

# FY 2017-18 BUDGET HEARINGS

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One County. One Future.

June 12 -16, 2017

## Budget Summary - Presentation

- Budget Hearing Materials
- Countywide Budget Summary
- Service Level Reductions
- CEO Recommended Restorations and Expansions
- General Fund Key Discretionary Fund Balances
- Update on Increased Property Taxes
- Departmental Presentations (as necessary)
- Board Deliberations
- Recommended Actions

# Budget Hearing Materials

## Binder Tabs/Description

1. Board Letter and Budget Resolution
2. Board Inquiry Forms
3. CEO Recommended Budget Adjustments (A-1)  
Final Budget Adjustments (A-2)
4. Restoration/Expansion Requests Deferred to Hearings (A-3)  
PY Adopted Expansions & Final Board Adjustments (E)
5. Ongoing Grants (B), Ongoing Contracts (C)
6. Addendum & Miscellaneous
7. Successor Agency to Former RDA - Board Letter and Resolution
8. CEO Budget Overview & Summary
9. Functional Summaries
- 10-32. Departmental Presentation Materials

# Budget at a Glance

## Countywide Revenues & Expenditures

	FY 2015-16	FY 2016-17	FY 2017-18
	Actual	Adopted	Recommended
Total Operating Revenues	968.1	1,019.7	1,079.1
Total Operating Expenditures	910.1	1,019.5	\$ 1,073.7
Net Operating Impact*	\$ 58.0	\$ 0.2	\$ 5.4
Staffing FTE's	4,207.0	4,400.9	<b>4,213.2</b>

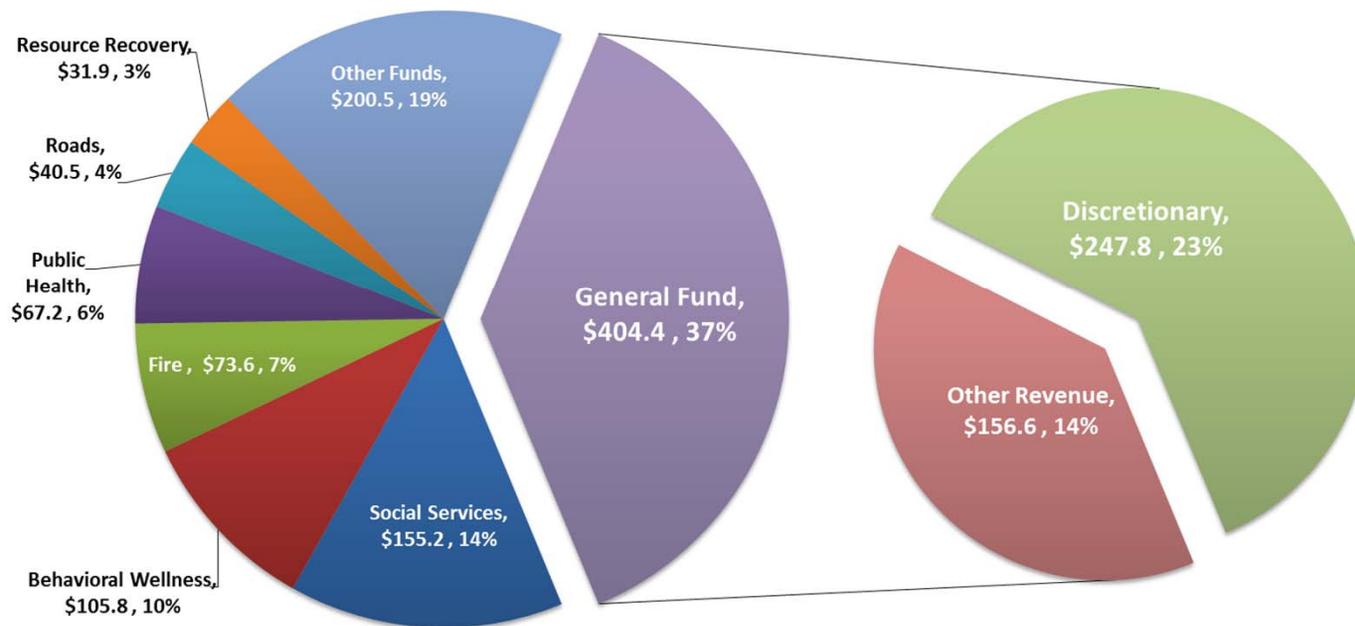
\*Net Operating Impact is funded by Other Financing Sources or use of Fund Balances

# FY 2017-18 Recommended Budget

## Countywide Revenue by Category

<b>Budget By Categories of Revenues</b>	<b>Actual FY 15-16</b>	<b>Adopted FY 16-17</b>	<b>Change from FY16-17 Ado to FY17-18 Rec</b>	<b>Recommended FY 17-18</b>
Taxes	\$ 281,301,768	\$ 292,322,108	\$ 11,075,044	\$ 303,397,152
Licenses, Permits and Franchises	17,571,058	18,612,318	1,571,367	20,183,685
Fines, Forfeitures, and Penalties	9,161,025	7,930,817	99,657	8,030,474
Use of Money and Property	6,086,900	4,033,323	35,506	4,068,829
Intergovernmental Revenue	353,077,082	387,607,803	36,170,652	423,778,455
Charges for Services	254,084,112	263,221,268	9,943,792	273,165,060
Miscellaneous Revenue	46,843,152	45,948,761	528,723	46,477,484
<b>Total Operating Revenues</b>	<b>968,125,098</b>	<b>1,019,676,398</b>	<b>59,424,741</b>	<b>1,079,101,139</b>

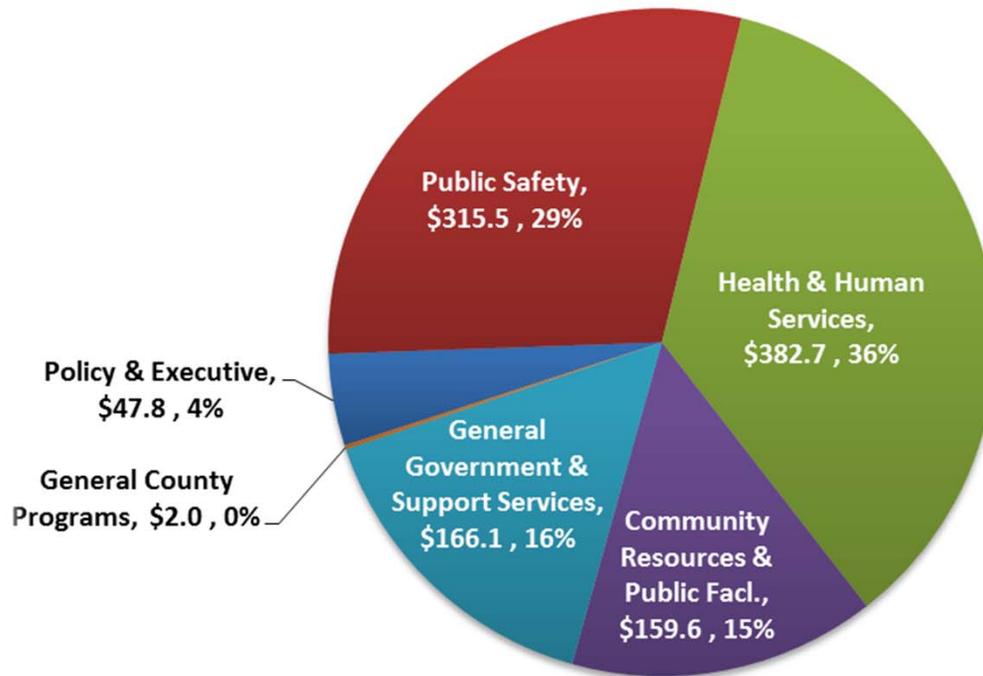
# Operating Revenues - \$1,079.1M Shown by Major Fund



# Discretionary General Revenues

Discretionary General Revenue Summary:			
Source (Dollars in Millions)	FY 2015-16 Actual	Adopted FY 2016-17	FY 2017-18 Recommend
Significant Property Taxes	\$ 190.0	\$ 198.1	\$ 203.6
RDA Dissolution Proceeds - One time	-	-	-
RDA Prop. Tax - Ongoing	5.6	5.7	6.0
<b>Subtotal Property Taxes</b>	<b>\$ 195.6</b>	<b>\$ 203.8</b>	<b>\$ 209.6</b>
Cost Allocation Services	11.9	11.2	10.6
Local Sales Tax	8.7	10.2	10.7
Transient Occupancy Tax	9.1	9.4	11.8
Payments in Lieu of Tax	2.0	-	-
All Other (Franchise, interest, misc State)	10.2	5.2	5.1
<b>Total Discretionary Revenues</b>	<b>\$ 237.4</b>	<b>\$ 239.8</b>	<b>\$ 247.8</b>
<b>Growth Year over Year</b>			<b>\$ 8.0</b>
<b>Rate of Growth</b>			<b>3.3%</b>

