

## FY 2019-20 Recommended Budget THE GENERAL FUND BUDGET

The County's Recommended General Fund appropriation level for FY 2019-20 totals \$1,802,617,381. This is an increase of \$67,064,438 (3.9%) compared to the FY 2018-19 Adopted Budget. Looking at appropriations alone, however, does not fully account for the change in budgeted expenditures because appropriations are net of reimbursements from certain other funds.

Historically, the County received revenue from a number of sources that was deposited in unbudgeted funds – commonly referred to as “trust funds” - and not budgeted/recognized as revenue until it was transferred to the appropriate General Fund department to cover the cost of eligible expenditures. Starting with the FY 2018-19 Budget, we began the process of converting the unbudgeted funds to budgeted restricted funds. As a result, the relevant revenue is now budgeted/recognized as revenue when it is received in the new restricted funds and the transfer to the appropriate department is recorded as a reimbursement, which is budgeted/accounted for as a negative appropriation/expenditure in the General Fund departments receiving the reimbursement, effectively reducing appropriations in those departments.

A more detailed comparison of the FY 2019-20 Recommended General Fund Budget to the FY 2018-19 Adopted General Fund Budget, which shows the impact of the reimbursements from the new restricted funds, is shown below:

### General Fund Budget FY 2018-19 Adopted and FY 2019-20 Recommended

Resources	FY 2018-19 Adopted	FY 2019-20 Recommended	Difference
Beginning Available Balance	\$ 69,303,395	\$ 75,000,000	\$ 5,696,605
Use of Reserves	\$ 2,798,781	\$ 12,350,981	\$ 9,552,200
Discretionary Revenue	\$ 636,286,019	\$ 652,629,482	\$ 16,343,463
Departmental Revenue	\$ 1,035,357,160	\$ 1,062,636,918	\$ 27,279,758
<b>Total Revenue</b>	<b>\$ 1,671,643,179</b>	<b>\$ 1,715,266,400</b>	<b>\$ 43,623,221</b>
<b>Total Resources</b>	<b>\$ 1,743,745,355</b>	<b>\$ 1,802,617,381</b>	<b>\$ 58,872,026</b>
<b>Requirements</b>			
<b>Expenditures</b>	<b>\$ 2,620,452,191</b>	<b>\$ 2,731,293,397</b>	<b>\$ 110,841,206</b>
Discretionary Reimbursements	\$ (10,489,830)	\$ (11,540,890)	\$ (1,051,060)
Semi-Discretionary Reimbursements	\$ (783,884,823)	\$ (813,794,866)	\$ (29,910,043)
Other Restricted Reimbursements	\$ (92,510,794)	\$ (104,326,459)	\$ (11,815,665)
Contingency	\$ 1,986,199	\$ 986,199	\$ (1,000,000)
<b>Total Appropriations</b>	<b>\$ 1,735,552,943</b>	<b>\$ 1,802,617,381</b>	<b>\$ 67,064,438</b>
Provision for Reserves	\$ 8,192,412	\$ -	\$ (8,192,412)
<b>Total Requirements</b>	<b>\$ 1,743,745,355</b>	<b>\$ 1,802,617,381</b>	<b>\$ 58,872,026</b>

As can be seen, prior to appropriation reductions due to reimbursements from restricted funds and discretionary reimbursements, FY 2019-20 Recommended General Fund expenditures (not including the Appropriation for Contingency) total \$2,731,293,397, a \$110,841,206 (4.2%) increase compared to the FY 2018-19 Adopted level.

### **Fund Balance and Reserves**

The Recommended General Fund Budget assumes a beginning balance of \$143.8 million. The beginning balance includes approximately \$68.8 million in reserves, consisting primarily of approximately:

- \$9.3 million in Teeter Reserves;
- \$32.42 million Reserve for Cash Flow;
- \$5.1 million Reserve for Audit Report Payback/Future Litigation Settlement Costs;
- \$21.2 million in General Reserves; and
- \$325,000 Technology Upgrades Reserve.

The beginning balance also includes an available (unobligated) balance of \$75 million.

The estimated FY 2019-20 Beginning Balance was calculated using the FY 2017-18 actual ending balance and second quarter estimates of FY 2018-19 General Fund revenues and expenditures, with a positive adjustment to mitigate the generally conservative nature of those estimates.

The Recommended Budget proposes to cancel the remaining \$324,716 in the Reserve for Technology Upgrades to partially fund the first-year cost of lease-purchasing a new automated medicine dispensing machine for Correctional Health Services. The existing machine has reached the end of its useful life and will no longer be supported by the vendor. The new machine and software will be purchased over five years at an annual cost of approximately \$333,000.

