



General Government

Section C

There was a change to the Board of Supervisors in 2012, as three-term Supervisor Larry Montna, representing District 1, retired, and Ron Sullenger won the District 1 seat in the November election. From left to right are Vice-Chairman Stanley Cleveland Jr. (District 2), Supervisor Larry Munger (District 3), Chairman Jim Whiteaker (District 4), Supervisor James Gallagher (District 5), and Supervisor Ron Sullenger (District 1).

EXECUTIVE SUMMARY						
DEPT HEAD: TODD RETZLOFF	UNIT: ASSESSOR	FUND: GENERAL			0001 1-203	
	ACTUAL EXPENDITURE	ACTUAL EXPENDITURE	ADOPTED BUDGET	CAO RECOMMEND	% CHANGE OVER	
	2011-12	4-30-13	2012-13	2013-14	2012-13	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	1,961,646	1,463,211	1,897,262	1,918,244	1.1	
SERVICES AND SUPPLIES	33,026	22,437	41,855	35,355	15.5-	
OTHER CHARGES	135,294	89,146	212,576	207,322	2.5-	
* GROSS BUDGET	2,129,966	1,574,794	2,151,693	2,160,921	.4	
INTRAFUND TRANSFERS	17,861	7,498	27,819	27,908	.3	
* NET BUDGET	2,147,827	1,582,292	2,179,512	2,188,829	.4	
OTHER REVENUES						
USER PAY REVENUES	147,752	7,752	152,450	143,950	5.6-	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
GENERAL REVENUES	535-	0	0	0	.0	
TOTAL OTHER REVENUES	147,217	7,752	152,450	143,950	5.6-	
* UNREIMBURSED COSTS	2,000,610	1,574,540	2,027,062	2,044,879	.9	
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.

- \$35,845 Increase to reflect restoration of FY 2012-13 reduction created by voluntary furlough time

Program Discussion

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

Major Budget changes

Salaries & Benefits

- (\$94,061) Decrease due to deletion of Assessment Technical Services Manager position
- \$79,198 Increase due to addition of Assessment Office Supervisor position

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 five 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 has been processing the roll, staff has 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.

With the large number of parcels being revalued annually, while still on Prop. 8 status (temporary decline in value), in addition to the one-year implementation of voluntary time off, it was again necessary, for the fifth consecutive year, to request Board of Equalization approval for a 30-day extension to complete the annual assessment roll. Therefore, the FY 2013-14 roll will not be delivered to the County Auditor until the end of July 2013.

Although insufficient data is available to derive a reliable forecast, it is anticipated the roll will increase for FY 2013-14 by as much as 2-4 percent.

Looking Forward

In 2012-13 the Assessor staff has 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 is currently investigating the options in this realm and has had very promising conversations with potential vendors. 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 2013-14. After much thought and discussion, the Assessor decided to delete the vacant Assessment Technical Services Manager and add an Assessment Office Supervisor position. This will create ongoing salary savings for the County. This decision was approved by the Board of Supervisors during FY 2012-13. 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 provide service to the public in a courteous and professional manner.

Recommended Budget

This budget is recommended at \$2,188,829. The General Fund provides 93% of the financing for the Department. General Fund cost is increased by \$17,817 (0.9%) compared to FY 2012-13.

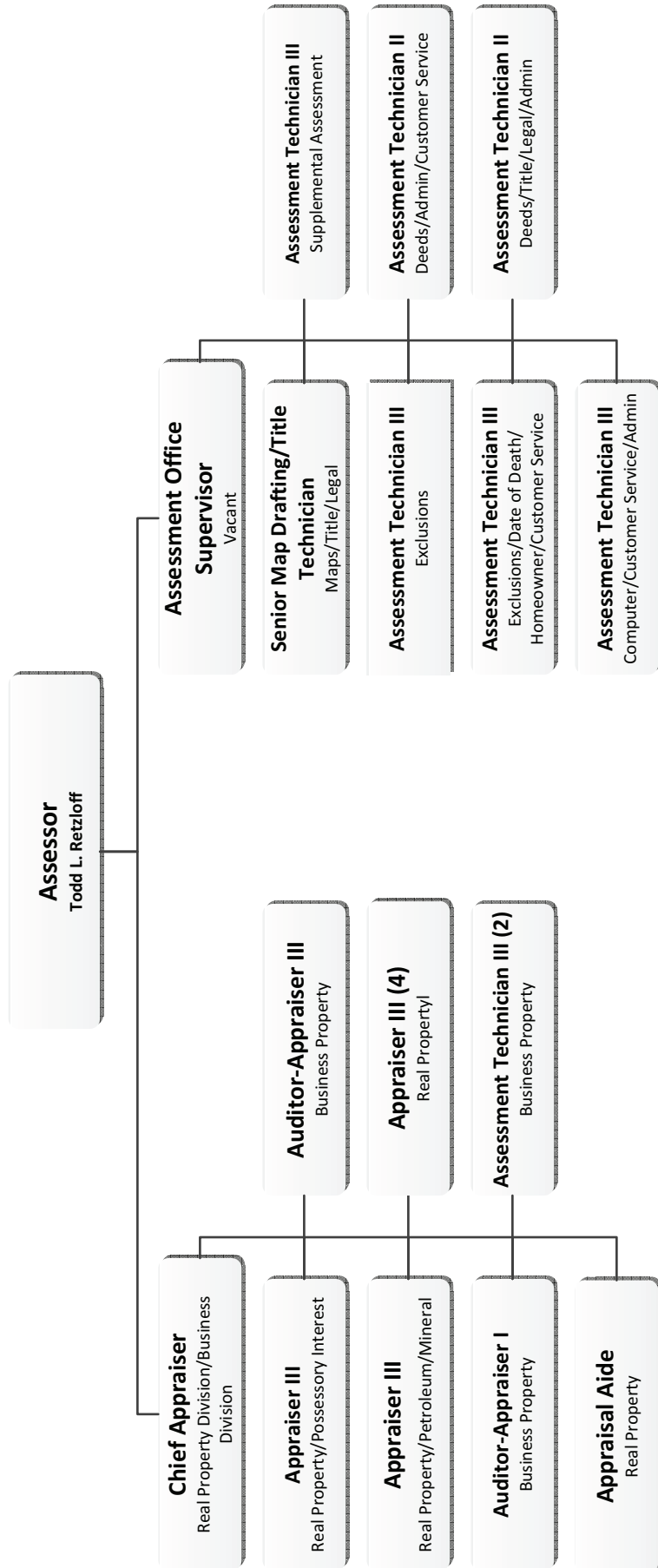
Assessor staff voluntarily took a 5% furlough during FY 2012-13. This furlough will not be in effect for FY 2013-14. As mentioned previously, ongoing salary savings has been generated by the Assessor's decision to delete the Assessment Technical Services Manager position and replace it with the Assessment Office Supervisor position.

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 2013-2014
Recommended



E X E C U T I V E S U M M A R Y						
DEPT HEAD: ROBERT E STARK	UNIT: AUDITOR-CONTROLLER		FUND: GENERAL		0001 1-201	
	ACTUAL EXPENDITURE 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	1,058,833	795,606	1,031,079	1,038,857	.8	
SERVICES AND SUPPLIES	48,372	19,144	45,950	34,000	26.0-	
OTHER CHARGES	235,413	211,002	270,637	265,299	2.0-	
* GROSS BUDGET	1,342,618	1,025,752	1,347,666	1,338,156	.7-	
INTRAFUND TRANSFERS	15,367	6,613	19,028	19,052	.1	
* NET BUDGET	1,357,985	1,032,365	1,366,694	1,357,208	.7-	
OTHER REVENUES						
USER PAY REVENUES	2,600	2,501	2,500	2,500	.0	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
GENERAL REVENUES	60-	0	0	0	.0	
TOTAL OTHER REVENUES	2,540	2,501	2,500	2,500	.0	
* UNREIMBURSED COSTS	1,355,445	1,029,864	1,364,194	1,354,708	.7-	
ALLOCATED POSITIONS	11.00	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

Salaries & Benefits

- \$9,500 Increase in Extra Help staffing to assist in the SunGard implementation project

Services & Supplies

- (\$17,000) Decrease in Professional and Specialized Services for one-time costs in FY 2012-13 related to the SunGard implementation project
- \$6,900 Employment Training related to the new SunGard HR/Payroll system

Program Discussion

The current staffing of the Auditor-Controller's Office includes 3.0 FTE for executive management and supervision of the office (including 1.0 FTE Account Clerk III working as Executive Secretary I), 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.

Legal Fees

A significant request from the Auditor-Controller is for the reimbursement of legal fees to the Auditor-Controller and Assistant Auditor-Controller (\$460,000) and for independent legal counsel (\$40,000). The Auditor-Controller's case is currently pending a trial date in Sutter County Court. Charges against the Assistant Auditor-Controller were dropped in 2006. The request includes approximately \$60,000 for the Assistant Auditor-Controller's legal costs, the provision of or set-aside of an estimated \$400,000 for reimbursement of the Auditor-Controller's legal expenses, and \$40,000 to provide legal counsel for the Auditor-Controller's Office for 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 on July of 2013; the Budget module and some peripheral components will be implemented at a later date.

Accomplishments

The Auditor's Office has received the State Controller's Award for Achieving Excellence in Financial Reporting in 2004 and 2006-2011. 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 fifth annual year-end closing procedures training workshops; (3) provided assistance and training to county departments and fire departments by providing 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, in cooperation with other responsible departments, while maintaining the integrity of the original build of the new IFAS Payroll-Human Resources system; (5) trained departments to run their own Click Drag and Drill reports. This was accomplished effectively by training those within the County who perform these functions now, and by providing training materials to help departments meet the

challenges of training new personnel in the future.

FY 2013-14 Objectives

The goals of the Auditor-Controller's Office for FY 2013-14 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 staff on procedures for developing rates and allocations. This is intended to increase efficiency and reduce workload by providing authoritative information at the outset of the process; (4) to increase payroll efficiency by encouraging more employees to sign up for direct deposit (based on the experience of other entities, 90% is a reasonable goal); (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 (TRA) consolidation process in order to provide efficiencies in the County property tax system (TRA's decreased 16.6% this year); and (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.

Recommended Budget

This budget is recommended at \$1,357,208. The General Fund provides 99.8% of the financing for this budget unit and is reduced by \$9,486 (0.7%) compared to FY 2012-13.

Extra Help funding is recommended at \$17,700.

- \$8,200 is recommended to fund 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.
- \$9,500 is recommended to fund a fulltime Accountant II position at Step 5 for eight weeks.

The budget recommendation also includes \$6,900 for SunGard-related training and travel for Auditor-Controller staff. Much of these costs will be charged out to departments and will eventually be reimbursed through the A-87 cost plan.

For the 8th year in a row, the Auditor-Controller has requested funding (\$500,000) for reimbursement of legal fees and for on-going legal representation. This amount has not been included in the Recommended Budget. The Board has repeatedly turned down the Auditor's request for reimbursement of legal expenses (\$460,000) related to the defense of the Auditor-Controller and Assistant Auditor-Controller against their indictments. The remaining \$40,000 was intended for outside counsel to respond to business-related legal questions the Auditor may have.

The Auditor's budget request also included \$8,000 for office furniture to relocate two employee workstations within the office. The request was removed as the workstation purchase was completed in FY 2012-13 at a cost of \$5,500.

