

Proposed Budget Hearings FY 2019-2020

June 4 & 5, 2019

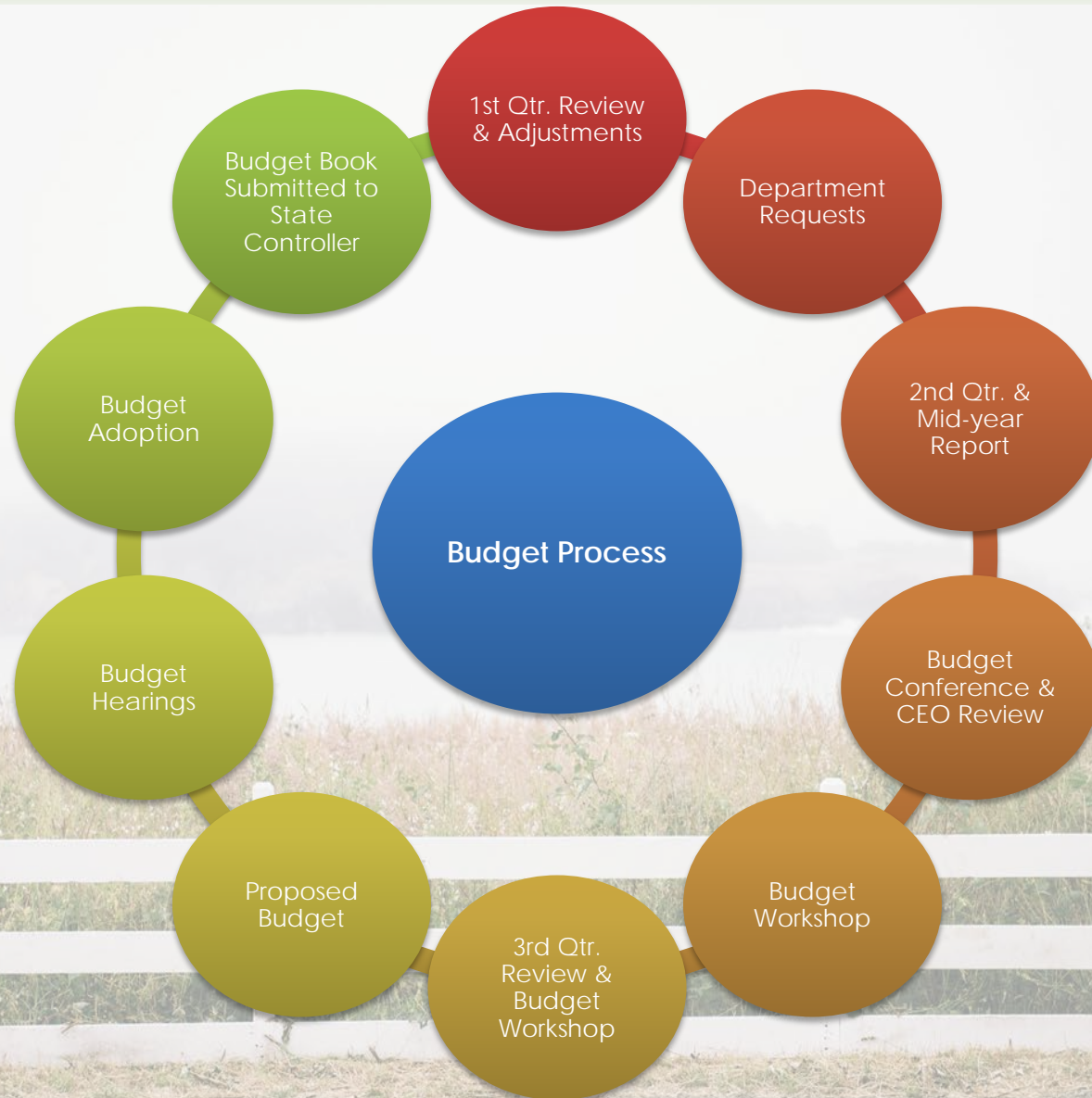
CHIEF EXECUTIVE OFFICER: CARMEL J. ANGELO



