



RECOMMENDED BUDGET OVERVIEW FY 2018-19

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FY 2017-18 HIGHLIGHTS

- ❑ Continued ongoing restoration of salary reductions and equity increases to employee groups
- ❑ Increased General Reserve by \$7 million
- ❑ \$12 million for specific Capital Projects
- ❑ \$1.9 million ongoing NCC for potential DA building lease obligation
- ❑ \$22.5 million for current and future Debt Service
- ❑ Department of Social Services entered into lease of first building at the Clovis campus





FY 2017-18 HIGHLIGHTS

- ❑ \$9 million for Pension Obligation Bond Lawsuit with the Federal Government
- ❑ Added 42 correctional officers under the final year of the Quentin Hall settlement staffing component
- ❑ Added 7 positions in the Public Defender's Office to address long-term staffing needs
- ❑ Auditor-Controller continued reconciliation of General Fund's Fund Balance and changed year end processing to align with financial reporting
- ❑ Broke ground on new West Annex Jail





GLOBAL PROTOCOLS USED



Budget historically normal revenue amounts

by not adjusting revenue estimates during economic cycles



Budget conservatively for discretionary revenue estimates

discretionary revenue estimates



Disciplined adherence

to structural fund balance target (NCC)



Use of one-time revenues for one-time purposes

such as reserves, future budgetary challenges, capital needs, and debt extinguishment



GLOBAL OVERVIEW (in thousands)



Fund Type	FY 2017-18	FY 2018-19
General	\$1,626,195	\$1,685,823
Special Revenue	1,089,125	1,177,202
Capital Projects	7,466	103,739
Debt Service	50,345	51,163
Enterprise	26,688	49,311
Internal Service	218,052	234,028
Total Recommended Budget	\$3,017,871	\$3,301,266

COUNTY GENERAL FUND



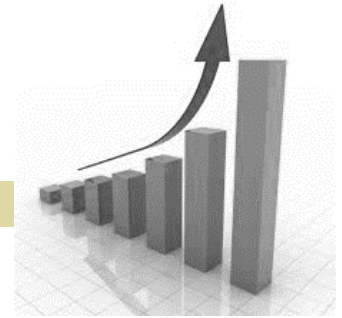
1

The County's main operating fund

2

Accounts for activity not required to be in special, business type, or trust funds

GENERAL FUND BUDGET FIVE YEAR HISTORY (in thousands)



Fiscal Year	Budget Amount
2014-15	\$1,395,286
2015-16	\$1,464,056
2016-17	\$1,477,397
2017-18	\$1,626,194
2018-19	\$1,685,823

GENERAL FUND

NET COUNTY COST (NCC) (in thousands)



Description	FY 2015-16	%	FY 2016-17	%	FY 2017-18	%	FY 2018-19	%
Justice Services	\$173,709	61	\$177,754	61	\$190,797	56	\$203,639	62
Human Services	47,583	17	47,368	16	41,930	12	43,225	13
Administration, Fiscal, & Debt	37,627	13	40,818	14	63,723	17	43,591	13
Land Use & Development	7,075	2	7,287	2	7,871	2	8,199	2
Capital Projects	0	0	5,000	2	20,000	8	13,000	4
Contingencies & Designations	<u>20,004</u>	<u>7</u>	<u>14,300</u>	<u>5</u>	<u>17,985</u>	<u>5</u>	<u>18,976</u>	<u>6</u>
Total NCC	\$285,998	100	\$292,527	100	\$342,306	100	\$330,630	100
General County Revenues	\$249,380		\$257,059		\$269,179		\$280,630	
Fund Balance	\$36,618		\$35,468		\$73,127		\$50,000	

GENERAL FUND STRUCTURAL NET COUNTY COST (NCC) (in thousands)