The Recommended Budget also proposes to cancel \$3 million of the Reserve for Audit Report Payback/Future Litigation Settlement Costs to help cover part of the cost of the continued efforts to make improvements to conditions of confinement in the County's jails, in response to a lawsuit filed by the Prison Law Office and Disabilities Rights California. The remaining Audit Report Payback/Future Litigation Cost Settlement Reserve of \$2.1 million is being retained to cover potential future costs associated with the Hardesty judgement against the County.

Lastly, the Recommended Budget proposes to cancel \$9,026,265 in General Reserves as part of a plan to help balance the General Fund budget, in light of significant cost increases, limited revenue growth and, in some cases, revenue decreases. The remaining General Reserves are recommended to be retained to deal with potential future fiscal problems, including the possible loss of approximately \$29 million in Title IV-E Foster Care revenue.

The following table summarizes the changes to the General Fund's reserve status reflected in this Recommended Budget:

**FY 2019-20 Recommended Budget  
GENERAL FUND RESERVE STATUS**

	<b>FY 2018-19</b>	<b>FY 2019-20</b>	
<b>Reserved For:</b>	<b>Ending</b>	<b>Recommended</b>	<b>Change</b>
Loan Buyout (Teeter)	\$ 2,552,000	\$ 2,552,000	\$ -
Tax Loss (Teeter)	\$ 5,809,395	\$ 5,809,395	\$ -
Teeter Delinquencies (Teeter)	\$ 891,034	\$ 891,034	\$ -
River Delta Fire Dist. Loan	\$ 25,000	\$ 25,000	\$ -
Imprest Cash	\$ 290,955	\$ 290,955	\$ -
Special Deposits Travel	\$ 100,000	\$ 100,000	\$ -
Health for All Loan	\$ 104,730	\$ 104,730	\$ -
General Reserves	\$ 21,162,034	\$ 12,135,769	\$ (9,026,265)
Cash Flow	\$ 32,421,527	\$ 32,421,527	\$ -
Audit Report Paybacks/Future Litigation Settlement Costs	\$ 5,133,589	\$ 2,133,589	\$ (3,000,000)
Technology Upgrades	\$ 324,716	\$ -	\$ (324,716)
<b>Total</b>	<b>\$ 68,814,980</b>	<b>\$ 56,463,999</b>	<b>\$ (12,350,981)</b>

Finally, it is important to keep in mind that the above Available fund balance numbers are only estimates. The Department of Finance will determine the actual fund balance number in the first quarter of FY 2019-20.

**Discretionary Revenue and Reimbursements**

The FY 2019-20 Recommended Budget includes a combined total of \$664,170,372 in discretionary revenue and reimbursements. This represents an increase of approximately \$17.4 million (2.7%) compared to the FY 2018-19 Adopted Budget and is the net result of increases and decreases in a number of revenues and reimbursements as shown in the following table:

**DISCRETIONARY REVENUE AND REIMBURSEMENTS**

	<b>FY 2018-19 Adopted</b>	<b>FY 2019-20 Recommended</b>	<b>Difference</b>
Property Tax -Secured/VLF In-Lieu	\$ 418,163,709	\$ 444,473,073	\$ 26,309,364
Property Tax - Supplemental	\$ 5,000,000	\$ 5,449,249	\$ 449,249
Other Property Tax	\$ 16,113,916	\$ 16,846,528	\$ 732,612
<b>Total Property Tax</b>	<b>\$ 439,277,625</b>	<b>\$ 466,768,850</b>	<b>\$ 27,491,225</b>
Sales and In-Lieu Sales	\$ 86,190,000	\$ 89,218,050	\$ 3,028,050
Utility User Tax	\$ 20,365,913	\$ 18,408,851	\$ (1,957,062)
Transient Occupancy Tax	\$ 6,540,262	\$ 6,828,000	\$ 287,738
Property Transfer Tax	\$ 11,000,000	\$ 13,000,000	\$ 2,000,000
Other On-Going Revenue	\$ 58,832,219	\$ 58,405,731	\$ (426,488)
Other One-Time Revenue	\$ 14,080,000	\$ -	\$ (14,080,000)
<b>Total Revenue</b>	<b>\$ 636,286,019</b>	<b>\$ 652,629,482</b>	<b>\$ 16,343,463</b>
Teeter	\$ 9,561,301	\$ 10,182,786	\$ 621,485
SWA	\$ 928,529	\$ 936,004	\$ 7,475
Other - One-Time		\$ 422,100	\$ 422,100
<b>Total Reimbursements</b>	<b>\$ 10,489,830</b>	<b>\$ 11,540,890</b>	<b>\$ 1,051,060</b>
<b>TOTAL</b>	<b>\$ 646,775,849</b>	<b>\$ 664,170,372</b>	<b>\$ 17,394,523</b>

