

# COUNTY OF YOLO

Office of the County Administrator

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County Administrator

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To: **Supervisor Duane Chamberlain, Chairman**  
And Members of the Board of Supervisors

From: **Pat Leary, Assistant County Administrator**

Date: February 12, 2008

Subject: **Receive the Budget Bulletin and Midyear Budget Reports for fiscal year 2007-08 projecting a year-end budget shortfall, direct the County Administrator to develop a plan and take necessary actions to save \$3 million by the end of the current fiscal year, and approve 2008-09 budget principles. (Estimated general fund year-end shortfall of -\$5.1 million)**

## **RECOMMENDED ACTION**

- A. Receive and file the Winter Budget Bulletin (Attachment 1);
- B. Receive and file the Midyear Budget Report for fiscal year 2007-08 (Attachment 2), which indicates that funds set aside in contingency may need to be allocated to ensure a balanced budget;
- C. Direct the County Administrator to develop a plan and take necessary actions to save \$3 million in county funds during the remaining months of fiscal year 2007-08 budget; and
- D. Approve the attached Budget Principles for the 2008-09 budget process.

## **FISCAL IMPACT**

According to expenditure reports and revenue forecasts, the 2007-08 county budget will exceed the adopted appropriations and will likely require the allocation of contingency funds to ensure a balanced budget. The midyear report projects a general fund year-end shortfall of approximately \$5.1 million. Non-general fund programs are also projecting a shortfall of approximately \$7.0 million, primarily from a budget deficit of \$5.7 million in the Alcohol, Drug and Mental Health budget. As a reference, last year's midyear budget report projected a county general fund balance as a surplus of \$4.24 million and non-general fund were estimated as a deficit of \$3.8 million.

The County Administrator's Office has identified the following options to achieve a minimum savings target of \$3 million by the end of the fiscal year:

- Establish a hiring freeze
- Strengthen management of overtime, extra help and temporary part time services
- Reduce travel and various service and supply expenditures
- Establish a targeted hold on equipment and capital project expenditures
- Enhance fees, service charges and reimbursement claim revenues

Future actions may be necessary, particularly in Alcohol, Drug and Mental Health Department. Details of those actions will be forthcoming.

### **REASON FOR RECOMMENDED ACTION**

To provide the Board of Supervisors with a midyear report of the county's financial status, including information on the status of departmental revenues and expenditures. In addition, today's action directs the County Administrator to take steps to minimize the projected year-end shortfall using various cost saving and revenue enhancement strategies.

The 2008-09 Budget Principles and Strategies (Attachment 3) will provide direction in completing a recommended budget that will be presented to the Board of Supervisors for consideration on June 17, 2008.

### **BACKGROUND**

The County Administrator annually provides the Board of Supervisors with regular reports on the current year's budget. The Winter Budget Bulletin (Attachment 1) provides a status report on the four most significant sources of general county revenue. These revenues are the primary source of discretionary/semi-discretionary funds for many county services. The Budget Bulletin concludes that general county revenues are short \$1.9 million from the revenue estimate adopted in the 2007-08 budget. This shortfall has been accounted for in the Midyear Budget Report.

The Midyear Budget Report (Attachment 2) provides the first comprehensive report on expenditures and revenues for fiscal year 2007-08 and documents how departments' actual spending compares to budget projections. The Midyear Budget Report, provides details, by budget unit, on all programs. The table sorts program expenditures and revenues into General Fund and Other Funds. The Other Funds column represents amounts that impact grant, state, federal or other restricted revenue resources.

Listed below are the significant budget issues by function and department.

#### **General Government**

Assessor: A shortfall of \$266,768 is projected for the Assessor's budget. A slowdown in residential real estate market is impacting the amount of property transaction revenues collected by the department.

County Administration: The projected shortfall of \$155,537 is the result of the costs associated with the recently enacted labor agreements.

General Services: The Utilities Budget shortfall of \$187,118 is the result of payment for a property tax assessment of approximately \$200,000 that was not included in the budget.

Recorder: The department projected a total funds shortfall of \$483,636, which is the result of the slowdown in the real estate market, a decrease in recorded documents and the associated fee revenue.

County Counsel: The projected shortfall of \$105,214 is the result of the costs associated with the recently enacted labor agreements.

### **Law and Justice**

District Attorney: This department budget is projected to have a General Fund shortfall of \$273,880 as a result of costs associated with the new labor agreements.

Probation: This department budget is projected to have a General Fund shortfall of \$198,451 as a result of costs associated with the new labor agreements. Some of the increased costs associated with the new labor agreements have been offset by increased revenue in the Juvenile Detention budget.

Sheriff-Coroner: The Sheriff-Coroner department budgets are projected to have a General Fund shortfall of \$2,686,074 as a result of costs associated with the new labor agreements, a decrease in public safety sales tax revenue, a decrease in booking fees due to a change in state law, and new cost for a software maintenance contract.

### **Health and Human Services**

Alcohol, Drug and Mental Health Services (ADMH): The department's midyear monitor report indicated a projected budget deficit of \$5.7 million. The entire budget shortfall is located in mental health services. The two major factors driving this shortfall are: 1) an increase in contract services totaling \$2.3 million, in state hospitals, acute hospitals, institutions for mental diseases, and acute residential programs; and 2) more than \$3 million in reduced revenues. The department is developing a list of recommended actions that will soon be presented to the Board of Supervisors.

