



General Government

Section C

The Sutter County Board of Supervisors conducts its regular meetings at the Hall of Records on Second Street in Yuba City. The building was constructed in 1881.

EXECUTIVE SUMMARY						
DEPT HEAD: TODD RETZLOFF	UNIT: ASSESSOR	FUND: GENERAL			0001 1-203	
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 3-31-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	1,809,553	1,356,358	1,918,244	1,930,477	.6	
SERVICES AND SUPPLIES	30,235	14,662	35,355	27,705	21.6-	
OTHER CHARGES	141,335	53,605	207,322	134,518	35.1-	
CAPITAL ASSETS	0	0	0	46,500	***	
* GROSS BUDGET	1,981,123	1,424,625	2,160,921	2,139,200	1.0-	
INTRAFUND TRANSFERS	15,959	10,295	27,908	19,749	29.2-	
* NET BUDGET	1,997,082	1,434,920	2,188,829	2,158,949	1.4-	
OTHER REVENUES						
USER PAY REVENUES	139,867	142,983	143,950	24,750	82.8-	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
TOTAL OTHER REVENUES	139,867	142,983	143,950	24,750	82.8-	
* UNREIMBURSED COSTS	1,857,215	1,291,937	2,044,879	2,134,199	4.4	
ALLOCATED POSITIONS	22.00	22.00	22.00	22.00	.0	

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.

Major Budget Changes

Salaries & Benefits

- (\$56,800) Decrease reflecting current vacancies and anticipated staffing turnover
- \$69,033 General increase due to negotiated Salaries and Benefits

Other Charges

- (\$73,221) Decrease in Interfund Information Technology charges as provided by the General Services Department

Capital Assets

- \$25,500 One Replacement Pick-Up Truck
- \$21,000 One Replacement Small SUV

Revenues

- (\$115,450) Decrease in Interfund Transfer-in from the State-County Property Tax Program special revenue fund (0-181)

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 counties, 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 six 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.

As appraisal staff have been processing the roll, staff have seen an increase in the market value of most real property 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.

A large number of parcels are still being revalued annually, while still on Prop. 8 status (temporary decline in value). During

the 2013-14 budget year, one of the staff appraisers retired leaving the remaining appraisal staff to take on the additional workload. Despite the decrease in staffing and after five consecutive years of requesting that the Board of Equalization approve a 30-day extension to complete the annual assessment roll, the Department anticipates, with great pleasure, that it will complete the roll on time this year. Therefore, the FY 2014-15 roll will be delivered to the County Auditor on or before July 1, 2014.

Although insufficient data is available at this time to derive a reliable forecast, it is anticipated the roll will increase for FY 2014-15 by as much as .5 to 2 percent.

Looking Forward

Over the past couple of years, the appraisal staff have developed several excel spreadsheets that have streamlined processes and improved the efficiency of workflow. Despite ongoing efforts to increase efficiency, the Assessor strongly believes a transition to a computer processing system designed specifically for the assessment function is an essential step toward successfully handling the Office’s future needs. This would best serve the County if the system was fully integrated and served the Assessor, Treasurer-Tax Collector, Auditor-Controller, and Clerk-Recorder. The Assessor’s Office will continue to investigate the options available. As the County moves forward, the Assessor’s Office needs to have an improved data storage system, including updated software and hardware, to keep pace with current and future demands.

Positions & Impact

The Assessor continues to recognize that budgetary constraints across the County require reductions in the working staff of

many of the County offices. As such, the Assistant Assessor position will continue to be held vacant and unfunded for FY 2014-15. After much thought and discussion, the Assessor decided to not fill one currently vacant Appraiser position. This will create ongoing salary savings for the County. 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 \$2,158,949. The General Fund provides 98.9% of the financing for the Department, and is increased by \$89,320 (4.4%) compared to FY 2013-14.

The increase in the Department's unreimbursed cost is 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 is recommended that the Interfund Transfer-In be reduced to \$16,000. The recommended \$16,000 will offset Extra Help staff costs, which is also recommended at \$16,000. 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 effective for 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 \$46,400 on July 1, 2014.

Salaries and related benefits have been reduced, for FY 2014-15 only, by \$56,800 to reflect current vacancies and anticipated staffing turnover. Additional savings may be achieved during the year. No formal staffing reductions are recommended at this time.

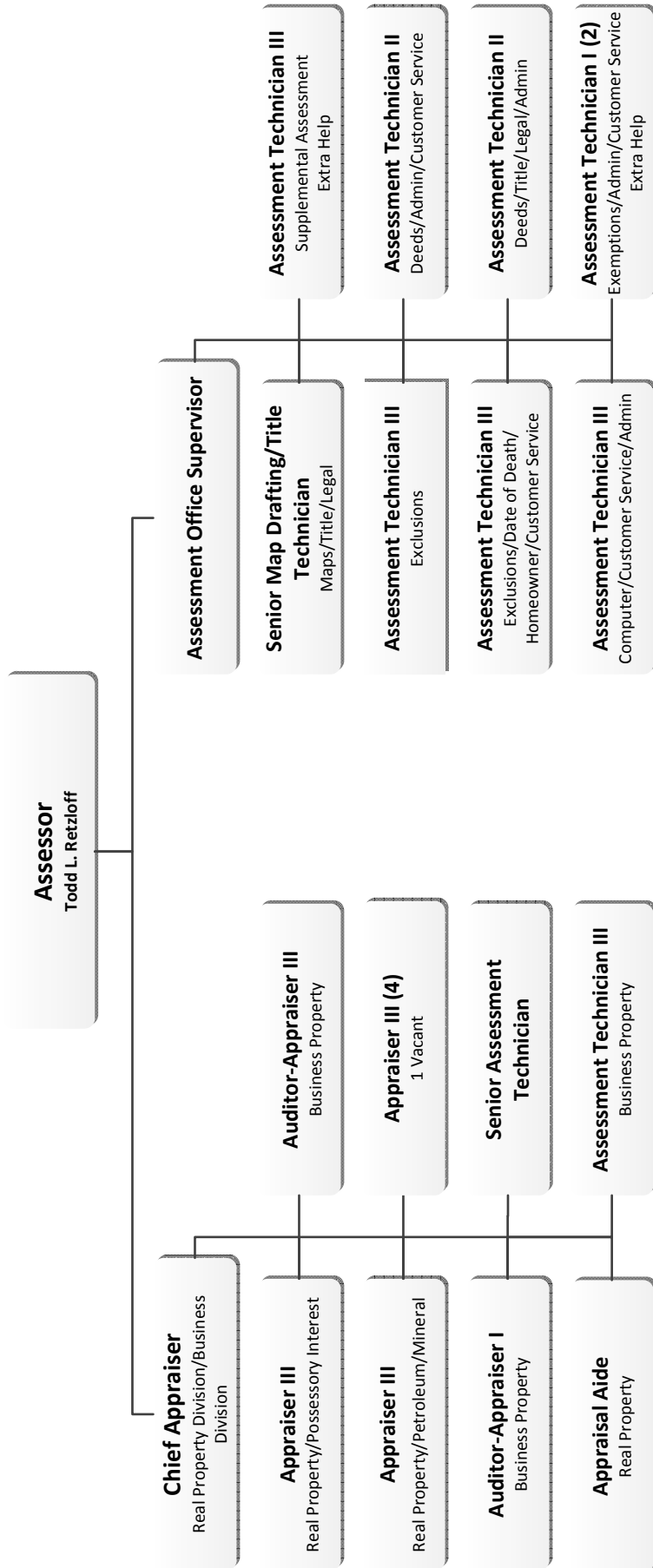
Capital Assets are recommended at \$46,500 for the purchase of one replacement pick-up truck (\$25,500) and one replacement small SUV (\$21,000). These vehicles will replace vehicles #313, a 1998 pick-up, and vehicle #269, a 1999 sedan. Both vehicles have had mechanical problems and have proven to be unreliable and costly to maintain.

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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**Assessor
FY 2014-2015
Recommended**



EXECUTIVE SUMMARY						
DEPT HEAD: ROBERT E STARK	UNIT: AUDITOR-CONTROLLER		FUND: GENERAL		0001 1-201	
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	1,003,576	867,015	1,052,457	1,052,821	.0	
SERVICES AND SUPPLIES	23,153	24,713	34,000	74,560	119.3	
OTHER CHARGES	321,869	98,674	265,299	266,753	.5	
* GROSS BUDGET	1,348,598	990,402	1,351,756	1,394,134	3.1	
INTRAFUND TRANSFERS	13,687	11,179	19,052	17,151	10.0-	
* NET BUDGET	1,362,285	1,001,581	1,370,808	1,411,285	3.0	
OTHER REVENUES						
USER PAY REVENUES	3,156	2,650	2,500	2,500	.0	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
TOTAL OTHER REVENUES	3,156	2,650	2,500	2,500	.0	
* UNREIMBURSED COSTS	1,359,129	998,931	1,368,308	1,408,785	3.0	
ALLOCATED POSITIONS	10.00	10.00	10.00	10.00	.0	

Purpose

The authority for existence of the Auditor-Controller’s Office is California Government Code Sections 24000 and 26880. The Auditor-Controller is the chief accounting officer of the County. Government Code Section 26881 provides that the County Auditor-Controller, upon order of the Board of Supervisors, shall prescribe and shall exercise a general supervision over the accounting forms and the method of keeping the accounts of all departments under the control of the Board of Supervisors and of all districts whose funds are kept in the County treasury.

Major Budget Changes

Services & Supplies

- \$38,400 Increase in Professional and Specialized Services for one-time consultant costs related to the SunGard implementation project

Program Discussion

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.

The current staffing of the Auditor-Controller’s Office includes 2.0 FTE for executive management and supervision of the office, 2.0 FTE in the accounts payable section, 1.0 FTE to develop the County’s A-87 cost plan, 2.0 FTE for general ledger and revenue reporting, 2.0 FTE for payroll processing, and 1.0 FTE in the Tax section.

The Accounts Payable section audits and processes all expenditure requests submitted by County departments and special districts for compliance with Board policy and Auditor-Controller accounting policies.

Staff distributes, upon direction from the State, all adoption assistance, childcare assistance, and job search transportation assistance warrants on behalf of the County. Staff also audit and distribute expenditure requests on behalf of the Sutter County Courts. In addition, this section monitors certain contract compliance requirements, appropriation controls, and maintains the County's financial reports.

The General Ledger/Revenue Reporting section manages accounting records for general and subsidiary ledger accounting and control for the County, and those districts that deposit funds into the County Treasury. Staff tracks financial accounting for countywide capital assets, Consolidated Court revenue, and asset forfeiture distribution and reporting. The section also performs County and Special District reporting.

Responsibilities of the Tax section include calculation of property taxes due based on the assessment roll, apportionment of property taxes collected, and accounting for various types of benefit assessments, special assessments, and bonds. The section manages the six property tax rolls. Staff also manage AB 8 (Chapter 282, Statutes of 1979) property tax allocations and prepare tax reports, the Unitary Tax formula, the annual Proposition 4 Gann Expenditure Limit Report, and the resolution submitted to the Board of Supervisors for approval. Staff audits the collection of property taxes to ensure all taxes are properly collected by the Tax-Collector and updates the property tax rolls to account for jurisdictional changes and property tax exchange agreements.

The Tax section also manages debt service, 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. This includes eight school bonds totaling over \$229 million and the \$1.2 million Certificate of Participation financing on the Health building.

Legal Fees

A significant request in this budget unit is the reimbursement of legal fees to the Auditor-Controller and Assistant Auditor-Controller. This has been incorrectly mischaracterized during past budget hearings as solely for the reimbursement of legal costs of the Auditor-Controller and the Assistant Auditor-Controller. The basis for this request is (1) to provide funds for the reimbursement of approximately \$60,000 of legal costs to the Assistant Auditor-Controller, (2) to provide (or set aside) funds (estimate \$500,000) for the reimbursement of the Auditor-Controller's legal expense and (3) to provide for legal counsel (estimate \$40,000) for the Auditor-Controller's Office for necessary legal services needed by the office to conduct business due to the Declaration of Conflict of Interest by County Counsel.

SunGard Personnel-Payroll System Implementation

On March 31, 2009, the Board of Supervisors approved a contract with SunGard Public Sector, Inc., to implement a new software system for Personnel, Payroll, Purchasing, and Budgeting. The Personnel, Payroll, and Purchasing modules are now scheduled to be implemented by January of 2015; the Budget module and some peripheral components will be implemented at a later date.

New Auditing Standards

In May 2006, the American Institute of Certified Public Accountants, the national professional organization for certified public accountants, issued Statement on Auditing Standards (SAS) No. 112, *Communicating Internal Control Related Matters Identified in an Audit*. SAS No. 112 establishes standards, responsibilities and guidance for auditors during a financial statement audit engagement for identifying and evaluating a client's internal control over financial reporting. This new standard requires the auditor to report *in writing* to management and the governing body any control deficiencies found during the audit that are considered significant deficiencies and/or material weaknesses.

In the past, the County could contract out the preparation of financial statements to a certified public accountant. SAS 112, however, requires the Auditor-Controller's Office to be responsible for and to have controls over the preparation of the financial statements, including the footnote disclosures. The Auditor-Controller's professional accounting staff will compile the statements annually and obtain the necessary documentary evidence from all County departments so the County complies with SAS 112.

Accomplishments

The Auditor's Office has received the State Controller's Award for Achieving Excellence in Financial Reporting in 2004 and 2006-2012. 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 sixth annual

year-end closing procedures training workshops; (3) provided assistance and training to County departments and fire departments by providing them with Excel spreadsheets to increase efficiency and accuracy for rate calculations; (4) 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.