The primary reasons for the increases and decreases in discretionary revenue include:

- A \$26.3 million (6.3%) increase in Secured Property Tax and Property Tax in-Lieu of Vehicle License Fee (VLF) revenue due to anticipated increases in assessed value on secured property. Some of these increases are due to new construction and sale of homes with higher values in the current fiscal year, but as has been the case over the last few years, the bulk of the increase is due to the restoration in value of properties that were in "decline-in-value" (Proposition 8) status;
- A \$3 million (3.5%) increase in Sales Tax and In-Lieu Sales Tax revenue compared to the FY 2018-19 Adopted Budget. However, actual FY 2018-19 Sales and Use Tax revenue is currently projected to come in slightly lower than budgeted. FY 2019-20 budgeted Sales Tax revenue is 4% higher than FY 2018-19 estimated actual revenue. It should be noted that this projection does not include an estimate for the impact of the U.S. Supreme Court's "Wayfair" decision that allowed states to collect sales taxes from out-of-state businesses selling goods into a state through the internet, catalogs or over the phone. Since California only implemented this decision in April of 2019, some of the major on-line retailers (like Amazon) were already collecting sales tax on sales to

California before the decision, and the requirement only applies to businesses with more than \$100,000 in annual sales or 200 annual transactions in California. Our sales tax consultants have indicated it is not possible to provide a realistic estimate of what the impact would be on Sacramento County. Our plan is to wait until we have at least six months' worth of actual sales tax data in hand before factoring the Wayfair decision into our sales tax estimates;

- A \$1.9 million (9.6%) decrease in Utility User Tax revenue, due in part to reduced use of land-line telephones;
- A \$2 million (18.2%) increase in Property Transfer Tax revenue;
- A \$14.1 million decrease in Other One-time Discretionary revenue. The FY 2018-19 Adopted Budget included \$11.9 million in prior-year SB 90 reimbursement from the State. The Governor's FY 2019-20 Recommended Budget does not include any funding for prior-year SB90 reimbursements to counties. The FY 2018-19 Adopted Budget also included \$2.2 million in excess interest from the County's debt service funds. The calculation of excess interest – if any – occurs after the County's books close in July; and
- A \$426,000 (0.7%) decrease in Other On-going Discretionary revenue, due primarily to a \$1.8 million decrease in vehicle and other fine revenue, a \$737,000 reduction in Cable Franchise Fee revenue, a \$638,000 increase in Redevelopment Pass Through revenue and a \$520,000 increase in Revenue Neutrality Payments. Actual fine revenue has been decreasing for a number of years, due in part to changes in State law and use of alternative sanctions. Redevelopment Residual payments can vary from year to year, depending in part on the sale of former redevelopment agency property. Revenue Neutrality Payments are revenue paid to the County in accordance with the terms of agreements with newly incorporated cities. The payment schedules in those agreements call for increased payments in FY 2019-2020 and then generally declining payments thereafter.

The previous table also shows the reimbursements in the Non-departmental Revenue budget unit. Reimbursements have the effect of reducing appropriations, and discretionary reimbursements effectively make discretionary resources available for other use (Net County Cost).

Historically, the largest source of discretionary reimbursements has been the transfer-in of Teeter revenue, which comes from penalties and interest paid by property owners who are delinquent in paying their property taxes. The FY 2019-20 Recommended Budget reflects a \$621,485 (6.5%) increase in Teeter reimbursement compared to the FY 2018-19 Adopted Budget level. Teeter revenue has been declining steadily since reaching a high of over \$31

million in FY 2009-10 following the bursting of the housing bubble and the Great Recession. Based on the most recent information available concerning property tax delinquency rates and general economic conditions, the County Finance Department is projecting that that trend will not continue in FY 2019-20.

The other major source of discretionary reimbursements is the Solid Waste Authority (SWA), which provides the County and City of Sacramento with a portion of commercial garbage collection franchise fee revenue available after the Authority meets its expenditure needs. The FY 2019-20 Recommended Budget reflects a \$7,000 increase in SWA reimbursement compared to the FY 2018-19 Adopted Budget level.

### **Semi-discretionary Revenue/Reimbursements**

The County also receives "Semi-discretionary" revenue, which refers to Proposition 172 and 1991 and 2011 Realignment revenue that the Board generally has the ability to allocate within certain broad parameters.

Proposition 172 revenue comes from a statewide half-cent sales tax that is allocated to counties. This resource is limited to public safety programs.