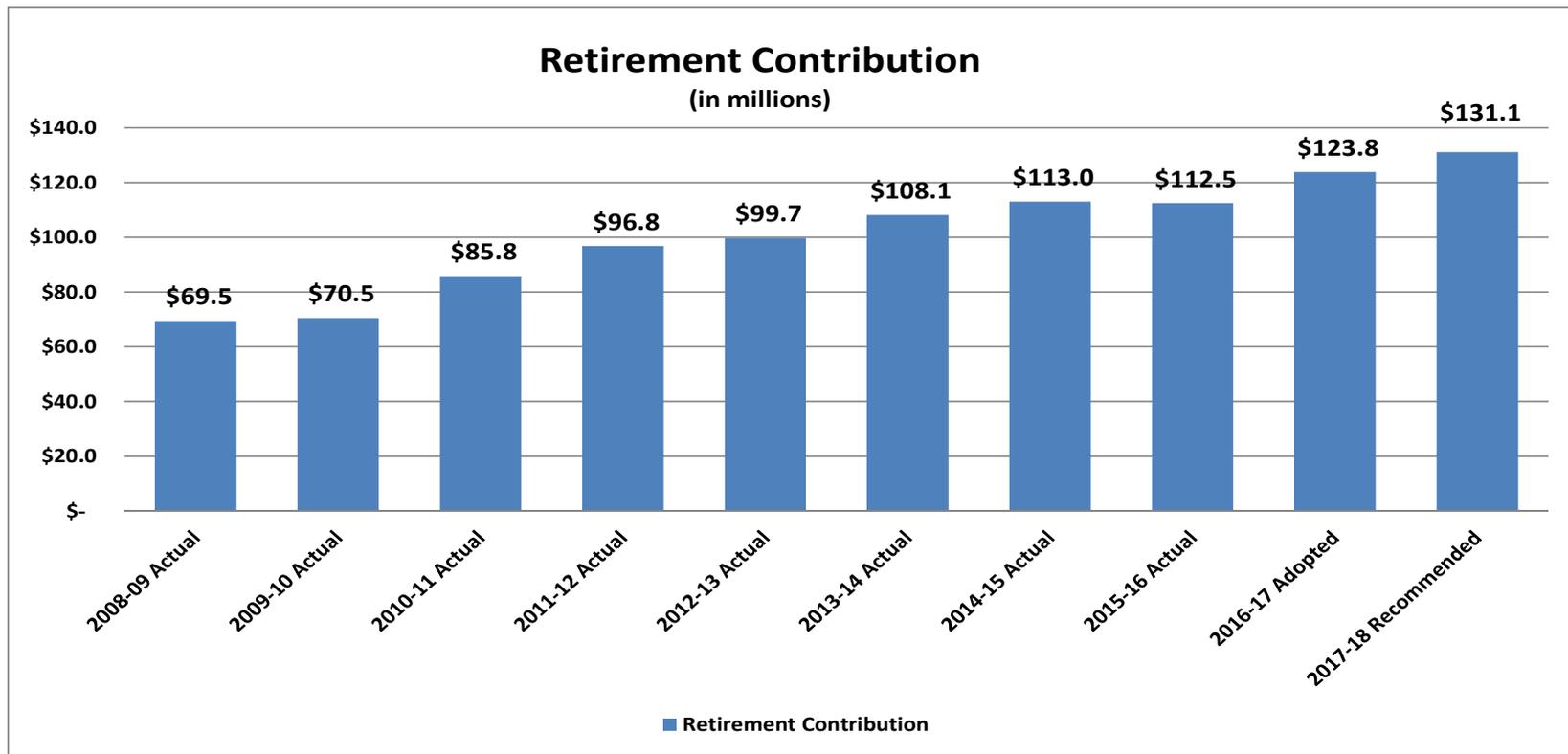
# Operating Expenditures - \$1,073.7M Shown by Major Category



## Continued Board Commitments

- Northern Branch Jail Operations Funding
- Fire Tax Shift
- Deferred Maintenance and Capital Infrastructure
- Bargaining Unit Agreements
- Strategic Reserve
- Plans to address unfunded pension and retiree healthcare liabilities

# Retirement Contribution



# Maintenance Funding

Maintenance Funding for FY 2017-18 (General Fund Allocations)				
	Public Works	General Services	Comm. Services Department	Maintenance Total
Baseline	\$ 500,000	\$ 1,300,000	\$ 500,000	\$ 2,300,000
18% Maintenance Funding	1,500,000	1,050,000	450,000	\$ 3,000,000
One-Time Maintenance Funds	1,700,000 <sup>1</sup>	1,190,000 <sup>2</sup>	510,000 <sup>3</sup>	\$ 3,400,000 *
<b>Subtotal</b>	<b>\$ 3,700,000</b>	<b>\$ 3,540,000</b>	<b>\$ 1,460,000</b>	<b>\$ 8,700,000</b>
Funding for Capital Debt Service	-	700,000 <sup>4</sup>	-	700,000 *
	<u><b>\$ 3,700,000</b></u>	<u><b>\$ 4,240,000</b></u>	<u><b>\$ 1,460,000</b></u>	<u><b>\$ 9,400,000</b></u>

## Notes

<sup>1</sup> Public Works one-time maintenance funds include CEO Recommended Expansions for road maintenance.

<sup>2</sup> General Services one-time maintenance funds include CEO Recommendations for previously deferred projects and potential emergencies.

<sup>3</sup> CSD one-time maintenance funds include CEO Recommendations for deferred maintenance and dead or dying tree clearing.

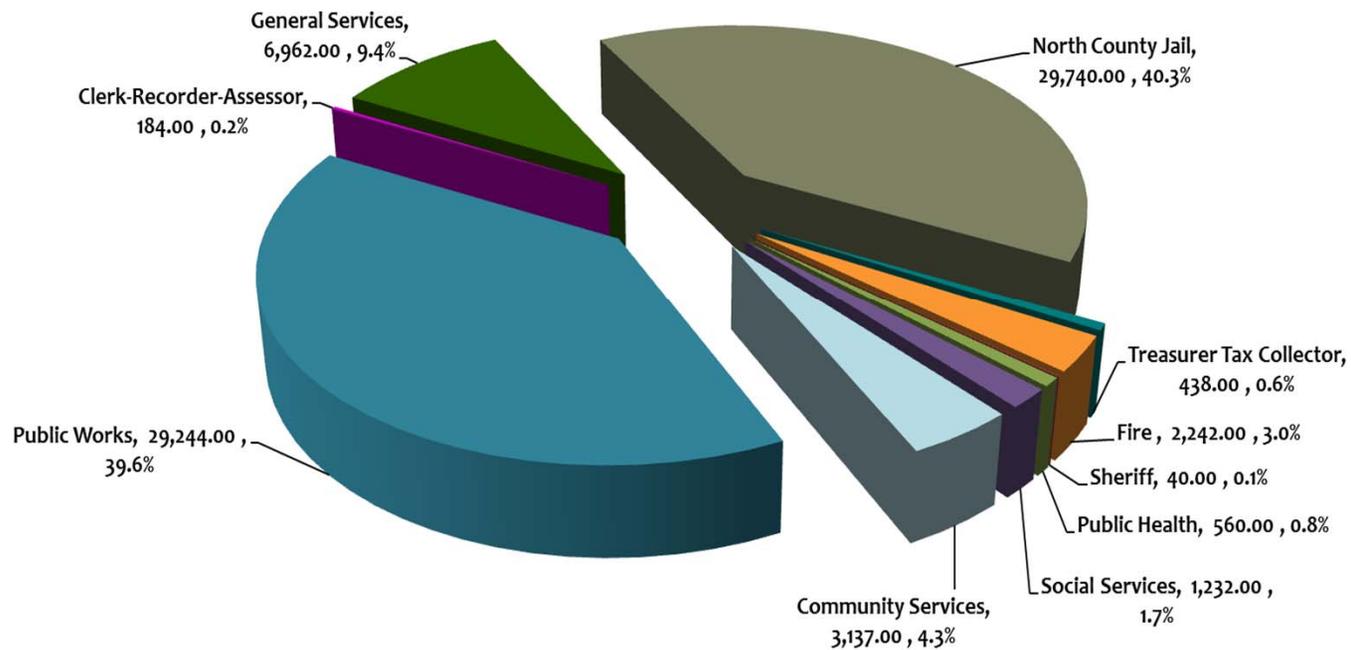
<sup>4</sup> General Services debt service to support acceleration of capital projects. Proceeds could be used for non-General Services projects.

