

**FY2017-18 Recommended Budget
SIGNIFICANT ISSUES/CHANGES AND REQUESTS – DEPARTMENTAL
BUDGETS**

GENERAL FUND

Elected Department Heads

Assessor

The Recommended Budget for the Assessor's Office reflects a \$271,000 (1.6%) increase in appropriations, a \$102,000 (1.3%) decrease in revenue and a \$373,000 (4%) increase in Net County Cost. The increase in appropriations is due almost entirely to increased salary and benefit costs for existing employees and the increase in costs allocated to the Department from Internal Services departments. The projected decrease in revenue is due primarily to reduced supplemental property tax and property tax administration fee revenue.

The Assessor's requested budget included one additional Growth request totaling \$300,000 in Net County Cost. This request involves the replacement of an out-of-date software interface system with the Assessors Tax System related to the processing of tax bills. No funding is recommended for this request at this time because resources are not available.

Correctional Health Services

The Recommended Budget for Correctional Health Services reflects a \$3.1 million (6.9%) increase in appropriations, a \$1.98 million (14.5%) increase in revenue and a \$1.13 million (3.6%) increase in Net County Cost. The increase in appropriations and Net County Cost is due primarily to increased salary and benefit costs for existing staff and the inclusion of approximately \$930,000 in funding for psychiatric services related to the new Intensive Outpatient Program (IOP) approved by the Board during FY2016-17. The projected increase in revenue is due to the receipt of additional revenue from the US Marshalls Service and Immigration and Customs Enforcement for medical care for federal prisoners held in the jails. The Recommended Budget also includes funding for two Growth Requests:

- The addition of a Dentist and Personnel Specialist position at the cost of approximately \$315,000, fully offset by equivalent reductions in extra help and other professional services costs; and

- \$1.34 million in appropriations to augment the existing Restoration to Competency program for male inmates by adding a 12 bed female Restoration to Competency unit. This will include the addition of a Nurse and Administrative Service Officer position and an increase in the contract for psychiatric services with UC Davis. Under the Restoration to Competency Program, the State pays the County to hold inmates in the jail pending a determination of competency to stand trial because there is no space available in State mental hospitals. The increase in appropriations is fully offset by revenue from the State.

In addition to the Recommended Growth requests, Correctional Health Services asked for an additional Growth request of \$2.5 million in Net County Cost to replace the existing clinic management software system that is 9 years old and no longer supported by the vendor. No funding is recommended for this request at this time because resources are not available.

District Attorney

The Recommended Budget for the District Attorney's Office reflects a \$2 million (2.3%) increase in appropriations, a \$311,000 (1%) decrease in revenue and a \$2.34 million (4.2%) increase in Net County Cost. The primary reason for the increase in appropriations and Net County Cost is increased salary and benefit costs for existing staff and the increase in allocated costs from internal services departments. The projected decrease in revenue is due primarily to the fact that approximately \$650,000 in one-time Southwest Border Prosecution initiative revenue was included in the FY2016-17 Adopted Budget.

The District Attorney's requested budget included three additional Growth requests totaling approximately \$421,000 (\$313,000 in Net County Cost). These requests included the addition of three Office Assistant positions, an additional Criminal Investigator position and two additional Investigative Assistant positions and are summarized in the Program Information section for this budget unit. No funding is recommended for these requests at this time because resources are not available.

Sheriff

The Recommended Budget for the Sheriff's Department reflects an \$18.1 million (4%) increase in appropriations, a \$7.8 million (3.4%) increase in revenue and a \$10.3 million (4.6%) increase in Net County Cost. The primary reasons for the increase in appropriations and Net County Cost are increased salary and benefit costs for existing staff, and an increase in costs allocated to this department by internal services departments, including an additional

\$2 million in COPs debt service costs for the jail that was previously paid by the Capital Construction Fund. The increase in estimated revenue is due primarily to the projected receipt of approximately \$3.4 million in additional Proposition 172 revenue, \$3.6 million in additional revenue from the U.S. Marshall's Service and Immigration and Customs Enforcement to cover the cost of housing federal inmates, \$1.8 million from the State for the existing Restoration to Competency Program in the jail (revenue for this program was inadvertently not included in the FY2016-17 Adopted Budget), and \$1.36 million in additional High Intensity Drug Trafficking Area grant revenue. The Recommended Budget also includes funding for ten Growth Requests:

- The addition of one Sergeant and eight Deputy Sheriff positions to provide custody staff for the new 20-bed Intensive Outpatient (IOP) unit in the Main Jail that was approved by the Board during FY2016-17. This unit will provide a "step-down" housing unit for inmates with mental health needs that require specialized housing and treatment, but who do not require the more intensive level of services provided in the existing Acute Care unit. Funding for increased costs for contract psychiatric services for this unit is included in Correctional Health Services' base budget. The Recommended Budget includes \$1,630,000 in Net County Cost to fund these positions.
- The addition of six Crime and Intelligence Analyst and one Senior Crime and Intelligence Analyst positions to provide the full staffing for the Intelligence Operations Group, the last component of the Sheriff's plan to implement an Intelligence-led Policing model in the unincorporated County. The FY2015-16 Budget included funding to add 43 field positions in support of this effort and the FY2016-17 Budget included funding for eight Crime and Intelligence Analysts. The Recommended Budget includes \$980,000 in Net County Cost to fund these seven new positions.
- The addition of two Deputy Sheriff positions to provide custody staff for a new 12-bed Restoration to Competency Program for female inmates awaiting a determination of competency to stand trial. The County already operates a Restoration to Competency Program for male inmates. The Recommended Budget includes \$436,000 in revenue from the State to cover the cost of these positions.
- The addition of two Deputy Sheriff and one Sergeant positions to provide increased security staffing at Sacramento International Airport, as requested by the Airports Department. The Recommended Budget includes \$524,000 in funding from the Airports Department to cover the cost of these positions.

- \$134,000 in appropriations to cover the cost of purchasing two Chevy Camaros to be used as “show-type” vehicles in community and promotional events targeting issues of youth violence and delinquency. The cost will be fully offset by revenue from the Tucker Fund. The Tucker Fund is a statutorily required fund that receives revenue from fees related to certain court orders. State law requires that the money in the Fund be expended for “vehicle fleet replacement and equipment, maintenance and civil process operations.”
- \$82,000 in appropriations to cover the cost of purchasing a County vehicle for use by the Undersheriff. Currently, the Undersheriff utilizes his personal vehicle and receives a vehicle allowance, which will be discontinued. The cost will be fully funded by revenue from the Tucker Fund.
- \$183,000 in appropriations to purchase three vehicles for Deputies that provide contracted security services to the Elk Grove Unified School District. The District has requested that the County transition from District-owned vehicles used by Deputies to County-owned vehicles. The full transition will take several years. The cost will be fully funded by revenue from the Elk Grove Unified School District.
- \$542,000 in appropriations to purchase a Tactical Command/Communications Vehicle for use in critical incidents. In 2015, the vehicle that previously served this function was surplus due to age and repair costs. The cost will be fully funded by revenue from the Tucker Fund.
- The addition of one Senior Accountant position in the Civil Bureau. This position will help address deficiencies in accounting practices recently identified by an audit of this Bureau. The cost of this position will be funded by \$117,000 in revenue from the Tucker Fund.
- The addition of three Sheriff Security Officers to provide enhanced security at the Department of Human Assistance’s 2700 Fulton Avenue Office, as requested by the Human Assistance Department. The Recommended Budget includes a \$475,000 reimbursement from the Department of Human Assistance to cover the cost of these positions, so there is no net appropriation increase in the Sheriff’s budget.
- The addition of one Communications Dispatcher position and various supplies to provide dispatch services to the Probation Department as part of a Mobile Data Terminal Growth request in that Department. The Recommended Budget includes a \$246,000 reimbursement from the

Probation Department to cover these costs, so there is no net increase in appropriations in the Sheriff's budget.

In addition to the recommended Growth requests discussed above, the Sheriff also requested three additional Growth requests totaling \$3.2 million in Net County Cost. These requests are summarized in the Program Information Section for this Budget Unit, but the highest priority is to implement a "ShotSpotter" acoustic surveillance system that can locate the precise location of gunfire in a given area. Implementation of this system would require the addition of four Deputy Sheriff's and two vehicles at a Net County Cost of \$1.1 million. No funding is recommended for these requests at this time because resources are not available.

The Sheriff's Recommended Budget includes \$1,236,873 in Citizens Options for Public Safety (COPS) frontline law enforcement services revenue. Government Code Section 30061(c) (1) requires that boards of supervisors appropriate existing and anticipated COPS funding for frontline law enforcement services each year in response to a written request submitted by the Sheriff. In accordance with that statute, the Sheriff's Department requests approval for continued use of this funding in FY2017-18 to fully support approximately six Deputy Sheriff positions, which represents the most effective use of this funding.

