Legal Authorities

All adjustments to budgeted appropriations must be documented on an Appropriation Adjustment Request (AAR) form. Each AAR is accompanied by a cover letter addressed to either the Board or County Executive (depending on approval authority required) explaining the reason for adjustment.

- County Executive approval – The County Executive has the authority to approve the following adjustments (per Government Code Section 29125, and County Resolution No. 85-1368):
 - Transfers between accounts in different objects within an appropriation.
 - Transfers within or between Internal Services Funds.
 - Increases in spending authority of Internal Services Funds when new or increased financing is identified.

- By four-fifths vote, the Board may (per Government Code Sections 29086, 29127, and 29130 and County Charter, Section 49):
 - Make available for appropriation balances in contingencies.
 - Make available for appropriation reserves no longer required for the purpose for which intended.
 - Make available for appropriation amounts from any actual or anticipated increases in available financing (new revenue or increases in revenue not set forth in the budget).
 - Make an emergency appropriation after adopting a resolution stating the facts constituting the emergency.

Note: General Reserves are established, canceled, increased or decreased at time of adopting the budget except in a legally declared emergency.

SPECIFIC AREAS OF CHANGE

TRANSFER OF APPROPRIATION ADJUSTMENT AUTHORITY

On October 27, 1992, the County implemented the departmental empowerment concept and altered the AAR process.

In Resolution No. 85-1368, the Board delegated authority to the County Executive to approve midyear transfers and revisions of appropriations between objects within a budget unit as well as adjustments to Internal Service Funds. For example, appropriations could be moved from Salaries to Services and Supplies. Existing law (Government Code 29125) allows the Board to designate a county official to authorize these appropriation adjustments as long as they do not alter the total budget unit spending authority.

Along with an emphasis on department empowerment (accountability for program results and financial responsibility), it is important that the departments be granted as much flexibility in their budgets as possible. With this proposed change, the departments' net county cost and underlying appropriation remains the same but the Department Head is able to adjust between expenditure objects as circumstances require during the year. With this emphasis on "bottom-line" control of net cost (appropriations less revenue), it is important that both expenditures and revenues be closely monitored by the departments. Timely midyear corrective actions are expected if actual results vary negatively from the budget. Departments report to the County Executive periodically on budget and program status.

Departments must ensure that provisions are maintained for salary, contractual and inter-department commitments, and other allocated costs. Appropriation adjustment documents impacting two departments must bear authorized signatures from both. All other controls and edits will remain unchanged.

The Board retained authorizations of any increase to total appropriations to be funded from new departmental revenues, contingencies, or reserves. These changes must be processed through the County Executive's Office. Uses of General Fund contingencies or reserves are very rare, usually when there is no legal alternative.

The Auditor-Controller reports quarterly to the Board the adjustments processed under this policy.

FISCAL YEAR 2017-18 BUDGET TIMELINE:

Under the leadership of the county’s Chief Financial Officer, staff of the Office of Budget & Debt Management, within the County Executive’s Office, work year-round on the budget. Staff begin work on the next annual budget cycle before the previous cycle is completed. The annual budget process timeline is as follows:

**FY2017-18 BUDGET
SUMMARY OF KEY ACTIONS**

Due Date	Action	Responsible Parties
January 20	Distribute Budget Instructions	CFO/OFM Analysts
January 27	Budget Kick-off Meeting	All
February 3	Second Quarter FSRs with Explanations due to OFM Analysts	All County Departments
February 10	Provide Semi-discretionary Revenue Allocations to Departments to Fund Base	CFO/OFM Analysts
February 22	Requested Budgets due to Chief Deputies/OFM Analysts	All County Departments
April 14	Provide Net County Cost Allocations to Departments , including Growth Funding	CFO/OFM Analysts
April 21	Revised Departmental Budget Submittals (Reflecting Net County Cost Allocations/Growth Decisions) due to OFM Analysts	All County Departments
June 7	Post/Distribute Budget Document	OFM Analysts; CEO Office Staff
June 13-15	Recommended Budget Hearings	All
July 17	Revisions to Approved General Fund Budgets Due to OFM Analysts	All County Departments
July 21	Period 13 Closes	Finance Department
July 24	Actual Ending Fund Balances Available	Finance Department
July 26	Revisions to Approved Non-General Fund Budgets Due to OFM Analysts	All County Departments
August 8	Notify Departments of non-General Fund Growth Request Decisions	Chief Deputies/OFM Analysts
August 10	Make Necessary Changes to Non-General Fund Budgets	All County Departments
August 11	Notify Departments of Net County Cost Allocation (Including Growth Decisions)	Chief Deputies/OFM Analysts
August 16	Make Necessary Changes to General Fund Budgets	All County Departments
September 6-7	Budget Adoption Hearings	All
September 26	Budget Adoption	Board; CFO; Finance Department