CAO staff is working closely with the department to reduce the budget shortfall and will continue to monitor the department's appropriations and revenues for the remainder of the year. Staff will keep the Board apprised as additional information becomes available regarding the impact of the department's recommended actions.

Department of Employment and Social Services: The department is projecting that a \$1.2 million increase in state revenue will result a positive year-end balance totaling \$686,512. This excess will be carried forward into fiscal year 2008-09 to help finance program costs.

Health: The Health Department projects the following budget shortfalls: 1) \$234,525 to finance pre-booking medical costs associated with the Jail-Juvenile Hall Medical unit, 2) \$315,051 for Environmental Health's wage and benefit costs increases, and 3) \$1,080,092 to finance the indigent health program.

As in the past, general fund contingency funds have been earmarked to finance the pre-booking medical costs. When the fiscal year closes, the department may have unused realignment revenues. If so, these unspent funds will revert to the realignment fund. CAO staff will work with Health Department staff to monitor appropriations and revenues and report to the Board any substantial changes to either.

### **Land, Education and Recreation**

Public Works: The Roads budget will defer both appropriations and revenues of approximately \$498,000 for improvements at the Esparto corporation yard and rescheduling improvements on State Route 16, in downtown Esparto, until fiscal year 2008-09 (funded by tribal mitigation funds).

### **Non-Departmental Programs**

Non-Departmental Expenditures: This budget unit includes appropriations to finance a variety of employee benefits programs, transfer of general fund revenues to the county's departments and expenditures related to countywide project. The projected \$202,000 shortfall in special employee services budget is the result of an increase in the county's contribution to the retiree health care program.

Countywide Revenues: This budget unit captures various unrestricted revenue sources. Projected revenues are projected to be \$719,840 short of the amount estimated in the adopted budget. The most significant revenue shortfalls are the result of the slowdown in the housing market. The budget was adopted based on a 25% decrease in property transaction revenues linked to home sales. The actual decrease in the document transfer tax, supplemental roll and Teeter revenues is projected to be greater than originally anticipated.

### Contingencies:

1. General Fund Contingency: The 2007-08 budget adopted budget included a general fund contingency of \$1,955,287. In September, the Board appropriated an additional \$2,028,096 into contingency, which increased the total to \$3,983,383. The unexpended year-end balance is anticipated to be \$3,783,096.
2. Library Fund Contingencies: Expenditures of \$25,000 are anticipated from the library contingency fund resulting in a year-end balance of \$95,749.
3. Health Realignment Fund Contingency: No projected expenditures are anticipated. The realignment contingencies year-end balance is projected to be \$350,000.

### Special Revenue Funds:

1. Realignment Revenue: Staff projects that this revenue will fall short of the adopted budget estimate by approximate \$1.5 million as a result of the slowdown in the economy and a decrease in sales tax revenue. This revenue is restricted to finance health, social services, and mental health services. Any unused funds remain in the restricted account and are available to finance future appropriations.
2. Public Safety Sales Tax: Staff projects that this revenue will fall short of the revenue estimate in the adopted budget by approximate \$800,000 as a result of the slowdown in the economy and a decrease in sales tax revenue. This revenue is restricted to fund sheriff, district attorney and probation services.

Staff will return to the Board of Supervisors in May to provide the 3<sup>rd</sup> Quarter Budget Report.

### **OTHER AGENCY INVOLVEMENT**

The County Administrator worked in concert with the Auditor-Controller's Office in preparing this report. Both offices will work in cooperation with departments to return to the Board of Supervisors for consideration of requests as needed.

- Attachments:
- 1) Budget Bulletin
  - 2) Midyear Budget Report, Fiscal Year 2007-08
  - 3) Fiscal Year 2008-09 Budget Principles and Strategies



# Budget Bulletin

County of Yolo

Winter 2008

## 2007-08 Midyear Budget Update

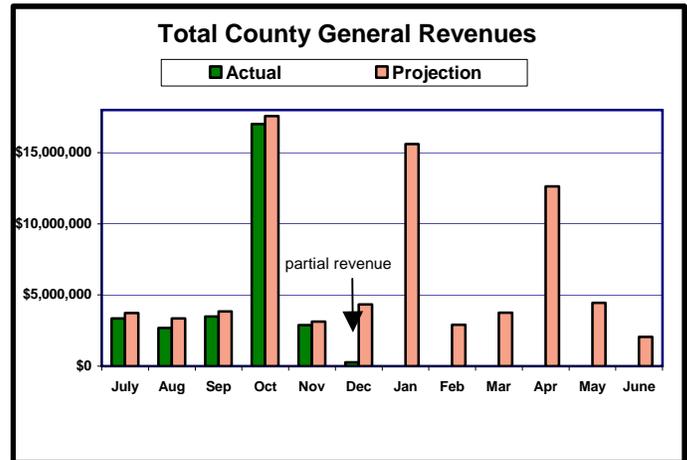
Budget staff has completed a midyear review of key revenues and concludes that general revenues are \$1.9 million short of the revenue estimates adopted in the fiscal year 2007-08 budget.

### General Revenues

General revenues consist of the top 4 unrestricted and partially restricted revenue sources: property taxes, general sales tax, public safety sales tax, and realignment revenues. The 2007-08 budget assumed receipt of approximately \$77.4 million in general revenues. This is 24 percent of the total funding for the \$327 million budget.

The charts and narrative on page 3 of this report illustrate the comparison of actual and forecasted general revenues. The receipt of these revenues in the county's treasury may be delayed by up to two months from when they were initially collected. To accurately compare figures the amounts are shown under the month that they were first collected at the state or retail site.