\* - Additional FY 2017-18 funding, in excess of policy is \$4,100,000

Note: Other funding sources provide maintenance funding, but are not shown here. This chart shows only General Fund allocations.

# Capital Summary

One Year CIP for Recommended Fiscal Year Ending June, 30 2018, by Department  
*(In thousands of dollars)*



## Capital Summary

Significant FY 2017-18 planned projects:

- Northern Branch County Jail AB-900
- Fire Station 41 Rebuild – Cuyama
- Goleta Beach Access Bridge
- Jalama Beach Affordable Overnight Accommodations
- Lower Mission Creek Flood Control Project
- Landfill Heavy Equipment Replacement

# Updates Since Workshops

- **Assisted Outpatient Treatment (AOT) Program**
  - On 5/16/17, the BOS directed Behavioral Wellness to continue the AOT Services Pilot Project for the full fiscal year
  - \$275,030 funded from General Fund and remaining funding from other departmental sources
- **Governor's May Revise**
  - Governor's January Budget required a \$2M increase in GFC to the IHSS Program
  - Governor's May Revise eliminated the need for this contribution
  - However, local costs are still expected to increase annually (estimated \$625K in FY 2018-19)

## Service Level Reductions

- Service level reductions are unavoidable in many departments due to fiscal issues
- Service level reductions identified by departments totaled \$39.5 million and 304.3 FTE
- Not all reductions are being recommended for implementation

# Service Level Reductions

Department	Description	FTE	Amount
<b>General Fund Departments</b>			
County Executive Office	Unfund a Program Manager in Office of Emergency Management.	1.00	\$ 131,274
	Unfund a Department Business Specialist in the County Executive Office.	1.00	129,188
County Counsel	Reduce attorney support to General Fund programs, projects, and litigation. <b>Restored in CEO Recommendations.</b>	0.50	89,208
District Attorney	Eliminates Welfare Fraud Investigator due to declining number of reported cases.	1.00	175,926
	Eliminates Welfare Fraud Investigative Assistant due to declining number of reported cases.	1.00	64,336
	Unfunds position responsible for locating and serving witness subpoenas.	1.00	65,808
	Unfunds trial preparation support position.	1.00	98,049
	Unfunds two DA Investigator positions.	2.00	488,370

# Service Level Reductions

Department	Description	FTE	Amount
<b>General Fund Departments</b>			
Probation	Create a restitution collection procedure for unsupervised cases. Unfund 2.0 PAs and refund 1.0 AOP.	2.00	86,709
	Realign home supervision and electronic monitoring duties to juvenile field services. Unfund 1 JIO Sr and 1 JIO.	2.00	277,090
	Reduce staffing to the Community Service Work Program and the Revenue Recovery Unit by 1.0. Unfund 1.0 AOP.	1.00	97,386
	Eliminate funding for Alcohol and Drug Counseling. Unfund 2.0 positions in the Department of Behavioral Wellness.	2.00	486,730
	Restructure north county juvenile supervision and redirect staffing from Lompoc to Santa Maria. Unfund 1.0 SPO, 1 DPO, and 1 PA.	3.00	415,586
	Reduce Juvenile Court Services support staffing by 1.0 PA. Unfund 1.0 PA.	1.00	91,654
	Reduce staffing for Administrative "banked" cases by 1.0 DPO. Unfund 1.0 DPO.	1.00	147,017
	Reduce Juvenile Field Supervision Staffing by 2.0 DPOs. Unfund 2.0 DPO.	2.00	259,076
	Eliminate supervision of all misdemeanor and all low and medium risk felony Prop 36 offenders. Unfund 2.0 DPO. <b>Restored in CEO Recommendations.</b>	-	298,513

# Service Level Reductions

Department	Description	FTE	Amount
<b>General Fund Departments</b>			
Sheriff	Eliminate use of Lompoc Jail.	-	70,000
	Unfund the Sheriff Drug Resistance Education D.A.R.E.	-	95,750
	Unfund 4 Sheriff Special Duty Deputy and 1 Sheriff Sergeant position in Special Investigation Bureau.	5.00	998,184
	Unfund 6 Custody Deputy positions and reduce extra help in Santa Maria Branch Jail.	6.00	939,642
	Unfund 7 Sheriff Deputy positions providing bailiff services within the Civil courts. <i>Partially restored in CEO Recommendations.</i>	7.00	1,217,965
	Unfund 3 Sheriff Special Duty Deputy positions at Santa Ynez, Cabrillo, and San Marcos High Schools, as well as the Community Resource Deputy in Isla Vista. <i>Partially restored in CEO Recommendations.</i>	3.00	539,667
	Unfund 2 Sheriff Special Duty Deputy positions in the Aviation Support Unit.	2.00	519,546
	Unfund 10 Custody Deputy positions at the Main Jail.	10.00	1,325,525
	Unfund 3 Sheriff Sergeants, 2 Sheriff Special Duty Deputies, and 4 Sheriff Deputies and reduce Overtime on the Isla Vista Foot Patrol. <i>Partially restored in CEO Recommendations.</i>	9.00	1,888,917

# Service Level Reductions

Department	Description	FTE	Amount
<b>General Fund Departments</b>			
Community Services	Reduce pass-through funding for Chambers of Commerce and other tourism related agencies.	-	10,000
	Reduce pass-through funding for homeless shelters and warming centers. <b>Restored in CEO Recommendations.</b>	-	19,750
	Unfund 1 Mechanic Welder Position.	1.00	108,000
	Unfund AOP position in Housing and Community Development.	1.00	60,000
	Reduction of pass-through funding for Libraries Administration - per capita. <b>Restored in CEO Recommendations.</b>	-	70,800
	Reduction of pass-through funding for Libraries Administration. <b>Restored in CEO Recommendations.</b>	-	170,689
	Reduction of Landscape Maintenance at Orcutt Community Park. <b>Restored in CEO Recommendations.</b>	-	60,000
Auditor-Controller	Unfund 0.25 Vacant FTE - Accountant-Auditor I.	0.25	24,400
	Unfund 1.0 Vacant FTE - Financial Systems Analyst I.	1.00	131,700

# Service Level Reductions

Department	Description	FTE	Amount
<b>General Fund Departments</b>			
Clerk-Recorder-Assessor	Unfund an Extra Help position for Assessor IT programs.	0.45	50,000
	Unfund an Administrative Office Professional responsible for drafting architectural floor plans to develop accurate building records for assessments.	0.63	60,800
	Unfund an Appraiser added by the BOS in FY 16-17 budget.	1.00	92,296
General Services	Unfund EDP Office Auto Spec I - Network.	1.00	137,469
	Unfund EDP Office Auto Spec I - Security.	1.00	137,469
	Unfund an AOP Sr, Reduces the Administrative Support in Fleet.	1.00	99,319
	Unfund a Facilities Supervisor from South County Maintenance.	1.00	105,887
	Unfund an Administrative Office Professional 0.5 from Facilities Administration.	0.50	32,917
	Unfund the Vacant Capital Facilities Planning Manager position (Program Business Leader) and delete the vacant program.	1.00	178,119
	Reducing the amount of budgeted maintenance in the North County. <b>Restored in CEO Recommendations.</b>	-	68,000
	Reducing the amount of budgeted maintenance in the South County. <b>Restored in CEO Recommendations.</b>	-	100,000
Treasurer-Tax Collector	Unfund one EDP Systems Programmer III.	1.00	165,101
<b>General Fund Departments Subtotal</b>		<b>76.33</b>	<b>\$ 12,879,832</b>

# Service Level Reductions

Department	Description	FTE	Amount
<b>Non-General Fund Departments</b>			
Behavioral Wellness	Reduce Non Drug Medi-Cal service Contracts.	-	\$ 103,830
	Eliminate one vacant AOP position.	1.00	112,166
	Eliminate one vacant administrative Manager position.	1.00	176,424
	Eliminate two positions Department Business Specialist, ADMHS Supervisor.	2.00	226,491
	Do not fund Year 2 of 3 of AB 1421 Pilot. (Previously referred to as Laura's Law.)	-	606,888
	Reduce Screening, Brief Intervention and Referral to Treatment (SBIRT) Contract.	-	240,000
	Limit the number of Out of County Acute Inpatient Psychiatric Hospital Beds to an average of 5 per day. <i>Restored in CEO Recommendations.</i>	-	599,750
	Limit availability of beds for Institute for Mental Disease and Augmented Board and Care services to 28. <i>Restored in CEO Recommendations.</i>	-	1,518,422

