



# Budget Basics

Recommended Budget  
FY 2016-17

# What is the Recommended Budget?

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- A forecast of all planned revenue and expenses
- Provides a model for how the county might perform financially given certain assumptions about the future
- Enables the actual financial performance of the county to be measured against the forecast
- A budget should balance:
  - Total revenue equals total appropriations

# Is the Recommended Budget balanced?

- The Recommended Budget is balanced
  - Projected Revenue = Projected Appropriations



# What assumptions are built into the Recommended Budget?

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- Property tax revenue: \$63 million
- Property tax in lieu of Vehicle License Fees: \$18.6 million
- Sales tax revenue: \$11 million
  
- Property tax and in lieu include 4% growth over the FY 2015-16 year end projection
- Sales tax includes 2% growth over FY 2015-16 year end projection

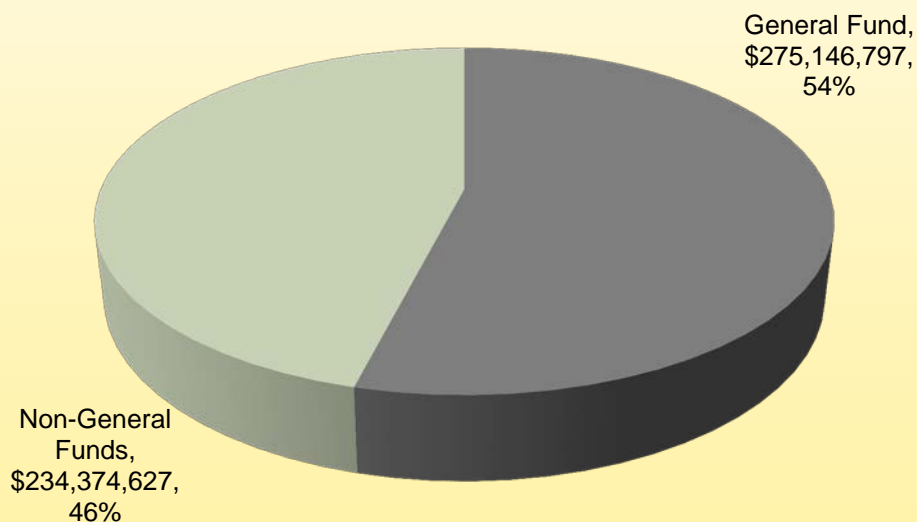
# How does the Recommended Budget compare to last year's budget?

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- Total budget decreased by \$9 million (-2%)
- General Fund increased by \$9 million (3%)
- Full Time Equivalent employees (FTEs) increased by 28.90.

# How big is the Recommended Budget?

- **TOTAL** Recommended Budget = \$509,521,424
  - General Fund = \$275,146,797
  - Non-General Funds = \$234,374,627



# What is the General Fund?

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- The General Fund is the slice of the budget primarily funded with discretionary dollars

