

Amador County FY 15/16 Mid-Year Budget Review

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County Administrative Officer
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FY 15/16 General Fund Budget (in millions)

Beginning Fund Balance (Unreserved):	\$ 3.03
15/16 Additional Revenues:	\$36.69
Total Financing Available	\$39.72
15/16 Expenditures:	\$39.72

Positions:	239 - General Fund
	136 - Other Funds
	375 - Total

General Fund Revenue

(in millions)

Fiscal Year	Adopted Budget	Mid Year - 6 month July-Dec	Percent of Budget	Year End Actual	FY Actual as a Percentage of Adopted Budgeted
11/12	31.51	13.89	44.08%	32.92	104.47%
12/13	33.04	14.41	43.61%	32.29	97.73%
13/14	33.77	15.39	45.57%	33.57	99.41%
14/15	34.22	16.4	47.93%	37.5	109.59%
14/15*	34.22	15.2	44.42%	35.41	103.48%
15/16	36.69	16.78	45.73%	36.51	99.51%
15/16*	34.85	14.95	42.90%	34.68	99.51%

*Excludes “one time” revenues. The 14/15 adopted budget did not include any one time revenues, County was notified during the course of the 14/15 fiscal year of one time revenues.

General Fund Expenditures

(in millions)

Fiscal Year	Budget	Prior Year Encumbrances	Total FY Budgeted Expenditures	Mid Year - 6 month July-Dec	Percent of Budget	Year End Actual	FY Actual as a Percentage of Budgeted
11/12	36.28	1.04	37.32	20.83	55.81%	34.73	93.06%
12/13	35.57	1.03	36.6	18.31	50.03%	33.81	92.38%
13/14	34.6	0.83	35.43	18.22	51.43%	34.43	97.18%
14/15	34.66	0.6	35.26	18.92	53.66%	35.01	100.28%
14/15*	34.66	0.6	35.26	18.92	53.66%	34.68	98.12%
15/16	39.72	0.6	40.32	19.62	49.40%	38.91	97.96%
15/16*	36.78	0.6	37.38	19.42	52.80%	36.47	99.16%

*Excludes “one time” expenditures

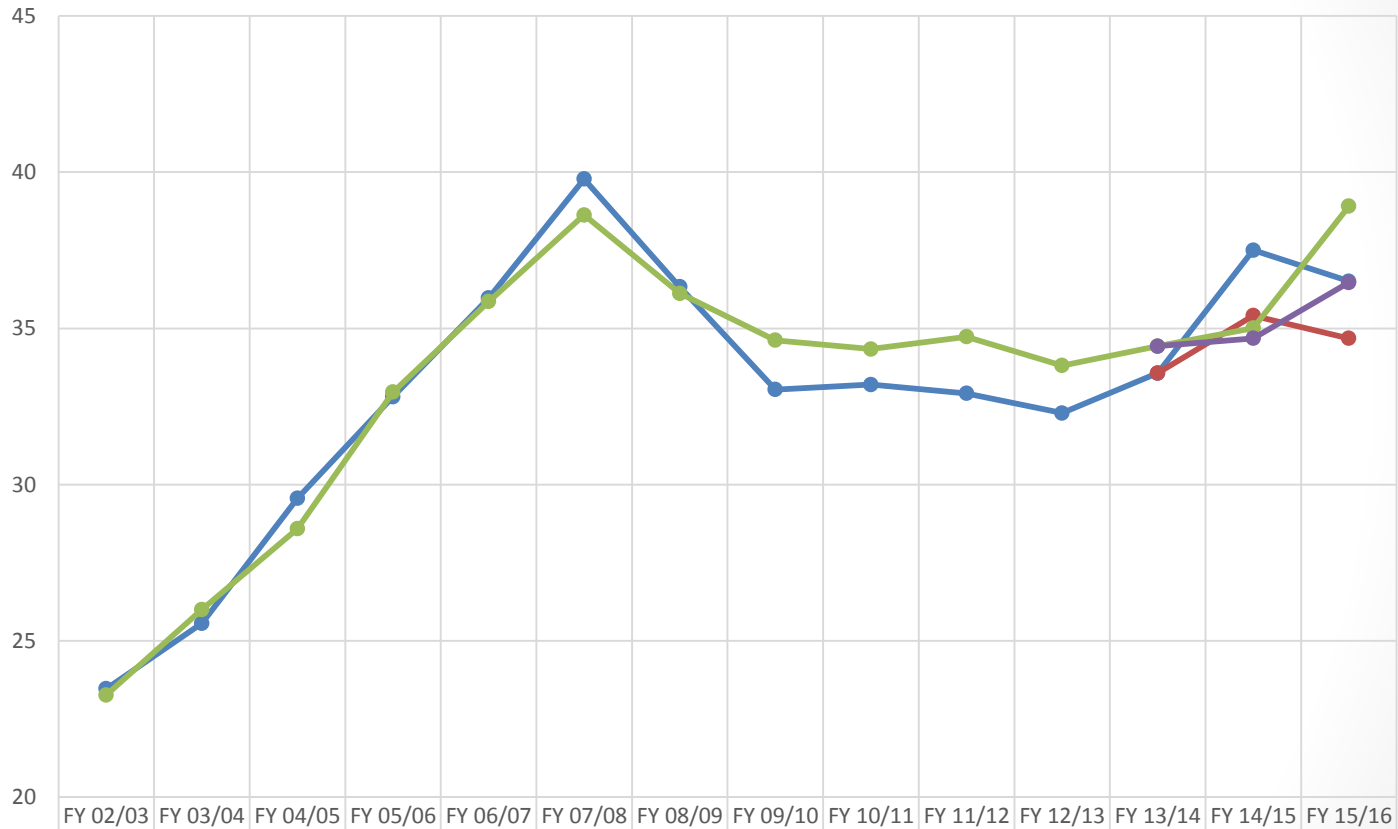
Year end actual for 15/16 assumes the cost of wage increases and benefits in the amount of \$446K will reduce one of the budgeted “one time” expenditures.