FY 2014-15 Objectives

The goals of the Auditor-Controller's Office for FY 2014-15 are (1) to complete implementation of the new SunGard payroll system; (2) to complete publication of the Auditor-Controller's policies and procedures manual; (3) to continue to hold 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 (to increase efficiency and reduce workload by providing authoritative information at the outset of the process); (4) to increase payroll efficiency by encouraging more employees to sign up for direct deposit; (5) to streamline the journal entry process; (6) to continue to educate and inform departments on how to prepare a journal entry; (7) to establish a migration and implementation plan for conversion of the Fixed Asset Access Database to the Capital Asset SunGard application; (8) to continue a Tax Rate Area consolidation process in order to provide efficiencies in the County property tax system; (9) 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.

CAO Recommendation

This budget is recommended at \$1,411,285. The General Fund provides 99.8% of the financing for this budget unit and is increased by \$40,477 (3.0%) compared to FY 2013-14.

With the exception of the addition of \$38,400 recommended in the Professional and Specialized Services account for the purposes of funding outside contract services for the implementation of the SunGard Payroll/HR System, this recommendation remains the same as the prior year Adopted Budget.

Extra Help funding continues to include \$8,200 to fund approximately 550 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 budget recommendation also includes \$6,900 for SunGard-related training and travel for Auditor-Controller staff. This recommendation was included in the prior year's Adopted Budget. Much of these costs will be charged out to departments and will eventually be reimbursed through the A-87 cost plan.

For the 10th year in a row, the Auditor-Controller has requested funding for reimbursement of legal fees and for on-going legal representation. The first request was made for FY 2005-06, in the amount of \$100,000. The Auditor has requested \$600,000 for FY 2014-15. Of this \$600,000, \$560,000 is related to the defense

of the Auditor-Controller and Assistant Auditor-Controller against their accusations and indictments by previous Grand Juries. The remaining \$40,000 is requested for outside counsel to respond to business-related legal questions the Auditor may have. The Board has repeatedly turned down the Auditor's request for reimbursement of legal expenses. The Auditor's requested amounts have not been included in the Recommended Budget.

The SunGard HR/Payroll module is scheduled to "go-live" for the first paycheck of 2015. In order to provide support for the payroll staff SunGard staff will be coming to the County for one week every month from July – December. The cost for the staff support is \$38,400. There is an additional cost for SunGard staff time to assist in scheduling those trips and to provide technical support to County staff. That cost, \$5,760 is budgeted in the Information Technology budget unit.

The Auditor has requested that one Accounting Technician II position be added to his Department in FY 2014-15. This request is not recommended.

Use of Fund Balance

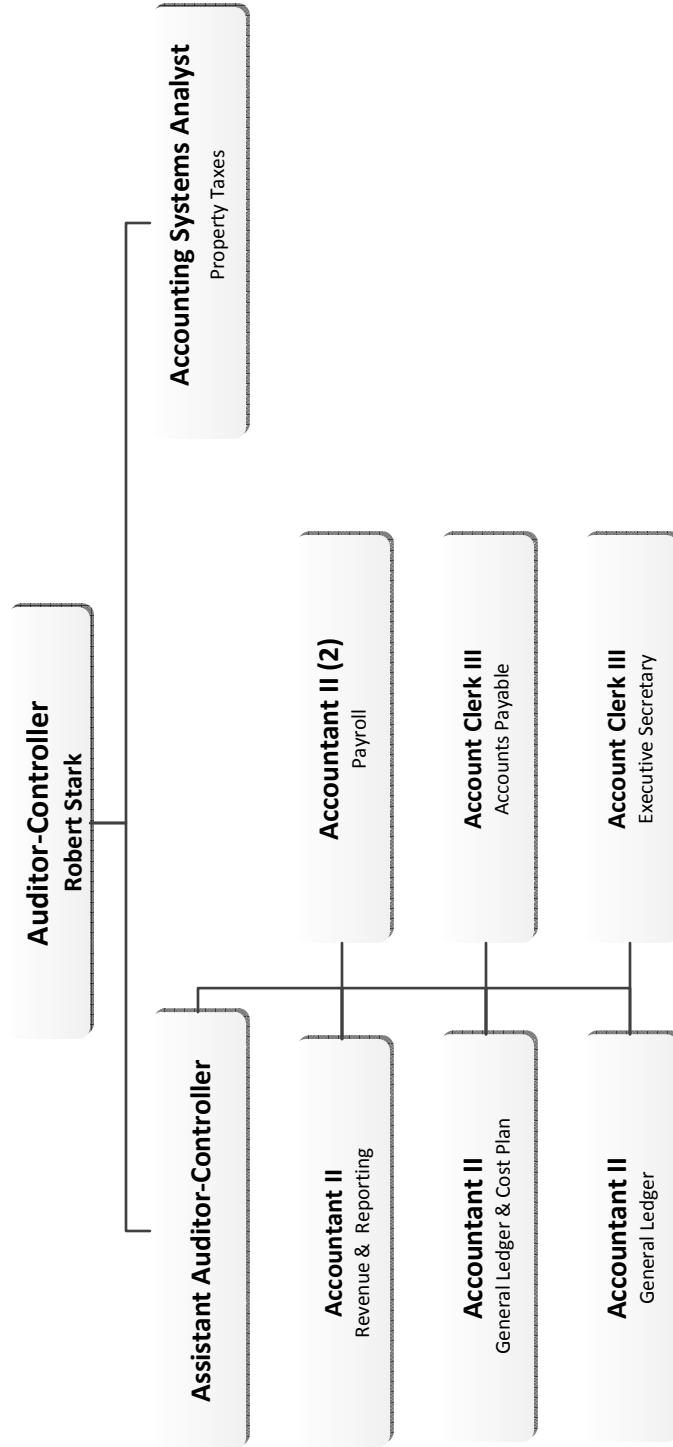
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Auditor-Controller

FY 2014-2015

Recommended



Board of Supervisors (1-101)

DEPT HEAD:	EXECUTIVE SUMMARY					0001 1-101
	UNIT: BOARD OF SUPERVISORS	FUND: GENERAL				
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	256,203	201,298	251,531	242,111	3.7-	
SERVICES AND SUPPLIES	45,791	24,740	44,600	44,600	.0	
OTHER CHARGES	36,093	29,277	47,368	34,951	26.2-	
* GROSS BUDGET	338,087	255,315	343,499	321,662	6.4-	
INTRAFUND TRANSFERS	1,625	3,543	2,721	4,346	59.7	
* NET BUDGET	339,712	258,858	346,220	326,008	5.8-	
OTHER REVENUES						
USER PAY REVENUES	3	85	0	0	.0	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
TOTAL OTHER REVENUES	3	85	0	0	.0	
* UNREIMBURSED COSTS	339,709	258,773	346,220	326,008	5.8-	
ALLOCATED POSITIONS	5.00	5.00	5.00	5.00	.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

- (\$11,016) Decrease in County Contribution – Group Insurance

Other Charges

- (\$7,820) Decrease in Interfund Technology Charges as provided by the General Services Department

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.

Public Safety is a major focus of 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 last June on the first phase of a 44-mile levee rehabilitation project along the west bank of the Feather River. Last summer, a one mile section at Shanghai Bend, considered one of the most vulnerable sections of levee in the entire project, was completed. Year two of the levee work began during the spring of

Board of Supervisors (1-101)

2014, with work performed both south and north of Shanghai Bend, including the Live Oak area.

Improvements to Highway 99 continued through FY 2013-14. A ribbon cutting ceremony for the new bridge over the Feather River at Nicolaus was scheduled for mid-June. The completion of the project heralds the existence of a four lane highway from Yuba City to Sacramento, improving safety and commute times.

A new Board Committee committed to economic development was created in 2013. Two Supervisors serve as the Sutter Forward committee, which conducted two public meetings with area business owners and interested parties to develop economic development strategies.

It was another busy year for the Board:

- In July, the Board approved a lease with the Disabled American Veterans to provide a meeting room and to open up space for a community meeting room at the Veteran's Hall.
- In August, the Board approved a budget amendment approving additional funding for the Jail Expansion Project, for earthquake retrofitting. The bulk of the \$10 million project is being paid with bond-financed grant funding from the State of California.
- Also in August, the Board approved 22 new positions to staff the new Call Center in the Human Services Department, Welfare and Social Services Division, to handle the expected workload and answer client questions associated with the expansion of Medicare eligibility in California, eligibility for insurance through the Affordable Care Act, and all other related services provided by Human Services. The positions are paid for by funds from the State and Federal governments. An estimated 5,500 individuals in Sutter County are newly eligible for Medicare as a result of the Affordable Care Act.
- August was also the date for the groundbreaking of the new Sutter County Courthouse, being built by the State of California. Supervisors attended the event with officials from the judiciary. As construction continues, the Board will consider how best to utilize space currently occupied by the courts in existing County buildings on Second Street, once those facilities are vacated.
- In September, the Board approved a formal program for Public Information about the National Flood Insurance Program, which helped the County improve its FEMA Community Rating, which will help further reduce the cost for flood insurance for certain areas of the County.
- Also in September, the Board awarded a contract for the second phase of the expansion and remodeling of the County Agriculture Department on Garden Highway. The work was completed in February of 2014.
- In October, the Board conducted a joint meeting with the Yuba City City Council to discuss economic development, traffic patterns and road improvements, the concept of combining dispatch centers for emergency responders, and homelessness in the community.
- In November, the Board approved a Memorandum of Understanding with

Board of Supervisors (1-101)

the Law Enforcement bargaining unit. An MOU with the Fire Safety Unit was approved in February and an agreement was reached with the General, Supervisory, and Professional Unit in March.

- In December, the Board approved a Transportation Circulation and Improvement Plan, to prioritize road improvements to the 760 miles of roads maintained by Sutter County. Emphasis was placed on roads utilized to bring Sutter County crops to local markets in the Farm to Fork concept.
- In January of 2014, the Board granted conceptual approval to an agreement with the Sutter Buttes Regional Airport Association to manage the Sutter County Airport. Formal, final approval was granted by the Board in April.
- In February, the Board declared a state of local emergency as a result of the third year of drought. The Board asked residents and businesses to voluntarily cut water use by 20 percent.
- Also in February, the Board approved a contract with Chevron Energy to install solar panels and make other energy efficiency improvements to County buildings, projected to save the County \$18 million over 30 years.

Recommended Budget

This budget is recommended at \$326,008, which is a decrease of \$20,212 compared to FY 2013-14.

Use of Fund Balance

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

**Clerk-Recorder
Clerk of the Board (1-105)**

Donna M. Johnston, Clerk-Recorder

EXECUTIVE SUMMARY						
DEPT HEAD: DONNA M. JOHNSTON	UNIT: CLERK OF THE BOARD		FUND: GENERAL		0001 1-105	
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 3-31-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	152,144	124,606	163,340	171,751	5.1	
SERVICES AND SUPPLIES	4,525	3,079	6,325	7,800	23.3	
OTHER CHARGES	5,266	2,212	6,296	4,748	24.6-	
* GROSS BUDGET	161,935	129,897	175,961	184,299	4.7	
INTRAFUND TRANSFERS	1,499	659	2,659	1,921	27.8-	
* NET BUDGET	163,434	130,556	178,620	186,220	4.3	
OTHER REVENUES						
USER PAY REVENUES	3	0	50	50	.0	
GOVERNMENTAL REVENUES	850	250	750	750	.0	
TOTAL OTHER REVENUES	853	250	800	800	.0	
* UNREIMBURSED COSTS	162,581	130,306	177,820	185,420	4.3	
ALLOCATED POSITIONS	2.13	2.13	2.13	2.13	.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

- \$8,411 General increase due to negotiated Salaries and Benefits

Services & Supplies

- \$2,000 Increase in Computer Hardware to replace the Clerk of the Board computer at the Hall of Records

Program Discussion

The Clerk of the Board budget includes funding for 2.0 Deputy Board Clerks, a .03 portion of the Accountant and a .1 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.

For FY 2014-15, the Clerk of the Board staff will continue to focus on serving the citizens of Sutter County.

Recommended Budget

This budget is recommended at \$186,220. The General Fund provides 99.6% of the financing for this budget unit and is increased by \$7,600 (4.3%) compared to FY 2013-14.

The Recommended Budget includes \$2,000 for the purchase of a replacement laptop computer which is used by the Clerk of the Board to record minutes and actions of the Board during meetings of the Board of Supervisors. This computer will be added to the County's replacement plan once purchased, and will be eligible for scheduled replacement in the future.