# Service Level Reductions

Department	Description	FTE	Amount
<b>Non-General Fund Departments</b>			
Social Services	Reduction of vacant FTEs across all programs	80.00	7,400,000
	Reduce staffing levels by 43.28 FTEs in CalFresh. <i>Partially restored in CEO Recommendations.</i>	43.28	6,682,765
	Reduce staffing levels by 44.30 FTEs in CalWORKs.	44.30	3,949,447
	Reduce staffing levels by 29.98 FTEs in Medi-Cal.	29.98	1,762,496
	Reduce staffing levels by 6.56 FTEs in IHSS Administration.	6.56	398,988
	Reduce staffing levels by 0.99 FTEs in IHSS.	0.99	101,867
	Reduce staffing levels by 5.12 FTEs in Child Welfare Services.	5.12	228,573
	Reduce staffing levels by 3.13 FTEs in Adult Protective Services.	3.13	379,858
	Reduce staffing levels by 3.75 FTEs in Foster Care.	3.75	571,964
	Reduce Staffing levels by 1.66 FTEs and/or reduce Direct Services in Expanded Subsidized Employment.	1.66	1,053,134
	Reduce staffing levels by 0.42 FTEs in General Relief.	0.42	60,279
Child Support Services	Reduce 2.3 FTE Child Support Officers, 1.0 FTE Supervisor, and 0.5 FTE IT Support.	3.80	313,878
First 5	Unfund One Enterprise Leader.	1.00	173,383
<b>Non-General Fund Departments Subtotal</b>		<b>227.98</b>	<b>\$ 26,660,603</b>
<b>Total</b>		<b>304.31</b>	<b>\$ 39,540,434</b>

## Balanced Approach

- At workshops \$7.4 million of ongoing sources were identified primarily through reductions in General Fund Contribution.
- Because deficits are expected in the coming years, CEO recommended balanced, hybrid approach.
  - Limited use of ongoing funds for restorations and expansions in FY 17-18 (\$4.3 million)
  - Provide one-time funding for phase down of programs or time to develop options (\$3.1 million, plus other 1x revenue)

# CEO Recommended Restorations/ Expansions

- CEO Recommended Expansions mitigate some of the service level impacts, but will not be able to solve all
- Recommendations made based on the following:
  - New or existing mandates or requirements
  - Board established priorities and policies
  - Significant financial, legal, health or safety risk or liability
  - Well documented need based on past studies or data
  - Self-funded or cost-covering initiatives

# Pre-Budget Workshops Restorations/Expansions

Department	Description	GFC	
		Ongoing	One-time
<b>General Fund Departments</b>			
Sheriff	<b>Jail Medical Contract</b> - Covers increased cost of the new board-approved medical services contract with CFMG	\$1.9 M	
Probation	<b>Jail Medical Contract</b> - Covers increased cost of the new board-approved medical services contract with CFMG	\$0.1 M	
	<b>Prison Rape Elimination Act</b> - Covers additional cost of adhering to federal law passed dealing with the sexual assault of prisoners with funding for 4.0 FTE.	\$0.5 M	
Social Services	<b>IHSS MOE Increases</b> - Covers increases to the County's IHSS costs due to changes in the Governor's January budget		\$2.0 M
	<b>CalFresh &amp; IHSS MOE Increases</b> - Covers increasing costs of the County match.	\$0.9 M	
Courts	<b>Courts Maintenance of Effort</b> - Restore to meet full MOE	\$0.4 M	
<b>Total</b>		<b>\$3.8 M</b>	<b>\$2.0 M</b>

# CEO Recommended Restorations/Expansions

Department	Description	FTE	GFC		Non-GFC
			Ongoing	One-time	
<b>General Fund Departments</b>					
County Counsel	<b>Deputy County Counsel</b> - Restoration of 0.5 FTE attorney to support General Fund programs, projects, and litigation	0.50	\$ 89,207	\$ -	\$ -
District Attorney	<b>Extra-Help Deputy DA</b> - Addition of one extra-help Deputy District Attorney to support prosecution efforts of multi-defendant gang murder case in North County, bringing total funding to \$380,000.	-	-	80,000	-
	<b>Data Management</b> - Replacement of existing case management system with a new web-based application. The Department is also using \$150,000 in fund balance towards this purchase.	-	-	400,000	-
Probation	<b>Deputy Probation Officers</b> - Restoration of 2.0 FTE Deputy Probation Officers to supervise Proposition 36 Substance Abuse Crime Prevention Act caseloads	2.00	298,513	-	-
	<b>Los Prietos Boys Camp Remodel</b> - Remodel of bathroom and replacement of carpet at the Los Prietos Boys Camp using Los Prietos Donation Fund Balance	-	-	-	175,000

# CEO Recommended Restorations/Expansions

Department	Description	FTE	GFC		Non-GFC
			Ongoing	One-time	
<b>General Fund Departments</b>					
Sheriff	<b>Lost Time Mitigation</b> - Creates a pool of funds for the department to draw on to help mitigate employee lost time due to illness or injury in order to reduce the need for overtime. This will allow the Department to fund 8 previously unfunded positions and adds 2 additional positions.	10.00	-	1,250,000	-
	<b>IV Foot Patrol Station</b> - Restoration of 3.0 FTE Sheriff Sergeants, 2.0 FTE Sheriff Special Duty Deputies, and 4.0 FTE Sheriff Deputies for the Isla Vista Foot Patrol Station for three quarters of the fiscal year.	6.60	1,416,675	-	-
	<b>IV Community Resource Deputy</b> - Restoration of 1.0 FTE Sheriff Special Duty Deputy for Isla Vista	1.00	178,200	-	-
	<b>Court Bailiffs</b> - Creation of a pool of funds to staff civil courtrooms with security on an as-needed basis		500,000	-	-

# CEO Recommended Restorations/Expansions

Department	Description	FTE	GFC		Non-GFC
			Ongoing	One-time	
<b>General Fund Departments</b>					
Community Services	<b>Orcutt Community Park Maintenance</b> - Ongoing maintenance for Orcutt Community Park	-	60,000	-	-
	<b>CCE Launch</b> - Expansion to begin Phase 3/Program Launch of Community Choice Energy implementation activities	-	-	300,000	-
	<b>Libraries</b> - Addition of \$241,489 in ongoing funding for a total award of \$3,485,349 to maintain library per capita funding at \$7.80	-	241,489	-	-
	<b>Dead Tree Clearing</b> - Removal of dying and dead trees at parks and trails	-	-	200,000	-
	<b>Parks Deferred Maintenance</b> - Address back log of Parks deferred maintenance needs	-	75,000	310,000	-
	<b>Homeless Shelters</b> - Restoration of pass-through to full funding of homeless shelters and warming centers	-	19,750	-	-

# CEO Recommended Restorations/Expansions

Department	Description	FTE	GFC		Non-GFC
			Ongoing	One-time	
<b>General Fund Departments</b>					
General Services	<b>Maintenance</b> - Restoration of maintenance funding from FY 2017-18 proposed service level reduction	-	175,000	-	-
	<b>Maintenance</b> - Increase of maintenance funding to address deferred needs	-	-	1,190,000	-
	<b>IVCC Maintenance</b> - Ongoing maintenance funding for the Isla Vista Community Center	-	18,000	-	-
	<b>Public Safety Radio System</b> - Funding for critical public safety radio system and equipment replacement needs	-	-	925,000	-
Public Works	<b>Winter Storm Road Repairs</b> - Expansion to provide local match toward the cost of repairing damage to the County's road system due to the 2017 Winter Storms from the Strategic Reserve	-	-	1,000,000	-
	<b>Roads Maintenance</b> - Restoration of funding for road deferred maintenance	-	250,000	1,700,000	-
General County Programs	<b>Cannabis</b> - Expansion to fund the preparation of an Environmental Impact Report and election costs associated with proposed County cannabis ordinance	-	-	430,000	-
<b>General Fund Departments Subtotal</b>		<b>20.10</b>	<b>\$ 3,321,834</b>	<b>\$ 7,785,000</b>	<b>175,000</b>

## CEO Recommended Restorations/Expansions

Department	Description	FTE	GFC		Non-GFC
			Ongoing	One-time	
<b>Non-General Fund</b>					
Fire	<b>Fire Division Chief</b> - Addition of State-funded 1.0 FTE Fire Division Chief to oversee Dispatch and Logistics and increase command and control on large fire incidents	1.00	\$ -	\$ -	\$ 392,000
	<b>Civilian Inspector</b> - Addition of 1.0 FTE Civilian Inspector for inspections, plan reviews, and land use project support	1.00	-	-	147,437
Behavioral Wellness	<b>IMD Beds</b> - Restoration of 19 Institute for Mental Disease (IMD) beds to increase total beds from 28 to 47 per day	-	1,500,000	-	
	<b>IMD Beds</b> - Addition of 7 IMD beds to increase total beds from 47 to 54 per day	-	-	600,000	
	<b>Inpatient Hospital Beds</b> - Addition of 2 hospital beds to increase total beds from 5 to 7 per day	-	-	600,000	
	<b>Crisis Residential Treatment</b> - Development of new 6-bed Crisis Residential Treatment (CRT) program with grant funds	-	-	-	1,100,000

