

**FY2018-19 Budget Recommended for Adoption
SELECTED SIGNIFICANT CHANGES – APPROVED TO ADOPTED**

GENERAL FUND

Increase in Budgeted Cost of Living Adjustment for County Employees

When the Approved Budget was prepared, the County was operating under the terms of collective bargaining agreements scheduled to expire on June 30, 2018, and was in the process of negotiating new collective bargaining agreements with all 30 bargaining units. In anticipation of the outcome of those negotiations, the Approved Budget generally reflected a 2% cost of living adjustment (COLA) for all employees. The County has now reached agreement on new contracts with most bargaining units and FY2018-19 COLAs are coming in at 4% for Safety employees (e.g., Sheriff's Deputies, Probation Officers, District Attorney Investigators) and 3% for non-Safety employees. The Adopted Budget includes a total \$11.1 million increase in appropriations (\$9.1 million increase in Net County Cost) in General Fund budget units to cover the cost of the higher COLAs. The COLA-related adjustment for each General Fund budget unit is shown in the table on the following page.

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FY 2018-19 Cost of Living Adjustment

Department	Appropriations	Revenues	Net County Cost
ASSESSOR	\$ 149,954	\$ -	\$ 149,954
BOARD OF SUPERVISORS	\$ 23,511	\$ -	\$ 23,511
DISTRICT ATTORNEY	\$ 804,806	\$ -	\$ 804,806
SHERIFF	\$ 4,850,946	\$ -	\$ 4,850,946
SUBTOTAL - ELECTED OFFICIALS	\$ 5,829,217	\$ -	\$ 5,829,217
CIVIL SERVICE COMMISSION	\$ 2,240	\$ -	\$ 2,240
CLERK OF THE BOARD	\$ 11,727	\$ -	\$ 11,727
COUNTY COUNSEL	\$ 130,160	\$ -	\$ 130,160
COUNTY EXECUTIVE	\$ 7,310	\$ -	\$ 7,310
COUNTY EXECUTIVE CABINET	\$ 62,418	\$ -	\$ 62,418
CRIMINAL JUSTICE CABINET	\$ 228,731	\$ 228,574	\$ 157
EMERGENCY SERVICES	\$ 8,576	\$ -	\$ 8,576
OFFICE OF LABOR RELATIONS	\$ 8,263	\$ -	\$ 8,263
PLANNING AND ENVIRONMENTAL REVIEW	\$ 73,710	\$ -	\$ 73,710
SUBTOTAL - GENERAL GOVERNMENT	\$ 533,135	\$ 228,574	\$ 304,561
DEPARTMENT OF FINANCE	\$ 153,676	\$ 88,540	\$ 65,136
DEPARTMENT OF REVENUE RECOVERY	\$ 42,973	\$ 42,973	\$ -
PERSONNEL SERVICES	\$ 313,832	\$ -	\$ 313,832
VOTER REGISTRATION/ ELECTIONS	\$ 41,061	\$ -	\$ 41,061
SUBTOTAL - ADMINISTRATIVE SERVICES	\$ 551,542	\$ 131,513	\$ 420,029
AG COMM-SEALER OF WTS & MEASURES	\$ 31,889	\$ -	\$ 31,889
ANIMAL CARE AND REGULATION	\$ 39,043	\$ -	\$ 39,043
REGIONAL PARKS	\$ 86,268	\$ -	\$ 86,268
SUBTOTAL - MUNICIPAL SERVICES	\$ 157,200	\$ -	\$ 157,200
CODE ENFORCEMENT	\$ 74,812	\$ -	\$ 74,812
SUBTOTAL - PUBLIC WORKS AND INFRASTRUCTURE	\$ 74,812	\$ -	\$ 74,812
CHILD, FAMILY AND ADULT SERVICES	\$ 198,470	\$ 198,470	\$ -
CONFLICT CRIMINAL DEFENDERS	\$ 4,600	\$ -	\$ 4,600
CORONER	\$ 58,199	\$ -	\$ 58,199
CORRECTIONAL HEALTH SERVICES	\$ 113,693	\$ -	\$ 113,693
HEALTH SERVICES	\$ 378,587	\$ 89,309	\$ 289,278
HUMAN ASSISTANCE-ADMIN	\$ 1,417,777	\$ 1,357,841	\$ 59,936
JUVENILE MEDICAL SERVICES	\$ 33,450	\$ -	\$ 33,450
PROBATION	\$ 1,367,472	\$ -	\$ 1,367,472
PUBLIC DEFENDER	\$ 365,976	\$ -	\$ 365,976
SUBTOTAL - SOCIAL SERVICES	\$ 3,938,224	\$ 1,645,620	\$ 2,292,604
TOTAL GENERAL FUND DEPARTMENTS	\$ 11,084,130	\$ 2,005,707	\$ 9,078,423