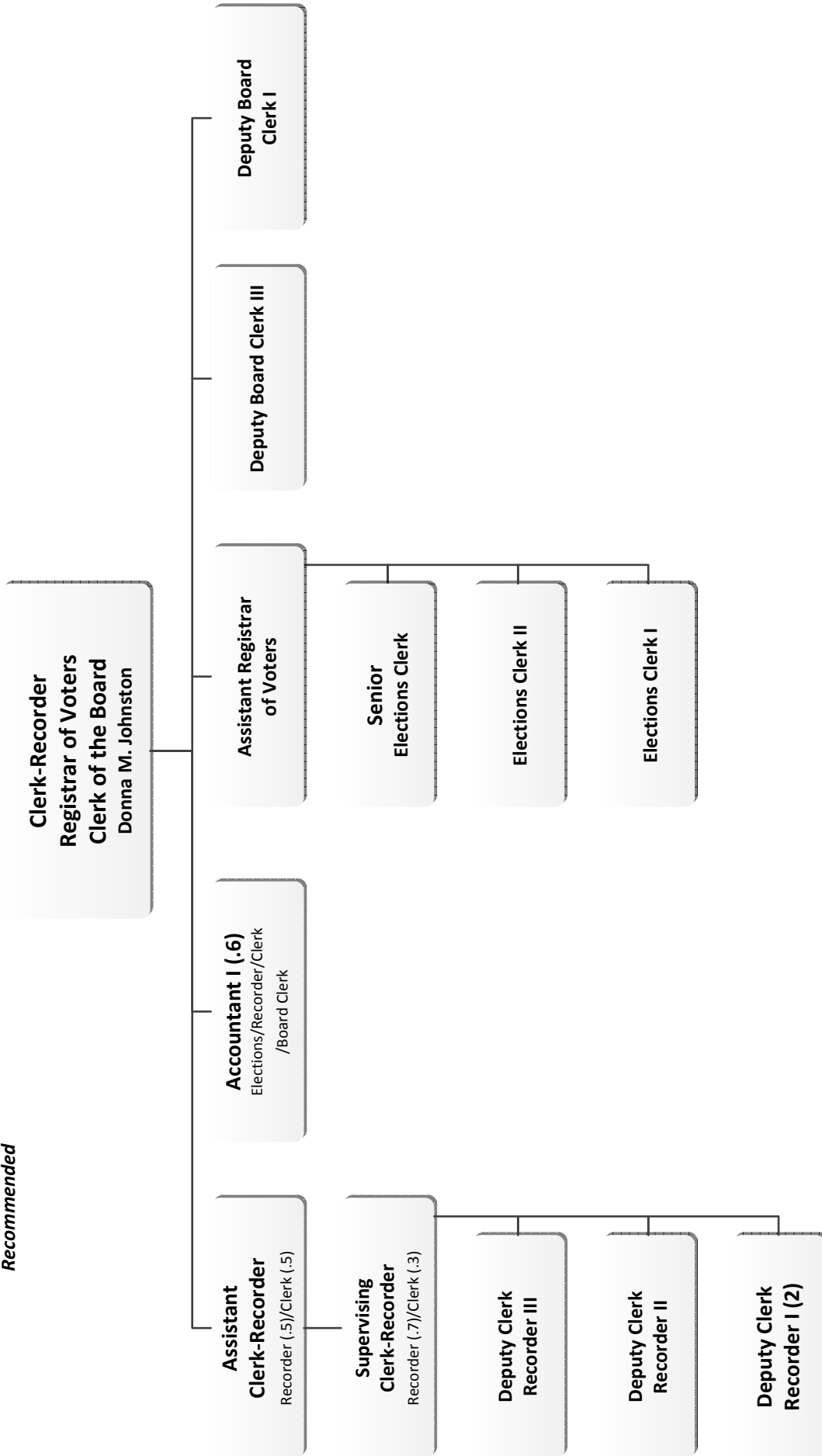
Use of Fund Balance

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 2014-2015

Recommended



E X E C U T I V E S U M M A R Y						
DEPT HEAD: DONNA M. JOHNSTON	UNIT: ELECTIONS	FUND: GENERAL			0001 1-502	
		ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 3-31-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS		427,115	294,808	419,358	433,671	3.4
SERVICES AND SUPPLIES		263,415	122,376	317,985	310,150	2.5-
OTHER CHARGES		29,503	15,282	33,284	29,304	12.0-
* GROSS BUDGET		720,033	432,466	770,627	773,125	.3
INTRAFUND TRANSFERS		10,119	3,010	4,418	6,465	46.3
* NET BUDGET		730,152	435,476	775,045	779,590	.6
OTHER REVENUES						
USER PAY REVENUES		76,754	20,821	71,600	76,600	7.0
GOVERNMENTAL REVENUES		11,993	283	32,200	7,200	77.6-
TOTAL OTHER REVENUES		88,747	21,104	103,800	83,800	19.3-
* UNREIMBURSED COSTS		641,405	414,372	671,245	695,790	3.7
ALLOCATED POSITIONS		4.83	4.83	4.83	4.83	.0

Purpose

This budget unit is administered by the County Clerk-Recorder and funds all local elections for the Federal and State governments, as well as all County, City, school and Special District elections in Sutter County. This includes all aspects of registration, precincts and reporting, as well as voter registration maintenance.

Revenues

- \$5,000 Increase in Elections Services revenue reflecting November General Election costs eligible for reimbursement
- (\$25,000) Decrease in available State Grant revenue

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.

Major Budget Changes

Salaries & Benefits

- \$2,000 Increase in Extra Help for the November General Election
- \$12,313 General increase due to negotiated Salaries and Benefits

Clerk-Recorder County Elections (1-502)

Donna M. Johnston, Clerk-Recorder

There is one election anticipated for this year, the November 2014 General Election.

Goals for FY 2014-15, in addition to conducting the November 2014 General Election, include increasing voter registration, and increasing online voter services.

Recommended Budget

This budget is recommended at \$779,590. The General Fund provides 89.3% of the financing for this budget unit and is increased by \$24,545 (3.7%) compared to FY 2013-14.

Salaries and related benefits reflect a general increase of \$12,313 due to negotiated benefits, including a countywide increase in Retirement and Health insurance premium costs.

The Department received a \$30,000 State Grant in FY 2013-14. This grant funding is recommended at \$5,000 for FY 2014-15, resulting in a recommended reduction of \$25,000.

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. If one of these elections is called, it would be reimbursed by the entity requiring 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.

EXECUTIVE SUMMARY						
DEPT HEAD: DONNA M. JOHNSTON	UNIT: RECORDER	FUND: GENERAL			0001 2-706	
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 3-31-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	348,442	265,016	353,063	362,376	2.6	
SERVICES AND SUPPLIES	57,113	39,222	69,276	128,616	85.7	
OTHER CHARGES	29,363	11,625	33,349	24,578	26.3-	
* GROSS BUDGET	434,918	315,863	455,688	515,570	13.1	
INTRAFUND TRANSFERS	15,384	7,955	13,705	14,699	7.3	
* NET BUDGET	450,302	323,818	469,393	530,269	13.0	
OTHER REVENUES						
USER PAY REVENUES	423,145	233,887	442,300	501,300	13.3	
GOVERNMENTAL REVENUES	0	550	0	0	.0	
TOTAL OTHER REVENUES	423,145	234,437	442,300	501,300	13.3	
* UNREIMBURSED COSTS	27,157	89,381	27,093	28,969	6.9	
ALLOCATED POSITIONS	5.13	5.13	5.13	5.13	.0	

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

- \$9,313 General increase due to negotiated Salaries and Benefits

Services & Supplies

- \$41,000 Increase in Professional/Special Services to continue conversion of images to digital format
- \$10,000 Increase in Office Equipment for the replacement of two document recording scanners

Revenues

- (\$35,000) Decrease in anticipated Recording Fees based on current actual receipts
- \$94,000 Increase in Interfund Transfers-in from Special Revenue Funds to offset costs to convert images to digital format and related projects

Program Discussion

The Recorder Budget Unit funds the Recorder operations. This program is predominantly funded by document recording fees. Document recording fees are regulated by Government Code and a 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 Fund (0-237), which funds the cost of converting the document storage system to micrographics; 2) the Clerk/Recorder Upgrade 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 Fund (0-288), which funds the modernization of vital records operations; and, 4) the Social Security Truncation Fund (0-280), which funds the redaction of social security numbers on recorded documents.

Recommended Budget

This budget is recommended at \$530,269. The General Fund provides 5.5% of the financing for this budget unit and is increased by \$1,876 (6.9%) compared to FY 2013-14.

Salaries and related benefits reflect a general increase of \$9,313 due to negotiated benefits, including a countywide increase in Retirement and Health insurance premium costs.

The recommended increase of \$10,000 in Office Equipment is to purchase two replacement document recording scanners.

Recording Fee revenue for this budget unit is anticipated to decrease by \$35,000 based on a decrease in the number of recordings during FY 2013-14. It is anticipated that this decrease will extend into FY 2014-15.

The increase in Recording Fee revenue is recommended to be offset by an increase of \$94,000 in the transfer-in of funds from the Department's various Special Revenue Funds, to fund special project work in recognition of the reduction in recording work.

The recommended budget maintains one frozen and unfunded Deputy Clerk-Recorder position, which was defunded in FY 2011-12, and maintains the department Accountant I position at .60 FTE (60% position).

Use of Fund Balance

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

EXECUTIVE SUMMARY						
DEPT HEAD: DONNA M. JOHNSTON	UNIT: COUNTY CLERK		FUND: GENERAL		0001 2-710	
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 3-31-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	178,725	135,040	188,594	192,650	2.2	
SERVICES AND SUPPLIES	7,944	7,486	11,230	11,265	.3	
OTHER CHARGES	5,021	3,192	12,236	5,738	53.1-	
* GROSS BUDGET	191,690	145,718	212,060	209,653	1.1-	
INTRAFUND TRANSFERS	3,149	2,197	4,759	3,493	26.6-	
* NET BUDGET	194,839	147,915	216,819	213,146	1.7-	
OTHER REVENUES						
USER PAY REVENUES	114,198	91,064	108,025	111,200	2.9	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
TOTAL OTHER REVENUES	114,198	91,064	108,025	111,200	2.9	
* UNREIMBURSED COSTS	80,641	56,851	108,794	101,946	6.3-	
ALLOCATED POSITIONS	2.51	2.51	2.21	2.53	14.5	

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.

Vital records such as birth certificates are also available for purchase.

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

Major Budget Changes

There are no major budget changes for FY 2014-15.

Recommended Budget

This budget is recommended at \$213,146. The General Fund provides 47.8% of the financing for this budget unit and is decreased by \$6,848 (6.3%) compared to FY 2013-14, due to a \$6,567 decrease in Interfund Information Technology charges.

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.

Use of Fund Balance

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

Clerk-Recorder Domestic Violence (2-711)

Donna M. Johnston, Clerk-Recorder

EXECUTIVE SUMMARY					
DEPT HEAD: DONNA M. JOHNSTON	UNIT: DOMESTIC VIOLENCE CENTERS		FUND: GENERAL		0001 2-711
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 3-31-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14
EXPENDITURES					
OTHER CHARGES	18,040	6,388	20,000	20,000	.0
* GROSS BUDGET	18,040	6,388	20,000	20,000	.0
INTRAFUND TRANSFERS	0	0	0	0	.0
* NET BUDGET	18,040	6,388	20,000	20,000	.0
OTHER REVENUES					
USER PAY REVENUES	18,040	6,388	20,000	20,000	.0
GOVERNMENTAL REVENUES	0	0	0	0	.0
TOTAL OTHER REVENUES	18,040	6,388	20,000	20,000	.0
* UNREIMBURSED COSTS	0	0	0	0	.0
ALLOCATED POSITIONS	.00	.00	.00	.00	.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 FY 2014-15.

Program Discussion

It is recommended 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 \$20,000, which is the same as FY 2013-14. The General Fund does not provide any financing for this budget unit.

It is recommended that a 10% Administration fee, allowed by legislation, be charged to cover the County cost to administer this program. This fee will be brought to the Board for consideration in FY 2014-15.

Use of Fund Balance

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

EXECUTIVE SUMMARY						
DEPT HEAD: JAMES M ARKENS	UNIT: COUNTY ADMINISTRATOR		FUND: GENERAL		0001 1-102	
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	917,552	686,286	919,369	977,299	6.3	
SERVICES AND SUPPLIES	16,648	20,255	55,795	58,706	5.2	
OTHER CHARGES	32,434	11,613	63,525	57,756	9.1-	
* GROSS BUDGET	966,634	718,154	1,038,689	1,093,761	5.3	
INTRAFUND TRANSFERS	955	1,122	1,318	1,654	25.5	
* NET BUDGET	967,589	719,276	1,040,007	1,095,415	5.3	
OTHER REVENUES						
USER PAY REVENUES	4,625	214	3,500	3,500	.0	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
TOTAL OTHER REVENUES	4,625	214	3,500	3,500	.0	
* UNREIMBURSED COSTS	962,964	719,062	1,036,507	1,091,915	5.3	
ALLOCATED POSITIONS	8.90	6.80	6.80	6.70	1.5-	

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

- \$71,724 Relative increase reflecting full 12-month funding of one position that was temporarily defunded for 6-months during FY 2013-14 due to a temporary assignment
- (\$25,791) Transfer of 10% of the County Administrative Officer position to the Workers' Compensation ISF budget unit for FY 2014-15

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 his 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 2013-14 included:

- Assisted the Board of Supervisors, in conjunction with the Department of General Services and Development Services, in successfully entering into a contract with Chevron Energy Services for the countywide energy efficiency and infrastructure upgrade project, and managed the associated financing arrangements and agreement. The project is projected to save Sutter

County \$18 million over the next 25 years in energy and related utility costs.

- The County Administrative Office had significant involvement in the Sutter Animal Services Joint Powers Authority with the Cities of Yuba City and Live Oak and the final transition of lead agency duties to the City of Yuba City.
- In conjunction with the Board of Supervisors and the Economic Development corporation, developed the *SutterForward!* campaign.
- Coordinated with the Counties of Yuba and Colusa to develop the new Tri-County Regional Juvenile Rehabilitation Facility, to replace the existing aging Bi-County Juvenile Hall. The new Joint Powers Agreement was negotiated and approved in FY 2013-14, allowing design and eventual construction to move forward.
- For the fourth year in a row, guided the County through a challenging budget development process, while balancing the competing priorities of preserving public services, minimizing employee lay-offs, and minimizing reductions in reserves.
- Assisted the Board of Supervisors and the General Services Department in adopting a management agreement and transitioning the day-to-day management of the Sutter County Airport to a local aviation-based non-profit organization.
- Oversaw the transition of the Community Services, Public Works and Information Technology Departments, to the new Development Services and General Services Departments.

- Continued to provide oversight and budgetary management for the implementation of the County's new SunGard software system for Personnel, Payroll, and Purchasing, and Budgeting.

The County Administrative Office goals for FY 2014-15 include:

- To continue collaboration with the EDC and our federal lobbyist to develop a strategic plan to move *Sutter Forward!*
- To continue collaboration with the Counties of Yuba and Colusa toward the design and construction of the Tri-County Regional Juvenile Rehabilitation Facility.
- To oversee and guide the implementation of the Affordable Care Act in Sutter County.
- To provide continued oversight of the countywide SunGard project and implementation of the new budgeting module.