If additional revenue is used, both 14/15 year end revenue and expenditures will increase by \$446K.

General Fund Revenue vs Expenditures

(in millions)

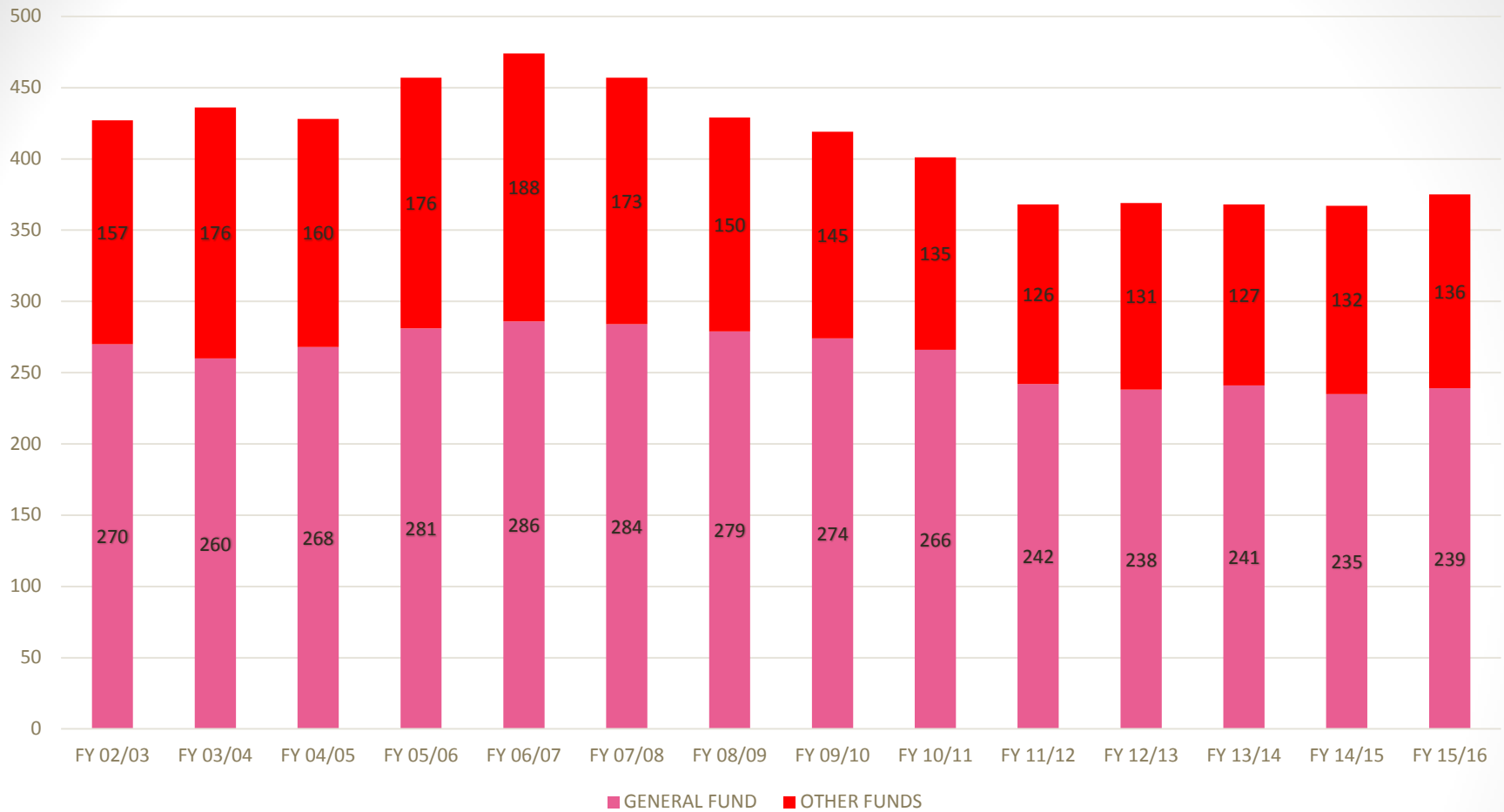
General Fund Revenues vs Expenditures (in millions)



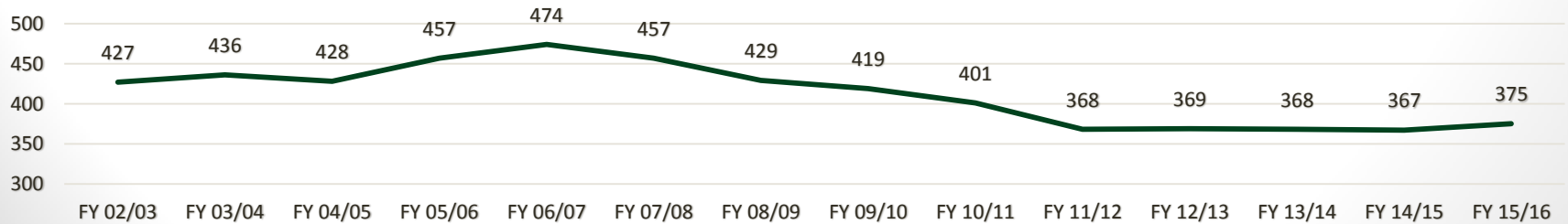
Revenues	23.47	25.56	29.56	32.81	35.97	39.78	36.33	33.04	33.2	32.92	32.29	33.57	37.5	36.51
Revenues w/o "One Time"												33.57	35.41	34.68
Expenditures	23.27	26	28.59	32.96	35.86	38.63	36.12	34.62	34.34	34.73	33.81	34.43	35.01	38.91
Expenditures w/o "One Time"												34.43	34.68	36.47