# What are Non-general funds?

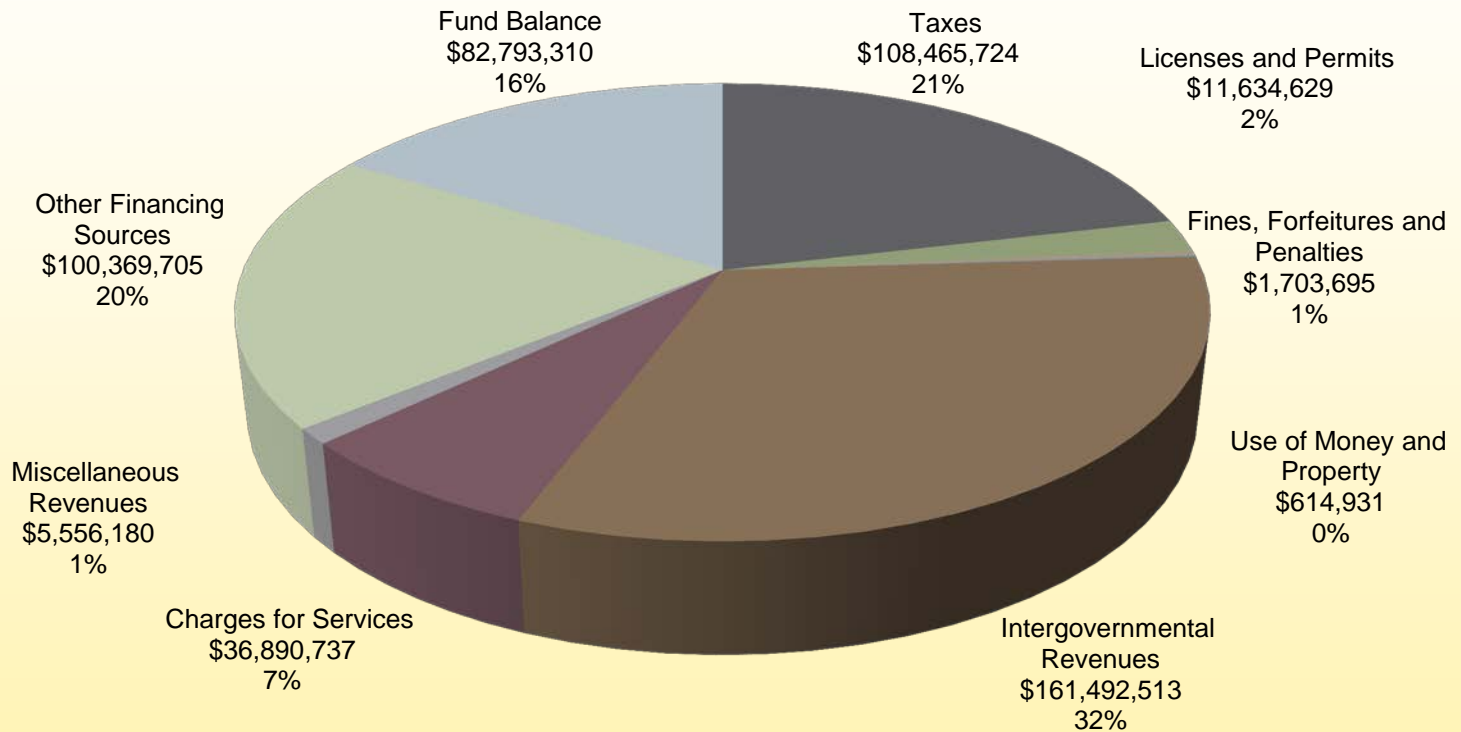
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- Non-General Fund spending is determined by state law or other special conditions