Presentation Overview

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Budget Process



Budget Calendar

Board Related Dates in **Bold**

- **January 8, 2019 - Resolution 19-003 regarding budgetary authority**
- February 2019 – Departments submit 2nd Quarter Mid-Year Projections
- February 2019 – Departments submit Facility Modification and Fixed Assets Requests to Facilities and Fleet
- March 6, 2019 – FY 2019-20 Department Budget Kick Off Meeting
- **March 26, 2019 – FY 2018-19 Mid-Year (2nd Quarter) Budget Report & FY 2019-20 Budget Planning Workshop**
- March 2019 – Budget Instructions and Net County Cost Assignments distributed
- March - April 2019 – Deadlines for Departmental submissions, budget & grant narrative submissions; Executive Office/Auditor-Controller Budget Conferences
- April 4-5, 10-11, 2019 Department Budget Conferences
- **April 16, 2019 – FY 2019-20 Budget Planning Workshop**
- **May 7, 2019 – FY 2018-19 3rd Quarter Report & FY 2019-20 Budget Planning Workshop**
- May 24, 2019 – CEO Recommendations for Proposed Budget Published
- **June 4-5, 2019 – Final Budget Hearings for FY 2019-20**
- **June 18, 2019 – Adoption of Final Budget for FY 2019-20**

Legislative Update

- State Fiscal Outlook
- Emergency Preparedness and Response
- Homelessness and Housing
- Health and Human Services
- Administration of Justice
- Agriculture, Environmental & Natural Resources
- Federal Budget Update

FY 2019-20 Budget Highlights

- Employee Compensation
- Disaster Recovery
- Capital Improvements
- IT Infrastructure Investments
- Economic Development
- Support for Emergency Medical Services
- Homeless Issues
- Community Partners
- Cannabis Program
- Unfunded Budget Priorities

Discretionary Revenue (BU 1000)

