

**FY 2019-20 Recommended Budget
SIGNIFICANT ISSUES/CHANGES AND REQUESTS – DEPARTMENTAL
BUDGETS**

GENERAL FUND

Assessor

The Recommended Budget for the Assessor's Office reflects a \$516,184 (3%) increase in appropriations (3%) and revenue (6%) and no change in Net County Cost. The increase in appropriations and Net County Cost is due primarily to increased salary and benefit costs for existing employees and the increase in costs allocated to the Department from internal services departments, partly offset by reductions in various services and supplies accounts – the result of an effort to insure the budget more accurately reflects actual expenditures. The projected increase in revenue is due primarily to increased supplemental property tax revenue.

The Assessor's requested budget included one Growth request totaling \$545,000 in Net County Cost. This request involves the purchase of a Computer Assisted Mass Appraisal (CAMA) software system that would help generate accurate assessments more efficiently on real property parcels. 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 \$1.1 million (1.4%) increase in appropriations, a \$630,000 (4.2%) increase in revenue and a \$466,000 (0.8%) increase in Net County Cost. Before reducing appropriations to account for the receipt of Restricted Fund (Realignment and Proposition 172) reimbursements (which are a negative appropriation), the Recommended Budget reflects a \$2.1 million (2.3%) increase in expenditures, a \$1 million (6%) increase in Semi-discretionary reimbursements, a \$630,000 (4.2%) increase in revenue and a \$466,000 (0.8%) increase in Net County Cost. The primary reason for the increase in expenditures is increased salary and benefit costs for existing staff; and reduced reimbursements from the Public Defender and Conflict Criminal Defender for discovery costs based on a mutual agreement to provide discovery to those departments without cost, partially offset by expenditure reductions to help balance the General Fund budget. The increase in revenue is due primarily to a decision to begin budgeting SB90 revenue. In prior years, the District Attorney did not budget this revenue because of uncertainty over its receipt, but receipt has now

become more predictable. The increase in Net County Cost is due primarily to the District Attorney's decision to no longer charge the Conflict Criminal Defender and Public Defender for discovery costs.

The District Attorney's Requested Base Budget (the cost of existing staff and programs) reflected a \$6 million (6.4%) increase in expenditures (appropriations before reductions for restricted fund reimbursements) and a \$4.4 million (7.2%) increase in Net County Cost, due primarily to increased salary and benefit costs for existing employees. The Recommended Budget includes expenditure reductions totaling approximately \$4 million, consisting of primarily reduced appropriations for overtime and extra help and an increase in budgeted salary savings that will be achieved by not filling positions as they become vacant. The District Attorney has indicated that these reductions will result in a wide range of operational delays impacting a number of programs, including the Crime Lab, Criminal Prosecution, the Investigations Bureau and Administration and Support Services.

The Recommended Budget also includes one Growth request: \$103,000 to add one FTE Senior Office Assistant and vehicle to the Victim-Witness Assistance program to provide lead-worker duties in assisting prosecutors, advocates and victims in arranging for witness travel and other duties. Funding will come from Victim-Witness Grant revenue.

The District Attorney's requested budget included four additional Growth requests, totaling \$758,000 (\$595,000 Net County Cost). These requests included the addition of one FTE Office Assistant and one FTE Senior Office Assistant in the Misdemeanor Unit, two FTE Paralegals to assist in reviewing body-worn camera footage, one FTE Principal Criminal Attorney and vehicle for the Community Prosecution program (funded 50% by the City of Folsom), \$275,000 to construct raised planters and bollards for the District Attorney's 901 G Street office building. These requests are summarized in the Program Information section for this budget unit. No funding is recommended for these requests at this time because no funding is available.

Sheriff

The Recommended Budget for the Sheriff's Department reflects a \$26 million (7.5%) increase in appropriations, a \$5.2 million (5.8%) increase in revenue and a \$20.7 million (8.1%) increase in Net County Cost. Before reducing appropriations to account for the receipt of Restricted Fund reimbursements (which are a negative appropriation), the Recommended Budget reflects a \$39.5 million (7.9%) increase in expenditures, a \$13.5 million (8.7%) increase in Restricted Fund (primarily Realignment and Proposition 172) reimbursements, a \$5.2 million increase in revenue and a \$20.7 million

(8.1%) 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 employees, including the full year cost for positions added for half a year in FY 2018-19 (partially offset by expenditure reductions to help balance the General Fund budget) and recommended Growth as described below. The primary reason for the increase in revenue is additional revenue from contracts for providing law enforcement services to other agencies (like Rancho Cordova and Regional Transit) due to salary and benefit cost increases and additional federal grant revenue for a variety of programs.

To better understand the changes to the Sheriff's Budget, it is useful to look separately at the Corrections and Non-Corrections components of the Budget. The following table compares the Corrections portion of the Sheriff's Budget in the FY 2018-19 Adopted Budget to the Corrections portion in the FY2019-20 Recommended Budget:

Sheriff's Corrections	FY 2018-19 Adopted	FY 2019-20 Base	FY 2019-20 Reductions	FY 2019-20 Funded Base	FY 2019-20 Growth	FY 2019-20 Recommended	Change from FY18-19 Adopted
Expenditures	\$ 173,333,969	\$ 188,641,266		\$ 188,641,266	\$ 8,648,895	\$ 197,290,161	\$ 23,956,192
Restricted Reimbursements	\$ (69,857,750)	\$ (75,617,323)		\$ (75,617,323)	\$ (2,000,000)	\$ (77,617,323)	\$ (7,759,573)
Appropriations	\$ 103,476,219	\$ 113,023,943	\$ -	\$ 113,023,943	\$ 6,648,895	\$ 119,672,838	\$ 16,196,619
Revenue	\$ 19,510,848	\$ 19,178,871		\$ 19,178,871		\$ 19,178,871	\$ (331,977)
Net County Cost	\$ 83,965,371	\$ 93,845,072	\$ -	\$ 93,845,072	\$ 6,648,895	\$ 100,493,967	\$ 16,528,596

As can be seen, the FY 2019-20 Base expenditure level (the cost of existing staff and programs before reductions for restricted reimbursements) for the Corrections budget reflects a \$15.3 million (8.8%) increase from the FY 2018-19 Adopted Budget level, restricted reimbursements are estimated to increase by \$5.8 million, revenue is estimated to decrease by approximately \$332,000 and Base Net County Cost reflects an increase of \$9.9 million (11.8%). The increase in Base expenditures is due primarily to increased salary and benefit costs for existing staff, including the full-year cost for positions added for half a year in FY 2018-19. The increase in restricted reimbursements reflects the projected receipt of additional Community Corrections Realignment and Proposition 172 reimbursements. Because of the need to make significant investments in jail operations to address conditions of confinement identified in the recent lawsuit against the County, the Corrections Base Budget is funded as requested.

In addition, the Recommended Corrections Budget includes \$8.7 million in Growth, funded with \$2 million in additional Community Corrections (AB 109) Realignment reimbursement and \$6.7 million in Net County Cost. This recommended Growth addresses issues identified in the recent lawsuit concerning conditions of confinement in the County's jails and includes:

- Custody staffing costs for two additional 20-bed Intensive Outpatient Psychiatric (IOP) units (one each in the Main Jail and the Rio Cosumnes

Correctional Center – RCCC). This involves eighteen additional positions – 2 Sergeants and 16 Deputies – at a cost of \$3.1 million in Net County Cost;

- A total of 38 FTE additional positions to address staffing deficiencies at the Main Jail and the RCCC as part of an effort to provide proper classification and additional out-of-cell time to inmates. This includes 6.0 FTE Sergeants, 6.0 FTE Deputies and 26 Sheriff’s Record Officers – at a cost of approximately \$3.5 million in Net County Cost and \$2 million in Community Corrections Realignment.

More detailed information on this recommended Growth is provided in the Program Information section for the Sheriff’s budget unit.

All-told the Recommended Budget for the Corrections portion of the Sheriff’s budget reflects a \$23.9 million (13.8%) increase in expenditures, a \$7.8 million increase in restricted reimbursements, a \$331,000 reduction in revenue and a \$16.5 million (19.7%) increase in Net County Cost.

In addition to the recommended Growth requests discussed above, the Sheriff requested nine additional Corrections-related Growth requests totaling approximately \$4.8 million in either Net County Cost or Community Corrections Realignment. These requests are summarized in the Program Information section for the Sheriff’s budget unit. No funding is recommended for these requests at this time because resources are not available.

The following table compares the non-Corrections portion of the Sheriff’s Budget in the FY 2018-19 Adopted Budget to the non-Corrections portion in the FY 2019-20 Recommended Budget:

Sheriff’s Non-Corrections							
	FY 2018-19	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	Change from
	Adopted	Base	Reductions	Funded Base	Growth	Recommended	FY18-19 Adopted
Expenditures	\$ 328,968,577	\$ 347,414,295	\$ 3,796,935	\$343,617,360	\$ 896,818	\$ 344,514,178	\$ 15,545,601
Restricted Reimbursements	\$ (86,353,294)	\$ (92,140,824)		\$ (92,140,824)		\$ (92,140,824)	\$ (5,787,530)
Appropriations	\$ 242,615,283	\$ 255,273,471	\$ 3,796,935	\$ 251,476,536	\$ 896,818	\$ 252,373,354	\$ 9,758,071
Revenue	\$ 71,549,230	\$ 76,223,344		\$ 76,223,344	\$ 896,818	\$ 77,120,162	\$ 5,570,932
Net County Cost	\$ 171,066,053	\$ 179,050,127	\$ 3,796,935	\$ 175,253,192	\$ -	\$ 175,253,192	\$ 4,187,139

As can be seen, the FY 2019-20 Base expenditure level (the cost of existing staff and programs before reductions for restricted reimbursements) for the non-Corrections portion of the Sheriff’s budget reflects an \$18.5 million (5.6%) increase from the FY 2018-19 Adopted Budget level, restricted reimbursements are estimated to increase by \$5.8 million, revenue is estimated to increase by approximately \$4.7 million and Base Net County Cost reflects an increase of \$8 million (4.7%). The increase in Base expenditures is due primarily to increased salary and benefit costs for existing staff. The increase in restricted reimbursements reflects the projected receipt of additional Court Security Realignment and Proposition 172 reimbursements.

The Recommended Budget for the non-Corrections portion of the Sheriff's budget includes \$3,796,935 in expenditure and Net County Cost reductions to help balance the General Fund budget. These reductions involve the elimination of 12 vacant positions and include the following program impacts:

- Elimination of the contract for ShotSpotter (gunshot detection) services and the deletion of 4.0 FTE Deputy Sheriff positions (\$1,027,656);
- Elimination of the Arson Task Force, involving the deletion of 1.0 FTE Sergeant and 2.0 FTE Deputy Sheriff positions (\$683,756);
- Deletion of 5.0 FTE Deputy Sheriff positions assigned to Homeless Outreach Teams (HOT) (\$1,034,570). This will leave a total of five Deputies assigned to the HOT teams;
- Holding certain positions vacant resulting in salary savings (\$746,571); and
- Reducing miscellaneous supplies costs by \$304,382.

More detailed information regarding these recommended expenditure reductions is provided in the Program Information section for the Sheriff's budget unit.

The Recommended non-Corrections share of the Sheriff's Budget also includes funding for two Growth requests: (1) the addition of four FTE Deputy Sheriff's to provide security services at Sacramento International Airport at a cost of \$896,818, fully funded by the Department of Airports; and (2) the elimination of three vacant Deputy Sheriff positions, the addition of one Sergeant position and the acquisition of additional vehicles to provide services to the Elk Grove Unified School District (with no net change in cost).