Recommended Budget

The budget is recommended at \$1,095,415. The General Fund provides 99.7% of the financing for this budget unit, and is increased by \$55,408 (5.3%) compared to FY 2013-14. A portion of the costs for this budget unit are recouped from the Local Agency Formation Commission for staff support, and through the annual A-87 cost plan.

It is recommended that the Human Resources function of the County be reassigned to the County Administrative Office for FY 2014-15. As discussed in the Human Resources budget unit (1-401), it is recommended that the Human Resources

Director position be eliminated. The FY 2014-15 Recommended Organization Chart reflects the recommended reporting structure for this year. The organizational structure of the combined departments will be further evaluated during FY 2014-15.

The County Administrative Office will assume responsibility for the Emergency Services budget unit in FY 2014-15, including overseeing the inter-related functions of Risk Management and Emergency Services. The Recommended Budget and Organization Chart reflect this reassignment.

The County Administrative Office will also assume responsibility for the Animal Control budget unit and Sutter Animal Services Authority functions for the County. The Recommended Budget and Organization Chart reflect this reassignment.

During FY 2013-14, one Deputy County Administrative Officer was appointed as the Interim Director of this new General Services Department, for a six-month period. Therefore, the salary and related benefits were reduced by \$71,724 to reflect this six-month temporary assignment. The FY 2014-15 recommended budget reflects this flexibly staffed position as fully funded, yet filled at the lower Principal Analyst level. The relative increase in cost for this budget unit is primarily due to the restoration of full-funding for this position.

The recommended budget reflects action taken in FY 2013-14 to eliminate the vacant Executive Assistant/Assistant Clerk of the Board position and to add one Management Assistant to the County Administrative Officer position. This change is reflected in the Position Allocation Schedule.

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

The recommended budget includes a re-budget of \$30,000 for assistance with the implementation of the SunGard Budget module, which has been deferred for over three years pending completion of the Personnel and Payroll modules.

There are no other significant changes recommended for the County Administrative Office budget.

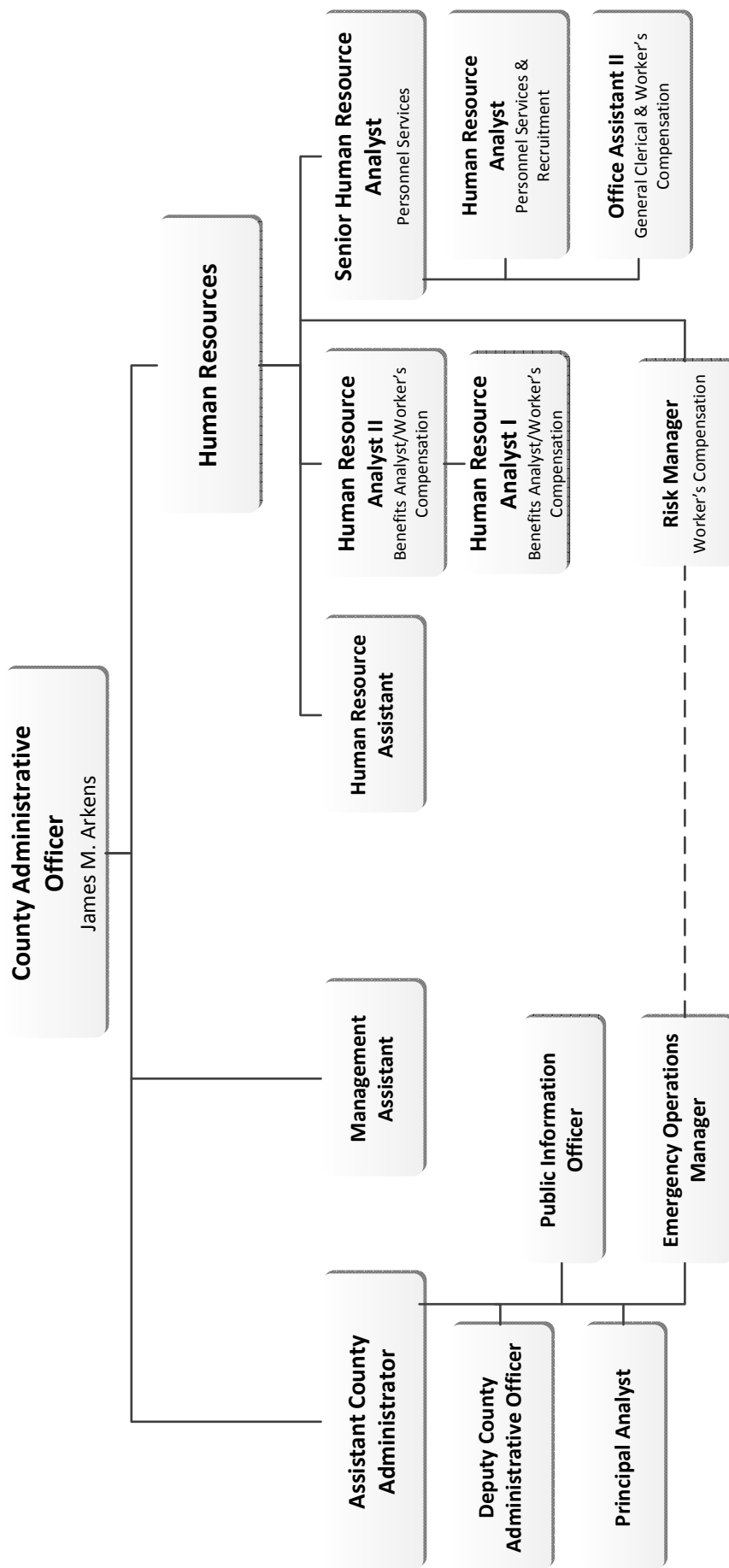
Use of Fund Balance

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

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County Administrative Office FY 2014-2015

Recommended



County Administrative Office
Non-Departmental Expenses (1-103)

James M. Arkens
County Administrative Officer

EXECUTIVE SUMMARY					
DEPT HEAD: JAMES M ARKENS	UNIT: NON-DEPARTMENTAL EXPENSES		FUND: GENERAL		0001 1-103
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14
EXPENDITURES					
SERVICES AND SUPPLIES	178,546	207,689	322,000	452,000	40.4
OTHER CHARGES	226,921	358,200	233,289	78,000	66.6-
* GROSS BUDGET	405,467	565,889	555,289	530,000	4.6-
INTRAFUND TRANSFERS	4,901-	5,000-	5,000-	5,000-	.0
* NET BUDGET	400,566	560,889	550,289	525,000	4.6-
APPROPRIATION FOR CONTINGENCY	0	0	0	0	.0
INCREASE IN OBLIGATED F/B	0	0	136,608	114,058	16.5-
INCREASES IN RESERVES	0	0	0	0	.0
* TOTAL BUDGET	400,566	560,889	686,897	639,058	7.0-
OTHER REVENUES					
USER PAY REVENUES	76,974	0	29,978	39,861	33.0
GOVERNMENTAL REVENUES	0	0	0	0	.0
TOTAL OTHER REVENUES	76,974	0	29,978	39,861	33.0
* UNREIMBURSED COSTS	323,592	560,889	656,919	599,197	8.8-
ALLOCATED POSITIONS	.00	.00	.00	.00	.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.

services related to anticipated, pending and/or existing litigation against the County

- \$19,000 Increase in Professional/Specialized Services for existing contracts and planned studies

Other Charges

- (\$155,289) One-time Interfund Transfer of General Fund monies in FY 2013-14 to relieve the County Airport of its loan obligation

Major Budget Changes

Services & Supplies

- \$9,000 Increase in Auditing Fees due to contractual increase in Independent Audit cost
- \$100,000 Transfer of \$100,000 from the County Counsel budget unit, for one-time outside legal

Revenues

- \$9,883 Increase in Interfund Audit Cost reimbursement from other funds reflecting increased Audit contract costs

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 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 \$12,000 for the contribution to the Sutter Butte Flood Control Agency on behalf of the Yuba City Unified School District, 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 \$639,058. The General Fund provides approximately 93.8% of the financing for this budget unit and is decreased \$57,722 (8.8%) compared to FY 2013-14.

Audit Fees are recommended at \$79,000 for annual Independent Audit costs. This will be the second year of a three-year contract.

The Professional and Special Service – Legal line item is recommended at \$110,000. The Recommended Budget includes \$100,000 for one-time outside legal services related to

anticipated, pending and/or existing litigation against the County. Funding will only be used if pending or existing litigation requires the use of outside services. It is recommended that this one-time cost be offset with one-time monies through a cancellation of Obligated Fund Balance in the General Revenues budget unit (1-209). As in prior years, \$10,000 is recommended to cover residual legal issues related to the Golden State Water Company litigation.

The Professional and Specialized Services account is recommended at \$140,000, and includes \$10,000 for the Management Training program (formerly budgeted in the Human Resources budget unit), the addition of a Workforce Analytics Study anticipated to be initiated in FY 2014-15, and general contract services required in FY 2012-13.

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). This annual payment was moved into the NDE budget unit from the Subsidy Requests budget unit (7-202) in the FY 2011-12 Adopted Budget.

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 Requests budget unit (7-202) in FY 2013-14.

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.

County Administrative Office

Non-Departmental Expenses (1-103)

James M. Arkens

County Administrative Officer

Use of Fund Balance

revenue is budgeted in the Human Resources budget unit (1-401).

Increases in Obligated Fund Balance are recommended at \$114,058:

- \$6,640 is recommended to transfer actual net revenues from FY 2012-13 Transient Occupancy Tax (TOT) payments to the Committed Fund Balance for Transient Occupancy Tax (account #37339). This revenue has declined significantly in recent years.
- \$5,000 is recommended to be placed in the Committed Fund Balance for Farm Advisor/Ag Building (account #37309). 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 #37316) 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. This cost will be partially offset with \$46,900 of rebate funds received from the Centers for Medicare and Medicaid Services (CMS) Retiree Drug Subsidy Program (RDS) budgeted in the General Revenues budget (1-209). The County began receiving these funds in FY 2006-07. The remaining \$8,100 of CMS/RDS

**County Administrative Office
Personnel Transition Costs (1-104)**

*James M. Arkens
County Administrative Officer*

EXECUTIVE SUMMARY						
DEPT HEAD: JAMES M ARKENS	UNIT: PERSONNEL TRANSITION COSTS		FUND: GENERAL		0001 1-104	
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	0	0	183,478	94,779	48.3-	
* GROSS BUDGET	0	0	183,478	94,779	48.3-	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	0	0	183,478	94,779	48.3-	
OTHER REVENUES						
USER PAY REVENUES	0	0	0	0	.0	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
CANCELLATION OF OBLIGATED F/B	0	0	183,478	94,779	48.3-	
TOTAL OTHER REVENUES	0	0	183,478	94,779	48.3-	
* UNREIMBURSED COSTS	0	0	0	0	.0	
ALLOCATED POSITIONS	.00	.00	6.00	4.00	33.3-	

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 also includes one month of funding and the position allocation for those positions that are recommended to be eliminated in FY 2014-15.

Recommended Budget

This budget is recommended at \$94,779.

It is recommended that the costs associated with this budget unit be funded with the Cancellation of Obligated Fund Balance from the Committed Fund Balance Designated for Capital Projects (account #31265).

Major Budget Changes

Salaries & Benefits

- \$47,979 Transition funding for positions recommended to be eliminated in FY 2014-15, based on an estimated one-month cost
- \$46,800 Maximum anticipated County Contribution for Unemployment Insurance for employees affected by eliminated positions

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

*James M. Arkens
County Administrative Officer*

E X E C U T I V E S U M M A R Y					
DEPT HEAD: JAMES M ARKENS	UNIT: GENERAL REVENUES		FUND: GENERAL		0001 1-209
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14
EXPENDITURES					
OTHER CHARGES	247,362	75,000	0	0	.0
* GROSS BUDGET	247,362	75,000	0	0	.0
INTRAFUND TRANSFERS	283,507-	365,973-	366,228-	320,642-	12.4-
* NET BUDGET	36,145-	290,973-	366,228-	320,642-	12.4-
APPROPRIATION FOR CONTINGENCY	0	0	0	0	.0
INCREASE IN OBLIGATED F/B	0	0	826,635	0	100.0-
INCREASES IN RESERVES	0	0	0	0	.0
* TOTAL BUDGET	36,145-	290,973-	460,407	320,642-	169.6-
OTHER REVENUES					
GENERAL REVENUES	34,174,448	18,952,237	31,912,778	32,465,847	1.7
OTHER FINANCING SOURCES	1,638	0	0	0	.0
CANCELLATION OF OBLIGATED F/B	0	0	1,282,492	1,350,675	5.3
AVAILABLE FUND BALANCE 7/1	5,435,498	6,744,201	5,152,607	3,523,807	31.6-
TOTAL OTHER REVENUES	39,611,584	25,696,438	38,347,877	37,340,329	2.6-

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

- \$125,000 Budgeted increase in property tax, based on estimated 1% increase in secured roll
- (\$40,000) Budgeted decrease in supplemental property tax, based on recent trend
- \$50,000 Budgeted increase in Interest on Delinquent Taxes based on recent trend
- \$100,000 Budgeted increase in in-lieu local sales and use taxes based on recent trend
- (\$300,000) Budgeted decrease in franchise fee revenue, based on recent trend

County Administrative Office General Revenues (1-209)

James M. Arkens

County Administrative Officer

- (\$200,000) Budgeted decrease in interest revenue, based on recent trend
- \$1,003,169 Increase in A-87 Overhead reimbursement revenue from non-General Fund departments and outside agencies

Program Discussion & Recommended Budget

The estimate for the General Revenue category is \$32,465,847, which is an increase of \$553,069 (1.7%) compared to the FY 2013-14 Adopted Budget.