Selected Non-Cost of Living Adjustment Related Changes

District Attorney

The District Attorney's Adopted Budget reflects a net \$150,000 reduction in appropriations due to the deletion of one vacant Information Technology Division Chief position and the reclassification of two Supervising Information Technology Analyst positions to Information Technology Manager positions.

Sheriff

The Sheriff's Adopted Budget reflects the loss of \$5.2 million in Immigration and Customs Enforcement (ICE) revenue due to the cancellation of the contract to house ICE detainees, offset by an equivalent increase in Net County Cost, a \$1.8 million reduction in appropriations and Net County Cost to account for an abatement (reduction) of Workers Compensation charges to the Department, a \$300,000 increase in appropriations and revenue due to the receipt of additional Internet Crimes Against Children (ICAC) grant revenue and the re-budgeting of \$90,000 in appropriations and revenue due to the timing of spending on the Tactical Vehicle Radio project.

The Sheriff's budget also includes \$3.8 million to fund two Growth requests to commence the implementation of improvements at the Main Jail and the Rio Cosumnes Correctional Center (RCCC). This will provide approximately half a year's funding to add 51 FTE positions, including:

- Two Lieutenants in the Main Jail, one of whom will be assigned as Compliance Unit commander;
- Eight Sergeants, two of whom will be assigned to the Classification Unit, two who will serve as Shift Supervisors and four who will provide supervision in the Medical Units;
- Five Deputies who will be assigned to the Classification Unit; and
- 36 Sheriff's Record Officers, who will be assigned to facility control points, to free up Deputies to provide additional supervision of inmates in housing units and elsewhere in the jails.

These Growth requests will be partially funded by a reimbursement of \$505,000 in AB109 Realignment revenue, resulting in a \$3,380,000 increase in appropriations and Net County Cost. In future years, the annualized cost of these Growth requests will be approximately \$7.6 million.

In addition, the Sheriff's budget includes \$1.14 million to fund a Growth request for six Security Officer positions to provide enhanced security at Department of Human Assistance offices. This Growth request will be funded

by a reimbursement from the Human Assistance – Administration budget unit, resulting in no change in appropriations.

Appropriation for Contingency

The Adopted Budget includes an \$803,707 increase in the Appropriation for Contingency to restore the General Fund Contingency to the \$1,986,199 included in the June Recommended Budget. At June Budget Hearings, the Board reduced the Contingency by \$803,707 to fund additional Growth requests and backfill programs reduced due to reductions in categorical revenue.

Clerk of the Board

The Adopted Budget includes the re-budgeting of \$31,905 in appropriations and revenue due to the timing of spending on FY2017-18 Public Education and Government (PEG) grant-funded projects and \$58,841 in new appropriations and revenue for FY2018-19 PEG grant-funded projects.

County Executive Cabinet

The Adopted Budget includes a \$100,000 increase in appropriations and Net County cost to reflect the addition of two Administrative Services Officer (ASO) II positions and the reduction in one CEO Management Analyst II position. One of the additional ASO II positions will be offset by the reduction of an equivalent position in Economic Development as part of the transfer of responsibility for the administration of the Transient Occupancy Tax (TOT) grant program from Economic Development to the Office of Budget & Debt Management. The addition of the other ASO II position and the reduction in the CEO Management Analyst II position in the Office of Budget & Debt Management are offset by the reduction of another ASO II position and the addition of a Senior Administrative Analyst position in Economic Development. This will provide Economic Development with the enhanced analytical capabilities it needs, and allow the Office of Budget & Debt Management to assign certain budget and fiscal support functions to a position with the appropriate classification. The \$100,000 increase in Net County Cost is offset by an equivalent reduction in the General Fund transfer of TOT revenue to the Economic Development Fund.