EXAMPLE OF A BUDGET MESSAGE

State Controller Schedules County Budget Act January 2010	County of Sacramento Detail of Financing Sources and Financing Uses Governmental Funds Fiscal Year xxxx-xx	Schedule 9		
1 Budget Unit 3610000 - Assessor Function GENERAL Activity Finance				
2 Detail by Revenue Category and Expenditure Object	3 xxxx-xx Actuals	xxxx-xx Actual Estimated <input type="checkbox"/> <input type="checkbox"/>	4 xxxx-xx Recommended	5 xxxx-xx Adopted by the Board of Supervisors
1	2	3	4	5
Prior Year Carryover	\$ 1,867,208	\$ 1,200,646	\$ 140,008	\$ 140,008
Charges for Services	5,057,217	5,505,301	5,483,148	5,483,148
Miscellaneous Revenues	1,959,531	1,098,793	950,000	950,000
Residual Equity Transfer In	89,501	-	-	-
Total Revenue	\$ 8,973,457	\$ 7,804,740	\$ 6,573,156	\$ 6,573,156
Salaries & Benefits	\$ 15,044,025	\$ 14,191,027	\$ 15,817,328	\$ 15,817,328
Services & Supplies	2,220,887	1,945,896	2,394,385	2,394,385
Equipment	12,072	-	10,000	10,000
Expenditure Transfer & Reimbursement	(2,035,960)	(2,358,635)	(2,309,101)	(2,309,101)
Total Expenditures/Appropriations	\$ 15,241,024	\$ 13,778,288	\$ 15,912,612	\$ 15,912,612
Net Cost	\$ 6,267,567	\$ 5,973,548	\$ 9,339,456	\$ 9,339,456
6	Positions	168.5	161.5	159.1

AN EXPLANATION OF BUDGET MESSAGE ELEMENTS

The following explanations refer to the previous pages. Definitions of unfamiliar terms may be found in the Glossary.

BUDGET UNIT:

Budget unit number and name.

DETAIL BY REVENUE CATEGORY AND EXPENDITURE OBJECT:

Major categories of revenues and expenditure objects as classified by law. These categories are defined by the State Controller.

ACTUAL:

Amounts actually expended or received.

RECOMMENDED:

Amounts recommended by the County Executive.

ADOPTED BY THE BOARD OF SUPERVISORS:

Amounts adopted by the Board of Supervisors.

POSITIONS:

Total number of permanent positions the department is authorized to fill and for which funding is available.

SACRAMENTO COUNTY ECONOMIC AND DEMOGRAPHIC OVERVIEW

General

The County was incorporated in 1850 as one of the original 27 counties of the State. The County's largest city, the City of Sacramento, is the seat of government of the State and also serves as the County seat. The County is the major component of the Sacramento Metropolitan Statistical Area (SMSA) which includes Sacramento, El Dorado, Placer and Yolo Counties.

The County encompasses approximately 994 square miles in the middle of the 400-mile long Central Valley, which is California's prime agricultural region. The County is bordered by Contra Costa and San Joaquin Counties to the south, Amador and El Dorado Counties to the east, Placer and Sutter Counties to the north, and Yolo and Solano Counties to the west. The County extends from the low delta lands between the Sacramento and San Joaquin rivers north to about ten miles beyond the State Capitol and east to the foothills of the Sierra Nevada Mountains. The southernmost portion of the County has direct access to the San Francisco Bay.

The County is a long-established center of commerce for the surrounding area. Trade and services and federal, state and local governments are important economic sectors. Visitors are attracted to the County by the State Capitol and other historical attractions such as Sutter's Fort, as well as natural amenities. The County's location at the intersection of four major highways brings additional visitors destined for the San Francisco Bay Area, the Wine Country, the Gold Country, the Central Valley, the Sierra Nevada Mountains and Lake Tahoe.

Chief among the County's outdoor recreational opportunities is the 23-mile American River Parkway which welcomes more than five million visitors annually to this unique wildlife and recreation area, offering opportunities for fishing, boating and rafting, picnicking, golfing, and guided natural and historic tours. The Jedediah Smith Memorial Trail, a 32-mile long trail for bicyclists, hikers and equestrians, parallels the American River and winds southwest from the City of Folsom to Downtown Sacramento. This trail was recognized as a national trail in 1974, and named the nation's No. 1 bike path for 2006.