The increase is primarily due to an increase in the amount of A-87 Overhead reimbursement revenue that the General Fund receives from non-General Fund departments (also referred to as subvented funds) and outside agencies. The General Fund has overall experienced a reduction in A-87 reimbursements, due to reductions that have been made over the past several years to General Fund departments whose costs are partially or wholly recouped through the A-87 Cost Plan. However, this budget reflects the recommendation to begin charging the Welfare/Social Services Fund for its respective A-87 costs. As a policy decision, this cost has not been charged in the past. It is staff's recommendation that this cost be recouped. The annual A-87 Cost Plan is produced by the Auditor-Controller's Office pursuant to Federal regulation.

The General Revenue category remains essentially the same as FY 2013-14, when the reduction in A-87 Overhead is not included.

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 is to last until all of the revenue bonds issued by the State, pursuant to Proposition 57, are paid off. The State is currently contemplating repayment of these bonds in FY 2016-17.

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 MVIL. Property Tax In-Lieu - Vehicle License Fee revenues are

County Administrative Office General Revenues (1-209)

James M. Arkens

County Administrative Officer

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 2014-15, property tax revenues (including secured, unsecured, and property tax in lieu of Motor Vehicle License Fees) are projected to be approximately \$21.6 million. This represents a net increase of \$85,000, or less than one-half of a percent, from the FY 2013-14 Adopted Budget, based on the initial property tax roll estimate. The County Administrative Officer and the Assessor estimate that secured property tax revenue will increase slightly for FY 2014-15 based on recent market activity. It is anticipated that current supplemental property tax revenue will decrease slightly for FY 2014-15. All other property tax related revenues are anticipated to remain the same as FY 2013-14.

The budget for sales and use tax revenue, including in-lieu revenue, is recommended at \$3.1 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. The County Administrative Office is projecting that revenue from Sales and Use Tax will increase by \$100,000 for FY 2014-15. The budget for In-Lieu Local Sales and Use Tax is anticipated to remain the same as FY 2013-14.

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 \$1.2 million, a decrease of \$300,000 as compared to FY 2013-14.

Revenue from Interest earned on monies held by the general fund in the pooled treasury has decreased substantially over the past four 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.

It is recommended that \$55,000 of rebate funds received from the Centers for Medicare & Medicaid Services (CMS) Retiree Drug Subsidy Program (RDS) be budgeted for FY 2014-15. The County began receiving these funds in FY 2006-07, but had not budgeted the revenue prior to FY 2012-13 due to the volatility in the annual amount received. The balance of the CMS/RDS funds in the amount of \$8,100 is budgeted in the Human Resources budget unit (1-401) to offset the cost of retiree billing services.

The estimated available Fund Balance from FY 2013-14 is just over \$3.5 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 a reduction of approximately \$1.0 million over the amount that was budgeted to be available in the FY 2013-14 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, typically in October of each year, and it is likely that the

County Administrative Office General Revenues (1-209)

James M. Arkens
County Administrative Officer

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 the Increases in Obligated Fund Balance account, to be placed in Obligated Fund Balance Designated for Capital Projects in the final Adopted Budget.

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 or renewing existing contracts. Due to the structure of Williamson Act contracts, it will take 10 years from the time the County ceased renewing contracts for the existing contracts to terminate. Therefore, it is recommended that \$51,150 of the Committed Fund Balance for Williamson Act Subvention (account #31217), be cancelled in FY 2014-15 to offset the loss of that revenue source.

It is recommended that \$250,000 held in the General Fund's Committed Fund Balance Designated for Capital Projects (account #31265) be liquidated to cover the cost of five (5) 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 Non-Departmental Expenses budget unit (1-103); funds are available for use only for the specified purposes.

It is recommended that \$38,500 of Committed Fund Balance Designated for Capital Projects (account #31265) be liquidated in FY 2014-15 to fund a consultant contract in the Auditor-Controller's office for the implementation of the SunGard HR/Payroll software system.

It is recommended that \$84,800 of Committed Fund Balance Designated for Capital Projects (account #31265) be liquidated in FY 2014-15 to fund the net cost in FY 2014-15 of the Chevron Energy Project, resulting from timing differences between the initial payment and completion of project implementation. This cost is unique to the first year of the project. Full implementation is anticipated to be mid-year FY 2014-15; therefore, only one-half of a year of savings can be estimated in the FY 2014-15 Recommended Budget.

It is recommended that \$368,000 of Committed Fund Balance Designated for Capital Projects (account #31265) be liquidated in FY 2014-15 to fund the cost of General Fund projects in the Plant Acquisition budget unit (1-801).

It is recommended that \$15,500 of Committed Fund Balance - Transient Occupancy Tax be cancelled in FY 2014-15 to fund the installation of a security card access system at Ettl Hall. This project is included in the Plant

County Administrative Office General Revenues (1-209)

James M. Arkens
County Administrative Officer

Acquisition budget unit.

It is recommended that \$300,000 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 2014-15. 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 PERS Board of Directors. The same recommendation was included in FY 2013-14.

It is recommended that \$142,825 held in the General Fund's Committed Fund Balance Designated for Future Vehicle Replacement be used in FY 2014-15 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 2014-15 is recommended at \$1,350,675.

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

James M. Arkens
County Administrative Officer

E X E C U T I V E S U M M A R Y						
DEPT HEAD: JAMES M ARKENS	UNIT: TRIAL COURTS-GENERAL	FUND: TRIAL COURT			0014 2-110	
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
* GROSS BUDGET	0	0	0	0	.0	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	0	0	0	0	.0	
OTHER REVENUES						
USER PAY REVENUES	3,853,396	3,500,000	3,966,291	3,805,433	4.1-	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
GENERAL REVENUES	80	441	0	0	.0	
TOTAL OTHER REVENUES	3,853,476	3,500,441	3,966,291	3,805,433	4.1-	
* UNREIMBURSED COSTS	3,853,476-	3,500,441-	3,966,291-	3,805,433-	4.1-	
ALLOCATED POSITIONS	.00	.00	.00	.00	.0	

Purpose

This budget, which is prepared by the County Administrative Officer, 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

- (\$160,858) Decrease in Interfund General Fund cost

Program Discussion/ Recommended Budget

The recommended General Fund Contribution is \$3,805,433, which is a decrease of \$160,858 (4.1%) compared to FY 2013-14. 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)

James M. Arkens
County Administrative Officer

E X E C U T I V E S U M M A R Y						
DEPT HEAD: JAMES M ARKENS	UNIT: TRIAL COURT-COUNTY SHARE		FUND: GENERAL		0001 2-114	
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
OTHER CHARGES	3,853,396	3,500,000	3,966,291	3,805,433	4.1-	
* GROSS BUDGET	3,853,396	3,500,000	3,966,291	3,805,433	4.1-	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	3,853,396	3,500,000	3,966,291	3,805,433	4.1-	
OTHER REVENUES						
USER PAY REVENUES	0	0	0	0	.0	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
TOTAL OTHER REVENUES	0	0	0	0	.0	
* UNREIMBURSED COSTS	3,853,396	3,500,000	3,966,291	3,805,433	4.1-	
ALLOCATED POSITIONS	.00	.00	.00	.00	.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

The recommended decrease in the General Fund Contribution is primarily due to reductions in the Probation budget unit.

Other Charges

- (\$160,858) Decrease 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 \$3,805,433, which is a decrease of \$160,858 (4.1%) compared to FY 2013-14.

County Share Budgets

Public Safety - General (2-210)

James M. Arkens
County Administrative Officer

E X E C U T I V E S U M M A R Y						
DEPT HEAD: JAMES M ARKENS	UNIT: PUBLIC SAFETY-GENERAL		FUND: PUBLIC SAFETY		0015 2-210	
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
* GROSS BUDGET	0	0	0	0	.0	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	0	0	0	0	.0	
OTHER REVENUES						
USER PAY REVENUES	20,268,608	16,194,142	20,439,461	21,096,445	3.2	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
GENERAL REVENUES	10,124-	828-	0	0	.0	
TOTAL OTHER REVENUES	20,258,484	16,193,314	20,439,461	21,096,445	3.2	
* UNREIMBURSED COSTS	20,258,484-	16,193,314-	20,439,461-	21,096,445-	3.2	
ALLOCATED POSITIONS	.00	.00	.00	.00	.0	

Purpose

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).

Major Budget Changes

Revenues

- \$376,984 Increase in Interfund General Fund Cost
- \$280,000 Increase in Interfund Transfer In-Special Revenue from the Public Safety Augmentation Fund (0-282)

Program Discussion/ Recommended Budget

The Revenue for this budget is recommended at \$21,096,445, which is an increase of \$656,984 (3.2%) compared to FY 2013-14. The recommended General Fund contribution is \$14,196,445, which is an increase of \$376,984 (2.7%) compared to FY 2013-14.

Proposition 172 revenue is estimated at \$6,900,000. Actual Proposition 172 receipts have increased during FY 2013-14, leading to a recommended increase of \$280,000 in FY 2014-15. It should be noted that the increase in this revenue sources is not sufficient to match the increase in costs in this budget unit.

Therefore, the General Fund contribution to the Public Safety fund is also recommended to increase, by \$376,984. The recommended increase in the General Fund contribution is primarily the result of

County Share Budgets

Public Safety - General (2-210)

James M. Arkens
County Administrative Officer

increased costs in the County Jail, including inmate medical costs.

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)

James M. Arkens
County Administrative Officer

E X E C U T I V E S U M M A R Y						
DEPT HEAD: JAMES M ARKENS	UNIT: PUBLIC SAFETY-COUNTY SHARE		FUND: GENERAL		0001 2-215	
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
OTHER CHARGES	12,738,526	12,100,000	13,819,461	14,196,445	2.7	
* GROSS BUDGET	12,738,526	12,100,000	13,819,461	14,196,445	2.7	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	12,738,526	12,100,000	13,819,461	14,196,445	2.7	
OTHER REVENUES						
USER PAY REVENUES	0	0	0	0	.0	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
TOTAL OTHER REVENUES	0	0	0	0	.0	
* UNREIMBURSED COSTS	12,738,526	12,100,000	13,819,461	14,196,445	2.7	
ALLOCATED POSITIONS	.00	.00	.00	.00	.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).

Major Budget Changes

Other Charges

- \$376,984 Increase in Interfund Public Safety Costs

Program Discussion/ Recommended Budget

This budget is recommended at \$14,196,445, which is an increase of \$376,984 (2.7%) compared to FY 2013-14. 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.

The recommended increase in the General Fund contribution to the Public Safety Fund is primarily the result of increased cost in the County Jail, including inmate medical 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 Administrative Office
Emergency Services (2-401)**

*James M. Arkens
County Administrative Officer*

E X E C U T I V E S U M M A R Y						
DEPT HEAD: JAMES M. ARKENS	UNIT: EMERGENCY SERVICES	FUND: PUBLIC SAFETY			0015 2-401	
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	155,770	82,753	86,195	174,758	102.7	
SERVICES AND SUPPLIES	152,178	43,219	73,374	27,101	63.1-	
OTHER CHARGES	240,836	65,971	160,151	126,114	21.3-	
* GROSS BUDGET	548,784	191,943	319,720	327,973	2.6	
INTRAFUND TRANSFERS	19,936	0	0	23,166	***	
* NET BUDGET	568,720	191,943	319,720	351,139	9.8	
OTHER REVENUES						
USER PAY REVENUES	370	0	0	28,964	***	
GOVERNMENTAL REVENUES	199,998	69,198	261,436	225,594	13.7-	
TOTAL OTHER REVENUES	200,368	69,198	261,436	254,558	2.6-	
* UNREIMBURSED COSTS	368,352	122,745	58,284	96,581	65.7	
ALLOCATED POSITIONS	1.10	.70	.70	1.20	71.4	

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

- \$75,033 Increase due to the Emergency Operations Manager position increasing from 0.5 FTE to 1.0 FTE within the Emergency Services budget unit

Service & Supplies

- (\$40,000) Decrease in Professional & Specialized Services related to one-time grant funding
- \$5,400 Increase in Maintenance Equipment

Revenues

- \$28,964 Increase in Refund related to reimbursement for safety duties to be performed by the Emergency Operations Manager
- (\$55,642) Decrease in Federal Grant revenue
- \$19,800 Increase in Federal Other Aid revenue related to increasing the Emergency Operations Manager position from 0.5 FTE to 1.0 FTE

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 Manager (EOM) coordinates and/or provides training for first responders, 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, and recovery activities and planning.

The Emergency Operations 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 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. For FY 2014-15, managing identified countywide safety efforts, which overlap with countywide emergency management and communication duties, will be added to this program.

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 EOM and the expenses associated with the day-to-day operations of the Office of Emergency Management that contribute to the County's ability to prevent, prepare for, mitigate, respond to, and recover from emergencies and disasters.

2013 Homeland Security Grant – \$84,794 has been rebudgeted in FY 2014-15 for purchases made by the City of Yuba City, Sutter County Public Health, and Sutter County Fire Services.

County Administrative Office Emergency Services (2-401)

James M. Arkens
County Administrative Officer

Each new Grant is budgeted in a separate Program within the Emergency Services budget unit. There are no related General Fund Costs.

Recommended Budget

This budget is recommended at \$351,139, which is an increase of \$31,419 (9.8%) compared to FY 2013-14. This budget unit is within the Public Safety fund; however, it is considered to be funded primarily by the General Fund, which provides 27.5% of the financing for this budget unit. This is an increase of \$38,297 (65.7%) compared to FY 2014-15.

The relative increase in this budget is related to an overestimation of EMPG funds that would be received in the FY 2013-14 budget.

For FY 2014-15, the Emergency Operations Manager position is recommended to be restored to a 1.0 FTE allocation.

Based upon updated calculations, it has been determined that funding the position as an 80% position (0.8 FTE) results in the most beneficial cost to revenue ratio for the General Fund. Thus, a 0.8 FTE Emergency Operations Manager allocation results in a \$6,710 General Fund reduction as compared to a 0.5 FTE position. This also benefits the County as the Emergency Operations Manager will now have an average of 12 additional hours per week to perform emergency services functions.