Emergency Services

The Adopted Budget includes a \$665,000 increase in appropriations and revenue for flood fighting supplies and equipment funded by a grant from the California Department of Water Resources. This increase in appropriations is

partially offset by a \$16,220 reduction in lease costs related to the expansion of the County's Emergency Operations Center.

Financing – Transfers/Reimbursements

The Adopted Budget includes the following adjustments:

- A \$100,000 reduction in the transfer of General Fund resources (TOT revenue) to the Economic Development Fund, due to the shifting of responsibility for administering the TOT program (and an Administrative Services Officer II position) from the Office of Economic Development to the Office of Budget & Debt Management.
- A \$30,113 reduction in the Transfer of General Fund resources (TOT revenue) to the TOT Fund as the result of an increased available balance in the TOT Fund.
- A \$30,000 increase in the Transfer of General Fund resources to the Economic Development Fund to provide additional funding for the Property and Business Improvement District (PBID) Academy; the Approved Budget included \$49,000 for this purpose, but Economic Development determined that a total of \$79,000 would be needed.
- A \$211,000 transfer of General Fund resources to the Water Agency-Zone 13 Fund to provide the General Fund's share of costs for the WaterFix litigation, based on an analysis of the appropriate share of the cost that can be paid for by Water Resources.

Non-departmental Costs

The Adopted Budget includes the following adjustments:

- The re-budgeting of \$1 million in appropriations and Net County Cost for the County's contribution to the Mather Veterans Village project due to the timing of spending on that project.
- The re-budgeting of \$50,000 in appropriations and Net County Cost for Measure A planning due to the timing of spending on that project.
- A \$250,000 increase in appropriations and Net County Cost to fund a Growth request to prepare a Library Master Plan for the unincorporated County.

Personnel Services

The Adopted Budget includes the following adjustments:

- A \$134,000 increase in appropriations and revenue associated with transferring a Senior Personnel Specialist position to Personnel Services from the Sacramento County Employee Retirement System (SCERS) and reclassifying that position as a Senior Personnel Analyst. This will address a request from SCERS to provide dedicated human resources analytical support.
- A \$405,000 reduction in revenue and increase in Net County Cost due to collecting revenue in excess of expenditures in FY2017-18. This excess revenue will be rebated to the appropriate departments in FY2018-19 as a reduction in charges.

Animal Care and Regulation

The Adopted Budget includes an additional \$28,047 in appropriations and revenue to fund one Growth Request to provide additional emergency and specialty medical care to animals at the Shelter. Funding will come from donation revenue.

Regional Parks

The Adopted Budget includes the following adjustments:

- A \$187,262 reduction in appropriations and revenue due to a decrease in the contract for ranger patrol services provided to the Regional Sanitation District.
- The re-budgeting of \$56,409 in appropriations and revenue for the purchase of two Gator tractors due to the timing of spending for this purchase. Funding will come from the Regional Sanitation District.
- The re-budgeting of \$86,000 in appropriations and Net County Cost for outfitting of Ranger patrol vehicles due to the timing of spending for this project.
- The re-budgeting of \$140,660 in appropriations and Net County Cost for the demolition of the Paige property due to the timing of spending for this project.
- A \$50,000 increase in appropriations and revenue to fund a one-time Growth request to provide additional debris clean-up services in the

American River Parkway. Funding will come from a Regional Sanitation District grant.

Code Enforcement

The Adopted Budget includes the re-budgeting of \$100,000 in appropriations and revenue for the purchase of security cameras due to the timing of spending for this purchase. Funding will come from SWA contract revenue.

Child, Family and Adult Services

The Adopted Budget includes the following adjustments:

- A \$100,000 increase in appropriations and revenue to fund \$50,000 contract increases for Wind Youth Services and Court Appointed Special Advocates for services benefitting transition age youth. These contract increases were approved by the Board in June 2018. Funding will come from the Children's Trust Fund.
- A \$419,615 increase in appropriations and revenue to fund the Sacramento Housing and Redevelopment Agency (SHRA) to expand housing-related support to eligible families served by Child Protective Services (CPS). This funding was approved by the Board in April of 2018 and revenue will come from State Bringing Families Home grant funds.
- A \$330,000 increase in spending by CPS to provide enhanced foster care placement services for adolescents with higher-level needs. This will be funded by the transfer of a \$330,000 Protective Services Realignment reimbursement (negative expenditure) from the Health Services Department, so there will be no increase in appropriations.
- A \$325,000 one-time Growth request to provide continued full funding for the Family Resource Centers for an additional three months (through December 31st), until potential additional State funding is available. This Growth request will be funded with a Protective Services Realignment reimbursement, resulting in no change in appropriations.
- An \$888,638 Growth request to add one additional eight-person Emergency Response unit in CPS to assist in meeting State compliance standards in a number of areas. Funding will come from a Protective Services Realignment reimbursement, resulting in no change in appropriations.

