

DEPARTMENT 15 GENERAL FUND OTHER OPERATIONS

Mission

The General Fund Other Operations budget unit accounts for the discretionary revenues for the General Fund that are allocated out to departments to cover net county cost allocations. In addition, this budget appropriates monies for contingency, pass-thru realignment funding, General Fund contributions to departments as well as miscellaneous outside programs.

Department 15 Financial Summary

	14/15 Actuals	15/16 Budget	16/17 Dept Requested	16/17 CAO Recommend	Change from Budget to Recommend	% Change
Taxes	92,840,316	96,177,519	100,820,013	100,820,013	4,642,494	5%
Licenses, Permits	1,090,945	1,713,009	1,713,009	1,713,009	-	0%
Fines, Forfeitures	256,286	256,286	348,575	348,575	92,289	36%
Use of Money	173,863	170,000	247,000	247,000	77,000	45%
State	14,109,796	5,443,102	2,116,713	2,116,713	(3,326,389)	-61%
Federal	409,008	400,070	400,070	400,070	-	0%
Other Governmental	5,439,542	5,339,542	7,139,542	7,139,542	1,800,000	34%
Charges for Service	4,265,092	5,027,897	5,593,716	5,593,716	565,819	11%
Misc.	36,287	-	-	-	-	
Other Financing	68,654	-	-	-	-	
Use of General Reserve	-	-	2,953,861	2,953,861	2,953,861	
Use of Capital Designation	-	-	6,204,070	6,204,070	6,204,070	
Use of Fund Balance	-	30,809,282	26,795,930	26,795,930	(4,013,352)	-13%
Total Revenue	118,689,789	145,336,707	154,332,499	154,332,499	8,995,792	6%
Benefits	22,260	25,000	25,000	25,000	-	0%
Services & Supplies	418,810	430,000	557,500	557,500	127,500	30%
Other Charges	4,075,985	3,170,076	4,100,684	4,100,684	930,608	29%
Operating Transfers	20,710,455	27,129,358	25,247,506	25,247,506	(1,881,852)	-7%
Intrafund Abatement	(290,979)	(1,411,416)	(4,797,328)	(4,797,328)	(3,385,912)	240%
Contingencies	-	6,720,000	5,340,000	5,340,000	(1,380,000)	-21%
Increase to reserve	-	1,192,492	3,146,003	3,146,003	1,953,511	164%
Total Appropriations	24,936,531	37,255,510	33,619,365	33,619,365	(3,636,145)	-10%
Total Discretionary Revenue	93,753,258	108,081,197	120,713,134	120,713,134	12,631,937	12%
Fund Balance	29,533,178	29,533,178	26,795,930	26,795,930	(2,737,248)	-9%
General Reserve	10,002,422	11,194,914	8,241,053	8,241,053	(2,953,861)	-26%
Audit Reserve	-	-	240,000	240,000	240,000	
Designation for Capital Projects	7,480,174	6,204,070	2,906,300	2,906,300	(3,297,770)	-53%

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Sources of Funds

Taxes (\$100,820,013):

Property Taxes (\$63,043,698): Property Tax is the County's largest source of revenue in the General Fund. The property tax is annually imposed on the assessed value of real property (land and permanently attached improvements) and tangible personal property (movable property) as of January 1.

The FY 2016-17 Recommended Budget estimate for Property Tax revenue assumes 4% growth over FY 2015-16 year end projections.

Effect of Proposition 13

Proposition 13, passed by voters in 1978, limits the real property tax rate to one percent of assessed value, plus any rates imposed to fund indebtedness approved by the voters. Proposition 13 also allows increases to the value of real property at the rate of the CPI, not to exceed two percent per year based on the 1975 value, unless the property is improved or sold at which time the property is reassessed at market value. Since most property tax is guaranteed by placing a lien on the real property, properties are classified as secured or unsecured:

- Secured Property includes real and personal property located upon the property of the same owner. Secured roll property taxes are paid in two installments, due on December 10 and April 10.
- Unsecured Property is property for which the value of the lien is not sufficient to assure payment of the tax. Unsecured roll taxes are due on August 31.

Property Tax Distribution

El Dorado County distributes property tax proceeds to a number of local governments, school districts, and special districts within the County. The distribution is based on Assembly Bill 8 (Chapter 282, Statutes of 1979), which provides for the distribution of the proceeds generated by the 1% property tax. AB 8 allocates property tax in proportion to the share of property taxes received by a local entity prior to Proposition 13. In FY 1992-93, the State began imposing property tax shifts on local governments (discussed below). This action, coupled with annexation of territory by and subsequent growth in special districts, has resulted in a decreased proportion of property tax revenues to the County, from 31% of the Countywide tax rate in FY 1991-92 to 23% of the Countywide tax rate today. In other words, the County now receives only \$23 for every \$100 collected from County taxpayers.