The Recommended Budget for the non-Corrections portion of the Sheriff's Office reflects a \$15.5 million (4.7%) increase in expenditures, a \$5.8 million increase in restricted reimbursements, a \$5.6 million increase in revenue and a \$4.2 million (2.5%) increase in Net County Cost.

In addition to the recommended Growth requests discussed above, the Sheriff requested five additional non-Corrections related Growth requests totaling approximately \$3.7 million in Net County Cost. These requests are summarized in the Program Information section for the Sheriff's budget unit. No funding is recommended for these requests at this time because resources are not available.

Government Code Section 30061(c)(1) requires that the County Board of Supervisors appropriate existing and anticipated Citizens Options for Public Safety (COPS) funding for county frontline law enforcement services each year

in response to a written request submitted by the Sheriff. In accordance with this statute, the Sacramento Sheriff's Department (SSD) requests approval for continued use of this funding in FY 2019-20 for frontline law enforcement services. It is anticipated that \$1,422,599 in COPS frontline law enforcement funding is available during FY 2019-20, and this amount has been included in the SSD's Recommended Budget. The SSD intends to use the COPS frontline law enforcement funding during FY 2019-20 to fully support approximately 6.0 FTE existing Deputy Sheriff positions, which represents the most effective use of the funding. The SSD has many frontline law enforcement needs, but augmenting the Deputy Sheriff staffing is the most important need. These positions will provide valuable frontline law enforcement services in the unincorporated area of Sacramento County, and otherwise would not have funding available to support them.

Appropriation for Contingency

The Recommended Appropriation for Contingency reflects a \$1 million (50.3%) decrease compared to the FY 2018-19 Adopted Budget level. This reduction is being recommended to help balance the General Fund budget.

With this reduction, the Appropriation for Contingency will be \$986,199, which is 0.05% of Recommended General Fund appropriations, 0.04% of Recommended General Fund expenditures before reduction to account for Restricted Fund reimbursements and 0.1% of Recommended Net County Cost.

Clerk of the Board

The Recommended Budget for the Clerk of the Board reflects a \$15,215 (0.8%) reduction in appropriations, a \$15,715 (2.8%) reduction in revenue and a \$500 increase in Net County Cost. The decrease in appropriations is due primarily to a \$94,516 reduction in expenditures as part of an effort to help balance the General Fund budget, partially offset by increased salary and benefit costs for existing employees and an increase in charges from internal services departments.

The Recommended \$94,516 reduction in appropriations to help balance the General Fund Budget includes a \$38,821 reduction in services and supplies expenditures, including temporary services, mail/postage costs and advertising costs and elimination of \$55,695 in funding for a new database to replace the existing boards and commissions database. More detailed information concerning these reductions is provided in the Program Information section for this Budget Unit.

County Counsel

The Recommended Budget for County Counsel reflects a \$5,143 (0.1%) decrease in appropriations, a \$439,857 (12.8%) increase in revenue and a \$445,000 (17.1%) decrease in Net County Cost. Part of the reason for the decrease in appropriations is that the Recommended Budget includes a \$445,000 reimbursement (negative appropriation) from the Sheriff's Office for dedicated legal services. In prior years, the Sheriff's Office was inadvertently not charged for these services. County Counsel's requested Base budget reflected a \$1.2 million (7.5%) increase in salary and benefit costs for existing positions, partly offset by a \$71,000 decrease in services and supplies costs due to savings from a switch to a new legal research vendor. The Recommended Budget includes a \$750,000 reduction in reimbursement from the Department of Child, Family and Adult Services (DCFAS), reflecting that Department's efforts to help balance the General Fund budget. The Recommended Budget for County Counsel includes \$877,000 in expenditure reductions and \$371,000 in additional revenue to offset the reduction in reimbursements from DCFAS and to help balance the General Fund budget. These expenditure reductions/revenue increases include:

- The elimination of two FTE vacant attorney positions in the juvenile dependency unit previously funded by DCFAS;
- The elimination of one FTE vacant attorney position providing support to General Fund departments;
- A \$125,000 reduction in the reimbursement paid to the Department of Technology (DTech) for a dedicated Information Technology contractor; and
- The receipt of \$372,000 in additional legal services revenue due to the shifting of attorney time to reimbursable projects to avoid the need for further reductions. This will have the effect of reducing attorney services provided to General Fund departments.

County Executive Cabinet

The Recommended Budget for the County Executive Cabinet reflects a \$73,935 (1.9%) increase in appropriations, a \$59,011 (1.7%) increase in revenue and a \$14,924 (3.6%) increase in Net County Cost. The primary reasons for the increase in appropriations include increased salary and benefit costs for existing employees and an increase in costs allocated to the Department from internal services departments.

The County Executive Cabinet is an Allocated Cost Plan (ACP) budget unit, which means most of the budget unit's costs are allocated out to other County General Fund and non-General Fund departments – with some recovered as

revenue and some recovered as a reimbursement (negative appropriation). The County Executive Cabinet's Requested Base expenditure level (the cost of funding existing staff and programs), before reductions due to reimbursements from General Fund departments, was \$1,065,607 (5.7%) higher than the FY 2018-19 Adopted level, due primarily to increased salary and benefit costs for existing positions and an increase in costs allocated to the Department from internal services departments. The Recommended Budget reflects a \$283,370 reduction in expenditures – mostly through a reduction in miscellaneous services and supplies accounts – to limit allocated cost increases to other departments and help balance the General Fund Budget. The Recommended Budget also reflects the elimination of one FTE Communications & Media Officer (CMO) position, due to a decision by the Water Resources and Transportation Departments to jointly fund one CMO rather than each fund their own dedicated CMO.

Emergency Services

The Recommended Budget for Emergency Services reflects a \$591,090 (11.5%) decrease in appropriations, a \$591,090 (14.3%) decrease in revenue and no change in County Cost. The decrease in appropriations and revenue is due primarily to the net result of increases and decreases in a number of grants, including the State Homeland Security Grant program and State Department of Water Resources grants. The Requested Base Budget for Emergency Services was \$50,735 higher (all Net County Cost) than the Recommended Budget due to salary and benefit cost increases for existing positions. The Recommended Budget reflects a \$57,735 reduction in expenditures from that Base Budget level to help balance the General Fund Budget. This will delay the update of 10 Countywide emergency plans in FY 2019-20. Emergency Services is responsible for reviewing 30 emergency plans every three years and typically reviews 10 plans each year.

Emergency Services' Requested Budget included one Growth request - \$187,857 in Net County Cost to replace 29 desktop and 30 laptop computers and purchase 135 Microsoft Office 2016 licenses. This is part of a Countywide effort to upgrade the Microsoft operating system and Microsoft Office software. No funding is recommended for this request at this time because resources are not available.

Financing Transfers/Reimbursements

The Recommended Budget for Financing Transfers/Reimbursements reflects a \$6,567,232 (105.7%) increase in appropriations and Net County Cost. This is the net result of increases and decreases in transfers to different County funds, including:

- The transfer of \$8 million to the Capital Construction Fund (CCF). This Growth request will provide the first year of funding for planning and design services related to the construction of an annex to the Main jail and improvements to both the Main Jail and the Rio Cosumnes Correctional Center to address conditions of confinement issues identified in the lawsuit brought against the County. Total planning and design costs for this project are estimated to be between \$16 million and \$18 million over two years;
- The transfer of \$335,000 to the Neighborhood Revitalization Fund, reflecting the FY2019-20 revenue and prior year unspent revenue from the Sierra 99 Digital Gateway project. The Board directed that this money (that is technically discretionary revenue) be identified for possible use on neighborhood or commercial corridor revitalization projects. This Growth request transfers the money to the Neighborhood Revitalization Fund, where it will be appropriated and can be spent as the Board directs;
- A \$1,073,000 reduction in the transfer to the Roads Fund for the I-80/Bufwood Way Sound Wall/Engle Road Pavement Overlay projects. Those projects were completed in FY2018-19; and
- A \$400,000 reduction in the annual transfer of General Fund resources to the Roads Fund to help balance the General Fund Budget. With this reduction, the transfer to the Roads Fund to provide funding for general road maintenance activities will be \$1 million.

Non-Departmental Costs

The Recommended Non-Departmental Costs Budget reflects a \$1,165,408 (3.6%) reduction in appropriations and Net County Cost, a \$435,466 increase in revenue and a \$1,600,874 decrease in Net County Cost. The reduction in appropriations and Net County Cost is the net result of increases and decreases in expenditures on different projects or programs, including:

- The elimination of a \$1.8 million General Fund contribution to debt service on the Certificates of Participation (COPs) issued to establish the Fixed Asset Acquisition Fund (FAAF). The original intent was to loan money from the FAAF to departments to purchase fixed assets, with departments' loan repayments covering the cost of debt service on the COPs. However, in some cases, previous Boards authorized spending FAAF funds on projects without a requirement to repay the money. When the FY 2018-19 Budget was adopted, it was anticipated that it would be necessary for the General Fund to start picking up a share of the FAAF debt service costs in FY 2018-19, with the amount increasing in future years. It was necessary for the General Fund to pick up a

share of FAAF debt service cost in FY 2018-19 but, for a variety of reasons, including the cancellation of part of the FAAF's Reserve for the Orangevale Library project, it will not be necessary for the General Fund to pay part of the FAAF debt service costs in FY 2019-20. It will likely be necessary for the General Fund to start paying part of the FAAF debt service cost in FY 2020-21 and future years;

- The elimination of \$1 million in one-time General Fund support for the Mather Veterans project. That project was completed in FY 2018-19;
- The elimination of \$250,000 in one-time funding for consultants to assist in preparing a Library Master Plan. It is anticipated that the project will be completed in FY 2018-19;
- A \$235,000 increase in property tax administrative costs, based on estimates provided by the Department of Finance;
- The inclusion of \$697,000 in funding for Census 2020 outreach efforts, funded with \$435,000 in grant revenue and \$262,000 in Net County Cost, reflecting census grant revenue estimated to be received and not spent in FY 2018-19 and carried over as fund balance;
- \$300,000 in one-time Growth (Net County Cost) to cover the County's share of cost for an analysis of the feasibility of establishing a regional correctional mental health facility to serve jail inmates with mental health issues in Sacramento County and 10 neighboring counties; and
- \$1,000,000 in Growth (Net County Cost) to cover the likely annual cost of a surety bond and letter of credit related to the Hardesty judgement against the County.

Office of Labor Relations

The Recommended Budget for the Office of Labor Relations reflects a \$4,901 (1.1%) decrease in appropriations, a \$3,362 (0.8%) increase in revenue and an \$8,263 decrease in Net County Cost.

The Office of Labor Relations is an Allocated Cost Plan (ACP) budget unit, which means the budget unit's costs are generally allocated out to other County General Fund and non-General Fund departments – with some recovered as revenue and some recovered as a reimbursement (negative appropriation). The Office of Labor Relations' Requested Base expenditure level (the cost of funding existing staff and programs), before reductions due to reimbursements from General Fund departments, was \$59,223 (3.6%) higher than the FY 2018-19 Adopted level, due primarily to increased salary and benefit costs for existing positions and an increase in costs allocated to the Department from internal services departments. The Recommended Budget reflects a \$59,223 reduction in expenditures – mostly through a reduction in professional services contract costs - to limit allocated cost increases to other departments and help balance the General Fund Budget.

Planning & Environmental Review

The Recommended Budget for Planning & Environmental Review reflects a \$1,481,912 (11.8%) reduction in appropriations, a \$1,450,912 (14%) reduction in revenue and a \$31,000 (1.5%) decrease in Net County Cost. The primary reasons for the decrease in revenue are a \$697,573 revenue reduction due to the transfer of certain responsibilities related to the South County Habitat Conservation Plan to the South County Conservation Agency (SCCA) and a reduction of approximately \$600,000 in fee revenue related to development and environmental review, as part of an effort to reconcile budgeted to actual revenue.