## CEO Recommended Restorations/Expansions

Department	Description	FTE	GFC		Non-GFC
			Ongoing	One-time	
<b>Non-General Fund</b>					
Social Services	<b>IHSS Wage Increases</b> - Addition of \$450,000 in ongoing matching funds to cover the local-mandated share of costs associated with the FY 2017-18 In-Home Supportive Services Individual Provider wage increase	-	450,000	-	-
	<b>CalFresh Match</b> - Addition of one-time matching funds required to maximize CalFresh program allocation by drawing down additional State and Federal funds totaling \$764,000	10.00		106,000	764,000
	<b>CalFresh Match</b> - Addition of one-time matching funds required to draw down additional State and Federal Redistribution funds for CalFresh totaling \$2,190,000	28.00	-	386,000	2,190,000
<b>Non-General Fund Departments Subtotal</b>		<b>40.00</b>	<b>\$ 1,950,000</b>	<b>\$ 1,692,000</b>	<b>\$ 4,593,437</b>
<b>Total</b>		<b>60.10</b>	<b>\$ 5,271,834</b>	<b>\$ 9,477,000</b>	<b>\$ 4,768,437</b>

## General Fund Key Discretionary Fund Balances

Fund Balance Component	Per Budget Policies	6/30/2017 Estimated Balance	2017-18 Proposed Increases	2017-18 Proposed Decreases	6/30/2018 Projected Balance
Behavioral Wellness	Yes	\$ -	\$ 2,200,000	\$ (1,200,000)	\$ 1,000,000
18% Deferred Maintenance	Yes	\$ 7,000	\$ 3,000,000	\$ (3,000,000)	\$ 7,000
Capital		\$ 700,000	\$ 1,400,000	\$ (1,400,000)	\$ 700,000
Roads	Yes	\$ -	\$ 2,200,000	\$ (2,200,000)	\$ -
Strategic Reserve	Yes	\$ 30,866,400	\$ -	\$ (1,000,000)	\$ 29,866,400
Litigation		\$ 852,498	\$ 2,200,000	\$ (350,000)	\$ 2,702,498
Program Stabilization		\$ 1,250,000	\$ 1,250,000	\$ (1,250,000)	\$ 1,250,000
Salary and Retirement Offset		\$ -	\$ -	\$ -	\$ -
Deferred Maintenance	Yes	\$ 5,996	\$ 4,000,000	\$ (3,500,000)	\$ 505,996
Audit Exceptions		\$ -	\$ -	\$ -	\$ -
New Jail Operations	Yes	\$ 7,743,198	\$ 9,100,000	\$ (3,969,589)	\$ 12,873,609
Emerging Issues (one-time funding)		\$ 1,680,033	\$ 5,202,788	\$ (5,632,421)	\$ 1,250,400
Contingencies		\$ 48,791	\$ 1,980,209	\$ -	\$ 2,029,000
Unassigned Fund Balance		\$ 3,114,559	\$ -	\$ (2,901,388)	\$ 213,171
<b>Total</b>		<b>\$ 46,268,476</b>	<b>\$ 32,532,997</b>	<b>\$ (26,403,398)</b>	<b>\$ 52,398,075</b>

## Update on Increased Property Taxes

- Assessed valuation growth increasing from 4.5% to 5.75%

<b>Estimated Impact of Growth</b>	<b>1.25%</b>
1.25% Increase	2,221,000
Less: Fire Tax Shift 25%	(394,000)
County GF Portion	1,827,000
18% Maintenance per policy	(320,000)
<b>Balance for Board Appropriation</b>	<b>1,507,000</b>

# REVISED Maintenance Funding

REVISED Maintenance Funding for FY 2017-18 (General Fund Allocations)				
	Public Works	General Services	Comm. Services Department	Maintenance Total
Baseline	\$ 500,000	\$ 1,300,000	\$ 500,000	\$ 2,300,000
18% Maintenance Funding	1,660,000 <b>5</b>	1,160,000 <b>5</b>	500,000 <b>5</b>	\$ 3,320,000
One-Time Maintenance Funds	1,540,000 <b>1</b>	1,080,000 <b>2</b>	460,000 <b>3</b>	\$ 3,080,000 *
<b>Subtotal</b>	<b>\$ 3,700,000</b>	<b>\$ 3,540,000</b>	<b>\$ 1,460,000</b>	<b>\$ 8,700,000</b>
Funding for Capital Debt Service	-	700,000 <b>4</b>	-	700,000 *
	<b>\$ 3,700,000</b>	<b>\$ 4,240,000</b>	<b>\$ 1,460,000</b>	<b>\$ 9,400,000</b>

## Notes

- 1** Public Works one-time maintenance funds include CEO Recommended Expansions for road maintenance.
- 2** General Services one-time maintenance funds include CEO Recommendations for previously deferred projects and potential emergencies.
- 3** CSD one-time maintenance funds include CEO Recommendations for deferred maintenance and dead or dying tree clearing.
- 4** General Services debt service to support acceleration of capital projects. Proceeds could be used for non-General Services projects.
- 5** Shifts \$320,000 from One-Time Maintenance Funds to 18% Maintenance Funding (GS \$160,000, GS \$110,000, CSD \$50,000) revised from original FY 17-18 Recommended Budget

\* - Additional FY 2017-18 funding, in excess of policy is \$4,100,000

Note: Other funding sources provide maintenance funding, but are not shown here. This chart shows only General Fund allocations.

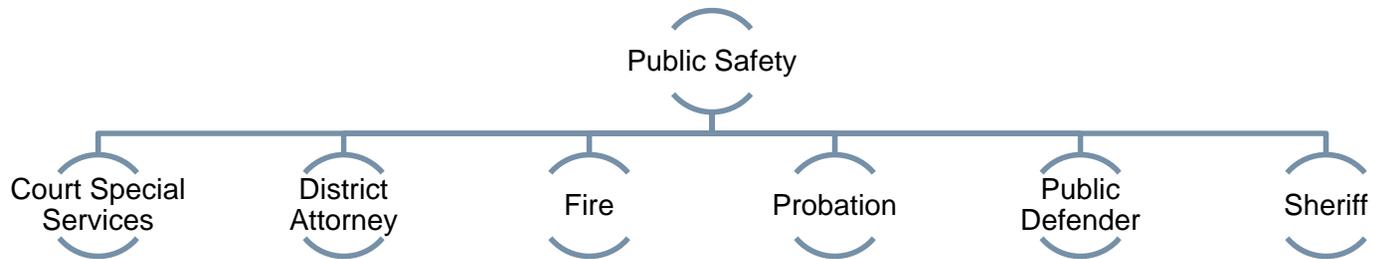
## Possible Adjustments to Recommended Budget

	Ongoing	One-Time	Total
Increased Available GF Property Taxes	1,827,000	-	1,827,000
Reclassify 18% Policy Maintenance from One-Time to Ongoing	(320,000)	320,000	-
Reclassify Cal Fresh from One-Time to Ongoing	(492,000)	492,000	-
Contingencies	181,266	319,000	500,266
Reductions in IHSS Contribution	-	2,000,000	2,000,000
Full Year Funding for AOT program	-	(275,000)	(275,000)
<b>TOTAL SOURCES</b>	<b>\$1,196,266</b>	<b>\$2,856,000</b>	<b>\$4,052,266</b>
IHSS FY 18/19 Impact (5% Local Match)	625,000	-	625,000
Child Welfare Expansion (2 FTE) - OPTIONAL	175,667	-	175,667
Foster Care Expansion (2 FTE) - OPTIONAL	96,078	-	96,078
Set Aside for Compliance and Permitting at Goleta Beach	-	567,000	567,000
Increase to Contingencies for Unexpected Needs	-	1,000,000	1,000,000
Set Aside for Court Security at 5 year avg. - OPTIONAL	-	300,000	300,000
Set Aside for IV Foot Patrol - OPTIONAL	-	475,000	475,000
<b>TOTAL USES</b>	<b>\$ 896,745</b>	<b>\$2,342,000</b>	<b>\$3,238,745</b>
<b>REMAINING RESOURCES</b>	<b>\$ 299,521</b>	<b>\$ 514,000</b>	<b>\$ 813,521</b>