Description	FY 2016-17	%	FY 2017-18	%	FY 2018-19	%
Justice Services	\$176,860	66.6	\$189,889	68	\$199,658	69
Human Services	42,130	15.9	41,931	15	41,475	14
Administration, Fiscal, & Debt	38,835	14.6	37,681	14	39,668	14
Land Use & Development	7,286	2.7	7,872	2.8	8,199	2.8
Contingencies & Designations	<u>572</u>	<u>0.2</u>	<u>572</u>	<u>0.2</u>	<u>572</u>	<u>0.2</u>
Total NCC	\$265,683	100	\$277,945	100	\$289,572	100
General County Revenues	\$257,058		\$269,179		\$280,632	
Fund Balance	\$8,625		\$8,766		\$8,940	

GENERAL COUNTY REVENUES

(in thousands)



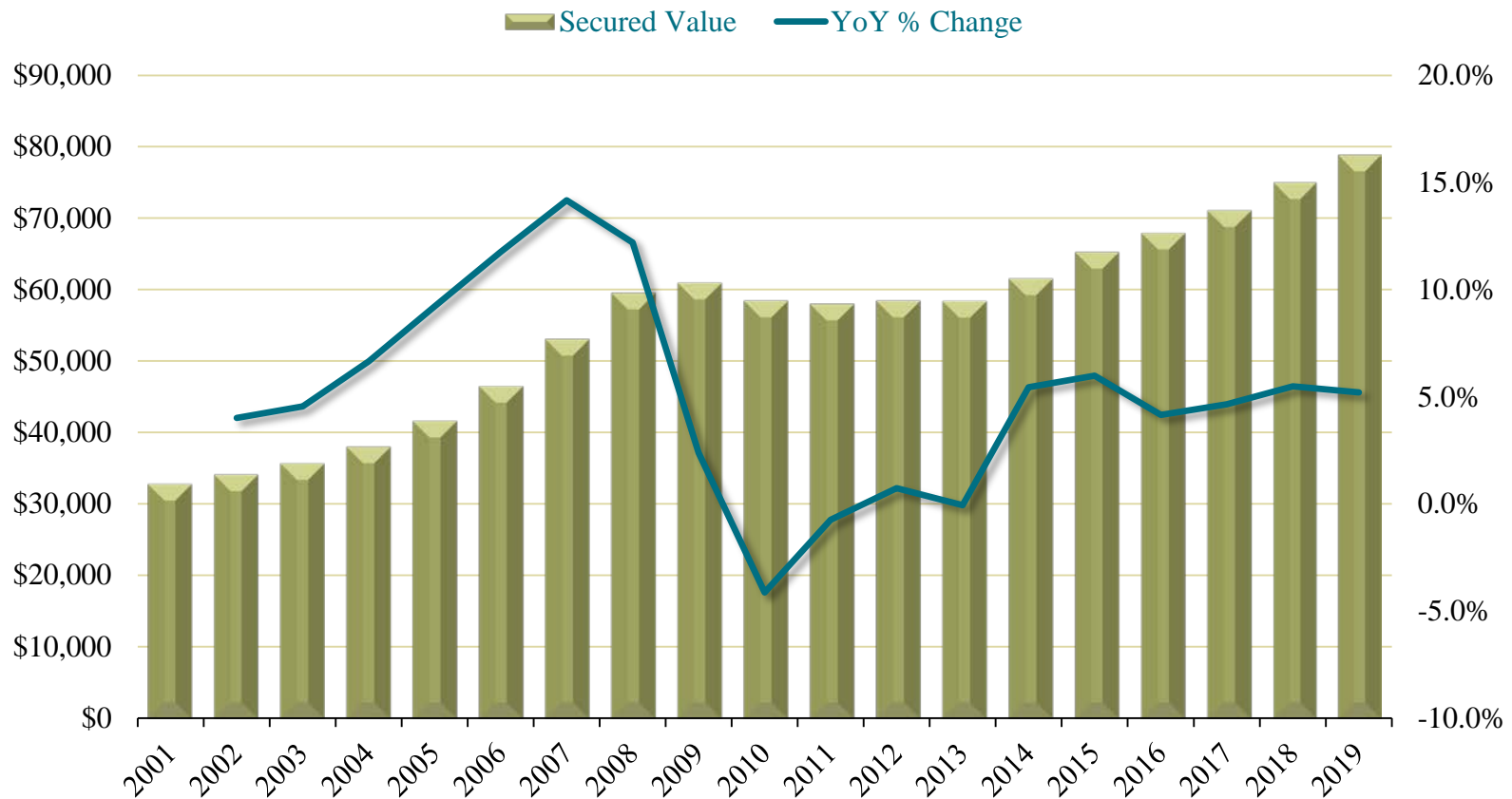
Description	FY 2016-17 Actual	FY 2017-18 Budgeted	FY 2017-18 Actual	FY 2018-19 Recommended	%
Secured Property Taxes	\$90,148	\$91,951	\$94,461	\$96,539	34.4
Property taxes in lieu of Motor Vehicle Fees	111,483	113,712	117,197	119,776	42.7
Local Sales Tax	27,710	23,170	25,044	23,170	8.2
All Other	<u>47,856</u>	<u>40,346</u>	<u>52,885</u>	<u>41,147</u>	14.7
Total	\$277,197	\$269,179	\$289,587	\$280,632	100