1991 Realignment revenue comes from a portion of statewide sales tax and vehicle license fee (VLF) revenue that is allocated to counties to help fund the local share of certain health and human services programs that were "realigned" to the counties from the State. Originally, there were three categories of 1991 Realignment revenue: Public Health (which included indigent healthcare), Mental Health, and Social Services. As part of 2011 Realignment, Realignment funding for Mental Health was shifted to 2011 Realignment revenue (though the program was still considered a 1991 Realignment program) and the counties were given an increased share of cost for CalWORKS.

2011 Realignment revenue comes from a portion of statewide sales tax and vehicle license fee revenue and is allocated to counties to help fund the share of cost for a number of realigned health and human services programs, to replace state categorical funding for certain health and human services programs and law and justice programs, and to provide funding to help counties deal with the impact of the transfer of responsibility for certain "low level" offenders from the state prison system to counties (referred to as AB109 revenue or reimbursements).

As discussed above, prior to FY 2018-19, Realignment and Proposition 172 revenue received from the State was first deposited in unbudgeted funds and

not budgeted/recognized as revenue until it was transferred to the appropriate General Fund department to cover the cost of eligible expenditures. The Realignment revenue allocated to departments and reflected in the Budget was actually comprised of both Realignment Base and Growth revenue received - or anticipated to be received - in the unbudgeted Realignment Fund in the budget year, and, in some cases, carry-over Realignment Fund balances or estimated balances.

Starting with the FY 2018-19 Budget, Realignment and Proposition 172 revenue is budgeted/recognized as revenue in budgeted, restricted funds, and transferred to relevant General Fund departments as a reimbursement, which has the effect of reducing appropriations in those departments. As was previously the case, the reimbursement to General Fund departments will be comprised of both Realignment revenue received in the restricted funds in the budget year and, in some cases, carry-over fund balance in those funds.

The following table summarizes the amount of Proposition 172 and Realignment reimbursements included in the FY 2018-19 Adopted General Fund Budget compared to the amount of Semi-discretionary reimbursement included in the FY 2019-20 Recommended General Fund Budget (again, keep in mind that the Reimbursement is actually a negative expenditure, not revenue to the General Fund).

**GENERAL FUND SEMI-DISCRETIONARY REIMBURSEMENT  
FY 2018-19 Adopted Compared to FY 2019-20 Recommended**

	<b>FY 2018-19 Adopted Reimbursement</b>	<b>FY 2019-20 Recommended Reimbursement</b>	<b>Difference</b>
Enhancing Law Enforcement Activities	\$ 22,166,081	\$ 21,750,313	\$ (415,768)
Law Enforcement Services	\$ 93,093,120	\$ 100,990,122	\$ 7,897,002
Behavioral Health	\$ 71,629,167	\$ 72,998,283	\$ 1,369,116
Potective Services	\$ 127,859,877	\$ 129,434,087	\$ 1,574,210
<b>Total 2011 Realignment</b>	<b>\$ 314,748,245</b>	<b>\$ 325,172,805</b>	<b>\$ 10,424,560</b>
Mental Health	\$ 52,072,728	\$ 50,277,078	\$ (1,795,650)
Public Health	\$ 16,700,779	\$ 15,890,617	\$ (810,162)
Social Services	\$ 140,452,410	\$ 141,416,119	\$ 963,709
<b>Total 1991 Realignment - Non- CalWORKS</b>	<b>\$ 209,225,917</b>	<b>\$ 207,583,814</b>	<b>\$ (1,642,103)</b>
CalWORKS	\$ 136,327,623	\$ 149,208,039	\$ 12,880,416
<b>Total 1991 Realignment</b>	<b>\$ 345,553,540</b>	<b>\$ 356,791,853</b>	<b>\$ 11,238,313</b>
<b>Total Realignment</b>	<b>\$ 660,301,785</b>	<b>\$ 681,964,658</b>	<b>\$ 21,662,873</b>
Proposition 172	\$ 123,583,038	\$ 131,830,208	\$ 8,247,170
<b>Total</b>	<b>\$ 783,884,823</b>	<b>\$ 813,794,866</b>	<b>\$ 29,910,043</b>

As can be seen, the Recommended General Fund Budget reflects a total increase in Semi-discretionary reimbursements of approximately \$29.9 million

(3.8%). However, a large part of that increase is due to a \$12.8 million (9.4%) increase in CalWORKS Realignment reimbursement. CalWORKS Realignment grows or declines based on changes in CalWORKS caseload costs and cannot be used for other purposes. If CalWORKS Realignment is factored out, the Recommended General Fund Budget reflects a \$17 million (2.6%) increase in Semi-discretionary reimbursements compared to the FY 2018-19 Adopted Budget.