The Sacramento area is home to the National Basketball Association Sacramento Kings professional basketball team. The franchise plays their home games at Golden 1 Arena, a newly constructed facility opened in September of 2016 in Downtown Sacramento, a venue which also hosts numerous concerts and entertainment events throughout the year. The Sacramento RiverCats is the San Francisco Giants' triple-A affiliate, and they play their home games at Raley Field in West Sacramento, located across the river from downtown Sacramento. The Sacramento Republic FC, an American professional soccer team based in Sacramento, plays their home games on the grounds of Cal Expo located in Sacramento. In addition to Sacramento's professional sports franchises, the region has been successful in bringing a number of high profile sporting events to Sacramento.

Cultural attractions in the City of Sacramento include the Crocker Art Museum, the longest continuously operating art museum in the West. Founded in 1855, it remains the leading art institution for the California Capital Region and Central Valley. The California State Railroad Museum located in Old Sacramento features restored locomotives and rail cars, some dating back to 1862, illustrating railway's historic significance to the region in connecting California to the rest of the nation. Sacramento Community Center Theatre, the Music Circus at Wells Fargo Pavilion and numerous other performing arts venues and local art galleries add to the cultural community of Sacramento.

Economic Development Incentive Program

The attraction of employers, capital investment and high value jobs, as well as the expansion and retention of existing businesses, is important to the prosperity and quality of life within the County. The County's economic development incentive program, which focuses on the unincorporated area of

the County, offers a mix of the following, applied on a case-by-case basis: 1) rebate of unsecured property taxes for a fixed number of years; 2) rebate of utility user taxes in excess of a set base amount; 3) rebate of sales tax in excess of a set base amount; 4) fee deferrals; 5) sewer credits; 6) tax exempt financing through industrial development bonds and other programs; 7) facilitated permit processing; and 8) other applicable incentives as appropriate. The County has a State-designated Enterprise Zone and two LAMBRAs (Local Agency Military Base Recovery Area), which provide significant incentives for businesses within their respective boundaries. These benefits include loss carryovers, accelerated depreciation of equipment, sales tax rebates on qualified equipment purchases, preference on state contracts and hiring tax credits.

Incentives are designed to avoid negative impact on existing revenue, in that the criteria apply to new or expanding operations and are available to offset significant private investment directly related to a long-term commitment to the area. The success of the overall incentive program is measured by the private capital investment for qualified projects, the direct creation of jobs, the generation of utility, property and sales taxes, and the attraction of support businesses, as well as indirect benefits to the economy from increased employment and investment. The County Office of Economic Development and Marketing is primarily responsible for developing and implementing this program.

Population

Sacramento County currently has seven incorporated cities: Citrus Heights, Elk Grove, Folsom, Galt, Isleton, Rancho Cordova and Sacramento, with 32 percent of the County’s population living in the City of Sacramento.

Sacramento County Breakdown of Population/Percent Increase

Area	1970	1980	1990	2000	2010	2016
Cities:						
Citrus Heights	---	---	---	85,071	83,267	87,432
Elk Grove	---	---	---	---	152,925	169,743
Folsom	5,810	11,003	29,802	51,884	72,201	77,271
Galt	3,200	5,514	8,889	19,472	23,641	25,633
Isleton	909	914	833	828	804	836
Rancho Cordova	---	---	---	---	64,413	72,326
Sacramento	257,105	275,741	369,365	407,018	466,279	495,234
Unincorporated Area:	367,349	409,209	632,330	659,226	553,529	585,985
Total:	634,373	783,381	1,041,219	1,223,499	1,417,059	1,514,460
% Increase over prior period:		23.49%	32.84%	17.50%	15.82%	6.87%
State Population:	19,935,134	23,782,000	29,828,496	34,095,209	37,223,900	39,250,017
% Increase over prior period:		19.30%	25.42%	14.30%	9.17%	5.44%

Sources: U.S. Census Bureau; 2016 from California Department of Finance estimates.

County, offers a mix of the following, applied on a case-by-case basis: 1) rebate of unsecured property taxes for a fixed number of years; 2) rebate of utility user taxes in excess of a set base amount; 3) rebate of sales tax in excess of a set base amount; 4) fee deferrals; 5) sewer credits; 6) tax exempt financing through industrial development bonds and other programs; 7) facilitated permit processing; and 8) other applicable incentives as appropriate. The County has a State-designated Enterprise Zone and two LAMBRAs (Local Agency Military Base Recovery Area), which provide significant incentives for businesses within their respective boundaries. These benefits include loss carryovers, accelerated depreciation of equipment, sales tax rebates on qualified equipment purchases, preference on state contracts and hiring tax credits.

