



FY 2020-21 Budget Hearings

**Day 1 – Available Sources
Balancing Tool**

General Fund Fiscal Forecast



General Fund Fiscal Forecast

Fiscal Year	20-21 March	20-21 Proj.	21-22 Proj.	22-23 Proj.	23-24 Proj.	24-25 Proj.
Taxes	\$310.2	\$305.7	\$313.4	\$320.7	\$329.6	\$339.5
Other General Purpose Revenue*	\$40.6	\$33.9	\$31.2	\$31.0	\$31.1	\$31.2
General Fund Departmental Rev.	\$193.5	\$177.4	\$181.4	\$185.6	\$189.7	\$194.7
Total General Fund Revenue	\$544.2	\$517.0	\$526.0	\$537.3	\$550.4	\$565.4
Wages and Benefits	\$369.7	\$369.7	\$384.1	\$396.8	\$396.9	\$406.4
Other Expenditures	\$174.5	\$172.8	\$176.2	\$180.9	\$186.6	\$192.4
Total Expenditures	\$544.2	\$542.5	\$560.3	\$577.7	\$583.5	\$598.8
Total Surplus (Deficit)	\$0.0	(\$25.5)	(\$34.3)	(\$40.4)	(\$33.1)	(\$33.4)

*Includes expected use of \$5.7 million in fund balance in FY 20-21



Sources Available for Balancing



Available Sources Memo – Tab 2

- \$12.9 million in ongoing sources
Approximately ½ of amount needed for ongoing reduction
- \$34.1 million in one-time source
Funding available for additional needs such as COVID response



Ongoing Discretionary Funding: \$12.9 million

- \$9.6 million – General Fund
Revised “less bad” revenue projections and reductions
Excludes \$3 million as a result of depts. using other funds
- \$2.5 million – Reinvestment and Revitalization
Funds (a.k.a RDA Residual)
- \$843,000 – Graton Casino Mitigation
In-Lieu of Transient Occupancy Tax (TOT)



One-Time Discretionary Funding: \$34 million

- \$14.1 million - General Fund Year End Fund Balance
- \$ 6.7 million - Reinvestment and Revitalization (R&R) Fund Balance
- \$ 5.5 million – 1 Year GF annual contribution to Capital Projects replaced with Tobacco Refinanced funds
- \$ 3.0 million - General Fund Available Due to 1X Use of Dept. Balances
- \$ 2.5 million – R&R: Annexation set aside no longer needed
- \$ 2.1 million – Annual Fund balance Review. Includes \$1.9 million from Refuse Franchise Fees, which by Policy is ordinarily used for roads and allows for other Board priorities. **[Tab 4]**



Additional One-time Sources - Contingencies

- Contingency Balance as of 8/31/2020: \$2,989,829

Item	Amount
Beginning Balance	\$5,000,000
Programmed through 9/1/2020	(\$2,010,171)
<i>CAO Recommendation:</i> Office of Equity - Replace with ongoing source	\$817,144
<i>CAO Recommendation:</i> Maintain \$3.5 million for coming year	(\$3,500,000)
Total Available for Hearing:	\$306,973



Additional One-time Sources: PG&E Settlement

- *CAO Recommendation – Reserve Restoration*

Use of \$8.5 million to restore the 2017 Wildfires draw down



Balancing Tool Overview



Balancing Tool – Binder Tab 3

- Will be used throughout budget hearings
- Provides real-time updates on sources available for balancing based on board decisions
- Adjustments to items on the list or to available sources may be made



Balancing Tool

FY 2020-21 BUDGET HEARINGS BALANCING TOOL - EXHIBIT A

R o w N u m b e r	Adjust- ment	Adjust- ment	Department	Adjustment	County Discretionary Funding	One-time or	FTE	Pot- entail	Source	Ongoing Discretionary	One-time Discretionary	GF Contingencies (1x Discretionary)	PG&E (1x Discretionary)
									Total Available	\$12,912,000	\$34,075,731	\$2,989,829	\$8,500,000
									Sum of resorations	\$6,707,723	\$25,986,432	\$2,682,856	\$8,500,000
									Remaining	\$6,204,277	\$8,089,299	\$306,973	\$0
Identifier	Type	Name	Title	Requested	Ongoing	Reduc- tion	Lay- Offs						
1	Not in Oracle	Contingencies	Board of Supervisors	Maintain contingencies at \$3.5 Million	\$3,500,000	One-time	0	0				\$3,500,000	
2	Not in Oracle	CAO Rec	CAO	Additional Funding for Covid Response	\$20,000,000	One-time	0	0			\$20,000,000		
3	Not in Oracle	CAO Rec	CAO	Maintain 20% FEMA Audit Reserve	\$3,970,804	One-Time	0	0			\$3,970,804		
4	Not in Oracle	CAO Rec	CAO	Restore Reserve funds used as a result of the 2017 Wildfires	\$8,500,000	One-time	0	0					\$8,500,000
5	Not in Oracle	Prior Board Direction	Office of Equity	Restore Contingencies used when Office of Equity was created and replace with Ongoing Funding	\$607,289	Ongoing	0	0		\$607,289		(\$607,289)	
6	Not in Oracle	Prior Board Direction	CAO/IOLERO	Add shared ASO as outlined in Office of Equity item	\$209,855	Ongoing	0	0		\$209,855		(\$209,855)	