Use of Fund Balance

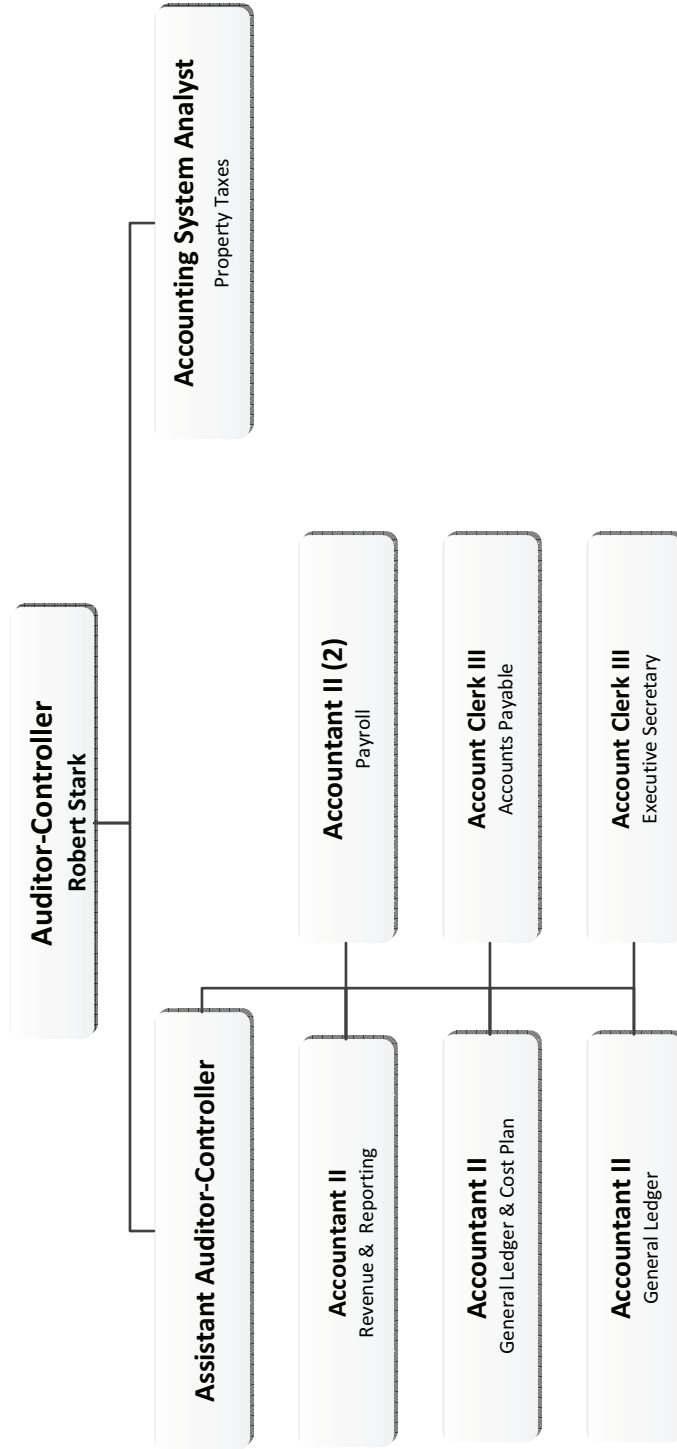
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Auditor-Controller

FY 2013-2014

Recommended



Board of Supervisors (1-101)

EXECUTIVE SUMMARY						
DEPT HEAD:	UNIT: BOARD OF SUPERVISORS		FUND: GENERAL		0001 1-101	
	ACTUAL EXPENDITURE 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	261,882	207,813	258,382	251,531	2.7-	
SERVICES AND SUPPLIES	59,370	36,936	44,600	44,600	.0	
OTHER CHARGES	72,040	9,430	44,851	47,368	5.6	
* GROSS BUDGET	393,292	254,179	347,833	343,499	1.2-	
INTRAFUND TRANSFERS	2,369	1,191	2,668	2,721	2.0	
* NET BUDGET	395,661	255,370	350,501	346,220	1.2-	
OTHER REVENUES						
USER PAY REVENUES	32	0	0	0	.0	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
GENERAL REVENUES	6-	0	0	0	.0	
TOTAL OTHER REVENUES	26	0	0	0	.0	
* UNREIMBURSED COSTS	395,635	255,370	350,501	346,220	1.2-	
ALLOCATED POSITIONS	5.00	5.00	5.00	.00	100.0-	

Purpose

The Board of Supervisors serves as 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

There are no major budget changes for FY 2013-14.

Program Discussion

This budget includes the five members of the Board of Supervisors 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.

As it continued to deal with the budgetary implications of a recession, the Board of Supervisors in May consolidated departments, folding Information Technology and the internal maintenance functions of the Public Works Department

Board of Supervisors (1-101)

into a new General Services Department, and combining the remaining Public Works Department functions with Community Services under the umbrella of a new Development Services Department. The reorganization will allow more efficient delivery of services to the public while saving approximately \$800,000 per year in personnel costs.

Public Safety is a major focus of the work 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 is scheduled to break ground at the end of June of the first phase of a 44-mile levee rehabilitation project along the west bank of the Feather River. This spring, Board members attended ground-breaking ceremonies for two more critical projects on Highway 99: interchanges at Highways 99 and 113 and Highway 99 at Riego Road. The groundbreaking at Riego Road followed successful efforts to secure funding from developers in south Sutter County to pay the local matching funds for the interchange project.

It was another busy year:

- Following interviews conducted throughout the Fall of 2012, the Board appointed James M. Arkens as the new County Administrator at its first meeting in January. At the same meeting, the Board welcomed its newest member, Ron Sullenger, who replaced longtime First District Supervisor Larry Montna.
- In September and October of 2012, the Board hired a consulting firm to update several ordinances necessary to implement the Sutter County General Plan, and in October the Board rezoned several parcels in the County to coincide with the General Plan.
- Also in September of 2012, the Board hired a new consultant to complete the Bi-County Habitat Conservation Plan/Natural Communities Conservation Plan that it began in cooperation with Yuba County and Caltrans in 2001.
- In October of 2012, the Board voted to lower the rental fees at Ettl Hall, the new meeting and event hall at the Community Memorial Museum. In April, the Board attended a ribbon cutting of the Schnabel and Dean Family Patio at Ettl Hall, which was created by the Sutter Buttes Garden Club, and which will help the County rent Ettl Hall out as a venue for weddings, anniversaries, birthdays, and other special events.
- In January of 2013, the Board hired a consultant to review and update the County's Hazard Mitigation Plan, which considers the potential for natural and man-made disasters and their impacts on local jurisdictions throughout the County.
- To address continued operational losses at the Sutter County Airport, in December of 2012 the Board raised commercial rates. At the same time, the Board continued to have staff work with a new Pilots Association wishing to take over airport operations. In April, the Board conducted a study session and gave direction to staff to continue negotiating with the Pilots Association.
- In January of 2013, the Board hired an architect to design the expansion of the jail to accommodate an additional 42 beds—including 28 maximum security

Board of Supervisors (1-101)

beds for men. The bulk of the \$10 million project will be paid for with state grant funds, and the extra beds will assist Sutter County as it meets its new responsibilities under the Governor's Public Safety Realignment program.

- In March of 2013, the Board approved establishing a new call center in the Human Services Division to meet the customer service demands associated with the expectation of approximately 5,500 newly eligible residents on Medi-Cal as the result of the implementation of the Affordable Care Act.

Recommended Budget

This budget is recommended at \$346,220. The General Fund provides 100% of the financing for this budget unit and is reduced \$4,281 (1.2%) compared to FY 2012-13.

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 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	143,020	123,768	173,359	163,340	5.8-	
SERVICES AND SUPPLIES	5,465	3,709	6,325	6,325	.0	
OTHER CHARGES	4,689	2,641	6,413	6,296	1.8-	
* GROSS BUDGET	153,174	130,118	186,097	175,961	5.4-	
INTRAFUND TRANSFERS	1,993	850	2,654	2,659	.2	
* NET BUDGET	155,167	130,968	188,751	178,620	5.4-	
OTHER REVENUES						
USER PAY REVENUES	200	0	50	50	.0	
GOVERNMENTAL REVENUES	650	650	250	750	200.0	
GENERAL REVENUES	4-	0	0	0	.0	
TOTAL OTHER REVENUES	846	650	300	800	166.7	
* UNREIMBURSED COSTS	154,321	130,318	188,451	177,820	5.6-	
ALLOCATED POSITIONS	2.15	2.13	2.15	2.13	.9-	

Purpose

The County Clerk is the 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.

Regular public meetings of the Board of Supervisors are generally held the first and third Tuesdays at 6:00 p.m. in Yuba City. On-demand viewing of the Board meetings is available at

<http://suttercounty.ca.iqm2.com/Citizens/Default.aspx>.

Major Budget Changes

Salaries & Benefits

- (\$10,019) Decrease related to the following staffing adjustments
 - Fill one vacant position at the Board Clerk I level instead of Board Clerk II
 - Include 20% of the Executive Assistant/Assistant Clerk of the Board position shared with the County Administrative Office budget unit
 - Transfer 20% of one Board Clerk I position shared with the County Administrative Office budget unit

Program Discussion

The Clerk of the Board budget includes funding for 1.8 Deputy Board Clerks, 20% of the Executive Assistant/Assistant Clerk of the Board, 3% of the Accountant I, and 10% of the County Clerk-Recorder's time for oversight of the office.

For FY 2013-14, the Clerk of the Board staff will focus on serving the citizens of Sutter County while continuing to work toward an internal paperless agenda process.

Recommended Budget

This budget is recommended at \$178,620. The General Fund provides 99.5% of the financing for this budget unit and is reduced by \$10,131 (5.4%) compared to FY 2012-13.

Salaries and related benefits have been reduced by \$10,019 for FY 2013-14. The reduction is reflective of hiring the vacant Board Clerk position at the Board Clerk I level rather than the previous Board Clerk II level, and transferring 20% of this position to the County Administrative Office (CAO) budget unit (1-102) to assist with office duties.

The net reduction also includes the addition of 20% of the Executive Assistant/Assistant Clerk of the Board position. Traditionally, this position has been budgeted 100% in the CAO budget unit, while the position performs oversight duties for the Clerk of the Board positions. For FY 2013-14, it is recommended that this position be reflected as a shared position to more accurately reflect the duties of this position distributed between the two budget units.

Due to the limited size of the Clerk of the Board budget, any reduction to the budget would necessitate a reduction in staffing. A reduction in staffing would inhibit the County's ability to meet legal requirements regarding regular business and meetings of the Board of Supervisors. Staff reductions in this budget would also affect official recordkeeping efforts. Therefore, reductions are not recommended.

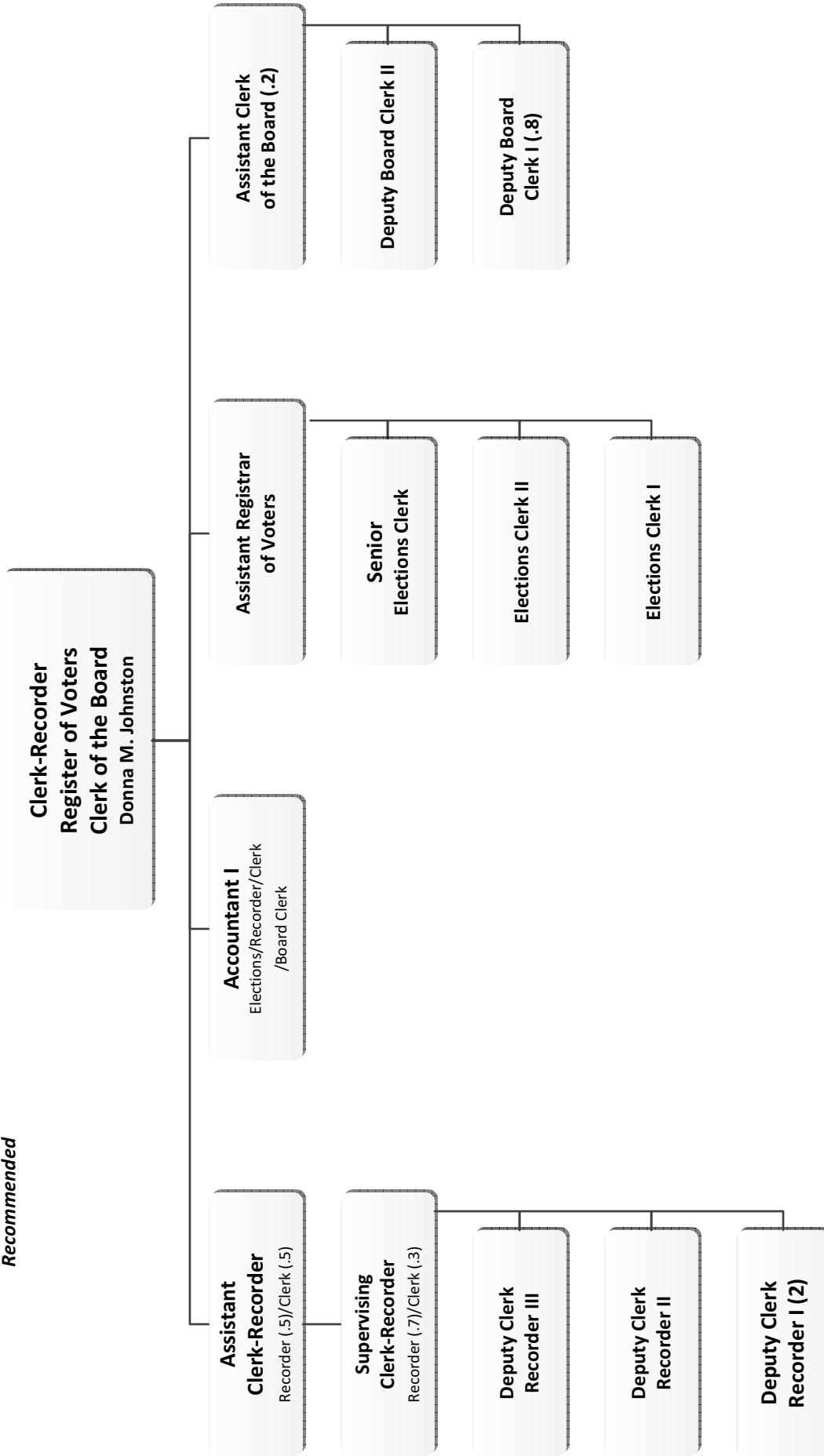
Use of Fund Balance

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

County Clerk-Recorder/Registrar of Voters/Clerk of the Board

FY 2013-2014

Recommended



Clerk-Recorder County Elections (1-502)