General Government

Clerk of the Board

The Recommended Budget for the Clerk of the Board reflects an \$84,000 (4.3%) reduction in appropriations, a \$29,000 (7.3%) reduction in revenue and a \$55,000 (3.5%) reduction in Net County Cost. The primary reason for the decrease in appropriations is that the Clerk's FY2016-17 Adopted Budget included \$110,000 in one-time appropriations related to the Board of Supervisors' office remodeling project. The projected reduction in revenue is due primarily to a reduction in Public Education in Government (PEG) facilities grant revenue.

The Clerk of the Board's requested budget included two additional Growth requests, totaling \$58,000 in appropriations and \$36,000 in Net County Cost. These requests are summarized in the Program Information section for this Budget Unit. No funding is recommended for these requests at this time because resources are not available.

County Counsel

The Recommended Budget for County Counsel reflects a \$660,000 (12.7%) increase in appropriations, and a \$660,000 (22.9%) increase in revenue. The County Counsel budget is fully-funded by charges for services to other County departments. The increase in appropriations is due almost entirely to increased salary and benefit costs for existing employees. In FY2016-17, the Board approved a new memorandum of understanding with the union representing Attorneys, which resulted in a significant increase in salary costs.

County Counsel's requested budget included one additional Growth request - \$40,000 to replace old office furniture. No funding is recommended for this request at this time because resources are not available.

County Executive Cabinet

The Recommended Budget for the County Executive Cabinet reflects a \$127,000 (3.7%) increase in appropriations, an \$112,000 (3.5%) increase in revenue and a \$15,000 (6.5%) increase in Net County Cost. The primary reasons for the increase in appropriations and revenue include: increased salary and benefit costs for existing employees; the increase in allocated costs from internal services departments; the addition of a fourth Deputy County Executive position as part of the restructuring of the community development and public works functions approved by the Board during FY2016-17; and the addition of a Chief of Customer Services position that was previously budgeted in the Department of Technology. These increases are partially offset by the shifting of an appropriate share of space costs to the Office of Labor Relations and correcting an error that was made in the FY2016-17 Budget in how the cost of the Debt Management staff was allocated. The Recommended Budget also includes funding for two Growth requests:

- The addition of an Executive Secretary position to provide administrative support to the new Deputy County Executive for Infrastructure and Public Works, the Chief of Customer Services and the Director of Homeless Initiatives. The cost of this position is \$88,288, funded by charges to other County departments. After taking into account reimbursements, the net increase in appropriations is \$18,000.
- The addition of a Management Analyst II position in the Office of Budget & Debt Management to allow for a better balancing of Analyst workload with a goal of improving the quality of analysis. The cost of this position is \$167,353, funded by charges to other County departments. After taking into account reimbursements, the net increase in appropriations is \$34,000.

Emergency Services

The Recommended Budget for Emergency Services reflects a \$67,000 (1.6%) reduction in appropriations, a \$78,000 reduction in revenue and an \$11,000 (1.2%) increase in Net County Cost. The primary reason for the reduction in appropriations and revenue is a reduction in grant revenue due to the completion of certain grant-funded projects in FY2016-17.

The Recommended Budget includes funding for one Growth request: the reallocation of an Administrative Officer 2 position to an Assistant Emergency Operations Coordinator position. The Assistant Emergency Operations Coordinator classification is more appropriate for the duties needed, including emergency management training, development of memoranda of understandings with partner organizations and operation of the Sacramento Alert mass notification software system. The net cost of this reallocation is \$27,666, funded by federal revenue.

Financing Transfers/Reimbursements

The Recommended Budget for Financing Transfers/Reimbursements reflects a \$1.49 million (37.8%) increase in appropriations and Net County Cost. The primary reasons for the increase in appropriations and Net County Cost include the transfer of \$584,000 in General Fund resources to the Roads Fund, representing the second year of funding for the I-80/Buffwood Way Sound Wall/Engle Road Pavement Overlay projects approved by the Board in FY2016-17, a \$442,000 transfer to the Golf Fund to backfill a loss of revenue and keep that fund solvent, and the transfer of an additional \$469,000 in Transient Occupancy Tax (TOT) revenue to the TOT and Economic Development Funds.

The Recommended Financing Transfers/Reimbursements budget also includes a \$1.4 million transfer of General Fund resources to the Roads Fund for general road maintenance activities, the same amount that was included in the FY2016-17 Adopted Budget.

Non-Departmental Costs

The Recommended Non-Departmental Costs Budget reflects a \$1.48 million (7%) decrease in appropriations, a \$1.2 million (100%) decrease in revenue and a \$260,000 (1.3%) reduction in Net County Cost. The primary reasons for the decrease in appropriations include:

- The FY2016-17 Adopted Budget included \$1.1 million in appropriations for the Community Support Fund – Social Services Grant program,

funded by Social Services Realignment revenue. Due to other demands for limited Realignment resources, that program was not implemented and no funding is provided in the Recommended Budget;

- The FY2016-17 Adopted Budget included a one-time \$250,000 contribution to the Aerospace Museum of California; and
- The FY2016-17 Adopted Budget included \$118,000 in AB 109 Realignment funding to cover consultant costs associated with the Adult Correctional System Review. The work of those consultants was completed in FY2016-17.

These and other appropriation decreases were partially offset by increases in a number of areas, including a \$139,000 increase in appropriations to cover the cost of leased space on Hazel Avenue that was originally occupied by Building Inspection staff, but is now vacant. In FY2016-17, these lease costs were paid out of the old Community Development Department's Net County Cost.

Office of Labor Relations

The Recommended Budget for the Office of Labor Relations reflects a \$12,000 (3.2%) increase in appropriations and revenue. The increase in appropriations is due to increased salary and benefit costs for existing employees and an increase in allocated costs from internal services departments.

The Office of Labor Relations' requested budget included two additional Growth requests, totaling \$174,803, with a net appropriation increase of \$156,000. These requests are summarized in the Program Information section for this Budget Unit. No funding is recommended for these requests at this time because resources are not available.

Planning & Environmental Review

This is a new Budget Unit that includes appropriations and revenue related to the planning and environmental review functions that were previously part of the Community Development Budget Unit. In FY2016-17, the Board approved a reorganization plan that eliminated the Department of Community Development and established the Office of Planning & Environmental Review as a separate Office reporting to the County Executive.

The Recommended Budget for Planning & Environmental Review reflects appropriations of \$11.8 million, revenue of \$10.3 million and a Net County Cost of \$1.5 million. Compared to the budget for these functions in the old

Community Development Department Budget Unit, this represents a \$484,000 (4.3%) increase in appropriations, a \$735,000 (7.8%) increase in revenue and a \$251,000 (14%) reduction in Net County Cost. The primary reason for the increase in appropriations is increased salary and benefit costs for existing employees. The projected increase in revenue is due primarily to a \$244,000 increase in revenue for the South Sacramento Habitat Conservation Plan and a \$472,000 increase in Planning and Environmental Review fees based on updated current year projections.

The Recommended Budget also includes funding for two Growth requests:

- The addition of one Planning Technician position in the Zoning Administration section and an Associate Planner in the Current Planning section, to assist in development application processing. The cost of these positions is \$188,000 and will be funded by a reduction in the budget for contracted planner services, so there will be no increase in appropriations. The Office believes that the development review workload has now reached a level that it would make sense to utilize regular County staff rather than contractors to perform this work.
- The addition of one Planning Technician in the Zoning Administration section to assist in handling an increased workload related to business licenses, temporary use permits and substantial compliance letters. The cost of this position is \$77,000 and funding will come from fee revenue.

In addition to the Recommended Growth requests, Planning and Environmental Review asked for four additional Growth requests totaling \$487,000 (\$356,000 Net County Cost). These requests are summarized in the Program Information Section for this Budget Unit. No funding is recommended for these requests at this time because resources are not available.

Administrative Services

County Clerk-Recorder

The Recommended Budget for the County Clerk-Recorder reflects a \$796,000 (6.1%) reduction in appropriations and revenue. The primary reason for the reduction in appropriations and revenue is the anticipated completion of the first phase of the Integrated System project in FY2016-17; the amount included for the remaining phases for this project in FY2017-18 is significantly lower. The Recommended Budget also includes funding for one Growth request: the addition of a new management position to provide enhanced

oversight of the implementation of the new integrated software system and assist in managing departmental operations. A Chief Deputy Clerk-Recorder position is included in the Budget as a placeholder, but the classification is currently under review. Funding will come from dedicated fee revenue.

Data Processing Shared Systems

The Recommended Data Processing – Shared Systems Budget reflects a \$649,000 (6.7%) increase in appropriations and Net County Cost. The primary reason for this increase is the allocation of additional Department of Technology staff time to this Budget Unit and additional contract costs to provide enhanced mainframe, server and software support for a number of systems, including the Criminal Justice Information System (CJIS), COMPASS (the County’s financial management system), the Integrated Justice Information System (IJIS), the California Law Enforcement Telecommunications System (CLETS), Special Districts Payroll and the Assessor’s Property and Tax system.

