

SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM  
18.2  
(ID # 4874)

**MEETING DATE:**

Tuesday, July 25, 2017

**FROM :** EXECUTIVE OFFICE:

**SUBJECT:** EXECUTIVE OFFICE: Amendment of FY 17/18 Recommended Budget

**RECOMMENDED MOTION:** That the Board of Supervisors:

- 1) Approve the adjustments to the recommended budget listed in Attachment A1 (3/5ths vote);
- 2) Approve the adjustments to the recommended budget specific to funding a contract amendment for KPMG listed in Attachment A2 (4/5ths vote);
- 3) Approve Resolution No. 440-9062 containing amendments of Ordinance 440 and Budget Schedule 20 listed in Attachment B; and,
- 4) Direct the Executive Office to return to the Board on September 26, 2017, with the schedules necessary to adopt formally the FY 17/18 budget.

**ACTION: (4/5 Vote Required) Policy, Position Added, 4/5 Vote Required**

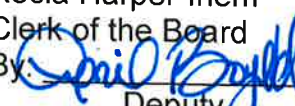
  
Denise Harden, EO Principal Budget Analyst 7/20/2017

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**MINUTES OF THE BOARD OF SUPERVISORS**

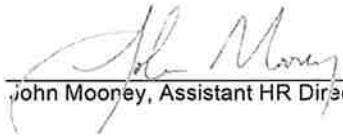
On motion of Supervisor Ashley, seconded by Supervisor Perez and duly carried, IT WAS ORDERED that the above matter is approved as recommended; and IT WAS FURTHER ORDERED to restore the 6.5% cut to the Sheriff Department Budget.

Ayes: Tavaglione, Washington, Perez and Ashley  
Nays: Jeffries  
Absent: None  
Date: July 25, 2017  
xc: E.O., Auditor

Kecia Harper-Ihem  
Clerk of the Board  
By:   
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

**C.E.O. RECOMMENDATION: APPROVE**



John Mooney, Assistant HR Director

7/20/2017



## COUNTY OF RIVERSIDE EXECUTIVE OFFICE

GEORGE A. JOHNSON  
COUNTY EXECUTIVE OFFICER

ROB FIELD  
ASSISTANT COUNTY EXECUTIVE OFFICER  
ECONOMIC DEVELOPMENT AGENCY  
MICHAEL T. STOCK  
ASSISTANT COUNTY EXECUTIVE OFFICER  
HUMAN RESOURCES  
ZAREH SARRAFIAN  
ASSISTANT COUNTY EXECUTIVE OFFICER  
HEALTH SYSTEMS  
PAUL McDONNELL  
ASSISTANT COUNTY EXECUTIVE OFFICER  
COUNTY FINANCE DIRECTOR

July 25, 2017

Honorable Board of Supervisors  
County of Riverside  
Robert T. Andersen Administrative Center  
4080 Lemon Street, 5th Floor  
Riverside, CA 92501-3651

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### ***SUBJECT: FY 17/18 Budget Recommendations***

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Board members:

I approach this budget year with optimism, in spite of the well-documented fiscal challenges we face. It is because of those very same fiscal pressures that we are seeing a renewed commitment to work collaboratively to address long-standing issues that have increased our cost of service delivery or hampered our ability to provide the highest level of public service. Over the course of the coming months, I will unveil a number of steps to help us continue and expand the transformation efforts underway.

As a prelude to this year's budget, the first quarter report approved by the Board of Supervisors on December 6, 2016, included a multi-year fiscal strategy to replenish reserves and achieve structural balance in discretionary spending. The recommended strategy was made within the context of a \$22 million reduction in Prop. 172 public safety sales tax revenue, from which the Executive Office projects it may take five years to recover. This approach focuses on three key long-term objectives: maintaining discretionary reserves above \$150 million, holding overall general fund net costs level until discretionary revenues rise to meet and exceed that level, and maximizing departmental resources.

#### ***The Recommended Budget***

On June 19, 2017, I presented the Board a FY 17/18 recommended budget within this strategic framework that provides \$5.5 billion in overall spending authority and \$3.2 billion for general fund operations, including \$756 million in discretionary general fund spending funded by \$752.5 million in discretionary revenue and \$2.4 million in general fund reserves. This proposal included a multi-year discretionary spending plan that originally cut most departments' FY 16/17 net cost allocations by 6.5 percent to accommodate \$42

million in anticipated In-Home Supportive Service (IHSS) cost increases resulting from the Governor's January budget proposal. Although the Governor's May Revise scaled back that IHSS proposal, the Executive Office retained the cuts in order to accommodate other anticipated funding needs.

In crafting the recommended budget, my office took a number of steps aimed at containing costs and minimizing further deficit spending. This includes reducing dependence on one-time funding for ongoing operations, with the goal of eliminating that practice to achieve structural balance. It also includes improved forecasting metrics to provide more realistic, prudent projections of available discretionary resources over the multi-year planning horizon. However, structural challenges persist. Discretionary revenue remains below the peak level reached in FY 06/07, and at the currently projected pace of growth, it does not appear it will crest that level again until FY 19/20.

### ***Budget Hearings***

On June 19 and 20, the Board took testimony from departments and the public regarding spending needs and operational challenges. To ensure baseline spending authority for FY 17/18 was in place by June 30, as required by law, the Board approved the recommended budget as presented and asked the Executive Office to return with further recommendations regarding additional policy issues of concern. In presenting additional concerns, my office noted during those hearings the following policy issues, which my office determined can be accommodated and still preserve structural capacity to address long-term funding needs:

	(\$ in millions)
❖ District Attorney	\$4.119
❖ Public Defender	2.371
❖ Sheriff (Detention Center & Gray Case)	10.000
❖ DPSS CalFresh	2.250
❖ KPMG human resources management system	<u>4.000</u>
	\$22.740

Departments and the public presented the following requests for funding enhancements:

❖ District Attorney*	\$15.600
❖ Public Defender*	6.500
❖ Sheriff*	50.300
❖ RUHS-Behavioral Health	2.800
❖ DPSS	1.600
❖ Economic Development Agency	0.800
❖ Community Centers	0.065
❖ Community appeal for funding	<u>0.150</u>
Total Requested =	\$77.815

\*Partially offset by amounts noted above.

### ***Revised Recommendations***

Protecting service levels of the Public Guardian and maintaining inpatient beds for behavioral health treatment are of particular concern, as they address the safety and security of some of the county's most fragile and vulnerable clients. Increasing net county cost allocations a total of \$747,000 for these items and the others noted below will not compromise the long-term strategy.

The Executive Office has continued dialogue with both the Public Defender and District Attorney regarding their structural funding needs within the context of the ongoing KPMG streamlining efforts. Taking KPMG's recommendations for restructuring into account, at this time, the Executive Office recommends an additional \$1.8 million, for a total of \$4.4 million for the Public Defender, together with deletion of seven currently vacant positions. With the cost savings from the deleted positions, this will nearly close the projected gap giving the Public Defender a structurally sound budget for FY 17/18, which with workload restructuring, should be sufficient to handle projected caseloads over the near term.