Donna M. Johnston, Clerk-Recorder

EXECUTIVE SUMMARY						
DEPT HEAD: DONNA M. JOHNSTON	UNIT: ELECTIONS	FUND: GENERAL			0001 1-502	
	ACTUAL EXPENDITURE 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	420,336	347,621	428,784	419,358	2.2-	
SERVICES AND SUPPLIES	207,772	257,781	285,905	287,985	.7	
OTHER CHARGES	25,537	18,450	33,914	33,284	1.9-	
* GROSS BUDGET	653,645	623,852	748,603	740,627	1.1-	
INTRAFUND TRANSFERS	11,802	8,589	5,327	4,418	17.1-	
* NET BUDGET	665,447	632,441	753,930	745,045	1.2-	
OTHER REVENUES						
USER PAY REVENUES	64,970	4,129	65,550	71,600	9.2	
GOVERNMENTAL REVENUES	1,392	9,546	1,800	2,200	22.2	
GENERAL REVENUES	10-	0	0	0	.0	
TOTAL OTHER REVENUES	66,352	13,675	67,350	73,800	9.6	
* UNREIMBURSED COSTS	599,095	618,766	686,580	671,245	2.2-	
ALLOCATED POSITIONS	5.05	4.83	5.05	4.83	4.4-	

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

- (\$8,000) Decrease in Election Services based on conducting a single election
- \$9,600 Increase in Candidate Filing Fee based on increased local candidates for the June Primary
- \$4,400 Increase in transfer of funds from the Candidate Statement Special Revenue Fund

Major Budget Changes

Salaries & Benefits

- (\$4,650) Decrease in Extra Help staffing required

Program Discussion

The Elections Budget Unit funds the elections that the County administers, as well as elections administered on behalf of other entities such as the cities of Yuba City

and Live Oak as well as various School Districts and other Special Districts. Elections that are administered for other entities are consolidated with countywide elections, and the County is reimbursed for the other jurisdictions' proportionate share of costs.

There is one election anticipated for FY 2013-14: the June 2014 Primary Election.

Goals for FY 2013-14, in addition to conducting the election, include increasing voter registration and increasing online voter services.

Recommended Budget

This budget unit is recommended at \$745,045. The General Fund provides 90% of the financing for this budget unit and is reduced by \$15,335 (2.2%) compared to FY 2012-13.

Previous budgets have included funding for smaller, less frequent landowner and utility district (UDEL) elections. 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.

The only election budgeted for FY 2013-14 is the June Primary in 2014. A reduction in the need for Extra Help staffing is anticipated for this election and this line item has therefore been reduced \$4,650.

There is also a recommended decrease of \$8,000 in the Election Services line item to reflect the streamlining of internal processes.

An increase in Candidate Filing fees is budgeted, as well as an increase in the transfer of funds from the Candidates Statements Special Revenue Fund budget unit (0-220), related to the June Primary Election.

The recommended budget includes a \$5 per day increase in Election Day workers' pay. This pay has remained at \$85 for the past 15 years. Qualified workers have become more difficult to obtain and it is hoped this minor increase in pay will help encourage more citizens to assist in the election poll work.

Additional reductions to the Elections budget would require the elimination of filled positions. The County is mandated to cover the cost of the Primary Election. Staff reductions in the Elections Office would hamper the office's ability to meet legal requirements and could compromise the ability for the County to administer a legal election. Therefore, further reductions are not recommended at this time.

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 County Recorder (2-706)

Donna M. Johnston, Clerk-Recorder

EXECUTIVE SUMMARY						
DEPT HEAD: DONNA M. JOHNSTON	UNIT: RECORDER	FUND: GENERAL			0001 2-706	
	ACTUAL EXPENDITURE 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	358,319	279,992	349,053	353,063	1.1	
SERVICES AND SUPPLIES	46,122	47,956	79,276	69,276	12.6-	
OTHER CHARGES	23,875	13,815	34,097	33,349	2.2-	
* GROSS BUDGET	428,316	341,763	462,426	455,688	1.5-	
INTRAFUND TRANSFERS	11,682	6,829	13,673	13,705	.2	
* NET BUDGET	439,998	348,592	476,099	469,393	1.4-	
OTHER REVENUES						
USER PAY REVENUES	417,698	333,548	448,300	442,300	1.3-	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
GENERAL REVENUES	27-	0	0	0	.0	
TOTAL OTHER REVENUES	417,671	333,548	448,300	442,300	1.3-	
* UNREIMBURSED COSTS	22,327	15,044	27,799	27,093	2.5-	
ALLOCATED POSITIONS	5.25	5.13	5.25	5.13	2.3-	

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

Services & Supplies

- (\$15,000) Decrease in Computer Hardware – replacement server was purchased in FY 2012-13

Revenues

- \$55,000 Increase in Recording Fees based on recent data
- (\$69,500) Decrease in Interfund Transfer-in Special Revenue Funds based on projected staff time available to perform reimbursable projects

Program Discussion

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

Clerk-Recorder County Recorder (2-706)

Donna M. Johnston, Clerk-Recorder

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 \$469,393. The General Fund provides 5.7% of the financing for this budget unit and is reduced by \$706 (2.5%) compared to FY 2012-13.

Salaries and related benefits reflect a general increase of \$4,010 due to negotiated benefits, including a countywide increase in Health insurance premium costs.

The recommended decrease of \$15,000 in Computer Hardware is related to the purchase of a replacement storage server in FY 2012-13.

Recording Fee revenue for this budget unit is anticipated to increase \$55,000 based on a recent increase in the number of recordings.

The increase in Recording Fee revenue is recommended to be offset by a reduction of \$69,500 in the transfer-in of funds from the Department's various Special Revenue Funds.

The recommended budget maintains one frozen and unfunded Deputy Clerk-Recorder position, which was defunded in FY 2011-12. Reduced staffing decreases the Department's ability to perform special project work that is eligible for reimbursement from the Department's special revenue funds. Because recording activity and service requests from members of the public are addressed first and this work has increased recently, the projects funded by Special Revenue Fund reimbursements, such as the truncation of social security numbers from previously recorded documents, will continue to be performed as staff is available.

Additional reductions to the Recorder budget unit would require the elimination of an additional filled position, limiting the office's ability to meet legal requirements regarding recording of documents and would significantly compromise the Department's ability to provide services to the public. Therefore, further reductions are not recommended.

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 County Clerk (2-710)

Donna M. Johnston, Clerk-Recorder

EXECUTIVE SUMMARY						
DEPT HEAD: DONNA M. JOHNSTON	UNIT: COUNTY CLERK	FUND: GENERAL			0001 2-710	
	ACTUAL EXPENDITURE 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	187,262	144,212	186,026	188,594	1.4	
SERVICES AND SUPPLIES	9,012	4,367	10,828	11,230	3.7	
OTHER CHARGES	5,561	2,460	12,581	12,236	2.7-	
* GROSS BUDGET	201,835	151,039	209,435	212,060	1.3	
INTRAFUND TRANSFERS	4,123	1,577	4,749	4,759	.2	
* NET BUDGET	205,958	152,616	214,184	216,819	1.2	
OTHER REVENUES						
USER PAY REVENUES	106,507	92,798	107,200	108,025	.8	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
GENERAL REVENUES	5-	0	0	0	.0	
TOTAL OTHER REVENUES	106,502	92,798	107,200	108,025	.8	
* UNREIMBURSED COSTS	99,456	59,818	106,984	108,794	1.7	
ALLOCATED POSITIONS	2.55	2.51	2.55	2.21	13.3-	

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.

acceptance of passport applications, Fictitious Business Name Statements, as well as marriage licenses and ceremonies. 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 2013-14.

Recommended Budget

This budget is recommended at \$216,819. The General Fund provides 50.2% of the financing for this budget unit and is increased by \$1,810 (1.7%) compared to FY 2012-13.

Program Discussion

The County Clerk budget unit funds the County Clerk operations, which include the

Clerk-Recorder County Clerk (2-710)

Donna M. Johnston, Clerk-Recorder

The increase in the County Clerk's budget for FY 2013-14 is primarily related to general increases in negotiated benefits, including a countywide increase in Health Insurance premium costs.

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

Additional reductions would require the elimination of an additional filled position, limiting the office's ability to meet legal requirements regarding recording of documents and would significantly compromise the Department's ability to provide services to the public. Therefore, further reductions are not recommended.

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 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 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13	
EXPENDITURES						
OTHER CHARGES	19,674	13,714	21,000	20,000	4.8-	
* GROSS BUDGET	19,674	13,714	21,000	20,000	4.8-	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	19,674	13,714	21,000	20,000	4.8-	
OTHER REVENUES						
USER PAY REVENUES	19,674	14,125	21,000	20,000	4.8-	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
TOTAL OTHER REVENUES	19,674	14,125	21,000	20,000	4.8-	
* UNREIMBURSED COSTS	0	411-	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 2013-14.

Program Discussion

We recommend the Board of Supervisors 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, a reduction of \$1,000 based on recent data. 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 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.

EXECUTIVE SUMMARY						
DEPT HEAD: JAMES M ARKENS	UNIT: COUNTY ADMINISTRATOR	FUND: GENERAL			0001 1-102	
	ACTUAL EXPENDITURE	ACTUAL EXPENDITURE	ADOPTED BUDGET	CAO RECOMMEND	% CHANGE OVER	
	2011-12	4-30-13	2012-13	2013-14	2012-13	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	956,979	736,280	1,070,075	919,369	14.1-	
SERVICES AND SUPPLIES	16,482	11,997	25,180	55,795	121.6	
OTHER CHARGES	38,535	15,241	64,443	63,525	1.4-	
* GROSS BUDGET	1,011,996	763,518	1,159,698	1,038,689	10.4-	
INTRAFUND TRANSFERS	1,156	641	1,284	1,318	2.6	
* NET BUDGET	1,013,152	764,159	1,160,982	1,040,007	10.4-	
OTHER REVENUES						
USER PAY REVENUES	3,431	483	3,900	3,500	10.3-	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
GENERAL REVENUES	122-	0	0	0	.0	
TOTAL OTHER REVENUES	3,309	483	3,900	3,500	10.3-	
* UNREIMBURSED COSTS	1,009,843	763,676	1,157,082	1,036,507	10.4-	
ALLOCATED POSITIONS	8.00	8.90	7.90	6.80	13.9-	

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

- (\$73,377) Eliminate one vacant Executive Secretary - Confidential position
- (\$11,773) Transfer 10% of the Public Information Officer (PIO) position to the Emergency Services budget unit (2-401) reflecting time spent on Emergency Services projects

- (\$17,148) Transfer 20% of the Executive Assistant/Assistant Clerk of the Board position shared with the Clerk of the Board budget unit (1-105)
- \$12,427 Include 20% of one Board Clerk I position shared with the Clerk of the Board budget unit (1-105)
- (\$107,637) Eliminate one Limited Term Senior Analyst position which was added temporarily and went unfilled
- (\$30,000) Move Extra Help funding to Professional & Specialized Services, for SunGard Budget Module Implementation

Services & Supplies

- \$30,000 Move funding from Extra Help, for SunGard Budget Module Implementation

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 out 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 2012-13 included:

- The County Administrative Office had significant involvement in the Sutter Animal Services Joint Powers Authority with the Cities of Yuba City and Live Oak to create the Sutter Animal Services Authority. The County Administrator's Office has provided primary staff support and recommendations for transfer of Animal Services operations from the County to the City of Yuba City, development of a new animal shelter, improvements to the existing animal shelter, presentations on policy issues, and consideration of new operational procedures.
- For the third 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 in adopting updated rental rates for the Sutter County Airport.
- With the Sutter County Water Resources Division, assisted the Waterworks District #1 Board of Directors in adopting increased wastewater rates.
- Assisted the Board of Supervisors in development of a final funding strategy for the Riego Road Interchange project.
- Provided oversight and budgetary management for the implementation of the County's new SunGard software system for Personnel, Payroll, and Purchasing, and Budgeting.
- Assisted in the implementation of AB 109 and other Public Safety Realignment changes.
- Had significant involvement in the development of the proposed medical marijuana cultivation ordinance.
- Oversaw review and reconciliation of the Employee Benefits Trust Fund.