Exhibit A
County of Mendocino
BU 1000 Revenue Forecast For Fiscal Year 2019-20

Revenue Description		2015/16 Adopted Budget	2015/16 Actual	2016/17 Adopted Budget	2016/17 Actual	2017/18 Adopted Budget	2017/18 Actual	2018/19 Adopted Budget	2018/19 Actual thru 3/31/2019	2018/19 Projected Auditor	2019/20 Estimated Auditor
Current Secured Property Tax	821110	30,500,000	30,730,136	31,526,000	32,080,502	31,950,000	33,595,380	33,000,000	19,707,216	34,750,000	36,000,000
Current Unsecured Property Tax	821120	960,000	1,005,803	1,000,000	1,029,521	1,000,000	967,268	1,000,000	998,280	1,025,000	1,000,000
Current Supplemental Roll Taxes	821130	250,000	327,276	250,000	346,415	350,000	440,086	350,000	565,972	700,000	700,000
Prior Year Secured Taxes	821210	-	(2,731)	-	(8,880)	-	-	-	-	-	-
Prior Year Unsecured Taxes	821220	50,000	44,674	50,000	75,106	50,000	(28,094)	50,000	33,410	50,000	50,000
Penalties & Cost on Delinquent Taxes	821400	600,000	696,543	650,000	656,868	650,000	949,794	650,000	84,010	650,000	700,000
Sales and Use Tax - County 1% Share	821500	4,700,000	5,325,470	4,100,000	5,920,131	5,875,000	6,382,048	6,100,000	3,974,019	6,400,000	6,500,000
Sales and Use Tax - Public Safety	821510	7,200,000	6,888,143	-	-	-	-	-	-	-	-
Timber Yield Taxes	821600	300,000	381,912	325,000	344,086	375,000	662,781	500,000	672,477	800,000	800,000
Highway Property Rentals	821700	-	-	-	-	-	-	-	-	-	-
Room Occupancy Tax	821701	4,400,000	4,944,101	4,900,000	5,152,109	5,200,000	5,682,028	5,650,000	3,429,204	5,900,000	6,000,000
Property Transfer Tax	821702	500,000	791,430	600,000	656,145	600,000	668,839	700,000	434,193	600,000	600,000
Property Tax In Lieu of VLF Revenues	821704	10,517,000	10,516,886	10,750,000	10,812,410	10,950,000	11,340,056	11,300,000	5,898,530	11,797,000	11,800,000
Property Tax In Lieu of Sales Tax (Triple Flip)	821705	554,200	554,203	-	-	-	-	-	-	-	-
Williamson Act Replacement Tax	821706	450,000	487,555	480,000	522,064	525,000	487,259	550,000	319,310	580,000	580,000
Cannabis Tax Revenue	821707	-	-	-	79,868	1,708,349	1,296,125	1,050,000	1,011,050	1,500,000	1,500,000
Franchise Fees	822210	750,000	777,701	750,000	793,287	800,000	871,804	800,000	97,173	800,000	800,000
Forfeiture and Penalties	823300	-	-	-	-	-	-	-	-	-	-
Interest Income	824100	100,000	218,285	110,000	403,145	200,000	807,487	500,000	384,979	1,000,000	1,000,000
Motor Vehicle In Lieu	825150	30,000	29,876	30,000	33,047	35,000	39,161	40,000	35,807	40,000	36,000
SB90 Reimbursement (State Mandated Cost)	825398	-	-	-	-	-	-	-	-	-	-
Homeowner's Property Tax Exemption	825481	300,000	295,028	300,000	286,242	300,000	282,441	320,000	139,476	280,000	300,000
State Other: (State Roundabout Tax Shift)	825490	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000
Federal Grazing Fees	825650	-	1,421	-	1,819	-	930	-	-	-	-
Federal Land In Lieu Taxes	825660	558,500	606,453	550,000	630,421	630,000	641,536	640,000	810,909	811,000	800,000
Federal Other	825670	1,300	1,301	1,200	1,349	1,350	92	1,000	-	-	-
Other Government Agency Revenue (County RDA return)	825810	-	-	-	-	-	-	-	-	-	-
Solid Waste Fee	826315	-	-	-	-	-	-	-	-	-	-
County Cost Plan Charges/Property Tax Admin Fee	826402	1,067,800	1,025,866	1,310,665	1,352,057	2,372,917	2,467,399	2,600,000	1,029,850	2,600,000	2,600,000
Prior Year Revenue	827400	223,000	264,979	-	6,408	-	816	-	23	-	-
Sale of Fixed Assets	827500	-	45,034	-	35,580	-	-	-	2,000	2,000	-
Card Rebate Programs - US Bank & Bank of America	827700	56,700	58,322	55,000	87,521	75,000	92,823	80,000	213,914	260,000	90,000
Refund Jury & Witness Fees	827701	-	45	-	275	-	35	-	-	-	-
Tobacco Settlement Funds	827715	765,700	757,118	760,000	778,697	760,000	956,820	780,000	(27,162)	800,000	900,000
Operating Transfers In (Mental Health A-87 move to 826402)	827802	138,100	138,190	-	-	-	-	-	-	-	-
Total		65,102,300	67,041,020	58,627,865	62,206,394	64,537,616	68,736,894	66,791,000	39,944,640	71,475,000	72,886,000
Public Safety Sales Tax (Prop 172 only)											
BU 1000 Non Dept.Sales and Use Tax - Public Safety Prop 172	821510	7,200,000	6,888,143	-	-	-	-	-	-	-	-
BU 2070 DA Sales and Use Tax - Public Safety Prop 172	821510	-	-	690,109	696,926	734,082	755,152	755,053	465,168	755,053	792,000
BU 2310 Sheriff Sales and Use Tax - Public Safety Prop 172	821510	-	-	2,943,421	2,972,689	3,131,042	3,216,947	3,198,741	1,983,941	3,198,741	3,378,550
BU 2510 Jail Sales and Use Tax - Public Safety Prop 172	821510	-	-	2,229,131	2,251,396	2,371,277	2,436,120	2,422,492	1,502,492	2,422,492	2,558,700
BU 2560 Probation Sales and Use Tax - Public Safety Prop 172	821510	-	-	672,465	679,001	715,208	734,763	730,796	453,073	730,796	772,550
Fire Agencies Sales and Use Tax - Public Safety Prop 172	-	-	-	398,000	398,000	398,000	408,537	398,000	247,004	398,000	398,000
Total Prop 172 Funding:		7,200,000	6,888,143	6,933,126	6,998,002	7,349,609	7,551,519	7,505,082	4,651,678	7,505,082	7,899,800