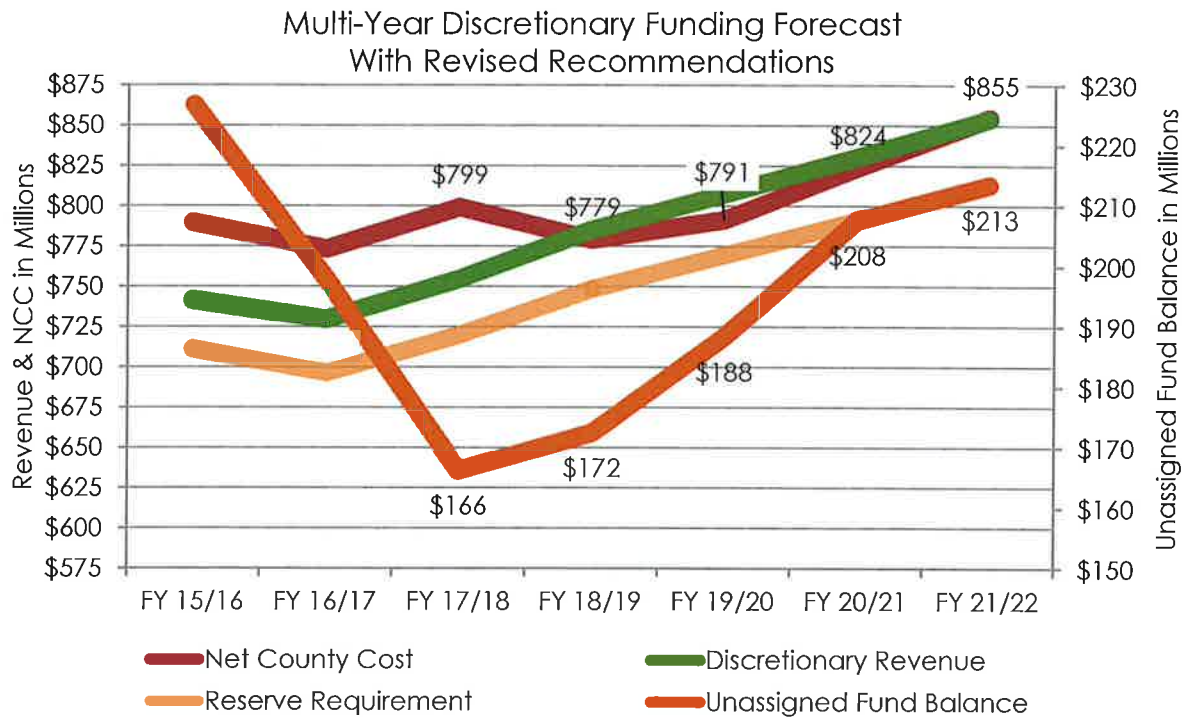
The Executive Office likewise recommends an additional \$2 million for the District Attorney's office, for a total increase of \$6.1 million. While this does not close the District Attorney's gap at this time, the Executive Office has identified potential cost savings from currently vacant positions. The Executive Office recommends continued dialogue with the District Attorney and KPMG to refine a long-term staffing plan and returning to the Board in the first quarter report with further recommendations. The recommended net discretionary funding increases are summarized below.

	(\$ in millions)
❖ District Attorney	\$6.119
❖ Public Defender	4.362
❖ Sheriff (Detention Center & Gray Case)	10.000
❖ DPSS CalFresh	2.250
❖ KPMG human resources management system	4.000
❖ Public Guardian	0.487
❖ Behavioral Health	0.260
❖ Economic Development Agency	0.800
❖ Community Centers	0.065
<b>Total Recommended =</b>	<b>\$28.343</b>

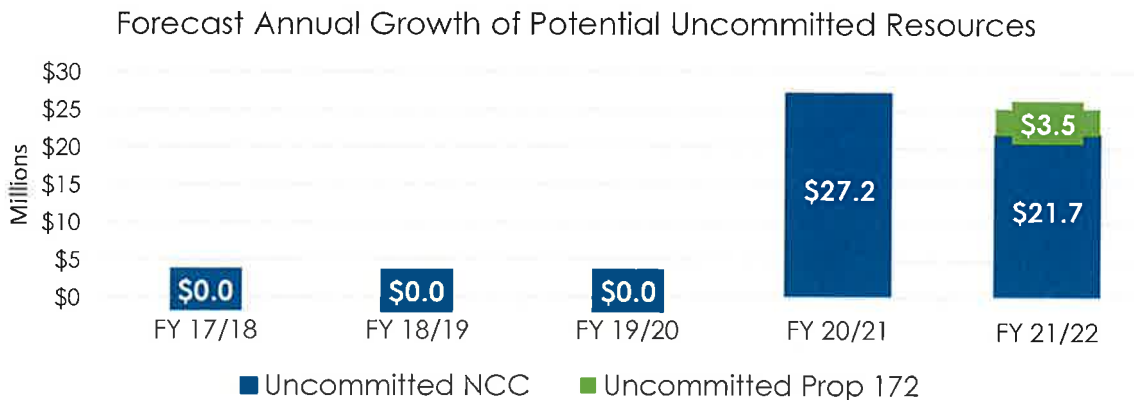
### ***Multi-Year Impact***

As shown in the modeling below, these increases will not prevent us from achieving structural balance next fiscal year, maintaining reserves above the \$150 million level, and achieving full replenishment by FY 20/21, while still preserving out-year capacity to address anticipated cost increases for the new detention center. We have forecast the

available resources anticipated in future years. Despite an assumed five percent assessed value growth rate next year and three percent thereafter, projected cost increases for In-home Supportive Services, CalFresh, the Gray Case, and reserve replenishment will absorb revenue growth until FY 20/21, as shown in the graph below.



For illustration purposes, once replenishment of reserves is achieved, the modeling in the chart above assumes full consumption of the uncommitted net county cost projected to become available beginning in FY 20/21, as shown in the graph below.



We have looked at a number of scenarios to identify additional current funding capacity. However, the modeling indicates additional spending of just a few million dollars would significantly forestall achieving structural balance and sustained replenishment of reserves until FY 21/22. Just as important, it would leave no ongoing uncommitted resources during that time with which to provide for future obligations. Consequently, until additional ongoing resources can be identified, I cannot recommend any further discretionary spending increases beyond those indicated above.

Meeting these challenges will require continued discipline and collaboration to institute the efficiencies necessary to address the rising demand for services within these financial constraints. I am confident the transformation efforts in progress will enable county leadership to surmount those challenges.

**IT IS THEREFORE RECOMMENDED** that the Board of Supervisors:

- 1) Approve the adjustments to the recommended budget listed in Attachment A1 (3/5ths vote);
- 2) Approve the adjustments to the recommended budget specific to funding a contract amendment for KPMG listed in Attachment A2 (4/5ths vote);
- 3) Approve Resolution No. 440-9062 containing amendments of Ordinance 440 and Budget Schedule 20 listed in Attachment B; and,
- 4) Direct the Executive Office to return to the Board on September 26, 2017, with the schedules necessary to adopt formally the FY 17/18 budget.

Respectfully Submitted,

  
George A. Johnson  
County Executive Officer

**Attachment A1 Recommended Budget Amendments (3/5ths Vote)**

**Recommendation 1:** That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing estimated revenue and unassigned fund balance for the general fund by \$2,200,000, as follows:

Increase estimated revenue:		
10000-1300100000-700020	Prop tax current secured	\$2,200,000

Increase of unassigned fund balance:		
10000-1300100000-370100	Unassigned fund balance	2,200,000

**Recommendation 2:** That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations, estimated revenue, and use of unassigned fund balance for the Department of Public Social Services' CalFresh program grant match by \$4,450,050, as follows:

Increase appropriations:		
10000-5100100000-510040	Regular salaries	\$2,991,828
10000-5100100000-515040	Flex benefit plan	<u>1,458,222</u>
	Total	4,450,050

Increase estimated revenue:		
10000-5100100000-760000	Fed - public assistance admin	2,200,050

Anticipated use of unassigned fund balance:		
10000-5100100000-370100	Unassigned fund balance	2,250,000

**Recommendation 3:** That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for an Environmental Health grant award by \$110,600, as follows:

Increase estimated revenue:		
10000-4200400000-781850	Grants - nongovernmental agencies	\$110,600

Increase appropriations:		
10000-4200400000-510330	TAP salaries	24,748
10000-4200400000-523800	Printing/binding	634
10000-4200400000-527180	Operational supplies	3,603
10000-4200400000-520020	Pest and insect control	35,769
10000-4200400000-546160	Equipment - other	<u>45,846</u>
	Total	110,600

FISCAL PROCEDURES APPROVED  
PAUL ANGULO, CPA  
COUNTY AUDITOR-CONTROLLER

BY 



**Recommendation 4:** That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and use of unassigned fund balance for the Sheriff Corrections by \$10,000,000, as follows:

Increase appropriations:		
10000-2500400000-510040	Regular salaries	\$7,000,000
10000-2500400000-518100	Budgeted benefits	<u>3,000,000</u>
	Total	10,000,000

Anticipated use of unassigned fund balance:		
10000-2500400000-370100	Unassigned fund balance	10,000,000

**Recommendation 5:** That the Board of Supervisors approve and direct the Auditor-Controller to make technical budget adjustments to appropriations and allocation of unassigned fund balance for the Sheriff by \$10,657,540, as follows:

Decrease appropriations:		
10000-2500400000-510040	Regular salaries	\$10,657,540

Increase of unassigned fund balance:		
10000-2500400000-370100	Unassigned fund balance	10,657,540

Increase appropriations:		
10000-2500100000-510040	Regular salaries	1,096,751

Use of unassigned fund balance:		
10000-2500100000-370100	Unassigned fund balance	1,096,751

Increase appropriations:		
10000-2500200000-510040	Regular salaries	991,479

Use of unassigned fund balance:		
10000-2500200000-370100	Unassigned fund balance	991,479

Increase appropriations:		
10000-2500300000-510040	Regular salaries	2,640,478

Use of unassigned fund balance:		
10000-2500300000-370100	Unassigned fund balance	2,640,478

Increase appropriations:		
10000-2500500000-510040	Regular salaries	1,401,275

Use of unassigned fund balance:		
10000-2500500000-370100	Unassigned fund balance	1,401,275

Increase appropriations:		
10000-2500600000-510040	Regular salaries	50,094

Use of unassigned fund balance:		
10000-2500600000-370100	Unassigned fund balance	50,094
Increase appropriations:		
10000-2500700000-510040	Regular salaries	1,809,142
Use of unassigned fund balance:		
10000-2500700000-370100	Unassigned fund balance	1,809,142
Increase appropriations:		
10000-2501000000-510040	Regular salaries	2,124,983
Use of unassigned fund balance:		
10000-2501000000-370100	Unassigned fund balance	2,124,983
Increase appropriations:		
10000-2501100000-510040	Regular salaries	543,338
Use of unassigned fund balance:		
10000-2501100000-370100	Unassigned fund balance	543,338

**Recommendation 6:** That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and use of restricted fund balance for the Sheriff by \$3,850,000, as follows:

Increase appropriations:		
10000-2500300000-510040	Regular salaries	\$1,500,000
Use of restricted fund balance:		
11026-2500300000-321139	Restricted for federal equity share	1,500,000
Increase appropriations:		
10000-2500400000-510040	Regular salaries	2,350,000
Release of committed fund balance:		
11085-2500400000-330132	Committed for booking fee recovery	2,350,000

**Recommendation 7:** That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and use of unassigned fund balance for Behavioral Health by \$747,000, as follows:

Increase appropriations:		
10000-4100100000-510040	Regular salaries	\$340,900
10000-4100100000-518100	Budgeted benefits	<u>146,100</u>
	Total	487,000
Anticipated use of unassigned fund balance:		
10000-4100100000-370100	Unassigned fund balance	487,000

## Increase appropriations:

10000-4100200000-510040	Regular salaries	182,000
10000-4100200000-518100	Budgeted benefits	<u>78,000</u>
	Total	260,000

## Anticipated use of unassigned fund balance:

10000-4100200000-370100	Unassigned fund balance	260,000
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**Recommendation 8:** That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and use of unassigned fund balance for the Public Defender by \$4,362,209, as follows:

## Increase appropriations:

10000-2400100000-510040	Regular salaries	\$2,660,546
10000-2400100000-515040	Flex benefit plan	<u>1,701,663</u>
	Total	4,362,209

## Anticipated use of unassigned fund balance:

10000-2400100000-370100	Unassigned fund balance	4,362,209
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**Recommendation 9:** That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and use of unassigned fund balance for the District Attorney by \$6,119,000, as follows:

## Increase appropriations:

10000-2200100000-510040	Regular salaries	\$4,166,720
10000-2200100000-515040	Flex benefit plan	<u>1,952,280</u>
	Total	6,119,000

## Anticipated use of unassigned fund balance:

10000-2200100000-370100	Unassigned fund balance	6,119,000
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**Recommendation 10:** That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments releasing unassigned fund balance for budget stabilization and increasing unassigned fund balance by \$21,278,209, as follows:

## Release unassigned fund balance:

10000-1000100000-370106	Unassigned fund balance for budget stabilization	\$21,278,209
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## Increase unassigned fund balance:

10000-1000100000-370100	Unassigned fund balance	21,278,209
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**Attachment A2 Recommended Additional Budget Adjustments (4/5ths Vote)**

**Recommendation 11:** That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments 1) decreasing appropriations for Contributions to Other Funds and estimated revenue for the Medical Center by \$3,700,000; 2) releasing unassigned fund balance for budget stabilization and increasing unassigned fund balance by \$4,000,000; and, increasing appropriations for the Executive Office by \$7,700,000, as follows:

Decrease estimated revenue:		
40050-4300100000-790600	Contribution from other county funds	\$3,700,000
Anticipated decrease of net assets:		
40050-4300100000-380100	Unrestricted net assets	3,700,000
Decrease appropriations:		
10000-1101000000-551100	Contributions to other funds	3,700,000
Decrease use of unassigned fund balance:		
10000-1101000000-370100	Unassigned fund balance	3,700,000
Release unassigned fund balance:		
10000-1000100000-370106	Unassigned fund balance for budget stabilization	4,000,000
Increase unassigned fund balance:		
10000-1000100000-370100	Unassigned fund balance	4,000,000
Increase appropriations:		
10000-1100100000-524660	Consultants	7,700,000
Anticipated use of unassigned fund balance:		
10000-1100100000-370100	Unassigned fund balance	7,700,000

RESOLUTION NO. 440-9062

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY RIVERSIDE  
AMENDING ORDINANCE NO. 440

BE IT RESOLVED by the Board of Supervisors of the County of Riverside, State of California, in regular session assembled on July 25, 2017, that pursuant to Section 4(a)(ii) of Ordinance No. 440, the Executive Office is authorized to make the following listed change(s), operative on the date of approval, as follows:

<u>Job code</u>	<u>+/-</u>	<u>Department ID</u>	<u>Class Title</u>	<u>Type</u>
74183	+1	1900400000	Development Specialist I	Regular
74089	+1	1100100000	Admin Services Asst - CN	Regular
74775	+1	1130100000	Assistant HR Director	Regular
13871	+1,618	1131800000	Temporary Assistant	Temporary
13883	+19	1131800000	Temporary Asst Exempt	Temporary
13884	+73	1131800000	Temporary Asst Exempt PD	Temporary
13886	+641	1131800000	Temporary Asst - PD	Temporary
13894	+241	1131800000	Temporary Asst - Student Intern	Temporary
13895	+19	1131800000	Temp Asst - Executive	Temporary
13896	+150	1131800000	Temp Asst - Prof Student Intern	Temporary
13897	+400	1131800000	Temporary Assistant - PD - On Call	Temporary
13899	+50	1131800000	Temporary Assistant - SR	Temporary
13900	+650	1131800000	Temporary Assistant - PD - SEIU	Temporary
13905	+100	1131800000	Temporary Assistant Title V	Temporary
78642	+100	1131800000	Commission/Advisory Group Member	Temporary
37565	-2	2400100000	Public Defender Investigator III	Regular
78506	-1	2400100000	Paralegal II	Regular
78553	-4	2400100000	Dep Public Defender III	Regular
78554	-2	2400100000	Dep Public Defender IV	Regular
78557	-1	2400100000	Asst Public Defender	Regular

Approved by Michael T. Stock  
Asst. County Executive Officer/  
Human Resources Director

2 RESOLUTION NO. 440 – 9062

3 A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE  
4 AMENDING ORDINANCE NO. 440

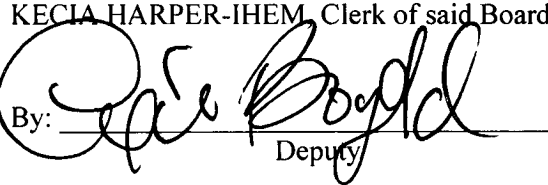
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7 ADOPTED by Riverside County Board of Supervisors on July 25, 2017.

