



# General Government

## *Section C*

For the second year, the Board of Supervisors conducted a speech contest for area high school students who had three minutes to make a presentation on a topic under the jurisdiction of the County. Prizes for the winning contestants were sponsored by the Active 20-30 Club of Marysville-Yuba City.

<b>COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017</b>					
Fund: <b>0001 - GENERAL</b>					
Unit Title: <b>ASSESSOR</b>		Dept: <b>1203</b>			
	<b>2014-2015 Actual Expenditure</b>	<b>2015-2016 YTD as of 05/31/2016</b>	<b>2015-2016 Adopted Budget</b>	<b>2016-2017 CAO Recommended</b>	<b>2015-2016 % Change Over</b>
<b>EXPENDITURES</b>					
SALARIES AND EMPLOYEE BENEFITS	1,838,110	1,362,457	1,834,926	1,816,822	-1.0
SERVICES AND SUPPLIES	17,693	20,825	27,205	41,305	51.8
OTHER CHARGES	95,085	64,547	162,704	144,856	-11.0
CAPITAL ASSETS	42,053	22,980	0	0	0.0
INTRAFUND TRANSFERS	15,178	12,588	19,995	14,132	-29.3
OTHER FINANCING USES	0	0	0	17,745	100.0
NET BUDGET	2,008,119	1,483,397	2,044,830	2,034,860	-0.5
<b>REVENUE</b>					
USER PAY REVENUES	31,489	17,658	19,500	19,500	0.0
OTHER FINANCING SOURCES	5,237	0	0	0	0.0
TOTAL OTHER REVENUE	36,726	17,658	19,500	19,500	0.0
<b>UNREIMBURSED COSTS</b>	1,971,393	1,465,739	2,025,330	2,015,360	-0.5
<b>ALLOCATED POSITIONS</b>	22.00	21.00	23.00	19.00	-17.4

**Purpose**

The County Assessor is charged with the annual responsibility of preparing the assessment rolls from which local property taxes are derived. As required by the State Constitution, the Assessor must locate, inventory, and value all taxable property in Sutter County.

vacant Assessment Technician I position

- \$110,346 Increase related to restoring funding for one (1.0 FTE) Chief Appraiser position
- \$3,155 Increase related to the promotion of one Assessment Technician I to Assessment Technician II effective July 1, 2016

**Major Budget changes**

**Salaries & Benefits**

- \$10,258 General increase due to negotiated Salaries and Benefits
- (\$82,326) Decrease related to elimination of one (1.0 FTE) vacant Assessment Office Supervisor position
- (\$57,467) Decrease related to elimination of one (1.0 FTE)

- \$5,930 Increase related to the promotion of one Assessment Technician II to Assessment Technician III effective July 1, 2016
- (\$8,000) Decrease in Extra Help

**Services & Supplies**

- \$12,000 Increase in Software License & Maintenance for the

purchase of software to enhance the use digital maps

Other Charges

- (\$17,822) Decrease in Interfund Information Technology charges as provided by the General Services Department

Residual Equity Transfer-Out

- \$17,745 Increase in Operating Transfer Out related to implementation of the Opterra Energy Efficiency Project offset by an anticipated reduction in Utilities expense

Program Discussion

Property Tax Value estimates are established by the Assessor and State Board of Equalization (BOE). These estimates form the basis for property taxes; providing revenue to the county, cities, state, schools and local benefit assessment districts.

Although secondary to establishing property values, the Assessor provides public service to the citizens, other County departments, outside agencies, and the cities by furnishing general information, answering property-related questions, researching ownership, assisting property owners with concerns regarding assessments, providing access to assessor’s maps and property characteristics data, and other related duties.

Throughout the past several fiscal years, the primary focus of this department has been to address declining property values pursuant to the provisions of Section 51 of the Revenue and Taxation Code (commonly referred to as “Prop 8”). Thousands of hours have been invested in order to review nearly every property in the County. This workload on the Assessor’s staff will continue until the real

estate market rebounds significantly. Currently there are in excess of 6,000 properties that are being reviewed annually. As appraisal staff has been processing the roll, staff has seen an increase in the market value of most of the single family homes in Sutter County, which will reflect positively upon the roll. With the improvement of the real estate market in the area, it is now more important than ever for the office to work diligently to help the taxpayers understand the complicated tax assessment process. The Department’s goal is to produce the annual property tax roll accurately and equitably for all Sutter County taxpayers.

During the 2015-16 budget year, another of the staff appraisers took a job as Chief Appraiser for another county leaving the remaining appraisal staff to take on the additional workload. The Assessor’s Office recently filled two Appraiser I positions. Despite the decrease in staffing, the Department has indicated that it will not request an extension to close the roll. Therefore, the FY 2016-17 roll will be delivered to the County Auditor on or before of July 01, 2016.

Looking Forward

Over the past couple of years, the Assessor, Treasurer-Tax Collector, Auditor and General Services – Information Technology division have been working towards a computer processing system designed specifically to be a fully integrated system to serve the Assessor, Treasurer-Tax Collector, Auditor-Controller and possibly the Clerk-Recorder. The Assessor’s Office believes this system is critical to keep pace with current and future demands.

Positions & Impact

The Assessor recognizes that budgetary constraints across the County require ways to be organized and run as efficiently as possible. As such, the Assessor intends to

reorganize some of the office structure without increasing costs to the County. The Chief Appraiser position will be unfrozen and the vacant Assessment Office Supervisor position will be eliminated, along with a vacant Assessment Technician I. The Assessor requests that one Assessment Technician I be promoted to an Assessment Technician II and one Assessment Technician II be promoted to an Assessment Technician III. After much thought and discussion, it is the Assessor's opinion that this will have the least amount of impact upon the County, cities, and citizens of Sutter County. The Assessor's Office will do its best to continue providing service to the public in a courteous and professional manner.

## **Recommended Budget**

This budget is recommended at \$2,034,860. The General Fund provides 99.0% of the financing for the Department, and is decreased by \$9,970 (0.5%) compared to FY 2015-16.

It is recommended that funding be restored for one Chief Appraiser position. To help offset the long-term costs of this addition, it is recommended that one vacant Assessment Office Supervisor position be eliminated and one vacant Assessment Technician I be eliminated. It is recommended that these changes be effective July 1, 2016.

Two promotions within flexibly-staffed positions are recommended - Assessment Technician I to Assessment Technician II and Assessment Technician II to Assessment Technician II both effective July 1, 2016.

Over the years, staff has manually entered positions into the budget system. With the upgrade to ONESolution a reconciliation of the position allocation schedules has been done. For this budget unit, it was discovered that two unfunded eliminated position had not

been removed from the budget allocation table, while it has no net effect on budget it is important to have an accurate reflection of all positions.

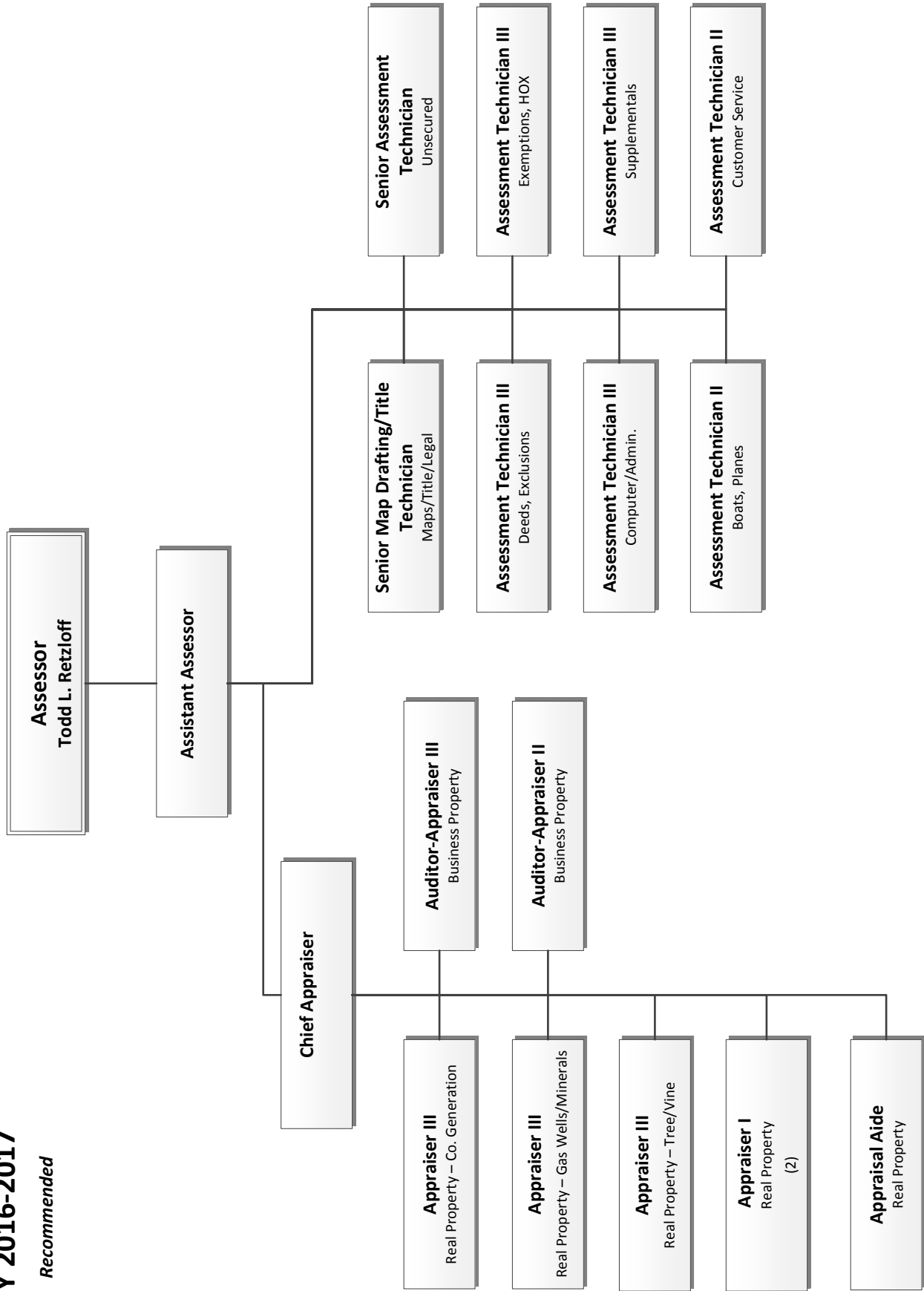
Residual Equity Transfer-Out is budgeted at \$17,745 for payment of the Department's share of the Opterra Energy Efficiency Project. The Administration Building at 1160 Civic Center Blvd had Lighting and HVAC upgrades to help reduce the building's energy usage. In addition, the building will also benefit from the Acacia property Solar Panel array that will offset Utility costs. This payment reflects the Assessor's proportional share of the building's total payment.

There was a significant increase in the Department's unreimbursed cost during FY 2014-15, primarily due to the reduction in the Interfund Transfer-In from the State-County Property Tax Program special revenue fund (0-181). This was first budgeted in FY 2010-11 to offset staff costs, in an effort to avoid further budget reductions in the Assessor's budget unit. With the FY 2014-15 budget, it was recommended that the Interfund Transfer-In be reduced to \$16,000. During FY 2015-16 this amount was again reduced to \$10,500. The funds in this special revenue fund reflect the remaining balance of funds received under the State's former State-County Property Tax Administration Grant Program, which was eliminated by the State Legislature effectively in FY 2006-07. This funding source previously provided additional revenue to augment staffing and for acquisition of new equipment and technology, necessary to enhance staff proficiency and productivity and to eliminate backlogs. As indicated above, these funds have been used recently to offset regular staffing costs in the Assessor's office, but those funds are now virtually depleted. It is anticipated that the remaining balance in the fund will be approximately \$21,100 at July 1, 2016.

## Use of Fund Balance

This budget unit is within the General Fund.  
The budget does not include the use of any  
specific fund balance.

**Assessor**  
**FY 2016-2017**  
*Recommended*



<b>COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017</b>					
Fund: 0001 - GENERAL				Dept: 1201	
Unit Title: AUDITOR-CONTROLLER					
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/20/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
SALARIES AND EMPLOYEE BENEFITS	1,084,163	953,672	1,128,630	1,185,834	5.1
SERVICES AND SUPPLIES	57,989	30,161	44,420	51,150	15.2
OTHER CHARGES	292,493	248,440	440,011	338,251	-23.1
CAPITAL ASSETS	0	0	0	0	0.0
INTRAFUND TRANSFERS	7,888	11,384	16,191	15,494	-4.3
NET BUDGET	1,442,533	1,243,657	1,629,252	1,590,729	-2.4
<b>REVENUE</b>					
USER PAY REVENUES	2,751	2,583	2,500	62,500	2,400.0
TOTAL OTHER REVENUE	2,751	2,583	2,500	62,500	2,400.0
<b>UNREIMBURSED COSTS</b>	1,439,782	1,241,074	1,626,752	1,528,229	-6.1
<b>ALLOCATED POSITIONS</b>	10.00	12.00	11.00	12.00	9.1

## Purpose

The responsibility of the Auditor-Controller, an elected official, is specifically defined under Government Code Sections 26880 - 26886 and 26900 - 26922. Government Code Section 26881 mandates that “The county... auditor-controller shall be the chief accounting officer of the county. Upon order of the board of supervisors, the auditor or auditor-controller shall prescribe, and shall exercise general supervision, including the ability to review departmental and countywide internal controls, over the accounting forms and the method of keeping the accounts of all offices, departments and institutions under the control of the board of supervisors and of all districts whose funds are kept in the county treasury.” Additional authority is conferred upon the Auditor-Controller with respect to working capital funds [internal service funds] by Government Code Section 25260, “The board of supervisors may by resolution create one or more working capital funds. The board may

make available such amounts as are necessary to establish each fund and to maintain its solvency. At the beginning of any fiscal year the board may provide by resolution for the transfer of any or all of the moneys in any fund created pursuant to this section or for the abolishment of any such fund... All funds created pursuant to this section shall be accounted for as prescribed by the county auditor or controller.”

The State Controller’s Office requires the Auditor-Controller to sign the county’s cost plan as the “chief accounting officer for the county, normally the county auditor (or auditor-controller), or an authorized deputy” (Handbook of Cost Plan Procedures for California Counties, Section 1420).

The Auditor-Controller is a key part of the internal control process to ensure the accurate compilation of the adopted budget, “It shall be the responsibility of the administrative officer or auditor to revise the recommended budget to reflect the actions of the board



pertaining thereto in developing the adopted budget document” (County Budget Act, Section 29083).

Pursuant to Section 27131 and 27132(b), the Auditor-Controller may serve as a member of the Treasury Oversight Committee, known as the Sutter County Pooled Money Investment Board.

## Mission Statement

Provide excellent fiscal and management services to and on behalf of the people of Sutter County and county government (constituents, Board of Supervisors, county departments, and other local governmental entities), as authorized by the laws of the State of California and ordinances of the County of Sutter.

## Fiscal Stewardship

- Accounting
- Auditing
- Budgeting
- Financial Reporting

## Independent

Independently ensure objectivity, accuracy, and full disclosure of material information in all aspects of communicating financial and management information.

## Management Information

Provide management information, which leads to increased awareness of and improvements in economy, efficiency, and effectiveness of operations.

## Major Budget Changes

### Salaries & Benefits

- \$57,204 General increase due to negotiated Salaries and Benefits

### Other Charges

- (\$28,861) Decrease in Interfund Information Technology charges as provided by the General Services Department
- (\$72,644) Decrease in Interfund Projects due to completion of the SunGard HR/Payroll module project

### Charges for Services

- \$60,000 Increase in revenue due to Commerce Bank ePayable program

## Program Discussion

### Types of Services

#### Administration - Management

Total Staffing: 3 FTE (Including one Accounting Technician II) - Executive management and supervision of the office.

- Updates and distributes County Accounting Policies and Procedures. GC §26881.
- Provides input and review of debt issuance decisions.
- Furnishes annually to the State Controller a report of all financial transactions of the local agency (LGFA). GC§ 53891.
- Files a copy of the adopted budget, in the format prescribed by the State Controller,



with the Clerk of the Board and State Controller not later than December 1st each year. GC §29093.

- General supervision over the forms and methods of accounting for all departments. GC §26881-26882.
- Participates in the Sutter County Audit Committee.
- Receives annual inventory of County departments GC§ 24051, OMB Circular A-87/A-133.
- Creates and maintains department employee personnel files and employee performance reviews. Sutter County Personnel Rules and Regulations Section 17.0.
- Provides general administrative support for the department.
- Processes departmental mail.
- Staff centralized reception.
- Manages supplies for use throughout the department and County such as receipt books, earnings statements, 1099's and W-2's.
- Acts as department safety officer and conducts required safety training.

## Accounts Payable

Total Staffing: 1 FTE - Audits and processes all expenditure requests submitted by County departments and special districts for compliance with Board policy and Auditor-Controller accounting policies. Distributes all adoption assistance, childcare assistance, and job search transportation assistance warrants on behalf of the County. Audits and distributes expenditure requests on behalf of the Sutter County Courts. Monitors contract compliance requirements, appropriation controls, and maintains the County's financial reports.

- Processes all properly authorized vendor claims against the County. GC §29700-29710, 29740-29749.

- Processes claims for employee business expense.
- Issues warrants for claims against County or agencies. §29800-29854.
- Validates orders, withholds, and disburses vendor IRS tax levies.
- Collects and remits Sales Tax as required and files a quarterly return with the State Board of Equalization. R&T §6001, 6051, 6201-6201.8.

## Cost Plan

Total Staffing: 1 FTE - Preparation of the County's A-87/A-133 Cost Plan. Analyzes County labor and equipment rates. Performs payroll duties as assigned. Cross-trained to perform general and subsidiary ledger accounting. Coordination of special district audits.

- Submits the Special Districts Financial Transaction Reports to the State Controller's Office. GC §53891.
- Reviews new and increased fee proposals and other new revenue proposals.
- Prepares County-Wide Cost Allocation Plan. OMB Circular A-87, the Handbook of Cost Plan Procedures for California Counties.
- Coordinates offices state-mandated cost claims. R&T §2201-2246.2; Government Code 17500-17630, State Const. Art. XIII B, Sect. 6.
- Reviews estimates of department/agency revenues for recommended and adopted budgets (Internal Service Funds).
- Reviews new and increased fee proposals and other new revenue proposals. (Internal Service Funds/ mitigation fees).

## General Ledger/Revenue Reporting

Total Staffing: 2 FTE – This unit maintains and controls the appropriation, revenue and general accounting records of the County and those districts that deposit funds into the

County Treasury, and provides support and analysis on other projects.

- Supervises the accounting procedures, the accounting system, and the chart of accounts and conforms to generally accepted accounting principles.
- Establishes and deletes funds and agencies as authorized by the Board of Supervisors.
- Reviews cash difference fund requests and requests for replenishment of cash shortages and prepares related reports as required by the Board of Supervisors.
- Transfers money between funds where the Board has authority over such funds and has provided for such transfer in the budget.
- Processes budget transfers and revisions. GC §29125, §25253.
- Coordinates the annual Single Audit of County's federal programs and monitors compliance with sub-recipient audit requirements. Compiles SEFA. Single Audit Act of 1984 and Amendments of 1996 OMB Circular A-133.
- Maintains and provides financial reports.
- Closes the books at the end of every official accounting period.
- Audits and processes all journal entries submitted by the County departments, special districts and schools for compliance and Board policy and Auditor-Controller accounting policies.
- Accepts receipts and keeps accounts current for deposits of money to the Treasurer. GC §26900-26906.
- Distributes and reports Consolidated Court revenue and asset forfeitures.
- Collects and reports Department of Justice DNA Database and Data Bank Program GC 76104.6(c).
- Monitors Capital Asset Expenditures to ensure compliance with budgetary controls.