The requested budget for Data Processing-Shared Systems includes five additional Growth requests, totaling \$417,000 in Net County Cost. These requests are summarized in the Program Information section for this Budget Unit. No funding is recommended for these requests at this time because resources are not available.

Department of Finance

The Recommended Budget for the Department of Finance reflects a \$690,000 (2.5%) reduction in appropriations, a \$23,000 (0.1%) reduction in revenue and a \$667,000 (20.9%) reduction in Net County Cost. The primary reason for the decrease in appropriations and Net County Cost is that some Finance functions were included in the Allocated Cost Plan for the first time and a portion of these allocated costs is reflected as reimbursements to the Finance Department, which have the effect of reducing appropriations. The Recommended Budget also includes funding for one Growth request: the addition of one Accounting Technician and two Account Clerk positions in the Payment Services section to complete backlogged work, replace work done by temporary staff and provide enhanced staff supervision. The cost of the positions is \$191,562, partially offset by a reduction in extra help costs, with funding from charges to other County departments. After adjusting for reimbursements, the net increase in appropriations would be \$90,000.

In addition to the Recommended Growth request, Finance submitted two additional Growth requests totaling \$595,000 (\$391,000 Net County Cost). These requests are summarized in the Program Information section for this

Budget Unit, but the highest priority was the addition of four new positions to provide additional support for preparation of the County's Comprehensive Annual Financial Report (CAFR). No funding is recommended for these requests at this time because resources are not available.

Personnel Services

The Recommended Budget for the Department of Personnel Services reflects an \$874,000 (7.1%) increase in appropriations and revenue. The primary reasons for the increase in appropriations are increased salary and benefit costs for existing employees and the increase in allocated costs from other internal services departments. The Recommended Budget also includes funding for one Growth request: \$100,000 in one-time costs to enhance and upgrade the County's automated employee performance evaluation system (SCOPE). Funding will come from charges to other County departments. After adjusting for reimbursements, the net appropriation increase associated with this growth request is \$25,000.

Voter Registration and Elections

The Recommended Budget for Voter Registration and Elections reflects a \$1,130,000 (10.9%) increase in appropriations, a \$1,248,000 (45.1%) decrease in revenue and a \$2,378,000 (31.2%) increase in Net County Cost. The primary reason for the increase in appropriations is a recommended \$1.1 million Growth request for the first-year lease purchase payment for a new voting system. The total cost of the new system, which assumes the County goes to vote center model elections, is estimated to be \$8 million over 8 years. Funding for the FY2017-18 cost will come from one-time Help American Vote Act (HAVA) revenue. Future year funding for the new system will likely come, in whole or in part, from Net County Cost.

The projected \$1.25 million reduction in revenue is the net result of a \$2.4 million reduction in revenue from other jurisdictions due to fewer consolidated elections in FY2017-18 than in FY2016-17, partially offset by the \$1.1 million in HAVA grant revenue.

In addition to the Recommended Growth request, Voter Registration and Elections submitted five additional Growth requests totaling \$583,000 in Net County Cost. These requests are summarized in the Program Information section for this Budget Unit. No funding is recommended for these requests at this time because resources are not available.

Municipal Services

Agricultural Commissioner/Sealer of Weights and Measures

The Recommended Budget for the Agricultural Commissioner/Sealer of Weights and Measures reflects a \$125,000 (2.7%) increase in appropriations, a \$198,000 (6.2%) increase in revenue and a \$73,000 (5%) reduction in Net County Cost. The primary reason for the increase in appropriations is increased salary and benefit costs for existing employees and the increase in allocated costs from internal services departments. The projected increase in revenue is due to increased Gas Tax revenue.

The Agricultural Commissioner/Sealer of Weights and Measures' requested budget included four additional Growth requests totaling \$66,619 in Net County Cost. These requests are summarized in the Program Information section for this Budget Unit. No funding is recommended for these requests at this time because resources are not available.

Animal Care and Regulation

The Recommended Budget for Animal Care and Regulation reflects a \$1,357,000 (13.6%) increase in appropriations, a \$259,000 (12.3%) decrease in revenue and a \$1,616,000 (20.6%) increase in Net County Cost. The primary reasons for the increase in appropriations are increased salary and benefit costs for existing staff and the increase in allocated costs from internal services departments, including an \$830,000 increase in COPs debt service cost for the Animal Care facility that was previously funded out of the Capital Construction Fund. The primary reasons for the projected reduction in revenue are a \$152,700 reduction in revenue due to the City of Citrus Heights cancelling its contract for shelter service and an adjustment to reflect a more realistic estimate of the amount of revenue the Department will receive from charges for animal vaccinations. The increase in Net County Cost includes \$134,000 to backfill the portion of the revenue lost as a result of the cancellation of the Citrus Heights contract that is related to fixed costs. The remaining \$18,000 reduction in Citrus Heights contract revenue is offset by reduced funding for kennel services and medical costs related to the reduction in the number of animals received from Citrus Heights.

The Recommended Budget also includes funding for four Growth requests:

- The use of \$69,200 in one-time donation revenue to continue the Return to Field program for cats at the FY2016-17 level, replacing one-time revenue that helped fund the program in FY2016-17;
- The use of \$100,000 in one-time donation revenue to continue the provision of community spay-neuter services at the FY2016-17 level, replacing one-time revenue that helped fund the program in FY2016-17; and

- \$62,854 in Net County Cost to fund two intermittent Animal Care Attendant positions to augment a Foster/Rescue team that will include other staff and contracts focused on Shelter animal welfare, including socialization in the shelter, foster/rescue placement and adoption; and
- \$30,000 in Net County Cost to fund additional veterinary services for treatment for foster care animals other than routine shots.

The following table shows the total amount of spay-neuter funding included in the FY2017-18 Recommended Budget compared to the FY2016-17 and FY2015-16 Adopted Budgets:

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| Program | FY 15-16 | | FY 16-17 | | FY 17-18 |
|--|------------------|---------------|-------------------|-------------------------|--------------------|
| | Budget | Surgeries | Budget | Surgeries as of 3/31/17 | Recommended Budget |
| Shelter Animals | | | | | |
| County Vets, Relief Vets, Overflow contracts with Animal Spay Neuter A Non Profit (ASN) and Sacramento Society for the Preventions of Cruelty to Animals (SSPCA) | \$541,436 | 4,543 | \$ 554,333 | 3,574 | \$ 704,827 |
| ASN - Return to Field Program - Cats | \$62,841 | 1,409 | \$ 55,000 | 1,324 | \$ 69,200 |
| Subtotal Shelter Animals | \$604,277 | 5,952 | \$ 609,333 | 4,898 | \$ 774,027 |
| Community Spay and Neuter: | | | | | |
| ASN - Cats* | \$56,000 | 1,573 | \$90,000 | 1,932 | \$45,000 |
| ASN - Dogs | | | \$10,000 | 0 | |
| ASN - Elk Grove Funding | \$2,500 | | | | |
| Sacramento Area Animal Coalition (SAAC) | \$35,000 | 552 | | | |
| SSPCA - Cats | \$30,000 | 1,243 | \$20,000 | 651 | \$55,000 |
| SSPCA - South County Feral Cats | | | \$15,000 | 309 | |
| SSPCA - Dogs | \$10,000 | 130 | \$15,000 | 158 | \$ 10,000 |
| County Mobile Clinic | \$146,327 | 453 | \$148,907 | 49 | \$165,992 |
| Sterilization Trust - SAAC (FY 15-16 Actual FY 16-17 Estimate - cannot exceed trust fund balance) | \$74,075 | 1,342 | \$100,000 | 1,193 | \$80,000 |
| Subtotal Total Community Spay and Neuter | \$353,902 | 5,293 | 398,907 | 4,292 | \$355,992 |
| Grand Total Spay and Neuter | \$958,179 | 11,245 | 1,008,240 | 9,190 | \$1,130,019 |
| *ASN- FY 16-17 Program redesign, County funds are used for individuals who can't afford to pay for spay/neuter surgeries, funding is lasting longer. Previously ASN used the County funds for everyone, even individual who could afford to pay. In FY17-18 funding was shifted to over-flow contracts with SSPCA and ASN to support the redesign of the spay/neuter program and reduce length of time adoptable animals are waiting for surgery before going to their new home. | | | | | |

As the above table notes, 9,100 surgeries were performed in FY2016-17 as of March 31, 2017. It is estimated that a total of approximately 12,250 surgeries will be performed in FY2016-17 and FY2017-18.

In addition to the recommended Growth requests, Animal Care and Regulation asked for 11 additional Growth requests totaling \$1.3 million (\$1,050,000 Net County Cost). These requests are summarized in the Program Information section for this Budget Unit. No funding is recommended for these requests at this time because resources are not available.