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% Increase over prior period:		23.49%	32.84%	17.50%	15.82%	6.87%
State Population:	19,935,134	23,782,000	29,828,496	34,095,209	37,223,900	39,250,017
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Sources: U.S. Census Bureau; 2016 from California Department of Finance estimates.

Industry and Employment

Three major job categories comprised 76 percent of the Sacramento Metropolitan Statistical Area work force as of July 2017: services (41.3%), government (22.4%), and wholesale/retail trade (12.3%), based on seasonally unadjusted July 2017 statistics, as summarized in the following table.

**Sacramento Metropolitan Statistical Area Labor Market Survey
Calendar Years 2013 to July 2017
(Amounts Expressed in Thousands)**

Industry	2013	2014	2015	2016	July 2017
Mining & Logging	0.4	0.4	0.5	0.5	0.5
Construction	43.3	45.5	50.2	54.5	56.1
Manufacturing Nondurable goods	10.5	10.9	11.6	11.9	11.6
Manufacturing Durable goods	23.6	24.5	24.7	24.3	23.7
Transportation, Warehousing & Public Utilities	22.9	23.6	24.6	25.9	26.9
Information	14.8	13.9	14.1	13.8	13.4
Wholesale Trade	25.0	24.5	24.7	25.5	26.2
Retail Trade	93.8	95.3	98.0	100.6	100.4
Finance, Insurance, Real Estate	62.5	62.3	64.6	66.3	69.1
Services	363.0	374.5	386.6	405.5	424.6
Government	222.5	227.8	232.0	235.2	229.7
Agriculture	8.9	9.2	9.4	9.2	10.7
Other	64.7	59.8	53.2	44.1	35.1
	955.9	972.2	994.2	1,017.3	1,028.0

Source: California State Employment Development Department; not seasonally adjusted; annual average for the year.

After reaching a low point during the economic downturn of 914,000 in 2010, total SMSA employment increased by 1.70 percent to 2.32 percent annually through 2016, and during the first seven months of 2017 increased by 1.05 percent over 2016 to 1,028,000.

The SMSA unemployment rate (not seasonally adjusted) as of July 2017 was 5.1 percent, slightly lower than the statewide rate of 5.4 percent, and a continued improvement from the SMSA July 2016 rate of 5.5 percent.

Major Employers

Major Private Sector employers in the Sacramento Metropolitan Statistical Area, their type of business and their number of full-time equivalent (FTE) employees in 2016, and major private and public sector employers in the County of Sacramento only, are detailed in the following two tables.

Major Private Sector Employers 2016

Company	Type of Business	No. of FTE Employees
Sutter Health	Health Care	15,014
Kaiser Permanente	Health Care	14,368
Dignity Health	Health Care	7,853
Intel Corporation	Semiconductor Manufacturer	6,000
Raley's Inc.	Retail Grocery	5,597
Apple Inc.	Research and Development	4,000
Safeway Inc.	Retail Grocery	3,917
VSP Global	Vision health care plans	2,906
Wells Fargo	Financial Services	2,891
Health Net of California Inc.	Health Plans	2,715

Source: Sacramento Business Journal Annual 2016 Book of Lists

Major Private & Public Sector Employers-Sacramento County Only 2016

Company	Number of FTE Positions
State of California	73,676
Sacramento County	11,950
UC Davis Health System	10,145
U.S. Government	10,007
Sutter Health	8,905
Kaiser Permanente	8,885
Dignity Health	7,853
Intel Corp.	6,000
Elk Grove Unified School District	5,863
City of Sacramento	4,300

Source: Sacramento Business Journal Annual 2016 Book of Lists

Taxable Transactions Activity

Commercial activity contributes to the County’s unincorporated area economy, and taxable sales come from a diverse variety of sources. Total taxable sales peaked most recently in Calendar Year (CY) 2005, and then declined through CY 2010 by approximately 27 percent, before beginning to increase again in CY 2011 by approximately four percent. From 2010 to 2016, total taxable sales increased by 26 percent. The following two tables show taxable sales in the unincorporated area of the County for CY 2004 through 2016. The source of the data changed in 2009 and the new source used different categories, which accounts for the separate tables.