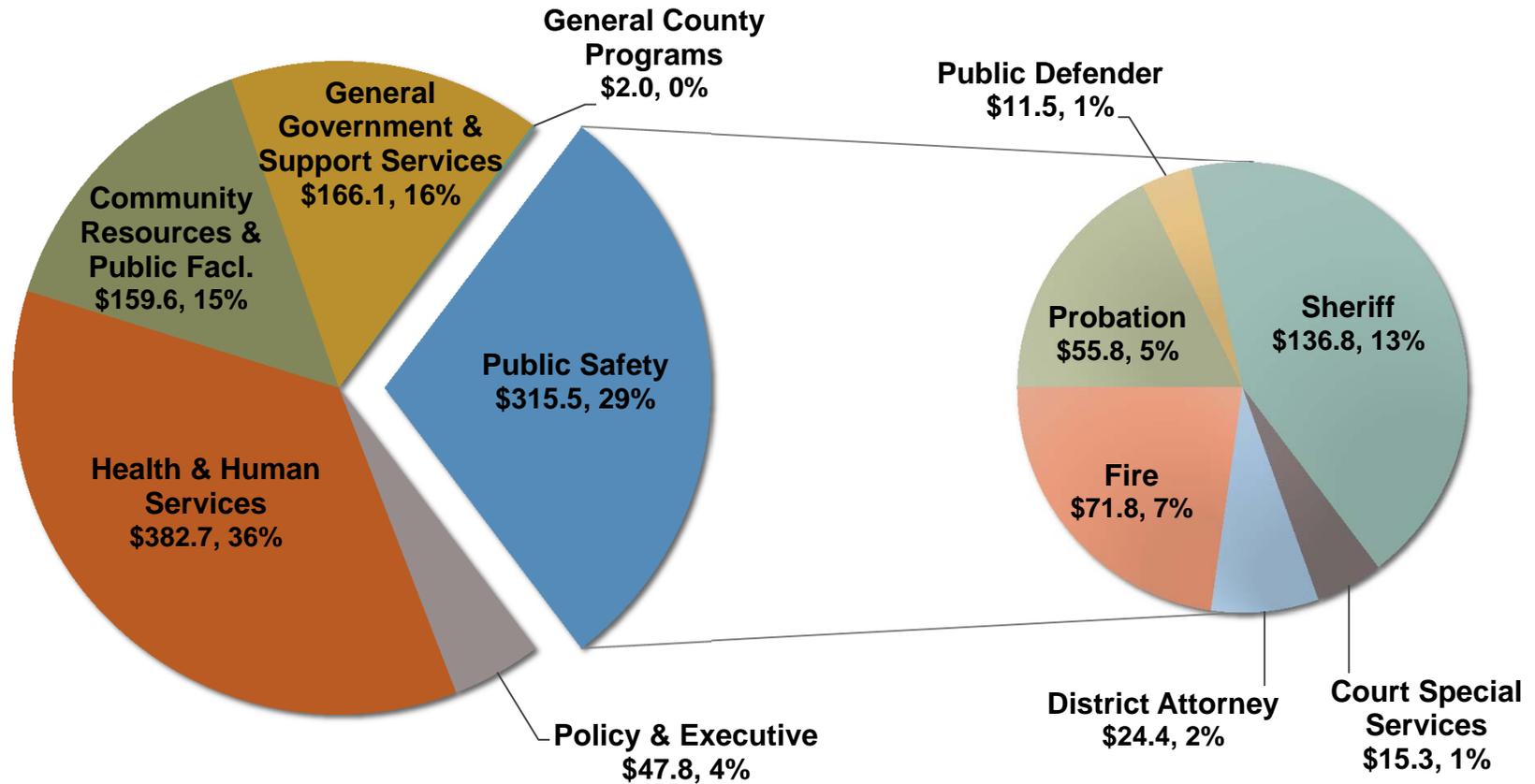
# 2017-2019 BUDGET HEARINGS FUNCTIONAL GROUP OVERVIEW