The recommended decrease in appropriations is due to a number of factors, including:

- A \$600,000 reduction in consultant costs due to the adoption of the South County Habitat Conservation Plan (SCHCP) in FY 2018-19 and the transfer of SCHCP responsibility to the SCCA;
- A reduction of approximately \$700,000 in consultant costs, reflecting a shift of responsibility for review of master plan and current planning applications from consultants to existing staff in an effort to balance staffing costs with projected revenue. In recent years, Planning's actual Net County Cost has exceeded budgeted Net County Cost by a significant amount. One result of this shift will be that Planning will need to delay work on certain General Plan implementation activities (including mandated activities) and reduce the amount of time that can be spent on other non-billable activities like public information and corridor and community planning; and
- \$615,000 in staffing and other reductions as part of an effort to help balance the General Fund Budget. This includes the elimination of the Student Intern program and 4.2 FTE vacant positions – two Assistant Planners, a Planning Technician and a Secretary. This also includes eliminating \$140,000 to cover the cost of Department of Transportation (DOT) staff that does water efficiency reviews. These expenditure reductions will reduce the amount of time staff can spend on non-billable work and impact the County's ability to do water efficiency reviews. Planning is currently working on a plan to restore some of the more critical services that would be reduced as a result of these expenditure decreases.

These and other appropriation reductions are partially offset by appropriation increases in certain areas, including a \$120,000 reduction in reimbursement from the Department of Transportation for corridor and community planning.

Reimbursements are a negative appropriation and so a reimbursement reduction results in an increase in appropriations.

County Clerk-Recorder

The Recommended Budget for the County Clerk-Recorder reflects a \$1,014,170 (9.37%) reduction in appropriations and revenue. The County Clerk-Recorder Budget does not have a Net County Cost. The primary reason for the decrease in appropriations and revenue is the change in budgeting and accounting practices for Hours, Index, E-Recording, and Vital Health Statistics Fee revenue, which is now received initially in a restricted fund and transferred as a reimbursement (negative appropriation) to this budget unit. If that change is adjusted for, the Recommended Budget for the County Clerk-Recorder reflects an increase of \$197,883 (1.83%) in expenditures and revenues.

The primary reason for the increase in adjusted appropriations and revenue is increased salary and benefit costs for existing staff, offset by a reduction in allocated costs from internal services departments and costs related to the Integrated System Project, which is winding down.

Data Processing - Shared Systems

The Recommended Data Processing – Shared Systems Budget reflects a \$190,001 (1.7%) decrease in appropriations and Net County Cost. The primary reasons for the decrease in appropriations and Net County Cost are due to a one-time growth request in FY 2018-19 to review health record needs, and a redistribution of labor costs to the County Clerk Recorder.

The requested budget for Shared Systems also included one additional Growth request totaling \$106,778 in Net County Cost. 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.

Department of Finance

The Recommended Budget for the Department of Finance reflects a \$514,091 (1.9%) increase in appropriations, an \$810,324 (3.1%) increase in revenue and a \$296,233 (19.7%) reduction in Net County Cost. The increase in appropriations is due primarily to increases in salary and benefit costs for existing employees, increases in allocated costs from internal services departments partially offset by an increase in reimbursements from

departments receiving services from Finance (reimbursements are reflected as a negative appropriation), so an increase in reimbursements results in a decrease in appropriations. The increase in revenue is due in part to projected increases in tax and business license activity and recoveries. Just over half the additional revenue and the reduction in Net County Cost is due to recognition of operational costs identified in the Allocated Cost Plan (ACP) that were not included in the Department's Budget in the past.

As was the case in FY 2018-19, the Finance Department's Recommended Budget includes a line item appropriation of \$48,000 to provide General Business Licenses to veterans at no cost.

The Department of Finance's Recommended budget also reflects a \$187,000 reduction in expenditures or revenue increases to limit costs allocated to other departments and help balance the General Fund budget, including a \$137,000 reduction in miscellaneous Services and Supplies costs, a \$48,000 reduction in salary and benefit costs, due to the identification of additional salary savings and elimination of the 5% confidential position designation wherever possible, and the inclusion of \$2,500 in newly identified travel rebate revenue.

The Recommended Budget includes funding for one Growth request - \$64,500 to fund four temporary agency staff for remittance processing to assist with property tax collections and other payments during the period when secured property tax installments are due. Funding will come from State revenue.

Personnel Services

The Recommended Budget for the Department of Personnel Services reflects a \$2,106,509 (14.9%) increase in appropriations, a \$2,826,302 (21%) increase in revenue and a \$719,793 (100%) decrease in Net County Cost. 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 Personnel Services Department is an Allocated Cost Plan (ACP) department, which means it generally recovers all of its costs through charges to other County departments – either as revenue or reimbursements (a negative appropriation). The FY 2018-19 Adopted Budget had a Net County Cost of \$719,793 for two reasons: (1) including appropriations supported by Net County Cost to fund the originally unbudgeted portion of the cost-of-living adjustment provided to employees (\$313,832); and (2) providing a refund to departments that were over-charged in FY 2017-18 (\$405,961). The FY 2019-20 Recommended Budget provides for full cost recovery through the ACP.

The Department of Personnel Services' Requested Base expenditure level (the cost of funding existing staff and programs), before reductions due to reimbursements from General Fund departments, was \$2.7 million (8.3%) higher than the FY 2018-19 Adopted Budget level, due mostly to increased salary and benefit costs for existing staff. The Recommended Budget reflects a \$1,330,000 reduction in expenditures – mostly through an increase in salary savings caused by not filling positions when they become vacant - to limit costs allocated to other departments and help balance the General Fund Budget.

All-told, Recommended expenditures for the Department of Personnel Services (before reduction due to reimbursements) are \$1.3 million (4.2%) higher than the FY 2018-19 Adopted level, reimbursements from General Fund departments are \$762,000 lower and revenue is \$2.8 million higher.

Voter Registration and Elections

The Recommended Budget for the Department of Voter Registration and Elections reflects a \$185,271 (1.5%) increase in appropriations, a \$1,615,025 (69.2%) decrease in revenue and a \$1,800,296 (17.7%) increase in Net County Cost. The primary reason for the increase in appropriations is a recommended \$668,600 Growth request as described below, partially offset by cost reductions in a number of areas reflecting an effort to reconcile budgeted to actual expenditures. The increase in Net County Cost is due primarily to the decrease in revenue in the March 2020 Primary Election, with which fewer jurisdictions consolidate their elections (compared to General Elections). This is slightly offset by an increase in revenue from Help America Vote Act (HAVA) funding for polling place accessibility and cyber security.

The Registrar's requested budget included one Growth request totaling \$668,600 in Net County Cost. This request involves the printing and postage charges for the State mandated mailing of two postcards to all registered voters prior to an election and the new State mandated prepaid postage on all returned vote-by-mail ballots.

In addition to the Recommended Growth request, Voter Registration and Elections submitted an additional Growth request totaling \$150,000 in Net County Cost for roving technical support from the Department of Technology. This request is summarized in the Program Information section for this Budget Unit. Funding is not recommended for this request at this time because resources are not available.

Agricultural Commissioner/Sealer of Weights and Measures

The Recommended Budget for the Agricultural Commissioner/Sealer of Weights and Measures reflects a \$210,389 (4.1%) increase in appropriations, a \$210,389 (5.5%) increase in revenues and no change in Net County Cost. The primary reason for the increase in appropriations is the increase in salary and benefit costs for existing employees and an increase in light vehicle costs. The increase to revenue is due to the increase of the County share of the unfunded gas tax.

The Agricultural Commissioner/Sealer of Weights and Measures' requested budget also includes one additional Growth request totaling \$119,578 in Net County Cost. 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.

Animal Care and Regulation

The Recommended Budget for Animal Care and Regulation reflects a \$372,714 (3.1%) decrease in appropriations, an \$859,978 (42.1%) decrease in revenues, and a \$487,264 (5%) increase in Net County Cost. The primary reason for the decrease in revenues is the loss of a service contract with the City of Elk Grove for \$924,303, partially offset by a net increase of \$64,325 from various projected fees and donations. The decrease in appropriations is the net result of increases and decreases in appropriations in a number of areas.

The requested Base appropriation level for Animal Care and Regulation (the cost of current staffing and programs) was approximately \$215,000 (1.8%) higher than the FY 2018-19 Adopted level. This was due primarily to salary and benefit cost increases for existing employees, partially offset by reductions in services and supplies and other expenditures as part of an effort to more accurately reconcile budget to actual expenditures. The Recommended Budget includes an additional \$587,673 in expenditure and Net County Cost reductions to help balance the General Fund Budget. Those reductions include the elimination of two vacant positions – an Animal Care Officer and Secretary, suspension of operation of the mobile veterinary clinic, reductions in contracts with the Sacramento Society for the Prevention of Cruelty to Animals and the Animal Spay and Neuter Clinic to provide free spay and neuter services, reductions in contracts for on-call veterinarian services and the reduction of various other services and supplies. In making these reductions, the goal was to insure the Department can maintain a live release

rate of at least 90% in the Animal Shelter. More detailed information concerning these expenditure reductions is provided in the Program Information section for this budget unit.

The following table shows the total amount of spay-neuter funding included in the FY 2019-20 Recommended Budget compared to previous years' Budget:

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Program	FY 17-18		FY 18-19			FY 19-20
	Budget	Surgeries	Budget	Surgeries Through March 2019	Estimated Surgeries for year	Recommended Budget
Shelter Animals Program:						
County Vets, Relief Vets, Overflow contracts with Community Spay Neuter A Non Profit (CSN) and Sacramento Society for the Preventions of Cruelty to Animals (SSPCA)*	\$734,827	4,946	\$778,478	3,960	4,844	\$1,025,614
CSN** - Return to Field Program - Cats	\$69,200	1,564	\$70,000	1,343	1,699	\$0
Subtotal Shelter Animals	\$804,027	6,510	\$848,478	5,303	6,543	\$1,025,614
Community Spay and Neuter Program:						
CSN - Cats		867		356	473	
CSN - Dogs	\$45,000	38	\$50,000	30	35	\$0
SSPCA - Cats	\$55,000	2,069	\$50,000	2,190	2,919	\$0
SSPCA - Dogs	\$10,000	230	\$10,000	195	258	\$0
County Mobile Clinic	\$165,992	0	\$269,039	0	0	\$0
Sterilization Trust - SAAC (FY 15-16 Actual FY 16-17 Estimate - cannot exceed trust fund balance)	\$80,000	1,073	\$80,000	1,006	1,339	\$80,000
Subtotal Total Community Spay and Neuter Program	\$355,992	4,277	\$459,039	3,777	5,024	\$80,000
Grand Total Spay and Neuter Programs	\$1,160,019	10,787	\$1,307,517	9,080	11,567	\$1,105,614
<p>*For FY 19-20 salary costs for one Veterinarian and one Registered Veterinarian Technician, previously accounted for under the County Mobile Clinic section, are now part of the County Vets costs under the Shelter Animals section due to the elimination of the mobile clinic.</p> <p>**The contracted Spay and Neuter Clinic was operated by Animal Spay and Neuter Clinic (ASN) until December 2018, at which point the Community Spay and Neuter Clinic (CSN) took over the contracted services.</p>						

The Recommended Budget also includes six growth requests totaling \$787,225 in Net County Cost. The requests are summarized in the Program Information section for this Budget Unit. No funding is recommended for these requests at this time due to resources not being available.