- An \$882,322 Growth request to add one additional eight-person Informal Supervision unit in CPS to assist in efforts to keep children with their families and out of foster care by providing more intensive services. Funding will come from a Social Services Realignment reimbursement, resulting in no change in appropriations.
- A \$1,757,276 Growth request to add two additional eight-person Permanency units in CPS (for a total of 16 new positions) to assist in meeting State compliance standards in a number of areas and reduce the amount of time children remain in foster care. Funding will come from a Protective Services Realignment reimbursement, resulting in no change in appropriations.
- A \$485,261 Growth request to add a Program Manager, two Social Worker Supervisors and one Senior Office Assistant in CPS to provide management and support for the additional Emergency Response, Informal Supervision and Permanency units being added. Funding will come from a Protective Services Realignment reimbursement, resulting in no change in appropriations.

Coroner

The Adopted Budget includes \$79,650 in appropriations and Net County Cost to fund a one-time Growth request: the purchase of a new x-ray machine. The Coroner's existing x-ray machine has essentially stopped functioning.

Correctional Health Services

The Adopted Budget includes a \$1,474,000 reduction in revenue and increase in Net County Cost due to the cancellation of the contract to house ICE detainees.

In addition, the Adopted Budget includes \$1,568,413 to fund a Growth request to commence implementation of improvements in the Main Jail and the Rio Cosumnes Correctional Center. This will provide half a year's funding to add 12 FTE positions and contract for increased psychiatric services from UC Davis. Positions being added include: 4 Licensed Vocational Nurses, 4 Registered Nurses, one Physician, one Dentist, one Pharmacist and one Pharmacy Technician. The Growth request also includes a \$500,000 increase in the contract with UC Davis to provide the jails with additional Licensed Clinical Social Workers.

This Growth request will be partially funded by a reimbursement of \$65,000 in AB109 Realignment revenue and \$1,068,413 in Public Health Realignment

revenue, resulting in a \$435,000 increase in appropriations and Net County Cost. In future years, the annualized cost of this Growth request will be approximately \$3 million.

Health Services

The Adopted Budget includes the following adjustments:

- A one-time \$25,000 increase in funding for 1 on-call Nurse Practitioner to deliver reproductive health screening and treatment services related to sexually transmitted diseases (STDs) to students attending two Los Rios Community College campuses, funded by a reimbursement from District 2 funds approved by Supervisor Kennedy. Because funding is from a reimbursement there will be no increase in appropriations.
- A \$330,000 reduction in Protective Services Realignment reimbursement that had been provided to fund 2 Senior Mental Health Counselor positions staffing Child & Family Teams. These teams are now being staffed by other positions and this reimbursement is instead being directed to the Department of Child, Family and Adult Services to enhance foster care placement services. Health Services is proposing to retain the 2 Senior Mental Health Counselor positions to better align staffing with program needs, and offset what would otherwise be a \$330,000 increase in Net County Cost by deleting 2 vacant Mental Health Counselor positions and reducing contracted services costs by approximately \$128,000.
- A \$685,909 Growth request to provide a 2% contract rate increase for non-Medi-Cal mental health services providers, similar to the increase provided to children's mental health contractors in the Approved Budget. Funding will come from Mental Health Services Act and Behavioral Health Realignment reimbursements, so there will be no increase in appropriations.
- A \$131,960 Growth request to add 0.5 FTE Nurse Practitioner and 0.5 FTE Medical Assistant positions at the Primary Health Clinic to deal with an increased need for STD-related services and to provide Rapid Syphilis Testing training for Public Health staff. Funding will come from Public Health Realignment reimbursements, so there will be no increase in appropriations.

Human Assistance – Administration

The Adopted Budget includes a \$381,329 increase in appropriations and revenue to reflect additional Housing & Disability Advocacy Program grant revenue the County will receive. This grant funding supports an effort to connect the homeless and others on General Assistance with disability benefits they are entitled to.