- Total general revenue receipts for the month of December were \$112,448 (-3.6%) less than the projected amount of approximately \$3.15 million. The shortfall was the result of a \$64,880 decrease in property taxes, a \$46,785 decrease in public safety sales tax revenue, and a \$21,751 decrease in realignment revenue. The decreases were partially offset by a \$20,968 increase in general sales tax. The year-to-date actual revenue is currently \$1.9 million short of projected revenues. There is now a clear trend of decreasing revenues, which is linked to the slowing of the economy and decrease in consumer spending.

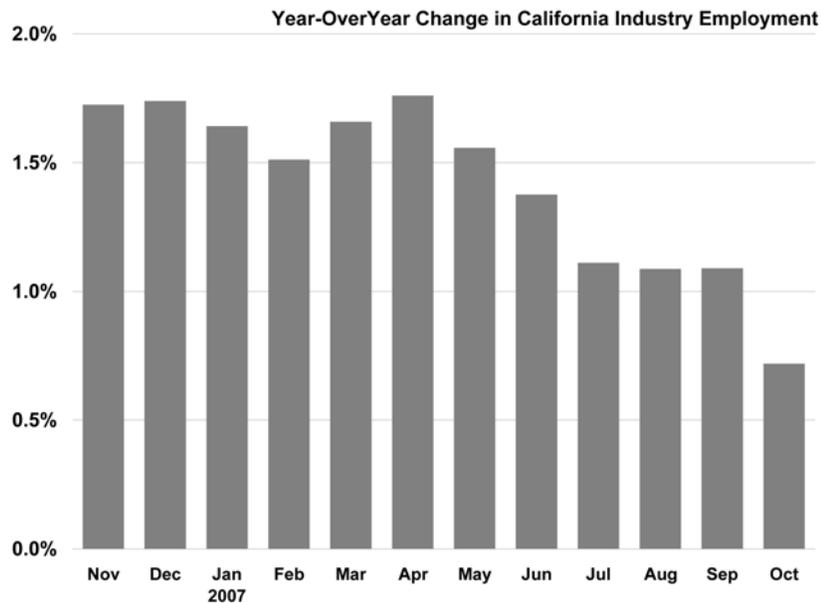


| Revenue Source          | DECEMBER            |                     |                     |                | YEAR-TO-DATE         |                      |                       |                |
|-------------------------|---------------------|---------------------|---------------------|----------------|----------------------|----------------------|-----------------------|----------------|
|                         | Projection          | Actual              | Change              | Percent Change | Projection           | Actual               | Change                | Percent Change |
| Property Taxes          | \$ 169,716          | \$ 104,836          | \$ (64,880)         | -38.2%         | \$ 14,539,729        | \$ 14,431,653        | \$ (108,076)          | -0.7%          |
| General Sales Tax       | \$ 151,532          | \$ 172,500          | \$ 20,968           | 13.8%          | \$ 1,015,791         | \$ 906,653           | \$ (109,138)          | -10.7%         |
| Public Safety Sales Tax | \$ 1,169,512        | \$ 1,122,727        | \$ (46,785)         | -4.0%          | \$ 6,716,707         | \$ 6,184,453         | \$ (532,253)          | -7.9%          |
| Realignment Revenues    | \$ 1,665,681        | \$ 1,643,930        | \$ (21,751)         | -1.3%          | \$ 9,899,146         | \$ 8,738,000         | \$ (1,161,146)        | -11.7%         |
| <b>Total</b>            | <b>\$ 3,156,441</b> | <b>\$ 3,043,993</b> | <b>\$ (112,448)</b> | <b>-3.6%</b>   | <b>\$ 32,171,372</b> | <b>\$ 30,260,759</b> | <b>\$ (1,910,613)</b> | <b>-5.9%</b>   |

## State Budget

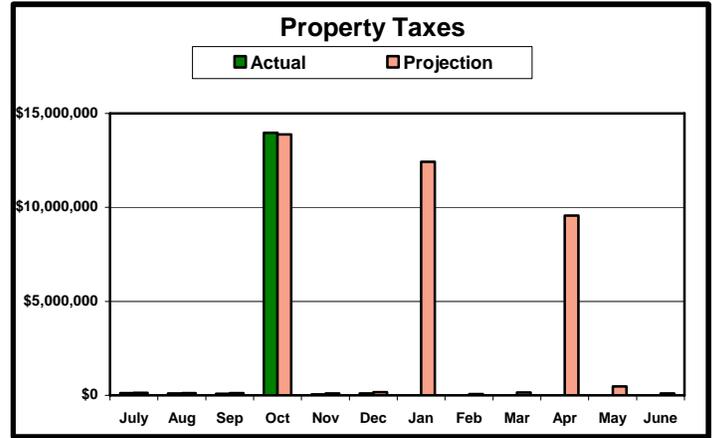
The growth in the state and national economy continues to slow as a result of the housing slump and credit crisis. The Governor's January budget message focused on closing the gap on a \$3.3 billion for the current fiscal year and projected that this gap will grow to \$14.5 billion in 2008-09, "without swift and decisive action". The economic slowdown continues to impact job growth, consumer spending and tax revenues. As illustrated in the following chart, job growth has slowed dramatically. The unemployment rate in California continues to increase and was recently report to be 6.1 percent, as compared to 5.6 percent in November.