Regional Parks

The Recommended Budget for Regional Parks reflects an \$133,190 (0.7%) increase in appropriations, a \$433,190 (5.9%) increase in revenue and a \$300,000 decrease in Net County Cost. The primary reasons for the increase in appropriations are an increase in salary and benefit costs for existing staff and an increase in costs allocated to the Department from internal services departments, partially offset by certain expenditure reductions as described below. The increase in revenue is due to the draw-down of additional resources from the Habitat Restoration Plan (HRP) Fund as part of the effort to help balance the General Fund Budget. It should be noted that drawing down HRP Fund resources at this rate is not sustainable over the long-term and will eventually require either a reduction in expenditures, the identification of other revenue or an increase in Net County Cost.

The requested Base Budget for Regional Parks (the cost of current staffing and programs), reflected a \$306,626 (1.8%) increase in appropriations, due primarily to an increase in salary and benefit costs for existing employees, partially offset by reductions in appropriations as the result of an effort to better reconcile budgeted to actual expenditures. The Recommended Budget includes a reduction of \$173,436 to help balance the General Fund Budget. That reduction is comprised of \$103,270 in reductions in various service and supply accounts and a \$70,166 reduction in Visitor Services Team (VST) hours (reduction of 4355 hours) in the American River Parkway.

Regional Parks also submitted three Growth requests totaling \$775,012 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.

Code Enforcement

The Recommended Budget for Code Enforcement reflects a \$211,064 (2.2%) reduction in appropriations, a \$289,231 (6.1%) increase in revenue and a \$500,295 (8.3%) decrease in Net County Cost. The decrease in appropriations is due primarily to expenditure reductions to help balance the General Fund Budget as described below, partially offset by an increase in

salary and benefit costs for existing employees. The increase in revenue is due primarily to an increase in revenue from the Marijuana Enforcement Program and a slight increase in revenue from the Rental Housing Inspection Program.

The requested Base Budget (the cost of current staffing and programs) appropriations for Code Enforcement reflected a \$90,189 (0.9%) increase compared to the FY 2018-19 Adopted level. This increase was due primarily to salary and benefit increases for existing employees. The Recommended Budget includes a \$301,253 reduction in appropriations and Net County Cost to help balance the General Fund Budget. This reduction is comprised of the elimination of two vacant Code Enforcement Officer positions and a Student Intern and a reduction in various services and supplies accounts. Among other things, this will result in higher caseloads for Code Enforcement Officers and increased response time for zoning enforcement activities. These reductions are described in more detail in the Program Information section for this budget unit.

Care In Homes and Institutions

The Recommended Budget for the Care in Homes and Institutions/Juvenile Court Wards budget unit reflects a \$225,018 (20.5%) decrease in appropriations and Net County Cost. This reduction is due to an anticipated reduction in the number of juveniles committed to the California Department of Juvenile Justice.

Child, Family and Adult Services

The Recommended Budget for Child, Family and Adult Services reflects a \$259,351 (0.2%) decrease in appropriations, a \$4,218,145 (3.6%) decrease in revenue and a \$3,958,794 (75.7%) increase in Net County Cost. The decrease in appropriations is due to reductions in expenditures to offset a decrease in federal revenue, efforts to reconcile budgeted expenditures to actual expenditures, a \$1 million reduction in expenditures for the Black Child Legacy Campaign (the FY 2018-19 Budget included \$1 million in one-time carryover funds for that campaign) and reductions in staffing and services to help balance the General Fund Budget, partially offset by increased salary and benefit costs for existing employees. The revenue decrease is due to overestimation of eligible claimable expenses under Title XIX in FY 2018-19. A review of time study information indicated a lesser percentage of federal reimbursement for certain expenses.

Child, Family and Adult Services' Requested Base Budget (the cost of existing staffing and programs) before reductions in appropriations due to the receipt of restricted reimbursements, reflected a \$3.6 million (1.9%) increase in expenditures, and a \$3.8 million decrease in reimbursements from restricted (Realignment) Funds, a \$3.1 million decrease in revenue and a \$10.5 million increase in Net County Cost. The increase in Base expenditures was due primarily to an increase in salary and benefit costs for existing employees, partially offset by reductions resulting from the effort to reconcile budgeted to actual expenditures, and the \$1 million reduction in funding for the Black Child Legacy Campaign discussed above.

The Recommended Budget includes the following expenditure reductions - totaling approximately \$7.6 million (and including the elimination of 55 vacant positions) - to offset the reduction in federal revenue and help balance the General Fund Budget:

- \$150,000 for WEAVE Safe House services and \$150,000 in other contracted services;
- \$75,331 for 1.0 vacant Office Assistant in Public Administration/Guardian/Conservator;
- \$453,069 for 1.0 FTE Family Service Worker, 1.0 FTE Office Assistant, 2.0 FTE Public Health Nurses in Adult Protective Services (APS);
- \$158,234 for 2.0 FTE vacant Eligibility Specialists in In-Home Supportive Services (IHSS) administration;
- \$109,562 for 1.0 FTE vacant Social Worker in Public Administrator/Guardian/Public Conservator;
- \$172,442 for 1.0 FTE vacant Program Planner in APS;
- \$595,164 for 6.0 FTE vacant positions in IHSS administration;
- \$75,000 for CPS intrafund transfer to Probation for contracted services and supports for sexually exploited minors in the Youth Detention Facility;
- \$265,531 for 2.0 FTE vacant Social Worker positions for Foster Parent Recruitment, Retention & Support (FPRRS) categorical reduction;
- \$750,078 reduction in legal services provided to CPS by 2.1 FTE attorneys in County Counsel;
- \$307,529 for various contracts in Child Protective Services (CPS) including WestCoast, Georgetown, medical consultation, and Safety Organized Practice (SOP) coaching;
- \$330,000 for Group Home Day Rate contracts impacting the ability to pay additional day for hard to place children in CPS;
- \$135,766 for 1.0 FTE vacant Social Worker-MD in CPS;

- \$1,972,380 for 18.0 FTE vacant Permanency positions in CPS;
- \$1,220,087 for 10.0 FTE vacant Emergency Response (ER) positions in CPS;
- \$133,814 for 2.0 FTE vacant Office Assistants in CPS Court Services;
- \$411,657 for 4.0 FTE vacant Permanency positions in CPS;
- \$68,742 for 1.0 FTE vacant Office Assistant in CPS Division support; and
- \$123,736 for 2.0 FTE vacant Office Assistants in CPS Emergency Response.

More detailed information concerning these expenditure reductions is provided in the Program Information section for this Budget Unit.

The Recommended Budget for Child, Family and Adult Services reflects a \$4,037,092 reduction in expenditures (before reduction for reimbursements) compared to the FY 2018-19 Adopted expenditure level.

Child Support Services

The Recommended Budget for Child Support Services reflects a \$3,090,570 (8.5%) increase in appropriations and revenue. Base appropriations and revenue increased by \$784,449 (2.1%), primarily due to increased services and supplies costs including increased advertisement focus group and productions costs funded by a two-year Digital Marketing Grant, increased costs of electronic data processing, and the replacement of existing call recording software. Base salary and benefits costs also increased, but were partially offset by the deletion of 2.5 FTE positions, two of which were limited term and deleted due to the end of the Behavioral Interventions for Child Support Services (BICS) grant.

The Recommended Budget also includes a \$2,306,121 increase in appropriations and revenue and 25 new positions for five growth requests described below. Requests 2-5 are funded by an anticipated increased state allocation for the 21 local child support agencies with the highest case-to-employee ratios in the state, which includes Sacramento County. The Department expects this funding to result in a reduction in case-to-employee ratios, increased collections from an increase in newly established cases, increased collections of current support on existing cases, and a reduction in one-time funding required to balance the Department budget. The additional revenue will be used as follows:

- \$20,000 for an architectural services review to evaluate the Department's current and future space needs to determine whether a

move to a new location is necessary when the Department's existing lease expires in 2020;

- \$1,191,868 to add 14 positions to create a new Enforcement Collection Response Team which will take over a portion of existing tasks, freeing up other teams to focus on enforcement;
- \$524,895 to add two positions to the Review and Adjustment Team to reduce caseload size and facilitate review and modification of zero order cases and four positions to create a new Advanced Collection Team to reduce caseload sizes and increase collections for cases with child support arrears;
- \$120,022 to add one Process Server position, one vehicle, and increase the process server contract to increase the number of summons and complaints being served, which will result in an increase in establishment of child support orders; and
- \$449,336 to add two positions to oversee a new Asset Locate Reservist Team (ALERT) consisting of 11 existing positions to focus on asset and physical location with the goal of increasing establishment of new child support orders and increasing collections on established child support cases; one position to create a Talent Acquisition and Development Division to take over the Staff Development and Training Team; and one position to provide budget, purchasing, and facilities support to the Administration Division.

Child Support Services is funded by state and federal revenue and trust fund balance. It has not typically received a Net County Cost allocation.

Conflict Criminal Defender

The Recommended Budget for the Conflict Criminal Defenders reflects a \$92,000 (0.85%) decrease in appropriations, a \$123,000 (63.1%) increase in revenue, and a \$215,000 (2.0%) decrease in Net County Cost. The decrease in appropriations is due to the District Attorney no longer charging the Conflict Criminal Defenders for discovery costs, a \$215,000 decrease from the FY 2018-19 Adopted Budget. Appropriations for legal services, by far the largest component of the Conflict Criminal Defenders Budget (83% of total appropriations) have also been reduced by \$60,000 to \$8,932,000, the result of a decision by the Public Defender's Office to assume responsibility for all homicide cases unless there is an actual conflict. The increase in revenue is due to handling additional state prison cases, which are reimbursed by the state.

Cooperative Extension

The Recommended Budget for the Cooperative Extension reflects a \$32,445 (8.2%) increase in appropriations and Net County Cost. The primary reason for these increases is increased salary and benefit costs related to the staffing of the Multi-County Partnership by the University of California Extension Service.

The Recommended Budget also includes a Growth Request of \$4,000 to cover the County's share of cost for an additional .15 FTE administrative support position being assigned to Sacramento region, Multi-County Partnership 4-H program.

Coroner

The Recommended Budget for the Coroner's Office reflects a \$557,564 (6.6%) reduction in appropriations, an \$187,875 (12.4%) increase in revenue and a \$745,439 (10.7%) decrease in Net County Cost. The decrease in appropriations is due primarily to the transfer of building debt service costs to the Capital Construction Fund in the amount of \$647,609 to help balance the General Fund Budget. The projected increase in revenue is due primarily to increased caseloads from contracted services provided to other agencies and additional revenues anticipated from the transfer of decedents to the Los Rios Community College Funeral Services Program.

The Coroner's requested budget also included one Growth request totaling \$178,562 in Net County Cost for a 1.0 FTE Assistant Coroner position. 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 (CHS) reflects an \$8.4 million (18.6%) increase in appropriations, a \$590,000 (10.0%) increase in revenue, and a \$7.8 million (19.9%) increase in Net County Cost. The increase in appropriations is the net result of expenditure increases and decreases in a number of areas, including:

- Increased salary and benefit costs for existing employees, including the full-year cost of funding positions added for half a year in FY 2018-19 in response to the lawsuit against the County concerning conditions of confinement in the jails (approximately \$2.9 million);

- Increased pharmaceutical supplies costs due to rising prices and increased utilization (approximately \$1.2 million);
- Decreased hospital costs as a result of the Medi-Cal Inmate Program, which has shifted payment responsibility for inmates housed in hospitals for more than 24 hours from the County to the State Medi-Cal program (approximately \$1.5 million);
- Increased psychiatric services contract costs reflecting a full year of costs for contracts that were added in FY 2018-19 to help address conditions of confinement in the jails (approximately \$1.7 million); and
- Five Recommended growth requests for CHS totaling \$5,332,663 in net county cost and including 12.0 FTE additional positions. Four of the requests (costing approximately \$5 million) are related to the lawsuit filed against the County concerning conditions of confinement in the County jails:
 - Additional contracted psychiatric services to support the new Intensive Outpatient Psychiatric (IOP) Units at the Main Jail and Rio Cosumnes Correctional Center (\$3,000,000);
 - 2.0 FTE Physician 3 and 2.0 FTE Medical Assistant Level 2 positions to improve the access and timeliness of physician and nursing services at the booking and intake unit and medical infirmaries at the Main Jail (\$842,516);
 - 1.0 FTE Human Services Program Planner Range B, 1.0 FTE Registered Nurse D/CF Level 2, and 2.0 FTE Administrative Service Officer 1s to develop Correctional Health Services' quality assurance, compliance, and training functions (\$578,164); and
 - Additional positions and position reallocations to provide for adequate care, including the addition of 2.0 FTE Supervising Registered Nurse D/CFs and 2.0 FTE and re-allocating 1.0 FTE Dentist 2 position to a Sr. Dentist Management position and 1.0 FTE Pharmacist position to a Pharmacy Manager (\$578,516).