Cannabis Minimum Tax

- Auditor-Controller, Treasurer-Tax Collector Update
 - Report on Cannabis Minimum Tax invoiced on April 15, 2019 to be collected by June 1, 2019
 - Report on Projected Cannabis Minimum Tax Revenue

HR Allocation Table

- Total Full and Part-time employees 1,130
- Total Full-Time equivalent allocated positions 1,415
 - Fund 3 FTE unfunded Positions
 - Add 32 FTE Positions
 - Delete 35.5 FTE Positions
 - Transfer 18 FTE Positions
 - Increase two .50 positions to 2.0 FTE positions
 - Net allocation change -2.5 Positions
- Please refer to Attachment E listed in the FY 2019-20 Proposed Budget Report.

Health & Public Safety Spending

HHSA

- \$2.5 million in new grant funding for homeless services
- \$5 million in new grant funding through the CoC
- \$26 million in contracts to support community-based services

Public Safety

- \$898,129 toward emergency medical services & on behalf of local fire agencies (dispatch)
- \$198,000 for grants to ambulance providers for Advanced Life Support (ALS)
- \$398,000 for support of local fire agencies

With the adoption of the FY 2019-20 Budget, the Board of Supervisors will have provided a total of \$3,524,828 in Proposition 172 and General Fund over three years to support fire and emergency services.

Mental Health Treatment Act

- FY 2018-19 Overview
 - Status Report on Citizen's Oversight Committee



Supporting Community Partners

- Work and Support for Community Partners continues to grow through Health and Human Services Agency and Disaster Recovery.
- Please refer to Attachment J listed in the FY 2019-20 Proposed Budget Report.

IT Master Plan

- Public Safety Communications



CEO FY 2019-20 Proposed Budget Actions and Recommendations

The Executive Office recommends that the Board of Supervisors take action as follows:

Approve the FY 2019-20 Chief Executive Officer's Proposed Budget for the County of Mendocino, including:

- Approve the adjustments detailed in the Summary of Budget Adjustments as outlined in Attachment B and the budget schedules included herein;
- Approve the Net County Cost Summary Table (Attachment C) directing the Auditor-Controller to return to the Board of Supervisors on June 18, 2019, with a formal resolution adopting the FY 2019-20 Mendocino County Budget based on the above direction;
- Approve amendments to the Position Allocation Table as listed in Attachment E, directing the Human Resources Director to return to the Board of Supervisors on June 18, 2019, with an updated Position Allocation Table;
- Approve the Fixed Assets and Structural Improvements as listed in Attachment G.

CEO FY 2019-20 Proposed Budget Actions and Recommendations

Fiscal Stability

No Recommendations at this time.

Financial Sustainability

No Recommendations at this time.

Organizational Development & Infrastructure

- Allocate under-projected revenue from Budget Unit 1000 at the end of FY 2018-19, \$1,533,009 toward labor negotiations.
- Allocate under-projected revenue from Budget Unit 1000 at the end of FY 2018-19, \$118,000 to Sheriff's Office for mandatory transparency staffing support.

Investment in County Roads

- Allocate \$3,538,241 of RMRA funding for corrective maintenance and use any available Road Fund, to implement prioritized corrective maintenance up to \$4 million.

Economic/Business Development

- Allocate \$40,000 for services to expand broadband coverage in Mendocino County. (Prior Trish Steele contract)
- Allocate \$32,000 to support the efforts of the Economic Development Financing Corporation (EDFC).
- Allocate \$32,000 to support the economic/business development efforts of West Company.
- Allocate \$25,000 to support the Mendocino County Arts Council.
- Allocate \$25,000 to support the Mendocino County Resource Conservation District.
- Allocate \$198,000 for grants to local ambulance providers (Anderson Valley, Covelo, and Laytonville).
- Allocate \$24,500 to support the Fire Safe Council.

Support for Emergency Services

- Allocate \$898,129 for the dispatch contract for fire and EMS services in the County.