● Revenues
 ● Revenues w/o "One Time"
 ● Expenditures
 ● Expenditures w/o "One Time"

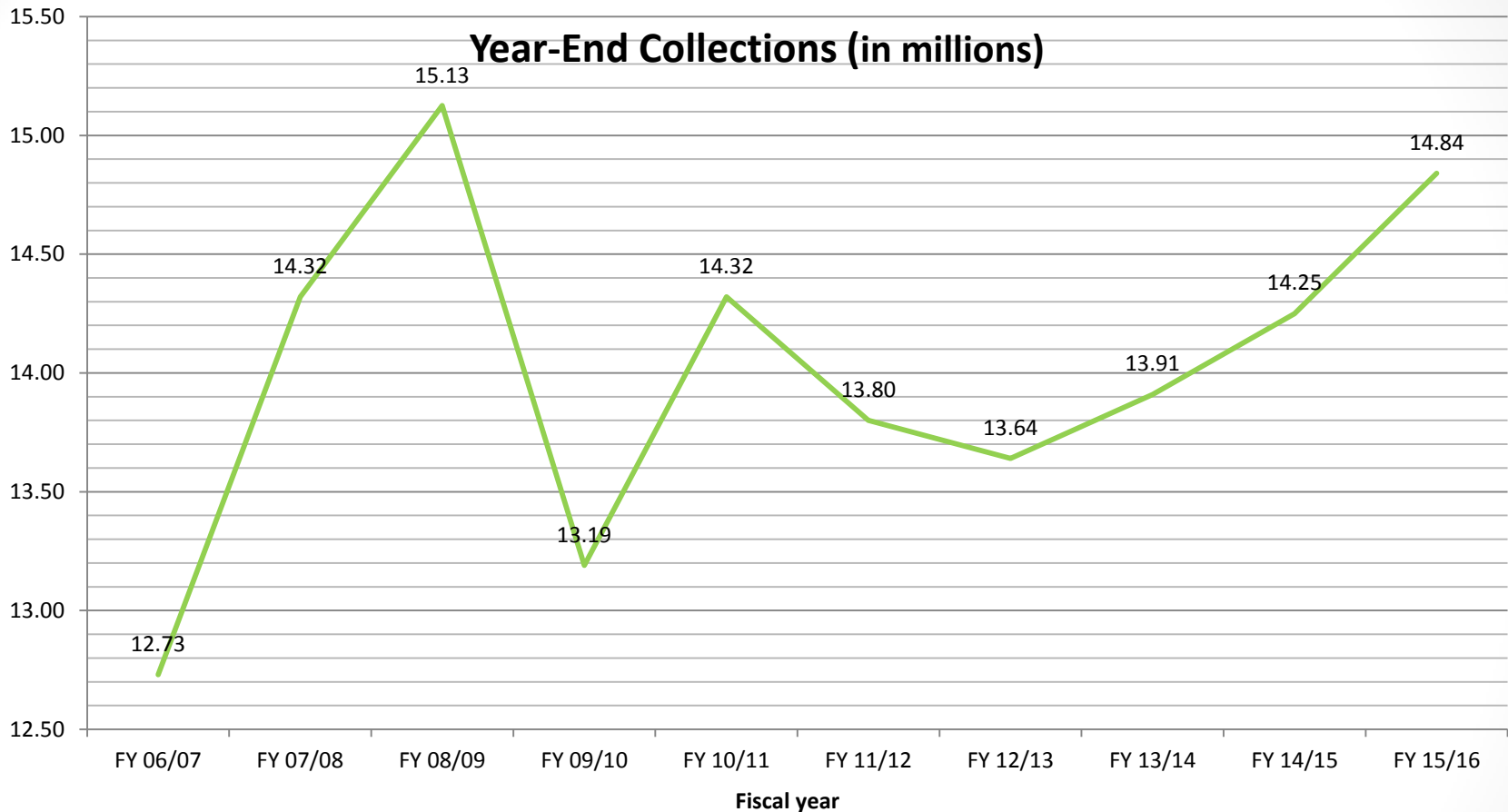
AMADOR COUNTY EMPLOYEE COUNT



TOTAL EMPLOYEES



Secured Property Taxes

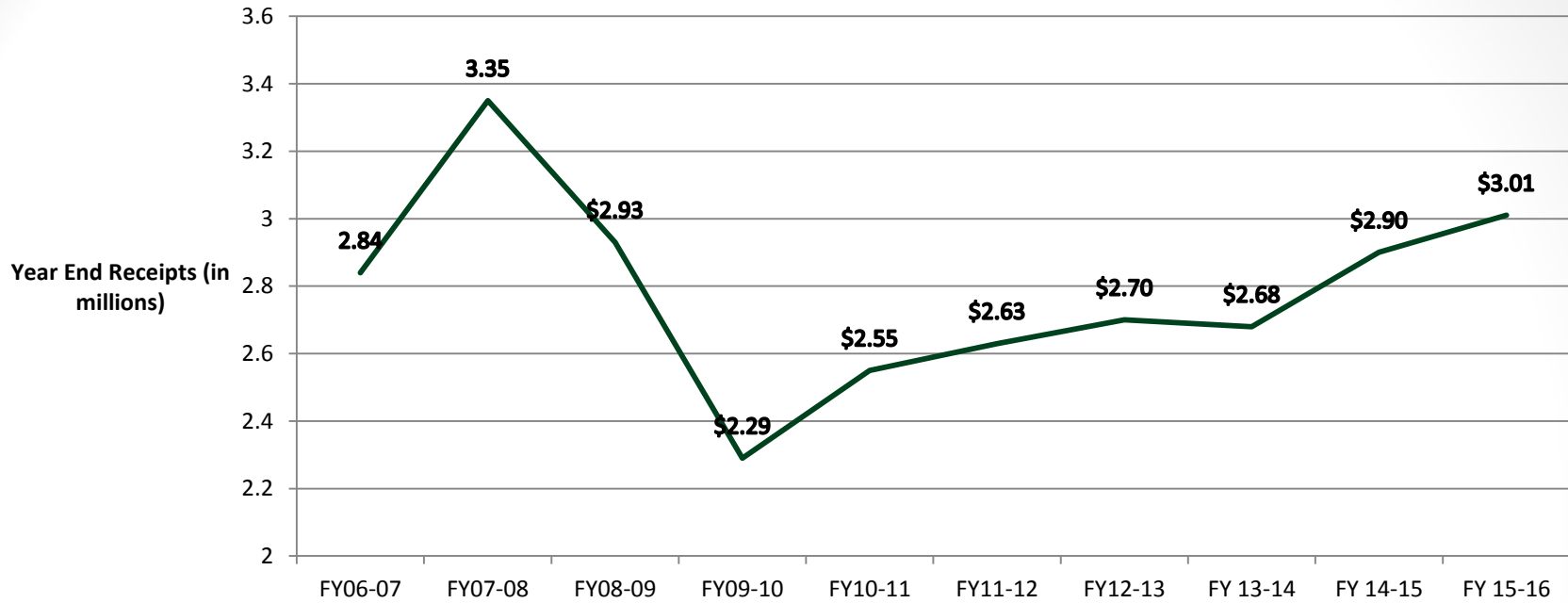


Annual Percentage Change of County Secured Receipts