The Realignment reimbursement allocated to departments in the FY 2019-20 Recommended Budget utilizes \$20.8 million in Realignment fund balance carry-forward and \$661.4 million in revenue to the Realignment funds.

### **Other Departmental Revenue and Restricted Reimbursements**

When Semi-discretionary reimbursements are factored out, the Recommended General Fund Budget reflects a \$39.1 million (3.5%) increase in departmental revenue and restricted reimbursements. This is the net result of increases and decreases in different revenue and reimbursement sources in various departments. Revenue/reimbursement increases include:

- a \$13 million increase in federal and State revenue in the Human Assistance- Administration budget, including Homeless Emergency Aid Program (HEAP), California Emergency Solutions and Housing (CESH), CalWORKS Housing Support and CalWORKS Home Visiting Initiative revenue;
- a \$7.5 million increase in Mental Health Services Act (MHSA) reimbursements to the Health Services Department;
- a \$7 million increase in revenue to the Health Services Department, due primarily to the receipt of additional federal financial participation revenue for mental health and Drug Medi-Cal services;
- a \$5.2 million increase in revenue in the Sheriff's budget from a number of sources, including a \$4.3 million increase in revenue from agencies the Sheriff provides contract law enforcement services to (such as Rancho Cordova, Regional Transit, etc.), mostly as a result of salary and benefit cost increases, and a \$1.4 million increase in federal grant revenue for various programs;
- a \$3.7 million increase in federal and state revenue in the Human Assistance – Aid Payments budget; and
- a \$3.1 million increase in state revenue to Child Support Services reflecting the Governor's proposal to increase funding for this program.

### Revenue/reimbursement decreases include:

- A \$4.2 million reduction in the CalWORKS Single Allocation and a \$3.6 million reduction CalFresh Allocation to the DHA – Administration budget;
- A \$4.2 million reduction in revenue in the Child, Family and Adult Services budget, due primarily to the over-estimation of eligible, claimable expenses under Title XIX (Adult Protective Services) in FY 2018-19. A review of time study information indicated a lesser percentage of federal reimbursement for certain expenses;
- A \$1.6 million decrease in revenue in the Voter Registration and Elections budget, due primarily to the fact that fewer jurisdictions consolidate their elections with the March 2020 primary election than with the November 2018 general election;
- A \$1.5 million reduction in revenue in the Planning & Environmental Review budget, due primarily to the transfer of expenditures and revenues related to the South Sacramento Habitat Conservation Plan (SSHCP) to the new South Sacramento Conservation Agency and decreases in environmental services revenue due to a projected reduction in the number of environmental review projects;
- A \$1.1 million reduction in Inter-Governmental Transfer (IGT) revenue in the Juvenile Medical Services budget reflecting the fact the County received two years' worth of funding in FY 2018-19; and
- An \$859,000 reduction in revenue in the Animal Care and Regulation budget, due primarily to the loss of \$924,000 in revenue from the contract with the City of Elk Grove. The City is opening a new Animal Shelter and cancelling their contract with the County.

### **Expenditures**

As noted above, before appropriation reductions due to reimbursements from restricted funds and discretionary reimbursements, FY 2019-20 Recommended General Fund expenditures (including the Appropriation for Contingency) total \$2,732,279,596, a \$109,841,206 (4.2%) increase compared to the FY 2018-19 Adopted level. This is the net result of a \$123.5 million (4.7%) increase in Base (current staffing and program level) costs (driven significantly by a 7% average increase in salary and benefit costs for County employees), Recommended Growth (funding for new or enhanced programs) of \$29.4 million and a \$43 million reduction in expenditures to balance the General Fund budget given the amount of resources available.

This situation is summarized in the following table:

**General Fund - Expenditures (Before Reductions for Discretionary and Restricted Fund Reimbursements Base, Growth and Reductions - FY 2019-20 Recommended vs FY 2018-19 Adopted)**

	<b>FY 2018-19 Adopted</b>	<b>FY 2019-20 Recommended</b>	<b>Difference</b>	<b>Percent Difference</b>
Base Expenditures	\$ 2,622,438,390	\$ 2,745,923,445	\$ 123,485,055	4.7%
Growth		\$ 29,407,054	\$ 29,407,054	
Reductions		\$ (43,050,903)	\$ (43,050,903)	
<b>Recommended</b>	<b>\$ 2,622,438,390</b>	<b>\$ 2,732,279,596</b>	<b>\$ 109,841,206</b>	<b>4.2%</b>