Support Community Partners

- Allocate \$100,000 toward the Potter Valley Water (*FERC project #77*).
- Allocate \$398,000 of Proposition 172 funding to support fire agencies.

Proposed Unfunded Budget Priorities for FY 2019-20

		CEO Adjustments	BOS Priorities	Deferred	CEO Recommendations
Financial Sustainability	\$ 4,514,100	\$ 2,700,000	\$ 240,000	\$ 1,574,100	\$ -
• Cannabis Program Sustainability (County wide impact)	\$ 800,000			\$ 800,000	
• Juvenile Hall Sustainability	\$ 2,100,000	\$ 2,100,000			
• Probation Sustainability	\$ 460,000		\$ 200,000	\$ 260,000	
• Facilities - Preventative Maintenance (policy 33) Project to use FY 18/19 carryforward Courthouse settlement	\$ 254,100	\$ 100,000		\$ 154,100	
• ADA Transition Plan	\$ 400,000		\$ 40,000	\$ 360,000	
• Additional New Jail Costs (1.8M total est.) Project to use FY 18/19 carryforward	\$ 500,000	\$ 500,000			
Organizational Development	\$ 9,150,000	\$ 508,825	\$ 5,118,000	\$ -	\$ 1,651,009
• Operational efficiencies	- TBD -				
* Data driven decisions					
• Employee Salaries & Labor Negotiations	\$ 5,000,000		\$ 5,000,000		\$ 1,533,009
* KOFF Study					
• Sheriff Office - Mandate for Transparency (staffing request)	\$ 150,000		\$ 118,000		\$ 118,000
• IT Master Plan (ongoing/funding need) Project to use FY 18/19 carryforward	\$ 4,000,000	\$ 508,825			
• Broadband Development				XXX	
Economic/Business Development	\$ 780,000	\$ -	\$ -	\$ -	\$ -
• Solar / estimate to be covered by savings	- NET 0 -				
• Vehicle replacement (electric)	\$ 780,000				
Support for Emergency Services	\$ 3,000,000	\$ 500,000	\$ 2,000,000	\$ 500,000	\$ -
• Local Emergency Medical Services, Staffing Support	\$ 500,000			\$ 500,000	
• Disaster Recovery and Resiliency Project to use FY 18/19 carryforward	\$ 2,500,000	\$ 500,000	\$ 2,000,000		
* Emergency Preparedness (500K cameras FY 19/20)					
* Emergency Access Routes					
Support Community Partners	\$ 555,512	\$ -	\$ 440,512	\$ 115,000	\$ 100,000
• Potter Valley Water (FERC project #77)	\$ 150,000		\$ 150,000		\$ 100,000
• Climate Action Committee	\$ 110,512		\$ 110,512		
• Fire Safe Awareness/Forest Management	\$ 145,000		\$ 145,000		
• County Service Area 3 (CSA3)	\$ 150,000		\$ 35,000	\$ 115,000	\$ -
Estimated Annual Cost:	\$ 17,999,612	\$ 3,708,825	\$ 7,798,512	\$ 2,189,100	\$ 1,751,009
• Unfunded Department NCC requests	\$ 1,556,151	\$ -	\$ -	\$ -	\$ -
* Agriculture, Alternate Defender, Public Defender, Cannabis, Probation					
Total Estimated Annual Cost:	\$ 19,555,763	\$ 3,708,825	\$ 7,798,512	\$ 2,189,100	\$ 1,751,009

Department Presentations

Morning – June 4th

- County Counsel
- Human Resources
- Capital Improvement Plan, Facilities & Fleet
- Fire Recovery
- Agriculture
- Transportation
- Cannabis

Afternoon – June 4th

- Planning & Building Services
- Public Defender/
Alternate Defender
- District Attorney
- Probation/Juvenile Hall
 - Community Corrections Partnership
- Sheriff/Jail

Department Presentations

Morning – June 5th

- Health & Human Services Agency
- Water Agency
- Additional Funding Priorities
- Unanswered Questions & Budget Deliberations

Afternoon – June 5th

- Budget Deliberations Continued

Budget Hearings – FY 2019-2020