- Prepares department annual budget and monitors revenue and expenditures against department budget.
- Reviews revenue accruals at year end, posts revenue accruals, and reverses revenue accruals at the appropriate time.
- Apportions the net operating expenses of the LAFCO commission Government Code §56381 of the Cortese Knox Hertzberg Act.

### **Payroll**

Total Staffing: 2 FTE - Provides timely and accurate payroll processing as well as analyzes, distributes and reports payroll to County departments and special districts to ensure accurate payroll warrants and deposits.

- Performs County wide bi-weekly payroll processing function. GC §28003.
- Withhold, deposit, and report all payroll taxes. Title 26: Internal Revenue §31.6302-1.
- Withholds and transfers retirement contributions, reports pensionable earnings to CalPERS. California Code of Regulations, Title 2 §§ 565.1
- Withholds and transfers voluntary and mandatory deductions from pay (including County provided benefits, garnishments, union dues, etc.). GC §1151-1156.
- Calculates and pays wage integration for SDI and Worker's Compensation. Unemployment Insurance Code §2656.
- Calculates differential military pay. IRC §3401 (h); Heroes Earnings Assistance and Tax Relief Act, P.L. 110-245, §105(a)(1) & §105(b); Rev. Rul. 2009-11, 2009-18 IRB 896. & IRC §414(u)(12); IRS Notice 2010-15, 2010-6 IRB 390.

- Generates supplementary government required reports:
  - Federal and State PR Tax returns
  - New Hires
  - SSN Verification 26 CFR 31.6011(B)-2
  - Multiple Worksite Report and various other mandated reports per Section 320.5 of the California Unemployment Insurance Code and Section 320.5-1 Title 22 of the California Code of Regulations, and as authorized by law, 29 U.S.C. 2

## Taxes

- Total Staffing: 1 FTE - Responsibilities include managing the County property tax apportionment system, accounting for various types of benefit assessments, special assessments, and bonds, and managing the roll correction processes and procedures for the six property tax rolls.
- Performs the AB 8 (Chapter 282, Statutes of 1979) property tax, Unitary tax, supplemental, and RDA formula calculations.
- Reports statutorily required data to the State Controller.
- Prepares the annual Proposition 4 Gann Expenditure Limit Report, and the resolution submitted to the Board of Supervisors for approval.
- Prepares the annual Homeowners' Property Tax claim to the state.
- Verifies property tax rolls account for jurisdictional changes and property tax exchange agreements.
- Compiles and analyzes data to provide budget forecasts of property tax revenue to the CAO and other county agencies, special districts, and cities.
- Manages debt service, and calculates annual tax rates which provides funding for repayment of long-term lease and

bond payment obligations, as well as the associated costs for the administering trustee bank and for required annual disclosure statements.

The department manages the \$896,000 Certificate of Participation financing on the Health building.

Workload data for the department is shown at the end of this section.

## Internal Audit Program

With the sole purpose of focusing on improvements, the internal auditor will evaluate financial and operational processes and alert management to weaknesses making recommendations that result in increased efficiencies and a reduction in losses due to inefficiencies or fraud. With the internal audit division, proactive and preventative steps will be taken to thwart problems before they materialize in order to minimize losses in the future.

Internal audits will reduce county expenditures. Grants that require attestation services may be completed by the internal auditor saving the county costly fees to outside audit firms. Internal audits will improve efficiencies and increase the likelihood of grant funding.

The delay in issuance of the audit report jeopardizes grant funding. The internal auditor will work with departments to improve accounting procedures that will ensure the audit is completed timely. In addition to coordinating the annual external audit, under the supervision of the auditor-controller, the position will also be responsible for managing and updating the county's internal audit policy and performing audits in accordance with the annual audit

plan which will be prepared for approval by the Board of Supervisors.

The auditor-controller in coordination with the internal auditor will provide periodic updates of the progress of the audits to the audit committee and/or Board of Supervisors. Internal audits will support management efforts to establish a culture that embraces ethics, honesty, and integrity – assisting management with the evaluation of internal controls used to detect or mitigate fraud, evaluate the county’s assessment of fraud risk, and be involved in any fraud investigations.

## New Auditing Standards

### **GASB Statement No. 67**

*Financial Reporting for Pension Plans—an amendment of GASB Statement No. 25*

Effective for fiscal year end June 30, 2014 and after.

Revises existing guidance for the financial reports of most pension plans for state and local governments. The Statement builds upon the existing framework for financial reports of defined benefit pension plans, which includes a statement of fiduciary net position (the amount held in a trust for paying retirement benefits) and a statement of changes in fiduciary net position.

### **GASB Statement No. 68**

*Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*

Effective for fiscal year end June 30, 2015 and after.

Revises and establishes new financial reporting requirements for local governments

that provide their employees with pension benefits. Statement 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits.<sup>1</sup>

### **OMB Circular A-133**

In 2013, the Federal Office of Management and Budget (OMB) issued final guidance on administrative requirements, cost principles and audit requirements for federal awards (which includes research grant awards).

Effective December 26, 2014.

- 200.501 Audit Requirements – a nonfederal entity that expends \$750,000 or more in federal awards during its fiscal year must have a single or program-specific audit conducted for that year.
- 200.510 Financial Statements – The new guidance continues to require auditees to prepare a Schedule of Federal Awards (SEFA).
- 200.512 Requires the reporting package and the Data Collection Form publicly available online.
- 200.516 Audit Findings – The threshold for reporting known questioned costs has been raised from \$10,000 to \$25,000.
- 200.518 Major Program Determination – The Type A threshold and parameters of total federal awards expended have been increased to “\$750,000 for total federal awards of equal to \$750,000 but less than or equal to \$25 million” for the first selection level.<sup>2</sup>

<sup>1</sup> Pension Standards for State and Local Governments:  
<http://www.gasb.org/jsp/GASB/Page/GASBSectionPage&cid=1176163528472>

<sup>2</sup> OMB Super Circular Offers New Guidance for Federal Awards:  
<http://www.bkd.com/articles/2014/omb-super-circular-offers-new-guidance-for-federal-awards.htm>

**Office Space Needs**

The facilities at 463 Second Street are inadequate to house existing staff with a lot of deferred maintenance needs which greatly reduces our ability to oblige new requests.

**Accomplishments**

The Auditor's Office has received the State Controller's Award for Achieving Excellence in Financial Reporting in 2004 and 2006-2014. Additionally, over the last year, the Auditor-Controller's Office has (1) continued to cross-train staff for full coverage of the office during absences due to illness and vacation, and to improve morale by increasing the potential for advancement; (2) presented the eighth annual year-end closing procedures training workshops; (3) Trained and developed proficiency to process Payroll in the new SunGard system, but also, analyzed and built payroll codes to meet the County's MOU rules to remain in compliance with State, Federal and CalPERS laws, while maintaining the integrity of the original build of the new IFAS Payroll-Human Resources system; (4) Recognized by the State as one of the first counties to comply with new super circular guidelines and changed from use allowance to; (5) State Controller's office is using the Equipment Depreciation Reconciliation provided by our office as an example for other counties on how to prepare the reconciliation; (6) Implemented employee online for electronic access to individual W4 and banking information; (7) Implemented GASB 67 and GASB 68 requirements; (8) Established cooperative agreement with Commerce Bank to bring in new revenue to the department; (9) Established capital projects fund and a debt service fund; and (10) Tracked, budgeted, expended, capitalized, analyzed savings and allocated costs accordingly for Chevron project.

**FY 2016-17 Objectives**

The goals of the Auditor-Controller's Office for FY 2016-17 are (1) to implement an internal audit program (subject to Board approval of full-time position); (2) continue to hold (at least) annual meetings with service departments and others to increase general Cost Plan knowledge in the County and update them on procedures for developing rates and allocations. This is intended to increase efficiency and reduce workload by providing authoritative information at the outset of the process; (3) to increase payroll efficiency by, for example, training employees on the soon to be implemented Employee Online software; (4) to streamline the journal entry process; (5) to increasingly show the value of auditor's review of staff reports that go before the Board; (6) to establish a migration and implementation plan for conversion of the Fixed Asset Access Database to the Capital Asset SunGard application; (7) to continue a Tax Rate Area consolidation process in order to provide efficiencies in the County property tax system; (8) work with county departments to bring in additional revenue for the County related to A-87 Cost reimbursement through fees, grants and reimbursements from the State and Federal Government and through the billing of the A-87 Costs to Non-county Departments and Agencies; (9) Provide a Citizen's Report to the taxpayers of Sutter County; (10) Eliminate green bar reports and increase use of electronic files and eliminate paper copies; (11) Implement "Employee Online" for electronic access to W2 and check stub information; (12) Reorganize Chart of accounts, revamp CDD reports, complete webform once live in One Solution; (13) Utilize CDD report writing for rate calculations; (14) Regain SB90 claiming process; (15) Rate approval for all departments; (16) Properly account for IF

transfers; and (17) Update Capital Asset Policy.

### Recommended Budget

This budget is recommended at \$1,590,729. The General Fund provides 96.1% of the financing for this budget unit and is decreased by \$98,523 (6.1%) compared to FY 2015-16. A portion of the costs for this budget unit, estimated by the Auditor-Controller at \$716,738, are recouped through the annual A-87 cost plan.

It is recommended that the Limited Term Account Clerk I position, authorized for FY 2015-16, be authorized through September 2016. This will allow time for the Auditor-Controller to fill the Senior Internal Auditor position, approved by the Board of Supervisors in April 2016, and ensure internal operations are adequately staffed until all permanent positions are filled.

Extra Help funding continues to include \$10,000 to fund approximately 620 hours of an Account Clerk I position to perform data entry duties which had been previously performed by the Computer Operator in the Information Technology Department. This change was first implemented in FY 2011-12.

The Plant Acquisition/Facilities Project Request for FY 2016-17 is not included in the Recommended Budget as an overall plan for the updating of the facility at 463 Second Street needs to be developed. The Auditor-Controller's Office will be included in those plans.

### Use of Fund Balance

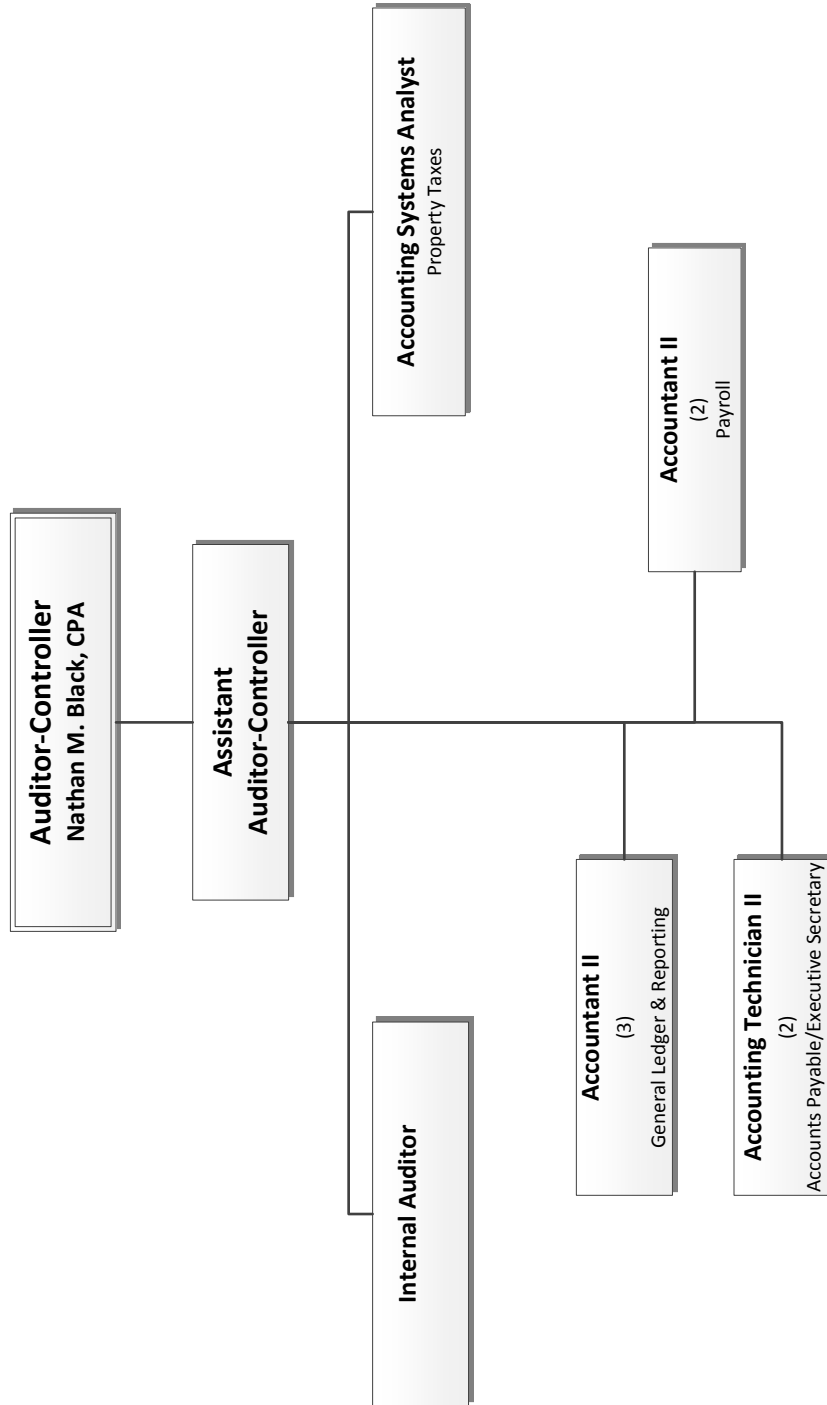
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# Auditor-Controller FY 2016-2017

*Recommended*



# Board of Supervisors (1-101)

<b>COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017</b>					
Fund: <b>0001 - GENERAL</b>					
Unit Title: <b>BOARD OF SUPERVISORS</b>					Dept: <b>1101</b>
	<b>2014-2015 Actual Expenditure</b>	<b>2015-2016 YTD as of 05/20/2016</b>	<b>2015-2016 Adopted Budget</b>	<b>2016-2017 CAO Recommended</b>	<b>2015-2016 % Change Over</b>
<b>EXPENDITURES</b>					
SALARIES AND EMPLOYEE BENEFITS	233,595	236,788	247,940	274,201	10.6
SERVICES AND SUPPLIES	43,403	40,613	50,250	55,250	10.0
OTHER CHARGES	47,159	18,354	27,674	29,181	5.4
INTRAFUND TRANSFERS	3,043	2,414	4,438	4,355	-1.9
OTHER FINANCING USES	0	0	0	6,744	0.0
NET BUDGET	327,200	298,169	330,302	369,731	11.9
<b>REVENUE</b>					
USER PAY REVENUES	505	0	0	0	0.0
TOTAL OTHER REVENUE	505	0	0	0	0.0
<b>UNREIMBURSED COSTS</b>	326,695	298,169	330,302	369,731	11.9
<b>ALLOCATED POSITIONS</b>	5.00	5.00	5.00	5.00	0.0

## Purpose

The Board of Supervisors is the legislative body for Sutter County and provides policy direction for all branches of County government. The Board of Supervisors determines, pursuant to applicable Federal and State laws, the funding allocation for all County programs.

This budget is prepared by the County Administrator's Office.

## Major Budget Changes

### Salaries & Benefits

- \$27,205 General increase due to negotiated Salaries and Benefits

## Program Discussion

This budget includes the five Board of Supervisors positions and the costs necessary to support their offices' operation.

In addition to receiving information and making decisions on hundreds of agenda items annually, members of the Board of Supervisors sit on a combined 40 committees dealing with issues ranging from regional transportation and flood protection to senior services and solid waste management. From July 1, 2015 through May 24, 2016, Supervisors acted on more than 653 agenda items, and are likely to reach the 700 mark by the end of the fiscal year.

Public Safety is a major focus for the Board of Supervisors. As a founding member of the Sutter Butte Flood Control Agency, two members of the Board of Supervisors sit on the SBFCA Board, which broke ground in June of 2013 on the first phase of a 44-mile levee rehabilitation project along the west

## Board of Supervisors (1-101)

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bank of the Feather River. The effort is currently on track for completion in 2016, although the construction work has disturbed several Native American burial sites requiring determination of proper disposition of the remains. SBFCA will continue to work closely with the California Native American Heritage Commission and the U.S. Army Corps of Engineers in a good faith effort to resolve conflicting priorities, concerns, and laws.

The Sutter Forward committee, formed in 2013 to focus on economic development, continued its work in FY 2015-16. Two Supervisors serve on the committee, which is focusing its efforts on creating capacity for industrial development along Highway 99 between Yuba City and Live Oak as a priority economic development strategy.

In FY 2015-16, the Board accomplished the following:

- The Board appointed an interim CAO, Curtis R. Coad, when the former CAO's contract expired. Mr. Coad, a former Sutter County Assistant County Administrator, returned to Sutter County to head administrative efforts while the Board finds a permanent executive officer.
- As part of the process for recruiting a CAO, the Board conducted two strategic planning sessions in which department heads and Supervisors met in informal sessions to develop a vision for the County and to list the qualifications they would like to see in a chief executive.
- As part of a regional effort to address homelessness issues, the Board of Supervisors conducted a study session to review the current situation. The Human Services Department and several homeless service providers participated

in the study session. Several residents also expressed their opinions.

- Two years after adopting its first marijuana cultivation ordinance, the Board revised the ordinance, limiting grows to an 80 square foot area of an enclosed, ventilated structure not attached to a house, and requiring a permit. For the first time, the Board created a Code Enforcement Officer position to process marijuana ordinance complaints and other code enforcement issues in the County.
- The Board created the position of Senior Internal Auditor to help departments comply with grant requirements and to add a layer of internal oversight. Although there has not been an internal auditor position in more than 25 years, external audits have been conducted each year.
- The Board authorized participation in the Public Agency Retirement Services (PARS) Joint Benefits Trust program to begin prefunding pension and other employment benefit obligations.
- The Board held a series of joint meetings with the Sutter County Planning Commission to discuss proposed changes to the County's Land Use Ordinance to bring it into compliance with the General Plan. Discussion areas included truck parking, signage in the rural area, small businesses, and the Highway 99 corridor between Yuba City and Live Oak which is to be a focus of potential future industrial development.
- Throughout the year, the Board continued to renew its official drought declaration as the County is in a state of local emergency. The Board asked residents and businesses to voluntarily

## Board of Supervisors (1-101)

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cut water usage by 20 percent. The statewide drought is in its fourth year and threatens to continue.