The fifth recommended Growth request provides \$333,467 in funding for the acquisition of new automated medicine dispensing equipment (first year of a five-year purchase agreement). The existing equipment has reached the end of its useful life and is no longer supported by the vendor.

Health Services

The Recommended Budget for Health Services reflects an \$8.4 million (4.3%) increase in appropriations, a \$7.0 million (4.4%) increase in revenue and a \$1.4 million (4.0%) increase in Net County Cost. The increase in appropriations is primarily due to salary and benefit cost increases for existing staff and budgeting for a full year of the Medi-Cal Alcohol and Drug services expansion. The increase in Revenue is primarily due to additional federal financial participation revenue for mental health and Drug Medi-Cal services.

The Department's Requested Base Budget (the cost of existing staff and programs), before reductions in appropriations due to the receipt of reimbursements from restricted funds, reflected a \$14.5 million (3.4%) increase in expenditures, a \$5.2 million (2.3%) increase in restricted reimbursements, a \$7 million (4.3%) increase in revenue and a \$2.3 million (6.4%) increase in Net County Cost. The increase in restricted reimbursements was the net result of a \$7.1 million increase in Mental Health Services Act reimbursements and a \$1.9 million reduction in Realignment reimbursements.

The Recommended Budget includes the following cost savings totaling \$1.0 million (\$843,000 Net County Cost) as a result of revenue loss and to help balance the General Fund Budget:

- \$326,724 from the reduction of 4.0 FTE (57% of staff) and a reduction in contracted Medical Director services effective October 1, 2019, in Emergency Medical Services. The reduction is due to the loss of Vehicle Code Fine revenue. The Department is working on a fee package to fund these positions after October 1st;
- \$170,686 from the elimination of a 0.6 FTE vacant Nutrition Assistant and 1.0 FTE vacant Nutrition Program Coordinator in County of Sacramento Women, Infants and Children program due to the California Department of Public Health Grant reduction;
- \$220,984 from the elimination of 1.0 FTE vacant Physician 3 in the Clinic Services budget. This will affect the service re-engineering currently in progress. In addition \$33,015 in Realignment reimbursement was shifted from the Medical Treatment Payments budget to help fund clinic services;
- \$145,557 from the elimination of two vacant 0.5 FTE Senior Therapist positions California Children's Services that provide direct physical and occupational treatment to children and young adults with qualifying disabilities;

- \$98,392 from the elimination of public outreach/information regarding sexually transmitted diseases due to loss of one-time grant revenue for the Human Immunodeficiency Virus/Sexually Transmitted Disease (HIV/STD) Prevention and Surveillance Program; and
- \$79,225 from the elimination of 1.0 FTE vacant Communicable Disease Investigator in the public health tuberculosis (TB) control program.

The Recommended Budget includes funding for six Growth requests for DHS with appropriations totaling \$548,335, fully funded by revenue and reimbursements from the MHSA Fund.

- \$121,605 for a 0.6 Pharmacist position to assist with on-site chart audits;
- \$99,084 for 1.0 FTE Administrative Services Officer to provide administrative support for the Cultural Competency Unit in Mental Health;
- \$96,555 for 0.8 FTE Senior Mental Health Counselor to assist with the Stop Stigma Speakers Bureau project;
- \$78,282 for 1.0 FTE Accounting Technician for the Ryan White program;
- \$93,922 for 1.0 Health Educator for the Tobacco Education Program; and
- \$58,887 to reallocate 0.5 FTE Public Health Nurse Level 2 to 1.0 FTE Public Health Nurse Level 2 for the Psychotropic Medication Monitoring and Oversight program to follow up on foster youth on psychotropic medication.

The Recommended Budget for Health Services reflects a \$14 million (3.3%) increase in expenditures, before reductions for restricted reimbursements, compared to the FY 2018-19 Adopted level.

In addition to the recommended Growth requests, DHS submitted six additional Growth requests totaling \$5.9 million in net appropriations (\$5.7 million Net County Cost). These Growth requests are summarized in the Program Information section for DHS. 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 \$1.6 million (100%) decrease in appropriations, a \$500,000 (100%) decrease in revenue and a \$1.1 million (100%) decrease in Net County Cost.

In addition to Net County Cost and Federal Low Income Health Plan revenue, the Health – Medical Treatment Payments budget has historically been funded

with a Public Health Realignment reimbursement (negative appropriation) from the 1991 Realignment Restricted Fund. The FY 2018-19 Adopted Budget for Health – Medical Treatment totaled approximately \$3,983,000 in expenditures, before reducing appropriations by the amount of the restricted fund reimbursement, funded by \$2,389,000 in restricted fund reimbursements, \$500,000 in revenue and \$1,094,000 in Net County Cost. The FY 2019-20 requested Base Budget totaled approximately \$2,598,000 in gross expenditures, funded by \$2,131,000 in restricted reimbursement and \$467,000 in Net County Cost. The \$1.39 million reduction in base expenditures is due to the end of payment obligations under the Low Income Health Program (which also resulted in the \$500,000 revenue reduction) and a small reduction in Children’s Health Services expenditures due to reduced demand for services.

The Recommended Budget also includes a \$500,000 reduction in Specialty Health Services for the Healthy Partner’s Program as part of the effort to help balance the General Fund Budget. With this reduction, the budget will still include approximately \$1.76 million for Healthy Partners specialty care, an amount that is significantly higher than historic expenditures. The Health Services Department does not anticipate that a reduction of this level will have an impact on service provision.

Human Assistance – Administration

The Recommended Budget for Human Assistance – Administration reflects a \$14,313,793 (4.8%) increase in appropriations, a \$13,580,725 (5.0%) increase in revenue and a \$733,068 (3.1%) increase in Net County Cost.

The Human Assistance – Administration Base Budget (the cost of current staffing and programs) reflects a \$30.8 million increase in appropriations. The increase is primarily due to \$11.5 million in increased salary and benefit costs for existing positions, \$1.1 million in increased services and supplies costs, a \$.9 million reduction in 1991 Social Services Realignment reimbursement allocated to the Department, a \$3.7 million reduction in Family Support Realignment reimbursement, and \$13 million in contract increases, the majority of which are funded by additional State revenue. Existing homeless contracts are being increased by \$7.3 million due to additional State Homeless Emergency Aid Program (HEAP) and California Emergency Solutions and Housing (CESH) funding, which will allow DHA to expand capacity for the Emergency Family Shelters, the Full Service Rehousing Shelters, and the Flexible Supportive Rehousing Program. The Diaper Assistance, CalWORKs Housing Support, and CalWORKs Home Visiting Initiative client services

contracts are being increased by a total of \$4.2 million due to anticipated additional State funding for the programs.

The Governor's January Proposed State Budget estimates a continued Statewide caseload decline in both the CalWORKs and CalFresh programs, which results in reductions in both the CalWORKs Single Allocation and CalFresh Administration allocation (a total of approximately \$5.1 million). Though Sacramento County has also experienced caseload decline, it would not be possible for the Department to absorb increases in the cost of doing business within projected Federal and State revenues without a significant increase in Net County Cost. Thus, the Recommended Budget includes \$16.5 million in reductions to help balance the General Fund Budget, including \$5.1 million in categorical reductions related to decreased categorical funding and \$11.3 million in non-categorical reductions.

The reductions are summarized below; additional detail can be found in the Program Information – Unfunded section for this budget unit:

- \$11.3 million in staffing reductions, which includes the deletion of 93.5 vacant CalWORKs, CalFresh, Clerical and Support, and Management positions. The Department also plans to not fill certain positions as they become vacant, providing increased salary savings;
- \$280,000 in reductions to employee training contracts;
- A \$173,000 reduction resulting in the elimination of the InTelegy data analysis contract;
- A \$300,000 reduction resulting in the elimination of four CalFresh Outreach and Referral contracts with Asian Resources Inc. Community Link, River City Food Bank, and Sacramento Food Bank & Family Services;
- \$946,000 in reductions to CalWORKs contracts, including a \$100,000 reduction to the Sutter Health Family Life Program contract, a \$161,000 reduction to the Sacramento Employment and Training Agency One-Stop employment services contract, \$212,000 reduction to the Child Action, Inc. Resource and Referral and Provider Enrollments contract, and a 15% reduction to all CalWORKs Expanded Subsidized Employment contracts;
- A \$172,000 reduction to the Document Fulfillment Services contract;
- A \$336,000 reduction resulting in the elimination of the Pacific Institute leadership development contract;
- A \$200,000 reduction resulting in the elimination of the Open Square Connect contract;

- An \$850,000 reduction from \$2.3 million to \$1.5 million to Information Technology contracts;
- A \$1 million reduction, from \$2 million to \$1 million, to Facilities projects which will limit facility projects to the launch of the new Greenhaven office and those repairs necessary to address health and safety concerns;
- A \$50,000 reduction to the Homeless Point in Time Count because the Count happens biennially and funding is not needed in FY 2019-20;
- A \$96,000 reduction to the Area 4 Agency on Aging contract which removes the FY 2019-20 continuity contribution and partially removes the FY 2018-19 continuity contribution, which are designed to build budget reserves for the Area 4 Agency on Aging;
- A \$700,000 reduction to Full Service Rehousing Shelter (Homeless Initiative 3) Rehousing Services;
- A \$117,000 reduction to information technology fixed asset planned purchases.

Human Assistance – Aid Payments

The Recommended Budget for Human Assistance – Aid Payments reflects a \$7.6 million (4.4%) increase in appropriations, a \$3.7 million (2.4%) increase in revenue, and a \$3.9 million (23.3%) increase in Net County Cost. The increase in appropriations is primarily driven by policy changes and caseload and cost trends. Caseloads are anticipated to continue to decline in CalWORKs, however, based on the Governor’s Proposed State Budget, CalWORKs grants are anticipated to increase by approximately 13% effective October 1, 2019, as part of an effort to bring CalWORKs grants up to 50% of the Federal Poverty Level. The County’s share of this cost increase is 2.5%. Additionally, CalWORKs Trafficking Crime Victims Assistance Program caseloads and expenditures projections increased, for a total CalWORKs increase of \$16.6 million. Foster Care programs are anticipated to continue to experience caseload decline, which is partially offset by cost increases associated with Continuum of Care Reform (CCR) for a total cost decrease of \$700,000. Adoptions Assistance caseloads are anticipated to increase resulting in a cost increase of \$1.1 million. Kinship Programs caseloads and costs are anticipated to decrease resulting in a \$500,000 decrease in costs. On December 12, 2017, the Board of Supervisors approved a General Assistance phased in grant increase. The final step of the phased in increase will occur in January, 2020. The increase is partially mitigated by declining caseloads for an overall increase of \$500,000 in General Assistance costs. Cash Assistance Program for Immigrants (CAPI), Refugee Cash Assistance, Work Incentive Nutritional Supplement, and State Utility Assistance Subsidy caseloads are anticipated to decline, which is offset by a 2.5% CAPI grant increase resulting in no net change. In addition to the caseload and cost

trends noted above, the Foster Care, Adoptions Assistance, Kinship, and Approved Relative Caregiver program estimates include the annual legislated California Necessities Index (CNI) increase estimated at 4.23%, which has a total cost of \$7.1 million.