Balancing Tool – categorization of requests

- White - recommended for restoration by the County Administrator
- Green - highest priority remaining, including many filled positions
- Yellow – Other restorations key for service delivery
- Gray – Reductions most easily absorbed

Adjustment Identifier	Adjustment Type	Department Name
CRA-RED-02	Reduction	Clerk- Recorder- Assessor
DHS-RED-02	Reduction	Health Services
CoCo-RED-01	Reduction	County Counsel
OSD-RED-04	Reduction	Ag & Open Space District

Example



Additional Information – tab 3

CRA-RED-02

Department	Clerk- Recorder-Assessor
Title	Registrar of Voters - Reduce overtime and eliminate extra help for the November 2020 presidential election
Incorporate in Supplementals?	Yes
Dept Rank	1
County Discretionary Funding (Rpt)	-\$305,885
Effective Date	Oct 6, 2020
One-time or Ongoing	One-time
Description of Change	Reduce overtime and eliminate extra help for the November 2020 presidential election
Service Need	<p>Workload for permanent staff to increase dramatically, without options for overtime. Increased workers' compensation claims due to extended repetitive work without breaks leading to resignations of overworked staff. The high cost of money and time to train new staff leading to further delays. Higher probability for mistakes to be made. Updating voter information and registering new voters will be delayed. Deadlines for the November election, including voter notifications, printer deadlines for voter information guides and ballots, data requests, and processing of ballots will be missed. Ballots will not be processed and counted within legally mandated deadlines. Limited training for staff and poll workers on new equipment and procedures, leading to lines and problems at voting locations. Limited staff for processing voters during the voting period, and no support for voters and poll workers on early voting days and Election Day. Certification of the election will be delayed. Missing statutory deadlines, leading to disenfranchisement of voters, contesting of the election, legal action and having to reconduct the election.</p>



County Administrator Recommendations



CAO Recommendations – Use of Available Sources

- Maintain at least \$3.5 Million in Contingencies
- Utilize \$8.5 million in PG&E Settlement funds to restore reserves spent due to 2017 Wildfires
- If 1x funding source is used for ongoing costs, program the equivalent of 3 years of funding



CAO Recommendation on Uses of Ongoing Sources

Ongoing Sources	Available	Program as 1x	Program As Ongoing	Do not Program
General Fund	\$11,029,000	\$3,000,000	\$8,029,000	
Reinvestment And Revitalization	\$2,500,000	\$0	\$2,500,000	
Graton In-lieu TOT	\$843,000	\$0	\$843,000	
Freed from earlier set-aside	\$1,540,000	\$0	\$1,540,000	
Total	\$15,912,000	\$3,000,000	\$12,912,000	



CAO Recommendation on Uses of One-time Sources

One-time Sources	Available	Program as 1x	Reserve Do Not Use
General Fund Prior Year FB	\$13,558,612	\$13,558,612	
1x GF 2020-21 net cost (PY Assignment)	\$572,800	\$572,800	
Additional GF freed by Tobacco Refunding	\$5,500,000	\$5,500,000	
Reinvestment and Revitalization FB	\$6,794,319	\$6,794,319	
R&R Set Aside	\$2,500,000	\$2,500,000	
Cannabis Fund FB	\$250,000	\$250,000	
Refuse Franchise Fees FB	\$1,900,000	\$1,900,000	
Ongoing GF programmed as 1x	\$3,000,000	\$3,000,000	
Total	\$34,075,731	\$34,075,731	



Summary of CAO Recommendations – Other Sources/Funds to Reserve

Other Potential 1x Sources	Available	To Reserve	To Program
GF Contingencies	\$3,806,973*	\$3,500,000	\$306,973
PG&E	\$149,347,590	Per Board Direction	\$8,500,000
Total	\$153,154,563	\$3,500,000	\$8,806,973

*Assumes that \$817,144 is restored to contingencies by funding Office of Equity-related increases with ongoing sources; otherwise balance is \$2,989,829