- The Board of Supervisors hosted its second high school speech contest. The *Public Business from the Floor Speech Contest* required participants to speak for no longer than three minutes to the Board of Supervisors about topics of interest to Sutter County. Nine students from four high schools participated. The Active 20-30 Clubs of Marysville-Yuba City contributed \$750 in cash prizes.
- Recognizing that obesity occurs at alarming rates in Sutter County, the Board of Supervisors challenged residents to participate in the Big2Little Weight Loss Challenge. Approximately 450 people signed up to participate in the challenge, and more than 110 carried through on the effort and weighed in after three months.

## Recommended Budget

This budget is recommended at \$369,731, which is an increase of \$39,429 (11.9%) compared to FY 2015-16. The General Fund provides 100% of the funding for this budget unit.

## Use of Fund Balance

This budget unit is within the General fund. The budget does not include the use of any specific fund balance.

COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 0001 - GENERAL				Dept: 1105	
Unit Title: CLERK OF THE BOARD					
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/20/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
SALARIES AND EMPLOYEE BENEFITS	131,345	122,382	141,625	155,761	10.0
SERVICES AND SUPPLIES	5,795	8,742	7,800	10,880	39.5
OTHER CHARGES	6,070	4,840	8,240	10,055	22.0
INTRAFUND TRANSFERS	1,332	1,411	1,745	1,503	-13.9
OTHER FINANCING USES	0	0	0	907	0.0
NET BUDGET	144,542	137,375	159,410	179,106	12.4
<b>REVENUE</b>					
USER PAY REVENUES	1,167	1,811	800	1,750	118.8
TOTAL OTHER REVENUE	1,167	1,811	800	1,750	118.8
<b>UNREIMBURSED COSTS</b>	143,375	135,564	158,610	177,356	11.8
<b>ALLOCATED POSITIONS</b>	1.63	1.68	1.68	1.68	0.0

## Purpose

The County Clerk is Ex-Officio Clerk of the Board of Supervisors. This office is charged with the responsibility of safekeeping all books, papers, and records which are deposited with this office, in accordance with State law. This office attends all meetings, and maintains all minutes and records of the Board of Supervisors, the Assessment Appeals Board, and other Board functions.

## Major Budget Changes

### Salaries & Benefits

- \$14,136 General increase due to negotiated salaries and benefits

## Program Discussion

The Clerk of the Board budget includes funding for 1.5 Deputy Board Clerks, a .03 portion of the Accountant and a .15 portion of the County Clerk-Recorder's time for oversight of the office.

Regular public Board meetings are held most alternating Tuesdays at 6:00 p.m.

## Recommended Budget

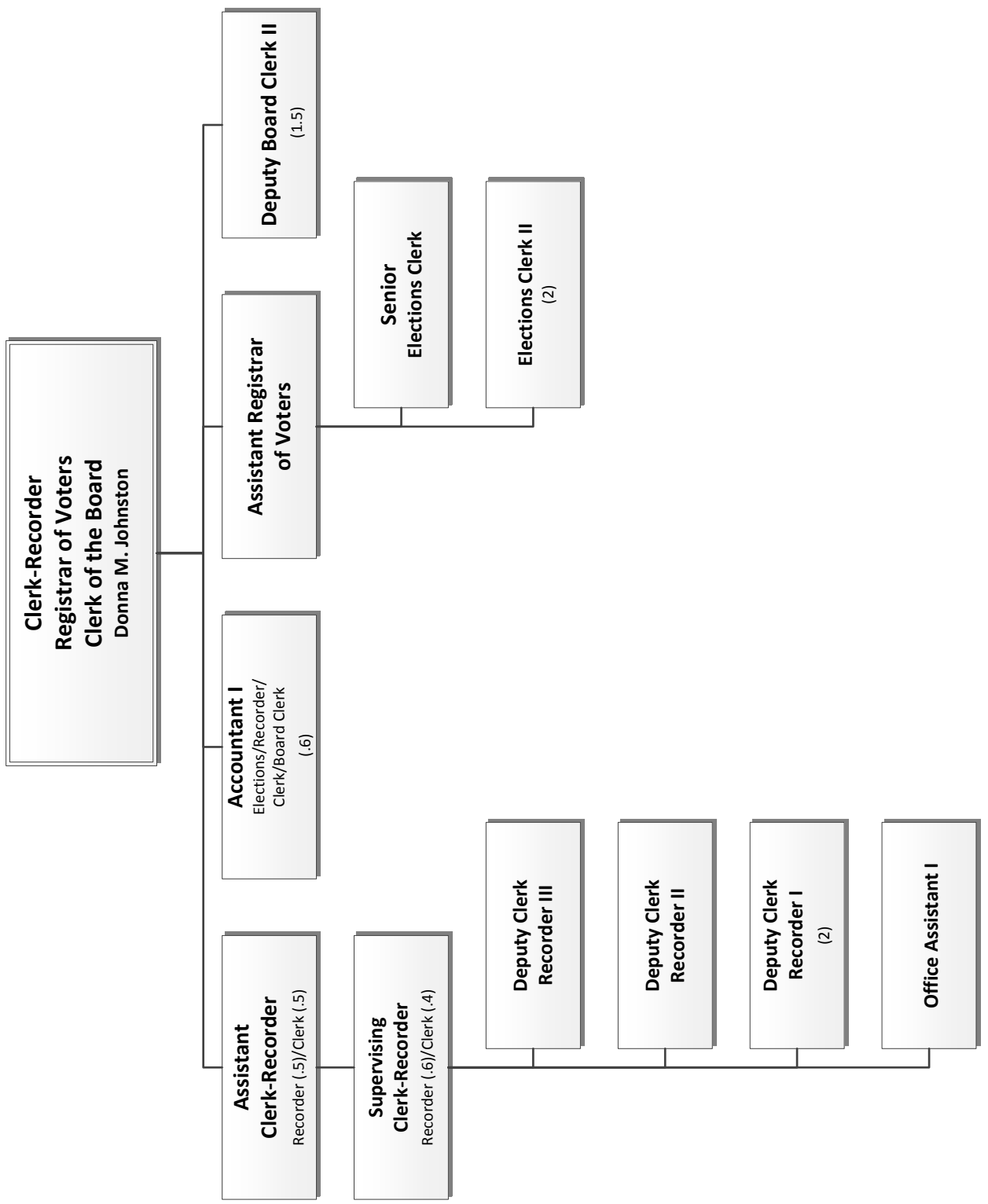
This budget is recommended at \$179,106, which is an increase of \$19,696 (12.4%) over to FY 2015-16. The General Fund provides 58.7% of the financing for the Clerk-Recorder's Department and is increased in the Clerk of the Board budget unit by \$18,746 (11.8%) compared to FY 2015-16.

## Use of Fund Balance

This budget unit is within the General Fund, and does not include the use of any specific fund balance.

# County Clerk-Recorder/Registrar of Voters/Clerk of the Board FY 2016-2017

*Recommended*





COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 0001 - GENERAL					
Unit Title: ELECTIONS					Dept: 1502
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/20/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
SALARIES AND EMPLOYEE BENEFITS	425,149	382,278	442,545	475,241	7.4
SERVICES AND SUPPLIES	202,665	131,697	307,083	323,375	5.3
OTHER CHARGES	40,032	21,704	54,522	54,085	-0.8
INTRAFUND TRANSFERS	9,605	6,085	6,690	7,508	12.2
OTHER FINANCING USES	0	0	0	7,052	0.0
NET BUDGET	<u>677,451</u>	<u>541,764</u>	<u>810,840</u>	<u>867,261</u>	<u>7.0</u>
<b>REVENUE</b>					
USER PAY REVENUES	56,029	7,628	47,500	66,600	40.2
GOVERNMENTAL REVENUES	26,791	21,083	22,200	12,200	-45.0
TOTAL OTHER REVENUE	<u>82,820</u>	<u>28,711</u>	<u>69,700</u>	<u>78,800</u>	<u>13.1</u>
<b>UNREIMBURSED COSTS</b>	594,631	513,053	741,140	788,461	6.4
<b>ALLOCATED POSITIONS</b>	4.83	4.83	4.83	4.83	0.0

## Purpose

This budget unit is administered by the County Clerk-Recorder and conducts Federal, State and County elections, as well as City, School and Special District elections in the County. It administers voter registration and outreach programs; maintains the master voter file, master office and incumbent file, processes ballots, performs the layout and proofing of all sample ballot, official ballot, and voter information materials; establishes precinct boundaries and polling place locations; recruits and trains precinct workers, maintains, tests and distributes voting equipment to all polling places; tabulates all voted ballots; and conducts the official election canvass.

## Major Budget Changes

### Salaries & Benefits

- \$24,696 General increase due to negotiated salaries and benefits
- \$8,000 Increase in Extra Help for Presidential General Election

### Services & Supplies

- \$13,800 Increase in Software License & Maintenance associated with Presidential General Election

### Residual Equity Transfer-Out

- \$7,052 Increase in Operating Transfer Out related to implementation of the Opterra Energy Efficiency Project offset by an

anticipated reduction in  
Utilities expense

### Revenues

- \$50,000 Increase in Election Services revenue due reimbursements for Presidential General Election
- (\$20,000) Decrease in Candidate Filing Fee revenue due to no fees for Presidential General Election

### Program Discussion

The Elections Budget Unit funds the elections that the county administers, as well as elections administered on behalf of other entities such as the cities of Yuba City and Live Oak as well as various School Districts and other Special Districts. Elections that are administered for other entities are consolidated with countywide elections, and the County is reimbursed for the other jurisdictions' proportionate share of costs.

There is one election anticipated for this year which is the November 2016 Presidential General Election. Costs for Presidential General Elections are high due to the increased number of registered voters, and higher voter turnout.

Goals for FY 2016-17 in addition to the primary goal of conducting the election, include increasing voter registration, and increasing online voter services.

### Recommended Budget

This budget is recommended at \$867,261, which is an increase of \$56,421 (7.0%) over FY 2015-16. The General Fund provides 58.7% of the financing for the Clerk-Recorder's Department and is increased in the Elections budget unit by \$47,321 (6.4%) compared to FY 2015-16.

Previous budgets have included funding for smaller, less frequent landowner and utility district elections (UDEL). This budget does not include funding for these elections. In the event such an election is called, a budget amendment requiring Board action would be required and the County would be reimbursed by the entity requesting the election.

### Use of Fund Balance

This budget unit is within the General Fund, and does not include the use of any specific fund balance.

COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 0001 - GENERAL					
Unit Title: RECORDER					Dept: 2706
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/31/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
SALARIES AND EMPLOYEE BENEFITS	339,344	286,585	324,729	361,516	11.3
SERVICES AND SUPPLIES	53,609	48,758	185,640	189,060	1.8
OTHER CHARGES	21,921	18,120	36,129	35,724	-1.1
CAPITAL ASSETS	17,840	0	0	0	0.0
INTRAFUND TRANSFERS	19,973	10,193	14,068	13,607	-3.3
OTHER FINANCING USES	0	0	0	7,563	100.0
NET BUDGET	452,687	363,656	560,566	607,470	8.4
<b>REVENUE</b>					
USER PAY REVENUES	423,265	312,705	528,210	558,950	5.8
TOTAL OTHER REVENUE	423,265	312,705	528,210	558,950	5.8
<b>UNREIMBURSED COSTS</b>	29,422	50,951	32,356	48,520	50.0
<b>ALLOCATED POSITIONS</b>	5.13	4.58	4.48	5.18	15.6

## Purpose

The County Recorder is responsible for recording and filing documents which verify ownership, liens, or encumbrances, of all land in Sutter County. The Recorder's duties also include reproducing and indexing documents, papers, maps, and notices for which State law requires recording. Duties also include filing and maintaining birth, death, and marriage records for the County of Sutter.

## Major Budget Changes

### Salaries & Benefits

- \$31,200 Increase due to addition of an Office Assistant I to be split between Recorder budget unit (0.6 FTE) and the County Clerk budget unit (0.4 FTE) effective July 1, 2016

### Residual Equity Transfer-Out

- \$7,563 Increase in Operating Transfer Out related to implementation of the Opterra Energy Efficiency Project offset by an anticipated reduction in Utilities expense

### Revenues

- \$26,740 Increase in Interfund Transfer-In Special Revenue primarily to fund converting images to digital format.

## Program Discussion

The Recorder budget unit funds the Recorder operations, which are funded by document recording fees. Document recording fees are regulated by Government Code and a

# Clerk-Recorder County Recorder (2-706)

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*Donna M. Johnston, Clerk-Recorder*

specified portion of these fees are set aside into special revenue funds for specific recorder projects. These special revenue funds and their purposes are: 1) the Micrographic Fees Fund (0-237), which funds the cost of converting the document storage system to micrographics, 2) the County Recorder Upgrading Fee Fund (0-232), which funds the support, maintenance, improvement and provision of the Recorder operation for modernized creation, retention, and retrieval of information in the County's recorded document system, 3) the Vital Statistics Trust Fund (0-288), which funds the modernization of vital records operations, and 4) the Social Security Truncation Program Fund (0-280), which funds the redaction of social security numbers on recorded documents. A small portion of the budget is funded by the General Fund to cover the mandated no fee recordings on behalf of other governmental agencies and County departments.

## Recommended Budget

This budget is recommended at \$607,470, which is an increase of \$46,904 (8.4%) over FY 2015-16. The General Fund provides 58.7% of the financing for the Clerk-Recorder's Department and is increased in the Recorder budget unit by \$16,164 (50.0%) compared to FY 2015-16.

The recommended budget includes the addition of one Office Assistant I position to be split between the County Recorder budget unit (0.6 FTE) and the County Clerk budget unit (0.4 FTE). This position is partially funded with a decrease in Extra Help costs and an increase in Passports revenue and Other Charges Current Services revenue in the County Clerk budget unit. It is recommended the position be authorized to be filled as of July 1, 2016.

The recommended budget maintains one frozen and unfunded Deputy Clerk-Recorder position, which was defunded in FY 2011-12.

## Use of Fund Balance

This budget unit is within the General Fund, and does not include the use of any specific fund balance.

COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 0001 - GENERAL					
Unit Title: COUNTY CLERK					Dept: 2710
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/31/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
SALARIES AND EMPLOYEE BENEFITS	211,924	202,676	231,671	256,443	10.7
SERVICES AND SUPPLIES	9,027	8,903	11,350	16,585	46.1
OTHER CHARGES	4,461	3,554	7,214	7,474	3.6
INTRAFUND TRANSFERS	4,087	3,987	3,634	4,275	17.6
OTHER FINANCING USES	0	0	0	2,521	100.0
NET BUDGET	229,499	219,120	253,869	287,298	13.2
<b>REVENUE</b>					
USER PAY REVENUES	145,376	163,078	136,250	161,300	18.4
TOTAL OTHER REVENUE	145,376	163,078	136,250	161,300	18.4
<b>UNREIMBURSED COSTS</b>	84,123	56,042	117,619	125,998	7.1
<b>ALLOCATED POSITIONS</b>	2.51	3.01	3.11	3.41	9.6

## Purpose

The County Clerk is responsible for issuing marriage licenses, processing passport applications, filing fictitious business name statements, registering notaries, process servers and professional photocopiers, performing wedding ceremonies, and other related work.

## Major Budget Changes

### Salaries & Benefits

- \$20,800 Increase due to addition of an Office Assistant I to be split between County Clerk budget unit (0.4 FTE) and the Recorder budget unit (0.6 FTE) effective July 1, 2016

## Revenues

- \$25,000 Increase in User Pay revenues due to increased Passports revenue and Other Charges Current Services revenue

## Program Discussion

The County Clerk budget unit funds the County Clerk operations, which include the acceptance of Passport applications, Fictitious Business Name Statements, as well as marriage licenses and ceremonies.

As the local post offices ceased processing of passports, demand has increased substantially, resulting in the request for an Office Assistant I position to be split between the County Clerk and Recorder budget units. Sufficient increased revenue over last fiscal year covers the increase in salary and benefits for this position.

## Clerk-Recorder County Clerk (2-710)

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*Donna M. Johnston, Clerk-Recorder*

The Clerk's office prides itself on accuracy and continues to have no fraudulent passport applications as determined by the US Department of State.

### Use of Fund Balance

This budget unit does not include the use of any specific fund balance.

### Recommended Budget

This budget is recommended at \$287,298, which is an increase of \$33,429 (13.2%) compared to FY 2015-16. The General Fund provides 58.7% of the financing for the Clerk-Recorder's Department and is increased in the County Clerk budget unit by \$8,379 (7.1%) compared to FY 2015-16.

The recommended budget includes the addition of one Office Assistant I position to be split between the County Recorder budget unit (0.6 FTE) and the County Clerk budget unit (0.4 FTE). This position is partially funded with a decrease in Extra Help costs and an increase in Passports revenue and Other Charges Current Services revenue in the County Clerk budget unit. It is recommended the position be authorized to be filled as of July 1, 2016.

COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 0001 - GENERAL				Dept: 2711	
Unit Title: DOMESTIC VIOLENCE CENTERS					
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/20/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
OTHER CHARGES	23,556	20,985	20,240	25,000	23.5
NET BUDGET	23,556	20,985	20,240	25,000	23.5
<b>REVENUE</b>					
USER PAY REVENUES	23,556	20,985	22,000	25,000	13.6
TOTAL OTHER REVENUE	23,556	20,985	22,000	25,000	13.6
UNREIMBURSED COSTS	0	0	-1,760	0	0.0
ALLOCATED POSITIONS	0.00	0.00	0.00	0.00	0.0

## Purpose

The purpose of this budget is to collect funds from fees generated by the issuance of marriage licenses and to distribute those funds to domestic violence programs, pursuant to Government Code §26840 and Welfare and Institutions Code §18305. The County may either forward these additional fees to the State for distribution to domestic violence centers, or it may distribute the funds to a local domestic violence center.

## Major Budget Changes

There are no major budget changes for this fiscal year.

## Program Discussion

We recommend that the Board of Supervisors continue to distribute the collected funds locally to Casa de Esperanza for local domestic violence programs. Casa de Esperanza provides a safe house for victims,

as well as counseling services for victims of domestic violence.

## Recommended Budget

This budget is recommended at \$25,000. The General Fund does not provide any financing for this budget unit.

## Use of Fund Balance

This budget unit is within the General Fund. The budget does not include the use of any specific fund balance.



COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 0001 - GENERAL				Dept: 1102	
Unit Title: COUNTY ADMINISTRATOR					
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/20/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
SALARIES AND EMPLOYEE BENEFITS	972,027	886,256	1,000,325	937,766	-6.3
SERVICES AND SUPPLIES	22,764	8,025	61,266	61,243	0.0
OTHER CHARGES	26,656	42,619	39,908	42,937	7.6
INTRAFUND TRANSFERS	1,716	1,461	1,735	1,718	-1.0
OTHER FINANCING USES	0	0	0	5,467	0.0
NET BUDGET	1,023,163	938,361	1,103,234	1,049,131	-4.9
<b>REVENUE</b>					
USER PAY REVENUES	396	20	4,000	0	0.0
TOTAL OTHER REVENUE	396	20	4,000	0	0.0
<b>UNREIMBURSED COSTS</b>	1,022,767	938,341	1,099,234	1,049,131	-4.6
<b>ALLOCATED POSITIONS</b>	6.70	6.70	6.70	6.70	0.0

## Purpose

The County Administrative Officer (CAO) is appointed by the Board of Supervisors to manage the day-to-day operations of the County and to provide staff support to the Board of Supervisors. The duties of the CAO and his staff include attending all Board meetings; providing policy recommendations for matters being considered by the Board; preparing and submitting the annual recommended County budget to the Board of Supervisors; and monitoring the fiscal condition of all County departments. Additionally, the CAO assists the Board in administering policy, including managing County operations to ensure overall effectiveness. This department is also responsible for representing the Board of Supervisors to other jurisdictions such as the Cities of Yuba City and Live Oak, neighboring counties, and the State of California. In addition, the CAO acts as

Executive Officer to the Local Agency Formation Commission (LAFCO).