Regional Parks

The Recommended Budget for Regional Parks reflects a \$2 million (16.6%) increase in appropriations, a \$1.1 million (19.2%) increase in revenue and a \$899,000 (14.3%) increase in Net County Cost. The primary reasons for the increases in appropriations and Net County Cost are increased salary and benefit costs for existing employees, the increase in costs allocated from internal services departments and the recommended funding of seven Growth requests totaling \$1,455,000 (\$674,000 Net County Cost). Those Growth requests include:

- \$449,000 (\$329,000 Net County Cost) to implement a pilot Visitor Service and Debris Removal program in the American River Parkway. The Recommended Budget includes \$208,000 to implement the pilot Visitor Service program. The Visitor Services program would augment and support the work of Rangers on the Park Resource Team by funding 8,700 hours of seasonal staff to be deployed throughout the Parkway during afternoon recreation and commute hours seven days a week year-round. Since existing Parks maintenance staff typically work from 6:00 a.m. to 2:00 p.m., this will provide all-day coverage in the Parkway. The Visitor Services staff will provide services such as fire watch and visitor information and serve as additional “eyes and ears” to Park Rangers and Park Maintenance staff. The Recommended Budget also includes \$241,000 to contract for additional debris removal in the Parkway. This effort will complement the existing debris removal program, and focus more on hard to reach and less traveled areas. Funding will include \$121,000 in revenue from the Waste Management & Recycling Department. Both of these initiatives are scalable over time, based on program effectiveness and available resources.
- \$155,000 in Net County Cost to add a Deputy Director of Regional Parks position. The Deputy Director will take the lead in organizing, developing and implementing the Natural Resource Management Plan (NRMP) for the Department of Regional Parks. Development of the NRMP includes contractor coordination, community involvement, staff involvement, and developing strategies for the long-term implementation of the goals defined by the NRMP. Currently there is not adequate staff capacity with the necessary experience and skills that can dedicated the time necessary to lead the NRMP. In addition to the NRMP, the Deputy Director will have direct oversight of the administrative, recreation, planning, and natural resources divisions of the Department of Regional Parks with the ability to focus on the direct improvement and supervision of those program areas. The addition of this position will allow the Director of Regional Parks the capacity to

focus on the long term sustainability, operational improvements, and overall goals for the Regional Park system including:

- Transitioning the Department from a reactive service provider to a proactive operational model where the Department is able to plan and execute programs and projects to meet community expectations before they become urgent or emergencies.
 - Further developing and leveraging Department partnerships for the successful operation, management and development of Regional Park facilities.
 - Developing long-term capital improvement and deferred maintenance plans for Department facilities.
 - Evaluation of existing Department programs and services to improve service delivery across all divisions of the Department.
 - Developing policies and operating procedures for new growth areas in Sacramento County specific to Regional Park's maintenance and operational responsibilities.
 - Ability to plan and proactively respond to Department management challenges including illegal camping, trash, fires, and floods within the Regional Park system.
- Two Growth requests totaling \$80,000 in Net County Cost to continue to provide critical river safety programs, including the Sacramento Diving and Rescue Team (DART), and the river safety education campaign, including the provision of personal flotation devices. Funding for these programs was never included in the Department's budget but was covered out of salary or other savings, which does not provide a stable funding source.
 - \$110,000 in Net County Cost to comply with the modified terms of an agreement being negotiated with GRP LLC to remain the operator of Gibson Ranch, as directed by the Board. This amount was based on direction provided by the Board at its meeting on March 21, 2017, and does not reflect subsequent Board direction. Adjustments may be required in the Budget Recommended for Adoption in September.
 - \$600,000 to cover costs associated with the American River Parkway Natural Resources Management Plan (NRMP). Funding will come from Habitat Restoration Program (HRP) fees. Once completed, the NRMP will provide a clear understanding of existing Parkway natural resources, the effects of disturbances such as flood, fire, invasive species and human impacts, as well as opportunities, strategies and goals for the protection of the Parkway. The NRMP will be a resource for promoting healthy ecosystems and resource protections, while balancing

concurrent Parkway goals of flood control, recreational opportunities and public safety.

- \$60,000 to cover operations and maintenance costs for the newly acquired Dillard Ranch, including well and fire break maintenance and fencing repairs. Revenue from existing grazing operations on the property will cover \$30,000 of these costs and the remaining \$30,000 will come from a one-time contribution of Board District funds from Supervisor Nottoli.

In addition to the Recommended Growth requests, Regional Parks submitted 16 additional Growth requests totaling \$2.747 million in Net County Cost. These requests are summarized in the Program Information section for this Budget Unit. No funding is recommended for these requests at this time because resources are not available.

Public Works and Infrastructure

Code Enforcement

This is a new Budget Unit that includes appropriations and revenue related to the code enforcement function that was previously part of the Community Development Budget Unit. In FY2016-17, the Board approved a reorganization plan that eliminated the Department of Community Development and established an Office of Development and Code Services, reporting to the Deputy County Executive for Public Works and Infrastructure. Code enforcement is the only General Fund-supported function in the Office of Development and Code Services.

The Recommended Budget for Code Enforcement reflects appropriations of \$9.2 million, revenue of \$3.96 million and a Net County Cost of \$5.27 million. Compared to the budget for these functions in the old Community Development Department Budget Unit, this represents a \$249,000 (2.8%) increase in appropriations, a \$79,000 (2%) increase in revenue and a \$171,000 (3.3%) increase in Net County Cost. The primary reason for the increase in appropriations is increased salary and benefit costs for existing employees.

The requested budget for Code Enforcement included one additional Growth request for \$545,000 (\$347,000 Net County Cost) to add six additional Code Enforcement Officer positions in a number of areas, including the Rental Housing Program. This request is summarized in the Program Information section for this Budget Unit. No funding is recommended for this request at this time because resources are not available.

Social Services

Cooperative Extension

The Recommended Budget for the Cooperative Extension reflects a \$37,000 (11.1%) increase in appropriations and Net County Cost. The primary reason for the increase in appropriations is an increase in payments to the University of California to cover salary and benefit cost increases for Extension staff.

The requested budget for the Cooperative Extension included one additional Growth request for \$10,000 in Net County Cost to increase the amount of time of the Multi-County Partnership Coordinator position provided by the University of California. This request is summarized in the Program Information section for this Budget Unit. No funding is recommended for this request at this time because resources are not available.

Coroner

The Recommended Budget for the Coroner reflects a \$133,000 (1.7%) increase in appropriations, a \$133,000 (9.8%) increase in revenue and a \$713 reduction in Net County Cost. The primary reason for the increase in appropriations is increased salary and benefit cost for existing employees and the increases in allocated costs from internal services departments. The primary reason for the projected increase in revenue is increased payments for contracted services to other counties.

The Coroner's requested budget included one additional Growth request for \$166,000 in Net County Cost to add an Assistant Coroner position. This request is summarized in the Program Information section for this Budget Unit. No funding is recommended for this request at this time because resources are not available.

Health & Human Services

The Recommended Budget for Health & Human Services reflects a \$3.05 million (0.6%) increase in appropriations, a \$1.36 million (0.3%) reduction in revenue and a \$4.4 million (19.5%) increase in Net County Cost. The primary reasons for the increase in appropriations is the inclusion of funding for 13 Growth requests totaling \$7.1 million in net appropriations. Excluding the Recommended Growth requests, Health & Human Services' Recommended Base Budget reflects a \$4.05 million (0.7%) decrease in appropriations, an \$8.5 million (1.6%) decrease in revenue and a \$4.4 million increase in Net County Cost.

The primary reasons for the reduction in Base appropriations are a \$2.2 million reduction in Mental Health Services Act projects, a \$4.7 million decrease in pass-through funding for crisis residential facility costs that are now paid directly to the provider by the State, and \$4.86 million reduction in appropriations due to the transfer of funding for the Medi-Cal Intergovernmental Transfer (IGT) from this Budget Unit to the Juvenile Medical Services Budget Unit. All of these appropriation reductions are offset by revenue reductions. These appropriation reductions are partially offset by appropriation increases due to salary and benefit cost increases for existing employees, including the full year cost for Growth budgeted for only part of the year in FY2016-17, increases in allocated costs from internal services departments, and a \$1 million increase in office lease costs due to a one-year lease payment waiver in FY2016-17.