COUNTY GROSS SECURED VALUE (in millions)



Year	Gross Secured Value (In Millions)	YOY % Change
2004	\$38,056	6.6%
2005	\$41,565	9.2%
2006	\$46,449	11.8%
2007	\$53,029	14.2%
2008	\$59,499	12.2%
2009	\$60,909	2.4%
2010	\$58,391	-4.1%
2011	\$57,958	-0.7%
2012	\$58,379	0.7%
2013	\$58,343	-0.1%
2014	\$61,519	5.4%
2015	\$65,196	6.0%
2016	\$67,898	4.1%
2017	\$71,057	4.7%
2018	\$74,950	5.5%
2019	\$78,847	5.2%

COUNTY GROSS SECURED VALUE (in millions)



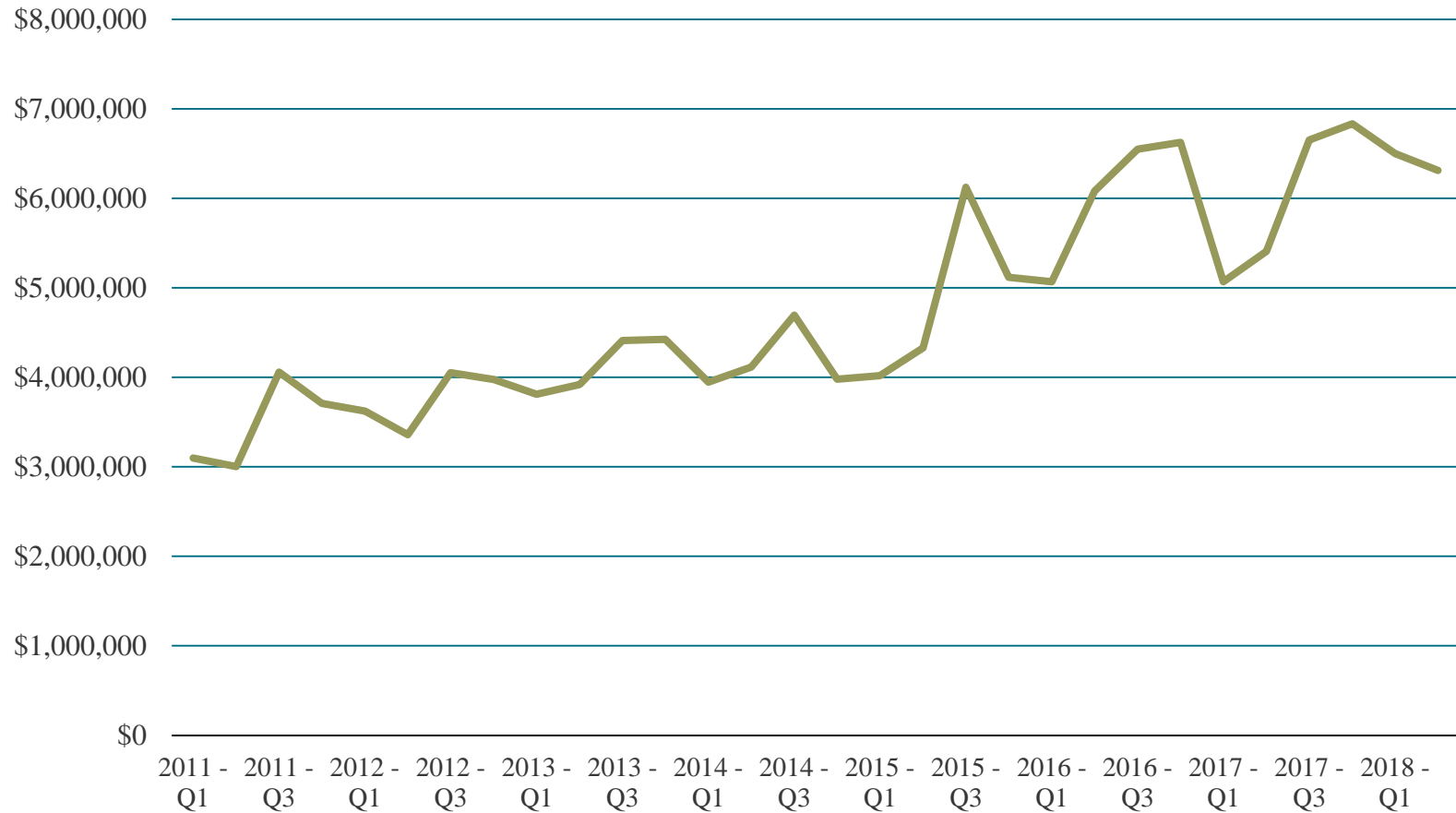


BUDGETING OF NORMAL REVENUE AMOUNTS

	PROPERTY TRANSFER FEES	SUPPLEMENTAL SECURED TAXES
BUDGETED 2018-19	\$2,000,000	\$1,000,000
ACTUAL 2017-18	\$3,477,096	\$2,011,594
ACTUAL 2016-17	\$3,302,177	\$1,797,214
ACTUAL 2015-16	\$3,213,554	\$1,419,924
ACTUAL 2014-15	\$2,732,293	\$1,438,551
ACTUAL 2013-14	\$2,764,554	\$2,183,950
ACTUAL 2012-13	\$2,449,690	\$1,060,973
ACTUAL 2011-12	\$1,966,852	\$509,896