## Major Budget Changes

### Salaries & Benefits

- (\$62,559) General decrease due to staff turnover and expected vacancies

### Residual Equity Transfer-Out

- \$5,467 Increase in Operating Transfer Out related to implementation of the Opterra Energy Efficiency Project offset by an anticipated reduction in Utilities expense

## Program Discussion

The County Administrative Office is the administrative arm of the Board of Supervisors. The CAO provides leadership and guidance in the implementation of the policies of the Board of Supervisors. The CAO analyzes issues and makes recommendations to the Board regarding the administration and operation of County departments and programs. The CAO and staff coordinate and oversee the County budget and monitor the use of financial and human resources. The Public Information Officer, housed within the CAO's Office, provides public communications, media relations and related support to all departments, and specialized public information assistance regarding emergency events.

The CAO's Office oversees the SB 90 state mandate reimbursement contract, and approves interdepartmental rates charged to departments by the Information Technology and Fleet Services internal service funds.

The CAO's Office also prepares and administers the budgets for Non-Departmental Expenses (1-103), General Revenues (1-209), Contingency (9-900), Subsidy Requests (7-202), three Court-related budgets (2-109, 2-110, and 2-112), the Board of Supervisors (1-101), Economic Development Block Grant funds, the nine County Share budgets representing the County General Fund contributions to other funds, and other special revenue funds not specifically under the purview of another department.

Major projects in FY 2015-16 included:

- In conjunction with County Counsel, the Development Services Department and

the Human Resources Department, developed and implemented a Marijuana Ordinance and Code Enforcement program to define how Sutter County will handle issues related to marijuana, including cultivation and complaints.

- Continued coordination with the Counties of Yuba and Colusa to plan and construct the new Tri-County Regional Juvenile Rehabilitation Facility, to replace the existing aging Bi-County Juvenile Hall.
- The County successfully transitioned to the San Joaquin Valley Insurance Authority Joint Powers Authority for the administration/provision health, dental, and vision insurance, saving the County well over \$1 million over prior year costs, and avoiding anticipated cost increases in FY 2015-16.

The County Administrative Office goals for FY 2016-17 include:

- To work with the Board of Supervisors and all County departments to successfully develop a strategic plan, including recruitment of a new County Administrative Officer.
- To continue collaboration with the Counties of Yuba and Colusa toward the design and construction of the Tri-County Regional Juvenile Rehabilitation Facility.
- To continue coordination with the Information Technology Department on the implementation of the new budgeting module provided through the countywide SunGard project, and develop appropriate training for County staff that use the budget system. The implementation of a new countywide budgeting system will

be a primary focus for County Administrative Office staff in FY 2016-17.

## Recommended Budget

This budget is recommended at \$1,049,131. The General Fund provides 100% of the financing for this budget unit, and is decreased by \$50,103 (4.6%) compared to FY 2015-16. A portion of the costs for this budget unit are recouped through the annual A-87 Cost Plan.

Residual Equity Transfer-Out is budgeted at \$5,467 for payment of the Department's share of the Opterra Energy Efficiency Project. The Administration Building at 1160 Civic Center Blvd had Lighting and HVAC upgrades to help reduce the building's energy usage. In addition, the building will also benefit from the Acacia property Solar Panel array that will offset Utility costs. This payment reflects the County Administrator's Office proportional share of the building's total payment.

The County Administrative Office assumed oversight responsibility for the Human Resources and Emergency Services functions of the County in FY 2014-15. Due to continued budget constraints and other needs within the County, it is recommended that no position be added back to this budget unit in this fiscal year. Therefore, it is recommended that the Human Resources function of the County remain assigned to the County Administrative Office for FY 2016-17 with no additional staff within the Human Resources Department to augment the related functions.

The County Administrative Office will also continue to oversee the Emergency Services budget unit in FY 2016-17, including oversight of the inter-related functions of Risk Management and Loss Prevention Services. The Recommended Budget and Organization Chart reflect these assignments.

The budget continues to maintain the Senior Analyst position as vacant and unfunded. This position was first left vacant and unfunded in FY 2010-11.

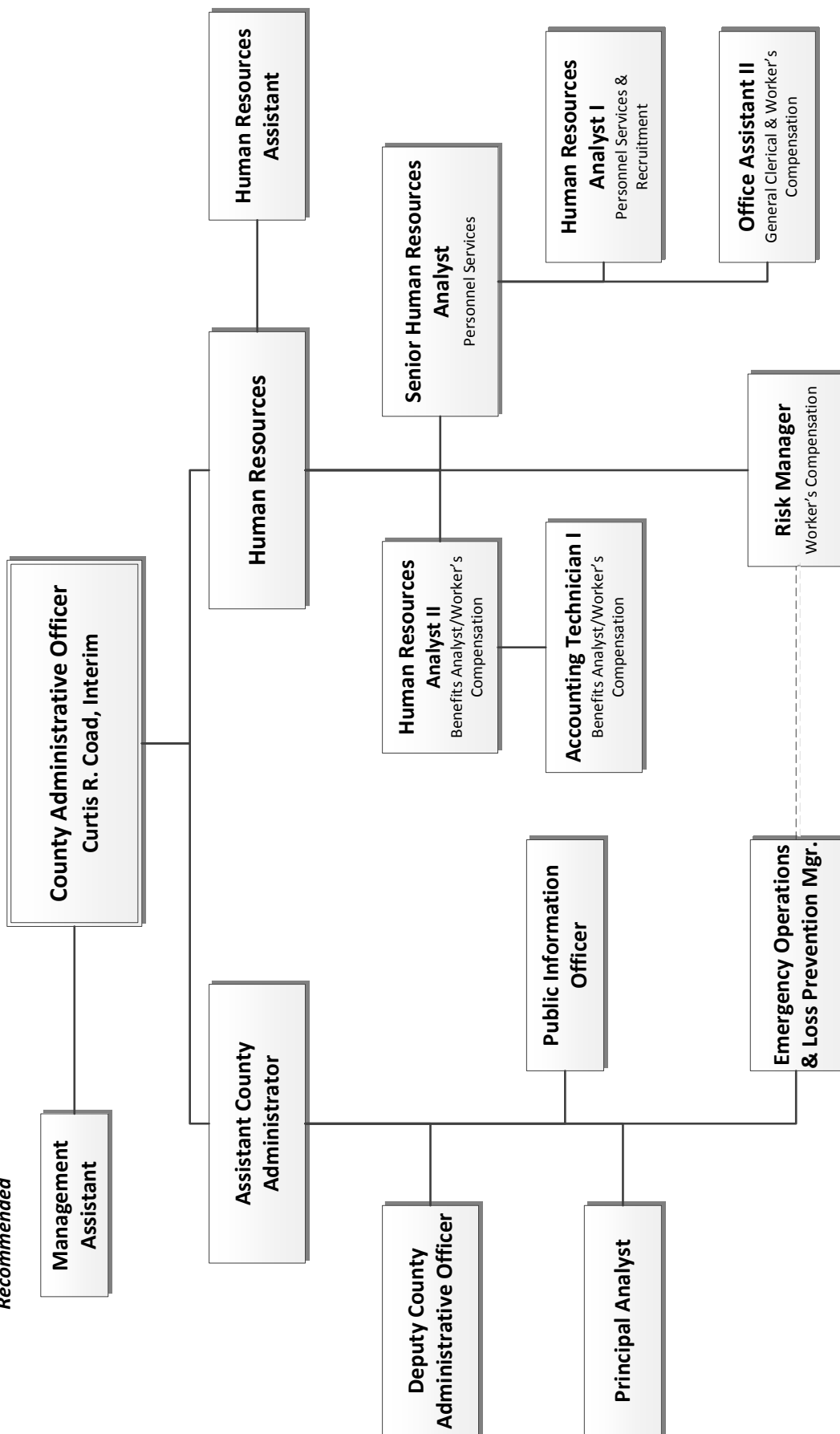
## Use of Fund Balance

This budget unit is within the General Fund. The budget does not include the use of any specific fund balance.

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# County Administrative Office FY 2016-2017

*Recommended*



COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 0001 - GENERAL				Dept: 1103	
Unit Title: NON-DEPARTMENTAL EXPENSES					
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/20/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
SERVICES AND SUPPLIES	244,128	316,966	357,650	352,150	-1.5
OTHER CHARGES	76,497	206,137	237,217	1,389,841	485.9
CAPITAL ASSETS	0	0	0	0	0.0
INTRAFUND TRANSFERS	-3,900	-4,968	-5,000	-5,000	0.0
INCREASES IN RESERVES	0	0	126,826	107,418	-15.3
OTHER FINANCING USES	323	0	0	152	0.0
NET BUDGET	317,048	518,135	716,693	1,844,561	157.4
<b>REVENUE</b>					
USER PAY REVENUES	39,861	0	39,861	39,861	0.0
CANCELLATION OF PRIOR YR RESRV	0	0	129,165	0	0.0
TOTAL OTHER REVENUE	39,861	0	169,026	39,861	-76.4
<b>UNREIMBURSED COSTS</b>	277,187	518,135	547,667	1,804,700	229.5
<b>ALLOCATED POSITIONS</b>	0.00	0.00	0.00	0.00	0.0

## Purpose

The Non-Departmental Expenses (NDE) budget unit finances certain general service costs of County government, which are not readily allocated to any specific department. Typical costs include professional services for legislative advocacy and conducting the annual independent audit of County government finances.

- (\$159,376) Decrease reflecting a one-time Interfund Transfer of General Fund monies in FY 2015-16 to relieve a negative fund balance in the County Airport fund
- \$310,000 Increase to Interfund Miscellaneous Transfer to Juvenile Hall budget unit for Sutter County's share of the Tri-County Regional Juvenile Rehabilitation Facility Construction Project

## Major Budget Changes

### Other Charges

- \$1,000,000 Increase in Contribution to Other Agencies related to anticipated investment in PARS OPEB/Pension prefunding

## Program Discussion

As indicated above, this budget unit finances certain general service costs of County government, which are not readily allocated to any specific department. Typical costs financed by this budget unit include

# County Administrative Office

## Non-Departmental Expenses (1-103) *Interim County Administrative Officer*

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*Curtis R. Coad*

professional services for legislative advocacy and conducting the annual independent audit of County government finances.

This budget unit includes \$7,500 for an annual employee appreciation event. Funding for the event was reinstated in FY 2013-14. It is anticipated that the event will be produced at minimal expense.

This budget unit also includes \$11,841 to pay for a portion of the Yuba City Unified School District's annual assessment from the Sutter Butte Flood Control Agency, pursuant to a 2010 agreement.

Revenues include an Interfund transfer from non-General Fund departments to pay for their proportionate share of the annual County financial audit.

### Recommended Budget

This budget is recommended at \$1,844,561. The General Fund provides approximately 97.8% of the financing for this budget unit and increased \$1,257,033 (229.5%) over FY 2015-16.

Audit Fees are recommended at \$85,000 for annual Independent Audit costs. This will be the third year of a three-year contract.

The Professional and Specialized Services account is recommended at \$145,000, and includes \$10,000 for the Management Training program along with other general contract services currently in place or which may be required during the year.

The Contribution to Other Agencies account continues to reflect the County's contribution to the Area 4 Agency on Aging (pursuant to a current Joint Powers Agreement).

The Contribution to Other Agencies account also reflects the \$52,000 annual contribution to the Yuba Sutter Economic Development Corporation, which was moved to the NDE budget unit from the Subsidy Request budget unit (7-202) in FY 2013-14.

The Contribution to Other Agencies account reflects \$1,000,000 anticipated to be invested with Public Agency Retirement Services (PARS). PARS enables the County to establish a Pension Benefits Trust Fund and an Other Post-Employment Benefits (OPEB) Trust Fund in order to pre-fund a portion of unfunded pension and OPEB actuarial liabilities. Investment in PARS as a Section 115 Trust is enabled by Government Code 53216.1.

Interfund transfers include \$310,000 to reflect Sutter County's proportional share of the Tri-County Regional Juvenile Rehabilitation Facility Construction Project. This amount is budgeted to be transferred to the Juvenile Hall (2-309) budget unit for payment to Yuba County.

Intrafund Transfers include a negative \$5,000 (essentially a revenue) in Intrafund Rents/Leases related to the Farm Advisor's building lease. This account is budgeted each year.

### Use of Fund Balance

Increases in Obligated Fund Balance are recommended at \$107,418:

- \$5,000 is recommended to be placed in the Committed Fund Balance for Farm Advisor/Ag Building account (#31205). This designation will be used to offset costs for any future improvement to or replacement of the joint Agricultural



Commissioner/Farm Advisor facility.

- \$25,000 is recommended to continue to fund the Telephone System Equipment Replacement reserve account (#31214) over time. These funds are cancelled and used when General Fund departments require major phone system repair, replacement, or improvement.
- \$77,418 is recommended to be placed in the Committed Fund Balance - OPEB account (#31227) as a reserve to reflect the annual amortized cost for OPEB costs. This funding mechanism was established in FY 2012-13.

County Administrative Office  
 Personnel Transition Costs (1-104)

Curtis R. Coad  
 Interim County Administrative Officer

COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 0001 - GENERAL					
Unit Title: PERSONNEL TRANSITION COSTS				Dept: 1104	
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/20/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
SALARIES AND EMPLOYEE BENEFITS	0	0	0	0	0.0
NET BUDGET	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>REVENUE</b>					
CANCELLATION OF PRIOR YR RESRV	0	0	0	0	0.0
TOTAL OTHER REVENUE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>UNREIMBURSED COSTS</b>	0	0	0	0	0.0
<b>ALLOCATED POSITIONS</b>	0.00	0.00	0.00	0.00	0.0

### Purpose

The Personnel Transition Costs budget unit was created in FY 2011-12. This budget unit represents the County’s total anticipated Unemployment Insurance liabilities associated with the recommended elimination of filled positions. This budget unit would also include one month of funding and the position allocation for filled positions recommended to be eliminated in the budget year. All costs associated with this budget unit would be funded with a Cancellation of Obligated Fund Balance from the Committed Fund Balance Designated for Capital Projects account (#31265).

### Major Budget Changes

There are no major budget changes for FY 2016-17.

### Recommended Budget

For FY 2016-17, there is one recommended position elimination resulting in a layoff. This position is not in the General Fund; therefore, there are no recommended costs in this budget unit.

**County Administrative Office  
General Revenues (1-209)**

*Curtis R. Coad  
Interim County Administrative Officer*

<b>COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017</b>					
Fund: <b>0001 - GENERAL</b>				Dept: <b>1209</b>	
Unit Title: <b>GENERAL REVENUES</b>					
	<b>2014-2015 Actual Expenditure</b>	<b>2015-2016 YTD as of 05/25/2016</b>	<b>2015-2016 Adopted Budget</b>	<b>2016-2017 CAO Recommended</b>	<b>2015-2016 % Change Over</b>
<b>EXPENDITURES</b>					
INTRAFUND TRANSFERS	-324,876	-417,164	-659,991	-484,629	-26.6
INCREASES IN RESERVES	0	0	5,318,805	0	-100.0
NET BUDGET	<u>-324,876</u>	<u>-417,164</u>	<u>4,658,814</u>	<u>-484,629</u>	<u>-110.4</u>
<b>REVENUE</b>					
GENERAL REVENUES	36,034,148	22,131,853	35,875,475	37,616,312	4.9
CANCELLATION OF PRIOR YR RESRV	0	0	1,716,230	2,407,042	40.3
UNDESIGNATED FUND BALANCE	5,114,200	6,662,118	8,418,811	4,650,000	-44.8
TOTAL OTHER REVENUE	<u>41,148,348</u>	<u>28,793,971</u>	<u>46,010,516</u>	<u>44,673,354</u>	<u>-2.9</u>
<b>UNREIMBURSED COSTS</b>	-41,473,224	-29,211,135	-41,351,702	-45,157,983	9.2
<b>ALLOCATED POSITIONS</b>	0.00	0.00	0.00	0.00	0.0

**Purpose**

The General Revenues budget unit accounts for the general revenues of the County's General Fund. General revenues include property taxes; the undesignated fund balance; fines, sales and use taxes; various revenues from the State; miscellaneous taxes and other revenues which are not accounted for in other budget units. In the Recommended Budget, the estimated undesignated fund balance expected to be available is included in the General Revenues budget. These general revenues finance the "Unreimbursed Cost" of all other budget units within the General Fund.

This budget is prepared by the County Administrator's Office.

**Major Budget Changes**

**Revenues**

- \$950,000 Increase in secured property tax
- \$30,000 Increase in supplemental property tax
- \$75,000 Increase in current unsecured property tax
- (\$7,000) Decrease in prior year unsecured property tax
- \$700,000 Increase in property tax in-lieu vehicle license fee
- \$45,000 Increase in Property Tax Special Assessment revenue
- \$100,000 Increase in Penalty and Cost fees on Delinquent Taxes

# County Administrative Office General Revenues (1-209)

*Curtis R. Coad*  
*Interim County Administrative Officer*

- \$837,324 Increase in Sales and Use Taxes primarily related to end of Triple Flip
- (\$700,000) Decrease in in-lieu local sales and use taxes related to end of Triple Flip
- (\$50,000) Decrease in franchise fee revenue
- \$15,000 Increase in interest revenue
- (\$409,800) Decrease in A-87 Overhead Cost Plan reimbursement revenue from non-General Fund departments and agencies

## Program Discussion & Recommended Budget

The estimate for the General Revenue category (including Intrafund revenue) is \$38,100,941, which is an increase of \$1,565,475 (4.3%) compared to the FY 2015-16 Adopted Budget.

The increase is primarily due to two increases in two primary sources of General Fund revenue: (1) an increase in secured property tax; and (2) an increase in property tax in-lieu of vehicle license fee revenues.

The County's three major General Revenues have traditionally been the property tax, the sales tax, and the motor vehicle in-lieu payments from the State. However, significant changes occurred in FY 2004-05 regarding how two of these major revenue streams, the sales tax and the motor vehicle in-lieu (MVIL) payments, are received from the State.

The voter approved Proposition 57 (The Economic Recovery Bond Act, 2004), implemented a set of transactions, also known as the “Triple Flip,” whereby a share of revenues that had previously appeared under the Sales and Use Taxes account are now shown in the related In-Lieu Local Sales and Use Tax account. The amount that each county receives for In-Lieu Local Sales and Use Tax is provided each year by the State Controller’s Office. This “temporary” shift of revenues by the State was to last until all revenue bonds issued by the State, pursuant to Proposition 57, were paid off. As planned, the Triple Flip ended in FY 2015-16 with the final payment expected in June 2016. The Bradley-Burns local tax rate was returned to the full 1 percent on January 1, 2016.

For FY 2016-17, the In-Lieu Local Sales and Use Tax account has been budgeted at \$0, while the Sales and Use Taxes account has been increased by \$837,324. These changes have been implemented due to the end of the Triple Flip and the return of the full 1% Bradley-Burns local tax rate.