8 ROLL CALL:

9  
10 Ayes: Tavaglione, Washington, Perez and Ashley  
11 Nays: Jeffries  
12 Absent: None

13  
14 The foregoing is certified to be a true copy of a resolution duly adopted by said Board of  
15 Supervisors on the date therein set forth.

16 KECIA HARPER-IHEM, Clerk of said Board

17 By:  Deputy  
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07.25.17 18.2

*Clerk's Copy*

# County Of Riverside Fiscal Year 2017/18 Adjustments to Recommended Budget

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PRESENTED BY THE  
COUNTY EXECUTIVE OFFICE  
JULY 25, 2017

07.25.2017  
18.2

# Outline

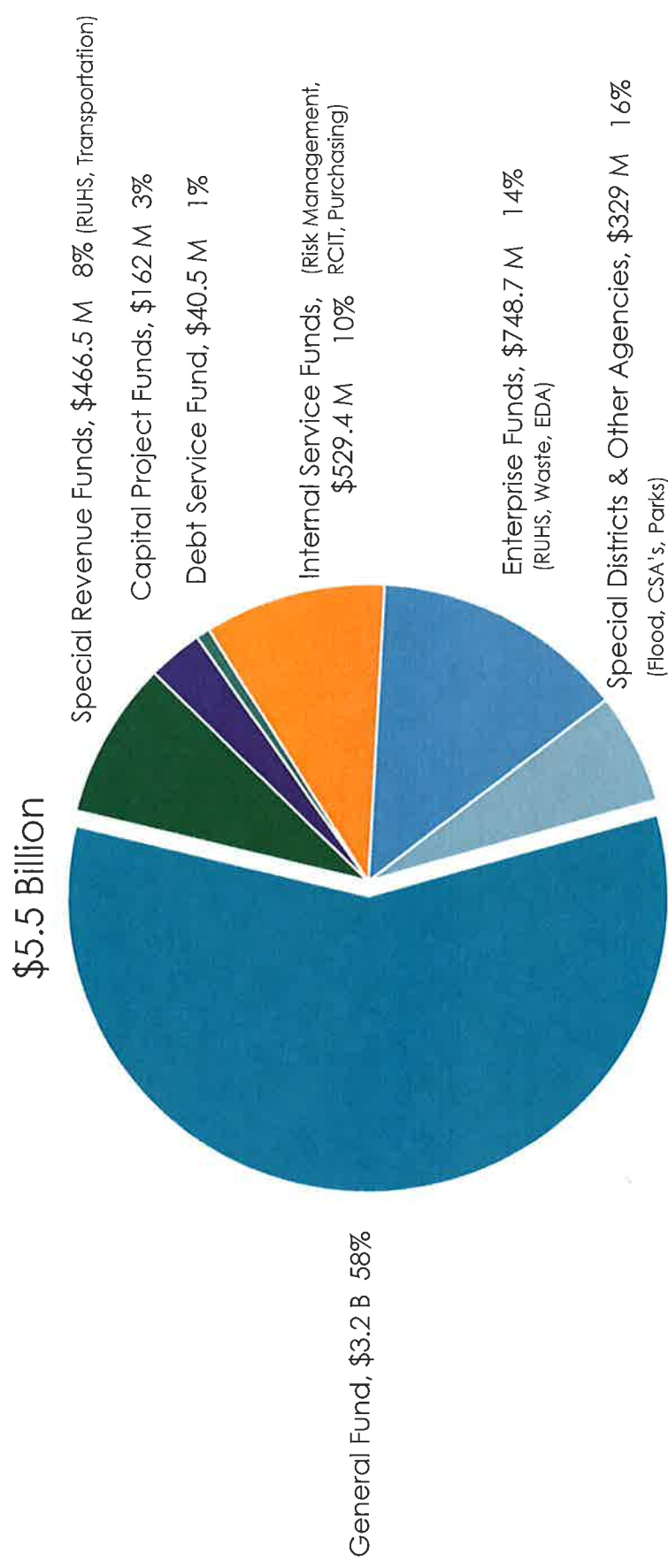
- ❖ Purpose
- ❖ Budget Overview
- ❖ Discretionary Revenue
- ❖ Recommendations from Hearings
- ❖ Other Requests
- ❖ CEO's Revised Recommendations
- ❖ Technical Adjustments
- ❖ Multi-year Forecast with Revised Recommendations
- ❖ Projected Future Capacity
- ❖ What If Scenario
- ❖ Other Considerations
- ❖ Conclusion



# Purpose

- ❖ The purpose of the board item is to amend and finalize the FY 17/18 Recommended Budget.
- ❖ Review additional spending cuts or additions.
- ❖ Provide additional policy direction.