The primary reasons for the \$109.9 million increase in General Fund expenditures include:

- A \$47 million increase in salary and benefit costs for existing positions remaining after reductions. The Recommended Budget reflects the reduction of 199.8 vacant positions and includes additional salary savings in anticipation of further position reductions due to attrition;
- The \$29.4 million in recommended Growth. This includes \$21.6 million in the Sheriff's, Correctional Health and Financing Transfers/Reimbursements budgets to fund staffing and other improvements in the jails to address conditions of confinement issues identified in the recent lawsuit filed against the County. Funding will come from Net County Cost and Realignment. In total, the Recommended Growth reflects the addition of 107 positions;
- A \$24.2 million increase in the Human Assistance – Aid Payments budget, due to the net result of policy changes and caseload and case cost trends, including an increase to CalWORKS grants to bring grant levels up to 50% of the Federal Poverty Level, a 4.23% legislated California Necessities Index (CNI) increase to grant levels in multiple programs, and the final step of a phased-in increase to General Assistance grants;
- A \$9.3 million increase in the IHSS Provider Payments budget due to the increase in the County's IHSS Maintenance of Effort (MOE) requirement. As part of the FY 2019-20 State Budget, the Governor has proposed to revise downward the new, higher, IHSS MOE that was being phased-in starting in FY 2017-18. Despite this positive change, the County's new FY 2019-20 MOE is still projected to be approximately 8% higher than the FY 2018-19 MOE.

These and other expenditure increases are partially offset by expenditure decreases in a number of areas, including a \$4 million decrease in the Department of Child, Family and Adult Services due to revenue reductions.

**Net County Cost/Discretionary and Semi-Discretionary Revenue Allocations**

“Net County Cost” or “General Fund Allocation” refers to the discretionary resources allocated to different County departments or programs. Discretionary resources come from the General Fund’s discretionary (non-departmental) revenues, non-departmental reimbursements and the General Fund beginning balance. For FY 2019-20, the total recommended Net County Cost is approximately \$751.5 million, a \$40.8 million (5.7%) increase compared to the FY 2018-19 Adopted Budget level.

The recommended allocations are summarized in the following table:

**FY 2019-20 Recommended General Fund Allocations  
As Compared to FY 2018-19 Adopted Allocations**

	<b>FY 2018-19 Adopted Allocation</b>	<b>FY 2019-20 Recommended Allocation</b>	<b>Year to Year Variance</b>
<b>Elected Departments</b>			
Assessor	\$ 10,547,093	\$ 10,547,093	\$ -
Board of Supervisors	\$ 3,529,212	\$ 3,671,800	\$ 142,588
District Attorney	\$ 61,600,570	\$ 62,066,076	\$ 465,506
Sheriff	\$ 255,031,424	\$ 275,747,159	\$ 20,715,735
<b>Subtotal</b>	<b>\$ 330,708,299</b>	<b>\$ 352,032,128</b>	<b>\$ 21,323,829</b>
<b>General Government</b>			
Appropriation for Contingency	\$ 1,986,199	\$ 986,199	\$ (1,000,000)
County Counsel	\$ 2,602,270	\$ 2,157,270	\$ (445,000)
Financing-Transfers/Reimbursement	\$ 6,211,725	\$ 12,778,957	\$ 6,567,232
Non-Departmental Costs/General Fund	\$ 32,004,567	\$ 30,403,693	\$ (1,600,874)
Planning and Environmental Review	\$ 2,101,810	\$ 2,070,810	\$ (31,000)
Other General Government	\$ 4,841,800	\$ 4,917,728	\$ 75,928
<b>Subtotal</b>	<b>\$ 49,748,371</b>	<b>\$ 53,314,657</b>	<b>\$ 3,566,286</b>
<b>Administrative Services</b>			
Court	\$ 33,323,032	\$ 33,494,504	\$ 171,472
Data Processing-Shared Systems	\$ 10,696,730	\$ 10,506,729	\$ (190,001)
Finance	\$ 1,506,920	\$ 1,210,687	\$ (296,233)
Voter Registration And Elections	\$ 10,195,732	\$ 11,996,028	\$ 1,800,296
Other Administrative Services	\$ 1,141,157	\$ 426,292	\$ (714,865)
<b>Subtotal</b>	<b>\$ 56,863,571</b>	<b>\$ 57,634,240</b>	<b>\$ 770,669</b>
<b>Municipal Services</b>			
Agricultural Comm-Sealer Of Wts & Meas	\$ 1,295,417	\$ 1,295,417	\$ -
Animal Care And Regulation	\$ 9,815,463	\$ 10,302,727	\$ 487,264
Regional Parks	\$ 9,907,783	\$ 9,607,783	\$ (300,000)
Wildlife Services	\$ 60,733	\$ 60,733	\$ -
<b>Subtotal</b>	<b>\$ 21,079,396</b>	<b>\$ 21,266,660</b>	<b>\$ 187,264</b>
<b>Public Works and Infrastructure</b>			
Code Enforcement	\$ 6,033,059	\$ 5,532,764	\$ (500,295)
<b>Subtotal</b>	<b>\$ 6,033,059</b>	<b>\$ 5,532,764</b>	<b>\$ (500,295)</b>
<b>Social Services</b>			
Child, Family And Adult Services	\$ 5,226,484	\$ 9,185,278	\$ 3,958,794
Correctional Health Services	\$ 39,365,768	\$ 47,214,736	\$ 7,848,968
Health Services	\$ 36,055,046	\$ 37,509,914	\$ 1,454,868
Human Assistance-Administration	\$ 23,891,864	\$ 24,624,932	\$ 733,068
Human Assistance-Aid Payments	\$ 16,629,201	\$ 20,503,863	\$ 3,874,662
Probation	\$ 67,644,854	\$ 66,597,029	\$ (1,047,825)
Public Defender & Conflict Criminal Defenders	\$ 44,236,078	\$ 43,657,699	\$ (578,379)
Other Social Services	\$ 13,203,622	\$ 12,447,453	\$ (756,169)
<b>Subtotal</b>	<b>\$ 246,252,917</b>	<b>\$ 261,740,904</b>	<b>\$ 15,487,987</b>
<b>Total Net County Cost</b>	<b>\$ 710,685,613</b>	<b>\$ 751,521,353</b>	<b>\$ 40,835,740</b>