### **Job Growth Slows to a Trickle**

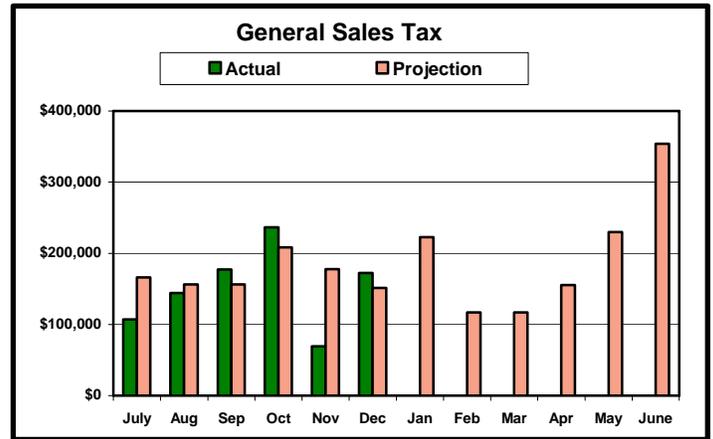


Source: Dept. of Finance

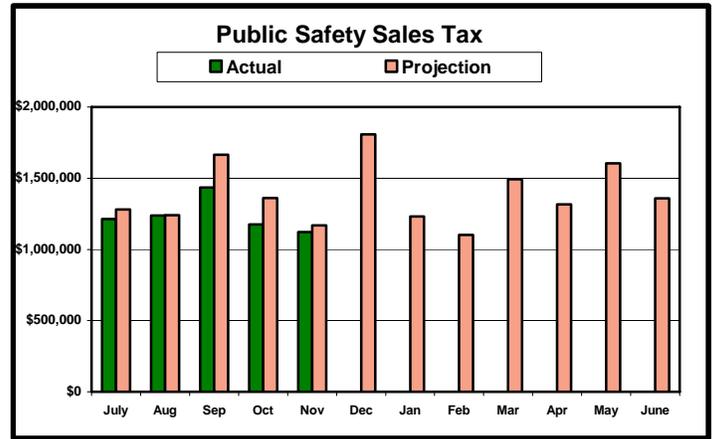
- Approximately 38 percent of the year's \$37.3 million in property tax revenue was received in November and December. Property tax is on track to meet the year's estimated revenue; however, there have been declines in property transaction revenues, such as the document transfer tax.



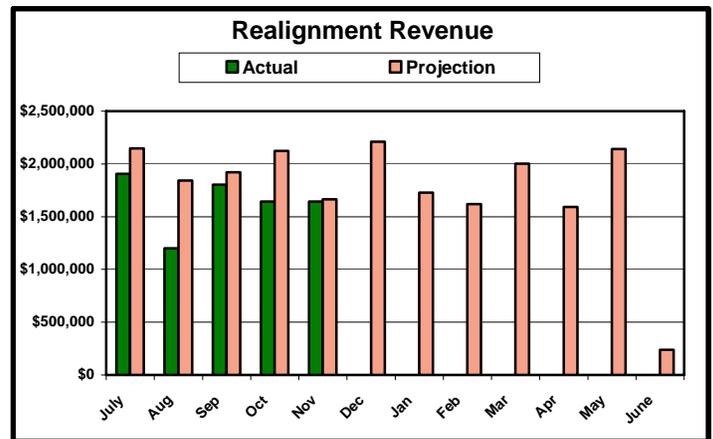
- General sales tax revenue is projected to be slightly less of the amount estimated in the budget. The \$109,138 decrease for the year-to-date is due to a November revenue adjustment by the State Board of Equalization. Total budgeted revenue for 2007-08 is \$2.2 million.



- Public safety sales tax for the year-to-date is \$532,253 (7.9%) below budget. The holiday season's sales tax revenue will be distributed by the state at the end of February. This is the largest monthly allocation of the year and will be a key factor in attaining this year's projected revenue. Total budgeted revenue for 2007-08 is \$16.6 million.



- For the year-to-date, realignment revenue is \$1.16 million below the amount estimated in the adopted budget. This is a significant shortfall that appears to be the result of the slowdown in consumer spending. The shortfall will compound the fiscal issues of the social service, health and mental health programs that may also be facing budget cuts from the state. Total budgeted revenue is \$21.2 million.