GENERAL COUNTY REVENUES

LOCAL SALES TAX



RECAP OF ONGOING NCC GROWTH



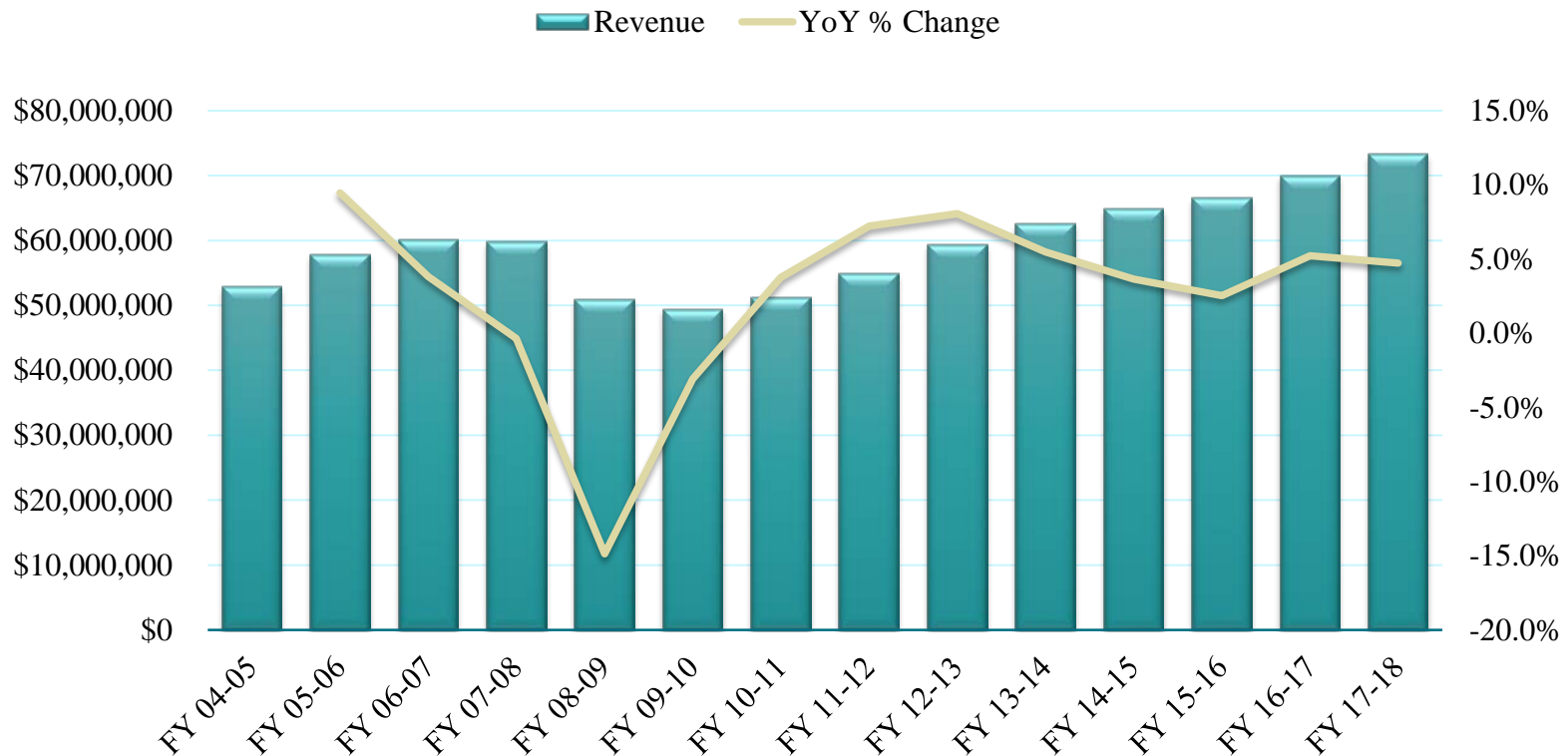
Growth in Estimated General County Revenues

□ 17-18 Unbudgeted Growth	\$5,994,217
□ 18-19 Growth (2.2%)	4,656,479
□ 18-19 COWCAP Increase	539,711
□ <u>Other Minor Increases</u>	<u>261,050</u>
Total Estimated Revenue Increase	\$11,451,457