Education Revenue Augmentation Fund (ERAF): In FY 1992-93, the State took action to reduce its obligation for school funding, as mandated by Proposition 98, by shifting local property tax revenues to school districts via the Education Revenue Augmentation Fund (ERAF I). This was followed by two subsequent shifts in property taxes in 1993-94 (ERAF II) and FY 2004-05 (ERAF III). FY 2005-06 represented the second and last year of ERAF III where the County was obligated to shift \$1.45 million to the State as part of the State's budget solution in FY 2004-05.

Upon adoption of the ERAF program the voters were asked to approve Proposition 172 (Local Law Enforcement Sales Tax) as a backfill of property tax dollars shifted. It is important to note that the County only received 50 cents on the dollar and exchanged a discretionary revenue for one that is restricted to law enforcement (Sheriff, District Attorney, Probation and Public

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Defender) with statutory anti-supplanting language.

Motor Vehicle License Fees (VLF) (\$18,592,583): The VLF for each vehicle is calculated at a percentage of the vehicle's market value, as adjusted for depreciation. These fees are paid annually to the Department of Motor Vehicles at registration and renewal. The fee is imposed by the State "in lieu" of local property taxes on the vehicle. The FY 2004-05 State budget included the second leg of the "triple flip" which swapped VLF for State General Fund property tax. The FY 2016-17 Recommended Budget estimate for VLF revenue assumes 4% growth over FY 2015-16 year end projections.

Sales Tax (\$11,086,242): The California State Board of Equalization administers revenues from sales taxes. Sales Taxes are collected at the point of sale, and then forwarded to the Board of Equalization. The County receives sales tax revenue payments based on estimates on a monthly basis with quarterly adjustments for actual receipts. Sales tax revenue can be used for any general purpose.

The FY 2016-17 Recommended Budget estimate for Sales Tax revenue assumes 2% growth over FY 2015-16 year end projections.

Hotel/Motel Occupancy Tax (\$2,660,683): The Hotel/Motel Occupancy Tax is imposed on the daily rental price of a room in a lodging facility when used by visitors staying in the unincorporated portions of El Dorado County for less than 30 days. The tax rate for the County is 10% of gross room receipts and is allocated directly to General Fund functions. The FY 2016-17 Department 15 Recommended Budget assumes 4% growth from FY 2015-16 year end projections. This number does not include an additional 10% of Hotel/Motel Occupancy Tax which is distributed to the

Treasurer-Tax Collector for services provided in the collection of this tax.

Other misc. taxes (\$5,436,807): This includes property transfer taxes, tax loss reserve, and timber yield.

License/Permit/Franchise (\$1,713,009): The County receives franchise fee from a number of garbage and cable companies. Garbage franchise fees total \$941,000. Cable franchise fees total \$772,009. No growth is assumed in these fees.

Fines/Forfeitures/Penalties (\$348,575): Revenue recorded in this category represents delinquent property tax payments. Once again, revenue estimated includes no growth from the FY 2015-16 year end estimate.

Use of Funds (\$247,000): Interest earnings with no growth assumed from FY 2015-16 year end projections.

State (\$2,116,713): Tobacco Settlement monies (\$1.5 million). El Dorado County also receives one source of State subvention revenues: homeowner property tax relief (\$596,713). A minor amount for mandate payments (SB90) of \$20,000 is also included in this category.

Federal (\$400,070): The County receives two sources of Federal revenue that are recorded in Department 15: Grazing Fees (\$70), and Payments in Lieu of Taxes (PILT) (\$400,000).

Other Governmental (\$7,139,542): This includes casino funding in the amount of \$6,900,000 as well as funding from other governmental agencies (\$239,542).

Charges for Service (\$5,593,716): Charges for service includes a fee for the collection of property taxes for the cities of Placerville and South Lake Tahoe and a number of special districts under the account name

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“Assessment/Tax Collection Fees” (\$1,912,037); the General Fund charges to various non-General Fund operations, such as the Department of Transportation, Public Health, Mental Health and Environmental Management, for Building C Rent and for their share of indirect costs, referred to as A87 (\$3,478,485); and recording fees of \$203,194.

Fund Balance (\$26,795,930): Fund Balance estimate comprised of unspent contingency (\$6M), departmental savings (\$9M), additional non-departmental revenues (\$1M), and savings in the ACO fund (\$10.8M) that will be carried forward to FY 2016-17 for various projects.