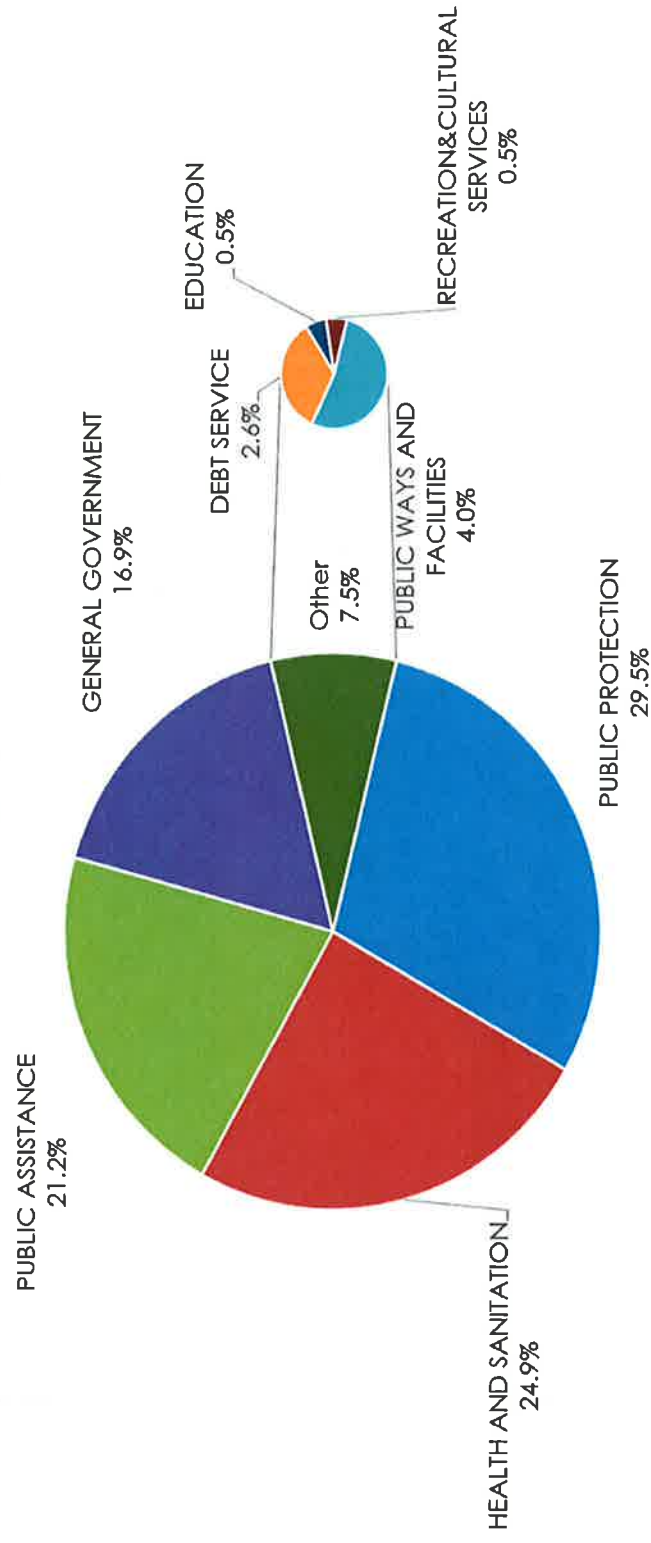
# Total County Budget by Fund Type



# Total County Budget by Function

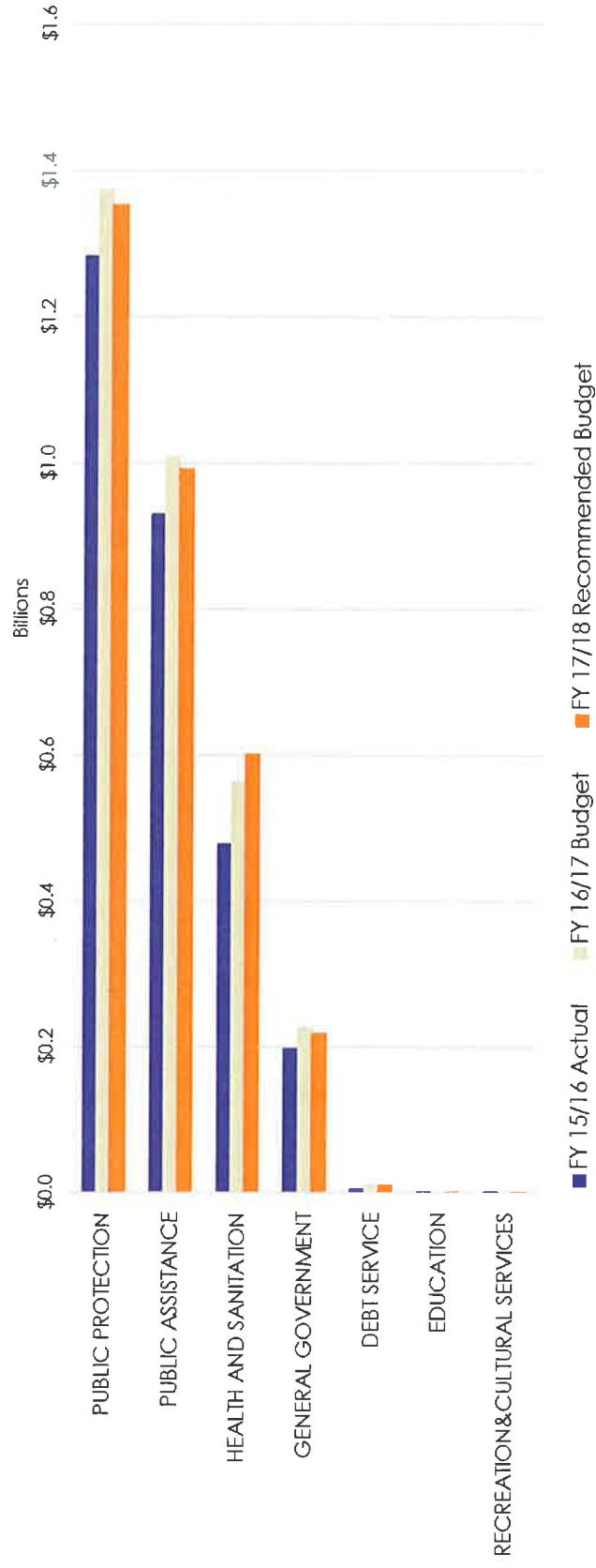
\$5.5 Billion

FY 17/18 Total Appropriations by Function



# General Fund \$3.2 Billion

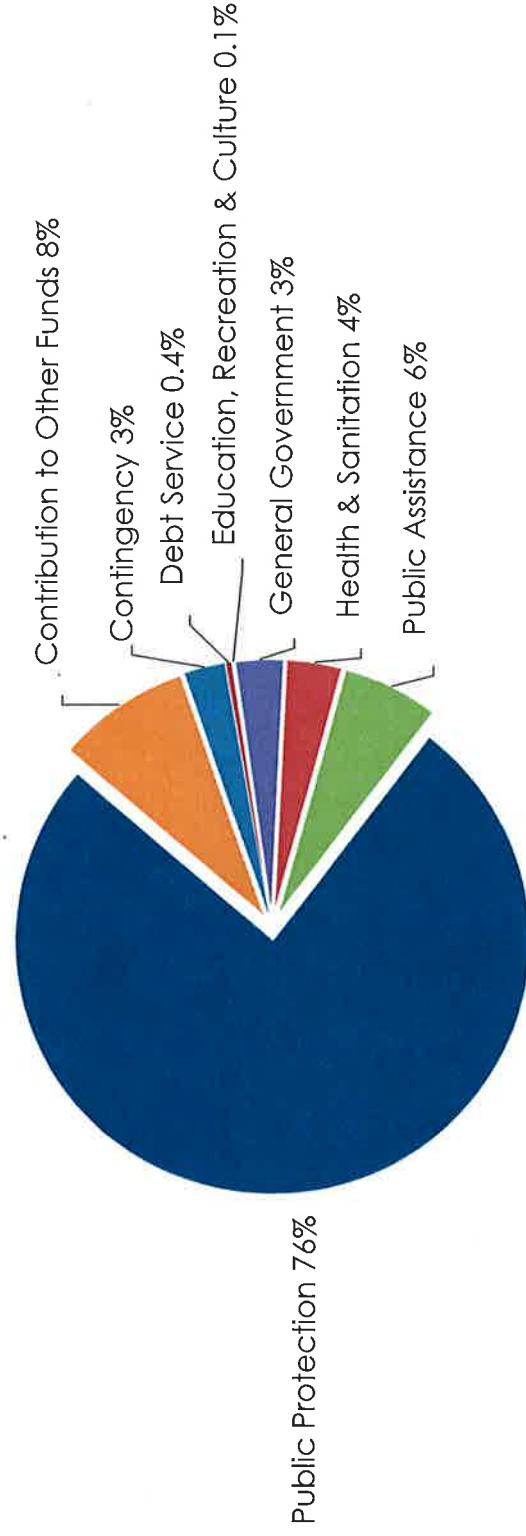
Comparison of General Fund Appropriations by Function  
FY 15/16 to FY 17/18