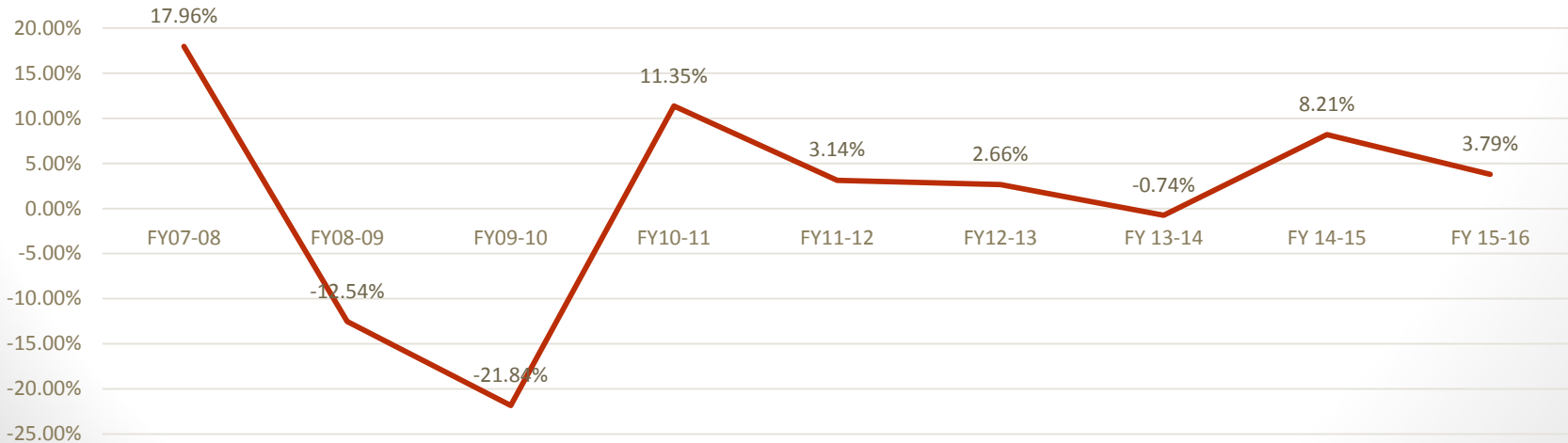
FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16
14.32	15.13	13.19	14.32	13.80	13.64	13.91	14.25	14.84
12.49%	5.62%	-12.79%	8.57%	-3.63%	-1.16%	1.98%	2.44%	4.14%

15/16 revenue shown above is based on Assessor Certified Roll, actual receipts may be lower.

SALES TAX (in millions)