SACRAMENTO COUNTY UNINCORPORATED AREA

Total Taxable Transactions Calendar Year 2004 through 2008
(Amounts Expressed in Thousands)

Category	2004	2005	2006	2007	2008
Apparel Stores	\$160,128	\$180,560	\$185,423	\$179,919	\$164,575
General Merchandise Stores	578,989	607,700	630,673	609,932	617,280
Specialty Stores	907,190	1,025,843	1,022,243	1,054,431	883,809
Food Stores	339,642	351,710	361,808	373,952	368,161
Packaged Liquor Stores	47,175	48,465	47,924	48,014	47,953
Eating and Drinking Places	512,004	529,593	535,006	541,218	531,328
Home Furnishings, Appliances	324,171	310,709	253,430	215,511	170,718
Building Materials, Farm Implements	871,644	912,591	827,099	724,757	601,881
Service Stations	511,858	600,454	612,478	629,289	702,841
Automobile, Boat, Motorcycle, Plane Dealers and Parts Outlets	1,271,681	1,179,871	1,098,224	978,595	724,091
Total Retail Outlets:	\$5,524,482	\$5,747,496	\$5,574,308	\$5,355,614	\$4,812,637
Business & Personal Services	146,100	146,495	141,485	141,968	128,435
All Other Outlets	1,172,110	1,313,343	1,423,891	1,251,543	1,471,656
Total All Outlets:	\$6,842,692	\$7,207,334	\$7,139,684	\$6,749,129	\$6,412,728

Source: MuniServices LLC.

Data source changed in 2009 to The HdL Companies, changing the Category grouping as follows:

Category	2009	2010	2011	2012
Autos and Transportation	\$942,614	\$955,688	\$1,064,256	\$1,260,203
Building and Construction	742,477	676,288	693,286	749,134
Business and Industry	666,587	694,813	627,555	691,657
Food and Drugs	365,855	364,302	386,230	381,177
Fuel and Service Stations	720,859	810,838	1,016,776	1,069,199
General Consumer Goods	1,363,374	1,267,755	1,187,993	1,226,753
Restaurants and Hotels	519,606	513,121	534,203	565,433
Transfers/Adj/Other	2,134	(316)	482	(217)
Total:	\$5,323,506	\$5,282,489	\$5,510,781	\$5,943,339

Category	2013	2014	2015	2016
Autos and Transportation	\$1,385,550	\$1,528,166	\$1,710,400	\$1,854,660
Building and Construction	852,051	869,175	968,103	1,040,793
Business and Industry	756,082	781,684	833,075	909,147
Food and Drugs	379,601	394,275	395,342	405,465
Fuel and Service Stations	1,032,067	1,053,208	783,007	694,580
General Consumer Goods	1,246,620	1,269,576	1,280,470	1,303,789
Restaurants and Hotels	609,679	643,932	695,858	730,343
Transfers/Adj/Other	539	2,701	(3,890)	0
Total:	\$6,262,189	\$6,542,716	\$6,662,365	\$6,938,777

Source: The HdL Companies

The most recent data available for CY2017 is for April through June with taxable transactions during this three-month period at \$1,858,934,800, a 4.9 percent increase over April through June of Calendar Year 2016.

Construction Activity

The value of total single and multi-family building permits issued in the County was \$806,051,435 in 2016, and increase of 14 percent from the previous year, and substantially less than the peak of \$2,236,930,916 in 2003. The total single and multi-family building permits issued in the County was 3,338 in 2016, an increase of 11.7 percent from the prior year, and substantially less than the peak of 13,960 in 2003. The cumulative number of reported units year to date through August 2017 was 2,837, an increase of 38.3 percent from the same period in the prior year.

**SACRAMENTO COUNTY
Building Permit Activity
Calendar Year 2010 through 2016
(Valuation Amounts Expressed in Thousands)**

Valuation:	2010	2011	2012	2013	2014	2015	2016
Single Family	\$191,313	\$189,842	\$287,007	\$487,780	\$426,398	\$606,201	\$714,065
Multiple Family	31,175	56,658	46,577	13,065	8,407	100,813	91,986
Total:	\$222,488	\$246,500	\$333,584	\$500,845	\$434,805	\$707,014	\$806,051
New Dwelling Units:							
Single Family	813	721	1,216	1,742	1,662	2,240	2,669
Multiple Family	338	547	315	139	81	749	669
Total:	1,151	1,268	1,531	1,881	1,743	2,989	3,338

Source: United States Census Bureau - <http://www.census.gov/construction/bps/>

Transportation

The County's location and transportation network have contributed to the County's economic growth. The County is traversed by the main east-west and north-south freeways serving northern and central California. Interstate 80 connects Sacramento with the San Francisco Bay Area, Reno, Nevada, and points east. U.S. Highway 50 carries traffic from Sacramento to the Lake Tahoe Area. Interstate 5 is the main north-south route through the interior of California; it runs from Mexico to Canada. California State Highway 99 parallels Interstate 5 through central California and passes through Sacramento.