Prior to 2004, a primary source of revenue for California counties was the motor vehicle in-lieu. Due to the voter approved Proposition 1A (Protection of Local Government Revenues Act of November 2004), the State now receives the motor vehicle in-lieu revenues and have “swapped” that revenue for property tax. That revenue is budgeted in the Property Tax In-Lieu – Vehicle License Fee account. The intent of Prop 1A was to protect revenues collected by local governments (cities, counties, and special districts) from being transferred to the California state government for statewide use. This was a permanent change to the County-State relationship regarding these revenues, and the County will continue to receive Property Tax revenues in lieu of

# County Administrative Office General Revenues (1-209)

*Curtis R. Coad*  
*Interim County Administrative Officer*

MVIL. Property Tax In-Lieu - Vehicle License Fee revenues are calculated each year by a formula determined by the State Controller's Office. It should be noted that these In-Lieu Property Tax revenues are not related to, nor should they in any way impact, the amount received in the Property Tax – Secured account.

For FY 2015-16, property tax revenues (including secured, unsecured, and property tax in lieu of Motor Vehicle License Fees) are projected to be approximately \$24.4 million. This represents a combined increase of \$1,748,000, or 7.7%, from the FY 2015-16 Adopted Budget. Estimates for property tax and related revenues have been developed based on an evaluation of estimates and projections received from the Auditor-Controller's Office and developed jointly by the County Administrative Office and the Auditor-Controller's Office. While it appears that revenues are increasing, estimates for improvements in property tax revenues remain comparatively conservative. The County Administrative Officer and the Assessor estimate that secured property tax revenue will increase by 1.1% over FY 2015-16 actual receipts based on recent market activity. These estimates represent an increase of 6.9% over two years based upon FY 2014-15 actual receipts.

The Auditor-Controller's Office has provided the County Administrative Office with estimates indicating that current supplemental property tax revenue, current unsecured property tax revenue, and other related revenues will increase for FY 2015-16. As mentioned previously, these estimates were developed jointly and agreed upon by the Auditor-Controller's Office and County Administrator's Office. The recommended revenue amounts, based on recent and historic activity, are slightly less

conservative in nature compared to the County's past budgeting approach.

The budget for sales and use tax revenue, including in-lieu revenue, is recommended at approximately \$3.3 million. Sales tax based revenues declined substantially in FY 2008-09 and FY 2009-10; however, the decline in sales tax revenues appears to have leveled off starting with FY 2011-12. Sales and Use Tax has remained flat from FY 2013-14 through FY 2014-15. Due to the ending of the Triple Flip, it is difficult to project Sales and Use Tax for FY 2016-17. However, the current estimate of \$3.3 million represents a 4.3% increase compared to the FY 2015-16 Adopted Budget. Sutter County has averaged an increase of 5.5% for sales and use taxes over the past three completed fiscal years (FY 2011-12 through FY 2014-15).

The County receives Franchise Fee revenue from three sources: PG&E, Recology Yuba-Sutter, and Comcast, with the majority of the fee revenue coming from PG&E. Because the PG&E franchise fee is tied to electric and gas use, this revenue source fluctuates from year to year. However, overall, Franchise Fee revenue from PG&E has gradually declined over the past three years. Total franchise fee revenue is budgeted at \$1.25 million, a decrease of \$50,000 (3.8%) compared to FY 2015-16.

Revenue from Interest earned on monies held by the General Fund in the pooled treasury has decreased substantially over the past five years. This decrease is primarily due to the combination of a decrease in the general fund balances held in the pooled treasury and a general decrease in the overall pooled treasury interest rate. However, projections for FY 2015-16 show a slight increase in this

# County Administrative Office General Revenues (1-209)

*Curtis R. Coad*  
*Interim County Administrative Officer*

revenue and therefore, the FY 2016-17 estimate for Interest revenue is increased by \$15,000 to \$265,000.

The estimated available Fund Balance from FY 2015-16 is \$4.65 million. This represents carry-forward monies generated from on-going County operations which can be, and need to be, used to fund on-going County expenditures. This represents an increase of approximately \$1.65 million from the amount that was budgeted to be available in the FY 2015-16 Recommended Budget.

It should be noted that the actual estimated available Fund Balance will not be known until the financial books of the County are closed by the Auditor-Controller and it is likely that the actual fund balance will differ from what is included in this recommendation. At this time, it is anticipated that any change in Fund Balance available that results from the closing of the County books at year-end will be adjusted to increase Unassigned Fund Balance in the General Fund. If significantly less revenue is received than anticipated, staff will return to the Board of Supervisors with revised recommendations.

## Use of Fund Balance

The Board of Supervisors established the Designation for Williamson Act Subvention in 2004 as a means of accumulating and saving these State subvention revenues for the purpose of using the funds to offset any future decline or elimination of the subvention in the State budget. The subvention was effectively eliminated by the State in 2009. The County is no longer entering into new contracts, but is renewing existing contracts with a nine (9) year term. Therefore, it is recommended that \$51,150 of

the Committed Fund Balance for Williamson Act Subvention account (#31217), be cancelled in FY 2016-17 to offset the loss of that revenue source.

It is recommended that \$192,000 held in the General Fund's Committed Fund Balance Designated for Capital Projects account (#31265) be liquidated to cover the cost of four (4) replacement vehicles for the Sheriff's Department. These vehicles have historically been purchased from current year revenues. In recent years, due to budget constraints, the Sheriff had also purchased a portion of the limited number of replacement vehicles using Special Revenue Fund monies.

It is recommended that \$100,000 held in the General Fund's Committed Fund Balance Designated for Capital Projects account (#31265) be liquidated to cover potential General Fund costs associated with anticipated, pending, or existing litigation. This expenditure is included in the County Counsel budget unit (1-301); funds are available for use only for the specified purposes.

It is recommended that \$45,000 held in the General Fund's Committed Fund Balance Designated for Capital Projects account (#31265) be liquidated to cover potential General Fund costs associated with one-time expenses for development and water management related contracts. This expenditure is included in the Development Services Planning and Building budget unit (2-724); funds are available for use only for the specified purposes.

It is recommended that \$437,035 held in the Committed Fund Balance Designated for Capital Projects account (#31265) be

## County Administrative Office General Revenues (1-209)

*Curtis R. Coad*  
*Interim County Administrative Officer*

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liquidated in FY 2016-17 to fund the cost of General Fund projects in the Plant Acquisition budget unit (1-801).

It is recommended that \$12,000 held in the Committed Fund Balance – Transient Occupancy Tax account (#31245) be cancelled in FY 2016-17 to fund the replacement of the ceiling in Whiteaker Hall. This project is discussed in the Plant Acquisition budget unit (1-801).

It is recommended that \$6,175 held in the Committed Fund Balance – Farm Advisor/Agriculture Building account (#31205) be cancelled in FY 2016-17 to fund the painting of the Farm Advisor offices. This project is discussed in the Plant Acquisition budget unit (1-801).

It is recommended that \$100,935 held in the General Fund's Committed Fund Balance Designated for Future Pension Cost Increases be cancelled to offset the increase in required contributions to CalPERS for FY 2016-17. This fund was established by the Board of Supervisors in FY 2012-13 for the purpose of reducing the impact to the General Fund that would result from anticipated PERS Retirement plan cost increases resulting from recent actions by the CalPERS Board of Directors. The current balance of this account is \$272,690. The recommendation is the same as the prior year's recommendation and allows the County to maintain sufficient funds available to help offset additional increases anticipated to impact counties and other public agencies in FY 2016-17 as a result of additional actions by the CalPERS Board.

It is recommended that \$83,710 held in the General Fund's Committed Fund Balance Designated for Future Vehicle Replacement be used in FY 2016-17 to fund the purchase of vehicles for General Fund funded departments. These vehicle purchases are discussed in the individual budget units.

This year, no Obligated Fund Balance monies are recommended to be liquidated to meet on-going financing requirements.

The total Cancellation of Obligated Fund Balance, from all accounts, in the General Revenues budget unit for FY 2016-17 is recommended at \$2,407,042.

COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 0001 - GENERAL Unit Title: CONTINGENCY				Dept: 9900	
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/24/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
PROVISIONS FOR CONTINGENCIES	0	0	529,931	864,112	63.1
NET BUDGET	<u>0</u>	<u>0</u>	<u>529,931</u>	<u>864,112</u>	<u>63.1</u>
<b>UNREIMBURSED COSTS</b>	0	0	529,931	864,112	63.1
<b>ALLOCATED POSITIONS</b>	0.00	0.00	0.00	0.00	0.0

## Purpose

These funds are appropriated to be available for unanticipated expenses or unanticipated revenue shortfalls in the County General Fund. Transfers of funds from contingency accounts require approval by a 4/5ths vote of the Board of Supervisors.

This budget is prepared by the County Administrator's Office.

## Program Discussion

The General Fund Contingency budget is used for unanticipated requirements occurring in all General Fund related County operations during the fiscal year. It acts as a hedge against unanticipated adverse state and federal budget actions, may fund mid-year employee salary and benefits adjustments, and provides funds for unanticipated needs that may occur during the course of the fiscal year. The recommended amount of \$864,112 represents approximately 1% of recommended total General Fund expenditures, plus \$250,000 for possible health insurance increases that are yet to be determined.

The zeroes shown in the "Actual" columns for prior years can appear misleading. To avoid double-counting of expenditures within the General Fund, the Auditor-Controller's Office reduces the budgeted amount in the Contingency Reserve and adds to the budgeted amount in the receiving budget unit when a transfer is made or, if additional funding comes into a fund other than the General Fund, the Contingency Reserve is increased.

As of May 10, 2016, the Adjusted Budget for FY 2015-16 shows \$592,962 available instead of the \$550,000 originally recommended for that fiscal year. Some actions during the year increase the Contingency fund, while other draw on, or reduce, the Contingency. Any funds not transferred out of Contingency during a given fiscal year remain in the General Fund and are available for appropriation in the following year.



## County Administrative Office Contingency (9-900)

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*Curtis R. Coad*  
*Interim County Administrative Officer*

### Recommended Budget

The recommended Appropriation for Contingency is \$864,112 and is increased by \$334,181 (63.1%) when compared to FY 2015-16.

### Use of Fund Balance

This budget unit is within the General Fund. The budget does not include the use of any specific fund balance.

COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 0015 - PUBLIC SAFETY				Dept: 2401	
Unit Title: EMERGENCY SERVICES					
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/20/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
SALARIES AND EMPLOYEE BENEFITS	147,281	79,538	106,298	142,627	34.2
SERVICES AND SUPPLIES	10,248	15,124	26,475	52,601	98.7
OTHER CHARGES	124,722	97,457	131,600	159,053	20.9
INTRAFUND TRANSFERS	34,049	0	0	39,312	0.0
OTHER FINANCING USES	0	0	0	303	0.0
NET BUDGET	<u>316,300</u>	<u>192,119</u>	<u>264,373</u>	<u>393,896</u>	<u>49.0</u>
<b>REVENUE</b>					
USER PAY REVENUES	0	28,964	0	0	0.0
GOVERNMENTAL REVENUES	412,995	74,462	192,806	282,501	46.5
TOTAL OTHER REVENUE	<u>412,995</u>	<u>103,426</u>	<u>192,806</u>	<u>282,501</u>	<u>46.5</u>
<b>UNREIMBURSED COSTS</b>	-96,695	88,693	71,567	111,395	55.7
<b>ALLOCATED POSITIONS</b>	1.20	1.20	0.90	0.90	0.0

## Purpose

Emergency Services is responsible for activities associated with the planning, response, and recovery from natural and man-made emergencies/disasters throughout the County, and for the coordination of those activities with other local agencies, the California Emergency Management Agency (CalEMA), and the Federal Emergency Management Agency (FEMA).

## Major Budget Changes

### Salaries & Benefits

- \$25,882 General increase due to negotiated Salaries and Benefits

### Services & Supplies

- \$17,001 Increase in Office Equipment through the 2015 Homeland Security Grant Program

### Other Charges

- (\$9,290) Decrease in Contribution to Other Agency Yuba City related to 2015 Homeland Security Grant Program
- \$31,385 Increase in Interfund Transfer Out related to 2015 Homeland Security Grant Program

### Intrafund Transfer

- \$39,312 Increase in Intrafund Other related 2015 Homeland Security Grant Program

#### Revenues

- \$82,567 Increase in Federal Grant related to 2015 Homeland Security Grant Program

### Program Discussion

The Emergency Management Division is responsible for developing and maintaining plans in preparation for emergencies, assisting in the coordination of responses to emergencies, and pursuing assistance in the process of recovery from emergencies. This includes the incorporation of the National Incident Management System (NIMS), the National Response Framework (NRF) and the Standardized Emergency Management System into these plans. It acts as the primary liaison between the State and the County for general mutual aid purposes (law enforcement and fire having their own mutual aid systems), and administers related grant programs.

As the local Operational Area Coordinator, the Emergency Operations and Loss Prevention Manager (EOM) coordinates and/or provides training emergency operations personnel, and disaster services workers to ensure preparedness. The Operational Area Coordinator assists the cities of Yuba City and Live Oak, Special Districts, and Private/Non-Profit Organizations with emergency mitigation, preparedness, response, planning, and recovery activities.

The Emergency Operations and Loss Prevention Manager is also responsible for

managing identified countywide safety efforts, which overlap with countywide emergency management and communication duties.

There are currently two active programs within the Emergency Management Division: Administration and Grants Management.

#### Administration

The Emergency Operations and Loss Prevention Manager coordinates training and operational exercises for County personnel, develops public awareness programs in conjunction with the County Public Information Officer, and develops the basis for cooperation with other jurisdictions in preparing for the response to emergency situations. Management of identified countywide safety efforts, which overlap with countywide emergency management and communication duties, was added to this program during FY 2014-15.

#### Grants Management

Grant programs are actively sought for funding to supplement County resources. Grants can often be used for the purchase of incident response equipment, preparedness assessment activities, public education programs and the training of personnel in response to a disaster.

Current grants include:

*Emergency Management Performance Grant (EMPG)* - Funds are used to offset the salary of the OEM and the expenses associated with the day-to-day operations of the Office of Emergency Management. This is a 50/50 match of funds from the County and EMPG grant. These funds contribute to the County's ability to prevent, prepare for, mitigate,

respond to, and recover from emergencies and disasters.

*2015 Homeland Security Grant* – \$172,501 has been budgeted in FY 2016-17 for purchases to be made by the City of Yuba City Police and Fire Departments, Sutter County Public Health, Sutter County Fire and Sutter County Sheriff and Sutter County OEM. There are no related General Fund Costs.

## **Recommended Budget**

This budget is recommended at \$393,896, which is an increase of \$129,523 (49.0%) over FY 2015-16. This budget unit is within the Public Safety fund; however, it is considered to be funded primarily by the General Fund, which provides 28.3% of the financing for this budget unit. This is an increase of \$39,828 (55.7%) compared to FY 2015-16. The increase is primarily related to the retirement and subsequent deletion of the Emergency Operations Manager position and the hiring of the Emergency Operations and Loss Prevention Manager position.

For FY 2015-16, the division is staffed by an Emergency Operations and Loss Prevention Manager Position allocated at 0.7 FTE in this budget unit and 0.3 FTE in the Liability Insurance ISF budget unit (4-590). The Public Information Officer Position allocation is recommended to remain at 0.2 FTE in this budget unit.

The remaining thirty percent (0.3 FTE) of the Emergency Operations and Loss Prevention Manager's 1.0 FTE allocation for FY 2016-17 will be dedicated to managing identified countywide safety efforts, which overlap with countywide emergency management and communication duties. The County is eligible for reimbursement for these duties, and any revenue received will be deposited into the Refund account within the Liability Insurance ISF budget unit.

## **Use of Reserves/Designations**

The budget unit is within the Public Safety Fund. The budget does not include the use of any specific fund balance.

COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 0001 - GENERAL					Dept: 1401
Unit Title: HUMAN RESOURCES					
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/20/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
SALARIES AND EMPLOYEE BENEFITS	518,389	422,283	511,457	512,419	0.2
SERVICES AND SUPPLIES	123,217	41,870	71,650	50,650	-29.3
OTHER CHARGES	128,288	87,599	197,166	112,832	-42.8
INTRAFUND TRANSFERS	3,203	2,182	3,456	3,583	3.7
OTHER FINANCING USES	0	0	0	3,395	0.0
NET BUDGET	<u>773,097</u>	<u>553,934</u>	<u>783,729</u>	<u>682,879</u>	<u>-12.9</u>
<b>REVENUE</b>					
USER PAY REVENUES	48,335	21,375	24,505	25,316	3.3
GENERAL REVENUES	22	0	0	0	0.0
TOTAL OTHER REVENUE	<u>48,357</u>	<u>21,375</u>	<u>24,505</u>	<u>25,316</u>	<u>3.3</u>
<b>UNREIMBURSED COSTS</b>	724,740	532,559	759,224	657,563	-13.4
<b>ALLOCATED POSITIONS</b>	5.00	5.00	5.00	5.00	0.0

## Purpose

The Human Resources Department is a centralized merit systems agency providing personnel and human resources management services to County departments.

## Other Charges

- (\$48,596) Decrease in Interfund Information Technology charges as provided by the General Services Department
- (\$34,475) Decrease in Interfund Projects costs related to the implementation of the IFAS Personnel/Payroll system

## Major Budget Changes

### Services & Supplies

- (\$15,000) Decrease in Professional and Specialized Services related to reduction in investigation fees being directly billed to departments
- (\$6,000) Decrease in Professional and Specialized Services related to flexible spending account administration fees being covered by SJVIA premium

### Residual Equity Transfer-Out

- \$3,395 Increase in Operating Transfer Out related to implementation of the Opterra Capital Project offset by an anticipated reduction in Utilities expense

## Program Discussion

The FY 2016-17 budget reflects costs to provide the following centralized services to all County departments: labor relations; recruitment and certification for selection; review of and compliance with non-discrimination laws; health insurance and benefit administration; classification and salary analysis; administration of personnel rules and regulations; County-wide training; deferred compensation administration; unemployment insurance administration; and a variety of other compliance programs relating to personnel which are mandated by law. The risk management and loss prevention management functions of Human Resources are contained in the Workers Compensation and Liability budget units.

Costs related to specialized recruitments and classification and compensation studies are contained in the Professional/Specialized Services account.

## Recommended Budget

This budget is recommended at \$682,879, which is a decrease of \$100,850 (12.9%) compared to FY 2015-16. The General Fund provides 96.3% of the financing for this budget unit and is decreased by \$101,661 (13.4%) compared to FY 2015-16. A portion of the costs for this budget unit are recouped from outside and subvented funds through the annual (A-87) Cost Plan.

This recommended budget reflects the continued elimination of the Human Resources Director position. The Human Resources function of the County was reassigned to the County Administrative Office for FY 2014-15. It had been anticipated that a lower-level Human

Resources manager position would be added back to the budget once County revenues increased sufficiently. However, due to continued budget constraints and other needs within the County, it is recommended that no position be added back to this budget unit in this fiscal year. The Director position had historically been included in both the Human Resources (1-401) budget unit (80%) and the Workers' Compensation (4-591) budget unit (20%). There is no recommendation to allocate County Administrative staff to the Human Resources budget unit. However, 10% of the County Administrative Officer position has been included in the Workers' Compensation budget unit. The organizational structure of the department will continue to be evaluated during FY 2016-17.