IHSS Provider Payments

The Adopted Budget includes an additional \$5.7 million to cover the cost of a supplemental pay increase provided to IHSS caregivers under the terms of a collective bargaining agreement approved by the Board. Funding will come from an additional Social Services Realignment reimbursement, so there will be no increase in appropriations.

Probation

The Adopted Budget includes the following adjustments:

- The re-budgeting of \$350,000 in appropriations and Net County Cost for the Closed Circuit Television/Security System project at the Youth Detention Facility due to the timing of spending for this project.
- A \$300,000 reduction in appropriations and Net County Cost to account for an abatement (reduction) in Workers Compensation charges to the Department.
- A \$146,000 increase in appropriations and revenue to fund a one-time Growth request to purchase 48 Mobile Data Terminals (MDTs) for Probation Officers to maintain communications in the field. Funding will come from Asset Forfeiture revenue.

OTHER FUNDS

Re-budgeting and Fund Balance Adjustments

The FY2018-19 Recommended Budget that was approved in June, was prepared based on projections regarding the timing of expenditures and receipt of revenue for capital and other project costs and purchases in FY2017-18 and, thus, estimates of what the FY2017-18 ending fund balance would be for the County's various funds and how much appropriations for these projects would be needed in FY2018-19. Actual FY2017-18 expenditures for those projects or purchases are often different than the projections and actual

ending fund balances are often different than the estimates included in the Recommended Budget. As a result, the FY2018-19 Adopted Budget includes changes resulting in a \$59.3 million increase in non-General Fund appropriations, a \$21 million increase in revenue and a \$38.2 million increase in the use of fund balance. The adjustment for each fund is shown in the table on the following page.

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ATTACHMENT 3

FY 2018-19 Rebudgeting/Fund Balance Adjustments

Department	Appropriations	Revenues	Use of Fund Balance
AFFORDABILITY FEE	\$ 2,200,000	\$ 2,200,000	\$ -
AIRPORT SYSTEM	\$ 4,426,300	\$ -	\$ 4,426,300
AIRPORT-CAP OUTLAY	\$ 4,882,200	\$ -	\$ 4,882,200
COMMUNITY INVESTMENT PROGRAM	\$ (146,310)	\$ -	\$ (146,310)
COUNTY LIBRARY	\$ 80,316	\$ -	\$ 80,316
ECONOMIC DEVELOPMENT	\$ 11,979,116	\$ 11,979,116	\$ -
NATOMAS FIRE DISTRICT	\$ -	\$ 80,334	\$ (80,334)
NEIGHBORHOOD REVITALIZATION FUND	\$ 3,004	\$ 3,004	\$ -
NORTH VINEYARD STATION SPECIFIC PLAN CFD	\$ 6,179,046	\$ -	\$ 6,179,046
TEETER PLAN	\$ 42,397	\$ -	\$ 42,397
TRANSIENT-OCCUPANCY TAX	\$ 1,015,476	\$ 1,015,476	\$ -
VINEYARD PUBLIC FACILITIES FINANCING PLAN	\$ 541,963	\$ -	\$ 541,963
SUBTOTAL - GENERAL GOVERNMENT	\$ 31,203,508	\$ 15,277,930	\$ 15,925,578
CAPITAL CONSTRUCTION	\$ 15,535,098	\$ 5,573,974	\$ 9,961,124
GENERAL SERVICES	\$ 672,685	\$ -	\$ 672,685
GENERAL SERVICES-CAPITAL OUTLAY	\$ 5,050,138	\$ 24,409	\$ 5,025,729
PARKING ENTERPRISE	\$ 694,711	\$ -	\$ 694,711
SUBTOTAL - ADMINISTRATIVE SERVICES	\$ 21,952,632	\$ 5,598,383	\$ 16,354,249
CARMICHAEL RECREATION AND PARK DISTRICT	\$ 315,786	\$ -	\$ 315,786
GOLF	\$ 83,961	\$ -	\$ 83,961
PARK CONSTRUCTION	\$ 1,109,617	\$ -	\$ 1,109,617
SUBTOTAL - MUNICIPAL SERVICES	\$ 1,509,364	\$ -	\$ 1,509,364
BUILDING INSPECTION	\$ 385,679	\$ 385,679	\$ -
CSA NO. 1	\$ 387,381	\$ -	\$ 387,381
DEPARTMENT OF TRANSPORTATION	\$ 8,162	\$ -	\$ 8,162
GOLD RIVER STATION #7	\$ 6,015	\$ -	\$ 6,015
LANDSCAPE MAINTENANCE DISTRICT	\$ 4,554	\$ -	\$ 4,554
ROADS	\$ (280,372)	\$ -	\$ (280,372)
ROADWAYS	\$ 1,292,186	\$ -	\$ 1,292,186
RURAL TRANSIT	\$ -	\$ (225,817)	\$ 225,817
SACRAMENTO CO LANDSCAPE MAINT	\$ 10,768	\$ -	\$ 10,768
SOLID WASTE ENTERPRISE CAPITAL OUTLAY	\$ 275,000	\$ -	\$ 275,000
TRANSPORTATION-SALES TAX	\$ 583,886	\$ -	\$ 583,886
WATER AGENCY ENTERPRISE	\$ 1,553,144	\$ -	\$ 1,553,144
WATER AGENCY ZONE 11-DRAINAGE INFRASTRUCTURE	\$ (129,200)	\$ -	\$ (129,200)
WATER AGY-ZONE 13	\$ 414,988	\$ -	\$ 414,988
WATER RESOURCES	\$ 103,224	\$ -	\$ 103,224
SUBTOTAL - PUBLIC WORKS AND INFRASTRUCTURE	\$ 4,615,415	\$ 159,862	\$ 4,455,553
TOTAL NON-GENERAL FUNDS	\$ 59,280,919	\$ 21,036,175	\$ 38,244,744