The County Administrative Office goals for FY 2013-14 include:

- To complete an orderly transition of lead agency responsibilities for Animal Services from Sutter County to the City of Yuba City.
- To provide continued oversight of the countywide SunGard project and

implementation of the new budgeting module.

- To oversee the reorganization of the Community Services, Public Works and Information Technology Departments, as the new Development Services and General Services Departments.
- Monitor the State of California's budget maneuvers, including potentially significant policy changes regarding the State's planned Realignment of Health Services ("Realignment Phase II"), and guide the ultimate implementation in Sutter County.
- Oversee and guide the implementation of the Affordable Care Act in Sutter County.
- Conduct a countywide energy efficiency audit and present a slate of recommendations to the Board of Supervisors.

Recommended Budget

The budget is recommended at \$1,040,007. The General Fund provides 99.7% of the financing for this budget unit, and is reduced by \$120,575 (10.4%) compared to FY 2012-13. 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.

The budget includes a recommendation to eliminate the vacant Executive Secretary position, in an effort to restructure the workload of the County Administrative Office and in light of reduced countywide financing available. The Executive Secretary position provided secretarial support for

executive management and office staff, produced the final Recommended Budget document, and assisted members of the public and representatives from County departments. The duties of the Executive Secretary will be reassigned to remaining staff, and will be partially offset by the inclusion of 20% of a Board Clerk I position in the CAO budget unit.

It is recommended that 20% of the Executive Assistant/Assistant Clerk of the Board position be transferred out of the County Administrative Office budget unit and reflected in the Clerk of the Board budget unit (1-105) to more accurately reflect the shared responsibilities and supervision of that position.

Salary and benefit expenses have been decreased due to the transfer of an additional 10% of the Public Information Officer (PIO) position to the Emergency Services budget unit (2-401) reflecting time spent by the PIO on Emergency Services projects. The Emergency Services budget will show an increase of \$11,773, which will be partially offset with grant funding.

In May of 2013, the Board of Supervisors approved a reorganization of County departments, including the creation of a stand-alone General Services Department. One current Deputy County Administrative Officer was appointed, effective July 1, 2013, as the Interim Director of this new department, for a six-month period. Therefore, salary and related benefits have been reduced by \$71,724 to reflect this six-month temporary assignment.

The recommended budget eliminates the Limited-Term Senior Analyst position that was added in FY 2012-13 to assist the department during the recruitment for a new County Administrative Officer. That

position was never filled. The budget maintains the regular Senior Analyst position as vacant and unfunded. This position was first left vacant and unfunded in FY 2010-11.

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 recommended budget includes a re-budget of \$30,000 for assistance with the implementation of the Budget module, which has been deferred for over two years pending completion of the Personnel and Payroll modules. This amount was allocated as Extra Help funding in previous years.

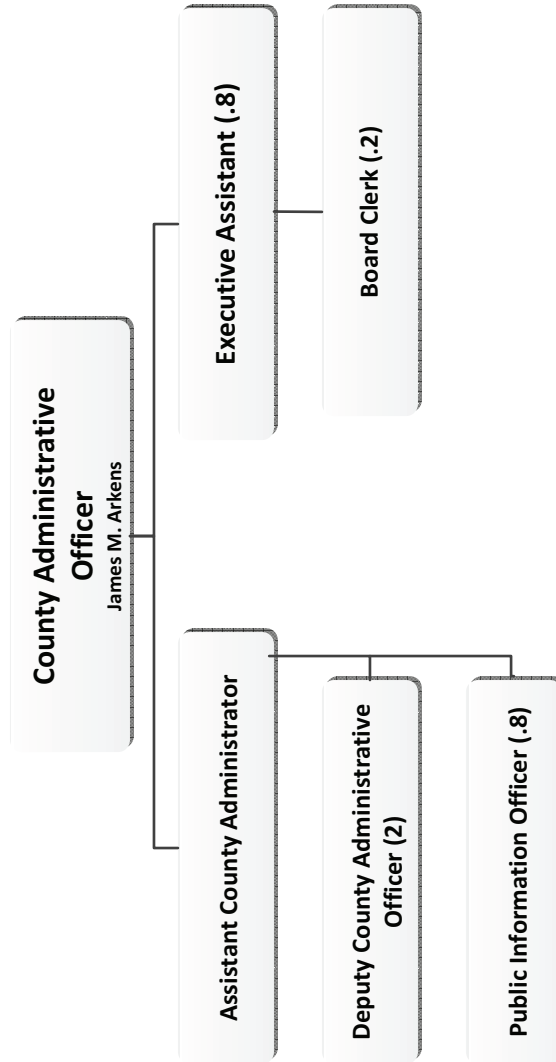
Due to the limited size of the budget for the County Administrative Office, additional reductions would necessitate the elimination of a filled position. This would be in addition to the Executive Secretary position which is slated for elimination in the Recommended Budget and the Senior Analyst position that is currently being held vacant and unfunded. Further staff reductions would limit the office's ability to meet requirements of the office, including legal requirements such as the preparation of the annual Recommended Budget and responses to Public Records Act requests. Further reductions are not recommended at this time.

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
FY 2013-2014**

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 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13	
EXPENDITURES						
SERVICES AND SUPPLIES	286,032	153,726	428,500	317,000	26.0-	
OTHER CHARGES	37,513	215,781	31,140	78,000	150.5	
* GROSS BUDGET	323,545	369,507	459,640	395,000	14.1-	
INTRAFUND TRANSFERS	5,000-	4,901-	5,000-	5,000-	.0	
* NET BUDGET	318,545	364,606	454,640	390,000	14.2-	
APPROPRIATION FOR CONTINGENCY	0	0	0	0	.0	
INCREASE IN OBLIGATED F/B	0	0	132,297	136,608	3.3	
INCREASES IN RESERVES	0	0	0	0	.0	
* TOTAL BUDGET	318,545	364,606	586,937	526,608	10.3-	
OTHER REVENUES						
USER PAY REVENUES	33,476	76,974	76,975	29,978	61.1-	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
TOTAL OTHER REVENUES	33,476	76,974	76,975	29,978	61.1-	
* UNREIMBURSED COSTS	285,069	287,632	509,962	496,630	2.6-	
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.

reinstate an annual employee appreciation event

- (\$100,000) Decrease in Professional/Specialized Services – Legal related to mediation/arbitration efforts with the Auditor-Controller; funds were not used in FY 2012-13
- \$26,000 Increase in Professional and Specialized Services to reflect: transfer of \$10,000 for the Management Training program from Human Resources budget unit; addition of bi-annual OPEB actuarial services not included in FY 2012-13; general contractual increases

Major Budget Changes

Services & Supplies

- \$5,000 Increase in Auditing Fees due to contractual increase in Independent Audit cost
- \$7,500 Increase in General Supplies to

County Administrative Office

Non-Departmental Expenses (1-103)

James M. Arkens

County Administrative Officer

- (\$54,000) Decrease in Professional and Special Legislative Advocacy to eliminate the contract with State lobbyist

Other Charges

- \$52,000 Transfer of the annual contribution to the Yuba Sutter Economic Development Corporation from the Subsidy Request budget unit
- (\$8,000) Transfer of the County's annual SBFCA assessment to the Building Maintenance budget unit, where other similar assessments are budgeted

Revenues

- (\$49,879) One-time transfer in from a Special Revenue Fund that was closed in FY 2012-13

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.

Within the Salaries and Benefits object level, the only account traditionally budgeted in NDE is Unemployment Insurance, which each year has served as a "place-holder" for possible Unemployment Insurance payments

for General Fund Departments. Departments that are currently incurring on-going Unemployment costs have budgeted anticipated amounts in their individual budget units. Unemployment Insurance payments that may be incurred due to the elimination of filled positions are reflected in the Personnel Transition Costs budget unit (1-104).

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 \$526,608. The General Fund provides approximately 94.3% of the financing for this budget unit and is decreased \$60,329 (10.3%) compared to FY 2012-13.

Audit Fees are recommended at \$70,000 for annual Independent Audit costs. This will be the third year of a five-year contract.

It is recommended that \$7,500 be added to the annual budget to reinstate an annual employee appreciation event. It is anticipated that the event will be produced at minimal expense.

The Professional and Special Service – Legal line item is recommended at \$10,000 to cover possible residual legal issues related to the Golden State Water Company litigation. This account has been decreased by \$100,000 to remove funds that were included in FY 2012-13 for mediation/arbitration efforts with the Auditor-Controller; those funds were not used in FY 2012-13.

County Administrative Office

Non-Departmental Expenses (1-103)

James M. Arkens

County Administrative Officer

The Professional and Specialized Services account is recommended at \$121,000, to include the transfer of the \$10,000 Management Training program from the Human Resources budget unit, addition of bi-annual OPEB actuarial services which were not required in FY 2012-13, and general special contract services required in FY 2012-13.

In an effort to reduce costs countywide, it is recommended that the existing contract for State level legislative advocacy be eliminated in FY 2013-14. This results in a reduction of \$54,000.

The Contribution to Others 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 Request budget unit (7-202) in the FY 2011-12 Adopted Budget.

This year, it is also recommended that the \$52,000 annual contribution to the Yuba Sutter Economic Development Corporation be moved to the NDE budget unit from the Subsidy Request budget unit (7-202).

The recommended budget transfers the \$8,000 for Taxes & Assessments (SBFCA levee assessments) to the Building Maintenance budget unit (1-700).

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

Use of Fund Balance

Increases in Obligated Fund Balance are recommended at \$136,608:

- \$29,190 is recommended to transfer actual net revenues from FY 2011-12 Transient Occupancy Tax (TOT) payments to the Committed Fund Balance for Transient Occupancy Tax (account #37339). This revenue has been declining 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 account as a reserve to reflect the annual amortized cost for FY 2013-14 OPEB costs. This funding mechanism was established in FY 2012-13. This cost will be partially offset with \$42,000 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 balance of CMS/RDS funds is budgeted in the Human Resources budget unit (1-401).

**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 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	0	0	55,259	183,478	232.0	
* GROSS BUDGET	0	0	55,259	183,478	232.0	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	0	0	55,259	183,478	232.0	
OTHER REVENUES						
USER PAY REVENUES	0	0	0	0	.0	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
CANCELLATION OF OBLIGATED F/B	0	0	105,429	183,478	74.0	
TOTAL OTHER REVENUES	0	0	105,429	183,478	74.0	
* UNREIMBURSED COSTS	0	0	50,170-	0	100.0-	
ALLOCATED POSITIONS	.00	.00	3.50	6.00	71.4	

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 2013-14.

- \$70,200 Maximum anticipated County Contribution for Unemployment Insurance for employees affected by eliminated positions

Recommended Budget

This budget is recommended at \$183,478.

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

- \$113,278 Transition funding for positions recommended to be eliminated in FY 2013-14, based on an estimated one-month cost

**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 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13
EXPENDITURES					
OTHER CHARGES	120,742	207,362	0	0	.0
* GROSS BUDGET	120,742	207,362	0	0	.0
INTRAFUND TRANSFERS	322,128-	141,754-	283,507-	366,228-	29.2
* NET BUDGET	201,386-	65,608	283,507-	366,228-	29.2
APPROPRIATION FOR CONTINGENCY	0	0	0	0	.0
INCREASE IN OBLIGATED F/B	0	0	6,553,786	0	100.0-
INCREASES IN RESERVES	0	0	0	0	.0
* TOTAL BUDGET	201,386-	65,608	6,270,279	366,228-	105.8-
OTHER REVENUES					
GENERAL REVENUES	36,230,718	19,362,519	32,353,377	31,912,778	1.4-
OTHER FINANCING SOURCES	1,737,883	0	2,973,625	0	100.0-
CANCELLATION OF OBLIGATED F/B	0	0	1,267,235	1,227,203	3.2-
AVAILABLE FUND BALANCE 7/1	7,634,186	8,832,724	8,097,979	4,426,347	45.3-
TOTAL OTHER REVENUES	45,602,787	28,195,243	44,692,216	37,566,328	15.9-

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

- \$426,800 Budgeted increase in property tax, based on projected 3% increase in secured roll
- \$100,000 Budgeted increase in Interest on Delinquent Taxes based on historic activity
- \$150,000 Budgeted increase in in-lieu local sales and use taxes based on historic receipts
- (\$871,218) Decrease 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 \$31,912,778, which is a decrease of \$440,599 (1.4%) compared to the FY 2012-13 Adopted Budget.