It is recommended that the Extra Help budget remain defunded for FY 2016-17. The Department has been closed to the public during the noon hour (from 12:30 p.m. to 1:30 p.m.) due to the loss of extra-help front desk assistance in FY 2012-13.

The Department is reducing its Professional and Specialized Services expenses by \$21,000. This amount reflects a decrease in flexible spending account administration fees (this cost is included in insurance premiums with SJVIA) and a decrease in investigation fees as departments for whom the investigations are being conducted are funding the cost of outside investigators as needed.

Contract negotiations will take place with all bargaining units in FY 2016-17 and the department will request additional funding if necessary once a negotiator and cost has been determined.

## County Administrative Office Human Resources (1-401)

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*Curtis R. Coad*

*Interim County Administrative Officer*

Residual Equity Transfer-Out is budgeted at \$3,395 for payment of the Department's share of the Opterra Energy Efficiency Project. The Administration Building at 1160 Civic Center Blvd had Lighting and HVAC upgrades to help reduce the building's energy usage. In addition, the building will also benefit from the Acacia property Solar Panel array that will offset Utility costs. This payment reflects the Human Resource's proportional share of the building's total payment.

### Use of Fund Balance

This budget unit is within the General Fund. The budget does not include the use of any specific fund balance.

COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 0001 - GENERAL					
Unit Title: GENERAL INSURANCE & BONDS					Dept: 1911
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/20/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
SERVICES AND SUPPLIES	73,342	100,434	100,434	101,924	1.5
OTHER CHARGES	-70	0	0	0	0.0
INTRAFUND TRANSFERS	-17,630	-23,563	-23,039	-22,251	-3.4
NET BUDGET	55,642	76,871	77,395	79,673	2.9
<b>REVENUE</b>					
USER PAY REVENUES	59,936	72,284	77,026	75,545	-1.9
TOTAL OTHER REVENUE	59,936	72,284	77,026	75,545	-1.9
<b>UNREIMBURSED COSTS</b>	-4,294	4,587	369	4,128	1,018.7
<b>ALLOCATED POSITIONS</b>	0.00	0.00	0.00	0.00	0.0

## Purpose

This budget unit finances miscellaneous insurance costs for the following areas: Property insurance; employee bond and crime insurance; automobile physical damage; construction equipment physical damage; watercraft physical damage and liability; and boiler and machinery physical damage.

The primary factor driving the General Insurance and Bonds budget is the cost of maintaining the various insurance programs together with the associated costs to administer these programs in a cost effective and efficient manner.

## Major Budget Changes

There are no major budget changes for this fiscal year.

The County of Sutter self-insures for Property Insurance through Trindel Insurance Fund up to \$5,000, per occurrence. Losses exceeding these limits are covered by an excess insurance policy purchased through the California State Association of Counties-Excess Insurance Authority (CSAC-EIA), by way of Trindel Insurance Fund. The County also has a \$10,000,000 Faithful Performance Bond, and a \$10,000,000 Money and Securities Bond with a \$25,000 deductible each. A recent actuarial evaluation performed by Bickmore Risk Services found the County's self-insurance reserves, through Trindel Insurance Fund, to be adequately funded.

## Program Discussion

This budget unit is used solely to finance miscellaneous general insurance costs. General insurance premium costs are charged to County departments using the Interfund and Intrafund General Insurance and Bonds accounts.



In the case of the FY 2016-17 General Insurance and Bonds budget, the change in actual annual premiums is negligible, and for all intents and purposes is consistent with the FY 2015-16 Adopted Budget.

## **Use of Fund Balance**

This budget unit is within the General Fund. The budget does not include the use of any specific fund balance.

## **Recommended Budget**

This budget is recommended at \$79,673 (when Intrafund revenue is included). This results in an increase of \$2,278 (2.9%) over FY 2015-16.

There are no other changes recommended in this budget unit. Because this budget unit reflects only the cost of insurance premiums which are provided to the County by the carrier, there is no practical ability for the County to affect budget reductions in this budget unit in the short-term.

COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 0001 - GENERAL					
Unit Title: ANIMAL CONTROL		Dept: 2726			
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/20/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
SALARIES AND EMPLOYEE BENEFITS	315,608	315,270	338,403	364,179	7.6
SERVICES AND SUPPLIES	600	600	1,000	1,000	0.0
OTHER CHARGES	230,505	173,277	211,670	240,790	13.8
INTRAFUND TRANSFERS	19,598	-35,802	-31,607	-44,744	41.6
NET BUDGET	<u>566,311</u>	<u>453,345</u>	<u>519,466</u>	<u>561,225</u>	<u>8.0</u>
<b>REVENUE</b>					
USER PAY REVENUES	1,684	376	0	0	0.0
GOVERNMENTAL REVENUES	213,859	157,685	203,853	207,456	1.8
GENERAL REVENUES	3,520	1,788	0	0	0.0
TOTAL OTHER REVENUE	<u>219,063</u>	<u>159,849</u>	<u>203,853</u>	<u>207,456</u>	<u>1.8</u>
<b>UNREIMBURSED COSTS</b>	347,248	293,496	315,613	353,769	12.1
<b>ALLOCATED POSITIONS</b>	5.00	3.00	3.00	3.00	0.0

## Purpose

This budget represents the County's share of cost for the operation of the Sutter Animal Services Authority (SASA), a joint agency of the cities of Live Oak and Yuba City, and Sutter County, established for the purpose of providing efficient and cost effective animal control services.

SASA is responsible for enforcing local, state, and federal laws and regulations pertaining to animals and their care for all member jurisdictions. Providing for the health and welfare of animals (as well as the welfare of people in contact with animals) is accomplished by administering a mandated rabies control program, impounding stray or vicious/potentially dangerous animals, monitoring a quarantined animal program and responding to complaints of cruelty, neglect, and the inhumane treatment of animals.

The Animal Shelter cares for sick and injured animals, shelters animals no longer in the care of their owners, returns impounded animals to their owners, secludes potentially sick or dangerous animals from other animals for quarantined periods of time and adopts out animals to new families.

In November 2011, Sutter County and the cities of Live Oak and Yuba City entered into a Joint Powers Agreement (JPA) to form the Sutter Animal Services Authority (SASA) with Sutter County designated as the lead agency for operations and Yuba City designated as the lead agency to construct a new facility. The agreement specified that, at the completion of construction, the County's historical management of Animal Services operations would transfer to Yuba City.

The City of Yuba City assumed lead agency responsibility in July 2013. The new facility was completed in August 2013.

## Major Budget Changes

### Salaries & Benefits

- \$5,602 General increase due to negotiated Salaries and Benefits (reimbursed by City of Yuba City)
- (\$2,000) Decrease in Overtime for employees assigned to SASA (reimbursed by City of Yuba City)
- \$22,174 Increase in Workers' Compensation costs (paid by Sutter County) as provided by the Human Resources Department

### Other Charges

- \$28,986 Increase in Contribution to Other Agencies based on Sutter County's share of the SASA budget

### Intrafund Transfers

- (\$13,137) Net decrease in residual Intrafund Overhead (A-87) costs as provided by the Auditor-Controller's Office

## Program Discussion

The recommended budget reflects the County's proportionate share of the SASA operating budget, along with residual County costs that will not be shared by the other jurisdictions.

By agreement, the three jurisdictions represented by the Board will budget the

responsibility of operational expenses for FY 2016-17 as follows:

City of Yuba City	69%
Sutter County	22%
City of Live Oak	9%

The County and City of Yuba City entered into an Employee Services Agreement in 2013 in order to retain existing County employees and allow them to continue to provide services to Animal Control Services, as the lead agency responsibilities transferred from Sutter County to the City of Yuba City. Therefore, SASA shelter and field services are staffed with a combination of Yuba City employees and Sutter County employees, pursuant to the Employee Services Agreement. There are currently three Sutter County employees under this Agreement. The number of employees under the Agreement will be reduced each time a Sutter County employee leaves service for any reason, and the position will change to a Yuba City position. The contracted employee costs are reimbursed to Sutter County by Yuba City.

## Recommended Budget

This budget is recommended at \$561,225. The FY 2016-17 General Fund cost for this budget unit is \$353,769, or 63.0% of the total budget. The General Fund's cost for this budget unit has increased by \$38,156 (12.1%) as compared to FY 2015-16.

It was recommended to add one Animal Control Officer I position in the Yuba City budget along with other general increases.

Yuba City provides Workers' Compensation benefits for all employees including the employees contracted from Sutter County. However, because Workers' Compensation

costs are allocated to all Sutter County departments utilizing a formula that includes a 10-year experience factor, there is a residual cost for the coverage provided in prior years by Sutter County while it acted as lead agency. This residual cost (\$156,723 for FY 2016-17) will be borne by Sutter County alone and is reflected in this recommended budget. This residual amount will eventually decrease and be reduced to zero.

This budget consists of the following primary expenses and related revenues.

- Contribution to Other Agencies, recommended at \$237,031, reflecting Sutter County's 22% share of the SASA operating budget. Sutter County's share of cost for FY 2015-16 is based on population, and has been reduced from 25% in prior years.
- The residual Intrafund Overhead (A-87) charge of \$44,771, not shared by the SASA jurisdictions, reflects an adjustment to credit costs paid by Sutter County in the prior year. This item was removed from the shared SASA budget in FY 2011-12 and will eventually be reduced to zero.

- The Yuba City Animal Control revenue line item, \$207,456, which reflects the actual cost of employees contracted to Yuba City.

Eventually, the General Fund cost for this budget unit will reduce each year to reflect the reduction of residual costs and any changes that may occur to the agreement for employee services with the City of Yuba City. At some time in the future, this budget unit will reflect only Sutter County's proportionate share of the approved SASA operating budget.

## **Use of Fund Balance**

This budget unit is within the General Fund. The budget does not include the use of any specific fund balance.

COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 4590 - LIABILITY INSURANCE ISF			Dept: 4590		
Unit Title: LIABILITY INSURANCE ISF					
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/25/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
SALARIES AND EMPLOYEE BENEFITS	4,639	27,822	65,503	66,907	2.1
SERVICES AND SUPPLIES	412,420	643,861	646,361	695,251	7.6
OTHER CHARGES	262,358	8,078	11,268	7,255	-35.6
NET BUDGET	<u>679,417</u>	<u>679,761</u>	<u>723,132</u>	<u>769,413</u>	<u>6.4</u>
<b>REVENUE</b>					
USER PAY REVENUES	572,618	699,168	723,132	769,413	6.4
GENERAL REVENUES	2,962	3,334	0	0	0.0
CANCELLATION OF PRIOR YR RESRV	0	0	114,449	0	-100.0
UNDESIGNATED FUND BALANCE	-10,139	473	-114,449	0	-100.0
TOTAL OTHER REVENUE	<u>565,441</u>	<u>702,975</u>	<u>723,132</u>	<u>769,413</u>	<u>6.4</u>
<b>UNREIMBURSED COSTS</b>	113,976	-23,214	0	0	0.0
<b>ALLOCATED POSITIONS</b>	0.00	0.00	0.50	0.50	0.0

## Purpose

This budget identifies the annual expenditures for the operation of the Self-insured Liability program, which is established as an Internal Service Fund (ISF). The costs for operation of this budget are allocated to the other operating budgets of the County. This budget provides funds for the administration, adjustment, and defense of liability claims against the County and the purchase of excess insurance, should the County sustain a catastrophic loss.

## Major Budget Changes

### Services & Supplies

- \$48,890 Increase in Insurance Premiums

## Program Discussion

The primary factor that drives this budget is the cost of maintaining the self-insured liability program and associated costs.

The County of Sutter self-insures for Liability Insurance through Trindel Insurance Fund. The County self-insures, through Trindel Insurance Fund, losses up to \$100,000 for all risk liability and \$20,000 for auto liability, per occurrence. Losses exceeding these limits are covered by excess insurance policies purchased through the California State Association of Counties-Excess Insurance Authority (CSAC-EIA), by way of Trindel Insurance Fund. The excess policies provide coverage for liability losses up to \$25 million. A recent actuarial evaluation performed by Bickmore Risk Services found the County's self-insurance reserves, through Trindel Insurance Fund, to be adequately funded.

# County Administrative Office Liability Insurance (4-590)

*Curtis R. Coad*  
*Interim County Administrative Officer*

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## Recommended Budget

This budget is recommended at \$769,413. The County's Liability self-insurance was transitioned to Trindel during FY 2014-15.

The Liability Insurance budget unit operates as an ISF and must balance revenues to expenditures within the fund.

The recommended budget increases result in a \$46,281 (6.4%) increase in the Interfund Liability Insurance ISF premium charges to County Departments as compared to FY 2015-16. The amount budgeted in the Interfund Liability Insurance ISF line item reflects the total charges made to County departments for liability insurance premiums, management of the liability fund, and loss prevention efforts. Therefore, the increase in this account equals the amount that has been increased in County department budgets for FY 2016-17.

## Use of Fund Balance

The fund contained Net Assets of \$473 as of July 1, 2015. Net Assets are estimated to equal \$5,473 as of July 1, 2016.

COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 4591 - WORKERS' COMP INSURANCE ISF			Dept: 4591		
Unit Title: WORKERS' COMP INSURANCE ISF					
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/25/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
SALARIES AND EMPLOYEE BENEFITS	269,324	206,049	242,748	249,103	2.6
SERVICES AND SUPPLIES	2,020,690	2,354,551	2,366,891	2,392,353	1.1
OTHER CHARGES	29,893	24,810	31,054	36,760	18.4
NET BUDGET	2,319,907	2,585,410	2,640,693	2,678,216	1.4
<b>REVENUE</b>					
USER PAY REVENUES	2,373,752	2,686,690	2,641,002	2,641,486	0.0
GENERAL REVENUES	-1,654	6,399	-309	107	-134.6
UNDESIGNATED FUND BALANCE	-15,118	37,073	0	36,623	100.0
TOTAL OTHER REVENUE	2,356,980	2,730,162	2,640,693	2,678,216	1.4
<b>UNREIMBURSED COSTS</b>	-37,073	-144,752	0	0	0.0
<b>ALLOCATED POSITIONS</b>	2.10	2.10	1.90	1.90	0.0

## Purpose

The County Administrative Office is responsible for the administration and management of the Workers' Compensation program. Elements of the Workers' Compensation program include: claims management, coordination of third party claims administration, monitoring departmental safety and accident prevention programs, tracking job-related accidents and injuries and the maintenance of appropriate reports, records and statistics.

## Major Budget Changes

### Services & Supplies

- \$38,691 Increase in Workers' Compensation Self-Insurance Premium

- (\$14,778) Decrease in Professional/Specialized Services

### Other Charges

- \$6,003 Increase in A-87 Cost Plan charges as provided by the Auditor-Controller's Office

### Revenues

- \$8,287 Increase in Interfund Workers' Compensation program charges to County departments

## Program Discussion

The County Administrative Office is responsible for the administration and management of the Workers' Compensation program, which includes claims management, third party claims

administration, safety, and accident prevention programs, work-related accidents and injuries, and development of corresponding reports.

This budget unit is an Internal Service Fund; therefore, all revenues and expenditures are accumulated within the fund and net costs are allocated to individual County departments based on a standard allocation methodology.

The primary factors that affect the cost of this budget unit are salaries and workers' compensation insurance premiums, both primary and excess workers' compensation.

On a year-over-year basis, insurance premiums are subject to a number of economic stimuli - global market conditions, available insurance capacity by the underwriting community, claims loss history, and the overall state of the economy. As such, Sutter County can expect to experience an annual swing in premium rates dependent on any or all of the variables mentioned above.

On July 1, 2015 Sutter County transitioned from CSAC-EIA primary workers' compensation program to the Trindel Insurance Fund program. The County self-insures, through Trindel Insurance Fund, losses up to \$300,000 for Workers' Compensation. Losses exceeding these limits are covered by an excess insurance policy purchased through the California State Association of Counties-Excess Insurance Authority (CSAC-EIA), by way of Trindel Insurance Fund. The excess policy provides coverage for Workers' Compensation losses at the statutory limits. A recent actuarial evaluation performed by Bickmore Risk Services found the County's self-insurance reserves, through Trindel Insurance Fund, to be adequately funded.

## **Recommended Budget**

This budget is recommended at \$2,678,216, which is an increase of \$37,523 (1.4%) over FY 2015-16.

It is continued to be recommended that 20% of the Risk Manager position be allocated to the Workers' Compensation budget unit (4-591) to reflect management of that fund and the oversight of the County's loss prevention efforts. These staffing costs were previously recorded through an Interfund transfer (Interfund Administration – Misc. Departments).

Because the net costs of this fund are allocated to all County departments, including General Fund departments, a significant effort has been made to contain costs in the Workers' Compensation Fund.

Over 80% of the cost of the County's Workers' Compensation program is driven by insurance premium costs. Initial insurance premium estimates received from the carrier indicate an increase over the prior year budgeted amount, driven primarily by escalating workers' compensation insurance rates from the underwriting markets.

## **Use of Fund Balance**

The fund contained Net Assets of \$36,623 as of July 1, 2015. Net Assets are estimated to equal \$102,271 as of July 1, 2016.



COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 4595 - EMPLOYEE WELLNESS SERVICES			Dept: 4595		
Unit Title: EMPLOYEE WELLNESS SERVICES					
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/20/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
SERVICES AND SUPPLIES	0	595,970	691,333	738,312	6.8
OTHER CHARGES	0	0	1,200	0	0.0
NET BUDGET	0	595,970	692,533	738,312	6.6
<b>REVENUE</b>					
USER PAY REVENUES	0	402,169	692,533	738,312	6.6
TOTAL OTHER REVENUE	0	402,169	692,533	738,312	6.6
<b>UNREIMBURSED COSTS</b>	0	193,801	0	0	0.0
<b>ALLOCATED POSITIONS</b>	0.00	0.00	0.00	0.00	0.0

## Purpose

This budget identifies the annual expenditures for the administration, management, and operation, of Employee Wellness Services, which is established as an Internal Service Fund (ISF). Elements of the Employee Wellness Services program include: the Employee Wellness Clinic, the Employee Assistance Program, and all contracts and expenses associated to maintain these programs. The costs for operation of this budget are allocated to the other operating budgets of the County.

- (\$18,720) Decrease in Office Expenses due to the completion of the initial set-up of the Employee Wellness Clinic
- \$20,000 Increase in Professional/Specialized Services due to transfer of Employee Assistance Program charges to this fund
- \$64,178 Increase in Prof & Spec Medical Services due to a full year of Medcor Annual Program Fee with 3% increase

## Major Budget Changes

### Services & Supplies

- (\$45,000) Decrease in Maintenance Structure/Improvements due to the construction completion of the Employee Wellness Clinic

- \$24,000 Increase in Prof & Spec Medical Services for Lab and Prescription Expenses

### Revenues

- \$46,936 Increase in Interfund Wellness Services program charges to County departments

## **Program Discussion**

This budget unit is used solely to finance Employee Wellness Services program costs. Employee Wellness Services program costs are charged to County departments using the Interfund EE Wellness Services account.

The primary factor driving the Employee Wellness Services budget is the cost of the Medcor contract which has a set 3% increase for FY 2016-17.