## Midyear Budget Report -- Fiscal Year 2007-08

| Department                                    | BU    | Appropriations |               | Revenues     |               | General Fund<br>Surplus/Short (-) | Other Funds<br>Surplus/Short (-) |
|---|-------|----------------|---------------|--------------|---------------|-----------------------------------|----------------------------------|
|   |       | Adj. Budget    | Year End Est. | Adj. Budget  | Year End Est. |                                   |                                  |
| <b>GENERAL GOVERNMENT</b>                     |       |                |               |              |               |                                   |                                  |
| <b>Assessor</b>                               | 108-1 | \$2,359,683    | \$2,509,409   | \$2,359,683  | \$2,242,641   | (\$266,768)                       | \$0                              |
| <b>Auditor-Controller/Treasurer Tax Colle</b> | 105-1 | \$3,122,057    | \$3,046,170   | \$3,122,057  | \$3,046,170   | \$0                               | \$0                              |
| <b>County Administration</b>                  | 102-1 | \$4,389,502    | \$4,543,496   | \$4,389,502  | \$4,387,959   | (\$155,537)                       | \$0                              |
| Office Emergency Services                     | 169-1 | \$754,286      | \$754,286     | \$754,286    | \$754,286     | \$0                               | \$0                              |
| Community Development Block Grant             | 295-1 | \$973,885      | \$973,885     | \$973,885    | \$973,885     | \$0                               | \$0                              |
| Tribal Relations                              | 165-2 | \$165,817      | \$165,817     | \$165,817    | \$165,817     | \$0                               | \$0                              |
| <b>County Clerk-Recorder</b>                  | 201-2 | \$0            | \$0           | \$0          | \$0           | \$0                               | \$0                              |
| Elections                                     | 120-1 | \$1,999,292    | \$2,025,108   | \$1,999,292  | \$1,999,292   | (\$25,816)                        | \$0                              |
| Recorder                                      | 285-1 | \$1,618,227    | \$1,535,857   | \$1,618,227  | \$1,078,237   | \$0                               | (\$457,620)                      |
| <b>County Counsel</b>                         | 115-1 | \$1,046,978    | \$1,152,192   | \$1,046,978  | \$1,046,978   | (\$105,214)                       | \$0                              |
| Indigent Defense                              | 210-5 | \$1,942,217    | \$1,942,217   | \$1,942,217  | \$1,942,217   | \$0                               | \$0                              |
| <b>General Services</b>                       | 130-4 | \$675,970      | \$682,415     | \$675,970    | \$681,970     | (\$445)                           | \$0                              |
| Airport                                       | 193-1 | \$306,338      | \$309,308     | \$306,338    | \$308,652     | (\$656)                           | \$0                              |
| Facilities                                    | 130-3 | \$2,037,721    | \$2,074,502   | \$2,037,721  | \$2,073,721   | (\$781)                           | \$0                              |
| Fleet Services                                | 140-1 | \$1,844,648    | \$1,853,166   | \$1,844,648  | \$1,847,794   | (\$5,372)                         | \$0                              |
| Purchasing                                    | 110-1 | \$399,509      | \$413,266     | \$399,509    | \$422,119     | \$8,853                           | \$0                              |
| Reprographics                                 | 160-1 | \$311,902      | \$318,200     | \$311,902    | \$311,902     | (\$6,298)                         | \$0                              |
| Utilities                                     | 130-5 | \$3,514,927    | \$2,972,994   | \$3,514,297  | \$2,789,945   | (\$182,419)                       | \$0                              |
| Subtotal General Services                     |       | \$9,091,015    | \$8,623,851   | \$9,090,385  | \$8,436,103   | (\$187,118)                       | \$0                              |
| <b>Grand Jury</b>                             | 215-1 | \$33,900       | \$37,000      | \$33,900     | \$33,900      | (\$3,100)                         | \$0                              |
| <b>Human Resources</b>                        | 103-1 | \$1,537,004    | \$1,493,453   | \$1,537,004  | \$1,493,453   | \$0                               | \$0                              |
| <b>Information Technology</b>                 | 156-1 | \$2,834,432    | \$2,899,144   | \$2,834,432  | \$2,844,432   | (\$54,712)                        | \$0                              |
| Telephone ISF                                 | 185-1 | \$2,179,706    | \$2,111,552   | \$2,179,706  | \$2,111,552   | \$0                               | \$0                              |
| <b>LAW &amp; JUSTICE SERVICES</b>             |       |                |               |              |               |                                   |                                  |
| <b>Child Support Services</b>                 | 204-1 | \$6,057,236    | \$6,057,236   | \$6,057,236  | \$6,057,236   | \$0                               | \$0                              |
| <b>District Attorney</b>                      |       |                |               |              |               |                                   |                                  |