Other Selected Adjustments to Non-General Fund Budgets

2011 Realignment Fund

The Adopted Budget includes the following adjustments:

- AB 109 (Community Corrections) Realignment:
 - A one-time \$5.1 million increase in AB 109 Realignment Growth revenue due to unsustainable performance improvements.
 - A \$912,000 increase in Base appropriations to help cover unbudgeted COLAs for employees funded with AB 109 revenue.
 - A \$570,000 increase in appropriations to fund additional Growth requests in the Sheriff's and Correctional Health budget units.
 - The establishment of a \$3.6 million Community Corrections Reserve to set aside funds for anticipated future jail and correctional health operational improvements.

- Local Innovation Account:
 - A \$580,000 increase in revenue and Local Innovation Reserves for future innovative projects identified through the Adult Correctional System Review process. This will bring the total Local Innovation Reserve to \$1.5 million.

- Behavioral Health Realignment:
 - A \$4.9 million increase in the carry-over balance and a \$4.2 million decrease in revenue, due primarily to the receipt of FY2016-17 Growth revenue in FY2017-18 rather than in FY2018-19 as originally anticipated.
 - A \$278,000 increase in Base appropriations to help cover unbudgeted COLAs for employees funded with Behavioral Health Realignment revenue.
 - A \$124,882 increase in appropriations to fund an additional Growth request in the Health Services Department.
 - The establishment of a \$243,418 Behavioral Health Reserve to serve as a hedge against Realignment revenue shortfalls.

- Protective Services Realignment:
 - A \$5 million increase in the carry-over balance due primarily to lower than anticipated FY2017-18 expenditures in multiple programs caused by declining caseloads.

- A \$639,000 decrease in Protective Services Realignment revenue due to a revised estimate of sales tax growth.
- A \$730,000 increase in Base appropriations to help cover unbudgeted COLAs for employees funded with Protective Services Realignment.
- A \$3.5 million increase in appropriations to fund additional Growth requests in the Departments of Human Assistance and Child, Family and Adult Services.
- The establishment of a \$148,926 Protective Services Reserve to serve as a hedge against Realignment revenue shortfalls.