As noted, the Recommended Budget also includes funding for 13 Growth requests totaling \$8.18 million in expenditures which, after adjusting for reimbursements, results in a \$7,099,000 increase in net appropriations and revenue:

- \$289,000 to add three positions in Child Protective Services to enhance data tracking, performance monitoring, oversight and training to ensure compliance with Resource Family Approval (RFA) regulations and requirements as part of Foster Care Continuum of Care Reform. Funding will come from State and federal revenue.
- \$1,861,226 to add 6 positions and increase contract costs in Child Protective Services and Mental Health to provide additional support to the Child & Family Teams, Multi-disciplinary Team and Interagency Placement Committee to ensure compliance with Foster Care Continuum of Care Reform mandates. Funding will come from State revenue. After adjusting for reimbursements, the net appropriation increase would be \$1,641,562.
- \$169,000 to add 1.5 FTE Public Health Nurses in the Children and Family Services program to help provide oversight and monitoring of psychotropic medications for Foster Care children in accordance with new State mandates. Funding will come from federal and State revenue.
- The reallocation of a number of positions and augmentation of funding for contract physician services to better meet the needs of patients at the County Clinic. Changes include:

- Reallocating a Medical Case Management Nurse to a Registered Nurse and a 0.8 FTE Physician III to a 1 FTE Public Health Aid to provide care management services to high risk, high cost patients, consistent with managed care requirements;
- Reallocating an Administrative Services Officer 1 to a Human Services Assistant;
- Adding two Human Services Assistant positions to provide interpreter services, as more than half the visits provided are to individuals who do not speak English;
- Reallocating a Human Services Division Manager Range B position to a Senior Health Program Coordinator position, that will be responsible for overseeing healthcare navigation and homeless services; and
- Adding \$142,000 in expenditure authority in Other Professional Services to provide for additional physician services under the UC Davis Internal Medicine contract.

There is no net cost impact from all of these changes.

- \$73,000 to increase a Dietician position from 0.6 FTE to 1 FTE and provide for additional extra help staff for the Women, Infants and Children (WIC) Breastfeeding Peer Counseling program, that conducts high risk counseling of WIC participants at the Rancho Cordova and Oak Park sites. Funding will come from federal revenue.
- \$477,000 to add six positions to assist in implementing the new Statewide Child Welfare Digital System that will replace the existing Child Welfare Case Management System. The new system will be developed incrementally over the next few years, and the County will need to provide internal project management, testing of new functionality, training and support. The first module of the new system is scheduled to roll out to all counties at the end of 2017 or the beginning of 2018.
- \$293,000 to add two new positions to assist in implementation and meeting federal and State mandates related to the Avatar Electronic Health Record system. After adjusting for reimbursements, the net appropriation increase would be \$195,000.
- \$1,530,000 in the Mental Health Division to purchase approximately 376 workstations and 37 laptops to refresh existing workstation computers and monitors that are not able to support the Health & Human Services Information Technology Plan Upgrade project that is scheduled to begin in FY2017-18. Funding will come from State revenue. After adjusting

for reimbursements, the net increase in appropriations would be \$765,000.

- \$85,000 in the Alcohol and Drug Services Division to refresh 46 existing workstations and monitors that are not able to support the Department's Information Technology Plan Upgrade project. Funding will come from federal revenue.
- \$21,000 in the Public Guardian Conservator program to replace five desktop computers and five notebooks that are not able to support the Department's Information Technology Plan Upgrade project. This request will be funded by a one-time shift of funding from other expenditure accounts so there is no net increase in appropriations.
- The installation of C-cure card access control on 10 exterior and 12 interior doors at the Mental Health Treatment Center to meet certification for the Crisis Stabilization Unit. This expense will be funded by a one-time transfer of \$66,000 from the Other Operating Expense account so there is no net increase in appropriations.
- \$36,000 in the Public Health Emergency Preparedness program to reallocate one Health Program Coordinator position to a Senior Health Program Coordinator position to provide for the appropriate administration and management structure for this program. Funding will come from federal revenue.
- \$3,369,000 in the Health Education Unit reflecting the first year of funding the County will receive under a recently-awarded 3-year Dental Transformation Initiative (DTI) grant. This funding will be used to help build dental services capacity for children and bridge the gap between dental care and primary care in systems currently used by low income families. The Growth request includes \$2.1 million for contract provider funding and the addition of five new positions for oversight and management of the program. Funding will come from the federal grant.

In addition to the recommended Growth requests, Health & Human Services submitted 41 additional Growth requests totaling \$22.3 million in net appropriations (\$15.55 million Net County Cost). These requests are summarized in the Program Information section for this Budget Unit. No funding is recommended for these requests at this time because resources are not available.

Health Medical Treatment Payments

The Recommended Budget for Health – Medical Treatment Payments reflects a \$1.4 million (25%) reduction in appropriations, a \$1.2 million (29.7%) decrease in revenue and a \$190,000 (12.4%) decrease in Net County Cost. The primary reason for the decrease in appropriations and revenue are a \$1.2 million decrease in budgeted Low Income Health Program (LIHP) costs as a portion of these costs were paid in FY2016-17, and a \$200,000 reduction in California Children’s Services costs based on an anticipated reduction in demand for services.

Human Assistance – Administration

The Recommended Budget for Human Assistance – Administration reflects a \$2.58 million (0.8%) increase in appropriations, a \$3.4 million (1.1%) decrease in revenue and a \$6 million (43.1%) increase in Net County Cost. The primary reason for the increase in appropriations and Net County Cost is the inclusion of \$6.37 million in Growth requests. Excluding the recommended Growth requests, the Human Assistance – Administration Recommended Base Budget reflects a \$3.8 million (1.2%) reduction in appropriations, a \$5.5 million (1.8%) reduction in revenue and a \$1.7 million (12.2%) increase in Net County Cost.

The primary reason for the reduction in Base appropriations and revenue is an \$11.8 million reduction in CalWORKS Single Allocation revenue and a \$1.06 million reduction in the CalFresh Administration Allocation, partially offset by increases in other revenue sources, including an \$8.3 million increase in Medi-Cal revenue. Staff who previously charged their time to the CalWORKS Single Allocation and CalFresh Administrative Allocation will now charge their time to these new revenue sources, so no staffing reduction is required. To avoid a Net County Cost increase as a result of the reduction in revenue, the Recommended Budget includes a \$4.96 million reduction in CalWORKS funding for contracts and a \$1.06 million reduction in CalFresh funding for various contracts, including:

- A \$1.67 million reduction in funding for three contracts for emergency shelters for CalWORKS families (Next Move, Saint John’s Shelter and Volunteers of America). Because of a recent change in the Homeless Assistance Program (HAP) that increases eligibility for homeless assistance benefits for CalWORKS families from once-in-a-lifetime to once a year, CalWORKS families will likely have less need for emergency shelter beds (The Recommended Budget includes a Growth recommendation to fund these CalWORKS reductions with Net County Cost).

- A \$2.1 million reduction to Sacramento Employment and Training Agency (SETA) contracts that provide subsidized employment opportunities and One-Stop services for CalWORKS clients.
- A \$300,000 reduction to contracts with various community-based organizations that provide outreach to CalFresh clients.
- A \$246,000 reduction to the Sutter Health Adolescent Family Life program contract that provides coaching and counseling services to pregnant and parenting CalWORKS teens who are seeking a high school diploma.

As noted, the Recommended Human Assistance – Administration Budget includes \$6.3 million in funding for four Growth requests:

- \$6.17 million (\$4.1 million Net County Cost, including \$3.6 million in “Boomerang” funds – discretionary property tax revenue and asset sale proceeds received as a result of the dissolution of redevelopment agencies) to implement a number of initiatives as part of a comprehensive program to address homelessness in the community approved by the Board in FY2016-17. Those initiatives include:
 - Improve Family Crisis Response and Shelters. The County currently provides over \$2 million annually to support three family shelters that serve about 52 families a night. This initiative seeks to shelter more families with a focus on those who are literally homeless and includes the provision of support services. This initiative will serve an estimated 268 families annually in emergency shelters and 19 in transitional housing.
 - Preserve Mather Community Campus. Volunteers of America (VOA) provide transitional housing, employment services and recovery support for approximately 885 individuals and families at the Mather Community Campus. Facing the loss of federal Housing & Urban Development support for 211 residential units serving individuals and families in VOA’s Residential and Employment program, this initiative identifies replacement funding, including new County General Fund support to continue the operation of that program. It is important to maintain homeless programs at the former Mather Air Base as a condition of the conveyance of the Base property to the County.