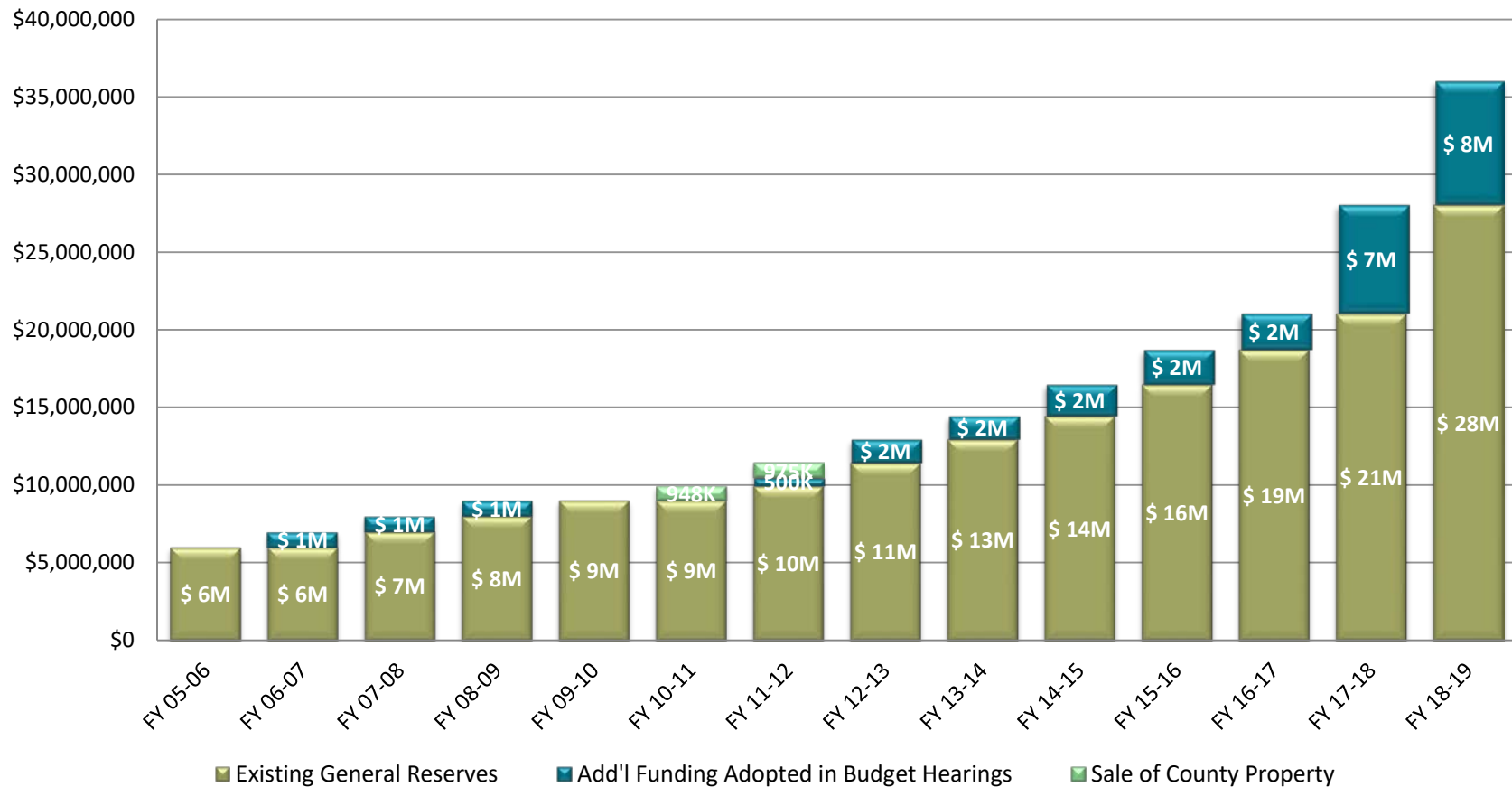
Appropriations

□ Salaries and Benefits	\$8,886,803
□ Added Staff (Sheriff & Public Defender)	1,047,396
□ Agreements	781,991
□ <u>Departments</u>	<u>735,267</u>
Total Uses of Revenue Increase	\$11,451,457

PUBLIC SAFETY REVENUES STATEWIDE PROP 172 SALES TAX



HISTORY OF GENERAL RESERVE



FY 2018-19 RECOMMENDED BUDGET HIGHLIGHTS

Increase General Reserve by
\$8 million

Set aside
\$13 million

for Capital Projects:

- ❑ \$6 million Hall of Records Improvements
- ❑ \$6 million for the new Sheriff Substation
- ❑ \$1 million for the new Animal Control Shelter

Set aside
\$11 million

for unforeseen or emergency expenditures:

- ❑ \$10 million for Budget Mitigation
- ❑ \$1 million for contingencies

Included
\$1 million

for ADA improvements in accordance with Quentin Hall settlement



FY 2018-19 RECOMMENDED BUDGET HIGHLIGHTS

Public Defender

- Staffing plan approved by the BOS to address the Department's long-term staffing needs.
- Plan includes 35 positions over the next 2 fiscal years, 18 in FY 2018-19.

Behavioral Health

- Entered into a five-year, \$111 million agreement with the Fresno County Superintendent of Schools
- Provides countywide services to enhance the prevention, early intervention and treatment services available to children and youth ages 0-22.



OUTSIDE FUNDS' HIGHLIGHTS

Library

- The Library is making progress on the new Clovis and Reedley Library branches. Both are expected to be completed by 2021.
- **\$1.16 million** of Measure B funding is included in this budget for the new Clovis branch

Roads

- SB 1 will provide an estimated **\$17-20 million** for improvements to the County's road system.