1991 Realignment Fund

The Adopted Budget includes the following adjustments:

- Public Health Realignment:
 - A \$2.27 million increase in the carry-over balance due to lower than anticipated FY2017-18 expenditures in the Department of Health Services and an increase in FY2017-18 Public Health Realignment revenue.
 - A \$90,322 increase in FY2018-19 Public Health Realignment revenue.
 - A \$171,000 increase in Base appropriations to cover unbudgeted COLAs for employees funded with Public Health Realignment.
 - A \$1.2 million increase in appropriations to fund additional Growth requests in the Correctional Health and Health Services budget units.
 - The creation of a \$996,098 Public Health Realignment Reserve to set aside funds for future-year jail medical services improvement costs.
- Social Services Realignment:
 - A \$7.1 million increase in the carry-over balance due primarily to lower than anticipated FY2017-18 expenditures in multiple programs caused by declining caseloads and an increase in FY2017-18 Social Services Realignment revenue due to the impact of Accelerated Growth.
 - A \$3.7 million increase in FY2018-19 Social Services Realignment revenue due to revised estimates of the Social Services Base, non-Accelerated Revenue Growth and Accelerated Revenue Growth.
 - A \$347,000 increase in Base appropriations to cover unbudgeted COLAs for employees funded with Social Services Realignment.
 - A \$5.7 million increase in Base appropriations to cover the cost of the supplemental wage increase for IHSS caregivers approved by the Board as part of a new collective bargaining agreement.

- An \$882,322 increase in appropriations to fund an additional Growth request in the Child, Family and Adult Services Department.
- A \$3.8 million increase in the Social Services- Future Costs Reserve, bringing that Reserve level to \$8.77 million. This Reserve sets aside funds to help cover the cost of future state-mandated increases in the IHSS MOE.

Interagency Procurement Fund

The Adopted Budget includes the following adjustments:

- The receipt of a \$6,410,061 pre-payment from General Services to cover the outstanding principal owed on certain FAAF loan agreements.
- A \$321,097 decrease in other departmental reimbursements.
- The appropriation of \$3,314,883 of the \$6.4 million pre-payment as a reserve for future debt service payments.
- A \$30.5 million decrease in appropriations and \$33.28 million decrease in revenue reflecting a decision to end the practice of flowing expenditures and revenues related to all department fixed asset purchases through this Fund (this will also impact the Fixed Asset Revolving Fund). These expenditures will now be reflected only in the budget unit making the purchases.
- A \$6,088,964 increase in the Fund's Net Assets.

Airport System Fund

The Adopted Budget includes the following major adjustments:

- An \$11.7 million reduction in appropriations for debt service due to the refinancing of certain Airport Revenue Bond issues in April of 2018.
- A \$1.6 million increase in appropriations for various Maintenance and Operations projects, such as the Concourse A and B Americans with Disabilities Act (ADA) counter modifications.
- A \$953,000 increase in appropriations services and supplies costs associated with the addition of services, such as increasing shuttle operations, camera replacements and a contribution to the Business Environmental Resource Center.

- A \$1.14 million increase in appropriations for three Growth requests: (1) the addition of 1 Senior Accountant, 3 Stock Clerks and 1 Storekeeper, to satisfy new Transportation Security Administration (TSA) requirements regarding the inspection of merchandise and consumables and new accounting rules regarding reporting of airport lease agreements; (2) the addition of 1 Airport Operations Officer, 1 Supervising Engineering Technician, 1 Administrative Services Officer and 1 Senior Airport Economic Development Specialist along with the reallocation of two other positions, as part of a reorganization plan to develop and increase operational efficiency; and (3) the addition of 1 Senior Highway Maintenance Worker and 1 Administrative Services Officer and the reallocation of two other positions to increase customer service at the airport in light of increased passenger volume.

Fixed Asset Revolving Fund

The Adopted Budget includes a \$30.5 million reduction in appropriations and revenue due to lower payments transferred from the Interagency Procurement Fund as a result of the decision to eliminate the flow-through of expenditures and revenues related to departmental fixed asset purchases not financed by loans from this Fund.

Roads Fund

The Adopted Budget includes the following adjustments:

- A \$2.1 million decrease in appropriations and revenue due to the shifting of timelines for various projects, lower project costs for the Asphalt Concrete Overlay project and an increase in cost recovery for the Fair Oaks Blvd. Improvements Phase 3 Project.
- A \$602,001 reduction in the Provision for Reserves, due to lower anticipated FY2018-19 construction and right of way expenses. Reserves are calculated at 10% of construction contract and right of way costs.

Development and Code Services Fund

The Adopted Budget includes the following adjustments:

- A \$199,330 increase in appropriations and revenue for one additional Growth request: the addition of 1 Civil Engineer position in the Special Districts Division due to a significant increase in the number of development projects.