The decrease is due to a reduction 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. This reduction reflects 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. 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 2012-13, 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.

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 is 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 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 2013-14, property tax revenues (including secured, unsecured, and property tax in lieu of Motor Vehicle License Fees) are projected to be approximately \$21.51 million. This represents a net increase of approximately \$426,800, or 2.0%, from the FY 2012-13 Adopted Budget, based on the initial property tax roll estimate. The County Administrative Officer and the Assessor estimate that property tax revenue will increase for FY 2013-14 based on recent market activity.

County Administrative Office General Revenues (1-209)

James M. Arkens
County Administrative Officer

The budget for sales and use tax revenue is recommended at \$3.0 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 remain the same as FY 2012-13. However, the budget for In-Lieu Local Sales and Use Tax has been increased by \$150,000 to reflect historic receipts in this category.

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. Total franchise fee revenue is budgeted at \$1.57 million, the same as FY 2012-13.

An Interfund Transfer-In from the General Government Impact Fee Fund (0-101) has been budgeted in the amount of \$220,600. This transfer is recommended to fund the County's share of cost of the recommended Phase II of the expansion of the Agricultural Commissioner's offices at 142 Garden Highway. This same funding strategy was used in the prior year for Phase I of the project. The project is discussed further in the Agriculture Commissioner's budget (2-601).

It is recommended that \$67,000 of rebate funds received from the Centers for Medicare & Medicaid Services (CMS) Retiree Drug Subsidy Program (RDS) be budgeted for FY 2012-13. 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 2012-13 is just over \$4.4 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.

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 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

County Administrative Office General Revenues (1-209)

James M. Arkens
County Administrative Officer

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 2013-14 to offset the loss of that revenue source.

It is recommended that \$443,553 of Committed Fund Balance Designated for Capital Projects (account #31265) be liquidated in FY 2013-14 to fund the cost of General Fund projects in the Plant Acquisition budget unit (1-801).

It is recommended that \$242,500 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 patrol 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 purchased a portion of the limited number of replacement vehicles using Special Revenue Fund monies.

It is recommended that \$200,000 held in the General Fund's Committed Fund Balance Designated for Capital Projects (account #31265) be liquidated to cover potential General Fund costs associated with anticipated, pending, or existing litigation. This expenditure is included in the County Counsel budget unit (1-301); and funds are available for use only for the specified purposes. This recommendation had been included in past budgets; however, this practice had been eliminated in the previous three years due to budget constraints.

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 2013-14. 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.

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 2013-14 is recommended at \$1,277,203.

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

James M. Arkens
County Administrative Officer

DEPT HEAD: JAMES M ARKENS		EXECUTIVE SUMMARY				0014 2-110
UNIT: TRIAL COURTS-GENERAL		FUND: TRIAL COURT				
	ACTUAL EXPENDITURE 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13	
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	3,995,770	4,017,063	4,017,063	3,966,291	1.3-	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
GENERAL REVENUES	3,094-	1,475-	0	0	.0	
TOTAL OTHER REVENUES	3,992,676	4,015,588	4,017,063	3,966,291	1.3-	
* UNREIMBURSED COSTS	3,992,676-	4,015,588-	4,017,063-	3,966,291-	1.3-	
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.

Program Discussion/ Recommended Budget

The recommended General Fund Contribution is \$3,996,291, which is a decrease of \$50,772 (1.3%) compared to FY 2012-13. As noted, this Unreimbursed Cost represents the County share of all recommended budgets in the Trial Court Fund (0-014).

Major Budget Changes

Revenues

- (\$50,772) Decrease in Interfund General Fund cost

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 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13	
EXPENDITURES						
OTHER CHARGES	3,995,770	4,017,063	4,017,063	3,966,291	1.3-	
* GROSS BUDGET	3,995,770	4,017,063	4,017,063	3,966,291	1.3-	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	3,995,770	4,017,063	4,017,063	3,966,291	1.3-	
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	3,995,770	4,017,063	4,017,063	3,966,291	1.3-	
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

Other Charges

- (\$50,772) 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 \$3,996,291, which is a decrease of \$50,772 (1.3%) compared to FY 2012-13.

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

James M. Arkens
County Administrative Officer

EXECUTIVE SUMMARY						
DEPT HEAD: STEVEN L. HARRAH	UNIT: OFFICE OF REVENUE COLLECTION		FUND: GENERAL		0001 1-204	
	ACTUAL EXPENDITURE 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	170,636	117,427	175,787	175,696	.1-	
SERVICES AND SUPPLIES	23,660	15,874	26,575	26,575	.0	
OTHER CHARGES	5,876	5,785	5,850	5,722	2.2-	
* GROSS BUDGET	200,172	139,086	208,212	207,993	.1-	
INTRAFUND TRANSFERS	3,931	1,779	6,016	6,022	.1	
* NET BUDGET	204,103	140,865	214,228	214,015	.1-	
OTHER REVENUES						
USER PAY REVENUES	91,355	35,901	107,500	100,500	6.5-	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
GENERAL REVENUES	7-	0	0	0	.0	
TOTAL OTHER REVENUES	91,348	35,901	107,500	100,500	6.5-	
* UNREIMBURSED COSTS	112,755	104,964	106,728	113,515	6.4	
ALLOCATED POSITIONS	3.33	3.33	2.33	3.33	42.9	

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).

due to anticipated increase in Proposition 172/Public Safety Augmentation Fund revenue

- \$500,000 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 \$20,457,205 which is a decrease of \$79,567 (0.4%) compared to FY 2012-13. The recommended General Fund contribution is \$13,957,205, which is a decrease of \$579,567 (4.0%) compared to FY 2012-13.

Major Budget Changes

Revenues

- (\$579,567) Decrease in Interfund General Fund Cost primarily

County Share Budgets

Public Safety - General (2-210)

James M. Arkens
County Administrative Officer

Proposition 172 revenue is estimated at \$6,500,000. This revenue estimate assumes an increase of \$500,000 from the prior fiscal year. Based on recent receipts, it is anticipated this sales tax-based revenue will increase in FY 2012-13.

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

EXECUTIVE SUMMARY					
DEPT HEAD: JAMES M ARKENS	UNIT: PUBLIC SAFETY-COUNTY SHARE	FUND: GENERAL	0001 2-215		
	ACTUAL EXPENDITURE 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13
EXPENDITURES					
OTHER CHARGES	13,145,692	11,600,000	14,536,772	13,957,205	4.0-
* GROSS BUDGET	13,145,692	11,600,000	14,536,772	13,957,205	4.0-
INTRAFUND TRANSFERS	0	0	0	0	.0
* NET BUDGET	13,145,692	11,600,000	14,536,772	13,957,205	4.0-
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	13,145,692	11,600,000	14,536,772	13,957,205	4.0-
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).

Program Discussion/ Recommended Budget

This budget is recommended at \$13,957,205, which is a decrease of \$579,567 (4.0%) compared to FY 2012-13. The General Fund contribution to the Public Safety Fund reflects the total of the recommended Unreimbursed Costs of all budgets within the Public Safety Fund.

Major Budget Changes

Other Charges

- (\$579,567) Decrease in Interfund Public Safety Costs

The recommended decrease in the General Fund contribution to the Public Safety Fund is primarily the result of increased Public Safety Sales Tax (Proposition 172) revenue.

Use of Fund Balance

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

County Share Budgets

Health Care - General (4-110)

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 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13	
EXPENDITURES						
OTHER CHARGES	2,996,118	2,396,894	2,996,118	2,996,118	.0	
* GROSS BUDGET	2,996,118	2,396,894	2,996,118	2,996,118	.0	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	2,996,118	2,396,894	2,996,118	2,996,118	.0	
OTHER REVENUES						
USER PAY REVENUES	8,732,485	5,267,344	6,873,346	6,632,868	3.5-	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
GENERAL REVENUES	3,720-	3,883-	0	0	.0	
TOTAL OTHER REVENUES	8,728,765	5,263,461	6,873,346	6,632,868	3.5-	
* UNREIMBURSED COSTS	5,732,647-	2,866,567-	3,877,228-	3,636,750-	6.2-	
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 addition, this budget unit contains an appropriation (\$2,996,118) that represents the portion of the County’s Health Realignment revenue that is transferred to the County Medical Services Program (CMSP). This amount was previously budgeted in the Non-County Providers budget, but was relocated to this budget unit after the County Board of Supervisors

agreed to allow the State Controller to make direct payments to CMSP (instead of the revenue being sent to the County, and the County making the payments).

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

Major Budget Changes

Revenues

- (\$240,478) Decrease in General Fund contribution to the Health Fund

Recommended Budget

The recommended revenue is \$6,632,868, which is a decrease of \$240,478 (3.5%) compared to FY 2012-13.

County Share Budgets

Health Care - General (4-110)

James M. Arkens
County Administrative Officer

Other Charges is recommended at \$2,996,118 to fund the County contribution to the County Medical Services Plan (CMSP) for indigent medical services. This amount is the same as the FY 2012-13 Adopted Budget.

The recommended budget for the MVIL portion of Health Realignment revenue is recommended at \$4,344,225, which is the same as the prior year. The Motor Vehicle In-lieu (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 \$1,297,135, which is the same as the prior year.

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

Use of Fund Balance

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

County Share Budgets Health Fund (4-112)

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-COUNTY SHARE		FUND: GENERAL		0001 4-112	
	ACTUAL EXPENDITURE 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13	
EXPENDITURES						
OTHER CHARGES	7,257,234	4,362,351	5,576,211	5,335,733	4.3-	
* GROSS BUDGET	7,257,234	4,362,351	5,576,211	5,335,733	4.3-	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	7,257,234	4,362,351	5,576,211	5,335,733	4.3-	
OTHER REVENUES						
USER PAY REVENUES	0	0	0	0	.0	
GOVERNMENTAL REVENUES	4,032,174	3,379,681	4,344,225	4,344,225	.0	
TOTAL OTHER REVENUES	4,032,174	3,379,681	4,344,225	4,344,225	.0	
* UNREIMBURSED COSTS	3,225,060	982,670	1,231,986	991,508	19.5-	
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

- (\$240,478) Decrease in General Fund share of cost for the Health Fund

Recommended Budget

This budget is recommended at \$5,335,733. MVIL Realignment revenues are recommended at \$4,344,225, which is the same as the prior year. The County's contribution to the Health Fund decreases by \$240,478 (19.5%) compared to FY 2012-13.

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*

E X E C U T I V E S U M M A R Y					
DEPT HEAD: JAMES M ARKENS	UNIT: WELFARE/SOCIAL SERVICES-GENRL		FUND: WELFARE/SOCIAL SERVICES	0013 5-110	
	ACTUAL EXPENDITURE 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13
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	1,007,247	1,027,145	2,667,905	2,790,374	4.6
GOVERNMENTAL REVENUES	0	0	0	0	.0
GENERAL REVENUES	1,808	3,412	0	0	.0
TOTAL OTHER REVENUES	1,009,055	1,030,557	2,667,905	2,790,374	4.6
* UNREIMBURSED COSTS	1,009,055-	1,030,557-	2,667,905-	2,790,374-	4.6
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

Other Charges

- \$122,469 Increase in required contribution from the Welfare/Social Services Realignment Fund

Program Discussion/ Recommended Budget

The recommended revenue is \$2,790,374, which is an increase of \$122,469 (4.6%) compared to FY 2012-13. This increase is due primarily to unreimbursed cost increase in the Foster Care (5-206) budget unit based upon FY 2012-13 projections.

County Share Budgets

James M. Arkens

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

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 \$2,164,715. This is an increase of \$122,469 (4.6%) 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 \$176,659, which is the same as 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.