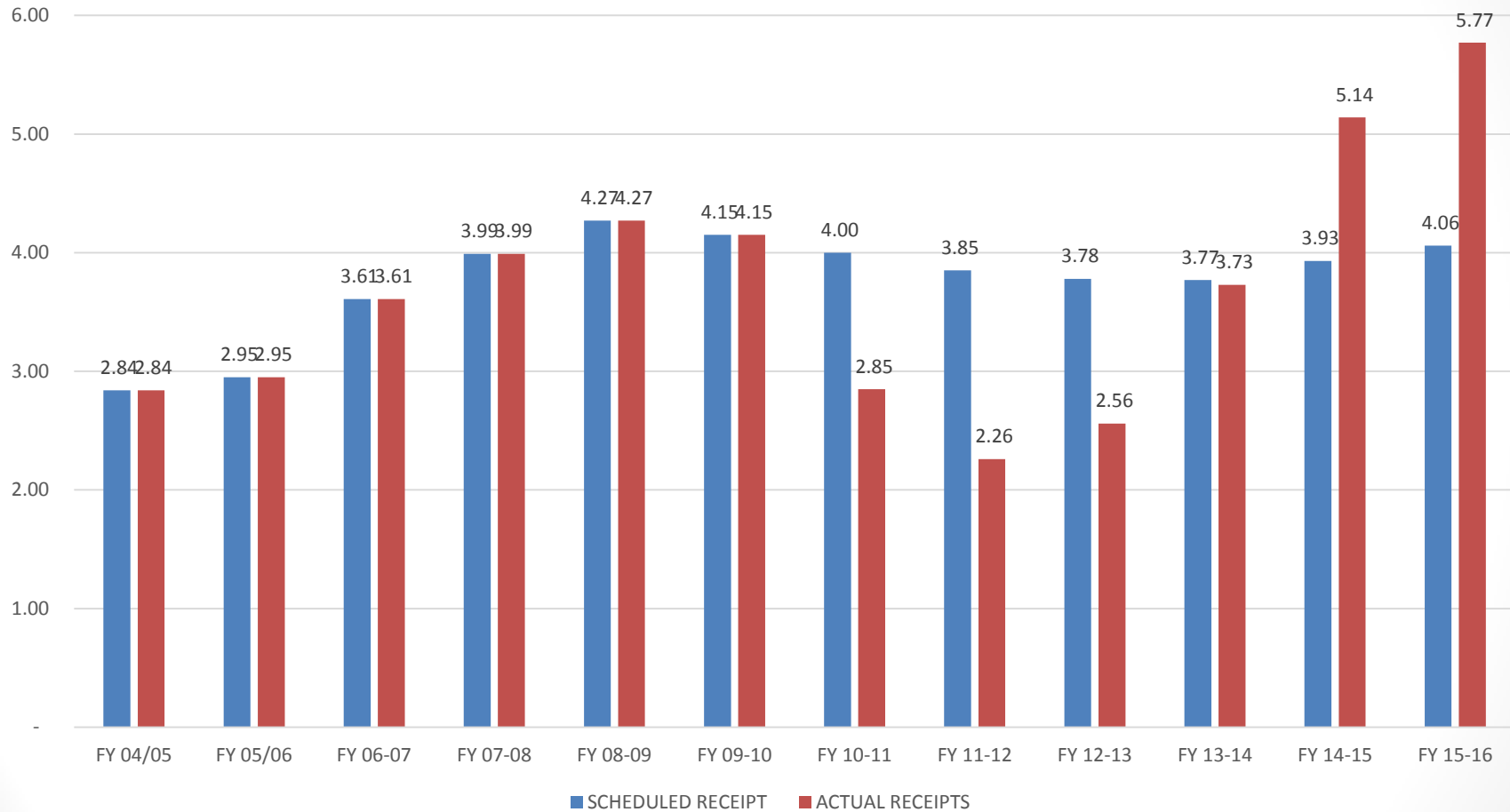


Sales Tax Percentage Change From Prior Year



Vehicle License Fees

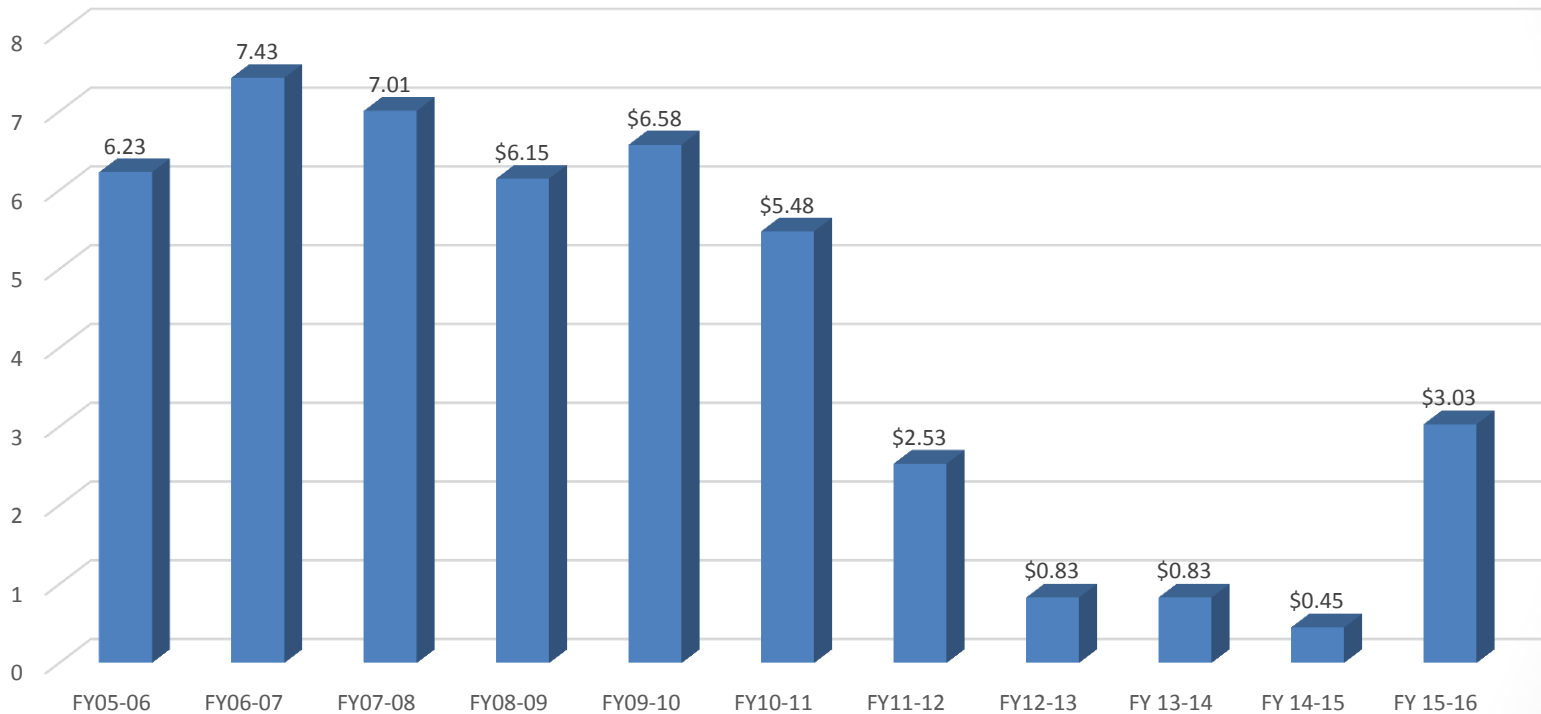
Property Tax in Lieu of VEHICLE LICENSE FEES in millions



Scheduled receipts are what we should have received during the year. Actual receipts are what we received during years when the school claimed “basic aid”, and subsequently when we were “made whole” by the state. In 14/15 & 15/16, payments from the state for prior year’s deficiencies were considered “one time” revenues.