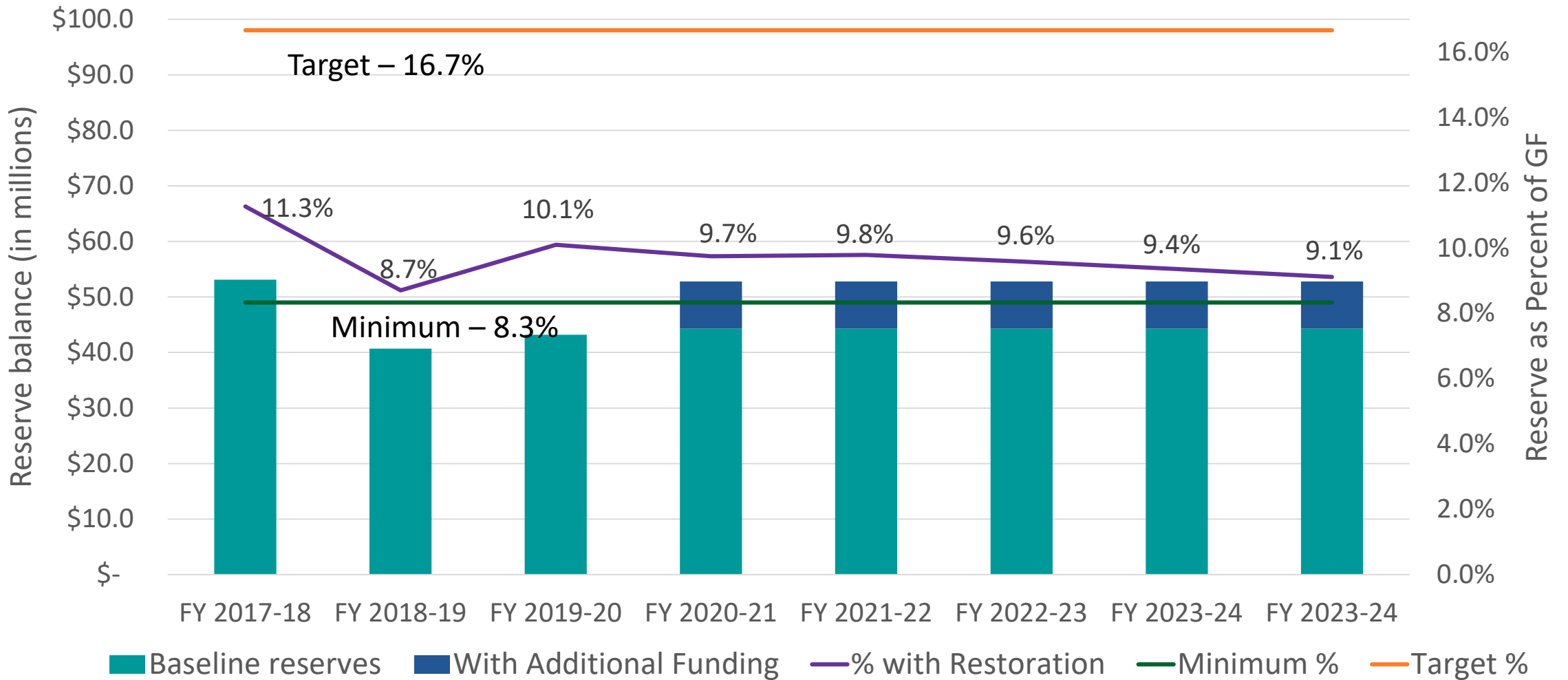


CAO Recommendations – Expenditures

- \$20.0 million in one-time funds to County-wide COVID-19 Response
- \$3.97 million in one-time funds to create a 20% FEMA Audit Reserve
- \$8.5 million of PG&E Settlement to replenish reserves drawn down as result of 2017 Wildfires
- \$817,000 - Replace with ongoing source the use of Contingencies during the Office of Equity establishment



CAO Recommendations – General Fund Reserves



CAO Recommendations - Above the Line

Departmental Reductions Restorations

- Utilize \$5.9 million in ongoing funds for departmental restorations
- Saves 36.4 FTE, including 32.65 filled
- Utilize \$2 million in one-time funds for Fire Service Project to ensure that existing contracts can be maintained and to backfill Clerk Recorder Assessor for 2020 election costs



CAO Recommendations – Summary

	Ongoing	One-Time	Total	Total FTEs	Filled FTEs
Above the line recommendations	\$6,707,723	\$37,169,288	\$43,877,011	36.4	32.65
Green requests	\$6,562,757	\$2,095,475	\$8,658,232	27.65	16.65
Yellow requests	\$4,570,717	\$1,505,701	\$6,076,418	24.75	3.75
Gray requests	\$8,158,914	\$7,713,310	\$15,872,224	29.45	1.50
Total requests	\$26,000,111	\$48,483,774	\$74,483,885	118.25	54.55
Total available	\$12,912,000	\$45,565,560	\$58,477,560		
Available less					
Above the Line recs	\$6,204,277	\$7,396,272	\$14,600,549		



Questions?