Use of General Reserve (\$2,953,861): The General Reserve and Contingency calculation are determined based on adjusted General Fund appropriations. In the past, this calculation included the Social Services budget, as this is a General Fund department with mandated programs. The Chief Administrative Officer is recommending that the Social Services appropriations be pulled out of the reserve and contingency calculation since these

services are funded primarily with Federal, State and Social Services realignment funds. Pulling out the Social Services appropriations greatly reduces the amount of General Reserve necessary to meet the Board's 5% policy. The reduction results in a one time revenue source for the General Fund in the amount of \$2,303,061. In addition, the Resource Conservation Districts are in need of a one-time cash advance to provide cash flow until grant funding comes through for the King Fire Restoration and Reforestation Project. The Chief Administrative Office is recommending a one-time use of the General Reserve in the amount of \$650,800 to provide the cash advance to the RCD's. The RCD's will be foregoing their annual payment for the next 4 years and these funds will go back into the General Reserve to payback the cash advance.

Use of Designation for Capital Projects (\$6,204,070): The Recommended Budget includes a use of \$6.2M for FY 2016-17 facilities investments detailed in the Chief Administrative Office section of this document.

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Use of Funds

Description	Recommended Amount
General Fund Contingency	\$ 5,340,000
General Fund Contribution to the Accumulative Capital Outlay Facilities Investment	14,633,649
General Fund Contribution to the Miwok Indians for Health Programs	2,600,000
General Fund Contribution to DOT	3,284
General Fund Contribution to ACO fund for ERP	3,411,091
General Fund Contribution to Airports	79,292
General Fund Contribution to Parks (Placerville Pool \$25,000, Depot Road Land \$320K)	345,000
General Fund Contribution to HCED	113,359
General Fund Contribution to Health - Public Health Programs	3,502,194
Jail Medical Services Contract (CFMG)	2,265,836
Juvenile Hall Medical Services Contract (CFMG)	562,721
County Medical Services Program (CMSP)	233,492
California Children's Services (CCS) Diagnostics Program Match	309,992
California Children's Services (CCS) Program Match	90,153
Healthy Families Program Match	40,000
General Fund Contribution to Human Services - Community Services	2,463,935
Area Agency on Aging Programs	1,727,461
Senior Day Care	472,915
In Home Supportive Services (IHSS) Public Authority	66,650
Community Services Administration	123,000
Senior Shuttle	2,000
Workforce Investment Act	71,909
General Fund Contribution Health - State Local Program Realignment Match	704,192
General Fund Contribution Mental Health - State Local Program Realignment Match	16,510
Annual Audit Contract	85,000
Sales Tax Audit Services	20,000
CalPERS Survivor Benefit Premium Payment (annual)	25,000
CalPERS reports required for GASB 68	5,000
SB 90 Mandates	20,000
A87 Charges to Child Support (expenditure abatement)	(337,901)
A87 Charges to Social Services	(2,759,510)
A87 Charges to HHS Admin, CDA Admin, Animal Services & Public Guardian	(1,699,917)
University California Cooperative Extension (UCCE)	255,492
EI Dorado Water & Power Authority (EDWPA)	300,000
Tahoe Regional Planning Agency (TRPA) Compact	40,000
Resource Conservation District Contracts (EI Dorado & Georgetown)	813,500
General Fund Contribution to LAFCO	121,692
General Fund Contribution to Fish and Game Commission	20,000
Commission on Aging	2,500
Southeast Connector	225,000
Tree Mortality Match	125,000
Increase to Audit Reserve (MAA/TCM audit liability)	240,000
Increase to Reserves for Capital Projects (\$2.2M Public Safety Facility)	2,906,003
TOTAL	\$ 33,619,365

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Net County Cost distribution by Department (does not include General Fund contributions)

	2016-17 NCC	Prior Year NCC	Variance	% of Total NCC
BOS	1,563,871	1,591,738	(27,867)	1.30%
CAO	9,884,743	7,571,246	2,313,497	8.19%
A/C	2,792,328	2,815,297	(22,969)	2.31%
Treasurer	838,308	926,286	(87,978)	0.69%
Assessor	3,355,791	3,163,719	192,072	2.78%
County Counsel	2,985,360	2,608,762	376,598	2.47%
Human Resources	2,138,585	1,847,298	291,287	1.77%
Information Technologies	8,492,514	7,901,996	590,518	7.04%
Economic Development/Parks & Trails	-	1,769,502	(1,769,502)	0.00%
Recorder Clerk	992,299	971,353	20,946	0.82%
Subtotal	33,043,799	31,167,197	1,876,602	27.37%
Grand Jury	75,319	75,299	20	0.06%
Courts	1,534,397	1,190,650	343,747	1.27%
District Attorney	6,195,935	5,891,383	304,552	5.13%
Public Defender	3,566,010	3,437,667	128,343	2.95%
Sheriff	49,872,818	44,480,363	5,392,455	41.32%
Probation	12,422,961	11,151,026	1,271,935	10.29%
Subtotal	73,667,440	66,226,388	7,441,052	61.03%
Surveyor	1,522,029	1,528,138	(6,109)	1.26%
Agriculture	505,732	458,929	46,803	0.42%
DOT - County Engineer & Cemeteries	458,050	551,478	(93,428)	0.38%
Development Services	3,300,738	3,423,328	(122,590)	2.73%
CDA Admin	-	-	-	0.00%
Environmental Mgt	-	-	-	0.00%
Subtotal	5,786,549	5,961,873	(175,324)	4.79%
Health - Animal Control	2,152,291	1,470,296	681,995	1.78%
HSA - Admin	65,005	(437,804)	502,809	0.05%
Veterans	470,265	447,300	22,965	0.39%
Human Services	3,978,078	1,666,641	2,311,437	3.30%
Library	1,544,707	1,574,306	(29,599)	1.28%
Child Support Services	5,000	5,000	-	0.00%
Subtotal	8,215,346	4,725,739	3,489,607	6.81%
Total Department	120,713,134	108,081,197	12,631,937	100.00%