## **Recommended Budget**

This budget is recommended at \$738,312, which is an increase of \$45,779 (6.6%) compared to FY 2015-16.

Because the net costs of this fund are allocated to all County departments, including General Fund departments, a significant effort has been made to contain costs in the Employee Wellness Services Fund.

## **Use of Fund Balance**

The fund contained Net Assets of \$0 as of July 1, 2015. Net Assets are estimated to equal \$0 as of July 1, 2016.

# County Share Budgets Trial Courts - General (2-110)

Curtis R. Coad

Interim County Administrative Officer

COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 0014 - TRIAL COURT			Dept: 2110		
Unit Title: TRIAL COURTS-GENERAL					
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/20/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>REVENUE</b>					
USER PAY REVENUES	3,140,883	2,500,000	3,886,672	4,074,579	4.8
GENERAL REVENUES	-1,091	-2,178	0	0	0.0
CANCELLATION OF PRIOR YR RESRV	0	0	0	0	0.0
TOTAL OTHER REVENUE	<u>3,139,792</u>	<u>2,497,822</u>	<u>3,886,672</u>	<u>4,074,579</u>	<u>4.8</u>
<b>UNREIMBURSED COSTS</b>	-3,139,792	-2,497,822	-3,886,672	-4,074,579	4.8
<b>ALLOCATED POSITIONS</b>	0.00	0.00	0.00	0.00	0.0

## Purpose

This budget, which is prepared by the County Administrator's Office, shows the contribution from the County General Fund necessary to balance the Trial Court Fund. The Trial Court Fund consists of the budgets for Probation, Sheriff's Court Bailiffs, the Public Defender, and the County General Fund contribution to operation of Superior Court and conflict indigent defense costs.

## Major Budget Changes

### Revenues

- \$187,907 Increase in Interfund General Fund cost

## Program Discussion/ Recommended Budget

The recommended General Fund Contribution is \$4,074,579, which is an increase of \$187,907 (4.8%) compared to FY 2015-16. As noted, this Unreimbursed Cost represents the County share of all recommended budgets in the Trial Court Fund (0-014).

## Use of Fund Balance

This budget unit is within the Trial Court Fund. The budget does not include the use of any specific fund balance.

# County Share Budgets Trial Court Funding (2-114)

Curtis R. Coad

Interim County Administrative Officer

<b>COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017</b>					
Fund: <b>0001 - GENERAL</b>					
Unit Title: <b>TRIAL COURT-COUNTY SHARE</b>				Dept: <b>2114</b>	
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/20/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
OTHER CHARGES	3,140,883	2,500,000	3,886,672	4,074,579	4.8
NET BUDGET	3,140,883	2,500,000	3,886,672	4,074,579	4.8
<b>UNREIMBURSED COSTS</b>	3,140,883	2,500,000	3,886,672	4,074,579	4.8
<b>ALLOCATED POSITIONS</b>	0.00	0.00	0.00	0.00	0.0

## Purpose

This budget unit, which is prepared by the County Administrator's Office, reflects the General Fund cost of the Trial Court Fund. The amount appropriated is shown as revenue in the Trial Court General Budget (2-110).

The recommended amount equals the revenue that is required to meet the Unreimbursed Costs of all the budget units within the Trial Court Fund (0-014), which include Sheriff's Court Bailiffs (2-103), Public Defender (2-106), Trial Court Funding (2-109), Superior Court (2-112) and Probation (2-304).

## Major Budget Changes

### Other Charges

- \$187,907 Increase in Interfund Trial Court Cost

## Use of Fund Balance

This budget unit is within the General Fund. The budget does not include the use of any specific fund balance.

## Program Discussion/ Recommended Budget

The recommended General Fund contribution is \$4,074,579, which is an increase of \$187,907 (4.8%) compared to FY 2015-16.

# County Share Budgets Public Safety - General (2-210)

Curtis R. Coad  
Interim County Administrative Officer

COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 0015 - PUBLIC SAFETY					Dept: 2210
Unit Title: PUBLIC SAFETY-GENERAL					
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/20/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
SALARIES AND EMPLOYEE BENEFITS	0	702	0	0	0.0
NET BUDGET	0	702	0	0	0.0
<b>REVENUE</b>					
USER PAY REVENUES	20,753,760	14,895,286	22,644,393	24,814,532	9.6
GENERAL REVENUES	-6,424	-18,780	0	0	0.0
CANCELLATION OF PRIOR YR RESRV	0	0	0	0	0.0
TOTAL OTHER REVENUE	20,747,336	14,876,506	22,644,393	24,814,532	9.6
<b>UNREIMBURSED COSTS</b>	-20,747,336	-14,875,804	-22,644,393	-24,814,532	9.6
<b>ALLOCATED POSITIONS</b>	0.00	0.00	0.00	0.00	0.0

## Purpose

from the Public Safety  
Augmentation Fund (0-282)

This budget unit, which is prepared by the County Administrator's Office, was created by the Board of Supervisors in 1993. It shows both the revenue derived from the ½ percent sales tax increase the State's voters approved when they passed Proposition 172 in November 1993 and the contribution from the County General Fund necessary to finance public safety costs. The General Fund contribution is budgeted in the Public Safety - County Share budget unit (2-215).

## Program Discussion/ Recommended Budget

The Revenue for this budget is recommended at \$24,814,532, which is an increase of \$2,458,486 (9.6%) compared to FY 2015-16. The recommended General Fund contribution is \$17,414,532, which is an increase of \$2,458,486 (16.4%) compared to FY 2015-16.

## Major Budget Changes

### Revenues

- \$2,458,486 Increase in Interfund General Fund Cost
- (\$288,347) Decrease in Interfund Transfer In-Special Revenue

California voters enacted Proposition 172 in 1993, which established a permanent statewide half-cent sales tax for support of local public safety functions. Proposition 172 funding is budgeted at \$7.4 million for FY 2016-17. The full amount received is to be transferred from the Public Safety Augmentation Fund (0-282) to the Public Safety Fund (0-015) in FY 2016-17.

# County Share Budgets

## Public Safety - General (2-210)

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*Curtis R. Coad*  
*Interim County Administrative Officer*

It should be noted that the decrease of \$288,347 in Prop 172 revenue accounts for a one-time deposit of additional Prop 172 revenue that occurred in FY 2015-16. Otherwise, the FY 2015-16 Prop 172 budgeted amount would have been \$7.1 million, while the FY 2016-17 amount is \$7.4 million.

In FY 2016-17, the General Fund is budgeted to contribute approximately \$17.4 million in funding to the Public Safety fund in excess of the Proposition 172 funding. The General Fund contribution to the Public Safety fund is recommended to increase by \$2,458,486.

### Use of Fund Balance

This budget unit is within the Public Safety Fund. The budget does not include the use of any specific fund balance.

# County Share Budgets Public Safety (2-215)

*Curtis R. Coad*  
*Interim County Administrative Officer*

<b>COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017</b>					
Fund: <b>0001 - GENERAL</b>					Dept: <b>2215</b>
Unit Title: <b>PUBLIC SAFETY-COUNTY SHARE</b>					
	<b>2014-2015 Actual Expenditure</b>	<b>2015-2016 YTD as of 05/20/2016</b>	<b>2015-2016 Adopted Budget</b>	<b>2016-2017 CAO Recommended</b>	<b>2015-2016 % Change Over</b>
<b>EXPENDITURES</b>					
OTHER CHARGES	12,503,635	10,000,000	15,544,393	17,414,532	12.0
NET BUDGET	12,503,635	10,000,000	15,544,393	17,414,532	12.0
<b>UNREIMBURSED COSTS</b>	12,503,635	10,000,000	15,544,393	17,414,532	12.0
<b>ALLOCATED POSITIONS</b>	0.00	0.00	0.00	0.00	0.0

## Purpose

This budget unit, which is prepared by the County Administrator’s Office, reflects the General Fund cost of the Public Safety Fund. The amount appropriated in this budget unit appears as revenue in the Public Safety – General budget unit (2-210), which is located in the Public Safety Fund (0-015).

## Program Discussion/ Recommended Budget

This budget is recommended at \$17,414,532, which is an increase of \$1,870,139 (12.0%) compared to FY 2015-16. The General Fund contribution to the Public Safety Fund reflects the total of the recommended Unreimbursed Costs of all budgets within the Public Safety Fund.

## Major Budget Changes

### Other Charges

- \$1,870,139 Increase in Interfund Public Safety Costs

## Use of Fund Balance

This budget unit is within the General Fund. The budget does not include the use of any specific fund balance.

# County Share Budgets

## Health Care - General (4-110)

Curtis R. Coad  
Interim County Administrative Officer

COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: <b>0012 - HEALTH</b>					Dept: <b>4110</b>
Unit Title: <b>HEALTH CARE-GENERAL</b>					
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/20/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>REVENUE</b>					
USER PAY REVENUES	3,111,529	4,289,219	6,023,951	6,258,186	3.9
GENERAL REVENUES	3,269	3,497	2,409	3,000	24.5
TOTAL OTHER REVENUE	3,114,798	4,292,716	6,026,360	6,261,186	3.9
<b>UNREIMBURSED COSTS</b>	-3,114,798	-4,292,716	-6,026,360	-6,261,186	3.9
<b>ALLOCATED POSITIONS</b>	0.00	0.00	0.00	0.00	0.0

### Purpose

The Health Care - General budget unit includes Health Realignment Revenue received by the County and a contribution from the County General Fund which constitutes that fund's share of health costs. It should be noted that Health Realignment Revenue is transferred into the Health Fund from Special Revenue Fund (0-247) and consists of two components: Motor Vehicle In-Lieu Revenue (MVIL) and Sales Tax Revenue.

In March 2014 AB-85 came into effect, which redirected how sales tax and MVIL will be distributed as well as ceased the pass-through of CMSP funds.

This budget unit is prepared by the County Administrator's Office.

### Major Budget Changes

#### Revenues

- \$638,493 Increase in Interfund MVIL Transfer
- \$103,963 Increase in Interfund Transfer In- State
- (\$508,221) Decrease in Interfund General Fund Cost

### Program Discussion/ Recommended Budget

This budget is recommended at \$6,261,186 which is an increase of \$234,826 (3.9%) over FY 2015-16.

The County's contribution to the Health Fund is recommended at \$2,371,354. This contribution includes \$674,240 to satisfy the County's AB8 required match (which is interpreted to remain intact following the passage of AB85); and \$188,781 for the County's required CMSP Participation Fee,



# County Share Budgets

## Health Care - General (4-110)

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*Curtis R. Coad*

*Interim County Administrative Officer*

which pursuant to Welfare and Institutions Code Section 16809.3(d) may not be paid with Health Realignment funds and pursuant to Welfare and Institutions Code Section 16990(e) may not be included in determining compliance with any other statutory Maintenance of Effort provisions. After these deductions, the net General Fund contribution to the Health Fund equals \$1,508,333.

MVIL Realignment revenues are recommended at \$3,782,869, which is an increase of \$638,493 (20.3%) compared to FY 2015-16. In March of 2014, AB85 came into effect, which redirected how sales tax and MVIL will be distributed, as well as ceased the pass-through of CMSP funds. MVIL Realignment revenues will continue to be monitored to see how that revenue stream may affect this budget unit throughout the coming fiscal year.

The Realignment revenue amounts are set each year by the State Controller's Office. It should be noted that these budgeted figures are subject to change once revenue estimate information becomes available from the State Controller's Office later in the year.

### Use of Fund Balance

This budget unit is within the Health Fund. The budget does not include the use of any specific fund balance

# County Share Budgets Health Fund (4-112)

Curtis R. Coad  
Interim County Administrative Officer

COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 0001 - GENERAL					Dept: 4112
Unit Title: HEALTH-COUNTY SHARE					
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/20/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
OTHER CHARGES	2,824,641	3,974,722	6,023,951	6,154,223	2.2
NET BUDGET	2,824,641	3,974,722	6,023,951	6,154,223	2.2
<b>REVENUE</b>					
GOVERNMENTAL REVENUES	3,225,002	2,974,722	3,144,376	3,782,869	20.3
TOTAL OTHER REVENUE	3,225,002	2,974,722	3,144,376	3,782,869	20.3
<b>UNREIMBURSED COSTS</b>	-400,361	1,000,000	2,879,575	2,371,354	-17.6
<b>ALLOCATED POSITIONS</b>	0.00	0.00	0.00	0.00	0.0

## Purpose

The Health Fund – County Share budget unit includes the County’s share of the cost of the budget units and programs of the Health Services Fund (0-012). This budget unit also includes Health Realignment Motor Vehicle In-Lieu (MVIL) revenue. Health Realignment MVIL revenue is budgeted as a pass-through in this budget unit in order to meet the intent of State law, which requires that Realignment MVIL revenue be first placed in the General Fund and, upon receipt, be transferred to the Health Realignment Special Revenue Fund (0-247). While Realignment MVIL funds are constitutionally General Fund dollars, the intent of statute, in essence, is to require counties to deposit a like amount of funds to a county’s Health Fund. Sutter County accomplishes this by simply transferring all Realignment funds to the Health Fund.

This budget is prepared by the County Administrator's Office.

## Major Budget Changes

### Other Charges

- (\$508,221) Decrease in Interfund General Fund Cost

### Program Discussion/ Recommended Budget

This budget is recommended at \$6,154,223.

The County’s General Fund contribution to the Health Fund is recommended at \$2,371,354 a decrease of \$508,221 (17.6%) compared to FY 2015-16. This contribution includes \$674,240 to satisfy the County’s AB8 required match (which is interpreted to remain intact following the passage of AB85); and \$188,781 for the County’s required CMSP Participation Fee, which pursuant to Welfare and Institutions Code Section 16809.3(d) may not be paid with Health Realignment funds and pursuant to Welfare and Institutions Code Section

# County Share Budgets

## Health Fund (4-112)

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Curtis R. Coad

Interim County Administrative Officer

16990(e) may not be included in determining compliance with any other statutory Maintenance of Effort provisions. After these deductions, the net General Fund contribution to the Health Fund equals \$1,508,333.

MVIL Realignment revenues are recommended at \$3,782,869, which is an increase of \$638,493 (20.3%) compared to FY 2015-16. In March of 2014, AB85 came into effect, which redirected how sales tax and MVIL will be distributed, as well as ceased the pass-through of CMSP funds. MVIL Realignment revenues will continue to be monitored to see how that revenue stream may affect this budget unit throughout the coming fiscal year.

A policy direction which is recommended for implementation during FY 2016-17, in preparation for the production of the FY 2017-18 Recommended Budget, is to change the method for transferring the County's AB8 Match contribution and the County required CMSP Participation Fee.

It is recommended that a process be developed, in conjunction with the Auditor-Controller's Office and the Health Department, to transfer these General Fund contributions *first* through the Health Realignment Trust Special Revenue Fund (0-247) and then to the Health Fund (i.e., to the Health Care – General budget unit 4-110). These amounts are currently transferred from the General Fund directly to the Health Fund. The incumbent Human Services Director concurred with this recommendation.

### Use of Fund Balance

This budget unit is within the General Fund. The budget does not include the use of any specific fund balance.

# County Share Budgets *Curtis R. Coad, Interim County Administrative Officer*

## Welfare/Social Services General (5-110)

COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 0013 - WELFARE/SOCIAL SERVICES					
Unit Title: WELFARE/SOCIAL SERVICES-GENRL					Dept: 5110
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/20/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>REVENUE</b>					
USER PAY REVENUES	4,122,562	931,419	4,838,725	5,009,072	3.5
GENERAL REVENUES	-12,360	-3,733	0	0	0.0
TOTAL OTHER REVENUE	4,110,202	927,686	4,838,725	5,009,072	3.5
UNREIMBURSED COSTS	-4,110,202	-927,686	-4,838,725	-5,009,072	3.5
ALLOCATED POSITIONS	0.00	0.00	0.00	0.00	0.0

### Purpose

The Welfare and Social Services General budget unit is a revenue-only budget unit that is used to balance the Welfare and Social Services Fund (0-013) to the total cost of all budget units within the Welfare and Social Services Fund. This budget unit contains revenue from the Social Services Realignment Special Revenue Fund (0-248) and a revenue contribution from the General Fund. The latter constitutes the County's share of aggregate Welfare and Social Services' costs. The County's share of the cost is shown as a corresponding appropriation in the Welfare - County Share budget unit (5-113). The revenue included in this budget unit equals the sum of the unreimbursed costs of all the other budget units in the Welfare and Social Services Fund.

This budget is prepared by the County Administrator's Office.

### Major Budget Changes

#### Revenues

- (\$2,821,090) Increase in Interfund MVIL Transfer Welfare
- \$2,991,437 Increase in Interfund Transfer In- State

### Program Discussion/ Recommended Budget

In March 2014 AB85 came into effect, which redirected how sales tax and MVIL portions of the Social Services Realignment Revenues (SSRR) would be distributed. Revenues will continue to be monitored to see how they may affect this budget unit throughout the coming fiscal year.

The recommended revenue is \$5,009,072, which is an increase of \$170,347 (3.5%) compared to FY 2015-16.

The recommended amount for the sales tax portion of the SSRR, which, by statute, is first

## County Share Budgets *Curtis R. Coad, Interim County Administrative Officer* Welfare/Social Services General (5-110)

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deposited to the Welfare and Social Services Realignment Fund, is recommended at \$4,344,072. This is an increase of \$2,991,437 over FY 2015-16 and is attributable to the increase in unreimbursed cost of the budget units within the Welfare and Social Services fund as well as AB85.

The recommended budget for the MVIL portion of the SSRR is \$216,000, which is a decrease of \$2,821,090 compared to FY 2015-16 and is attributable to AB85. The Motor Vehicle In-lieu (MVIL) portion of the SSRR is first deposited in the General Fund and is then transferred to this budget unit.

The SSRR amounts are set each year by the State Controller's Office. It should be noted these budgeted figures are subject to change once revenue estimate information becomes available from the State Controller's office later in the year.

### Use of Fund Balance

This budget unit is within the Welfare and Social Services Fund. The budget does not include the use of any specific fund balance.

# County Share Budgets *Curtis R. Coad, Interim County Administrative Officer* Welfare/Social Services Fund (5-113)

COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 0001 - GENERAL				Dept: 5113	
Unit Title: WELFARE-COUNTY SHARE					
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/20/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
OTHER CHARGES	3,498,013	610,166	3,486,090	665,000	-80.9
NET BUDGET	3,498,013	610,166	3,486,090	665,000	-80.9
<b>REVENUE</b>					
GOVERNMENTAL REVENUES	3,049,013	161,166	3,037,090	216,000	-92.9
TOTAL OTHER REVENUE	3,049,013	161,166	3,037,090	216,000	-92.9
<b>UNREIMBURSED COSTS</b>	449,000	449,000	449,000	449,000	0.0
<b>ALLOCATED POSITIONS</b>	0.00	0.00	0.00	0.00	0.0

## Purpose

The Welfare/Social Services Fund – County Share budget unit includes the County’s share of the cost of the budget units and programs included in the Welfare/Social Services Fund (0-013). The amount appropriated in this budget unit is shown as revenue in the Welfare/Social Services - General budget unit (5-110). The Motor Vehicle In-Lieu (MVIL) Realignment revenue shown in this budget unit is required by law to be first deposited in the County’s General Fund before being transferred to the Welfare/Social Services Realignment Special Revenue Fund (0-248).