| Criminal Prosecution                          | 205-1 | \$9,478,549    | \$9,478,549   | \$9,478,549  | \$9,320,417   | (\$158,132)                       | \$0                              |
| Child Abduction                               | 205-5 | \$388,794      | \$359,360     | \$388,794    | \$359,360     | \$0                               | \$0                              |
| MD Interview Center                           | 205-7 | \$342,626      | \$351,907     | \$342,626    | \$275,680     | \$0                               | (\$76,227)                       |
| Criminal Grants                               | 205-8 | \$1,703,997    | \$1,671,204   | \$1,703,997  | \$1,583,645   | (\$87,559)                        | \$0                              |
| Insurance Fraud                               | 205-9 | \$225,407      | \$219,969     | \$225,407    | \$219,969     | \$0                               | \$0                              |
| YONET   | 205-3 | \$507,704      | \$403,279     | \$507,704    | \$380,764     | (\$22,515)                        | \$0                              |
| Victim Witness                                | 205-4 | \$405,499      | \$396,269     | \$405,499    | \$390,595     | (\$5,674)                         | \$0                              |
| Subtotal District Attorney                    |       | \$13,052,576   | \$12,880,537  | \$13,052,576 | \$12,530,430  | (\$273,880)                       | (\$76,227)                       |
| <b>Probation</b>                              |       |                |               |              |               |                                   |                                  |
| Administration                                | 261-1 | \$1,386,280    | \$1,386,280   | \$1,386,280  | \$1,347,867   | (\$38,413)                        | \$0                              |
| AB1913  | 261-7 | \$610,496      | \$633,500     | \$610,496    | \$633,500     | \$0                               | \$0                              |
| Care-of-Court Wards                           | 575-1 | \$2,190,268    | \$1,098,170   | \$2,190,268  | \$1,087,420   | (\$10,750)                        | \$0                              |
| Detention                                     | 261-3 | \$4,986,479    | \$4,713,906   | \$4,986,479  | \$4,811,053   | \$97,147                          | \$0                              |
| Service                                       | 261-6 | \$4,627,955    | \$4,735,884   | \$4,627,955  | \$4,693,561   | (\$42,323)                        | \$0                              |
| Work Program                                  | 261-4 | \$1,405,301    | \$1,428,959   | \$1,405,301  | \$1,224,847   | (\$204,112)                       | \$0                              |
| Subtotal Probation                            |       | \$15,206,779   | \$13,996,699  | \$15,206,779 | \$13,798,248  | (\$198,451)                       | \$0                              |
| <b>Public Defender</b>                        | 210-1 | \$4,410,059    | \$4,332,550   | \$4,421,059  | \$4,380,059   | \$36,509                          | \$0                              |
| <b>Public Guardian</b>                        | 287-1 | \$1,204,697    | \$1,234,791   | \$1,204,697  | \$1,217,724   | (\$17,067)                        | \$0                              |
| Veterans Service Office                       | 580-1 | \$227,581      | \$240,459     | \$227,581    | \$227,581     | (\$12,878)                        | \$0                              |
| <b>Sheriff-Coroner</b>                        |       |                |               |              |               |                                   |                                  |
| Animal Services                               | 280-1 | \$1,909,000    | \$2,121,057   | \$1,909,000  | \$1,897,900   | (\$223,157)                       | \$0                              |
| Boat Patrol                                   | 250-5 | \$413,872      | \$413,872     | \$413,872    | \$413,872     | \$0                               | \$0                              |
| Civil Process                                 | 240-2 | \$522,991      | \$549,639     | \$522,991    | \$514,218     | (\$35,421)                        | \$0                              |
| Coroner                                       | 286-1 | \$640,120      | \$688,752     | \$640,120    | \$635,538     | (\$53,214)                        | \$0                              |
| Court Security                                | 240-1 | \$1,917,074    | \$2,078,879   | \$1,917,074  | \$2,007,774   | \$0                               | (\$71,105)                       |
| Detention                                     | 250-9 | \$12,330,661   | \$13,626,902  | \$12,330,661 | \$12,204,970  | (\$1,421,932)                     | \$0                              |
| Management                                    | 250-2 | \$2,653,266    | \$2,992,253   | \$2,653,266  | \$2,599,358   | (\$392,895)                       | \$0                              |
| Patrol  | 250-7 | \$6,413,755    | \$6,761,359   | \$6,413,755  | \$6,323,846   | (\$437,513)                       | \$0                              |
| Training                                      | 251-2 | \$265,741      | \$376,057     | \$265,741    | \$254,115     | (\$121,942)                       | \$0                              |
| Subtotal Sheriff                              |       | \$27,066,480   | \$29,608,770  | \$27,066,480 | \$26,851,591  | (\$2,686,074)                     | (\$71,105)                       |