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Financial Information by Fund Type

FUND TYPE: 10 GENERAL FUND
 DEPARTMENT: 15 GENERAL FUND OTHER OPERATIONS

	MID-YEAR PROJECTION	CURRENT YR APPROVED BUDGET	DEPARTMENT REQUEST	CAO RECOMMENDED BUDGET	DIFFERENCE CURR YR CAO RECMD
CLASS: 13 REV: CHARGE FOR SERVICES	5,766,722	5,027,897	5,593,716	5,593,716	565,819
0001 FUND BALANCE	29,533,178	29,533,178	26,795,930	26,795,930	-2,737,248
0002 FROM RESERVES	0	0	2,953,861	2,953,861	2,953,861
0003 FROM DESIGNATIONS	1,276,104	1,276,104	6,204,070	6,204,070	4,927,966
CLASS: 22 FUND BALANCE	30,809,282	30,809,282	35,953,861	35,953,861	5,144,579
TYPE: R SUBTOTAL	147,637,213	145,336,707	154,332,499	154,332,499	8,995,792
TYPE: E EXPENDITURE					
SUBOBJ SUBOBJ TITLE					
3000 PERMANENT EMPLOYEES / ELECTED	15,204	25,000	25,000	25,000	0
CLASS: 30 SALARY & EMPLOYEE BENEFITS	15,204	25,000	25,000	25,000	0
4300 PROFESSIONAL & SPECIALIZED SERVICES	125,000	125,000	130,000	130,000	5,000
4500 SPECIAL DEPT EXPENSE	5,000	5,000	0	0	-5,000
4501 SPECIAL PROJECTS	300,000	300,000	427,500	427,500	127,500
CLASS: 40 SERVICE & SUPPLIES	430,000	430,000	557,500	557,500	127,500
5240 CONTRIB: NON-CNTY GOVERNMENTAL	3,175,076	3,170,076	4,080,684	4,080,684	910,608
CLASS: 50 OTHER CHARGES	3,175,076	3,170,076	4,080,684	4,080,684	910,608
7000 OPERATING TRANSFERS OUT	26,667,733	27,129,358	25,267,506	25,267,506	-1,861,852
CLASS: 70 OTHER FINANCING USES	26,667,733	27,129,358	25,267,506	25,267,506	-1,861,852
7350 INTRFND ABATEMENTS: GF ONLY	-914,137	-914,137	-2,759,510	-2,759,510	-1,845,373
7351 INTRFND ABATEMENTS: SOCIAL SERVICE	0	0	-1,699,917	-1,699,917	-1,699,917
7367 INTRFND ABATEMENTS: CHILD SUPPORT	-497,279	-497,279	-337,901	-337,901	159,378
CLASS: 73 INTRAFUND ABATEMENT	-1,411,416	-1,411,416	-4,797,328	-4,797,328	-3,385,912
7700 APPROPRIATION FOR CONTINGENCIES	586,302	6,720,000	5,340,000	5,340,000	-1,380,000
CLASS: 77 APPROPRIATION FOR	586,302	6,720,000	5,340,000	5,340,000	-1,380,000
7800 TO RESERVE	1,192,492	1,192,492	0	0	-1,192,492
7801 DESIGNATIONS OF FUND BALANCE	0	0	2,906,003	2,906,003	2,906,003
7805 DESIGNATION FOR AUDIT RESERVE	0	0	240,000	240,000	240,000
CLASS: 78 RESERVES: BUDGETARY ONLY	1,192,492	1,192,492	3,146,003	3,146,003	1,953,511
TYPE: E SUBTOTAL	30,655,391	37,255,510	33,619,365	33,619,365	-3,636,145
FUND TYPE: 10 SUBTOTAL	-116,981,822	-108,081,197	-120,713,134	-120,713,134	-12,631,937
DEPARTMENT: 15 SUBTOTAL	-116,981,822	-108,081,197	-120,713,134	-120,713,134	-12,631,937