The remaining twenty percent (0.2 FTE) of the Emergency Operations Manager's 1.0 FTE allocation for FY 2014-15 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 the associated revenue is reflected in the Refund account.

It is also recommended that this function be moved under the County Administrative Office, beginning in FY 2014-15, for the purpose of overseeing countywide emergency management and safety-related efforts. In the event of an emergency, the County Administrative Officer, or his designee, is responsible for managing the Emergency Operations Center.

Use of Fund Balance

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

County Share Budgets

Health Care - General (4-110)

James M. Arkens
County Administrative Officer

E X E C U T I V E S U M M A R Y						
DEPT HEAD: JAMES M ARKENS	UNIT: HEALTH CARE-GENERAL		FUND: HEALTH		0012 4-110	
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
OTHER CHARGES	2,996,118	1,198,447	2,996,118	0	100.0-	
* GROSS BUDGET	2,996,118	1,198,447	2,996,118	0	100.0-	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	2,996,118	1,198,447	2,996,118	0	100.0-	
OTHER REVENUES						
USER PAY REVENUES	6,271,069	5,206,588	6,632,868	3,576,823	46.1-	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
GENERAL REVENUES	7,933-	798	0	0	.0	
TOTAL OTHER REVENUES	6,263,136	5,207,386	6,632,868	3,576,823	46.1-	
* UNREIMBURSED COSTS	3,267,018-	4,008,939-	3,636,750-	3,576,823-	1.6-	
ALLOCATED POSITIONS	.00	.00	.00	.00	.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 of 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

Other Charges

- (\$2,996,118) Decrease in appropriation to CMSP pass-through

Revenues

- (\$59,927) Decrease in Interfund General Fund contribution to the Health Fund
- (\$1,698,983) Decrease in Interfund Health Realignment Motor Vehicle In-Lieu revenues
- (\$1,297,135) Decrease in Interfund Health Realignment Sales Tax revenue

County Share Budgets

Health Care - General (4-110)

James M. Arkens
County Administrative Officer

Recommended Budget

The recommended revenue is \$3,576,823, which is a decrease of \$3,056,045 (46.1%) compared to FY 2013-14. Other Charges is recommended at \$0 due to AB-85 and the cancelation of the pass-through of CMSP funds.

The recommended budget for the MVIL portion of Health Realignment revenue is recommended at \$2,645,242, which is a decrease of \$1,698,983 (39.1%) compared to FY 2013-14. In March of 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, leading to the reduction in MVIL revenues. The MVIL portion of the Health Realignment revenue is first deposited in the General Fund and is then transferred to this budget unit.

The recommended amount for the sales tax portion of the Health Realignment revenue, which, by statute, is first deposited to the Health Realignment Fund (Special Revenue Fund 0-247), is recommended at \$0, due to the AB-85 redirection of sales tax and MVIL.

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. We will monitor the MVIL Realignment revenues and how AB-85 may affect this budget unit throughout the coming fiscal year, and come to your Board with changes if necessary.

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)

James M. Arkens
County Administrative Officer

		EXECUTIVE SUMMARY				
DEPT HEAD: JAMES M ARKENS		UNIT: HEALTH-COUNTY SHARE		FUND: GENERAL		0001 4-112
		ACTUAL	ACTUAL	ADOPTED	CAO	% CHANGE
		EXPENDITURE	EXPENDITURE	BUDGET	RECOMMEND	OVER
		2012-13	4-30-14	2013-14	2014-15	2013-14
EXPENDITURES						
	OTHER CHARGES	4,973,935	4,415,906	5,335,733	3,576,823	33.0-
*	GROSS BUDGET	4,973,935	4,415,906	5,335,733	3,576,823	33.0-
	INTRAFUND TRANSFERS	0	0	0	0	.0
*	NET BUDGET	4,973,935	4,415,906	5,335,733	3,576,823	33.0-
OTHER REVENUES						
	USER PAY REVENUES	0	0	0	0	.0
	GOVERNMENTAL REVENUES	4,032,174	3,463,848	4,344,225	2,645,242	39.1-
	TOTAL OTHER REVENUES	4,032,174	3,463,848	4,344,225	2,645,242	39.1-
*	UNREIMBURSED COSTS	941,761	952,058	991,508	931,581	6.0-
	ALLOCATED POSITIONS	.00	.00	.00	.00	.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 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 (Fund 0-247).

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

Major Budget Changes

Other Charges

- (\$59,927) Decrease in General Fund share of cost for the Health Fund
- (\$1,698,983) Decrease in Health Realignment Motor Vehicle In-Lieu revenues

Recommended Budget

This budget is recommended at \$3,576,823.

The County’s contribution to the Health Fund decreases by \$59,927 (1.1%) compared to FY 2013-14.

MVIL Realignment revenues are recommended at \$2,645,242, which is a decrease of \$1,698,983 (39.1%) compared to FY 2013-14. In March of 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.

County Share Budgets

Health Fund (4-112)

James M. Arkens
County Administrative Officer

We will monitor the MVIL Realignment revenues and how they may affect this budget unit throughout the coming fiscal year, and come to your Board with changes if necessary.

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

James M. Arkens

Welfare/Social Services General (5-110) *County Administrative Officer*

EXECUTIVE SUMMARY					
DEPT HEAD: JAMES M ARKENS	UNIT: WELFARE/SOCIAL SERVICES-GENRL FUND: WELFARE/SOCIAL SERVICES				0013 5-110
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14
EXPENDITURES					
* GROSS BUDGET	0	0	0	0	.0
INTRAFUND TRANSFERS	0	0	0	0	.0
* NET BUDGET	0	0	0	0	.0
OTHER REVENUES					
USER PAY REVENUES	2,385,164	1,689,483	2,790,374	4,134,942	48.2
GOVERNMENTAL REVENUES	0	0	0	0	.0
GENERAL REVENUES	989-	4,554-	0	0	.0
TOTAL OTHER REVENUES	2,384,175	1,684,929	2,790,374	4,134,942	48.2
* UNREIMBURSED COSTS	2,384,175-	1,684,929-	2,790,374-	4,134,942-	48.2
ALLOCATED POSITIONS	.00	.00	.00	.00	.0

Purpose

The Welfare/Social Services General budget unit is a revenue-only budget unit that is used to balance the Welfare/Social Services Fund (0-013) to the total cost of all budget units within the Welfare/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/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/Social Services Fund.

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

Major Budget Changes

Revenues

- \$1,344,568 Increase in required contribution from the Welfare/Social Services Realignment Fund

Program Discussion/ Recommended Budget

The recommended revenue is \$4,134,942, which is an increase of \$1,344,568 (48.2%) compared to FY 2013-14. This increase is due primarily to unreimbursed cost increased across the Board for Welfare budget units in FY 2014-15.

The recommended amount for the sales tax portion of the Social Services Realignment Revenues (SSRR), which, by statute, is first deposited to the Welfare/Social Services Realignment Fund, is recommended at

County Share Budgets

James M. Arkens

Welfare/Social Services General (5-110) *County Administrative Officer*

\$769,372. This is a decrease of \$1,395,343 (64.4%) and is also directly attributable to the increase in unreimbursed cost of the budget units within the Welfare/Social Services fund.

The recommended budget for the MVIL portion of the SSRR is \$2,916,570, which is an increase of \$2,739,911 over FY 2012-13. 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.

In March of 2014 AB-85 came into effect, which redirected how sales tax and MVIL would be distributed. In total Welfare/Social Services fund is expecting an increase of \$1,344,568. We will monitor these revenues and how they may affect this budget unit throughout the coming fiscal year, and come to your Board with changes if necessary.

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/Social Services Fund. The budget does not include the use of any specific fund balance.

County Share Budgets

Welfare/Social Services Fund (5-113)

James M. Arkens

County Administrative Officer

EXECUTIVE SUMMARY						
DEPT HEAD: JAMES M ARKENS	UNIT: WELFARE-COUNTY SHARE		FUND: GENERAL		0001 5-113	
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
OTHER CHARGES	612,969	971,764	625,659	3,365,570	437.9	
* GROSS BUDGET	612,969	971,764	625,659	3,365,570	437.9	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	612,969	971,764	625,659	3,365,570	437.9	
OTHER REVENUES						
USER PAY REVENUES	0	0	0	0	.0	
GOVERNMENTAL REVENUES	163,969	522,764	176,659	2,916,570	1,551.0	
TOTAL OTHER REVENUES	163,969	522,764	176,659	2,916,570	1,551.0	
* UNREIMBURSED COSTS	449,000	449,000	449,000	449,000	.0	
ALLOCATED POSITIONS	.00	.00	.00	.00	.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 Budget Unit 5-110 (Welfare/Social Services - General). The Motor Vehicle In-Lieu (MVIL) Realignment revenue shown in this budget unit is required by law to first be 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

- \$2,739,911 Increase in Interfund MVIL Transfer

Revenues

- \$2,739,911 Increase in St Aid Welfare Realignment MVIL based on AB-85 redirection of funds

Program Discussion/ Recommended Budget

The recommended budget is \$3,365,570, which is a \$2,739,911 increase over FY 2013-14. The Unreimbursed Cost of this budget unit represents the County share of all recommended budgets in the Welfare/Social Services Fund.

County Share Budgets

Welfare/Social Services Fund (5-113)

James M. Arkens
County Administrative Officer

In March of 2014 AB-85 came into effect, which redirected how sales tax and MVIL would be distributed. We will monitor the MVIL Realignment revenues and how they may affect this budget unit throughout the coming fiscal year, and come to your Board with changes if necessary.

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 Administrative Office Contingency (9-900)

James M. Arkens
County Administrative Officer

E X E C U T I V E S U M M A R Y					
DEPT HEAD: JAMES M ARKENS	UNIT: CONTINGENCY	FUND: GENERAL			0001 9-900
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 3-31-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14
EXPENDITURES					
* GROSS BUDGET	0	0	0	0	.0
* NET BUDGET	0	0	0	0	.0
APPROPRIATION FOR CONTINGENCY	0	0	550,000	550,000	.0
INCREASES IN RESERVES	0	0	0	0	.0
* TOTAL BUDGET	0	0	550,000	550,000	.0
OTHER REVENUES					
USER PAY REVENUES	0	0	0	0	.0
GOVERNMENTAL REVENUES	0	0	0	0	.0
TOTAL OTHER REVENUES	0	0	0	0	.0
* UNREIMBURSED COSTS	0	0	550,000	550,000	.0
ALLOCATED POSITIONS	.00	.00	.00	.00	.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, funds 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 \$550,000 represents approximately 1% of recommended total General Fund expenditures.

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 March 31, 2014, funds removed from the Contingency Budget totaled \$9,232. Therefore, the Adjusted Budget for FY 2013-14 shows \$540,768 available instead of the \$550,000 adopted for that fiscal year. 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)

James M. Arkens
County Administrative Officer

Recommended Budget

The recommended Appropriation for Contingency is \$550,000. This is the same as FY 2013-14.

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 Administrator
Human Resources (1-401)**

*James M. Arkens
County Administrative Officer*

EXECUTIVE SUMMARY						
DEPT HEAD: JAMES M. ARKENS	UNIT: HUMAN RESOURCES		FUND: GENERAL		0001 1-401	
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	578,336	508,957	640,111	509,615	20.4-	
SERVICES AND SUPPLIES	115,226	79,189	90,105	112,700	25.1	
OTHER CHARGES	153,853	39,371	191,925	168,071	12.4-	
* GROSS BUDGET	847,415	627,517	922,141	790,386	14.3-	
INTRAFUND TRANSFERS	3,345	2,776	4,240	4,515	6.5	
* NET BUDGET	850,760	630,293	926,381	794,901	14.2-	
OTHER REVENUES						
USER PAY REVENUES	33,082	19,351	22,091	21,422	3.0-	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
TOTAL OTHER REVENUES	33,082	19,351	22,091	21,422	3.0-	
* UNREIMBURSED COSTS	817,678	610,942	904,290	773,479	14.5-	
ALLOCATED POSITIONS	5.80	5.80	5.80	5.00	13.8-	

Purpose

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

Services & Supplies

- \$30,000 Increase in Professional and Specialized Services for a contract labor negotiator

Major Budget Changes

Other Charges

- (\$23,984) Decrease in Interfund Information Technology charges as provided by the General Services Department

Salaries & Benefits

- (\$140,821) Elimination of one filled Human Resources Director position (80% budgeted)
- \$10,325 General increase due to negotiated Salaries and Benefits

Program Discussion

The FY 2014-15 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;

County Administrator

Human Resources (1-401)

James M. Arkens

County Administrative Officer

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 safety 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 \$794,901. The General Fund provides 97.3% of the financing for this budget unit and is decreased by \$130,811 (14.5%) compared to FY 2013-14. 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 elimination of the Human Resources Director position. It is recommended that the Human Resources function of the County be reassigned to the County Administrative Office for FY 2014-15. The Director position had historically been included in both the Human Resources (1-401) budget unit (80%) and the Workers' Compensation (4-594) 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 to reflect oversight of the transition to the Trindel Insurance Fund. The organizational structure of the departments will be further evaluated during FY 2014-15.

It is recommended that the Extra Help budget remain defunded for FY 2014-15. The Department is 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.

Funding of \$70,000 is recommended in the Professional/Specialized Services account to reflect the need for an Integrated Disability Management Program and a consultant to conduct a Workforce Analysis. The need for a contract labor negotiator is also anticipated in FY 2014-15 and included in this budgeted amount. The Department has also experienced an increased need for outside investigative services related to employee relations issues. The Department anticipates that this trend will continue, and that those departments for whom the investigations are being conducted be required to fund the cost of the outside investigator.