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## Public Safety



# Operating Expenditures *(in millions)*

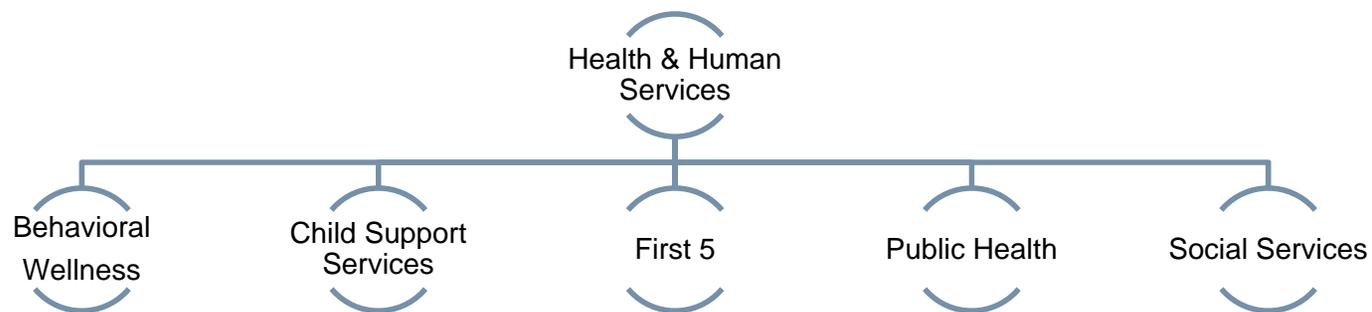


# 2017-2019 BUDGET HEARINGS

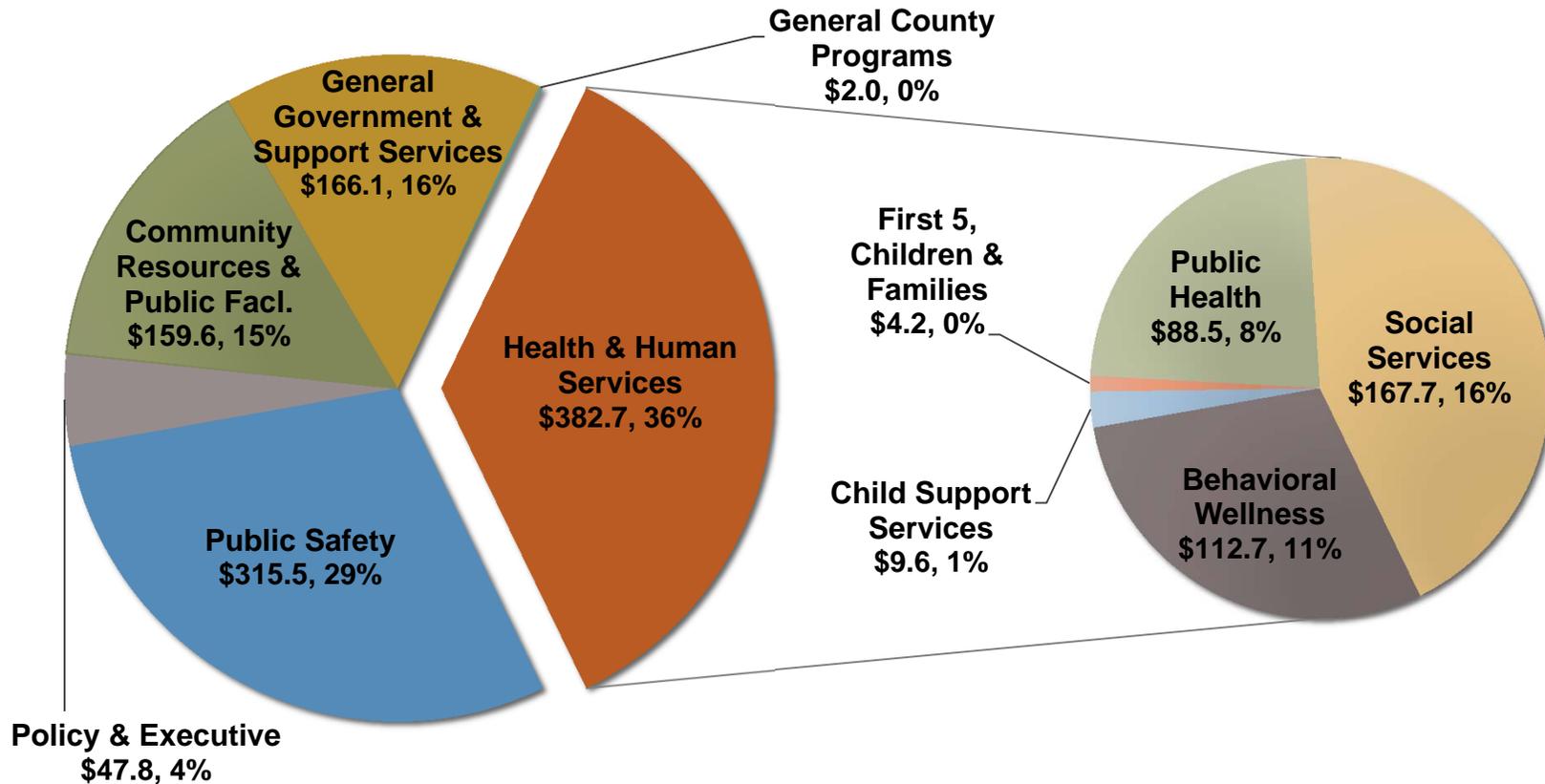
## FUNCTIONAL GROUP OVERVIEW

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### Health & Human Services



# Operating Expenditures *(in millions)*



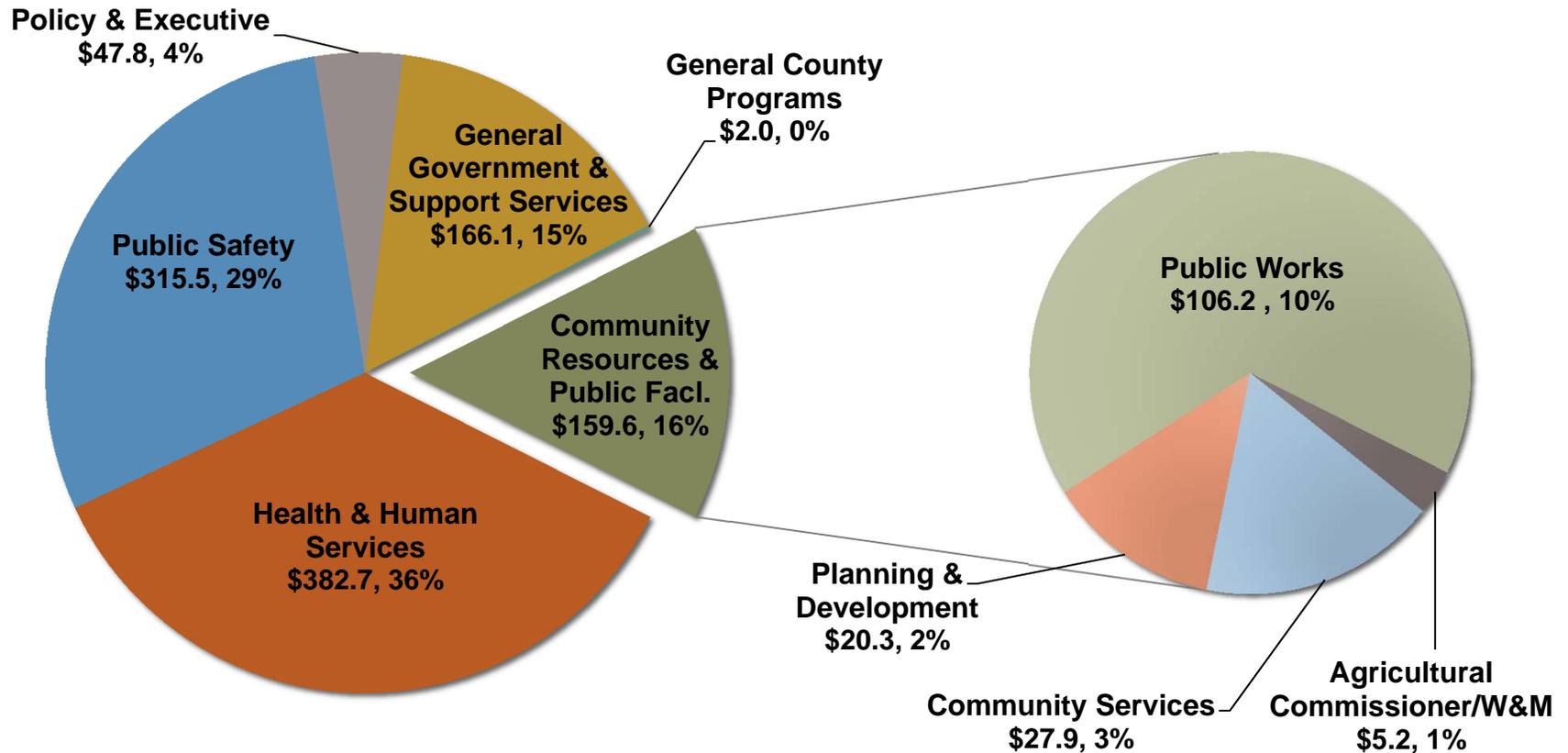
# 2017-2019 BUDGET HEARINGS FUNCTIONAL GROUP OVERVIEW

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## Community Resources & Public Facilities



# Operating Expenditures *(in millions)*



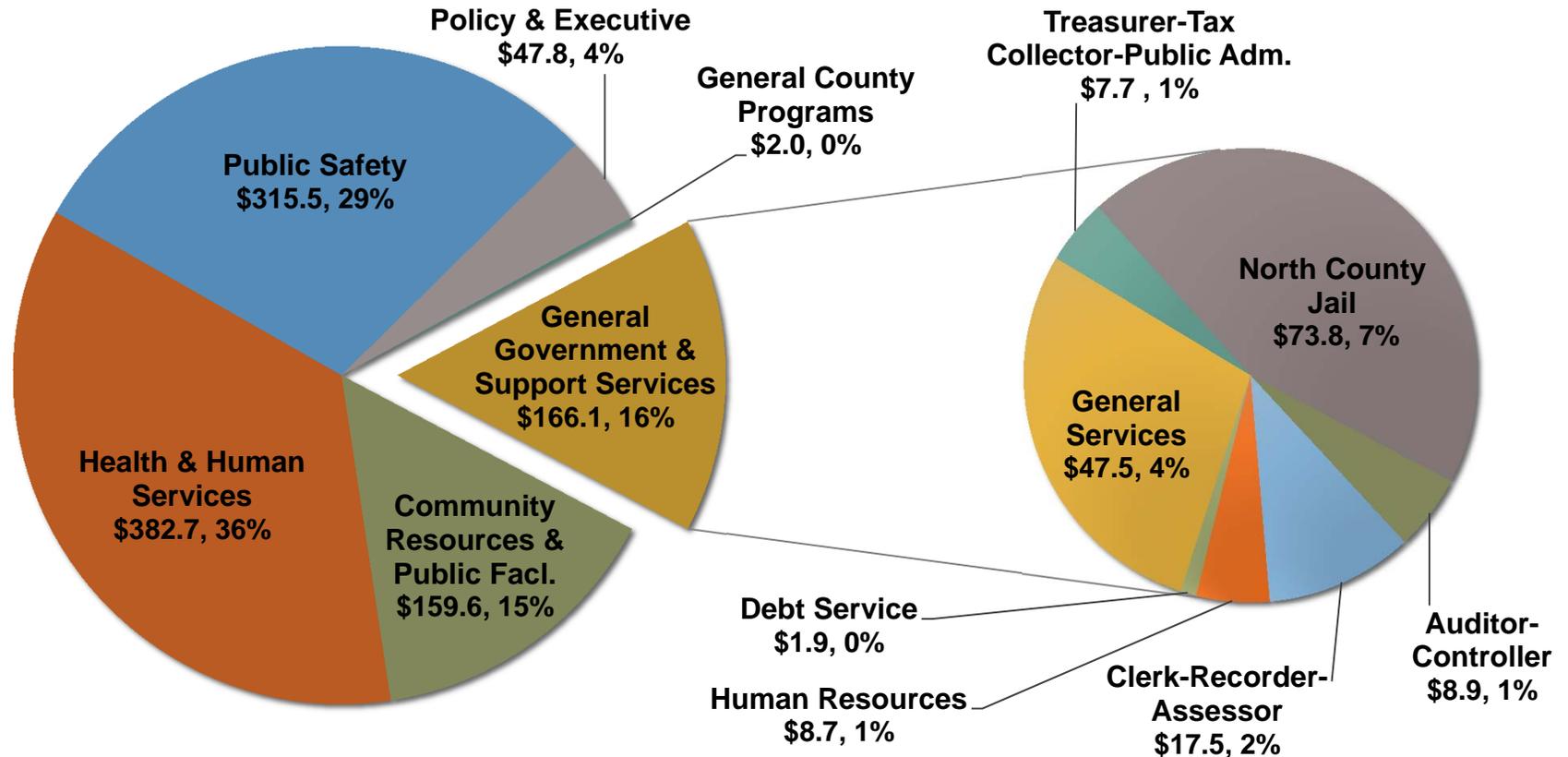
# 2017-2019 BUDGET HEARINGS FUNCTIONAL GROUP OVERVIEW

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## General Government & Support Services