- Full Service Re-Housing Shelter. To reach persons who are difficult to engage in services or serve in traditional shelters, the County will collaborate with a provider to open an innovative low-barrier shelter with re-housing services. The shelter would include 24-hour dormitory accommodations for up to 75 guests at a time, with consideration for partners, pets and possessions and include meals, showers and laundry facilities. On-site case management would focus on connecting participants to stable income, public benefits and permanent housing. The Shelter would serve up to 300 people annually.
- Flexible Supportive Re-Housing Program. This program will provide highly flexible re-housing and stabilization services to people who have experienced long-term homelessness, typically individuals with complex health and behavioral health conditions. The program will provide intensive case management services and housing-related property services. In addition to the services, housing assistance would be provided through a Limited Allocation of Housing Choice Vouchers from Sacramento Housing and Redevelopment Agency and through more flexible local rental assistance.
- \$100,000 in Net County Cost to provide funding to Serna Village to backfill a reduction in federal revenue to that organization. Serna Village requested \$250,000 in funding, but, with Mercy Housing, will be submitting an application to the Sacramento Housing & Redevelopment Agency (SHRA) for Project-Based Vouchers that would fully cover Serna Village's operating costs, including the lost federal funding. The \$100,000 in funding included in the Recommended Budget would backfill the loss of federal funds for the first four months of the fiscal year, pending a decision on the allocation of the Project-Based Vouchers.
- \$100,000 in Net County Cost to provide additional funding to Community Link - Capital Region to help cover a shortfall in funding for the 211 system that provides information to callers about social services programs and services. Community Link requested \$150,000 in funding from the County, but we are recommending \$100,000, which will match the additional funding provided by the City of Sacramento.
- Funding to the Sheriff's Department to upgrade security services at the Department's Fulton Avenue Office to maintain client safety and facility security. The cost of the upgraded security services is \$475,000 and

will be funded by reallocating resources from other budget areas. There is no net increase in appropriations due to this Growth request.

In addition to the Recommended Growth requests, the Human Assistance-Administration requested budget included one additional Growth request for \$14,615 in Net County Cost to support its employee recognition celebration. No funding is recommended for this request at this time because resources are not available.

Human Assistance – Aid Payments

The Recommended Human Assistance – Aid Payments Budget reflects a \$17.1 million (4.6%) increase in appropriations, a \$16.03 million (4.6%) increase in revenue and a \$1.08 million (5.5%) increase in Net County Cost. The primary reasons for the increase in appropriations and revenue are an \$11.9 million increase in costs associated with the repeal of the CalWORKs Maximum Family Grant Rule, a CNI (cost of living) increase for Foster Care provider payments and Foster Care cost increases associated with Phase I of Continuum of Care Reform. The Maximum Family Grant Rule denied CalWORKS eligibility for new children born after initial eligibility had been established. This rule was repealed effective January 1, 2017, thus making more children and their families eligible for a CalWORKS grant.

IHSS Provider Payments

The Recommended Budget for IHSS Provider Payments reflects a \$1.86 million (2.1%) increase in appropriations, a \$2.8 million (3.4%) increase in revenue and a \$952,000 (26.3%) decrease in Net County Cost. The primary reason for the increase in appropriations and revenue is the 3.5% increase in the County's IHSS Maintenance of Effort (MOE) requirement. The reduction in Net County Cost reflects the allocation of additional Social Services Realignment revenue to this Budget Unit.

As part of his Recommended FY2017-18 State Budget, as modified by his May Revise, the Governor proposes to end the Coordinated Care Initiative and eliminate the County's current IHSS MOE cap. If approved by the Legislature as currently proposed, the Governor's proposal would:

- Increase the counties FY2017-18 MOE cap by \$592 million statewide;
- Partially mitigating the impact of that increase on counties by providing a State General Fund offset of \$400 million in FY2017-18, \$330 million in FY2018-19, \$200 million in FY2019-20 and \$150 million a year starting in FY2020-21;

- Replace the existing 3.5% annual MOE increase with a new MOE inflator amount: up to 5% in FY2018-19 and up to 7% in FY2019-20 and beyond, with downward adjustments for no or reduced sales tax growth;
- Redirect all 1991 Realignment Vehicle License Fee sales tax Growth that currently helps fund the Mental Health and Health Realignment accounts from those accounts to IHSS for the first three years, and then redirect half of all that revenue toward IHSS in each of the following years;
- Redirect 1991 Realignment Sales Tax Growth after caseload Growth is funded;
- Hold the counties harmless for the potential negative impact of the Board of Equalization error in allocating Proposition 172 and Realignment revenues; and
- Suspend the counties' statutory 3.5% annual increase in Institutions for Mental Disease (IMD) rates in any year in which the Realignment Mental Health Subaccount does not receive its full Growth allocation.

At this point it is not clear if the Governor's proposal will be approved by the Legislature and, if it is, what the impact will be on Sacramento County in FY2017-18 and in future years. The California State Association of Counties (CSAC) developed a very preliminary estimate of a net impact on all counties of \$9.9 million in FY2017-18, growing to \$152 million in FY2019-20, but this analysis is being refined and the impact on each county will vary depending on a variety of factors, including things like Realignment Growth budgeting practices. The County's FY2017-18 Recommended Budget does not reflect any impact from the Governor's IHSS MOE proposal and thus, adjustments may be required at final budget adoption in September.

Juvenile Medical Services

The Recommended Budget for Juvenile Medical Services reflects a \$1.9 million (24.8%) increase in appropriations, a \$3.3 million (276.3%) increase in revenue and a \$1.35 million (20.4%) decrease in Net County Cost. The primary reason for the increase in appropriations and revenue and the decrease in Net County Cost is the shift of funding for the Medi-Cal Managed Care Intergovernmental Transfer (IGT) from the Health & Human Services Budget Unit to this Budget Unit. Under the Medi-Cal Managed Care IGT, the County provides match dollars to the State, which the State uses to claim additional federal Medi-Cal revenue for services provided to eligible patients by the County, resulting in the County receiving back both our match money and the additional federal revenue which must be used to provide healthcare

services – a net benefit to the County in FY2017-18 of approximately \$1.1 million.

The requested budget for Juvenile Medical Services includes five additional Growth requests, totaling \$15,084 in Net County Cost. These requests are summarized in the Program Information section for this Budget Unit. No funding is recommended for these requests at this time because resources are not available.

Probation

The Recommended Budget for Probation reflects an \$8.26 million (5.7%) increase in appropriations, a \$5.14 million (6.3%) increase in revenue and a \$3.1 million (4.9%) increase in Net County Cost. The primary reasons for the increase in appropriations are increased salary and benefit costs for existing staff, including a \$2 million increase in training and educational differentials that was unintentionally not included in prior year budgets, and the increase in allocated costs from internal services departments. The primary reason for the increase in revenue is an increase in SB 678 revenue.

The Recommended Budget also includes funding for five Growth requests, totaling \$3.2 million, all funded by additional SB 678 revenue or other grant revenue:

- \$2,579,000 to implement a new Adult Offender Supervision Model in response to recommendations made in the Adult Correctional System Review. This new Supervision Model will prioritize supervision and services for all high-risk probationers in the first six months to a year of probation, with a view to reducing offender recidivism. This model will involve the addition of 11 new positions, the reallocation of 12 existing positions from Juvenile Probation due to the reduced population in the Youth Detention Facility, the purchase of seven vehicles, and additional building lease and contract costs.
- \$450,000 to purchase and service 40 Mobile Data Terminals (MDTs) to be installed in Juvenile and Adult Probation vehicles to allow Probation Officers in the field to communicate via radio and computer. This also includes funding for maintenance and dispatch support from the Department of Technology and the Sheriff's Department.
- \$126,000 to upgrade 11 class 124 (undercover) vehicles scheduled for replacement to class 154 (Sport Utility Vehicles), to better meet the needs of Probation Officers in the field.

- \$59,000 to purchase one new Sports Utility Vehicle to support the Foster Parent Recruitment, Retention and Support (FPRRS) program.
- The deletion of two Legal Transcriber, four Office Assistant 2 and one Account clerk positions and the addition of two Administrative Services Officer 1, and two Administrative Services Officer 2 positions to provide for enhanced contract administration, budgeting, and other administrative duties. The net result of these reallocations will be a reduction of one position and a \$4,245 reduction in Net County Cost.

The FY2016-17 Adopted Budget included approximately \$7.95 million in SB 678 revenue. In FY2017-18, the Department estimates the County will receive \$15.53 million, for an increase of \$7.58 million. This SB 678 revenue is comprised of two components:

- \$11.9 million based on the County's probationer return-to-prison rate. Sacramento's return to prison rate is currently 4.5%, which puts us in the middle of the State's Category 3 – 3.2% to 5.5%.
- \$3.63 million based on the County's return-to-prison performance compared to the prior year.

In future years, the amount of SB 678 revenue the County will receive could increase or decrease if our return-to-prison rate were to change significantly and we were to move to a higher or lower State category or we do not continue to demonstrate an equivalent annual improvement in our return-to-prison rate. The latter category, in particular, has the potential to be volatile.

The FY2017-18 Recommended Budget for the Probation Department includes \$14.27 million in SB 678 revenue: \$11.17 million to cover Base Budget costs and \$3.1 million to fund the Growth requests described above. The remaining \$1.26 million in SB 678 revenue will be held in reserve in the SB 678 Trust Fund to be used as a hedge against potential future reductions in SB 678 revenue.