As can be seen, the budget units with the largest increase in Net County Cost are:

- The Sheriff's Office, with a \$20.7 million (8.1%) increase;
- Correctional Health Services, with a \$7.9 million (19.9%) increase;
- Financing-Transfers/Reimbursement, with a \$6.6 million (105.7%) increase;
- Child, Family & Adult Services, with a \$4 million (75.7%) increase;
- Human Assistance – Aid Payments, with a \$3.9 million (23.3%) increase; and
- Voter Registration & Elections, with a \$1.8 million (17.7%) increase.

Budget units with the largest decreases in Net County Cost include:

- Non-departmental Costs, with a \$1.6 million (5%) decrease;
- Probation, with a \$1.1 million (1.5%) decrease; and
- The Appropriation for Contingency, with a \$1 million (50.3%) decrease.

Looking at Net County Cost alone, however, does not give a complete picture of levels of investment of local resources in programs or services because increases or decreases in Net County Cost are sometimes offset by increases or decreases in the use of Semi-discretionary revenue. To give a better picture of the change in centrally allocated resources provided to the different departments, the following table compares the allocation of all discretionary and semi-discretionary resources in the FY 2018-19 Adopted Budget and the FY 2019-20 Recommended Budget.

**Net County Cost, Semi-Discretionary Resources**

<b>Centrally Allocated Resources FY 2018-19 Adopted - FY 2019-20 Recommended</b>	<b>FY 2018-19 Adopted</b>	<b>FY 2019-20 Recommended</b>	<b>Difference</b>
AG COMM-SEALER OF WTS & MEASURES	\$1,295,417	\$1,295,417	\$0
ANIMAL CARE AND REGULATION	\$9,815,463	\$10,302,727	\$487,264
APPROPRIATION FOR CONTINGENCY	\$1,986,199	\$986,199	-\$1,000,000
ASSESSOR	\$10,547,093	\$10,547,093	\$0
BOARD OF SUPERVISORS	\$3,529,212	\$3,671,800	\$142,588
CARE IN HOMES AND INSTITUTIONS	\$1,100,000	\$874,982	-\$225,018
CHILD, FAMILY AND ADULT SERVICES	\$87,333,165	\$87,514,218	\$181,053
CIVIL SERVICE COMMISSION	\$378,170	\$375,223	-\$2,947
CLERK OF THE BOARD	\$1,434,994	\$1,435,494	\$500
CODE ENFORCEMENT	\$6,033,059	\$5,532,764	-\$500,295
CONFLICT CRIMINAL DEFENDERS	\$10,687,894	\$10,472,894	-\$215,000
CONTRIBUTION TO LAFCO	\$239,500	\$239,500	\$0
CONTRIBUTION TO LAW LIBRARY	\$36,338	\$11,828	-\$24,510
COOPERATIVE EXTENSION	\$389,176	\$421,621	\$32,445
CORONER	\$6,956,092	\$6,210,653	-\$745,439
CORRECTIONAL HEALTH SERVICES	\$48,969,473	\$57,896,899	\$8,927,426
COUNTY COUNSEL	\$2,602,270	\$2,157,270	-\$445,000
COUNTY EXECUTIVE	\$1,144,782	\$1,209,862	\$65,080
COUNTY EXECUTIVE CABINET	\$419,670	\$434,594	\$14,924
COURT / COUNTY CONTRIBUTION	\$24,561,756	\$24,513,756	-\$48,000
COURT / NON-TRIAL COURT FUNDING	\$8,761,276	\$8,980,748	\$219,472
CRIMINAL JUSTICE CABINET	\$157	\$0	-\$157
DATA PROCESSING-SHARED SYSTEMS	\$10,696,730	\$10,506,729	-\$190,001