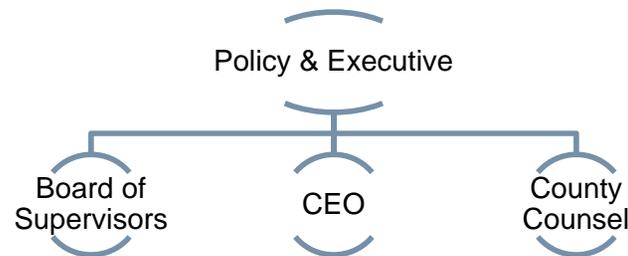
# Operating Expenditures *(in millions)*



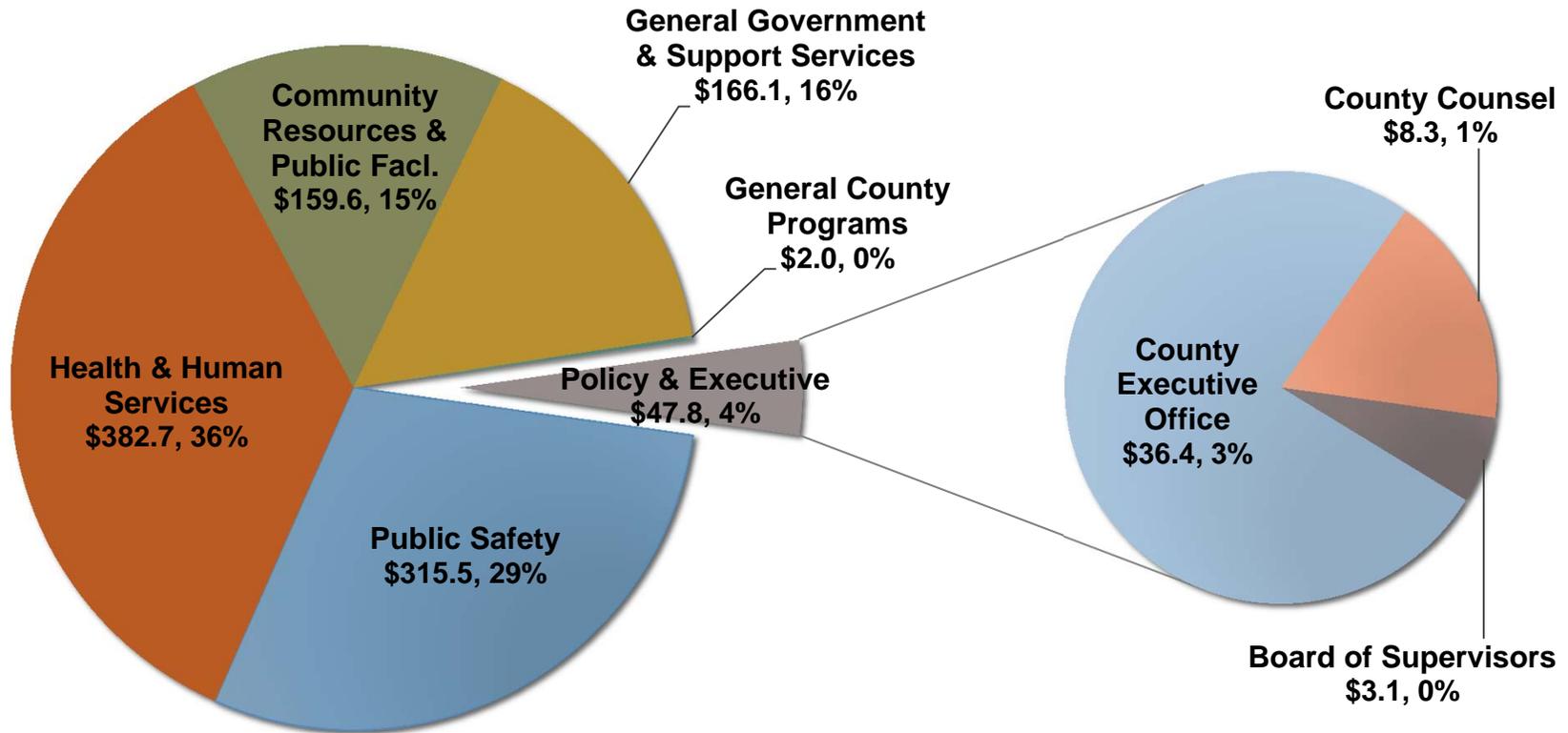
# 2017-2019 BUDGET HEARINGS FUNCTIONAL GROUP OVERVIEW

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## Policy & Executive



# Operating Expenditures *(in millions)*



## Continued Financial Challenges Ahead

- Current forecast for FY 2018-19 shows a potential budget gap in excess of \$20M
- Northern Branch Jail construction & operating costs
- Mental health inpatient costs
- Replacement of outdated technology and equipment
- Maintenance and unfunded capital needs
- Salary and benefit increases
- Federal and State budget uncertainty

## Update on Increased Property Taxes

- Property tax growth scenarios: 5.75% and 5.5% AV growth

Estimated Impact of Growth	1.25%	1.00%
Gross Increase	2,221,000	1,777,000
Less: Fire Tax Shift 25%	(394,000)	(315,000)
County GF Portion	1,827,000	1,462,000
18% Maintenance per policy	(320,000)	(260,000)
<b>Balance for Board Appropriation</b>	<b>1,507,000</b>	<b>1,202,000</b>

# Possible Adjustments to Recommended Budget with 5.5% Property Tax Growth

	Ongoing	One-Time	Total
Increased Available GF Property Taxes - 5.5% Growth	1,462,000	-	1,462,000
Reclassify 18% Policy Maintenance from One-Time to Ongoing	(260,000)	260,000	-
Reclassify Cal Fresh from One-Time to Ongoing	(492,000)	492,000	-
Contingencies	181,266	319,000	500,266
Reductions in IHSS Contribution	-	2,000,000	2,000,000
Full Year Funding for AOT program	-	(275,000)	(275,000)
<b>TOTAL SOURCES</b>	<b>\$ 891,266</b>	<b>\$ 2,796,000</b>	<b>\$ 3,687,266</b>
IHSS FY 18/19 Impact (5% Local Match)	625,000	-	625,000
Child Welfare Expansion (2 FTE) - OPTIONAL	175,667	-	175,667
Foster Care Expansion (2 FTE) - OPTIONAL	96,078	-	96,078
Set Aside for Compliance and Permitting at Goleta Beach	-	567,000	567,000
Increase to Contingencies for Unexpected Needs	-	1,000,000	1,000,000
Set Aside for Court Security at 5 year avg. - OPTIONAL	-	300,000	300,000
Set Aside for IV Foot Patrol - OPTIONAL	-	475,000	475,000
<b>TOTAL USES</b>	<b>\$ 896,745</b>	<b>\$ 2,342,000</b>	<b>\$ 3,238,745</b>
<b>REMAINING RESOURCES</b>	<b>\$ (5,479)</b>	<b>\$ 454,000</b>	<b>\$ 448,521</b>

## Recommended Actions

- a) Receive, consider, and file the Fiscal Year 2017-18 Recommended Budget (as shown in the Recommended Operational Plan, Attachment A);
- b) Approve final budget adjustments (Attachments A-2) to the Fiscal Year 2017-18 Recommended Budget (as shown in the Recommended Operational Plan);
- c) Approve budget adjustments in the form of Attachment E, as amended during the hearings, to the Fiscal Year 2017-18 Recommended Budget (as shown in the Recommended Operational Plan);

## Recommended Actions

- d) Delegate authority to the County Executive Officer to execute renewal of single-year grants and contracts (Attachments B and C) included in the Fiscal Year 2017-18 Recommended Budget (as shown in the Recommended Operational Plan) that had previously been approved by the Board, where contract amounts are up to 10% greater or less than previously contracted amounts;
- e) Adopt the Resolution of the Board of Supervisors entitled In the Matter of Adopting the Budget for Fiscal Year 2017-18; and

## Recommended Actions

- f) Determine pursuant to CEQA Guidelines §15378(b)(4) that the above fiscal activities are not a project subject to the California Environmental Quality Act.

## Recommended Actions

### Successor Agency to the former County of Santa Barbara Redevelopment Agency

- a) Adopt the Resolution of the Board of Supervisors of the County of Santa Barbara as the Successor Agency to the former County of Santa Barbara Redevelopment Agency, entitled In The Matter of Adopting The Budget For Fiscal Year 2017-18 For The County of Santa Barbara As Successor Agency To The Former County of Santa Barbara Redevelopment Agency.
- b) Determine pursuant to CEQA Guidelines §15378(b)(4) and §15378(b)(5) that the above fiscal activities are not a project subject to the California Environmental Quality Act

# QUESTIONS?