This budget is prepared by the County Administrator’s Office.

## Major Budget Changes

### Other Charges

- (\$2,821,090) Decrease in Interfund MVIL Transfer

## Revenues

- (\$2,821,090) Decrease in St Aid Welfare Realignment MVIL

## Program Discussion/ Recommended Budget

The recommended budget is \$665,000 which is a decrease of \$2,821,090 (80.9%) over FY 2015-16. The Unreimbursed Cost of this budget unit represents the County share of all recommended budgets in the Welfare/Social Services Fund.

In March 2014 AB-85 came into effect, which redirected how sales tax and MVIL portions of the Social Services Realignment Revenues (SSRR) would be distributed. Revenues will continue to be monitored to see how they may affect this budget unit throughout the coming fiscal year

## Use of Fund Balance

This budget unit is within the General Fund. The budget does not include the use of any specific fund balance.

<b>COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017</b>					
Fund: <b>0001 - GENERAL</b>				Dept: <b>1301</b>	
Unit Title: <b>COUNTY COUNSEL</b>					
	<b>2014-2015 Actual Expenditure</b>	<b>2015-2016 YTD as of 05/20/2016</b>	<b>2015-2016 Adopted Budget</b>	<b>2016-2017 CAO Recommended</b>	<b>2015-2016 % Change Over</b>
<b>EXPENDITURES</b>					
SALARIES AND EMPLOYEE BENEFITS	1,052,759	862,360	1,045,261	1,018,747	-2.5
SERVICES AND SUPPLIES	63,181	117,085	162,220	168,100	3.6
OTHER CHARGES	14,105	23,017	22,882	28,908	26.3
INTRAFUND TRANSFERS	3,584	3,552	3,669	4,180	13.9
OTHER FINANCING USES	0	0	0	5,032	0.0
NET BUDGET	<u>1,133,629</u>	<u>1,006,014</u>	<u>1,234,032</u>	<u>1,224,967</u>	<u>-0.7</u>
<b>REVENUE</b>					
USER PAY REVENUES	38,154	60,554	32,000	32,000	0.0
TOTAL OTHER REVENUE	<u>38,154</u>	<u>60,554</u>	<u>32,000</u>	<u>32,000</u>	<u>0.0</u>
<b>UNREIMBURSED COSTS</b>	1,095,475	945,460	1,202,032	1,192,967	-0.8
<b>ALLOCATED POSITIONS</b>	6.00	6.00	6.00	6.00	0.0

**Purpose**

ranges than prior incumbents during FY 2015-16

The County Counsel serves as the chief civil legal officer for the County of Sutter, providing legal advice to County officials and officers and prosecuting and defending lawsuits on behalf of the County.

**Services & Supplies**

- \$5,000 Increase in Employment Training and Transportation and Travel related to continuing education hours to meet each attorney’s State Bar requirements

**Major Budget Changes**

**Salaries & Benefits**

- \$23,958 General increase due to negotiated Salaries and Benefits
- \$3,892 Increase related to the promotion of one Deputy County Counsel II to Deputy County Counsel III effective January 1, 2017
- (\$54,364) Decrease related to the hiring of new staff at a lower salary

**Other Charges**

- \$5,716 Increase in Interfund Information Technology charges as provided by the General Services Department

**Residual Equity Transfer-Out**

- \$5,032 Increase in Operating Transfer Out related to implementation of the Opterra Energy Efficiency Project

offset by an anticipated reduction in Utilities expense

Probate Code and the Welfare and Institutions Code.

## Program Discussion

The County Counsel budget provides funds for the office to perform duties prescribed by state statute, local ordinance, and as assigned by the Board of Supervisors. As part of the County Counsel’s function, an attorney from the office attends meetings of the Board of Supervisors, the County Planning Commission, and the Assessment Appeals Board. County Counsel also attends meetings of the Gilsizer County Drainage District and the Feather River Air Quality Management District; both independent special districts. Pursuant to contract, the County advises the Local Agency Formation Commission and attends its meetings. Additionally, County Counsel provides advice to various independent special districts located in the County on an as-needed basis. County Counsel’s duties include, but are not limited to, the following:

- Rendering of legal opinions in response to requests from the Board of Supervisors, the County Administrative Officer, County department heads, other management personnel and special districts.
- Provision of litigation services involving lawsuits both by and against the County, including those relating to planning, zoning, California Environmental Quality Act, code enforcement, writs of mandate, bail bond forfeitures, tax matters, and other complex litigation.
- Representation of the County Public Guardian in establishing and renewing conservatorships pursuant to the

- Representation of the Sutter-Yuba Mental Health facility before the Superior Court in writs of habeas corpus and informed consent proceedings.
- Representation of the Child Protective Services division of the Welfare and Social Services Department in juvenile court proceedings.
- Advising County department heads and the Human Resources Department in employee disciplinary matters and litigating such matters from the initial procedures to arbitration to court proceedings.
- Drafting and reviewing contracts, ordinances, resolutions, and other legal documents.
- Coordinating with the Risk Manager and the County’s insurance adjuster with regard to tort litigation and the selection of counsel.
- From time to time, contracting with outside counsel in cases where County Counsel’s office has a conflict of interest or where expertise in a specific legal area is required.

County Counsel’s goal for FY 2016-17 is to serve and protect the County, its treasury, and its governing body, by providing timely, responsive, high quality legal services and aggressively representing the county in litigation. We are committed to providing creative solutions and viable alternatives to support the delivery of County services. Legal services are performed maintaining the highest professional and ethical standards



while fostering high morale and productivity, through collaborative efforts dedicated to continuous improvement.

## **Recommended Budget**

This budget is recommended at \$1,224,967 which is a decrease of \$9,065 (0.7%) compared to FY 2015-16. The General Fund provides 97.4% of the financing for this budget unit. A portion of the costs for this budget unit are recouped from outside and subvented funds through the annual (A-87) Cost Plan.

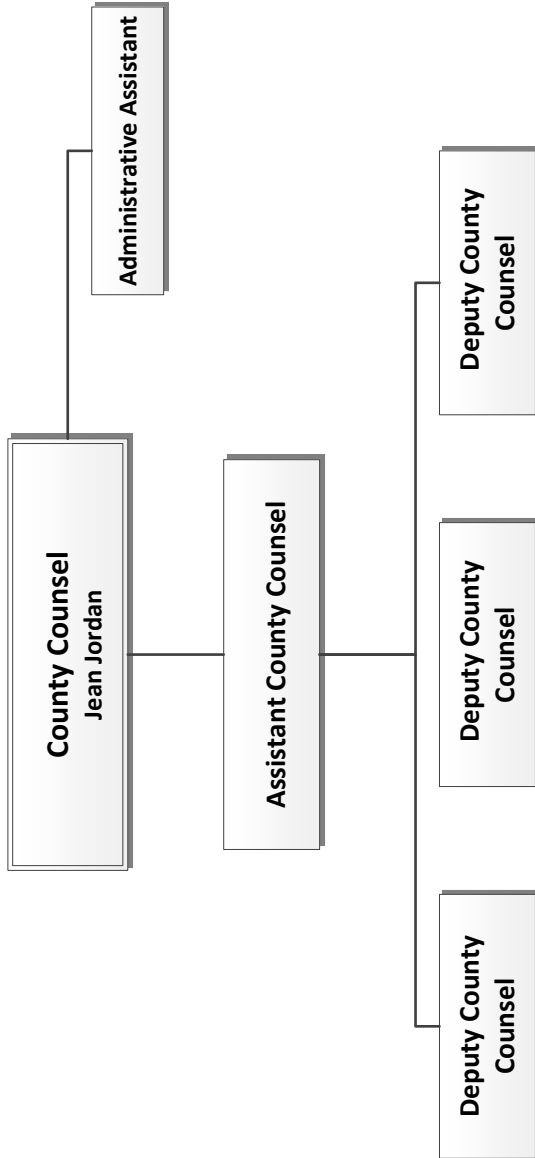
Residual Equity Transfer-Out is budgeted at \$5,032 for payment of the Department's share of the Opterra Energy Efficiency Project. The Administration Building at 1160 Civic Center Blvd had Lighting and HVAC upgrades to help reduce the building's energy usage. In addition, the building will also benefit from the Acacia property Solar Panel array that will offset Utility costs. This payment reflects County Counsel's proportional share of the building's total payment.

## **Use of Fund Balance**

This budget unit is within the General Fund. The budget does not include the use of any specific fund balance.

**County Counsel  
FY 2016-2017**

*Recommended*



# Treasurer - Tax Collector Tax Collector (1-202)

Steven L. Harrah, CPA, Treasurer-Tax Collector

COUNTY OF SUTTER EXECUTIVE SUMMARY Fiscal Year 2016-2017					
Fund: 0001 - GENERAL					
Unit Title: TREASURER-TAX COLLECTOR				Dept: 1202	
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/20/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
SALARIES AND EMPLOYEE BENEFITS	624,786	491,236	550,529	643,394	16.9
SERVICES AND SUPPLIES	98,375	69,506	115,305	130,527	13.2
OTHER CHARGES	160,699	85,903	309,927	227,435	-26.6
INTRAFUND TRANSFERS	24,773	7,935	30,382	10,975	-63.9
NET BUDGET	<u>908,633</u>	<u>654,580</u>	<u>1,006,143</u>	<u>1,012,331</u>	<u>0.6</u>
<b>REVENUE</b>					
USER PAY REVENUES	<u>346,396</u>	<u>287,958</u>	<u>375,900</u>	<u>373,300</u>	<u>-0.7</u>
TOTAL OTHER REVENUE	<u>346,396</u>	<u>287,958</u>	<u>375,900</u>	<u>373,300</u>	<u>-0.7</u>
<b>UNREIMBURSED COSTS</b>	562,237	366,622	630,243	639,031	1.4
<b>ALLOCATED POSITIONS</b>	7.17	7.17	7.17	7.17	0.0

## Purpose

The Treasurer-Tax Collector's Office provides banking services to all County departments, school districts and special districts throughout the county. In addition the Treasurer is the ex officio Treasurer for the various agencies and districts that are not under the control of the County's Board of Supervisors and performs functions as required by the various California Codes.

The Treasurer is responsible for the management, safeguarding and investment of the Pooled Treasury, which includes monies of the County, school districts, and most of the special districts in Sutter County.

Tax collections are performed for all taxing agencies including the County, cities, school districts and various special districts.

## Major Budget Changes

### Salaries & Benefits

- \$92,865 General increase in negotiated salaries and benefits

### Services & Supplies

- \$19,000 Increase in Professional and Specialized Services related to distribution of tax bills

### Other Charges

- (\$76,645) Decrease in Interfund Information Technology charges as provided by the General Services Department

# Treasurer - Tax Collector Tax Collector (1-202)

Steven L. Harrah, CPA, Treasurer-Tax Collector

## Intrafund Transfers

- (\$19,311) Decrease in Intrafund Postage charges related to distribution of tax bills

## Program Discussion

The Treasurer-Tax Collector's Office is accountable for three primary functions; banking/treasury, processing property tax payments, and collection of delinquent debts through the Office of Revenue Collections (1-204).

As the County's banking depository, the Office provides pooled treasury services to County departments, schools and special districts. These services include receiving cash receipts and depositing them with the County's banking institution; paying warrants issued by the County Auditor or schools; and management of the Pool Treasury investment portfolio. The Treasurer's Investment Policy is available online at:

<http://www.suttercounty.org/pdf/ttc/Investment Policy 2016.pdf>

Cash balances in the County pooled treasury average approximately \$207 million daily. Every month, the Office banks cash and checks representing \$61 million in receipts and pays anywhere from 12,000 to 15,000 county and school warrants also representing \$61 million in monthly disbursements.

The Treasurer-Tax Collector's Office administers the property tax collection functions for the county, cities, schools and special districts. Tax activities include mailing bills, recording payments and reconciling accounts with the Auditor-Controller for the secured, unsecured and supplemental property tax rolls. Annually,

this office mails approximately 38,000 tax bills and collects and processes more than \$106 million in tax payments with a combined collection rate of 98.9% for the Secured tax roll and 99.1% for the Unsecured tax roll.

The Office of Revenue Collections is the third division located in the Treasurer-Tax Collector's Office. Budgetary details for this function appear under budget unit 1-204.

## Projects

Major projects and policy issues for this budget unit in FY 2016-17 will include:

The investigation into new property tax management systems in conjunction with Assessor, Auditor-Controller, Clerk Recorder and Information Technology to replace the County's aging system with new and current software technology.

The Office will continue in the coordination and rollout of the LexisNexis credit card acceptance services in other County departments and districts as they are requested.

The Office has submitted a Plant Acquisition/Facilities Project Request for the purpose of modernized the office space to provide a better work environment to the Office's employees and to better serve the public, who visit the department.

## Recommended Budget

This budget is recommended at \$1,012,331 which is an increase of \$6,188 (0.6%) over FY 2015-16. The General Fund provides 63.1% of the financing for the Office, which is an increase of \$8,788 (1.4%) compared to FY 2015-16.

## Treasurer - Tax Collector Tax Collector (1-202)

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*Steven L. Harrah, CPA, Treasurer-Tax Collector*

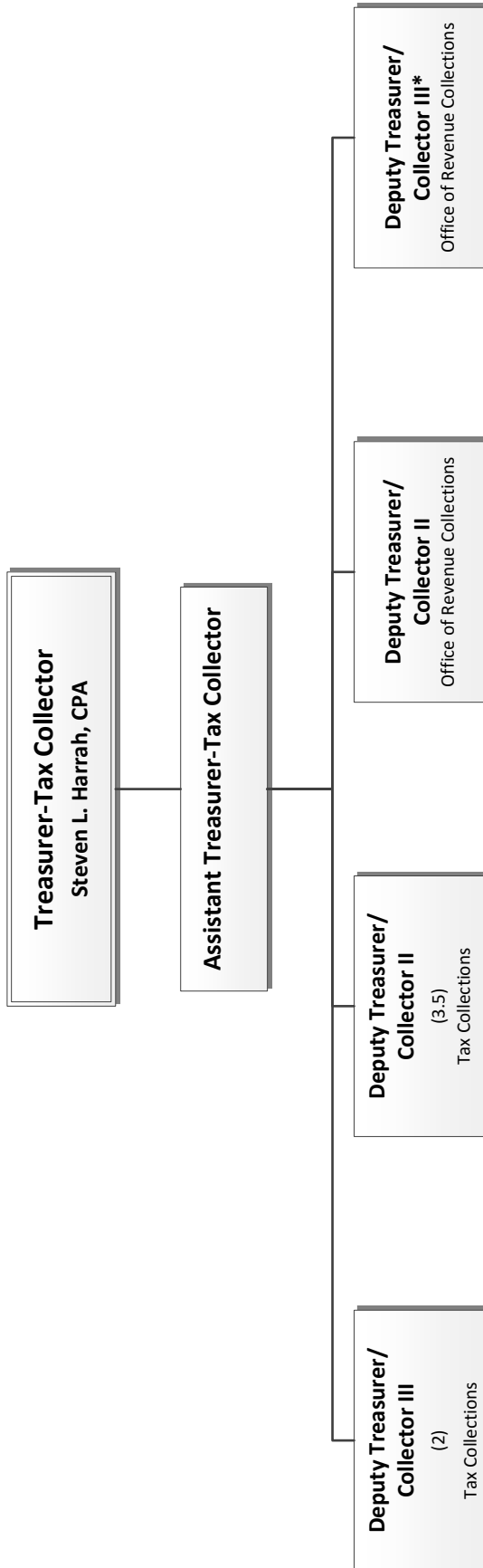
The Plant Acquisition/Facilities Project Request for FY 2016-17 is not included in the Recommended Budget as an overall plan for the updating of the facility at 463 Second Street needs to be developed. The Treasurer-Tax Collector's Office will be included in those plans.

### **Use of Fund Balance**

This budget unit is within the General Fund. The budget does not include the use of any specific fund balance.

# Treasurer/Tax Collector FY 2016-2017

*Recommended*



**Notes:**  
\*This position is currently under-filled as a Deputy Treasurer/Collector II.

**Treasurer - Tax Collector**  
**Office of Revenue Collections (1-204)**

Steven L. Harrah, CPA, Treasurer-Tax Collector

<b>COUNTY OF SUTTER</b> <b>EXECUTIVE SUMMARY</b> Fiscal Year 2016-2017					
Fund: <b>0001 - GENERAL</b>			Dept: <b>1204</b>		
Unit Title: <b>OFFICE OF REVENUE COLLECTION</b>					
	2014-2015 Actual Expenditure	2015-2016 YTD as of 05/20/2016	2015-2016 Adopted Budget	2016-2017 CAO Recommended	2015-2016 % Change Over
<b>EXPENDITURES</b>					
SALARIES AND EMPLOYEE BENEFITS	171,585	148,297	173,277	185,152	6.9
SERVICES AND SUPPLIES	17,337	14,456	19,494	20,276	4.0
OTHER CHARGES	8,893	16,449	8,727	19,428	122.6
INTRAFUND TRANSFERS	3,021	2,084	3,999	3,401	-15.0
NET BUDGET	200,836	181,286	205,497	228,257	11.1
<b>REVENUE</b>					
USER PAY REVENUES	69,424	38,834	58,500	41,500	-29.1
TOTAL OTHER REVENUE	69,424	38,834	58,500	41,500	-29.1
<b>UNREIMBURSED COSTS</b>	131,412	142,452	146,997	186,757	27.0
<b>ALLOCATED POSITIONS</b>	3.33	3.33	3.33	3.33	0.0

**Purpose**

The Office of Revenue Collection (ORC) is a division of the Treasurer-Tax Collector’s Office. The Office acts as a collection agency, pursuing delinquent debts owed to departments of the County and the Superior Court. Currently, the Office of Revenue Collections has in excess of 17,000 accounts, 5,639 County and 11,511 Superior Court, logged into the system’s inventory with unpaid balances exceeding \$9.6 million, \$1.7 million County and \$7.9 million Superior Court.

**Major Budget Changes**

**Salaries & Benefits**

- \$11,875 General increase in negotiated salaries and benefits

**Other Charges**

- \$9,015 Increase in Interfund Information Technology charges as provided by the General Services Department

**Program Discussion**

In FY 2014-15 over \$452,000 was recovered in delinquent debts owed to County departments and the courts which include: Agriculture Department; Auditor; Child Support; Clerk-Recorder; Community Services-Fire; District Attorney-Victim Witness; Human Services-Health, Mental Health and Welfare; Juvenile Hall; Library; Probation; Public Defender; and Sheriff. Fiscal Year 2015-16 collections are currently estimated at approximately \$460,000.

## **Recommended Budget**

This budget is recommended at \$228,257 which is an increase of \$22,760 (11.1%) over FY 2015-16. The General Fund provides 81.8% of the financing for this budget which is an increase of \$39,760 (27.0%) compared to FY 2015-16. In prior years, special revenue funds were used to offset General Fund costs in this budget unit. No special revenue funds are recommended for use in FY 2016-17 due to lack of funds available.

This recommendation reflects the continued decision to hold vacant and unfunded one Treasurer-Deputy Collector position that was initially frozen and unfunded in FY 2009-10.

## **Use of Fund Balance**

This budget unit is within the General Fund. The budget does not include the use of any specific fund balance.



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