Public Defender

The Recommended Budget for the Public Defender reflects a \$281,000 (0.8%) increase in appropriations, a \$218,000 (13.4%) decrease in revenue and a \$499,000 (1.6%) increase in Net County Cost. The primary reason for the increase in appropriations is increased salary and benefit costs for existing employees, partially offset by the elimination of one vacant grant-funded Attorney position. The projected reduction in revenue reflects the elimination of \$80,000 in Co-occurring Mental Health Grant revenue and the loss of

\$130,000 in fee revenue due to the decision by the Board in FY2016-17 to discontinue assessment of certain Juvenile offender representation fees.

The Public Defender's requested budget included two additional Growth requests for attorneys totaling \$435,000 in Net County Cost. These requests are summarized in the Program Information section for this Budget Unit. No funding is recommended for these requests at this time because resources are not available.

Repayment of Interfund Transfers

The Recommended Non-departmental Costs Budget Unit includes a \$5,270,267 appropriation to repay part of the outstanding balance of monies borrowed from other funds during the Great Recession. This is the same amount included in the FY2016-17 Adopted Budget. With this repayment, the outstanding balance at the end of FY2017-18 will stand at approximately \$33.5 million.

FY2017-18 will represent the ninth year since the General Fund first borrowed money from the other funds and the sixth year since the last borrowing took place. The total amount borrowed was \$77.7 million and, although \$38.9 million of that amount has been repaid, there is a concern that there is still an outstanding balance of this magnitude and that we are not able to repay the other funds on a consistent schedule. Given this situation, staff is proposing an Interfund Transfer Repayment Plan that commits the County to repaying the full amount of the Interfund Transfers on a six year schedule. As noted, the FY2017-18 Recommended Budget includes a \$5,270,267 repayment. Under the proposed Repayment Plan, the County would commit to a \$6,697,901 annual repayment starting in FY2018-19 and full repayment would be complete by the end of FY2022-23.

OTHER FUNDS

Economic Development Fund

The Recommended Budget for the Economic Development Fund reflects a \$2 million (3.9%) reduction in appropriations, an \$816,000 (2%) increase in revenue and a \$2.8 million (25.4%) reduction in the use of fund balance. The primary reason for the reduction in appropriations is a reduction in environmental clean-up activity at both the McClelland and Mather sites.

Airport System Fund

The Recommended Budget for the Airport System Fund reflects a \$40.78 million (14%) reduction in appropriations, a \$3.35 million (1.6%) reduction in revenue and a \$37.43 million (46%) reduction in the use of fund balance. The primary reason for the reduction in appropriations is the completion of a number of major capital improvement projects in FY2016-17, including:

- The rehabilitation of Taxiway D and the Connections to Runway 16L (\$32 million);
- Concourse A furniture and renovations (\$4.8 million);
- West Apron improvements (\$2.9 million); and
- Oxidation Pond remediation (\$2.5 million).

The Recommended Budget also includes funding for one Growth request: \$523,000 to contract for additional security services from the Sheriff's Department.

Metro Air Park CFD Fund

The Recommended Budget for the Metro Air Park CFD Fund reflects a \$9.8 million (198.7%) increase in appropriations, a \$2 million (675%) increase in revenue and a \$7.8 million (168%) increase in the use of fund balance. The primary reason for the increase in appropriations is the collection of delinquent assessments during FY2016-17 and FY2017-18, providing resources to fund additional projects in FY2017-18. These projects will be determined in consultation with the affected developer groups.

McClellan Park CFD Fund

The Recommended Budget for the McClellan Park CFD Fund reflects a \$12.4 million increase in appropriations, a \$12.3 million increase in revenue and \$53,000 increase in the use of fund balance. The primary reason for the increase in appropriations is the inclusion of expenditures and revenues related to the potential issuance of a third series of bonds for this Community Facilities District (CFD), estimated to be approximately \$12 million.

Capital Construction Fund

The Capital Construction Fund (CCF) provides for major construction projects as well as minor alterations, improvements and major equipment replacement

in County-owned facilities. In recent years, the CCF has also become a source of payment for various debt service obligations. The FY2016-17 CCF budget included approximately \$2.8 million in debt service costs for the Jail and the Animal Care Facility. For FY2017-18, these debt service costs are appropriately allocated to the Sheriff and Animal Care and Regulation Departments.

The CCF Recommended Budget for FY2017-18 includes appropriations of \$63.05 million, an \$8.87 million (16.4%) increase from the FY2016-17 Adopted Budget level. The increase in appropriations is due to increases and decreases in funding for different capital projects. Major projects in the Recommended Budget include: the Rio Cosumnes Correctional Center (RCCC) Campus Expansion and Infrastructure (SB1022) project, the replacement of the roof at the John M. Price District Attorney Center, replacement of the roof at the General Services Warehouse, upgrading the Community Room and Americans with Disability Act (ADA) improvements at the Agricultural Commissioner Building, replacing the roof and heating, ventilating and air conditioning units at the Registrar of Voters building, the Galt Library addition, and replacing the roof and the Housing Cell Noise Level Monitoring System at the Main Jail.

Department of Technology Fund

The Recommended Budget for the Department of Technology (DTech) Fund reflects an \$8.68 million (10%) increase in appropriations, and revenue. The primary reasons for the increase in appropriations are increased salary and benefit costs for existing employees, the increase in allocated costs from other internal services departments, approximately \$3 million in costs associated with the assumption by DTech of responsibility for providing technology services to the Probation Department that was approved by the Board during FY2016-17, including the net transfer of 17 positions from Probation to this Fund (20 positions were transferred and three were deleted), increased software maintenance costs and an increase in funding for contractors for projects for various departments.

The Recommended Budget also includes funding for one Growth request: \$410,000 to add one Senior Information Technology Analyst position and cover other costs related to the purchase of 40 Mobile Data Terminals by the Probation Department. Funding will come from charges to the Probation Department's budget.

In addition to the Recommended Growth request, the Department of Technology also submitted 10 additional Growth requests totaling \$1.57 million. These Growth requests are summarized in the Program Information

section for this Budget Unit. No funding is recommended for these requests at this time because resources are not available.

General Services

The Recommended Budget for General Services reflects a \$15.8 million (9.2%) decrease in appropriations, a \$14.7 million (8.7%) decrease in revenue and a \$1.176 million (38.9%) decrease in use of fund balance. The primary reason for the reduction in appropriations and revenue is an \$18.19 million reduction in appropriations and revenue due to the movement of the Construction Management & Inspection Division (CMID) from the General Services Department to the new Development and Code Services Fund, which will be administratively under the new Office of Development & Code Services. This is consistent with the reorganization approved by the Board during FY2016-17 that eliminated the Department of Community Development and created a new Office of Development & Code Services, to include CMID, reporting to a new Deputy County Executive for Public Works and Infrastructure.

If the transfer of the CMID function is factored out, the Recommended General Services budget reflects a \$2.3 million increase in appropriations. This increase is due primarily to salary and benefit cost increases for existing employees and rent and utility cost increases. The Recommended Budget also includes funding for one Growth request; \$110,000 to add a Real Estate Officer II position to deal with the increased workload associated with new leases, renewals, extensions, terminations.

Parking Enterprise Fund

The Recommended Budget for the Parking Enterprise Fund reflects a \$2.2 million (39.3%) reduction in appropriations, a \$178,000 (5.9%) reduction in revenue and a \$2 million reduction in the use of fund balance. The primary reasons for the reduction in appropriations are a \$1.36 million decrease in costs for the third year of the five-year maintenance/repair projects program for the downtown public and employee parking garages, the completion of \$625,000 in one-time costs in FY2016-17 for the new Parking Access and Revenue Control System (PARCS) for the downtown public parking garages, and a \$188,000 reduction in event parking expenses compared to the amount in the FY2016-17 Adopted Budget. The primary reason for the projected reduction in revenue is a revised estimate of the amount of event parking revenue the County will receive.

Park Construction Fund

The Recommended Budget for the Park Construction Fund reflects a \$3.6 million (99.8%) reduction in appropriations, a \$3.3 million (99.8%) reduction in revenue and a \$344,000 (99.8%) reduction in the use of fund balance. The primary reason for the decrease in appropriations and revenue is the completion of a number of major capital projects in FY2016-17, including land acquisition in the American River Parkway and for the Farm to Futures project, the Wilton Restroom construction project, and the Soil Born Farms project.

The requested budget for the Park Construction Fund included two additional Growth requests totaling \$1.08 million, to be funded by a reimbursement from the Regional Parks Budget (so there would be no net increase in appropriations in this fund). These requests are also included as Net County Cost Growth requests in the Regional Parks Budget Unit. No funding is recommended for these requests at this time because resources are not available.