The increase in Net County Cost is the net result of a number of factors, including the \$500,000 increase in General Assistance costs mentioned above, and the County's share of increases to CalWORKs grants and legislated California Necessities Index increases. An \$800,000 decrease in 1991 Social Services Realignment reimbursement allocated to the Department is mitigated by an \$800,000 increase in 2011 Protective Services Realignment reimbursement; however, because program costs increased, this relatively flat Realignment allocation resulted in an increased Net County Cost. CalWORKs-related Realignment funding sources, including CalWORKs MOE, Child Poverty and Family Supplemental Support, and Family Support, increased by a total of \$16.6 million, primarily due the estimated need to support CalWORKs cost increases. These funding sources are primarily used by the State to support CalWORKs in lieu of State General Fund.

The following table summarizes the budgeted expenditures by aid type in this budget unit.

	FY 2018-19	FY 2019-20	Increase /
Aid Payment Type	Adopted Budget	Proposed Budget	(Reduction)
CalWORKs	\$178,617,152	\$195,201,879	\$16,584,727
CalWORKs Homeless Vouchers	\$38,565	\$44,499	\$5,934
Foster Care Assistance	\$89,088,570	\$91,899,936	\$2,811,366
Kin-GAP / Fed-GAP	\$8,978,273	\$8,880,608	(\$97,665)
Adoption Assistance Program	\$69,102,728	\$73,129,891	\$4,027,163
Cash Assistance Program for Immigrants	\$20,468,230	\$21,401,648	\$933,418
Refugee Cash Assistance	\$1,331,207	\$437,951	(\$893,256)
General Assistance	\$12,922,344	\$13,385,291	\$462,947
Regional Transit Bus Pass/Tickets	\$2,215,136	\$2,215,136	\$0
WINS \ SUAS \ TCVAP	\$1,882,206	\$1,995,615	\$113,409
Approve Relative Caregiver	\$1,052,054	\$1,297,615	\$245,561
Aid Payment Subtotal	\$385,696,465	\$409,890,069	\$24,193,604
Realignment Reimbursements			
CalWORKs MOE	(\$63,045,572)	(\$69,006,186)	(\$5,960,614)
AB85 Child Poverty	(\$24,613,295)	(\$35,259,009)	(\$10,645,714)
AB85 Family Support	(\$30,767,202)	(\$30,767,202)	\$0
1990/91 Soc Svs Realignment	(\$29,685,759)	(\$28,877,527)	\$808,232
2011 Protective Svs Realignment	(\$65,942,932)	(\$66,756,219)	(\$813,287)
Realignment Reimb. Subtotal	(\$214,054,760)	(\$230,666,143)	(\$16,611,383)
Total Appropriation Request	\$171,641,705	\$179,223,926	\$7,582,221

IHSS Provider Payments

The Recommended Budget for IHSS Provider Payments reflects a \$2.0 million (6.5%) increase in appropriations and a \$2.0 million (6.5%) increase in revenue. The primary reason for the increase in appropriations and revenue is an increase in provider hours resulting in increased insurance premium costs fully offset by an equal increase in revenue. Although the Governor's proposed State budget includes adjustments to the IHSS MOE resulting in relief to counties compared to what otherwise would have been the case, the County's IHSS Maintenance of Effort (MOE) requirement is estimated to be \$7.4 million higher than in FY 2018-19. The increase is being covered by an additional Social Services Realignment reimbursement to this Budget Unit.

The Recommended Budget for IHSS Provider Payments totals \$119 million in expenditures, before the reduction in appropriations due to the receipt of Social Services Realignment reimbursements (which are a negative appropriation), funded by \$85.8 million in Realignment reimbursements and \$33.2 million in revenue.

Juvenile Medical Services

The Recommended Budget for Juvenile Medical Services reflects a \$193,828 (2.3%) increase in appropriations, a \$1.1 million (23.8%) decrease in revenue and a \$1.3 million (36.0%) increase in Net County Cost. The increase in appropriations is due primarily to salary and benefit increases for existing staff combined with a reduction in Realignment reimbursements. Revenue decreased due to the timing of receipt of Medi-Cal Managed Care intergovernmental transfer (IGT) revenues (the County received two years' worth of funding in FY 2018-19).

The Recommended Budget also included a \$225,284 reduction in funding for outpatient medical procedures, pharmaceuticals and contracted psychiatrists as part of the effort to balance the General Fund Budget. The Health Services Department indicates that the impact of this reduction will likely be minimal due to the declining juvenile detention population, however they note that one high-needs patient can significantly impact expenditure levels.

Probation

The Recommended Budget for the Probation Department reflects a \$5.1 million (5.2%) decrease in appropriations, a \$4.1 million (13.5%) decrease in revenue and a \$1 million (1.6%) decrease in Net County Cost.

The Probation Department's Requested Base Budget (the cost of current staffing and programs) reflects a \$3.1 million (2%) increase in expenditures, before the reduction in appropriations due to the receipt of restricted reimbursements (reimbursements are a negative appropriation), a \$2.7 million increase in Realignment and Proposition 172 reimbursements, a \$2.9 million reduction in revenue and a \$3.3 million increase in Net County Cost. The increase in Base expenditures was due primarily to a \$4.7 million increase in salary and benefit costs for existing employees, partially offset by a \$1.6 million decrease in debt service costs, which were transferred to the Capital Construction Fund to help balance the General Fund Budget. The reduction in revenue in the Requested Budget is comprised primarily of a \$1 million reduction in SB678 – Community Corrections Performance Incentive funds, an \$800,000 reduction in Post Release Community Supervision funds and a \$2.2 million reduction in Title IV-E Waiver funds.

The Recommended Budget for the Probation Department includes \$5.5 million in expenditure reductions (\$4.3 million Net County Cost), and the elimination of 14 positions, to help balance the General Fund Budget. These reductions are summarized below. More detail is provided in the Program Information section for this Budget Unit.

- Reduced contracts for various services totaling \$694,500;
- Staffing reduction at the Youth Detention Facility (YDF) that includes a decrease of 6.0 FTE Probation Assistant positions and holding an additional 5.0 FTE Probation Assistant positions vacant as vacancies occur (to be decreased later). The 11.0 FTE represent the staffing for one entire unit YDF (\$1,602,478);
- A decrease of 1.0 FTE Deputy Probation Officer who conducts juvenile home supervision (\$174,932);
- A decrease of 6.0 FTE positions in the Title IV-E Waiver Program, including 1.0 FTE Assistant Probation Division Chief, 2.0 FTE Sr. Deputy Probation Officers, 3.0 FTE Deputy Probation Officers, and 1.0 FTE Human Services Program Planner Range B, and also a reduction in contracted services. This reduction results in reduced appropriations of \$2,890,007 and reduced revenue of \$1,200,000, for a net cost reduction of \$1,690,007; and
- A Reduction of 1.0 FTE Deputy Probation Officer in the Drug Diversion Program (\$166,093).

Probation submitted one growth request totaling \$3,905,268 in appropriations, 21.0 FTE positions, and 3 vehicles. The growth request is for a Pre-Trial Assessment and Monitoring Pilot Program. A portion of the growth request, at a cost of \$1,198,984, is recommended for funding, including 7.0 FTE positions. These positions include 1.0 FTE Supervising Probation Officer, 2.0 FTE Sr. Deputy Probation Officers, 2.0 FTE Deputy Probation Officers, and 2.0 FTE Administrative Services Officers. Funding will come from Community Corrections Local Innovation Realignment reimbursements. This program will use validated risk assessment tools to identify offenders who would otherwise be housed in the County jails pending trial and allow them to remain in the community with appropriate supervision. There is sufficient Community Corrections Local Innovation Realignment resources to fund this program at this level for two years. The Probation department is pursuing other funding opportunities to expand and continue the program.

Public Defender

The Recommended Budget for the Office of the Public Defender (OPD) reflects a \$340,000 (1.0%) increase in appropriations, a \$704,000 (63.9%) increase in revenue, and a \$363,000 (1.1%) decrease in Net County Cost. The OPD's Requested Base Budget (the cost of current staffing and programs) reflects an increase in appropriations of \$1.8 million (5.3%), an increase of \$190,000 (17.0%) in revenue, and a Net County Cost increase of \$1.6 million (4.9%). The requested increased Base Budget appropriations is due primarily to a \$2.2 million (7.2%) increase in salary and benefits costs for existing employees and that the District Attorney is no longer charging the OPD for discovery costs, a \$370,000 decrease in expenses from the FY 2018-19 Adopted Budget. The increase in revenue is due to an increase grant revenue.

The Recommended Budget includes \$1,499,055 in appropriation reductions and shifts attorney time from Net County Cost-funded activities to revenue funded activities (resulting in a \$514,000 increase in revenue) to help balance the General Fund Budget as summarized below:

- A decrease of 1.0 FTE Office Assistant Level 2 and 1.0 FTE Investigative Assistant, delaying merit-based promotions, and holding positions vacant (\$841,977);
- Reducing the equivalent of 1.2 FTE embedded staff from the Department of Technology (\$247,508);
- Reducing certain service and supply account appropriations by a combined \$409,570;
- Reassigning 2.0 FTE Attorneys from felony trial assignment (funded by the General Fund) to State prison cases (reimbursed by the State) results in a revenue increase of \$514,000.

More detailed information about these reductions and staffing shifts are provided in the Program Information

The OPD also submitted one growth request for \$330,183 in funding to support 1.0 FTE Attorney IV and 1.0 FTE Investigative Assistant to implement a Pre-Trial Release Program. Funding for this request is not recommended at this time because resources are not available.

OTHER FUNDS

Community Investment Fund

The Recommended Budget for the Community Investment Fund reflects a \$174,000 (38.6%) reduction in appropriations and use of fund balance. The primary reason for this decrease is the use of funding for the Board of Supervisors' District projects. The Community Investment Fund was established in FY 2014-15 with a one-time transfer of \$2 million from the General Fund. Each supervisorial district was allocated \$400,000 to be used for District projects.

Neighborhood Revitalization Fund

The Recommended Budget for the Neighborhood Revitalization Fund reflects a \$93,193 (9.9%) increase in appropriations, a \$276,197 (100%) reduction in revenue and a \$369,390 (55.8%) increase in the use of fund balance. The increase in appropriations is the net result of increases and decreases in a number of areas including the transfer of \$369,442 to the General Fund's Non-Departmental Revenue Budget unit. This represents the balance of the discretionary resources remaining in this Fund and is being transferred to the General Fund to help balance the General Fund Budget.

The Recommended Budget also includes the appropriation of \$335,000 for neighborhood or corridor improvements in accordance with Board direction, funded by the receipt of a \$335,000 reimbursement (negative expenditure) from the General Fund, reflecting the Sierra 99 Gateway Billboard revenue received, or expected to be received, in the General Fund through FY 2019-20, less project expenditures that have already occurred.

Public Safety Sales Tax Fund

Proposition 172 revenue is received, budgeted for, and recognized as revenue in this restricted fund. Resources are transferred from this Fund to relevant General Fund departments, where it will be budgeted as a reimbursement (negative appropriation).

The Recommended Budget for the Public Safety Sales Tax Fund reflects appropriations and revenue of \$131,830,208, an increase of \$8,247,170 (6.7%) compared to the FY 2018-19 Adopted Budget.