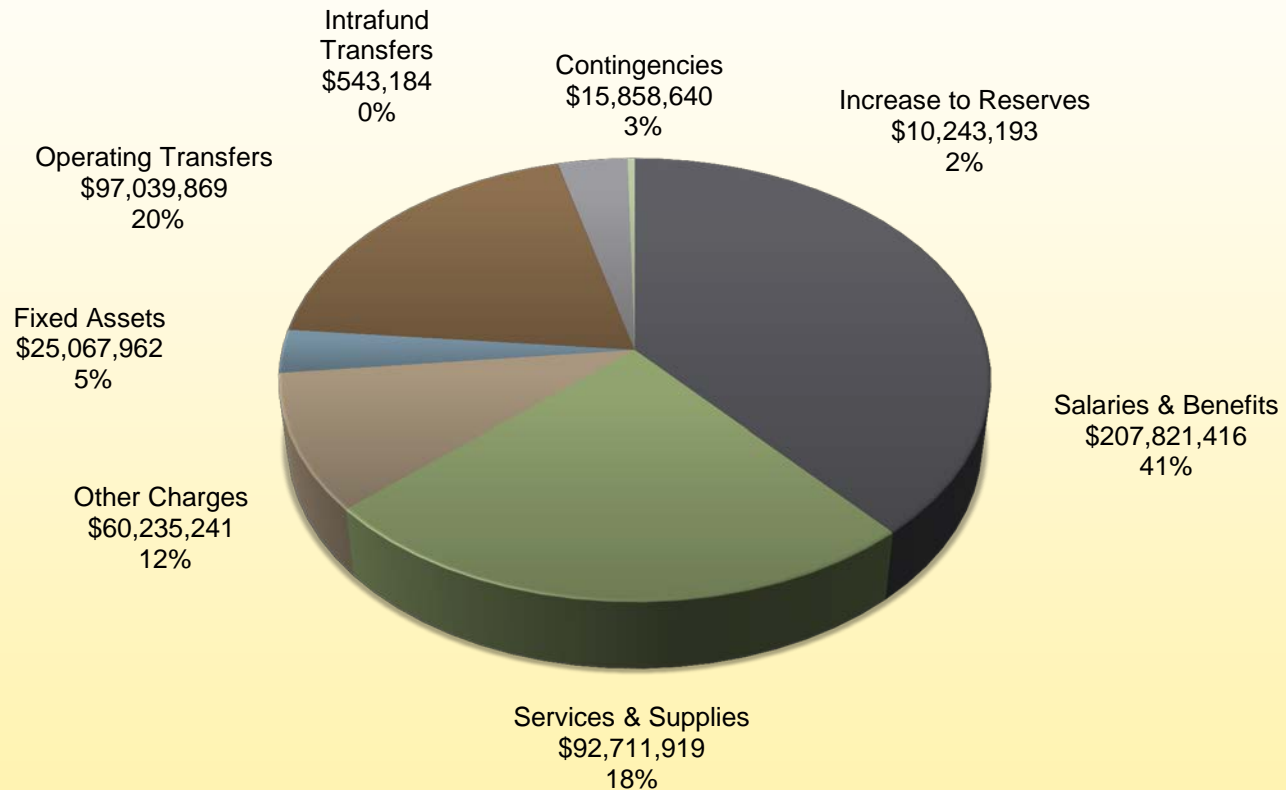


# Where does all the money come from in the Recommended Budget?



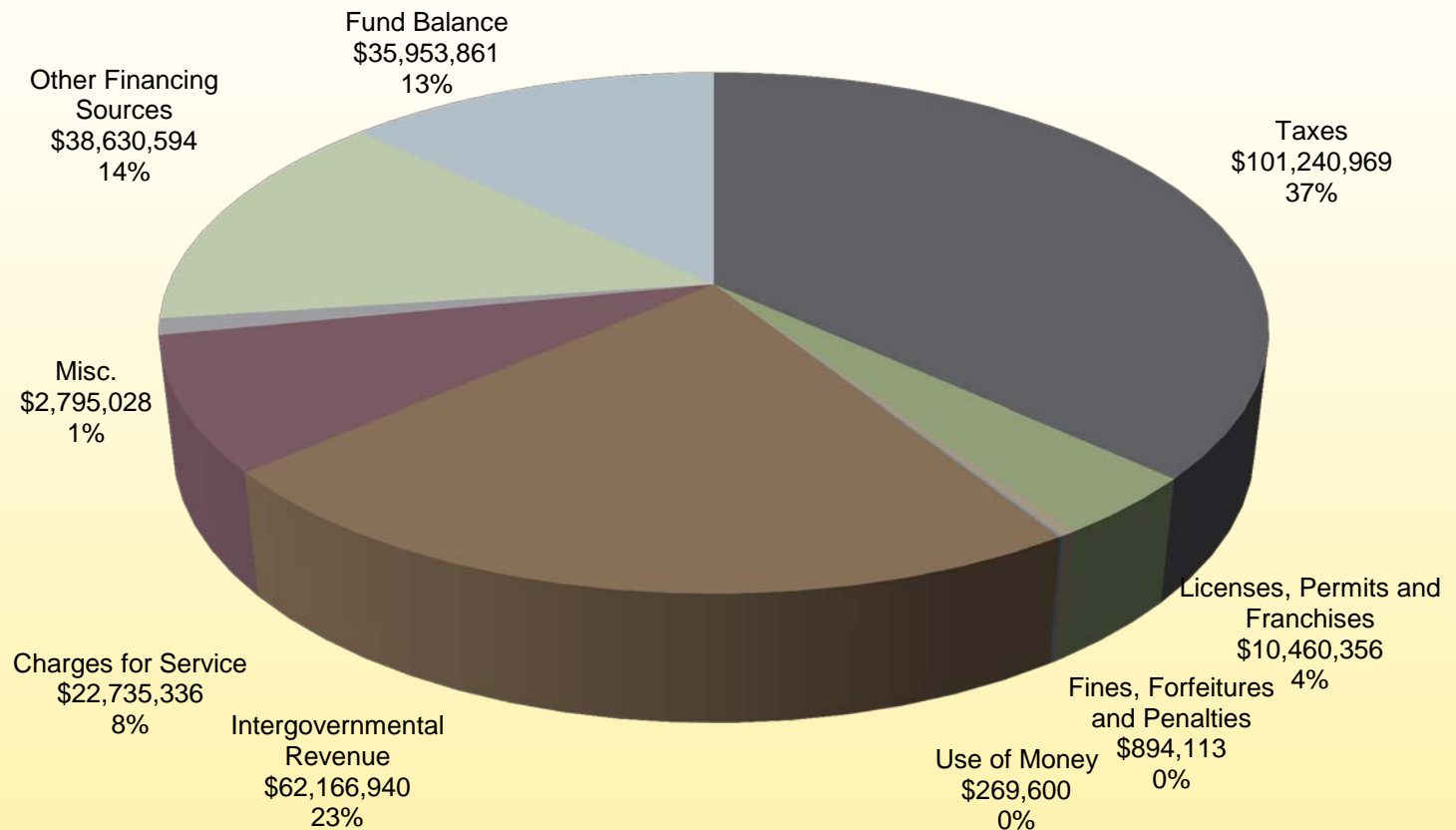
(revenue sources across all funds)