Use of Fund Balance

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

EXECUTIVE SUMMARY						
DEPT HEAD: JAMES M. ARKENS	UNIT: GENERAL INSURANCE & BONDS		FUND: GENERAL		0001 1-911	
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
SERVICES AND SUPPLIES	76,422	70,357	84,801	74,310	12.4-	
* GROSS BUDGET	76,422	70,357	84,801	74,310	12.4-	
INTRAFUND TRANSFERS	15,546-	16,009-	18,542-	17,966-	3.1-	
* NET BUDGET	60,876	54,348	66,259	56,344	15.0-	
OTHER REVENUES						
USER PAY REVENUES	58,317	51,830	66,109	56,196	15.0-	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
TOTAL OTHER REVENUES	58,317	51,830	66,109	56,196	15.0-	
* UNREIMBURSED COSTS	2,559	2,518	150	148	1.3-	
ALLOCATED POSITIONS	.00	.00	.00	.00	.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.

Major Budget Changes

Services & Supplies

- (\$10,491) Decrease in Insurance Premiums due to the County no longer paying for Airport Insurance

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.

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.

Sutter County operates as a pooled primary self-insured program. As a standing participant in a public entity insurance pool, the County's risk is spread among its pool members, enabling Sutter County to take advantage of best-in-class coverage programs in exchange for competing premium rates.

Nonetheless, on a year-over-year basis, insurance premiums are subject to a number of economic stimuli, such as global market conditions, available insurance capacity by the underwriting community, claims loss history, and the overall state of the economy. As such, it is not unusual to experience an annual swing in premium rates dependent on any or all of the variables mentioned above. However, due to Sutter County's pool sharing abilities, that swing is generally very limited and manageable. In the case of the FY 2014-15 General Insurance and Bonds budget, the change in the various annual premiums is negligible, and for all intents and purposes is consistent with the FY 2013-14 Adopted Budget.

Recommended Budget

This budget is recommended at \$56,344 (when Intrafund revenue is included). This results in a decrease of \$9,915 (15%) compared to FY 2013-14.

The County is no longer paying for Airport insurance. On April 22, 2014 the Board entered into a Management Agreement with the Sutter Buttes Regional Aviation Association for the provision of day to day operations and management services at the Sutter County Airport, which includes maintaining their own insurance.

There are no other significant 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.

Use of Fund Balance

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

EXECUTIVE SUMMARY						
DEPT HEAD: JAMES M. ARKENS	UNIT: ANIMAL CONTROL		FUND: GENERAL		0001 2-726	
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	721,780	305,476	417,138	287,887	31.0-	
SERVICES AND SUPPLIES	186,819	6,421	0	0	.0	
OTHER CHARGES	62,344	65,377	238,755	202,207	15.3-	
* GROSS BUDGET	970,943	377,274	655,893	490,094	25.3-	
INTRAFUND TRANSFERS	121,670	139,126	138,853	20,567	85.2-	
* NET BUDGET	1,092,613	516,400	794,746	510,661	35.7-	
OTHER REVENUES						
USER PAY REVENUES	189,640	464	0	0	.0	
GOVERNMENTAL REVENUES	732,614	198,144	249,271	190,418	23.6-	
GENERAL REVENUES	0	592	0	0	.0	
TOTAL OTHER REVENUES	922,254	199,200	249,271	190,418	23.6-	
* UNREIMBURSED COSTS	170,359	317,200	545,475	320,243	41.3-	
ALLOCATED POSITIONS	9.20	5.00	6.00	3.00	50.0-	

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 of 2013. The new facility was completed in August of 2013.

Major Budget Changes

Salaries & Benefits

- (\$129,251) Decrease in overall Salaries & Benefits primarily due to the reduced number of Sutter County employees providing services to SASA under the Employee Services contract with the City of Yuba City

Other Charges

- (\$37,534) Decrease in Contribution to Other Agencies to reflect Sutter County's reduced share of the SASA budget

Intrafund Transfers

- (\$118,072) Decrease in residual Intrafund Overhead (A-87) costs

Revenues

- (\$58,853) Decrease in reimbursement from the City of Yuba City reflecting a reduced number of contracted employees

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 2014-15 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. There are currently three Sutter County employees under this agreement.

Recommended Budget

This budget is recommended at \$510,661. The FY 2014-15 General Fund cost for this budget unit is \$320,243, or 62.7% of the total budget. The General Fund's cost for this budget unit has decreased by \$225,232 as compared to FY 2013-14.

The recommended budget reflects a decrease of \$129,251 in salaries and related benefits, reflecting a reduction in the number of Sutter County employees. 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.

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 (\$97,469 for FY 2014-15) will be borne by Sutter County alone and is reflected in this recommended budget. This residual amount should decrease each year for 10 years and will eventually reach zero.

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

- Contribution to Other Agencies, recommended at \$200,000, reflecting Sutter County's 22% share of the SASA operating budget. Sutter County's share of cost for FY 2014-15 is based on population, and has been reduced from 25% in prior years. As of this writing, the Sutter Animal Services Authority, with the City of Yuba City acting as lead agency, has not finalized its operating budget for FY 2014-15. Therefore, the recommended Contribution to Yuba City for the County's share of SASA costs is based on the best estimates available. Should the final recommended budget change significantly, a revised recommendation will be presented to the Board of Supervisors for consideration and approval.
- The residual Intrafund Overhead (A-87) Cost of \$20,534, not shared by the SASA jurisdictions. This item was removed from the shared SASA budget in FY 2011-12 and will eventually be reduced to zero (during FY 2015-16).

- The Yuba City Animal Control revenue line item, \$190,418, which reflects the actual cost of employees contracted to Yuba City.

All other line items in this budget unit were reduced to zero in FY 2013-14, with the exception of minor carry-over costs.

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 Administrator
Liability Insurance ISF (4-590)**

*James M. Arkens
County Administrative Officer*

EXECUTIVE SUMMARY						
DEPT HEAD: JAMES M. ARKENS	UNIT: LIABILITY INSURANCE ISF		FUND: LIABILITY INSURANCE ISF		4590 4-590	
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
SERVICES AND SUPPLIES	415,139	347,467	468,748	445,013	5.1-	
OTHER CHARGES	63,566	217,075	246,782	262,763	6.5	
* GROSS BUDGET	478,705	564,542	715,530	707,776	1.1-	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	478,705	564,542	715,530	707,776	1.1-	
APPROPRIATION FOR CONTINGENCY	0	0	0	0	.0	
INCREASES IN RESERVES	0	0	0	0	.0	
* TOTAL BUDGET	478,705	564,542	715,530	707,776	1.1-	
OTHER REVENUES						
USER PAY REVENUES	239,797	250,754	250,754	332,200	32.5	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
GENERAL REVENUES	16,640	5,444	25,341	15,000	40.8-	
AVAILABLE FUND BALANCE 7/1	582,838	360,570	439,435	360,576	17.9-	
TOTAL AVAILABLE FINANCING	839,275	616,768	715,530	707,776	1.1-	
* UNREIMBURSED COSTS	360,570-	52,226-	0	0	.0	
ALLOCATED POSITIONS	.00	.00	.00	.00	.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.

- (\$30,000) Decrease in Professional & Professional/Specialized Services Administration

Other Charges

- (\$10,000) Decrease Interfund Admin – Misc. Departments

Revenues

- \$81,446 Increase in Interfund Insurance ISF revenue

Major Budget Changes

Services & Supplies

- \$6,265 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 such as administration and defense costs.

County Administrator Liability Insurance (4-590)

James M. Arkens
County Administrative Officer

Sutter County operates the liability fund as a pooled primary self-insured program. As a standing participant in a public entity insurance pool, the County's risk is spread amongst its pool members enabling Sutter County to take advantage of best in class coverage programs in exchange for competing premium rates.

Nonetheless, on a year-over-year basis, insurance premiums are subject to a number of economic stimuli: global market conditions, available insurance capacity, claims loss history, and the overall state of the economy. As such, we can expect to experience an annual change in premium rates dependent on any or all of the variables mentioned above. However, due to Sutter County's pool sharing abilities the change is generally manageable.

Recommended Budget

This budget is recommended at \$707,776. This is a 1.1% decrease as compared to FY 2013-14.

The Liability Insurance budget unit operates as an ISF and must balance revenues to expenditures within the fund. Recommended budget increases result in an \$81,446 (32%) increase in the Interfund Liability Insurance ISF premium charges to County Departments as compared to FY 2013-14. The amount, budgeted in the Interfund Liability Insurance ISF line item, reflects the total charges made to County departments for liability insurance premiums and requirements to maintain the liability claims reserve. Therefore, the increase in this account equals the amount that has been increased in County department budgets for FY 2014-15.

The Board of Supervisors has a funding policy that program assets be maintained between the 75% and 90% confidence level. In prior years program assets were projected to be in excess of the 90% confidence level; however, as of June 30, 2014, the Liability ISF has sufficient assets to meet the funding guidelines and not exceed the County's funding policy.

The CSAC Excess Insurance Authority standard states that based on the actuarial recommendations, the members should maintain reserves and make funding contributions equal to or exceeding the expected losses and a reasonable margin for contingencies. The recommended amount to be set aside in FY 2014-15 for future claims payable is \$200,000. With this recommendation, the County will continue to have sufficient funds set aside in the liability claims reserve to cover future claims payable.

Use of Fund Balance

The Liability Insurance ISF fund contains a Committed Fund Balance designated for future appropriations and a Committed Fund Balance designated for catastrophic loss. It is recommended that the Committed Fund Balance designated for catastrophic loss be maintained at \$200,000. The fund also contained Net Assets of \$439,435 as of July 1, 2013. Net Assets are estimated to equal \$360,576 as of July 1, 2014.

**County Administrator
Workers' Compensation (4-591)**

*James M. Arkens
County Administrative Officer*

EXECUTIVE SUMMARY						
DEPT HEAD: JAMES M. ARKENS	UNIT: WORKERS' COMP INSURANCE ISF		FUND: WORKERS' COMP INSURANCE ISF		4591 4-591	
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	303,578	264,815	335,203	274,560	18.1-	
SERVICES AND SUPPLIES	1,607,182	1,823,193	1,858,298	2,092,689	12.6	
OTHER CHARGES	30,646	19,498	24,484	29,842	21.9	
* GROSS BUDGET	1,941,406	2,107,506	2,217,985	2,397,091	8.1	
INTRAFUND TRANSFERS	16	0	0	0	.0	
* NET BUDGET	1,941,422	2,107,506	2,217,985	2,397,091	8.1	
APPROPRIATION FOR CONTINGENCY	0	0	0	0	.0	
INCREASES IN RESERVES	0	0	0	0	.0	
* TOTAL BUDGET	1,941,422	2,107,506	2,217,985	2,397,091	8.1	
OTHER REVENUES						
USER PAY REVENUES	2,070,357	2,042,602	2,095,911	2,378,203	13.5	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
GENERAL REVENUES	1,792-	2,956-	6,430	0	100.0-	
AVAILABLE FUND BALANCE 7/1	11,501-	115,644	115,644	18,888	83.7-	
TOTAL AVAILABLE FINANCING	2,057,064	2,155,290	2,217,985	2,397,091	8.1	
* UNREIMBURSED COSTS	115,642-	47,784-	0	0	.0	
ALLOCATED POSITIONS	2.80	2.80	2.80	2.10	25.0-	

Purpose

For FY 2014-15 it is recommended that the County Administrative Office be 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

Salaries & Benefits

- (\$51,618) Elimination of one filled part-time (0.6 FTE) Safety Coordinator position
- (\$9,025) Net Decrease due to elimination of one filled Human Resources Director partially funded by Workers' Compensation (20%) and allocation of 10% of the County Administrative Officer's position to Workers' Compensation

Services & Supplies

- \$226,274 Increase in Workers' Compensation Insurance Premium
- \$9,764 Increase in Professional / Specialized Services for Third-Party Administrator costs

Revenues

- \$315,840 Increase in Interfund Workers' Compensation program charges to County departments

Program Discussion

It is recommended that the County Administrative Office be 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.

In FY 1998-99 Sutter County converted from an individual self-insured program to a pooled primary self-insured program.

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. At the time of this writing, Sutter County is preparing to consider a policy recommendation to transition from the CSAC-EIA primary workers' compensation program, and move the program to the Trindel Insurance Fund program.

Recommended Budget

This budget is recommended at \$2,397,091, which is an 8.1% increase over FY 2013-14.

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. However, the County was notified that it will receive a dividend from the carrier based on pooled savings, which will be applied in the coming year. Therefore, the recommendation for the FY 2014-15 insurance premium reflects this estimated dividend as a reduction to the quoted insurance premium costs. Nonetheless, insurance premium costs are anticipated to

County Administrator Workers' Compensation (4-591)

James M. Arkens
County Administrative Officer

increase by approximately \$226,000 (12.5%) over the prior year budgeted amount, and by approximately \$250,000 (14%) over what was actually paid in FY 2013-14.

This recommended budget reflects the elimination of the Human Resources Director position. It is recommended that the Human Resources function of the County be reassigned to the County Administrative Office for FY 2014-15. The Director position had historically been included in both the Human Resources (1-401) budget unit (80%) and the Workers' Compensation (4-594) budget unit (20%). Therefore, 20% of the Human Resources Director position has been removed from the position allocation schedule, and 10% of the County Administrative Officer position is now included in the Workers' Compensation budget unit to reflect oversight of the transition to the Trindel Insurance Fund. The organizational structure of the departments will be further evaluated during FY 2014-15.

The recommended budget eliminates one filled part-time (0.6 FTE) Safety Coordinator position. This position was reduced from a full-time position to a part-time position in FY 2011-12 in an effort to contain cost increases in the Workers' Compensation program.

Use of Fund Balance

The fund contained Net Assets of (\$115,196) as of July 1, 2013. Net Assets are estimated to equal \$18,888 as of July 1, 2014.