## Midyear Budget Report -- Fiscal Year 2007-08

| Department                                    | BU    | Appropriations |               | Revenues     |               | General Fund      | Other Funds       |
|---|-------|----------------|---------------|--------------|---------------|-------------------|-------------------|
|   |       | Adj. Budget    | Year End Est. | Adj. Budget  | Year End Est. | Surplus/Short (-) | Surplus/Short (-) |
| <b>HEALTH &amp; HUMAN SERVICES</b>            |       |                |               |              |               |                   |                   |
| <b>Alcohol, Drug &amp; Mental Health</b>      |       |                |               |              |               |                   |                   |
| Alcohol & Drug                                | 505-6 | \$4,160,914    | \$3,998,811   | \$4,160,914  | \$3,998,811   | \$0               | \$0               |
| Mental Health Administration                  | 505-2 | \$20,049,907   | \$22,069,119  | \$20,049,907 | \$16,338,484  | \$0               | (\$5,730,635)     |
| MHSA  | 505-7 | \$5,927,718    | \$3,346,875   | \$5,927,718  | \$3,346,875   | \$0               | \$0               |
| Subtotal ADMH                                 |       | \$30,138,539   | \$29,414,805  | \$30,138,539 | \$23,684,170  | \$0               | (\$5,730,635)     |
| <b>Employment &amp; Social Service (DESS)</b> |       |                |               |              |               |                   |                   |
| AFLP & Refugee                                | 564-0 | \$244,926      | \$244,926     | \$244,926    | \$244,926     | \$0               | \$0               |
| Community Contract Programs                   | 551-4 | \$70,101       | \$70,101      | \$70,101     | \$70,101      | \$0               | \$0               |
| General Assistance                            | 561-2 | \$328,071      | \$399,921     | \$328,071    | \$328,071     | \$0               | (\$71,850)        |
| Local Discretion                              | 567-0 | \$0            | \$0           | \$0          | \$0           | \$0               | \$0               |
| Community Services Block Grant                | 565-0 | \$296,265      | \$296,918     | \$296,265    | \$296,265     | \$0               | (\$653)           |
| Public Assistance & Support Svcs.             | 551-1 | \$40,761,439   | \$41,201,468  | \$40,761,439 | \$41,155,676  | \$0               | (\$45,792)        |
| TANF/CalWORKS/Foster Care                     | 552-2 | \$28,781,816   | \$27,950,425  | \$28,781,816 | \$28,755,232  | \$0               | \$804,807         |
| Workforce Investment Board                    | 562-1 | \$1,932,543    | \$1,499,616   | \$1,932,543  | \$1,499,616   | \$0               | \$0               |
| Subtotal DESS                                 |       | \$72,415,161   | \$71,663,375  | \$72,415,161 | \$72,349,887  | \$0               | \$686,512         |
| <b>Health</b>                                 |       |                |               |              |               |                   |                   |
| Children's Medical Services                   | 501-9 | \$2,220,125    | \$1,935,323   | \$2,220,125  | \$1,935,323   | \$0               | \$0               |
| Community Health                              | 501-1 | \$7,619,793    | \$6,958,104   | \$7,619,793  | \$6,958,104   | \$0               | \$0               |
| Elder Care                                    | 502-3 | \$40,000       | \$40,000      | \$40,000     | \$40,000      | \$0               | \$0               |
| Emergency Medical Services                    | 525-3 | \$939,725      | \$939,725     | \$939,725    | \$939,725     | \$0               | \$0               |
| Environmental Health                          | 501-3 | \$3,116,619    | \$2,635,948   | \$3,116,619  | \$2,320,897   | \$0               | (\$315,051)       |
| Tobacco Tax Funds                             | 503-1 | \$217,421      | \$217,421     | \$217,421    | \$217,421     | \$0               | \$0               |
| Indigent Healthcare                           | 502-3 | \$5,219,053    | \$6,299,145   | \$5,219,053  | \$5,219,053   | \$0               | (\$1,080,092)     |
| Jail-Juvenile Hall Medical                    | 501-4 | \$2,895,472    | \$3,129,997   | \$2,895,472  | \$2,895,472   | (\$234,525)       | \$0               |
| Subtotal Health                               |       | \$22,268,208   | \$22,155,663  | \$22,268,208 | \$20,525,995  | (\$234,525)       | (\$1,395,143)     |
| <b>LAND, EDUCATION &amp; RECREATION</b>       |       |                |               |              |               |                   |                   |
| <b>Agriculture</b>                            |       |                |               |              |               |                   |                   |
|   | 270-1 | \$1,993,970    | \$1,953,970   | \$1,993,970  | \$1,953,970   | \$0               | \$0               |
| <b>Cooperative Extension</b>                  |       |                |               |              |               |                   |                   |
|   | 610-1 | \$374,540      | \$374,540     | \$374,540    | \$374,540     | \$0               | \$0               |
| <b>Library</b>                                |       |                |               |              |               |                   |                   |
| Archives and Records                          | 605-2 | \$144,999      | \$144,937     | \$144,999    | \$144,937     | \$0               | \$0               |
| Library                                       | 605-1 | \$4,769,599    | \$4,634,214   | \$4,769,599  | \$4,661,929   | \$0               | \$27,715          |
| YoloLINK                                      | 605-4 | \$52,912       | \$38,999      | \$52,912     | \$38,999      | \$0               | \$0               |
| Subtotal Library                              |       | \$5,342,050    | \$5,192,690   | \$5,342,050  | \$5,220,405   | \$0               | \$27,715          |
| <b>Planning &amp; Public Works:</b>           |       |                |               |              |               |                   |                   |
| Building and Planning                         | 297-1 | \$3,062,487    | \$2,668,775   | \$3,062,487  | \$2,668,775   | \$0               | \$0               |
| Code Enforcement                              | 288-1 | \$79,997       | \$79,997      | \$79,997     | \$79,997      | \$0               | \$0               |
| Roads   | 299-1 | \$20,898,788   | \$17,301,892  | \$20,898,788 | \$17,301,892  | \$0               | \$0               |
| Integrated Waste                              | 194-1 | \$12,369,974   | \$12,868,096  | \$12,369,974 | \$12,868,096  | \$0               | \$0               |
| Surveyor and Engineer                         | 150-1 | \$38,150       | \$36,250      | \$38,150     | \$36,250      | \$0               | \$0               |
| Transportation                                | 299-5 | \$281,038      | \$268,413     | \$281,038    | \$268,913     | \$0               | \$500             |
| Subtotal PRPW                                 |       | \$36,730,434   | \$33,223,423  | \$36,730,434 | \$33,223,923  | \$0               | \$500             |
| <b>Parks and Resources</b>                    |       |                |               |              |               |                   |                   |
| Cache Creek Area Plan                         | 297-2 | \$1,843,688    | \$1,218,655   | \$1,843,688  | \$1,218,655   | \$0               | \$0               |
| Fish and Game                                 | 294-1 | \$9,700        | \$9,700       | \$9,700      | \$9,700       | \$0               | \$0               |
| Parks and Museum                              | 701-1 | \$2,931,496    | \$0           | \$2,931,496  | \$0           | \$0               | \$0               |
| Water Resources                               | 297-5 | \$381,356      | \$381,356     | \$381,356    | \$381,356     | \$0               | \$0               |
| Subtotal Parks & Resources                    |       | \$5,166,240    | \$1,609,711   | \$5,166,240  | \$1,609,711   | \$0               | \$0               |