# What does the Recommended Budget pay for?

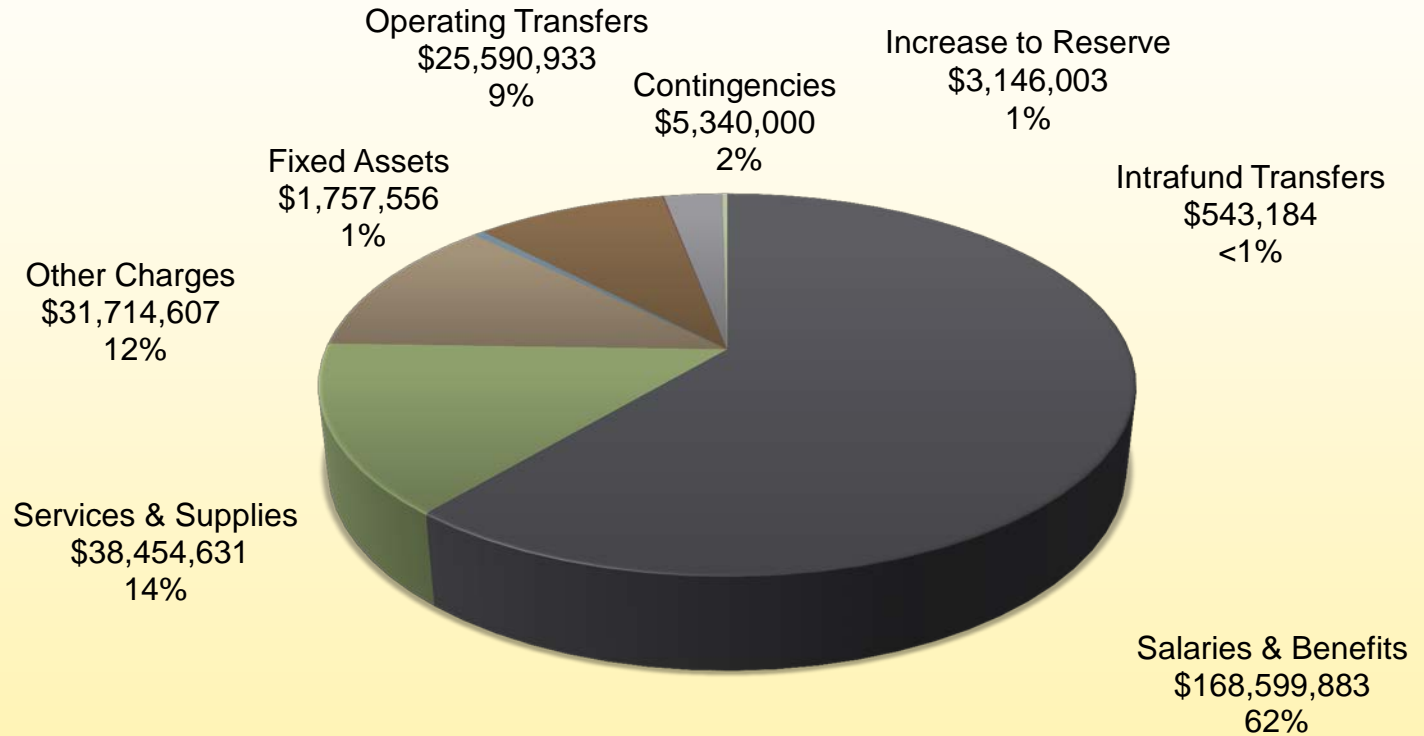


**Salaries & Benefits = People = Services to the Public**

# Where does the *General Fund* money come from?



# What does the General Fund pay for?



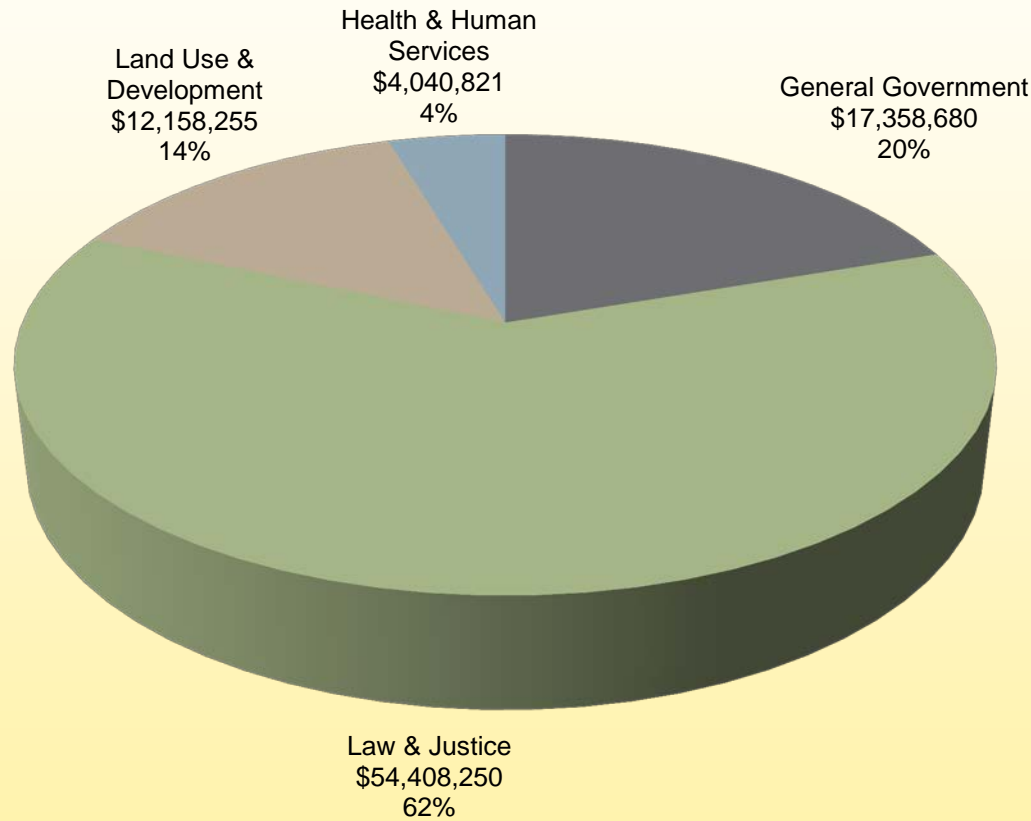
**Salaries & Benefits = People = Services to the Public**

# How does the General Fund support county programs?

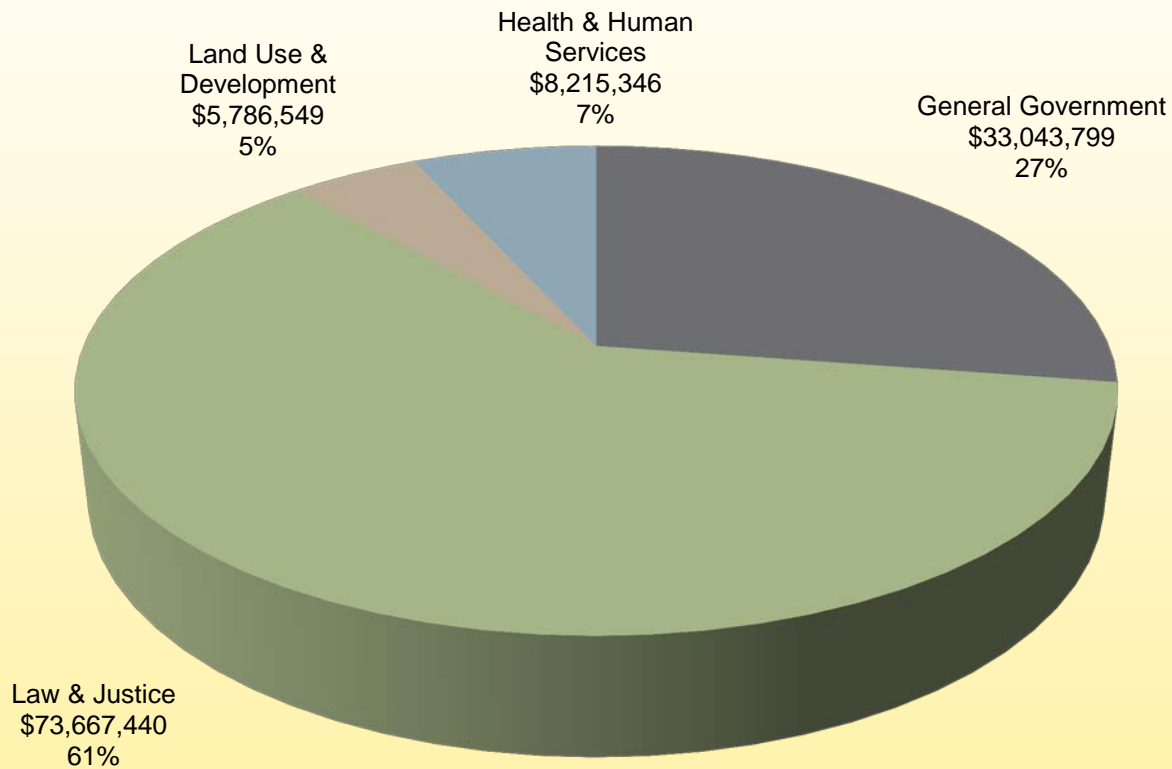
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- Departments get money from different sources
  - For example: grants, state & federal agencies, and charges for service
- When that doesn't cover all of the department's costs, the difference is made up with other General Fund discretionary dollars
- These other discretionary dollars are a department's **“Net County Cost”**
- Departments are required to live within their “Net County Cost” to ensure that no additional General Fund support is required