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 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13
EXPENDITURES					
OTHER CHARGES	632,643	237,435	625,659	625,659	.0
* GROSS BUDGET	632,643	237,435	625,659	625,659	.0
INTRAFUND TRANSFERS	0	0	0	0	.0
* NET BUDGET	632,643	237,435	625,659	625,659	.0
OTHER REVENUES					
USER PAY REVENUES	0	0	0	0	.0
GOVERNMENTAL REVENUES	175,778	137,435	176,659	176,659	.0
TOTAL OTHER REVENUES	175,778	137,435	176,659	176,659	.0
* UNREIMBURSED COSTS	456,865	100,000	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

There are no major budget changes for FY 2012-13.

Program Discussion/ Recommended Budget

The recommended budget is \$625,659, which is the same as FY 2012-13. The Unreimbursed Cost of this budget unit represents the County share of all recommended budgets in the Welfare/Social Services Fund.

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*

EXECUTIVE SUMMARY						
DEPT HEAD: JAMES M ARKENS	UNIT: CONTINGENCY		FUND: GENERAL		0001 9-900	
	ACTUAL EXPENDITURE 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13	
EXPENDITURES						
OTHER CHARGES	35,000	16,869	0	0	.0	
* GROSS BUDGET	35,000	16,869	0	0	.0	
* NET BUDGET	35,000	16,869	0	0	.0	
APPROPRIATION FOR CONTINGENCY	0	0	620,000	550,000	11.3-	
INCREASES IN RESERVES	0	0	0	0	.0	
* TOTAL BUDGET	35,000	16,869	620,000	550,000	11.3-	
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	35,000	16,869	620,000	550,000	11.3-	
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 April 30, 2013, funds removed from the Contingency Budget totaled \$182,725. Therefore, the Adjusted Budget for FY 2012-

County Administrative Office Contingency (9-900)

James M. Arkens
County Administrative Officer

13 shows \$437,275 available instead of the \$620,000 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.

Use of Fund Balance

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

Recommended Budget

The recommended Appropriation for Contingency is \$550,000. This is an 11.3% reduction compared to FY 2012-13 and reflects proportionately the reduction in the Total General Fund Budget compared to FY 2012-13.

EXECUTIVE SUMMARY						
DEPT HEAD: RONALD S. ERICKSON	UNIT: COUNTY COUNSEL	FUND: GENERAL			0001 1-301	
	ACTUAL EXPENDITURE 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	891,859	838,351	1,039,902	1,071,825	3.1	
SERVICES AND SUPPLIES	84,978	42,534	52,220	252,220	383.0	
OTHER CHARGES	11,723	9,254	13,112	12,798	2.4-	
* GROSS BUDGET	988,560	890,139	1,105,234	1,336,843	21.0	
INTRAFUND TRANSFERS	15,428-	4,095-	2,249	2,279	1.3	
* NET BUDGET	973,132	886,044	1,107,483	1,339,122	20.9	
OTHER REVENUES						
USER PAY REVENUES	23,345	20,067	36,000	36,000	.0	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
GENERAL REVENUES	23-	0	0	0	.0	
TOTAL OTHER REVENUES	23,322	20,067	36,000	36,000	.0	
* UNREIMBURSED COSTS	949,810	865,977	1,071,483	1,303,122	21.6	
ALLOCATED POSITIONS	7.50	7.50	7.50	6.50	13.3-	

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.

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:

Major Budget Changes

Services & Supplies

- \$200,00 Increase for one-time outside legal services related to anticipated, pending and/or existing litigation against the County

- 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 2013-14 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 \$1,339,122. The General Fund provides 97.3% of the financing for this budget unit and is increased by \$31,639 (3.0%) compared to FY 2012-13 once the \$200,000 one-time expense for legal services 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 Board of Supervisors approved a minor, temporary reorganization of the Department in February of 2012, due to an extended vacancy in the Assistant County Counsel position related to a long-term medical leave. An existing Deputy County Counsel IV has since been promoted to the vacated Assistant County Counsel position, and the vacated Deputy County Counsel IV position has been filled, at the Deputy County Counsel I level, by an existing employee that has held a Limited Term Deputy County Counsel I position. Therefore, it is recommended that the Limited Term Deputy County Counsel I position be eliminated. There is no cost increase or decrease associated with these actions.

The recommended budget includes \$200,000 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 counsel 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).

The remaining increase in the County Counsel budget for FY 2013-14 is related to increases in negotiated benefits, including a countywide increase in Health Insurance premium costs.

The recommended budget maintains major prior year reductions in the following accounts:

- Subscriptions and Publications, maintained at \$28,000. Law Research contracts and subscriptions were reduced in the prior two years. The Department maintains only one legal resource subscription, and is using internet-based research to the extent possible.
- Professional and Specialized Services, maintained at \$6,000. Additional appropriations will be required for outside counsel in the event that larger cases arise which would exceed the capacity of the Department.
- Transportation and Travel, 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 reductions will continue to be monitored.

The County Counsel Department is relatively small, staffed by the County Counsel, an Assistant County Counsel and three Deputy County Counsels, plus one full-time Administrative Assistant and one part-time Legal Secretary. Further budget reductions in the County Counsel Department would, depending on the desired reduction amount, require the reduction of at least one professional position and would result in a commensurate reduction in legal services available to the Board of Supervisors and County departments. Therefore, no further reductions are recommended in this budget unit.

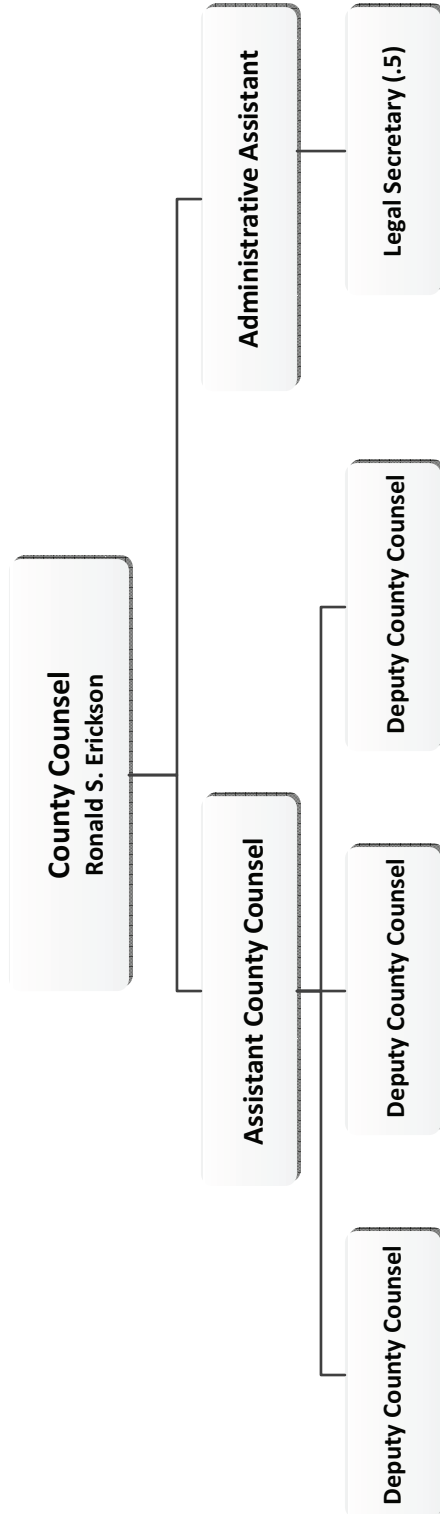
Use of Fund Balance

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

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**County Counsel
FY 2013-2014**

Recommended



Human Resources Department Human Resources (1-401)

Karen A. Ropp, Director

E X E C U T I V E S U M M A R Y						
DEPT HEAD: KAREN A. ROPP	UNIT: HUMAN RESOURCES	FUND: GENERAL			0001 1-401	
	ACTUAL EXPENDITURE 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	609,069	459,813	605,521	640,111	5.7	
SERVICES AND SUPPLIES	112,948	83,854	99,430	90,105	9.4-	
OTHER CHARGES	204,906	107,624	196,603	191,925	2.4-	
* GROSS BUDGET	926,923	651,291	901,554	922,141	2.3	
INTRAFUND TRANSFERS	5,094	1,556	4,095	4,240	3.5	
* NET BUDGET	932,017	652,847	905,649	926,381	2.3	
OTHER REVENUES						
USER PAY REVENUES	13,541	19,043	22,259	22,091	.8-	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
GENERAL REVENUES	47-	0	0	0	.0	
TOTAL OTHER REVENUES	13,494	19,043	22,259	22,091	.8-	
* UNREIMBURSED COSTS	918,523	633,804	883,390	904,290	2.4	
ALLOCATED POSITIONS	5.80	5.80	5.80	5.80	.0	

Purpose

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

Services & Supplies

- (\$10,000) Decrease in Employment Training expenses due to the transfer of countywide training fees to the Non-Departmental Expenses budget unit (1-103)

Major Budget Changes

Salaries & Benefits

- \$10,098 Increase due to the vacant Human Resources Analyst I position being filled at a higher step than anticipated
- \$24,492 General increase due to negotiated salaries and related benefits

Program Discussion

The FY 2013-14 budget reflects costs to provide the following centralized services to all County departments: labor relations; recruitment and certification for selection; review of and compliance with non-discrimination laws; health insurance and benefit administration; classification and salary analysis; administration of personnel

rules and regulations; County-wide training; deferred compensation administration; unemployment insurance administration; risk management; safety management; and a variety of other compliance programs relating to personnel which are mandated by law.

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 \$926,381. The General Fund provides 97.6% of the financing for this budget unit and is increased by approximately \$20,900 (2.4%) compared to FY 2012-13. A portion of the costs for this budget unit are recouped from outside and subvented funds through the annual A-87 cost plan.

It is recommended that the Extra Help budget remain defunded for FY 2013-14. 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 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 Department 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.

The Employment Training account has been reduced by \$10,000 reflecting the transfer of the appropriation for the countywide training expenses to the Non-Departmental Expenses budget unit (1-103).

Additional reductions to the Human Resources Department would require the elimination of a filled position, limiting the office's ability to provide adequate services to internal County department customers, employees and members of the public. Staff reductions would also impede the Department's ability to meet legal requirements regarding compliance with employment laws. Because certain legal requirements may not be eliminated, a significant staffing shortage could require the County contract for those services from outside vendors, which would offset any intended cost savings. Therefore, further reductions are not recommended.

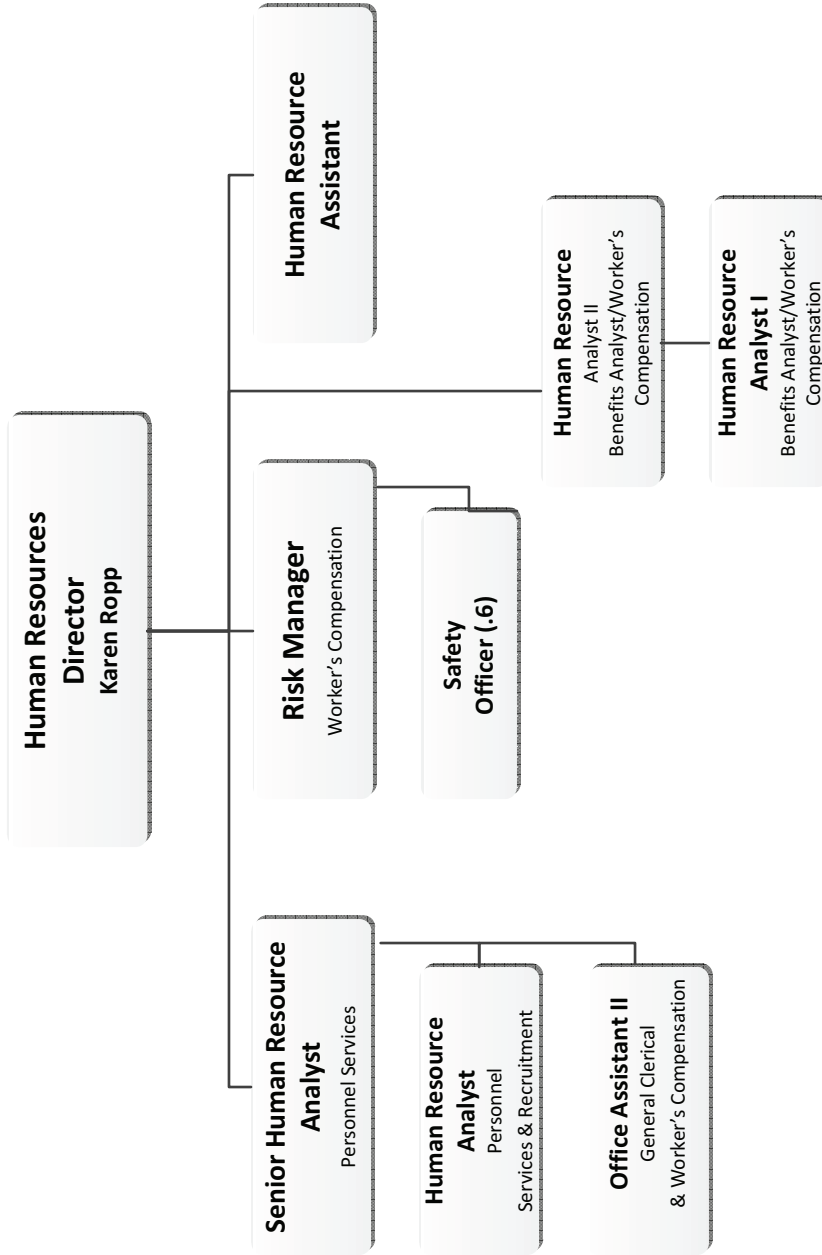
Use of Fund Balance

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

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Human Resources FY 2013-2014

