

EL DORADO COUNTY BUDGET GUIDE

Welcome to the Recommended Budget for the Fiscal Year 2023-24, which begins July 1, 2023. This section of the budget book is designed to help readers understand the purpose and content of the budget, as well as to locate data and information they may be looking for.

THE PURPOSE OF THE BUDGET

The budget is the County’s annual funding plan for how it will provide services to the public within available resources and is developed based on policy direction given by the Board of Supervisors. It is a vehicle for presenting plans and strategies that will ensure the long-term provision of necessary services, provide recommendations for new opportunities when possible, and provide a foundational record of decisions and policy directions recommended to and approved by the Board of Supervisors.

El Dorado County acts as an administrative agent for three types of services: municipal services, countywide local services, and countywide services provided on behalf of the state and federal governments.

Municipal services pertain mainly to unincorporated areas of the County and include emergency services and planning, Sheriff’s law enforcement, building and land use regulations, road maintenance, parks, and refuse collection and disposal. These are services that will also be found in incorporated cities, provided by the city government.

The County also provides a number of local services that are common to most counties in the state. These include services of the County Clerk, Registrar of Voters/Elections, Assessor, Auditor-Controller, Treasurer-Tax Collector, as well as criminal prevention and prosecution, public defense, probation, and detention.

Services provided on behalf of the state and federal governments, for the most part, are generally related to health and human services. These programs are funded primarily through state and federal revenue sources.

BALANCED BUDGET REQUIREMENT

County budgets are prepared pursuant to and in conformance with the State of California, County Budget Act, Chapter 1, Division 3, Title 3 of the Government Code (§29000, et. sec.). Government Code §29009 requires that,

“In the recommended, adopted, and final budgets the funding sources shall equal the financing uses.”

This is known as the balanced budget requirement.

BUDGET DEVELOPMENT PROCESS

Each year, the County goes through a collaborative budget development process between the Chief Administrative Office and the County’s departments to ensure the preparation of a balanced budget for the coming fiscal year.

The El Dorado County Charter, Article III 304C, states that the Chief Administrative Officer shall:

Recommend an annual budget after reviewing requests of all departments and agencies for which the Board is responsible or which request County funds.

Each year, all County departments prepare and submit a “budget request” to the Chief Administrative Office, including financial and program information relative to the department programs and goals. Once received, the Chief Administrative Office reviews and analyzes each request along with other factors that may impact County operations. Examples of factors that are considered in the development of the Recommended Budget are: Board of Supervisors policy direction, available financing, state and federal policies, changes in the cost of doing business, capital asset needs, Strategic Plan Goal areas, and the Board of Supervisors policy priorities. Once produced, the

Chief Administrative Officer's Recommended Budget represents a comprehensive financial operating plan, which fits within the constraints of available financing and conforms to established policy.

Government Code requires that the Recommended Budget be submitted to the Board on or before June 30 of each year.

Pursuant to the California Budget Act, a public hearing is held each year, for the Board of Supervisors to consider the approval of the Recommended Budget and receive testimony from Department Heads and members of the public. During their consideration, the Board of Supervisors may direct modifications to the Recommended Budget as it sees fit or as may be necessary for the furtherance of County priorities. At the conclusion of this meeting, and prior to October 2 of each year, the Board approves the result as the Adopted Budget for the fiscal year.

READING THE BUDGET BOOK

Department Budget Narrative

Each Department has its own Budget Narrative, which provides basic information about the department and its programs and discusses the recommended budget. Each budget narrative includes the mission of the department or program, a budget summary, major budget changes, a 10-year staffing trend, program summaries, and details and analysis in the CAO recommendation.

General Fund Contribution

Many County programs do not have a dedicated revenue stream to fully offset operating costs. As a result, these programs are supported by general purpose revenues such as property or sales and use taxes. The difference between program expenditures and program revenues is known as the General Fund Contribution or Net County Cost (NCC). Some departmental programs are able to generate substantial revenues, such as state or federal reimbursements for social services programs. The County also uses general purpose revenues to provide a required match to receive these state or federal revenues. This is often also referred to in the budget document as a General Fund contribution. When appropriate, departments charge fees for services. The County's reliance on general purpose revenues increases if the County loses revenue from state and federal sources or if fee revenue does not keep pace with the cost of providing services.

Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. These schedules represent Countywide Special Revenue Funds. The majority of the special revenue funds collect specific revenue sources and transfer those funds to County operating budgets for expenditure. The purpose of any associated expenses is therefore discussed in each Department's budget narrative.

Some Special Revenue Funds are shown as part of a Department's Budget Narrative, especially in cases where the Fund provides an important revenue source for the Department. Other Special Revenue Funds are shown in the Countywide Special Revenue Fund Section of the Budget. Please note that Revenues are reflected at the top of each schedule, and expenses (primarily in the form of Operating Transfers Out) are shown at the bottom of the schedule. Fund balance is shown as a revenue, and all fund balance that is not intended to be spent within the Fiscal Year is shown as Contingency in appropriations. Each special revenue fund balances revenue and expenses.

Countywide Personnel Allocation

The Budget Book contains a comprehensive listing of all positions that are recommended to be approved along with the Recommended Budget. This listing is found in a separate tab following the Summary Schedules section of the book and is organized by department.