- A \$30,000 decrease in revenue offset by a \$30,000 increase in reimbursements from Economic Development to support Property Based Improvement District (PBID) formation activities.
- A \$9.3 million increase in the Provision for Reserves. The fund balance has increased by \$11.4 million due to changes related to the organizational restructuring of the Construction Management and Inspection Division (CMID) in FY2017-18. A CMID reserve is being established to address future service needs and mitigate future charges to County departments for CMID construction management and inspection services for County projects.

Transportation Sales Tax Fund

The Adopted Budget includes a \$3.6 million increase in appropriations and revenue due to the shifting of project timelines for a number of projects.

Solid Waste Enterprise Fund

The Adopted Budget includes the following major adjustments:

- A \$1 million increase in appropriations and use of fund balance for recycling services due to increases in the cost of single stream recycling contracts.
- A \$120,000 increase in appropriations and use of fund balance for a transfer of funds to the Regional Parks Department for ongoing costs of debris clean-up as part of the Parkways and Unincorporated Communities Clean Up and Safety Initiative. This funding was inadvertently not included in the Approved Budget.
- A \$122,000 increase in appropriations and use of fund balance to add 1 FTE Solid Waste Planner position to address the increased workload in the Regional Solid Waste Authority (SWA), which was approved by the Board in July of 2018.
- A \$652,384 decrease in the transfer of SWA revenue to the County General Fund due to decisions by the SWA Board to fund more projects.
- A \$152,000 increase in appropriations for processing and recycling scrap tire materials collected at the Kiefer Landfill and NARS, and the purchase of tire-derived aggregate for use as engineered construction material at Kiefer due to increased contract costs.

- A \$135,200 increase in appropriations and use of fund balance to fund one additional Growth request for an additional Information Technology contract Analyst in the Department of Technology. This contract Analyst will assist with a number of projects, including information technology issues associated with the Department of Waste Management and Recycling's (DWMR's) move to new offices.

Solid Waste Capital Outlay Fund

The Adopted Budget includes an \$800,000 increase in appropriations and use of fund balance to fund an additional Growth request to purchase one knuckle boom truck, one claw loader and one rear loader to address increased requests for services in DWMR's Appointment Based Neighborhood Clean Up and Bulky Waste Collection Program.

The Adopted Budget also reflects a \$1.9 million increase in the Working Capital Reserve and a \$5.5 million increase in the Capital Outlay Reserve, made possible by an increase in the beginning fund balance.

Water Resources Fund

The Adopted Budget includes a \$103,224 increase in appropriations and use of fund balance for the upgrade two light vehicles scheduled for replacement.

Water Agency Enterprise Fund

The Adopted Budget includes the following major adjustments:

- A \$1.2 million increase in appropriations due to higher Zone 40 revenue bond interest costs.
- A \$718,000 increase in appropriations due to the net impact of increases and decrease in various project costs.
- A \$1 million increase in appropriations for two additional Growth requests: \$885,000 to add 3 FTE positions and vehicles to provide additional support of operation and maintenance activities at the Vineyard Surface Water Treatment plant; and \$116,000 to fund the addition of 1 FTE Senior Engineering Technician to support asset management and conservation efforts and reclassify a Principal Engineering Technician to Assistant Civil Engineer to meet workload needs.

Mental Health Services Act Fund

The Adopted Budget includes the following adjustments:

- A \$315,714 increase in appropriations and use of fund balance for a Growth request to transfer funds to the Health Services budget unit to help fund a Growth request for a 2% contract rate adjustment for Non-Medi-Cal Mental Health services providers.
- A \$15.8 million decrease in reserves because it is estimated that fewer MHSA resources will be available due to a number of factors, including:
 - A \$13.9 million increase in the MHSA beginning fund balance, due to revenue coming in higher than expected and expenditures coming in lower than expected in FY2017-18, partly due to delays in ramping up for new and expanded programs and projects.
 - A \$29.4 million reduction in MHSA revenue from the State in FY2018-19, due to a correction of certain errors that were made in how that revenue was shown.
- As proposed, the MHSA Prudent Reserve will remain unchanged, the MHSA Activities – Workforce & Training and MHSA Projects – Technological Needs Reserves will increase and the MHSA Reserves for Future Services – Community Services and Supports and Future Services – Prevention and Early Intervention will be reduced to \$65.2 million and \$15.6 million respectively.