## Midyear Budget Report -- Fiscal Year 2007-08

| Department                              | BU    | Appropriations       |                      | Revenues             |                      | General Fund         | Other Funds          |
|---|-------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|   |       | Adj. Budget          | Year End Est.        | Adj. Budget          | Year End Est.        | Surplus/Short (-)    | Surplus/Short (-)    |
| <b>COUNTYWIDE PROGRAMS</b>              |       |                      |                      |                      |                      |                      |                      |
| <b>Countywide Expenditures</b>          |       |                      |                      |                      |                      |                      |                      |
| Non-Departmental Expenditures           | 165-1 | \$28,548,501         | \$28,660,501         | \$28,548,501         | \$28,548,501         | (\$112,000)          | \$0                  |
| Criminal Justice Collections            | 166-2 | \$1,104,666          | \$1,214,666          | \$1,580,000          | \$1,800,000          | \$110,000            | \$0                  |
| Dental Insurance (ISF)                  | 188-1 | \$2,517,055          | \$2,517,055          | \$2,517,055          | \$2,517,055          | \$0                  | \$0                  |
| Risk Management                         | 155-1 | \$130,000            | \$130,000            | \$130,000            | \$130,000            | \$0                  | \$0                  |
| Special Employee Services               | 167-1 | \$1,816,650          | \$2,016,650          | \$1,816,650          | \$1,816,650          | (\$200,000)          | \$0                  |
| Unemployment Insurance (ISF)            | 187-1 | \$182,000            | \$182,000            | \$182,000            | \$182,000            | \$0                  | \$0                  |
| Subtotal Countywide Expenditures        |       | \$34,298,872         | \$34,720,872         | \$34,774,206         | \$34,994,206         | (\$202,000)          | \$0                  |
| <b>Capital</b>                          |       |                      |                      |                      |                      |                      |                      |
| General Services ACO                    | 135-1 | \$9,417,820          | \$9,417,820          | \$9,417,820          | \$9,417,820          | \$0                  | \$0                  |
| Winters Library Project                 | 135-2 | \$5,067,193          | \$282,498            | \$5,067,193          | \$282,498            | \$0                  | \$0                  |
| Subtotal Capital & Debt                 |       | \$14,485,013         | \$9,700,318          | \$14,485,013         | \$9,700,318          | \$0                  | \$0                  |
| <b>Debt Service</b>                     |       |                      |                      |                      |                      |                      |                      |
| DA Building                             | 822-1 | \$293,967            | \$293,967            | \$293,967            | \$293,967            | \$0                  | \$0                  |
| West Sacramento Center                  | 825-1 | \$371,136            | \$371,136            | \$371,136            | \$371,136            | \$0                  | \$0                  |
| Davis Library                           | 827-1 | \$689,534            | \$689,534            | \$689,534            | \$689,534            | \$0                  | \$0                  |
| Davis Admin Building                    | 828-1 | \$156,838            | \$156,838            | \$156,838            | \$156,838            | \$0                  | \$0                  |
| Subtotal Capital & Debt                 |       | \$1,511,475          | \$1,511,475          | \$1,511,475          | \$1,511,475          | \$0                  | \$0                  |
| <b>Countywide Revenues</b>              |       |                      |                      |                      |                      |                      |                      |
| Countywide Revenues                     | 166-1 | \$0                  | \$55,431,211         | \$0                  | \$54,711,371         | (\$719,840)          | \$0                  |
| <b>Total Year-End Projected Balance</b> |       | <b>\$318,359,988</b> | <b>\$367,466,621</b> | <b>\$318,845,692</b> | <b>\$301,146,195</b> | <b>(\$5,106,471)</b> | <b>(\$7,016,503)</b> |

### Contingencies - Year-end Balances

|                            |       |             |
|----------------------------|-------|-------------|
| General Fund - Contingency | 999-0 | \$3,783,096 |
| Health Fund - Contingency  |       | \$350,000   |
| Library Fund - Contingency | 999-4 | \$95,749    |

### Notes:

Public Safety Sales Tax Revenue Shortfall: The budget included \$16.6 million in Proposition 172 revenue to finance Sheriff, District Attorney and Probation Services. Staff is projecting a \$830,000 (5%) decrease in this state revenue.

Realignment Revenue Shortfall: The budget included \$21.3 million in Realignment Revenue to finance Employment & Social Service, Mental Health, and Public Health services. Staff is projecting an approximate \$1.5 million (7%) decrease in this state revenue.

# Budget Principles 2008-09

## **Strategic Goal: Financially Sustainable County Government**

- General Fund is the fund of last resort. All other available funds will be utilized first
- The county should continuously strive to expand and diversify its revenue base with the goal of achieving stable sources of revenue.
- New programs or higher levels of service must be fully self-funding or mandated by law
- New positions shall be revenue neutral
- One-time monies should only fund one-time expenditures
- Apply user fees and charges to fully cover program costs
- Programs that have lost state or federal funding should be evaluated first for reduction or elimination
- Enhancements or reductions will be considered in the context of impact on county revenue
- Grant applications must consider both short term and long term impacts on general fund
- Pomona Funds are reserved for separate allocation by the Board of Supervisors.
- Sufficient reserves to cover both current year and future year needs must be maintained
- Reimbursement for all state-mandated costs must be aggressively pursued

## **Strategic Goal: Environmentally Sensitive and Quality County Infrastructure**

- Maintain critical county infrastructure and workspaces
- Aggressively pursue all feasible energy/fuel savings

## **Strategic Goal: Top Quality Workforce Providing Responsive Services**

- Labor agreements will be honored and respected
- Identify appropriate opportunities for training and development
- Identify and implement best practices to improve fiscal sustainability, promote accountability and improve services
- Layoffs are the last resort

## **Strategic Goal: Preservation of Agriculture and Open Spaces with Planned Development**

- Promote economic development

## **Strategic Goal: Partnering for a Successful Yolo County**

- Work closely with cities, other agencies and the private sector to promote fiscal sustainability and high quality services to Yolo County residents

## **Strategic Goal: Safe and Healthy Community**

- Evaluate programs based on outcomes; ensure proper data collection to provide adequate information