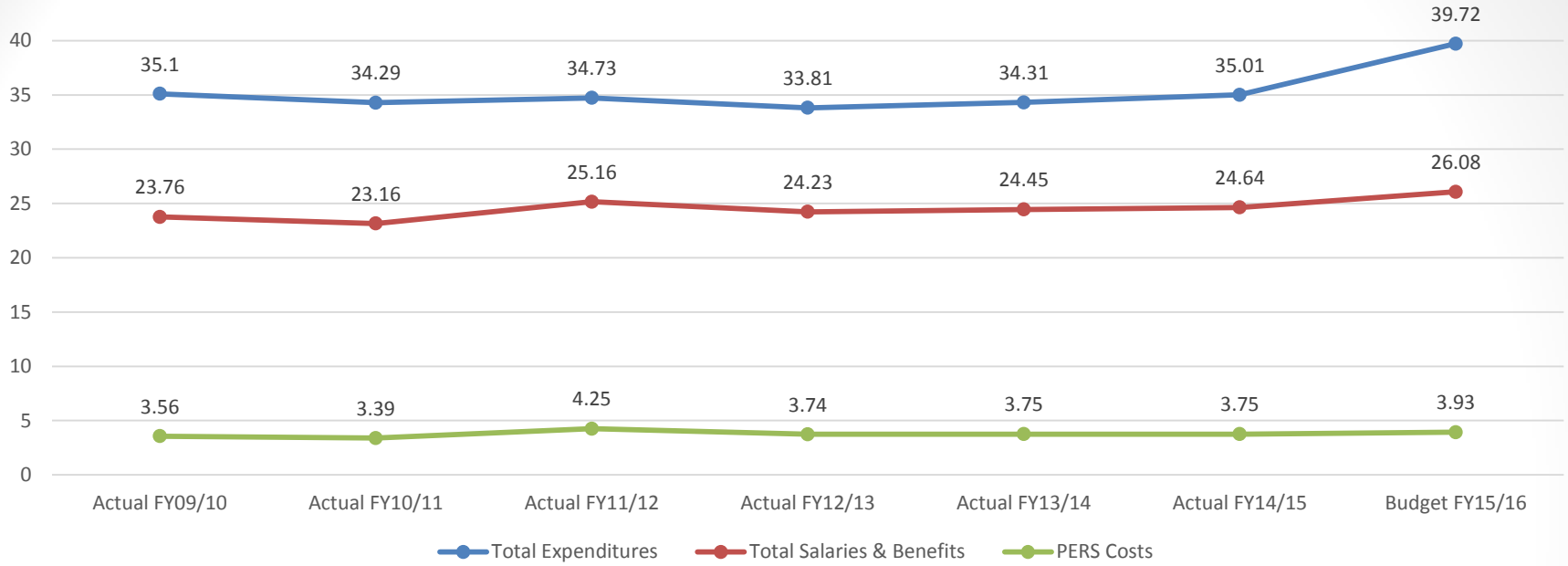
General Fund-Fund Balance Carry Over (Unreserved – excluding contingencies)

Dollars (in millions)

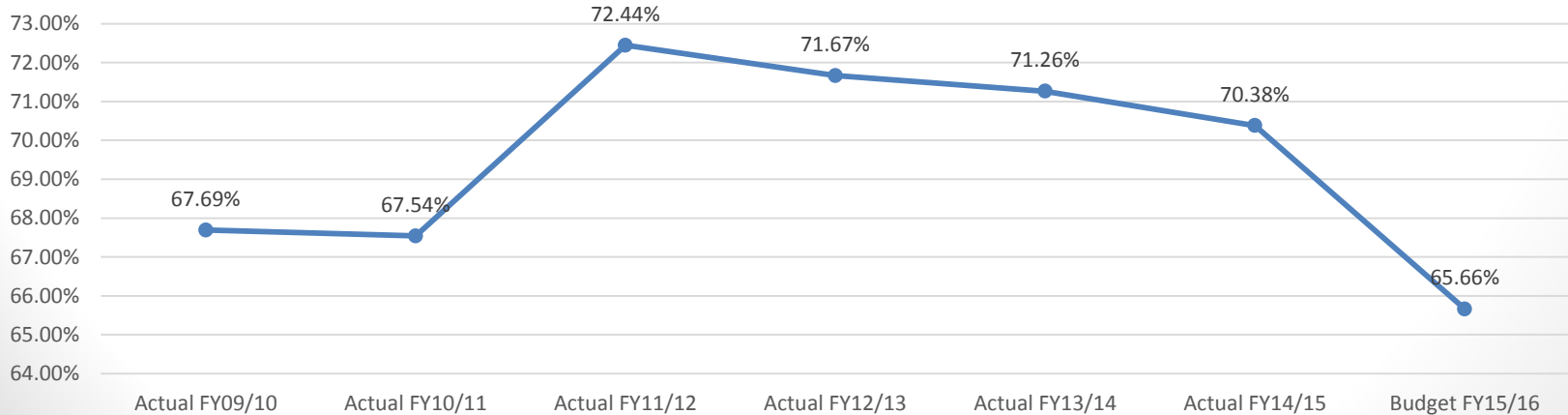


Fiscal Year 15-16 fund balance carryover of 3.03 million included 1.1 million in one time revenues and 1 million in unspent contingencies.