Transcontinental and intrastate freight rail service is provided by the Union Pacific Railroad. Passenger rail service is provided by AMTRAK. The Capitol Corridor's 168-mile intercity passenger train system provides rail service to 17 stations in eight Northern California counties. Bus lines offering intercity as well as local service include Greyhound and Sacramento Regional Transit. Regional Transit also operates an approximately 43-mile light rail system.

The Port of Sacramento provides direct ocean freight service to all major United States and world ports, shipping approximately 775,000 metric tons of cargo annually. It is a deep-water ship channel, located 79 nautical miles northeast of San Francisco. The three major rail links serving Sacramento connect with the Port, and Interstate 80 and Interstate 5 are immediately adjacent to the Port.

The County Airport System provides for the planning, development and operation of public air transportation facilities serving Sacramento County and adjoining areas. The Airport System consists of Sacramento International Airport, which has twelve passenger airlines serving approximately 9.9 million enplaned passengers annually, Executive Airport and Franklin Field for general aviation and Mather Airport for air cargo and general aviation. In October 2011, the County opened a new 19-gate Concourse B (netting seven additional gates) and a new landside Terminal B at the Sacramento International Airport.

Sacramento County voters passed a ballot measure in November of 1988 providing for collection of an additional 1/2 cent sales tax to be used exclusively for transportation and air quality projects. Ballot language specified formula distribution: (1) for the cities and unincorporated area of the County; (2) for projects to reduce air pollution; and (3) for mass transit improvements. The original expiration date for the additional 1/2 cent sales tax was 2009, but in 2004 the County voters approved, by 75.29 percent, extending this 1/2 cent sales tax for an additional 30 years to 2039.

Agriculture

According to the annual 2016 Sacramento County Crop and Livestock Report published by the County Agricultural Commissioner (the most recent complete report available), the total Sacramento County crop production for 2016 was \$507,064,000, representing a 7.9% increase from 2015 values, following an 6.4 percent decrease from 2014 to 2015. The top two crop production values in the County during 2016 were again wine grapes and milk production.

Education

The Sacramento region benefits from a network of over 721 public and private elementary to high schools educating approximately 400,000 students. Sacramento County alone has numerous public school districts serving an estimated 242,000 students within the K-12 level.

The Los Rios Community College District serves the majority of Sacramento County, as well as portions of El Dorado, Placer, Yolo and Solano Counties, with four main campuses enrolling approximately 75,000 students. The four campuses are: American River College, Sacramento City College, Cosumnes River College and Folsom Lake College. Sierra College also serves the area with an enrollment of approximately 18,512, as well as Yuba College with an enrollment of approximately 7,000. Schools offering vocational education include, Universal Technical Institute, Carrington College, and MTI College of Business and Technology.

In the Sacramento area roughly 28.8 percent of the adult population has a Bachelor's degree or higher, compared to 29.8 percent nationwide and 31.4 percent Statewide. Higher education is available from a variety of institutions throughout the area. Primary among these institutions are the University of California, Davis (UCD) and California State University, Sacramento (CSUS).

UCD offers four colleges, six professional schools, more than 104 academic majors and 96 graduate programs, serving 36,104 students. Founded in 1905 to serve the agricultural needs of the growing state, UCD has emerged as an acknowledged international leader in agricultural, biological, biotechnological, food and environmental sciences. It is also recognized for excellence in the arts, humanities, social sciences, engineering, health sciences, law and management. It is an international leader in sustainability-related research and application.

CSUS enrolls 30,531 undergraduate and graduate students, and graduates approximately 6,400 students each year. The university has an annual economic impact on the region of nearly \$816 million and generates more than 16,000 jobs.

The region also has a number of branches of private colleges headquartered outside the Sacramento region, including national University, Brandman University (part of the Chapman University system), University of Phoenix, University of San Francisco, and University of Southern California for Graduate Studies. Two major law schools are the University of the Pacific McGeorge School of Law, recognized as a leader in the field of law education, and the UC Davis School of Law.