1991 Realignment Funds

The Recommended Budget for the 1991 Realignment Funds reflect a \$10,897,233 (3.1%) increase in appropriations, an \$11,360,028 (3.4%) increase in revenue and a \$462,795 (3.7%) reduction in the use of fund balance. The FY 2019-20 Recommended Budget reflects a beginning available balance of \$11.9 million composed of \$9.8 million in reserves and \$2.2 million in anticipated carryover. The Budget recommends the release of the entire \$9.8 million in reserves, so that all of the beginning balance will be used to cover appropriations. Appropriations include \$356.8 million in allocations to General Fund departments, a \$11.2 million (3.4%) increase over the amount allocated to General Fund departments in the FY 2018-19 Adopted Budget, and a \$217,927 allocation to the IHSS Public Authority, a \$341,079 decrease from the amount allocated in the FY 2018-19 Adopted Budget due to the fact that additional IHSS Public Authority Administration funding is anticipated from the State.

2011 Realignment Funds

The Recommended Budget for the 2011 Realignment Funds reflects a \$10,424,558 (3.3%) increase in appropriations, an \$11,178,807 (3.7%) increase in revenue and a \$754,249 (7.9%) decrease in the use of fund balance. The FY 2019-20 Recommended Budget reflects a beginning balance of \$10.3 million, composed of \$4.6 million in anticipated carryover and \$5.6 million in reserves. The Budget recommends the release of \$4.8 million of the reserves and proposes the creation of a new \$656,511 Community Corrections Planning Reserve. With these adjustments, the Fund will have remaining a Community Corrections Local Innovation Reserve of \$770,223 and the \$656,511 Community Corrections Planning Reserve. Appropriations include \$325.2 million in allocations to General Fund departments, a \$10.4 million (3.3%) increase over the amount allocated in the FY 2018-19 Adopted Budget.

Transient Occupancy Tax Fund

The Recommended Budget for the Transient Occupancy Tax (TOT) Fund reflects a \$949,618 reduction in appropriations, a \$9,400 increase in revenue and a \$959,018 (93.3%) decrease in the use of fund balance. The primary reason for these decreases is that the FY 2018-19 Adopted Budget use of fund balance reflected the carry-over of unspent Board District and Community funds. The Recommended Budget assumes that all District and Community funds will be spent by the end of the current (2018-19) fiscal year. Any unspent funds will be appropriated in the September

Adopted Budget, once the County's books are closed and we know how much remains unspent.

Economic Development Fund

The Recommended Budget for the Economic Development Fund reflects a \$28.8 million (77.3%) increase in appropriations, a \$9.4 million (34.1%) reduction in revenue and a \$38.1 million (393.7%) increase in the use of fund balance.

The estimated beginning Available fund balance for this Fund totals \$47.6 million, an increase of approximately \$35.2 million from the FY 2018-19 Adopted available balance. This is the net result of transferring \$38.7 million in federal environmental clean-up and redevelopment bond proceed resources related to the former Mather and McClellan Air Force Bases that were previously held in unbudgeted funds into this budgeted Fund as part of the on-going effort to appropriately account for these resources, partially offset by a reduction in the available balance due to budget and financial transactions during FY 2018-19. The Recommended Budget also reflects the cancellation of the \$246,282 Reserve for the North Area Transfer Station. With this cancellation, the Fund will have approximately \$5.4 million in five reserves.

The primary reason for the increase in appropriations is that all of the additional fund balance is being appropriated. The Economic Development Department does not believe that most of this money will actually be spent in FY 2019-20 and will be recommending the establishment of appropriate reserves in future years.

The primary reason for the decrease in revenue is that resources that were previously received as revenue from unbudgeted funds are now included in fund balance.

Airport Funds

The Recommended Budget for the Airport Funds (Airport System and Capital Outlay Funds) reflects a \$40.2 million (12.2%) decrease in appropriations, a \$30 million (14.2%) increase in revenue and a \$70.2 million reduction in the use of fund balance. The primary reason for the decrease in appropriations is a decrease in expenditures on capital and maintenance projects; the FY 2018-19 Capital Improvement Plan (CIP) included a total of \$123.6 million in Airports projects and the FY 2019-20 CIP includes a total of \$76.3 million in Airports projects. The decrease in appropriations is partially offset by increases in salaries and benefits costs and increased services and supplies

costs such as a \$2.1 million increase in custodial services and \$650k increase in utility costs driven by increased passenger growth. Airports revenues, which are largely driven by passenger growth, are anticipated to increase by \$30 million (14.2%). The increase is a result of increased Nonairline revenues such as parking, rental car, food and beverage, merchandise, and ground transportation, and increased Airline revenues pursuant to the Scheduled Airline Operating Agreement and Terminal Building Lease.

The Department of Airports submitted seven growth requests totaling approximately \$3.6 million and 30 new positions. The Airports System has experienced significant growth in enplaned passengers and cargo activity over the past six years, which led to a need for additional capacity to meet the needs of passengers, tenants, and other stakeholders who utilize the Airports System. The Recommended Budget includes six growth requests totaling approximately \$3.5 million and the addition of 29 new FTE as described below:

- \$1,126,850 to add 13 FTE to improve airport safety and security by adding staff in the areas of safety management, terminal and landside operations, and Airports Fire;
- \$100,318 to add 1.0 FTE Communication and Media Officer I position to address customer service and communications needs;
- \$940,638 to add 11 FTE to maintain aging facilities and assets by adding architect, facility contract oversight and inspections, and maintenance capacity;
- \$252,235 to add 2.0 FTE and reallocate an existing position to invest in demand driven programs by adding project management and construction design and feasibility analysis capacity;
- \$163,060 to add 2.0 FTE administrative support positions to free key staff to focus on their primary missions; and
- \$896,818 in funding for 4.0 FTE Sheriff Airport Law Enforcement positions to assist with implementation of new programs and requirements and law enforcement needs at the Airports.

Funding for a growth request for an Airports Fire administrative support position is not recommended at this time.

Metro Airpark CFD Fund

The Recommended Budget for the Metro Airpark CFD Fund reflects a \$10.8 million (37.8%) decrease in appropriations, a \$5.4 million (31.4%) decrease in revenue and a \$5.4 million (47.7%) decrease in the use of fund balance.

The primary reason for these decreases is the timing of Metro Air Park I-5 Interchange construction project expenditures. The available fund balance and anticipated revenues will continue to fund this project to expected completion in FY 2020-21.

North Vineyard Station Specific Plan CFD Fund

The Recommended Budget for the North Vineyard Station Specific Plan CFD Fund reflects a \$20.1 million (75.5%) reduction in appropriations, a \$334,000 (48.1%) reduction in revenue and a \$19.7 million (76.2%) reduction in the use of fund balance. These decreases are due primarily to facility reimbursements expected to be made to the Developer in FY 2018-19 for projects included in the Acquisition Agreements approved by the Board.

Clerk/Recorder Fees Fund

The Recommended Budget for the County Clerk-Recorder Fee Fund reflects a \$1.2 million (99.51%) increase in appropriations, a \$1.2 million (62%) increase in revenue and \$49,000 reduction in the addition to fund balance.

This Fund was created in FY 2018-19 to account for the receipt and allocation of certain Clerk-Recorder fee revenue that was previously received by the County in unbudgeted funds and then transferred to Clerk-Recorder's Budget in the General Fund where it was recognized as revenue. This revenue is now received, budgeted for and recognized as revenue in this restricted fund. Resources are transferred from the Fund to the Clerk-Recorder's Department, where it is budgeted as a reimbursement (negative appropriation). In FY 2018-19 resources from two types of fees were included in the Fund. The FY 2019-20 Recommended Budget includes resources from four additional types of fees – Hours, Index, E-Recording and Vital Health Statistics. Resources from these four fees transferred-in from unbudgeted funds increased the Fund's beginning balance by \$5.8 million (most of which is proposed to be reserved). The recommended increase in revenue and appropriations reflects the amount of revenue and expenditures (transfers to the Clerk-Recorder Budget) associated with these four types of fees in FY 2019-20.

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.

The CCF Recommended Budget includes appropriations of \$76,455,921 million, a \$5 million (7.0%) increase from the FY 2018-19 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, installing safety screening and cell noise monitoring at the Main Jail, replacing the roof and fire alarm at Coroner Crime Laboratory, and various library upgrades.

As part of the Recommended Budget, debt service in the amount of \$2,254,263 is being shifted on a one-time basis from the Probation and Coroner budgets to the CCF to help balance the General Fund Budget. As a result, reductions will be made to the following projects originally scheduled for FY 2019-20:

- Main Jail – Sewage System Grinder – \$589,525;
- Warren E. Thornton Youth Center – Replace Roof – \$393,760;
- Sheriff Administration Building – Carpet, Paint and Minor Tenant Improvements – \$500,000;
- New Administration Center – Pedestrian Bridge Repairs – \$478,537;
- Old Administration Building – Replace or Repair Marble Facade on Building Exterior – \$122,650;
- John M. Price District Attorney Building – Emergency Generator Replacement and Upgrade – \$304,500.

The Recommended Budget also includes an \$8 million Growth Request for the first year of planning, programing and design costs for the construction of a Main Jail annex and other improvements to the jails to address issues identified in the lawsuit against the County concerning conditions of confinement in the jails. Funding will come from a reimbursement (negative expenditure) from the General Fund.

Department of Technology Fund

The Recommended Budget for the Department of Technology (DTech) reflects a \$1.9 million (2%) increase in appropriations and revenue. The primary reasons for the increases in appropriations and revenue is the increase in salary and benefit costs for existing employees.

DTech passed through \$1.5 million in costs to other departments in the Allocated Cost Package (ACP) due to subscriptions that have automatic increases built into their contracts. These costs are related to maintenance and support, cybersecurity, and license renewals to various departments. DTech also reduced costs by \$2.8 million in an effort to reduce ACP service

costs to all county departments and help balance the General Fund Budget. These reductions include:

- Reduction in contractor hours;
- Elimination of vacant positions (5.0 FTE);
- Various service and supply accounts.

DTech's Recommended Budget also includes two additional Growth requests totaling \$388,497 in appropriations and revenue. These requests are summarized in the Program Information section for this budget unit.

General Services Fund

The Recommended Budget for General Services reflects a \$2.3 million (1.4%) increase in appropriations, a \$3.6 million (2.3%) increase in revenue and a \$1.4 million (49.8%) decrease in use of fund balance. The primary reasons for the increase in appropriations are increased salary and benefit costs for existing staff.

A portion of the Department's costs are allocated to other County departments through the Allocated Cost Plan (ACP). In order to reduce costs to other departments, General Services made reductions totaling \$1.3 million, including reductions in contracted services, extra help in various programs and increased salary savings that will be achieved by not filling positions as they become vacant.

General Services' Requested Budget also included one additional Growth request for \$145,005 that would have been charged to the Capital Construction Fund. This request is not being recommend at this time. The request is summarized in the Program Information section for this Budget Unit.

Liability Property Insurance Fund

The Liability Property Insurance Fund's FY 2018-19 Adopted Budget reflected beginning retained earnings of negative \$27.6 million and the receipt of \$1 million more in revenue than expenditures, with the additional \$1 million used to reduce the retained earnings balance to negative \$26.6 million at the end of FY 2018-19. The budgeted negative retained earnings was the net result of unreserved retained earnings (retained earnings available to cover appropriations) of \$3 million offset by reserved retained earnings (to cover the unfunded actuarial liability) of approximately negative \$30 million. The budgeted beginning and ending retained earnings figures described above

were estimated approximately one year ago, and were informed by an actuarial study completed in September of 2017.

The most recent actuarial study (completed in September of 2018) projected a significant increase in long-term liabilities of the Liability Property Insurance Fund compared to the previous study. Further, payments for claims and expenses associated with claims during FY 2018-19 is anticipated to be \$5.5 million more than was budgeted. In order to fund the increased claims expense during FY 2018-19, the \$3.0 million in unreserved retained earnings in the Liability Property Fund was appropriated, and \$2.5 million in appropriations was transferred from the General Fund to the Liability Property Fund.