General Fund Total Expenditures, Salaries & Benefits, and PERS Costs (in millions)



General Fund Salaries & Benefits as a % of Total Expenditures



WHAT HAS HAPPENED WITH REVENUES IN 15/16?

- Of the \$3.03M Fund Balance Carry Over, \$99K was unspent contingency, \$1.1 million were one time revenues reserved for one time expenditures, leaving \$94K of unreserved revenue to go towards fund the 15/16 budget
- One time revenues have all come in as budgeted
- Year end revenues are expected to be \$200K less than budgeted. The revenue shortfalls are “pass through” revenues, which result in decreased expenses going to other funds.

WHAT HAS HAPPENED WITH EXPENDITURES IN 15/16?

- Expenditure Changes
 - 15/16 Wage increases for SEIU, Management, Mid-Management, Confidential, DSA, SOA, SOMMU and Elected are estimated at \$446K for General Fund and \$150K for all other funds. Not all labor contracts have been agreed to and ratified as of this date.
- Year End Budgeted Expenditures (not including wage increases) are estimated to be 1.4M lower than budgeted, of which \$800K is unspent contingencies.
- \$1.4M decrease in expenditures, less \$200K decrease in revenues equals the \$1.2M fund balance carryover to FY16/17.
- \$200k taken out of Contingencies – must be replenished

How are we going to fund the wage increases in 15/16?

- Wage increases for FY15/16 are estimated to be \$466K
- Actual amount won't be known until all bargaining groups have reached wage & benefit agreements (will be pretty close)
- Some possible ways to fund the wage increases:
 - Increase use of Teeter funds (Excess Tax Loss Reserves)
 - Reallocating some of the approved one time expenditures for FY15/16 (OPEB, Capital Improvement Projects or Public Works)
 - Contingencies

2016/17 Revenue Assumptions

- Fund Balance carry over estimated to be at \$1.22 million (\$1.81 million less than in 15/16)
 - Property Taxes estimated to increase by 3%
 - Results in increased revenue of about \$445,186
- Property Taxes in Lieu of Vehicle License Fees estimated to increase by 3%
 - Estimated increase of \$120,120
- Sales Tax Expected to grow at 2.5%
 - Results in increase of \$73,838
- Other discretionary general fund revenues estimated to increase by \$77K
- Prop 172 (sales tax) estimated to increase by 2.5%
 - Total estimated increase of \$53,679 - department specific
- New revenues are estimated to be slightly higher than last year (without the one time revenues), and the fund balance carry over to be lower, resulting in total available financing to be \$247K less than last year.

2016/17 Expenditure Assumptions

- Wage Increases estimated at \$1.01M for general fund, \$400K for all other funds
- PERS Increases estimated at \$350K
- Health Insurance costs are budgeted for an increase of 5% on 1/1/17, approximately \$70K
- Projecting Workers Compensation charges to departments to increase by 7%, approximately \$40K
- Contingency set at \$1M (2.7%)
- Total expenditures expected to be \$1.16M higher than last year (savings from voluntary reduced work week schedule are included)

Fund Balance Carry Over Detail (in millions)

Fund Balance Carry Over FY14/15 - Actual

One Time Revenues	1.10
Contingencies (unspent)	0.99
Expenditures (actual came in under budget)	0.48
Revenues (actual came in over budget)	0.46
Total Fund Balance Carry Over	3.03

Fund Balance Carry Over FY 15/16 - Estimated

Contingencies (unspent)	0.80
Expenditures (actual coming in under budget)	0.60
Revenues (actual coming in under budget)	(0.19)
Total Fund Balance Carry Over	1.21

Schedule 1 Comparison (in millions)

Budget 15/16	Fund Balance Unreserved	Additional Financing Sources	Total Financing	Expenditures	Out of Balance
Adopted Budget	\$3.03	\$36.69	\$39.72	\$39.72	\$0.00
One Time Revenues	\$1.10	\$1.83	\$2.93	\$2.93	\$0.00
Operating Budget	\$1.93	\$34.86	\$36.79	\$36.79	\$0.00
Budget 16/17	Fund Balance Unreserved	Additional Financing Sources	Total Financing	Expenditures	Out of Balance
Preliminary Budget	\$1.22	\$35.32	\$36.54	\$37.95	(\$1.41)
Change in Operating	(\$0.71)	\$0.46	(\$0.25)	\$1.16	(\$1.41)

The above schedule shows the change from last year to this year, taking out the one time revenues and expenditures in FY15/16. While new revenues are up by \$460K, our available fund balance carry over is down by \$714K, resulting in \$250K less in total financing. Adding to that the increase in expenditures of 1.16M, leaves us with the 1.41M deficit.