WHAT THE FUTURE HOLDS

**Economic
Cycle**

**Updating County
Capital Needs**

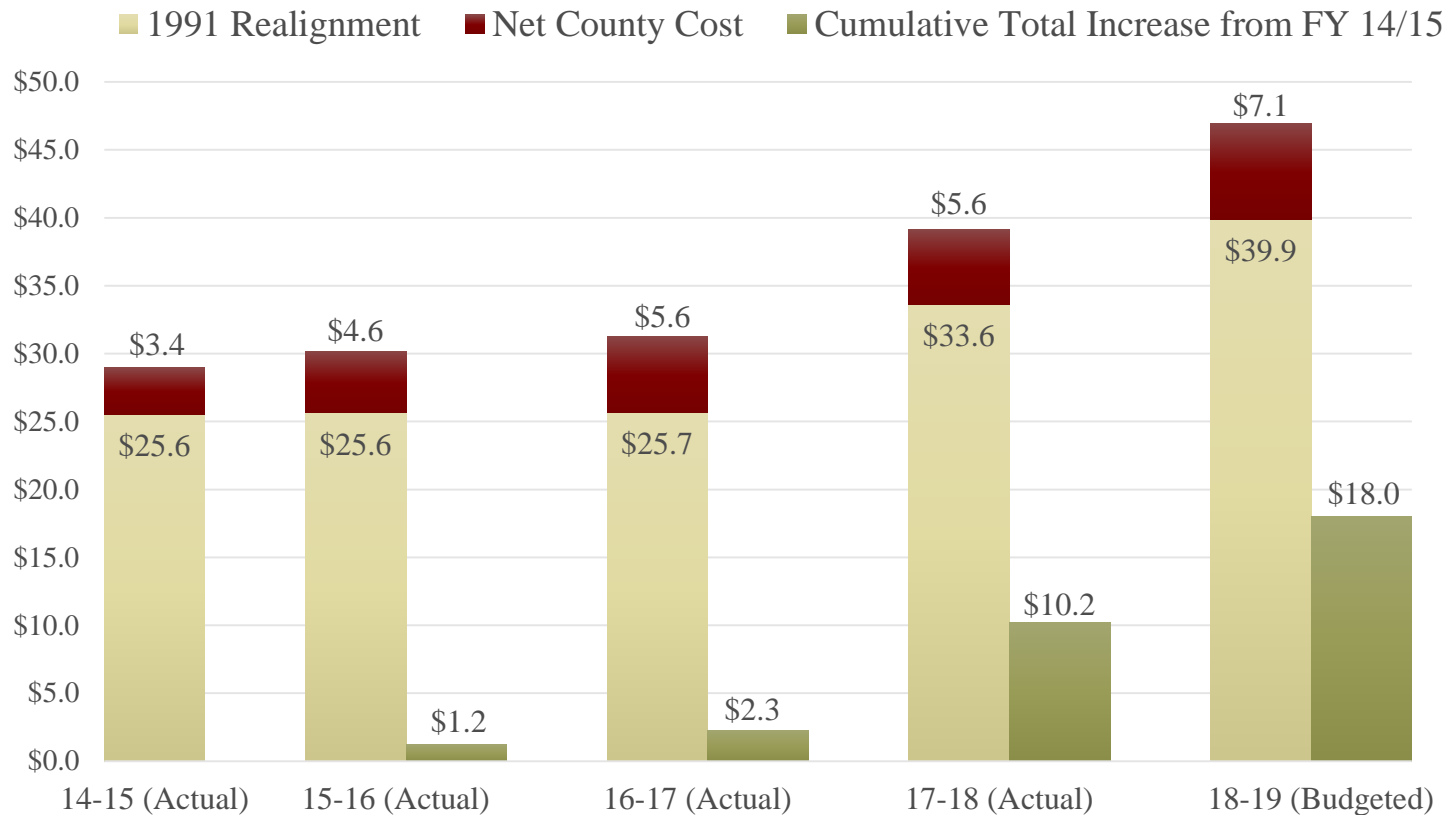
**3 Ongoing
Lawsuits**

**Elimination
of the MOE
for IHSS**

**Ongoing
Retirement
Challenges**



IHSS Costs – FY 2014-15 to Current (in \$ millions)





THANK YOU

Jean M. Rousseau, C.P.A.