# Distribution of Net County Cost by Program Area FY 2007-08



# Distribution of Net County Cost by Program Area FY 2016-17



# Distribution of Net County Cost by Department FY 2016-17

	2016-17 NCC	% of Total NCC
BOS	1,563,871	1.30%
CAO	9,884,743	8.19%
A/C	2,792,328	2.31%
Treasurer	838,308	0.69%
Assessor	3,355,791	2.78%
County Counsel	2,985,360	2.47%
Human Resources	2,138,585	1.77%
Information Technologies	8,492,514	7.04%
Economic Development/Parks & Trails	-	0.00%
Recorder Clerk	992,299	0.82%
<b>Subtotal</b>	<b>33,043,799</b>	<b>27.37%</b>
Grand Jury	75,319	0.06%
Courts	1,534,397	1.27%
District Attorney	6,195,935	5.13%
Public Defender	3,566,010	2.95%
Sheriff	49,872,818	41.32%
Probation	12,422,961	10.29%
<b>Subtotal</b>	<b>73,667,440</b>	<b>61.03%</b>
Surveyor	1,522,029	1.26%
Agriculture	505,732	0.42%
DOT - County Engineer & Cemeteries	458,050	0.38%
Development Services	3,300,738	2.73%
CDA Admin	-	0.00%
Environmental Mgt	-	0.00%
<b>Subtotal</b>	<b>5,786,549</b>	<b>4.79%</b>
Health - Animal Control	2,152,291	1.78%
HHSA - Admin	65,005	0.05%
Veterans	470,265	0.39%
Human Services	3,978,078	3.30%
Library	1,544,707	1.28%
Child Support Services	5,000	0.00%
<b>Subtotal</b>	<b>8,215,346</b>	<b>6.81%</b>
<b>Total Department</b>	<b>120,713,134</b>	<b>100.00%</b>



# Does the Recommended Budget contain reserve funds?

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- 7.6% set aside including:
  - \$8.2 million in reserves
    - 4.6% of adjusted General Fund appropriations
  - \$5.3 million for contingency
    - 3% of adjusted General Fund appropriations
- \$2.2 million set aside for the Public Safety Facility Capital Project
- \$700K set aside as Designation for Capital Projects

# What does the Recommended Budget mean for the future?

- Future year deficits assume:
  - 4% growth in Property and 2% in Sales Tax
  - No use of fund balance for on-going expenses
  - Maintaining 8% reserve/contingency
  - Annual appropriations growth of 4.5% in salaries and no growth in other expenses

	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Total Revenues	\$275,146,797	\$260,931,926	\$267,595,968	\$274,437,897	\$281,566,896
Total Appropriations	\$275,146,797	\$261,657,255	\$269,390,100	\$278,108,698	\$287,186,582
Total Revenue Surplus/Shortfall	\$ -	\$ (725,329)	\$ (1,794,132)	\$ (3,670,801)	\$ (5,619,686)