# Discretionary Budget Expenditures

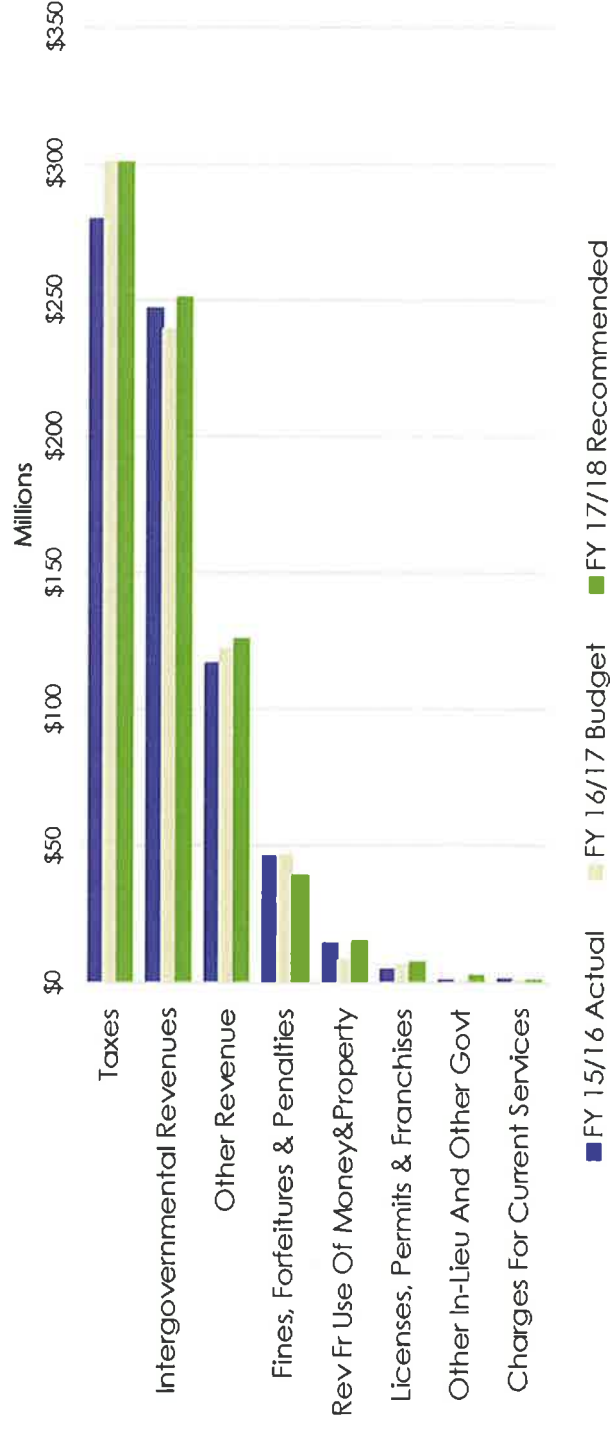
\$788M

FY17/18 NCC Recommended



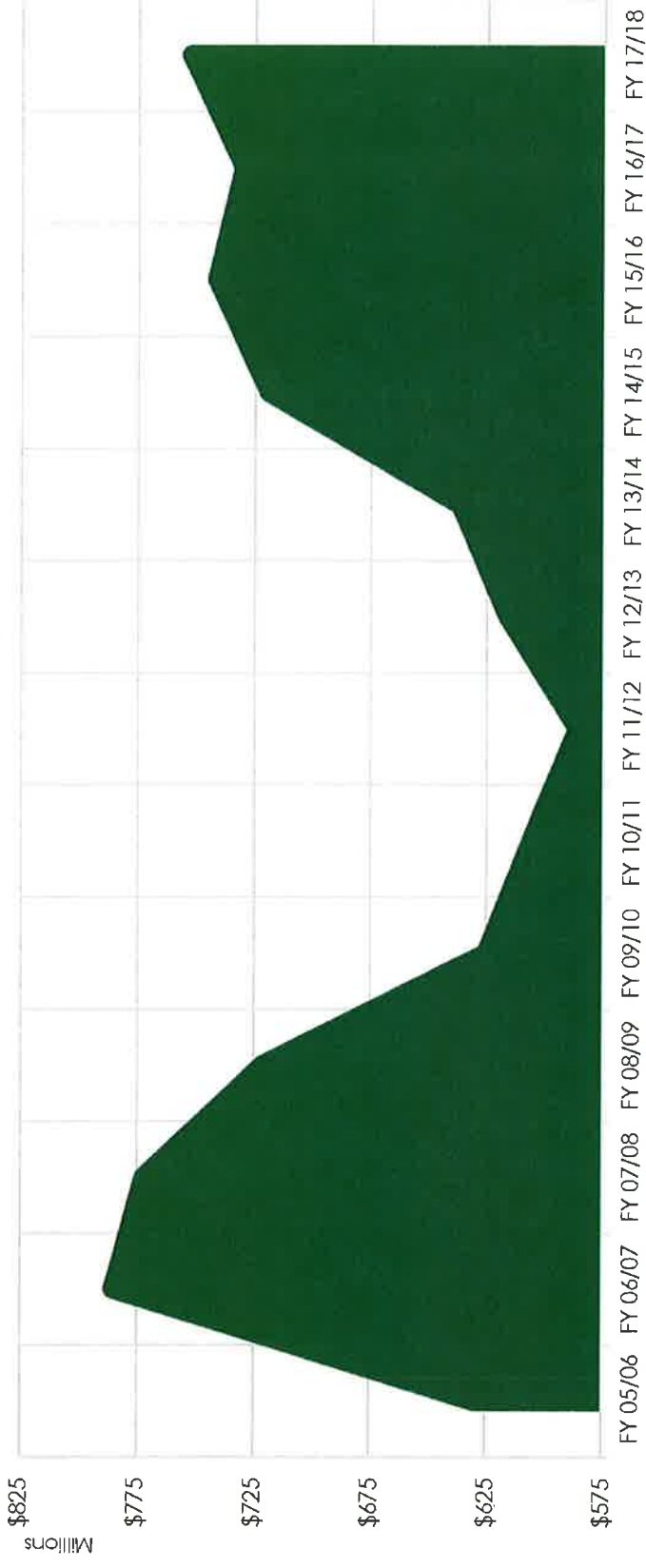
# Discretionary Revenues

Discretionary General Fund Revenue  
FY 15/16 to FY 17/18



# Discretionary Revenue Trend

General Fund Discretionary Revenue



# Additional Recommendations Presented in Hearings

## Recommended by CEO:

- ❖ District Attorney (Restore 6.5% Cut)
- ❖ Public Defender (Restore 6.5% Cut)
- ❖ Sheriff (JJBDC/ Gray Case)
- ❖ DPSS CalFresh
- ❖ Workday/KPMG Efforts

4.119  
2.371  
10.000  
2.250  
4.000  
\$22.740

## Other Requests

- ❖ Sheriff
- ❖ District Attorney
- ❖ Public Defender
- ❖ DPSS
- ❖ RUHS-Behavioral Health
- ❖ Economic Development Agency
- ❖ Community Centers
- ❖ Community appeal for funding

50.300  
15.600  
6.500  
1.600  
2.800  
0.800  
0.065  
0.150  
\$77.815



# Revised Recommendations List

## Revised Recommendations of CEO:

❖ District Attorney (Restore 6.5% Cut + \$2M)	6.119
❖ Public Defender (Restore 6.5% Cut + \$1.8M)	4.362
❖ Sheriff (JJBDC/ Gray Case)	10.000
❖ DPSS CalFresh	2.250
❖ Workday/KPMG Efforts (1 year advance – not ongoing)	4.000
❖ Public Guardian (Restore 6.5% Cut + Reinforce service level)	0.487
❖ Behavioral Health	0.260
❖ Economic Development Agency	0.800
❖ Community Centers	0.065
	<u>\$28.343</u>

# Recommendation for Public Defender

- ❖ Restores 6.5% Cut.
- ❖ Adds additional \$1.8M.
- ❖ Deletes certain vacant positions to assure savings.
- ❖ Funds all on-board staff plus remaining vacancies.
- ❖ Funded vacancies targeted to enable implementing KPMG staffing restructure.
- ❖ Remaining gap manageable with anticipated cost savings.
- ❖ Same approach recommended going forward with D.A.

# Technical Adjustments

Other technical budget adjustments requested by departments that entail no net impact are also included:

## ❖ Sheriff

- Shifting appropriations between budget units
- Use of Sub-funds

\$10.658

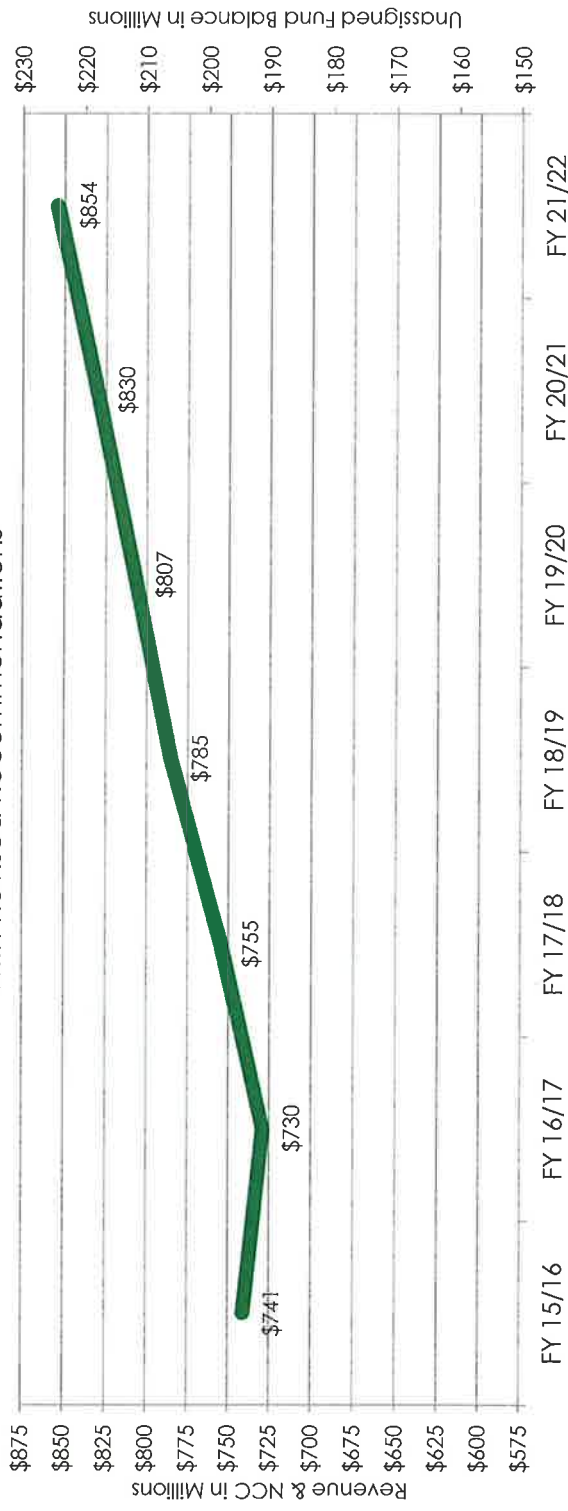
3.850

0.111

## ❖ Environmental Health (Recognizing a grant)

# Projected Discretionary Revenue

Multi-Year Discretionary Funding Forecast  
With Revised Recommendations

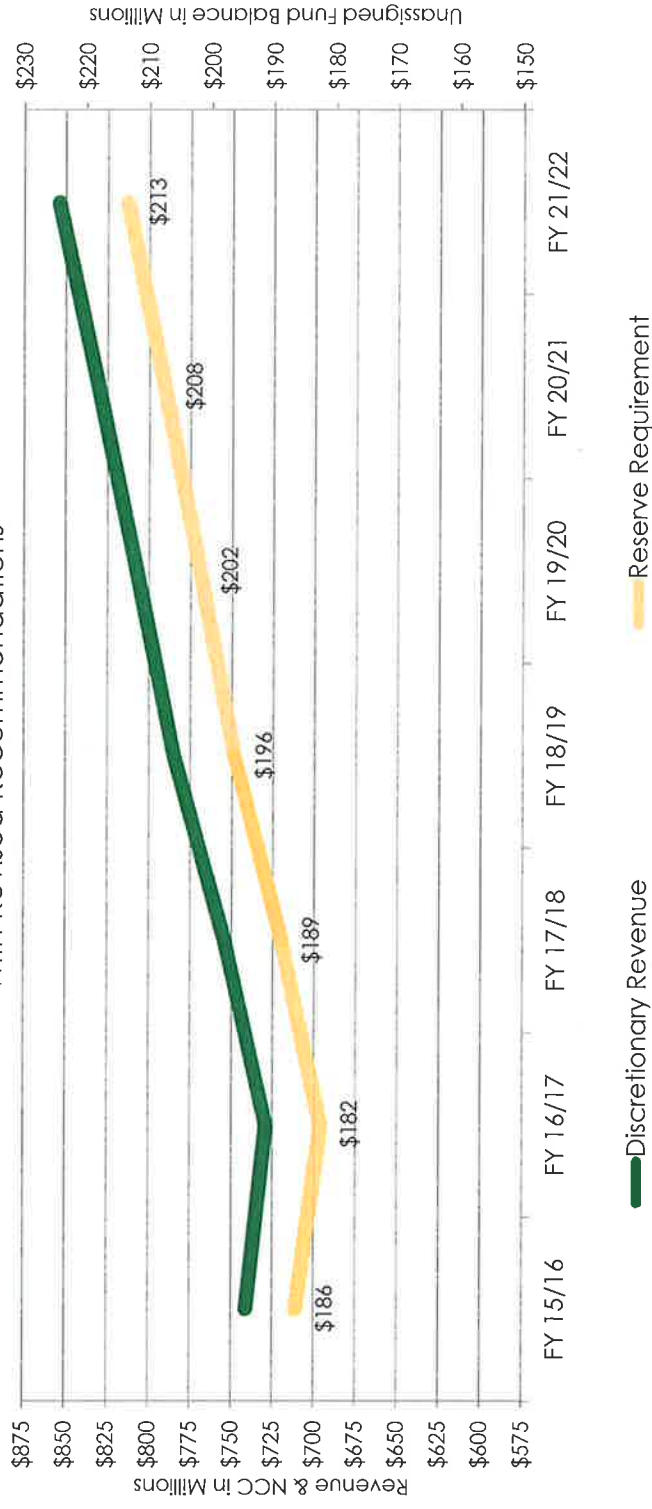


— Discretionary Revenue

\*Includes 17/18 Tax Roll

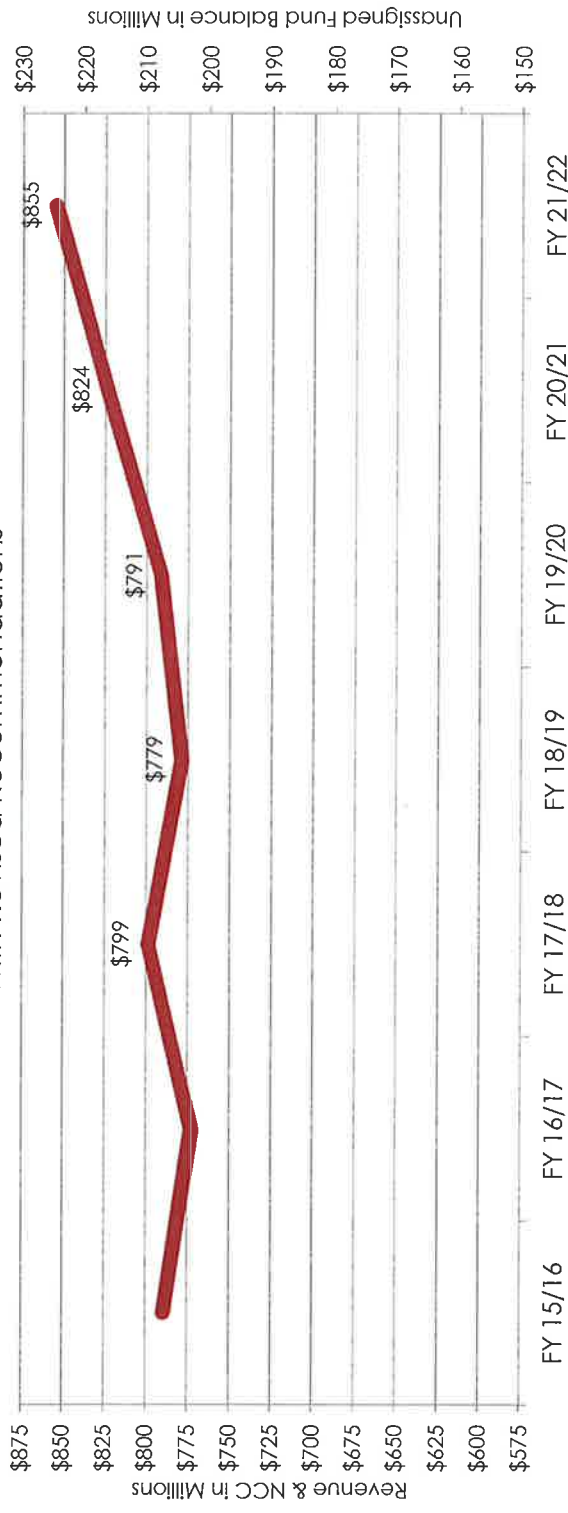
# Reserve Requirement (25% of Discretionary Revenue)