DEPARTMENT OF FINANCE	\$1,506,920	\$1,210,687	-\$296,233
DISTRICT ATTORNEY	\$78,029,426	\$79,526,109	\$1,496,683
EMERGENCY OPERATIONS	\$1,032,407	\$1,032,407	\$0
FAIR HOUSING SERVICES	\$183,857	\$190,648	\$6,791
FINANCING-TRANSFERS/REIMB	\$6,211,725	\$12,778,957	\$6,567,232
GRAND JURY	\$291,364	\$296,292	\$4,928
HEALTH SERVICES	\$172,871,949	\$172,128,645	-\$743,304
HEALTH-MEDICAL TREATMENT PAYMENTS	\$1,093,567	\$0	-\$1,093,567
HUMAN ASSISTANCE-ADMIN	\$51,727,895	\$47,850,794	-\$3,877,101
HUMAN ASSISTANCE-AID PAYMENTS	\$230,683,961	\$251,170,006	\$20,486,045
IHSS PROVIDER PAYMENTS	\$78,393,176	\$85,804,465	\$7,411,289
JUVENILE MEDICAL SERVICES	\$4,777,024	\$6,036,771	\$1,259,747
NON-DEPARTMENTAL COSTS/GF	\$32,004,567	\$30,403,693	-\$1,600,874
OFFICE OF INSPECTOR GENERAL	\$130,000	\$130,000	\$0
OFFICE OF LABOR RELATIONS	\$8,263	\$0	-\$8,263
PERSONNEL SERVICES	\$719,793	\$0	-\$719,793
PLANNING AND ENVIRONMENTAL REVIEW	\$2,101,810	\$2,070,810	-\$31,000
PROBATION	\$128,088,914	\$130,987,954	\$2,899,040
PUBLIC DEFENDER	\$34,372,765	\$34,074,408	-\$298,357
REGIONAL PARKS	\$9,907,783	\$9,607,783	-\$300,000
SHERIFF	\$411,242,468	\$442,350,301	\$31,107,833
VETERAN'S FACILITY	\$16,452	\$16,452	\$0
VOTER REGISTRATION/ ELECTIONS	\$10,195,732	\$11,996,028	\$1,800,296
WILDLIFE SERVICES	\$60,733	\$60,733	\$0
	<b>\$1,494,570,437</b>	<b>\$1,565,316,215</b>	<b>\$70,745,778</b>

As can be seen, overall the amount of discretionary and semi-discretionary resources allocated to departments and programs is recommended to increase by approximately \$70.8 million, or 4.7%, compared to the FY 2018-19 Adopted level. The budget units with the largest increases include:

- The Sheriff, with a \$31.1 million (7.6%) increase, mostly Net County Cost, but also including Realignment and Proposition 172 reimbursement;
- Human Assistance – Aid Payments, with a \$20.5 million (8.9%) increase, mostly Realignment, but also including Net County Cost;
- Financing – Transfers/Reimbursements, with a \$6.6 million (105%) increase, all Net County Cost;
- Correctional Health Services, with an \$8.9 million (18.2%) increase, mostly Net County Cost;
- IHSS Provider Payments, with a \$7.4 million (9.5%) increase, all Realignment;
- Probation, with a \$2.9 million (2.3%) increase, all Realignment and Proposition 172 reimbursement.

Budget units with the largest decreases in Net County Cost and Semi-discretionary resource allocations include:

- Human Assistance – Administration, with a \$3.9 million (7.5%) decrease, all Realignment;
- Non-departmental Costs, with a \$1.6 million (5%) reduction, all Net County Cost;
- Health - Medical Treatment Payments, with a \$1.1 million (100%) reduction, all Net County Cost;
- The Appropriation for Contingency, with a \$1 million (50.3%) reduction, all Net County Cost.