Recommended



Human Resources Department General Insurance & Bonds (1-911)

Karen A. Ropp, Director

EXECUTIVE SUMMARY						
DEPT HEAD: KAREN A. ROPP	UNIT: GENERAL INSURANCE & BONDS		FUND: GENERAL		0001 1-911	
	ACTUAL EXPENDITURE 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13	
EXPENDITURES						
SERVICES AND SUPPLIES	72,411	76,422	75,181	84,801	12.8	
* GROSS BUDGET	72,411	76,422	75,181	84,801	12.8	
INTRAFUND TRANSFERS	14,698-	15,546-	15,528-	18,542-	19.4	
* NET BUDGET	57,713	60,876	59,653	66,259	11.1	
OTHER REVENUES						
USER PAY REVENUES	52,666	58,317	59,492	66,109	11.1	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
TOTAL OTHER REVENUES	52,666	58,317	59,492	66,109	11.1	
* UNREIMBURSED COSTS	5,047	2,559	161	150	6.8-	
ALLOCATED POSITIONS	.00	.00	.00	.00	.0	

Purpose

This budget unit finances miscellaneous insurance costs for the following areas: Airport liability; 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

There are no major budget changes for FY 2013-14.

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 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, 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 2013-14 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 2012-13 Adopted Budget.

Recommended Budget

This budget is recommended at \$66,259 (when Intrafund revenue is included). This results in an increase of \$6,606 (11%) over FY 2012-13.

There are no 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.

Human Resources Department Animal Control (2-726)

Karen A. Ropp, Director

EXECUTIVE SUMMARY						
DEPT HEAD: KAREN ROPP	UNIT: ANIMAL CONTROL		FUND: GENERAL		0001 2-726	
	ACTUAL EXPENDITURE 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	625,273	591,019	748,463	417,138	44.3-	
SERVICES AND SUPPLIES	100,142	152,046	212,700	0	100.0-	
OTHER CHARGES	56,962	35,021	52,626	238,755	353.7	
* GROSS BUDGET	782,377	778,086	1,013,789	655,893	35.3-	
INTRAFUND TRANSFERS	324,142	90,779	89,725	138,853	54.8	
* NET BUDGET	1,106,519	868,865	1,103,514	794,746	28.0-	
APPROPRIATION FOR CONTINGENCY	0	0	40,000	0	100.0-	
INCREASES IN RESERVES	0	0	0	0	.0	
* TOTAL BUDGET	1,106,519	868,865	1,143,514	794,746	30.5-	
OTHER REVENUES						
USER PAY REVENUES	200,787	163,257	208,000	0	100.0-	
GOVERNMENTAL REVENUES	561,428	595,197	699,346	249,271	64.4-	
GENERAL REVENUES	907-	0	0	0	.0	
TOTAL OTHER REVENUES	761,308	758,454	907,346	249,271	72.5-	
* UNREIMBURSED COSTS	345,211	110,411	236,168	545,475	131.0	
ALLOCATED POSITIONS	8.00	9.20	9.00	6.00	33.3-	

Purpose

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.

During FY 2012-13, Sutter County remained lead agency for operations and maintained the budget within the General Fund of the Sutter County Adopted budget.

The new facility construction is estimated to be completed by August of 2013. The SASA Board of Directors has determined that the smoothest transition for both Yuba City and Sutter County would be to effect the change of lead agency responsibilities on July 1, 2013 in conjunction with the beginning of a new fiscal year.

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.

Major Budget Changes

Salaries & Benefits

- (\$399,165) Decrease in overall Salaries & Benefits to reflect overall reduction in permanent staffing due to the transfer to the City of Yuba City

Services & Supplies

- (\$212,700) All Services & Supplies items will be budgeted by the City of Yuba City

Other Charges

- (\$51,405) All Other Charges, with the exception of the one-time residual Interfund Insurance ISF premium costs, will be budgeted by the City of Yuba City
- \$237,534 Increase in Contribution to Other Agencies to reflect Sutter County's 25% share of the approved SASA budget

Intrafund Transfers

- (\$94,598) All line items, with the exception of the one-time residual Intrafund Gen Insurance/Bonds costs, will be budgeted by the City of Yuba City
- \$138,606 Increase to reflect the residual Intrafund Overhead (A-87) costs not budgeted by the City of Yuba City and not shared by the SASA agencies

Revenues

- (\$664,825) All Revenue line items, with the exception of the payment from Yuba City to offset the cost of contracted employees, will be budgeted by the City of Yuba City

Program Discussion

Based on the transition of lead agency duties for the Animal Services operations from Sutter County to Yuba City, this budget unit has changed to one which solely appropriates the remaining permanent staffing, per the County's agreement with the City of Yuba City, and the County's proportionate share of the approved SASA budget. This budget unit has been moved to the Human Resources Department from the former Community Services Department (now the Development Services Department) to reflect the change in Sutter County's responsibility. Sutter County will no longer act as lead agency for SASA, will no longer provide all Animal Control

Human Resources Department Animal Control (2-726)

Karen A. Ropp, Director

Services, and will only provide oversight for the Sutter County Employee Agreement with Yuba City.

The recommended budget reflects the County's proportionate share of expenses under the direction of SASA plus approximately \$224,037 of residual 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 as follows:

City of Yuba City	66%
Sutter County	25%
City of Live Oak	9%

It is anticipated, at the time of this writing, that, prior to June of 2014, the SASA Board of Directors will adopt a permanent allocation methodology which will be applied retroactively to FY 2013-14 with a not to exceed change of 3%.

SASA Accomplishments FY 2012-13

1. Hired a full-time/on-site Animal Services Manager to oversee the operations of the shelter until change in lead agency
2. Instituted a shelter medicine program under the guidance of the UC Davis Koret Shelter Medicine Program (Dr. Kate Hurley), to include a contracted part-time on-site Veterinarian and a part-time on-site Registered Veterinary Technician (RVT)
3. Instituted a partnership with UC Davis Gourley Clinical Teaching Center to

- provide free spay/neuter services for highly adoptable dogs and cats
4. Instituted a partnership with UC Davis Community Surgery Service to provide free major surgery service for highly adoptable injured or sick dogs and cats who's conditions present ideal teaching opportunities for veterinary students
5. Instituted a partnership with the San Francisco Humane Society regarding examination and treatment for animals with ringworm
6. Enacted a new animal adoption fee program, recognizing local economic conditions and providing more flexibility based on an animal's age and the animal population at the shelter
7. Implemented the first phase of a new cat policy, thereby reducing the number of cats being euthanized by 53% (from 91% to 38%)
8. Transitioned the services formerly provided by trustee labor to newly hired part-time paid staff, volunteers, and non-paid work-release and work-experience personnel
9. Changed the hours of operations to effectively reduce overtime costs and increase staffing availability
10. Completed 5,972 calls for service (projected through 6/30/13)

Projected FY 12-13	Yuba City	Live Oak	County
#	4,363	604	1,005
%	73	10	17
FY 11-12	Yuba City	Live Oak	County
#	4,964	661	1,031
%	75	10	15

11. Processed 2,800 incoming animals (projected through 6/30/13), a reduction of approximately 30% from prior years predominantly resulting from the change in policy regarding feral cats
12. Increased the percentage of new owners who had their adopted pets spayed/neutered by 8%

Projected FY 12-13	Certificates Issued	Certificates Used	% Used
	759	385	51%
FY 11-12			
	889	380	43%

13. Issued 5,600 dog licenses (projected through 6/30/2013)

Recommended Budget

This budget is recommended at \$794,746. The General Fund provides 68.5% of the financing for this budget unit (effective with FY 2013-14) and is increased by \$309,307 (131%) compared to FY 2012-13.

The recommended budget reflects a decrease of \$399,165 in salaries and related benefits. Once transitioned to the City of Yuba City, shelter and field services will be staffed with a combination of Yuba City employees and contracted Sutter County employees. The recommended budget reflects only those employees currently included in the agreement with the City of Yuba City for employee services, plus one additional employee not included in the contract due to an extended leave of absence. The number of contracted employees will be reduced each time a Sutter County employee leaves service for any reason and the position changes to a Yuba City position. The contracted

employee costs are offset with matching revenue from Yuba City.

Yuba City will provide Workers' Compensation benefits for all employees including the employees contracted from Sutter County. 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 by Sutter County as lead agency. This residual cost (\$83,963 for FY 2013-14) will be borne by Sutter County alone and is reflected in this recommended budget. This residual amount will decrease each year for 10 years and will eventually reach zero.

All other line items in this budget unit have been reduced to zero with the exception of:

- A one-time \$1,221 residual charge for Interfund Insurance ISF premium.
- A one-time \$247 residual charge for Intrafund General Insurance/Bonds premium.
- The addition of \$237,534 Contribution to Other Agencies to reflect Sutter County's 25% share of the approved SASA budget (which could change based on the allocation methodology adopted by June of 2014).
- The residual Intrafund Overhead (A-87) Cost of \$138,606, not shared by the SASA jurisdictions. This item was removed from the shared SASA budget in FY 2011-12 and will reduce to zero during FY 2015-16, two years after the transfer of lead agency duties.

- The Yuba City Animal Control revenue line item, \$249,271, which reflects the actual cost of employees contracted to Yuba City.

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 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.

Human Resources Department Liability Insurance ISF (4-590)

Karen A. Ropp, Director

EXECUTIVE SUMMARY					
DEPT HEAD: KAREN A. ROPP	UNIT: LIABILITY INSURANCE ISF		FUND: LIABILITY INSURANCE ISF		4590 4-590
	ACTUAL EXPENDITURE 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13
EXPENDITURES					
SERVICES AND SUPPLIES	407,375	402,935	466,056	494,416	6.1
OTHER CHARGES	116,793	42,487	209,733	246,782	17.7
* GROSS BUDGET	524,168	445,422	675,789	741,198	9.7
INTRAFUND TRANSFERS	0	0	0	0	.0
* NET BUDGET	524,168	445,422	675,789	741,198	9.7
APPROPRIATION FOR CONTINGENCY	0	0	0	0	.0
INCREASES IN RESERVES	0	0	0	0	.0
* TOTAL BUDGET	524,168	445,422	675,789	741,198	9.7
OTHER REVENUES					
USER PAY REVENUES	717,657	26,816	212,816	250,754	17.8
GOVERNMENTAL REVENUES	0	0	0	0	.0
GENERAL REVENUES	22,320	11,826	29,741	25,341	14.8-
CANCELLATION OF OBLIGATED F/B	0	0	78,865	78,865	.0
AVAILABLE FUND BALANCE 7/1	463,473	679,282	837,012	386,238	53.9-
TOTAL AVAILABLE FINANCING	1,203,450	717,924	1,158,434	741,198	36.0-
* UNREIMBURSED COSTS	679,282-	272,502-	482,645-	0	100.0-
ALLOCATED POSITIONS	.00	.00	.00	.00	.0

Purpose

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

Major Budget Changes

Services & Supplies

- \$28,360 Increase in Insurance Premium

Other Charges

- (\$22,996) Decrease in the Interfund Overhead (A-87) Cost plan cost as provided by the Auditor-Controller

Revenues

- \$37,938 Increase in Interfund Insurance ISF revenue to support the required liability claims reserve

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.

