

COUNTY OF SACRAMENTO
OFFICE OF CHIEF FINANCIAL/OPERATIONS OFFICER
Inter-Department Correspondence

Date: September 9, 2004

To: Members, Board of Supervisors

From: Geoffrey B. Davey
Chief Financial/Operations Officer

Subject: **SUMMARY OF ACTIONS TAKEN DURING FISCAL YEAR 2004-05
FINAL BUDGET HEARINGS – THROUGH DAY 4**

DAY 1, September 1, 2004

Reports back requested by Board of Supervisors during Day 1 of Final Budget Hearings:

Chief Financial/Operations Officer

- Office of Budget and Debt Management to report back with an update on the multiyear budget model reflecting inclusion of Fiscal Year 2004-05 and anticipated Fiscal Year 2005-06 State Budget impacts, with information being intended to assist in the decision on whether or not to lift the hiring freeze on countywide job classes.

Internal Services Agency (ISA)

- ISA to report back on vacancy level in permanent positions versus utilization of temporary, part-time and employment agency workers to assess how many of the current vacant positions are in effect filled through temporary workforce.
- Report back from ISA on what nonstandard benefits are provided to Board Members' staff, such as car allowances, mileage reimbursement, etc.

Countywide Services Agency (CSA)

- CSA report back on specifics of higher than expected Tobacco Litigation Settlement (TLS) fund balance, and the impact on the TLS Endowment's interest earnings from earlier-than-anticipated deallocation of TLS bond proceeds. Report back also to identify which tobacco cessation programs were previously funded by the TLS Endowment from the 15.0 percent set aside.
- Report back from CSA and Department of Health and Human Services (DHHS) on a potential funding plan to arrive at an amount available for tobacco cessation programs more or less equal to the amount that had been previously set aside from the TLS Endowment

SUMMARY OF ACTIONS TAKEN DURING FISCAL YEAR 2004-05 FINAL BUDGET
HEARINGS – THROUGH DAY 4

Page 2

(15.0 percent of \$6.3 million annually). The funding plan options should include, but not be limited to, the potential free-up of funds available if Senate Bill (SB) 1612 is signed into law.

- CSA to report back on update of jury parking issues, including available parking for jurors versus demand for parking, and elimination of jury per diem fees for government employees.
- CSA to report back on evaluation of request from DHHS to reallocate In-Home Support Services (IHSS) caseload funds to finance five additional funds (see Attachment I) requests, made possible by recalculation of county sharing ratio.
- Report back from Department of Human Assistance (DHA) on funds needed to reinstitute Grand Parent Network Program which was unfunded in previous budget reductions.
- Report back from DHA regarding status of Temporary Assistance to Needy Families (TANF) Incentive Funds (remaining balance) and Child Care Funds, including what our current commitments for these funds are versus projected available funds.
- Report back from DHA on potential funding sources to restore full funding for Stanford Settlement program(s) which were unfunded in previous budget reductions.
- Report back from DHA on potential costs for funding increase in the Transitional Living Choices Services (TLCS) request for a housing allowance for General Assistance (GA) recipients who are assigned to this program pending Supplemental Security Income (SSI) approval.

Municipal Services Agency (MSA)

- Report back from Animal Care and Regulation Department on costs for a potential low-cost (mobile or otherwise) spay/neuter clinic.
- Report back from Planning and Community Development Department on implementation of reduction to Code Enforcement vehicle-abatement staffing approved in Fiscal Year 2004-05 Adopted Proposed Budget.
- Report back from Waste Management and Recycling Department on the effectiveness of previous Sheriff's Department staffing funded by the Refuse Enterprise Fund for curtailment of illegal dumping activities.

ADDITIONAL REQUESTS TAKEN UNDER CONSIDERATION:

- Sheriff Lou Blanas requested a \$500,000 augmentation for the Sheriff's Department to fund additional "overtime" appropriations for Patrol/Investigative Services, to be centrally budgeted and managed by the Sheriff's Department to address additional workload in high-crime areas. The Sheriff suggested that this request could be funded by a combination of reducing General Fund Contingencies and reducing the recommended \$1.95 million Reserve for Sheriff's Booking Fees.

SUMMARY OF ACTIONS TAKEN DURING FISCAL YEAR 2004-05 FINAL BUDGET
HEARINGS – THROUGH DAY 4

Page 3

- Jim Hunt, Director of DHHS, requested a reallocation of \$376,751 from the IHSS Provider Payments budget (Budget Unit 7250000) to DHHS budget (Budget Unit 7200000) to finance five, high-priority, additional requests with net county costs totaling \$376,761. The reallocation request reflects additional total appropriations of \$1,128,148; additional 16.5 positions; and involve programs in IHSS Administration, Tuberculosis (TB) Control, California Children's Services, Children's Health and Disability Prevention, and the Primary Care Center.

Actions Taken:

General Public Testimony taken.

The County Executive's Office was requested to make copies of the detailed Recommended Final Budget available in the future years, prior to the hearings, at the Sacramento Central Library and regional libraries in the Unincorporated Area, as well as the Clerk of the Board of Supervisors Office.