Multi-Year Discretionary Funding Forecast  
With Revised Recommendations



# Projected Net County Costs

Multi-Year Discretionary Funding Forecast  
With Revised Recommendations



— Net County Cost

\*17/18 spike due to use of sub-funds

# Projected Impact on GF Fund Balance

Multi-Year Discretionary Funding Forecast  
With Revised Recommendations



# Multi-Year Forecast

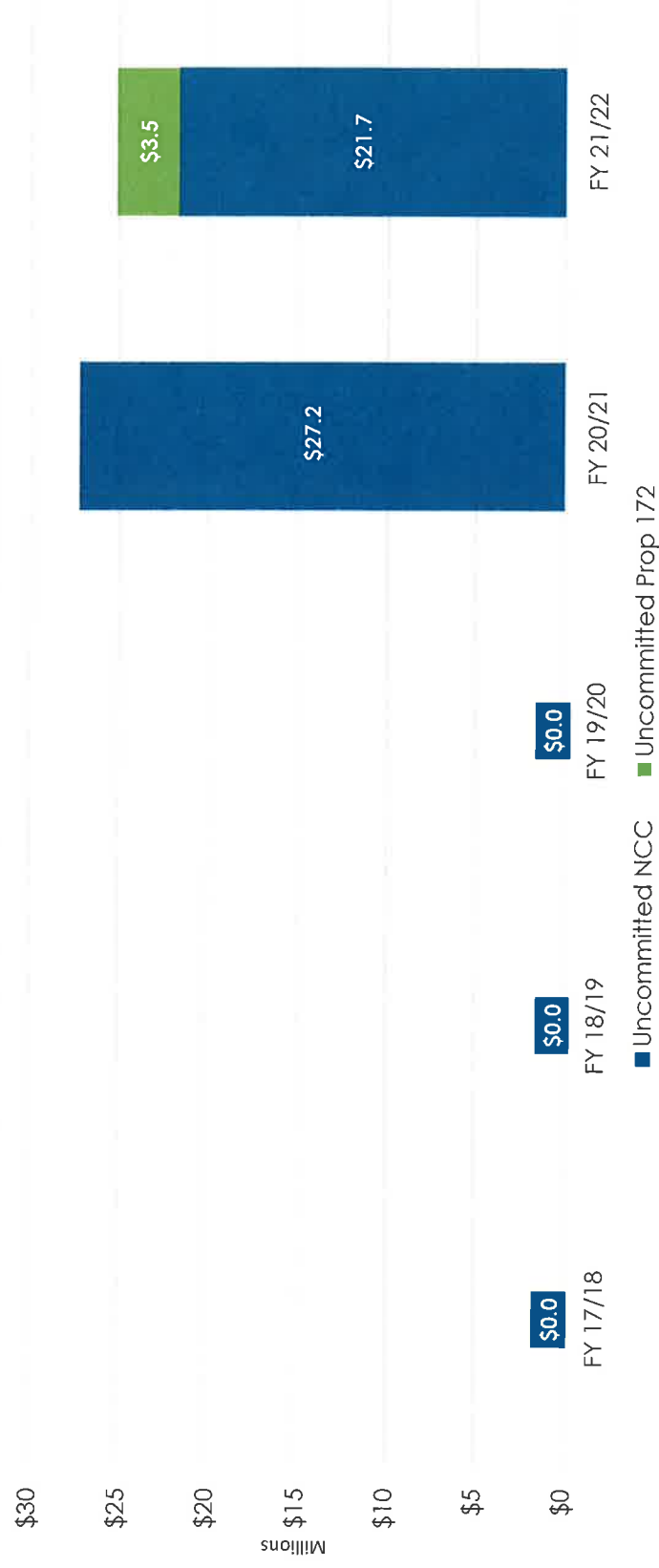
Multi-Year Discretionary Funding Forecast  
With Revised Recommendations





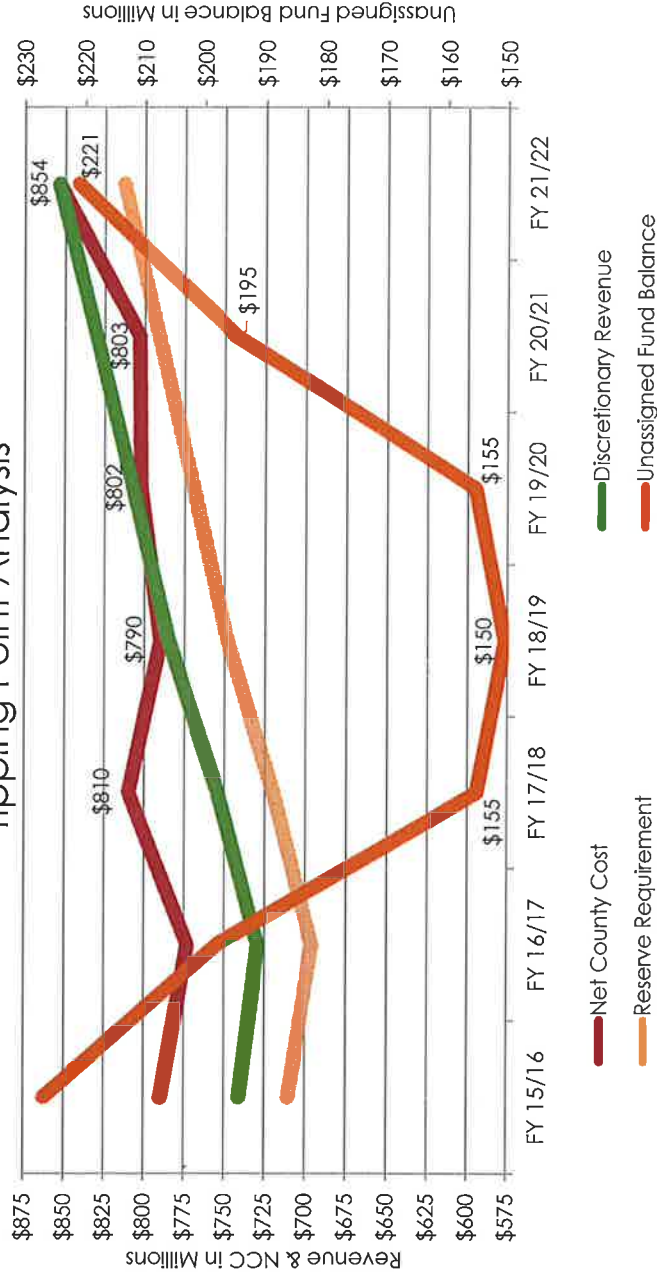
# Projected Future Capacity

Forecast Annual Growth of Potential Uncommitted Resources



# What If Scenario

Multi-Year Discretionary Funding Forecast  
Tipping Point Analysis



- \$11M in additional NCC:
- ❖ Pushes fund balance to Board's reserve limit
  - ❖ Replenishment delayed to FY 21/22
  - ❖ Structural balance delayed

# Other Considerations

## ❖ Financial & budgetary controls:

- Position control
- Eliminate “just-in-time financing”
- Earlier recognition of budget issues

## ❖ If revenue growth rises above 3%:

- Replenish general reserves
- One-time expenditures

# Recommendations

**IT IS RECOMMENDED** the Board of Supervisors:

- 1) Approve the adjustments to the recommended budget listed in Attachment A1 (3/5ths vote);
- 2) Approve the adjustments to the recommended budget specific to funding a contract amendment for KPMG listed in Attachment A2 (4/5ths vote);
- 3) Approve Resolution No. 440-9062 containing amendments of Ordinance 440 and Budget Schedule 20 listed in Attachment B; and,
- 4) Direct the Executive Office to return to the Board on September 26, 2017, with the schedules necessary to adopt formally the FY 17/18 budget.