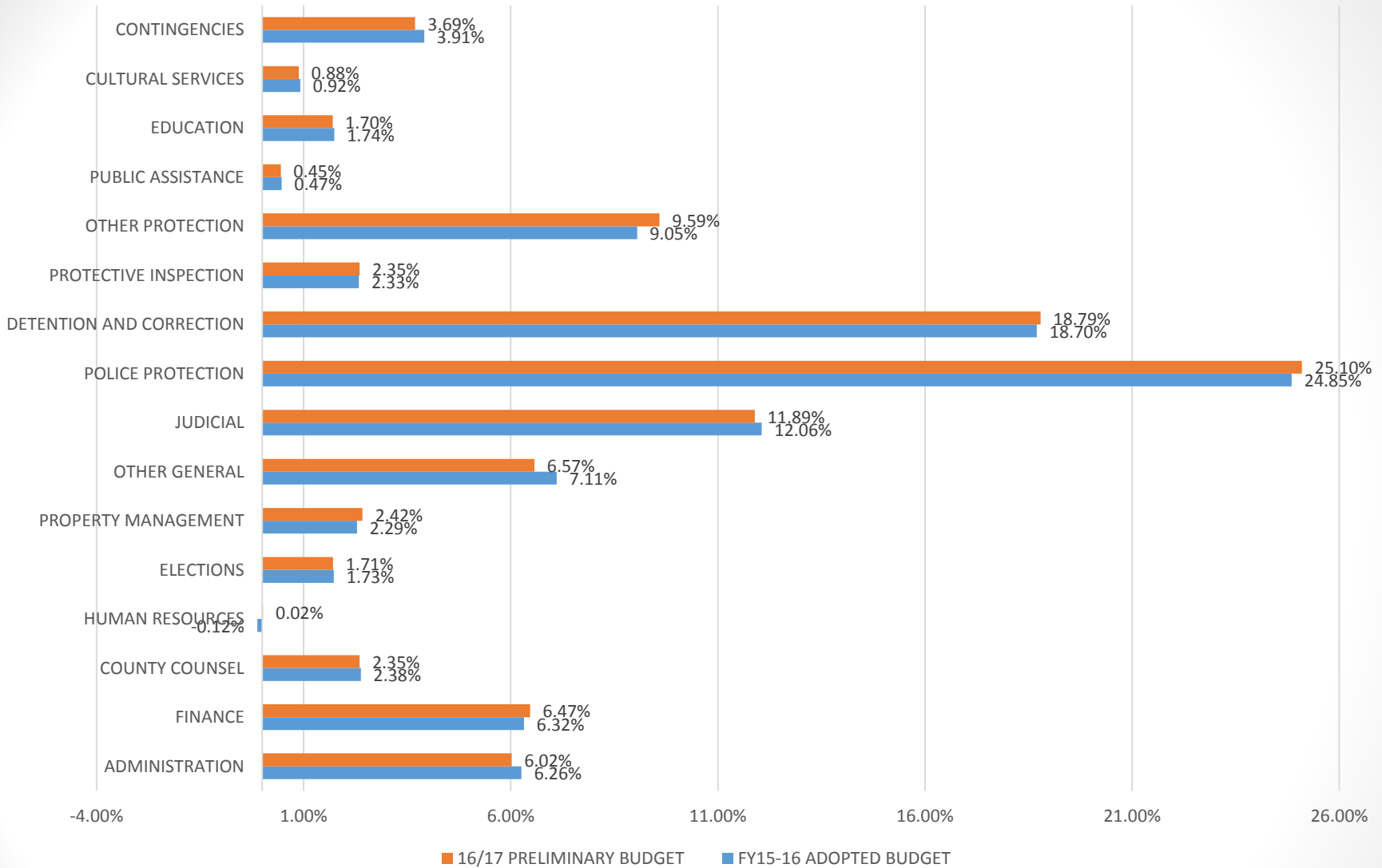
16/17 Budget Deficit

- Deficit currently sits at \$1.4 million
- Multiple ways to address this deficit:
 - Assign cuts to departments based on prorated share of General Fund dollars before self-generated revenues are considered (i.e. if a department gets 5% of the General Fund, it is assigned 5% of the deficit).
 - Keep the General Fund contribution at the same level as 15/16 and have each department manage its own increases in costs or decreases in revenues.

16/17 Budget Deficit

- Over the past six years of cuts, there are not a great deal of non-essential expenditures.
- Departments will be expected to return to the BOS with balanced budgets and what changes were made in order to achieve the balance. Proposed changes to levels of service will be identified.
- I will bring back the list of cuts, along with other opportunities for reductions in non-essential functions. BOS will evaluate the cuts and decide whether to accept or choose alternate cuts or revenue options.

15/16 AND 16/17 GENERAL FUND DISCRETIONARY REVENUE USAGE COMPARISON



The above chart shows the amount of discretionary general fund revenue used in each major category. One time revenues/expenditures were excluded from 15/16 for a more accurate comparison.

GENERAL FUND

REVENUE AND EXPENDITURE COMPARISON

07/08 AND 16/17

(in millions)

FISCAL YEAR	07/08		16/17		DOLLAR CHANGE
REVENUE					
FUND BALANCE C/O	\$7.01		\$1.22		(\$5.79)
REVENUES	\$39.78		\$35.32		(\$4.46)
AVAILABLE FINANCING	\$46.79		\$36.54		(\$10.25)
EXPENDITURES					
		% OF EXP		% OF EXP	
SALARIES	\$16.44	42.56%	\$18.34	48.33%	\$1.90
PERS	\$3.58	9.27%	\$4.31	11.36%	\$0.73
GROUP INSURANCE	\$2.51	6.50%	\$2.91	7.67%	\$0.40
ALL OTHER BENEFITS	\$1.51	3.91%	\$1.36	3.58%	(\$0.15)
TOTAL SALARIES AND BENEFITS	\$24.04	62.23%	\$26.93	70.96%	\$2.89
ALL OTHER EXPENSES	\$14.59	37.77%	\$11.02	29.04%	(\$3.57)
EMPLOYEES	284		240		
TOTAL EXPENDITURES	\$38.63	100.00%	\$37.95	100.00%	(\$0.68)

FY16-17 Budget Calendar:

- ❖ **Mar 18 – Budgets go to Departments**
- ❖ **April 8 – Budgets Submittals Due**
- ❖ **April 18-22 – CAO/Department Head Meetings**
- ❖ **Week of May 2 – Budget Workshop**
- ❖ **Week of May 16 – Second Budget Workshop if needed**
- ❖ **June 14 – Board Budget Hearing**

Questions?