EXECUTIVE SUMMARY						
DEPT HEAD: RONALD S. ERICKSON	UNIT: COUNTY COUNSEL		FUND: GENERAL		0001 1-301	
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	1,036,677	858,258	1,071,825	1,041,274	2.9-	
SERVICES AND SUPPLIES	54,600	64,156	152,220	57,920	61.9-	
OTHER CHARGES	14,699	7,009	12,798	13,255	3.6	
* GROSS BUDGET	1,105,976	929,423	1,236,843	1,112,449	10.1-	
INTRAFUND TRANSFERS	2,955-	1,860	2,279	3,632	59.4	
* NET BUDGET	1,103,021	931,283	1,239,122	1,116,081	9.9-	
OTHER REVENUES						
USER PAY REVENUES	25,787	24,182	36,000	32,000	11.1-	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
TOTAL OTHER REVENUES	25,787	24,182	36,000	32,000	11.1-	
* UNREIMBURSED COSTS	1,077,234	907,101	1,203,122	1,084,081	9.9-	
ALLOCATED POSITIONS	7.50	6.50	6.50	6.00	7.7-	

Purpose

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.

Major Budget Changes

Salaries & Benefits

- (\$47,415) Elimination of one filled part-time (0.5 FTE) Legal Secretary II position
- \$3,500 Increase in Extra Help staffing to provide front office coverage for administrative staff absences

Services & Supplies

- (\$100,000) Decrease in Professional/Specialized Services due to moving \$100,000 for outside services to the Non-Departmental Expenses (1-103) budget unit
- \$7,000 Increase in Subscriptions-Publications for electronic updates to online legal database

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 Probate Code and the Welfare and Institutions Code.
- 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 2014-15 is to continue to provide timely and quality legal services to the County, to vigorously defend and prosecute lawsuits on behalf of the County, and to provide well-researched and reasoned advice to County officers and departments.

Recommended Budget

This budget is recommended at \$1,116,081, which is a decrease of \$123,041 (9.9%) compared to FY 2013-14. The General Fund provides 97.1% of the financing for this budget unit and is decreased by \$19,041 (1.6%) compared to FY 2013-14 once the \$100,000 one-time expense for legal services, now contained in the Non-Departmental Expenses (1-103) budget unit, is discounted. A portion of the costs for this budget unit are recouped from outside and subvented funds through the annual A-87 cost plan.

The recommended budget includes the elimination of one filled 0.5 FTE Legal Secretary II position. This elimination results in a General Fund cost reduction of \$47,415. However, \$3,500 in Extra Help staffing is recommended to fund front office coverage during administrative staff absences.

Transportation and Travel is maintained at \$6,000. The Department must keep a minimum appropriation for Transportation and Travel for professional staff to attend trainings where they receive continuing education credits, as this is the most economical means to meet licensing requirements.

The impact of these changes will continue to be monitored.

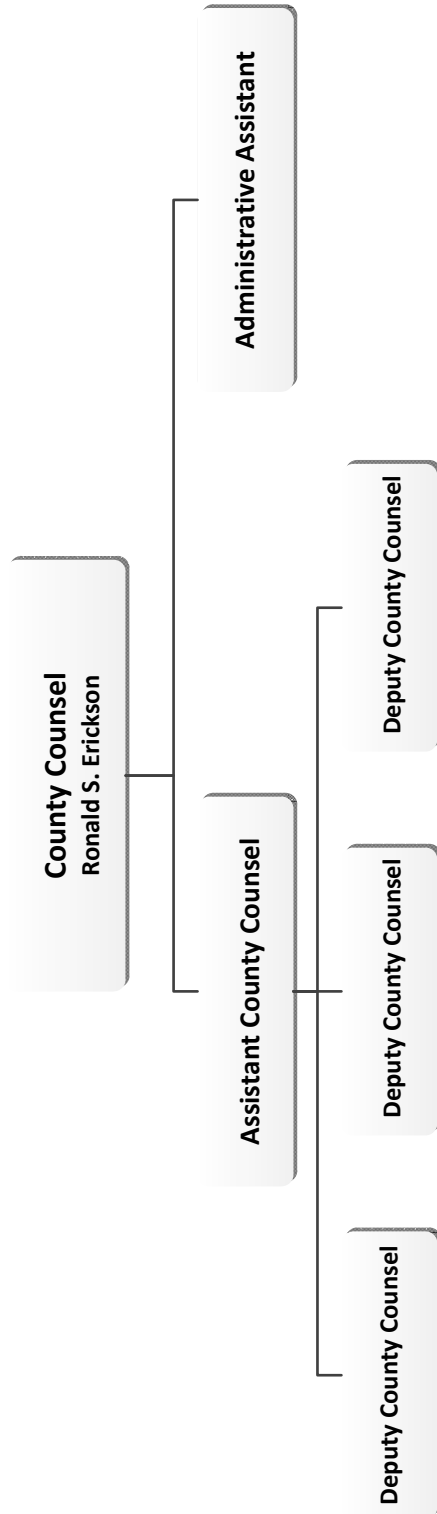
Use of Fund Balance

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 Counsel
FY 2014-2015**

Recommended



Treasurer - Tax Collector Tax Collector (1-202)

Steven L. Harrah, CPA, Treasurer-Tax Collector

EXECUTIVE SUMMARY						
DEPT HEAD: STEVEN L. HARRAH	UNIT: TREASURER-TAX COLLECTOR		FUND: GENERAL		0001 1-202	
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	604,514	511,674	624,385	605,625	3.0-	
SERVICES AND SUPPLIES	99,665	53,863	113,350	112,605	.7-	
OTHER CHARGES	243,031	139,020	180,661	238,502	32.0	
* GROSS BUDGET	947,210	704,557	918,396	956,732	4.2	
INTRAFUND TRANSFERS	23,331	21,872	32,983	29,966	9.1-	
* NET BUDGET	970,541	726,429	951,379	986,698	3.7	
OTHER REVENUES						
USER PAY REVENUES	350,403	282,893	376,100	378,610	.7	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
GENERAL REVENUES	617	0	0	0	.0	
OTHER FINANCING SOURCES	5	0	0	0	.0	
TOTAL OTHER REVENUES	351,025	282,893	376,100	378,610	.7	
* UNREIMBURSED COSTS	619,516	443,536	575,279	608,088	5.7	
ALLOCATED POSITIONS	7.17	7.17	7.17	7.17	.0	

Purpose

The Treasurer-Tax Collector's office provides services to other County departments and performs functions for several local government agencies not under the control of the County Board of Supervisors. Tax collections are performed for all taxing agencies including the County, cities, school districts and various special districts. The Treasurer also safeguards and invests the monies for the County, school districts, and most of the special districts in Sutter County as part of its Treasury function.

Major Budget Changes

Salaries & Benefits

- \$19,987 Decrease in FY 2014-15 only, due to a delay in filling a vacant position

Other Charges

- \$58,586 Decrease in Interfund Information Technology charges as provided by the General Services Department, due primarily to increased programming work related to the Negative Supplemental Voucher system

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 Department 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.

Cash balances in the County treasury average \$150 to \$200 million each day. Every month, the Department banks approximately 15,000 checks in addition to cash, and pays anywhere from 12,000 to 15,000 county and school warrants.

The Treasurer-Tax Collector's Office administers the property tax collection function 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, secured and unsecured, and collects and processes more than \$101 million in tax payments with a combined collection rate of 98.6%.

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.

Major projects and policy issues for this budget unit in FY 2014-15 will include:

The continued expansion of internet property tax payment capabilities to include all tax rolls both current and defaulted, providing the public with additional opportunities and means of paying their property taxes. This project is to continue the efforts in applying modern technology necessary to stay current with subsequent property tax billings and collections for the convenience of our citizens.

The Negative Supplemental Voucher system, which was implemented during FY 2013-14 will continue to be refined and improved. The Supplemental Voucher system has already proven its ability to reduce both errors and staff time in the processing, refunding, interception and crediting of negative supplements payments in both the Treasurer-Tax Collector and Auditor-Controller departments saving County funds and improving taxpayer services.

Additionally, the Treasurer-Tax Collector department will continue to assist and coordinate the rollout of LexisNexis credit card acceptance services in other County departments as the need arises in the various County departments, improving customer service to the citizens of Sutter County.

Recommended Budget

This budget is recommended at \$986,698. The General Fund provides 61.6% of the financing for the Department, and is increased by \$32,809 (5.7%) compared to FY 2013-14.

This recommendation reflects the continued decision to hold vacant and unfunded one

Treasurer - Tax Collector Tax Collector (1-202)

Steven L. Harrah, CPA, Treasurer-Tax Collector

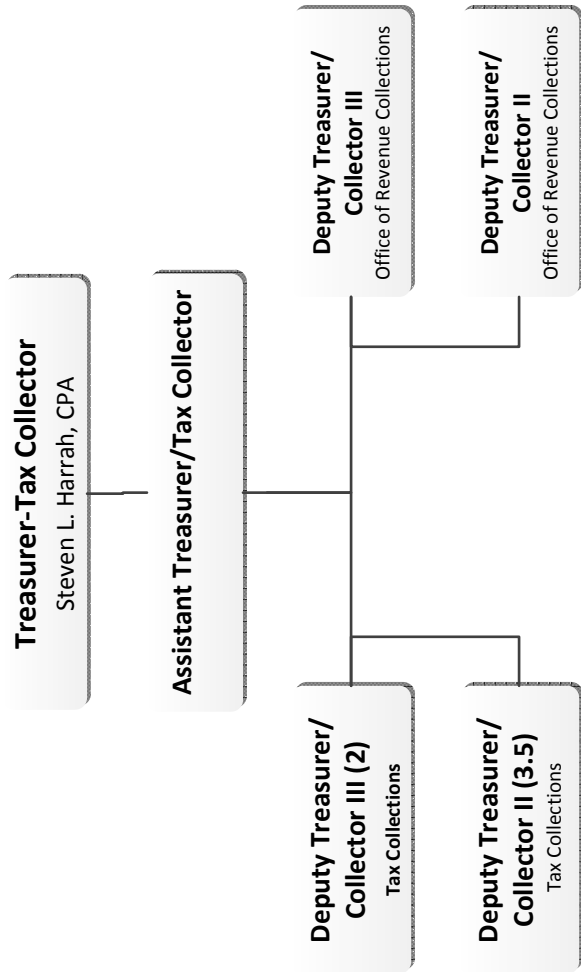
Treasurer-Deputy Collector position that was initially frozen and unfunded in FY 2009-10, and maintains the reduction of one Treasurer-Collector Deputy position to half-time (0.5 FTE) originally reduced in FY 2011-12.

Use of Fund Balance

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

Treasurer/Tax Collector FY 2014-2015

Recommended



Office of Revenue Collections (1-204)

EXECUTIVE SUMMARY					
DEPT HEAD: STEVEN L. HARRAH	UNIT: OFFICE OF REVENUE COLLECTION		FUND: GENERAL		0001 1-204
	ACTUAL EXPENDITURE 2012-13	ACTUAL EXPENDITURE 4-30-14	ADOPTED BUDGET 2013-14	CAO RECOMMEND 2014-15	% CHANGE OVER 2013-14
EXPENDITURES					
SALARIES AND EMPLOYEE BENEFITS	157,900	93,630	175,696	178,602	1.7
SERVICES AND SUPPLIES	19,354	15,612	26,575	27,775	4.5
OTHER CHARGES	8,450	3,808	5,722	7,532	31.6
* GROSS BUDGET	185,704	113,050	207,993	213,909	2.8
INTRAFUND TRANSFERS	3,214	2,506	6,022	5,026	16.5-
* NET BUDGET	188,918	115,556	214,015	218,935	2.3
OTHER REVENUES					
USER PAY REVENUES	80,488	29,805	100,500	102,000	1.5
GOVERNMENTAL REVENUES	0	0	0	0	.0
TOTAL OTHER REVENUES	80,488	29,805	100,500	102,000	1.5
* UNREIMBURSED COSTS	108,430	85,751	113,515	116,935	3.0
ALLOCATED POSITIONS	3.33	3.33	3.33	3.33	.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 16,000 accounts, 3,900 County and 12,100 Superior Court, logged into the system’s inventory with unpaid balances exceeding \$8.9 million (\$1.6 million County and \$7.3 million Superior Court).

Major Budget Changes

There are no major budget changes for FY 2014-15.

Program Discussion

In FY 2012-13, over \$529,000 was recovered in delinquent debts owed to County departments and the Courts, which include the Agriculture Department; Auditor-Controller’s Office; Child Support Services; Clerk-Recorder; Community Services Department - Fire; District Attorney’s Office - Victim Witness; Human Services - Health, Mental Health and Welfare and Social Services; Juvenile Hall; Library; Probation Department; Public Defender; and the Sheriff’s Office. This represents an increase of 12.5% over the prior year. FY 2013-14 collections are currently estimated to be \$530,000.

For FY 2014-15, the ORC will be working with the General Services Department’s Information Technology Division to provide an online payment solution for debtors. This will provide debtors another convenient method for paying debts and restitution.

Treasurer - Tax Collector *Steven L. Harrah, CPA, Treasurer-Tax Collector* Office of Revenue Collections (1-204)

During FY 2014-15, ORC will finalize a Memorandum of Understanding (MOU) between the County and the Sutter County Superior Court, adding another enhancement to the Department's and the Court's Comprehensive Collection Programs, pursuant to California Penal Code 1463.007.

Recommended Budget

This budget is recommended at \$218,935. The General Fund provides 53.4% of the financing for the Department, and has increased by \$3,420 (3.0%) compared to FY 2013-14.

The Office of Revenue Collections division is staffed by two full-time Treasurer-Collector Deputy positions and is allocated a portion of the Assistant Treasurer-Tax Collector position for management oversight. The Department will continue to hold vacant and unfunded a third Treasurer-Collector Deputy position that was originally frozen 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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