Golf Fund

The Recommended Budget for the Golf Fund reflects a \$454,000 (5.6%) reduction in appropriations and an \$82,000 (1%) reduction in revenue. The primary reason for the reduction in appropriations is that the Recommended Budget includes a \$441,000 contribution from the General Fund that is accounted for as a reimbursement, thus effectively reducing appropriations. The Golf Fund is projected to end FY2016-17 with a negative fund balance of \$334,000 due largely to revenue reductions related to winter weather conditions. This General Fund contribution will make up that negative fund balance and provide resources to backfill the projected reduction in revenue in FY2017-18. Without this General Fund contribution, the Golf Fund would have to make significant expenditure reductions, which would further negatively impact revenue collection, thus setting the fund on what would essentially be a downward spiral.

Transportation Fund/Roads Fund

Over the last four years, the Roads Fund has experienced an \$11 million decrease in Gas Tax revenue. Gas Tax revenue is used to fund capital projects in the Roads Fund and is transferred to the Transportation Fund to cover the cost of road maintenance staff and other operating costs. During this period, the Transportation and Roads Funds' fund balances were spent down to help offset the impact of this revenue decrease, while maintaining programs and road maintenance levels. At the end of FY2016-17, the Transportation Fund balance is projected to be approximately \$7 million and the Roads Fund balance is projected to be approximately \$3 million. This \$10 million is the

minimum balance the Transportation Department has determined is necessary to cover cash flow needs throughout the year and to maintain adequate reserves to deal with unanticipated cost increases or revenue decreases.

As the Transportation Department prepared its FY2017-18 requested budget, there was a shortfall of \$6.5 million to maintain current staffing and programs. This shortfall would have resulted in reductions in services and staffing, including capital and road maintenance project delays or reductions. The passage of SB 1 – the transportation funding bill - by the Legislature in April of 2017 will provide the necessary funding to avoid this shortfall in FY2017-18. The Recommended Budget includes \$6.5 million in additional revenue due to SB 1. Over the next three to four years, it is estimated that revenue to the Roads Fund from SB 1 could rise to over \$20 million annually.

The Roads Fund budget includes a General Fund contribution of \$1.4 million to help fund road maintenance activities, the same amount provided in FY2016-17. The Roads Fund budget also includes a General Fund contribution of \$584,000 to cover the second year of funding for the I-80/Buffwood Way Sound Wall/Engle Road Pavement Overlay projects.

Development & Code Services Fund

This is a new Budget Unit that includes appropriations and revenue related to the Site Improvement & Permits, Building Inspection, Special Districts and Surveys functions that were previously part of the Community Development Budget Unit in the General Fund and the Construction Management & Inspection Division (CMID), which was previously part of the General Services Internal Services fund budget. In FY2016-17, the Board approved a reorganization plan that eliminated the Department of Community Development and established an Office of Development and Code Services, including those functions in the Development & Code Services Fund, reporting to the Deputy County Executive for Public Works and Infrastructure.

The Recommended Budget for Development & Code Services reflects appropriations and revenue of \$42.17 million. Compared to the budget for these functions in the old Community Development and General Services Department Budget Units, this represents a \$489,000 (1.2%) increase in appropriations and a \$690,000 (1.7%) increase in revenue. The primary reason for the increase in appropriations is increased salary and benefit costs for existing employees and funding for two Growth requests:

- \$675,000 to add four Building Inspectors and one Supervising Building Inspector to deal with increased building permit activity,

funded by additional building permit revenue from the Building Inspection Fund; and

- \$106,000 to purchase additional vehicles for use by building inspectors, funded by additional building permit revenue.

Transportation Sales Tax Fund

The Transportation Sales Tax Fund provides financing for public road improvements in the unincorporated County using funds derived primarily from Measure A transportation sales tax revenue.

The Recommended Budget for the Transportation Sales Tax Fund reflects an \$8.86 million (24.1%) reduction in appropriations, a \$9.17 million reduction in revenue and a \$310,000 (92.4%) increase in the use of fund balance. The primary reason for the decrease in appropriations and revenue is the completion of a number of capital projects in FY2016-17, including the Howe Avenue Safe Route to Schools project, the State Route 50 Watt Avenue – Folsom Interchange Project and various accessibility improvements.

The Recommended Transportation Sales Tax Fund budget includes approximately \$27.8 million in funding for a number of projects, including Hazel Avenue – Phase 2, Garfield Avenue Bike and Pedestrian Improvements and the Countywide Sidewalk Project Phases 1 and 2.

Solid Waste Enterprise Fund

The Recommended Budget for the Solid Waste Enterprise Fund reflects a \$6.8 million (8.8%) increase in appropriations, a \$3.5 million (4.8%) increase in revenue and a \$3.3 million (91.6%) increase in the use of fund balance. The primary reasons for the increase in appropriations are increased salary and benefit costs for existing employees, the increase in allocated costs from internal services departments, and increases in equipment leasing and maintenance costs and landfill improvement costs, including remediation activities. The projected increase in revenue is due primarily to increases in tonnage disposed at Kiefer Landfill and the North Area Recovery Station and an increase in contract revenue for garbage collection in the South area.

The Recommended Budget also includes one Growth request: A \$121,000 contribution to the Regional Parks Department to help fund the clean-up of illegal dumping in the American River Parkway as part of the Regional Park's Department's Debris Removal and Visitor Service Expansion Pilot Program Growth request.

Solid Waste Enterprise Capital Outlay Fund

The Recommended Budget for the Solid Waste Enterprise Capital Outlay fund reflects a \$8.06 million (101.1%) reduction in appropriations, a \$25,000 (25%) increase in revenue and an \$8.08 million (102.7%) reduction in the use of fund balance. The primary reasons for the decrease in appropriations are the completion of certain projects and equipment purchases in FY2016-17, and a \$3 million increase in reimbursements from the Solid Waste Enterprise Fund, which is accounted for as a reduction in appropriations. Projects included in the FY2017-18 Recommended Budget for this Fund include \$6 million to replace the current Equipment Maintenance Facility and \$3.4 million for the replacement of garbage collection trucks.

Water Agency Zone 11 – Drainage Infrastructure Fund

The Recommended Budget for the Water Agency Zone 11 – Drainage Infrastructure Fund reflects a \$7.2 million (38.3%) increase in appropriations, a \$2.3 million (23.2%) increase in revenue and a \$4.9 million (55.2%) increase in the use of fund balance. The primary reason for the increase in appropriations is the timing of capital projects, including the Southgate Project, home elevations and landscaping along upper Gerber Creek and Vineyard Creek development capital projects. The projected increase in revenue is due to anticipated increases in development and drainage permit fees.

The Recommended Budget for the Water Agency Zone 11- Drainage Infrastructure Fund includes one additional Growth request to pay \$248,000 to the Water Agency for the services of a new Environmental Program Manager 2 position to help the County comply with the provisions of the Groundwater Management Act.

Water Agency Enterprise Fund

The Recommended Budget for the Water Agency Enterprise Fund reflects a \$3 million (3.2%) decrease in appropriations, a \$3.6 million (4.6%) reduction in revenue and a \$598,000 (3.5%) increase in the use of fund balance. The primary reason for the decrease in appropriations is the completion of the NSA Pipeline Phase 1 project. The primary reason for the projected decrease in revenue is an estimated reduction in water resale revenue and the receipt of less construction grant revenue from the State.

The Recommended Water Agency Enterprise Fund budget includes one additional Growth request to add a Program Manager 2 position at a cost of

\$180,000 that would be paid for by a contribution from the Water Agency Zone 11 – Drainage Infrastructure Fund as described above.

Water Resources

The Recommended Budget for the Water Resources Department reflects a \$3.07 million (7.1%) reduction in appropriations, a \$137,000 (0.4%) reduction in revenue and a \$2.94 million (40.2%) reduction in the use of fund balance. The primary reason for the decrease in appropriations is the completion of the Elder Creek Phase 4 and D45 Franklin/Morrison Storm Drain Pump Station projects.

The Recommended Water Resources Budget includes one additional Growth request: \$163,000 to add one Safety Specialist position and vehicle to assist with water supply operation and maintenance and safety needs.

Environmental Management

The Recommended Budget for Environmental Management reflects a \$407,000 (1.9%) increase in appropriations, a \$567,000 (3%) increase in revenue and a \$161,000 (6.1%) decrease in the use of fund balance. The primary reason for the increase in appropriations is the inclusion of funding for four Growth requests totaling \$573,000:

- \$503,000 to add three Environmental Specialist and one Environmental Technician positions to meet workload demands due to a greater number of permitted food and pool facilities, an increase in the number of submitted plan checks and program enhancements such as the Green-Yellow-Red placarding of mobile food trucks. Extra help support and overtime pay is also included in this Growth request.
- \$10,000 to fund a student intern to gather financial information from the Department's billing software in order to reconcile prior records for approximately 1,500 accounts.
- \$26,000 to fund a student intern to help with Public Records Act (PRA) requests and to purchase equipment needed for special gas and chlorine monitoring.
- \$34,000 to purchase a two door extended cab truck (vehicle class 131) with all-terrain tires for use in conducting inspections related to the stormwater pollution prevention program at light industrial sites.