As a result, at the end of FY 2018-19, it is estimated that the Liability Property Insurance Fund will have approximately \$1.0 million in unreserved retained earnings and net retained earnings will increase to approximately negative \$39 million. The budget for the Liability Property Insurance Fund in FY 2019-20 includes for the receipt of revenue in excess of expenditures by \$1 million, which would reduce the net negative retained earnings to approximately \$38 million.

However, if the expense for claims and related costs in FY 2019-20 exceeds the budgeted amount, it is likely that additional resources will need to be transferred to the Liability Property Insurance Fund to cover the cost.

In the longer-term, it is clear that this Fund is not in structural balance and will require a significant increase in charges allocated to County departments.

Parking Enterprise Fund

The Recommended Budget for the Parking Enterprise Fund reflects a \$600,000 increase (17%) increase in appropriations, a \$55,000 (1.9%) increase in revenue and a \$555,000 (79.9%) increase in the use of fund balance. The primary reasons for the increase in appropriations is the re-budget of \$694,711 for the completion of the new parking system in the Public Parking Garage, and for the completion of emergency system and security camera system projects in the Employee Parking Garage.

The Recommended Budget includes the cancellation of \$443,952 in reserved retained earnings to help fund parking garage capital projects.

Park Construction

The Recommended Budget for Parks Construction reflects a \$1,679,791 (81.9%) decrease in appropriations, a \$591,418 (64.2%) decrease in revenue and a \$1,088,373 (96.3%) reduction in the use of fund balance. The primary reasons for the decrease in appropriations, revenue and use of fund balance is the completion of projects, such as the Mather Fencing Project, and miscellaneous Housing Related Parks Projects (HRPP) in FY 2018-19.

Golf Fund

The Recommended Budget for Golf reflects a \$242,758 (3.1%) decrease in appropriations, a \$97,190 (1.2%) decrease in revenue and a \$145,569 reduction in the use of fund balance. The primary reason for the decrease in appropriations is due to the reduction in Debt service payments in FY 2019-20. The decrease in revenue is due to having a strong period of rain in the spring and anticipating another wet season in FY 2019-20.

The requested budget includes a Growth Request in the amount of \$91,055 in appropriations. 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.

Due to the continuation of rain well into May of 2019, Golf has revised their Year End revenue estimates, and is projected to have a negative Fund Balance at the end of FY 2018-19. Adjustments may be necessary in September once the fiscal year closes.

Roads Fund

The Recommended Budget for the Roads Fund reflects a \$23 million (28.4%) increase in appropriations, an \$11 million (13.4%) increase in revenues, and a \$12 million increase in the use of fund balance. The primary reasons for the increase in appropriations are shifts in construction project timelines, additional road overlay work related to SB 1 funding, and various projects beginning construction. In total, 33 projects will either be continuing or beginning construction. The increase in revenues is due primarily to higher Gas Tax and SB 1 revenues and increased State and Federal revenues from construction projects.

The Recommended Budget reflects a \$400,000 reduction in expenditures and interfund reimbursements due to a decrease in General Fund contributions to the Fund as part of an effort to help balance the General Fund Budget. This

will result in a reduction in paving as part of Transportation's FY 2019-20 Force Account Paving Project. The reduction equates to approximately seven lane miles of paving that will not be completed as planned. After this reduction, the General Fund will continue to make a \$1 million contribution to the Roads Fund.

Department of Transportation Fund

The Recommended Budget for the Transportation Fund reflects a \$4.5 million (8%) increase in appropriations and revenues. The primary reasons for the increases is increased salary and benefit costs for existing employees and the fact that the FY2018-19 Adopted Budget included a very high salary savings factor due to the uncertainty of SB 1 funding. Positions that were held vacant in FY 2018-19 will now be filled given that voters have confirmed this funding source to remain in place through the defeat of Proposition 6 in the November 2018 election. There is also a \$10,000 approved growth for an arrow board trailer.

Development and Code Services Fund

The Recommended Budget for the Development and Code Services Fund reflects a \$4.8 million (10.6%) increase in appropriations and revenue. The primary reason for the increase in appropriations is salary and benefit cost increases for existing staff, the cost of the 15 positions added during FY 2018-19 and \$194,207 in Recommended Growth requests to upgrade the aging Building Permits and Inspection Interactive voice response system and purchase three additional vehicles for Building Inspection staff.

Transportation Sales Tax Fund

The Recommended Budget for the Transportation Sales Tax Fund reflects a \$5.4 million (15.8%) increase in appropriations, a \$5.7 million (17.8%) increase in revenues and a \$259,000 (10.9%) reduction in the use of fund balance. The primary reason for the increase in appropriations and revenues is several large projects that will take place during the year, such as the Program Master Plan, Garfield Ave Bike/Pedestrian Improvements, and Power Inn Road Sidewalk Improvements-Loucreta to Florin.

Solid Waste Enterprise Fund

The Recommended Budget for the Solid Waste Enterprise Fund reflects a \$6.4 million (6.7%) increase in appropriations, a \$2.7 million (3.1%) increase in

revenue and a \$3.8 million (34.3%) increase in the use of fund balance. The primary reasons for the increase in appropriations are increased salary and benefit costs for existing staff, increased consulting work on routing, rate increase and organics recycling analysis, liability costs, increased single stream recycling and green waste processing costs, equipment maintenance and fuel, leachate disposal costs, liability costs, consulting costs related to routing, rates and organics recycling and costs related to utility billing. The increase in revenue is due to an increase in interest income, disposal tipping fees, and electricity sales. The increase in use of fund balance reflects the fact that costs are increasing faster than revenues.

The Recommended Budget also includes funding for ten growth requests totaling \$1,030,895:

- Appropriation for a consultant to study the current Compressed Natural Gas fueling infrastructure;
- Appropriation for a consultant to study the current collection vehicle routing;
- Extra Help for intermittent staff to support increased work in collection operations and recycling contamination surveys;
- Addition of 2.0 FTE Transfer Equipment Operators to provide support for operations due to increased waste tonnage being delivered to the North Area Recovery Station (NARS) facility;
- Extra Help for intermittent staff to support the increased traffic volume at the Recovery Station;
- Addition of 1.0 FTE Assistant Engineer - Civil Level 2 due to increased environmental monitoring and reporting associated with landfill gas at the Kiefer Landfill;
- Addition of 1.0 FTE Safety Specialist to provide support to operations due to increased waste tonnage being delivered to the NARS facility;
- Funding for a consultant to study the current operations between Fleet Operations in the Department of General Services and DWMR to find ways to reduce costs and increase efficiencies;
- Funding for embedded Department of Technology (Dtech) Geographic Information System Analyst Level 1 to review geographical layouts to best utilize overall space and provide support to the Engineering Division and on new systems and routing activity; and
- Funding for embedded Dtech Information Technology Analyst Level 1 to provide desktop and server support, manage and maintain hardware and software, troubleshoot problems, and manage projects.

Solid Waste Enterprise Capital Outlay

The Recommended Budget for the Solid Waste Enterprise Capital Outlay Fund reflects a \$9.3 million (143.1%) increase in expenditures, no change in revenue, and \$9.3 million (145.9%) increase in the use of fund balance. These increases are the result of higher costs for equipment purchases and capital projects, including \$12,826,760 in costs for Phase 1 of the construction and lining of an additional landfill module (Module 4) and supporting infrastructure at Kiefer Landfill.

The Recommended Budget also includes funding for one growth request totaling \$280,808 for an additional knuckle boom truck to support Appointment Based Neighborhood Cleanup and illegal dumping control.

Water Agency – Zone 11 Drainage Infrastructure Fund

The Recommended Budget for the Water Agency – Zone 11 reflects a \$6.3 million (30.6%) reduction in appropriations, a \$1.9 million (25%) increase in revenues, and an \$8.2 million (65.2%) reduction in the use of fund balance. The primary reason for the reduction in appropriations is less credits applied to development fees, the end of the Gerber Creek Phase 3 project, and less engineering services needed. The increase in revenues is due to an anticipated increase in development fees from Elk Grove, Rancho Cordova, North Vineyard Specific Plan, and the Elverta Specific Plan.

Water Agency Enterprise Fund

The Recommended Budget for the Water Agency Enterprise Fund reflects a \$5.1 million (4.9%) increase in appropriations, a \$912,712 (1%) increase in revenues, and a \$4.1 million (18.9%) increase in the use of fund balance. The primary reasons for the increase in appropriations is the cost of several large capital projects, such as the Kammerer Road widening/Lent Ranch to Big Horn project, the Hood Tank and Booster projects, the Mather Tanks Seismic Retrofit project, and several professional services increases related to water conservation. The small increase in revenue is the net result of increase and decreases in a number of revenue sources, including a \$6.5 million decrease in development fees, a \$3.6 million increase in water user fees, a \$3.3 million increase in water service charges related to the 2018 updated rates, and a \$335,000 increase in County pooled interest projections.

The Recommended Budget includes funding for five growth requests totaling \$950,999 to add four various full-time positions, four student interns, one

extra help maintenance worker, three light vehicles, one heavy vehicle, one dumb trailer, and one equipment attachment. More information concerning these requests is included in the Program Information section for this Budget Unit.

Mental Health Services Act Fund

The Recommended Budget for the Mental Health Services Act (MHSA) Fund reflects a \$7.4 million (8.2%) increase in appropriations, a \$6.2 million (10.4%) increase in revenue and a \$1.3 million (4%) increase in the use of fund balance. The increase in appropriations is due to the transfer of additional reimbursements to the Health Services Department to cover the cost of MHSA-funded programs. The increase in revenue is due to the receipt of additional MHSA revenue from the State and increased interest earnings.

Approximately \$317,244 of the increase in appropriations reflect transfers to the Health Services Department to fund Growth requests:

- \$121,605 for a 0.6 FTE Pharmacist position to assist with on-site chart audits;
- \$99,084 for 1.0 FTE Administrative Services Officer to provide administrative support for the Cultural Competency Unit in Mental Health; and
- \$96,555 for 0.8 FTE Senior Mental Health Counselor to assist with the Stop Stigma Speakers Bureau project.

Sheriff's Restricted Revenue Fund

The Sheriff's Restricted Revenue Fund is new in FY 2019-20 and is used to account for certain revenues that were previously held in unbudgeted funds until transferred as revenue to the Sheriff's Office to support specific expenditures. This revenue includes State Asset Forfeiture revenue, certain federal asset forfeiture revenue and certain civil process fees. Fund balance at the beginning of FY 2019-20 totals \$3,976,973. Revenue received during FY 2019-20 is anticipated to total \$2,163,995. The Recommended Budget includes \$3,155,000 in appropriations – which will be reflected as a reimbursement (negative appropriation) in the Sheriff's Office Budget Unit. The remaining resources in the Fund (\$2,985,968) are proposed to be reserved.

Sheriff's Department of Justice Asset Forfeiture Fund

The Sheriff's Department of Justice Asset Forfeiture Fund is new in FY 2019-20 and is used to account for certain Federal Asset Forfeiture revenue that

was previously held in unbudgeted funds until transferred as revenue to the Sheriff's Office to support eligible expenditures. This revenue is required by federal regulations to be accounted for separately from other funds. Fund balance at the beginning of FY 2019-20 totals \$1,055,841. Revenue received during FY 2019-20 is anticipated to total \$75,919. The Recommended Budget does not reflect any appropriation, since any reimbursements to the Sheriff's Office from this source are determined during the fiscal year based on identified need. All resources in the Fund (\$1,131,760) are proposed to be reserved.