The County Executive was requested to identify and evaluate options over the coming fiscal year for funding an increase in staffing for Board members.

All items in the County Executive Recommended Fiscal Year 2004-05 Final Budget Hearings are under submission, as well as all additional requests received during the Day 1 Hearings.

Continued Final Budget Hearings and Beilenson Hearings to Day 2, Thursday, September 2, 2004 at 9:30 a.m.

DAY 2, September 2, 2004

Additional requests for Transient-Occupancy Tax (TOT) funds were received from the Sports Commission (\$100,000 for the Olympic Trials/NCAA Championships bids preparation) and the Sacramento Archives and Museum Collection Center (\$80,000 to make up financing not secured through legislative efforts). It was also noted that the Fiscal Year 2003-04 county contributions to the Sacramento Metropolitan Arts Commission no longer matched contributions by the City of Sacramento (\$77,000 less) for the Cultural Awards Program. However, Barbara Bonebrake from the City of Sacramento staff clarified that the city's grants for this program had been reduced by \$50,000, resulting in a \$27,000 disparity.

The County Executive was directed to:

- Bring back policy discussion before next year's TOT Fund budget hearings regarding the duration of county contributions to Property Based Improvement Districts for commercial corridor improvements.
- Evaluate options for phasing out the transfers to the General Fund from the TOT Fund before next year's budget process is initiated.

SUMMARY OF ACTIONS TAKEN DURING FISCAL YEAR 2004-05 FINAL BUDGET
HEARINGS – THROUGH DAY 4

Page 4

- Bring the issue of participation in the Sacramento Metropolitan Arts Commission and the Art in Public Places program by suburban cities before the Mayor/Board Chair Forum.

Actions Taken:

Approved TOT allocation of \$292,500 to the Fulton Avenue Improvement District (with Supervisor Niello abstaining).

Approved other TOT allocations per Attachment II on a 4-1 vote, with Supervisor Niello voting “No” to record his objection to the reduction to the Raley Field Reserve Buildup.

Continued Final Budget Hearings and Beilenson Hearings to Wednesday, September 8, 2004 at 2:00 p.m.

DAY 3, September 8, 2004

Actions Taken:

On a 4-0 vote (Supervisor Nottoli absent), the Board conceptually approved the Capital Improvement Plan (CIP) and instructed the Director of the Department of General Services to submit the 2004-05 CIP to the Policy Planning Commission for their recommendations and requested a report back regarding the consistency of the projects with the General Plan.

Item 23 from the September 7, 2004, morning consent calendar was heard following the CIP Hearing. Following discussion, the Board approved the item on a 4-0 vote (Supervisor Nottoli absent).

Directed the Chief Financial/Operations Officer to report back on Thursday, September 9th regarding the options for increasing staffing support for Board Supervisors Offices, and related funding options.

Continued Final Budget Hearings and Beilenson Hearings to Thursday, September 9, 2004 at 9:30 a.m.

DAY 4, September 9, 2004

Reports Back:

- Received Reports Back from Chief Financial/Operations Officer, Internal Services Agency, Countywide Services Agency, and Municipal Services Agency.
- Sheriff Lou Blanas submitted a request for \$796,475 in funds for one-time uniform allowance costs.
- Geoffrey B. Davey, Chief Financial/Operations Officer, advised the Board that the Governor’s signature was not yet given to SB 1612 for restoring the blue-pencil veto of Child Welfare Services funds. However, based upon a judgment call, we could assume that the Governor will sign the bill and free-up \$268,670 in General Fund allocations for other

SUMMARY OF ACTIONS TAKEN DURING FISCAL YEAR 2004-05 FINAL BUDGET
HEARINGS – THROUGH DAY 4

Page 5

purposes. In the event the Governor vetoes SB 1612, we would have to restore Child Welfare Services funding midyear.

- The Board gave direction to the County Executive's Office to review the budget policy issue of realignment revenue transfers from the Mental Health Trust Fund during next February's Midyear Budget Hearing.

Budget Deliberations

- Approved augmentation to Board of Supervisors budget of \$150,378 for 2.0 Executive Secretary positions and \$10,504 for conversion of 0.8 Senior Office Assistant position (receptionist) to full-time on a 4-1 vote (Supervisor Niello voting No).
- Approved augmentation to Animal Care and Regulation Department's budget of \$35,000 for spay/neuter on-site clinic program (two days per week) with direction to the Director of Animal Care and Regulation to report back on recommended implementation plan (5-0 vote).
- Approved remaining allocation/reserve/contingency changes (per attached spreadsheet); County Executive's six recommendations in the Final Budget transmittal letter dated September 1, 2004 (as amended by the various changes), including closing the Budget Hearings and the Beilenson Hearings.
- Approved augmentation to Probation Department's budget of \$939,862 for Title IV-E program, as outlined in the separate staff report dated September 1, 2004 (5-0 vote).

Attachments

cc: Terry Schutten, County Executive
Agency Administrators
Department Heads
County Executive's Office Analysts
Department Fiscal Officers