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 \$741,198.

The Liability Insurance budget unit operates as an ISF and must balance revenues to expenditures within the fund. Recommended budget increases result in a \$37,938 (17.8%) increase in the Interfund Liability Insurance ISF premium charges to County Departments as compared to FY 2012-13. 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 2013-14.

The Board of Supervisors has a funding policy that program assets be maintained between the 75% and 90% confidence level. The assets of the program are projected to be in excess of the 90% confidence level at June 30, 2013. Over time, the Liability ISF had generated a funding surplus. Therefore, the actuarial valuation recommended the County implement a funding plan to bring program assets back to the desired confidence level by June 30, 2015.

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 2013-14 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 \$78,865 remaining in the Committed Fund Balance designated for future appropriations be cancelled in FY 2013-14 as the final step in a two-year plan to reduce a funding surplus. It is recommended that the Committed Fund Balance designated for catastrophic loss be maintained at \$200,000. The fund also contained Net Assets of \$679,281 as of July 1, 2012. Net Assets are estimated to equal \$386,238 as of July 1, 2013.

Human Resources Department Workers' Compensation (4-591)

Karen A. Ropp, Director

EXECUTIVE SUMMARY					
DEPT HEAD: KAREN A. ROPP	UNIT: WORKERS' COMP INSURANCE ISF		FUND: WORKERS' COMP INSURANCE ISF		4591 4-591
	ACTUAL EXPENDITURE 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13
EXPENDITURES					
SALARIES AND EMPLOYEE BENEFITS	288,951	240,280	312,889	335,203	7.1
SERVICES AND SUPPLIES	1,730,303	1,593,059	1,742,095	1,866,165	7.1
OTHER CHARGES	32,610	16,790	31,427	24,484	22.1-
* GROSS BUDGET	2,051,864	1,850,129	2,086,411	2,225,852	6.7
INTRAFUND TRANSFERS	0	16	0	0	.0
* NET BUDGET	2,051,864	1,850,145	2,086,411	2,225,852	6.7
APPROPRIATION FOR CONTINGENCY	0	0	0	0	.0
INCREASES IN RESERVES	0	0	0	0	.0
* TOTAL BUDGET	2,051,864	1,850,145	2,086,411	2,225,852	6.7
OTHER REVENUES					
USER PAY REVENUES	2,074,851	2,029,120	2,057,080	2,073,689	.8
GOVERNMENTAL REVENUES	0	0	0	0	.0
GENERAL REVENUES	302	2,733-	6,000	6,430	7.2
CANCELLATION OF OBLIGATED F/B	0	0	23,331	0	100.0-
AVAILABLE FUND BALANCE 7/1	34,791-	11,501-	11,949-	145,733	1,319.6-
TOTAL AVAILABLE FINANCING	2,040,362	2,014,886	2,074,462	2,225,852	7.3
* UNREIMBURSED COSTS	11,502	164,741-	11,949	0	100.0-
ALLOCATED POSITIONS	2.80	2.80	2.80	2.80	.0

Purpose

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

Major Budget Changes

Salaries & Benefits

- \$22,314 General increase due to negotiated Salaries and Benefits

Services & Supplies

- \$110,427 Increase in Workers Compensation insurance premium
- \$11,103 Increase in Professional and Specialized Services due to increased costs for pre-employment and investigative services

Revenues

- \$57,035 Increase in Interfund Workers' Compensation program charges to County departments

Program Discussion

The Human Resources Department is responsible for the administration and management of the Workers' Compensation program, which includes: claims management, third party claims administration, safety and accident prevention programs, work-related accidents and injuries and development of corresponding reports.

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

The primary factors that affect the cost of this budget unit are salaries and workers' compensation insurance premiums, both primary and excess workers' compensation, together with associated costs to implement and maintain these programs.

In FY 1998-99 Sutter County converted from an individual self-insured program to 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 by the underwriting community, claims loss history, and the over all state of the economy. As such, we can expect 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 manageable.

Recommended Budget

This budget is recommended at \$2,225,852.

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.

The recommended budget includes an increase of \$22,314 in salaries and related benefits due to increases in negotiated benefits, including a countywide increase in Health Insurance premium costs. As mentioned above, the effort to contain current year costs is reflected in the recommendation to hold the Safety Coordinator position at a 60% position (0.6 FTE) for a third year, with the Risk Manager assuming safety-related administrative duties that have traditionally been performed by the Safety Coordinator. These duties include: developing safety communication materials and disseminating to departments; training employees in safety policies; investigating work place accidents and developing corresponding accident reports; providing consultation services to departments to assist them in developing an effective injury and illness prevention

program; interacting with governmental agencies to secure and provide information to departments; responding to Cal/OSHA inspections and citations and represent County at administrative hearings related to citations. However, it should be noted that the continuing reduction of the Safety Coordinator hours and corresponding shift of responsibility to the Risk Manager is not conducive to the Division's stated efforts to contain costs by managing the risks.

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 recently 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 2013-14 insurance premium reflects this dividend as a reduction to insurance costs.

Additional reductions to the Workers' Compensation budget are not recommended. An additional reduction would require the elimination of the Safety Coordinator position. Complete elimination of the Safety Coordinator position would place the County's safety program at risk, as all duties currently performed by the Safety Coordinator would be, by default, transferred to the Risk Manager. Regular activities such as safety inspections and trainings would be either severely limited or eliminated altogether, depending upon other critical priorities that arise during the year for the Risk Manager. Elimination of the safety program could in turn negatively impact the County's claims experience and cause an increase in premiums. Further reductions are not recommended at this time.

Use of Fund Balance

The fund contained Net Assets of (\$11,949) as of July 1, 2012. Net Assets are estimated to equal \$145,733 as of July 1, 2013.

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 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	623,162	502,449	622,408	624,385	.3	
SERVICES AND SUPPLIES	105,059	60,281	113,440	113,350	.1-	
OTHER CHARGES	183,306	142,611	184,926	180,661	2.3-	
* GROSS BUDGET	911,527	705,341	920,774	918,396	.3-	
INTRAFUND TRANSFERS	23,006	19,480	32,946	32,983	.1	
* NET BUDGET	934,533	724,821	953,720	951,379	.2-	
OTHER REVENUES						
USER PAY REVENUES	383,887	280,580	361,300	376,100	4.1	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
GENERAL REVENUES	30-	617	0	0	.0	
TOTAL OTHER REVENUES	383,857	281,197	361,300	376,100	4.1	
* UNREIMBURSED COSTS	550,676	443,624	592,420	575,279	2.9-	
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

There are no major budget changes for FY 2013-14.

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

Treasurer - Tax Collector Tax Collector (1-202)

Steven L. Harrah, CPA, Treasurer-Tax Collector

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 and collects and processes more than \$101 million in tax payments with a combined collection rate of 98%, ranking Sutter County 6th in the State for collections efficiency.

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 2013-14 will include:

The 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 completion of the Negative Supplemental Voucher system, which will 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.

Coordination of the rollout of LexisNexis credit card acceptance services in other County departments, such as Community Services and Public Works, to improve customer service to the citizens of Sutter County.

Recommended Budget

This budget is recommended at \$951,379. The General Fund provides 60% of the financing for the Department. General Fund cost is reduced by \$17,141 (2.9%) compared to FY 2012-13.

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

Additional reductions to the Treasurer-Tax Collector budget are not recommended; as further reductions would require the elimination of filled positions, limiting the office's ability to meet customer service requirements and expectations.

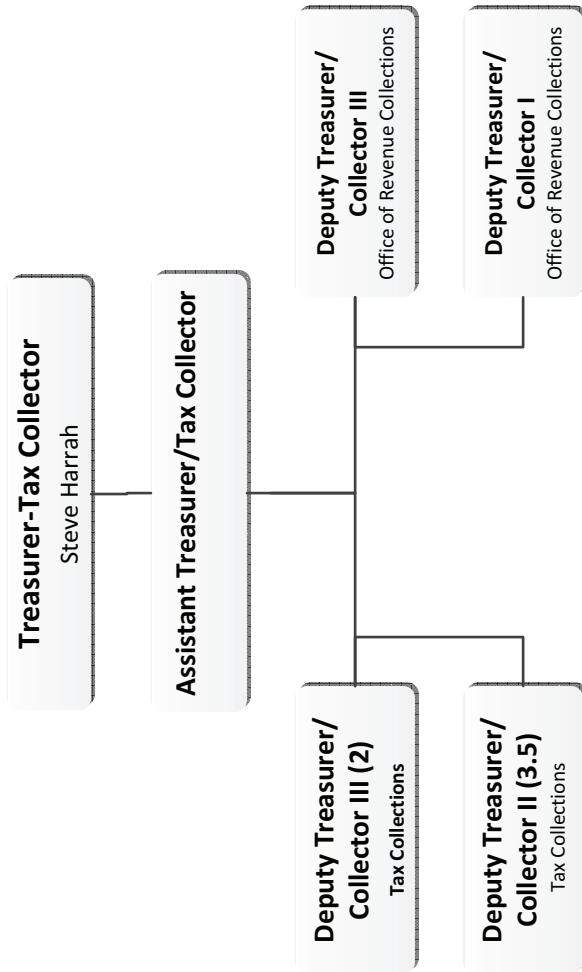
Use of Fund Balance

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

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Treasurer/Tax Collector FY 2013-2014

Recommended



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

E X E C U T I V E S U M M A R Y					
DEPT HEAD: STEVEN L. HARRAH	UNIT: OFFICE OF REVENUE COLLECTION			FUND: GENERAL	0001 1-204
	ACTUAL EXPENDITURE 2011-12	ACTUAL EXPENDITURE 4-30-13	ADOPTED BUDGET 2012-13	CAO RECOMMEND 2013-14	% CHANGE OVER 2012-13
EXPENDITURES					
SALARIES AND EMPLOYEE BENEFITS	170,636	117,427	175,787	175,696	.1-
SERVICES AND SUPPLIES	23,660	15,874	26,575	26,575	.0
OTHER CHARGES	5,876	5,785	5,850	5,722	2.2-
* GROSS BUDGET	200,172	139,086	208,212	207,993	.1-
INTRAFUND TRANSFERS	3,931	1,779	6,016	6,022	.1
* NET BUDGET	204,103	140,865	214,228	214,015	.1-
OTHER REVENUES					
USER PAY REVENUES	91,355	35,901	107,500	100,500	6.5-
GOVERNMENTAL REVENUES	0	0	0	0	.0
GENERAL REVENUES	7-	0	0	0	.0
TOTAL OTHER REVENUES	91,348	35,901	107,500	100,500	6.5-
* UNREIMBURSED COSTS	112,755	104,964	106,728	113,515	6.4
ALLOCATED POSITIONS	3.33	3.33	2.33	3.33	42.9

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 13,000 accounts, 3,000 County and 10,000 Superior Court, logged into the system's inventory with unpaid balances exceeding \$7.2 million, \$900,000 County and \$6.3 million Superior Court.

Major Budget Changes

There are no major budget changes for FY 2013-14.

Program Discussion

In FY 2011-12 over \$470,000 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. Fiscal Year 2012-13 collections are currently estimated at approximately \$533,000, a 13.4% increase over the prior year.

During FY 2012-13 the ORC added additional collection tools with implementation of credit and debit card

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

acceptance using the LexisNexis solution, providing yet another means for debts to be paid. Additionally the Department entered into an agreement with the Franchise Tax Board Court Ordered Debt Program, to whom under performing and nonperforming clients are referred. Both of these enhancements have contributed to the steady increase in collections and solidified the Department's classification as a Comprehensive Collection Program under California Penal Code 1463.007.

For FY 2013-14, the ORC is planning to increase the number of poor-performing debts turned over to the Franchise Tax Board Intercept Program and to work with the Information Technology Department to provide an online payment solution to debtors. This will provide taxpayers yet another convenient method for paying debts and restitution.

Recommended Budget

This budget is recommended at \$214,015. The General Fund provides 53% of the financing for the Department, which has increased by \$6,787 (6.4%) compared to FY 2012-13. The increased General Fund cost is primarily due to an anticipated reduction in revenue.

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.

The FY 2012-13 Adopted Budget position allocation shows 2.0 allocated Treasurer-Collector Deputy positions instead of the proper number of 3.0 positions. The FY 2013-14 Recommended Budget shows the correct number, 3.0 positions, one of which is the vacant and unfunded position mentioned previously. This appears as an increase in the position allocations, but is simply correcting the missing position allocation in the FY 2012-13 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.

