

Attachment F

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ATTACHMENT A
June 1-2, 2016 Budget Hearings
Board of Supervisors Modifications to the Fiscal Year 2016-17 Recommended Budget

The items listed below were directed by the Board of Supervisors (Board) as modifications to the Fiscal Year (FY) 2016-17 Recommended Budget during the June 1-2, 2016 Budget Hearings.

1. Reduce general fund appropriations by \$4,987,733 and general fund revenues by \$1,062,366 as displayed in Exhibit 2 to reflect Board direction to find an alternative financing method for the Enterprise Resource Planning (ERP) Project, thereby relieving general fund departments from paying ERP charges next fiscal year.
2. Decrease appropriations by \$1,556,517 in General Fund Contingencies (CAO020-001-1050-8034) to help fund Board-directed budget modifications, thereby reducing the appropriation for contingencies from a recommended amount of \$6,228,786 to an adopted amount of \$4,672,000.

The alternative financing for the ERP Project and use of the contingencies appropriation makes available \$5,511,847 to fund additional augmentations as directed by the Board during the June 1st and June 2nd Budget Hearings as follows in items A through N:

- A. Increase appropriations by \$163,000 in the County Administrative Office, Intergovernmental and Legislative Affairs (CAO004-001-1050-8054) to fully fund the following contracts:
 - i. \$35,860 for Nossaman LLP to continue and expand the Strategic Grant Services Program;
 - ii. \$55,420 for Nossaman LLP for federal legislative advocacy;
 - iii. \$63,570 for Nossaman LLP for State legislative advocacy; and
 - iv. \$8,150 for Management Partners for facilitation of the Board of Supervisors workshop.
- B. Increase appropriations by \$929,000 in the County Administrative Office (CAO017-001-1050-8038) to make an operating transfer from the general fund to the Water Resources Agency for the Interlake Tunnel and Spillway Modification Project.
- C. Decrease appropriations by \$1,148,307 in the Sheriff's Office (SHE001-2300-8250) and the County Administrative Office (CAO026-1050-8453) to defer the re-payment to the Vehicle Asset Management Program for patrol vehicles purchased in FY 2015-16, and cancel the planned usage of unassigned fund balance for this re-payment.
- D. Increase appropriations by \$758,363 in the Resource Management Agency (RMA001-001-3000-8172) to fund the completion of the Salinas Valley Basin Study (\$565,000) and support fire plan review and fuel mitigation services (\$193,363).
- E. Increase appropriations and revenue (operating transfer in) by \$150,000 for the Resource Management Agency Facilities Master Plan Projects Fund (RMA015-404-3000-8174) for consulting and permitting costs associated with the Carmel Lagoon (EPB/SRPS), and

increase appropriations by \$150,000 in CAO017-001-1050-8038 to make the operating transfer from General Fund to the Facilities Master Plan Projects Fund.

- F. Increase appropriations by \$393,377 for the Resource Management Agency, including \$195,090 to restore funding for the vacant Director of Building (RMA011-001-3000-8170) and \$198,287 to restore funding for the vacant Deputy Director of Resource Management Agency (RMA013-001-3000-8222).
- G. Increase appropriations and revenue by \$200,000 for the Resource Management Agency Road Fund (RMA012-002-3000-8443) for Carmel Lagoon sandbar management and flood prevention, and increase appropriations by \$200,000 in CAO017-001-1050-8038 to make the operating transfer from General Fund to the Road Fund.
- H. Increase appropriations by \$182,178 for the Sheriff's Office (SHE001-001-2300-8245) for two Forensic Evidence Technician positions.
- I. Increase appropriations by \$240,929 for the District Attorney's Office (DIS001-001-2240-8063) for two new Legal Secretaries, one new Legal Assistant and one new Legal Typist.
- J. Increase appropriations by \$20,000 for the Parks Department (PAR001-001-7500-8147) for road maintenance work at Manzanita Park.
- K. Increase appropriations by \$850,000 and increase revenues by \$550,000 (operating transfer in from the General Fund) for the Parks Department – Lake Resorts (PAR004-452-7500-8385) to restore funding for the concessionaire agreement and reinstate a County Park Ranger II, a County Park Ranger III, and an Office Assistant II, and increase appropriations by \$550,000 in CAO017-001-1050-8038 to reflect the operating transfer from General Fund to the Lakes Resorts Fund, with the balance of \$300,000 sourced by year-end fund balance resulting from contributions from the Agricultural Commissioner for activities related to quagga mussel prevention.
- L. Increase appropriations and revenue by \$125,000 for the Resource Management Agency Facilities Maintenance Projects Fund (RMA004-401-3000-8184) to fund the formation of the Toro Community Services District, and increase appropriations by \$125,000 in CAO017-001-1050-8038 to make the operating transfer from General Fund to the Facilities Maintenance Projects Fund to cover this cost.
- M. Increase appropriations and revenue by \$100,000 for the Resource Management Agency Facilities Master Plan Projects Fund (RMA015-404-3000-8174) for the preparation of environmental documents associated with the Carmel River Causeway Project (CRFREE), and increase appropriations by \$100,000 in CAO017-001-1050-8038 to make the operating transfer from the General Fund to the Facilities Master Plan Projects Fund to cover this cost.
- N. Increase appropriations and revenues by \$1,700,000 for the Resource Management Agency Road Fund (RMA012-002-3000-8195) to fund four road projects including:
 - i. Carpenter St. Highway 1 to Via Mar Monte (\$250,000);
 - ii. Inter-Garrison Rd. from Schoonover Rd. to East Garrison Development (\$400,000);
 - iii. Jolon Rd. from Highway 101 to Pine Canyon Rd. (\$700,000); and

iv. Pajaro St from Merritt St (Highway 183) to Geil St (\$350,000).

Increase appropriations in CAO017-001-1050-8038 by \$1,700,000 to make the operating transfer from the General Fund to the Road Fund to fund these four projects.

3. Decrease appropriations by \$129,963 in the Economic Development Department's Development Set-Aside program (DEO019-001-1070-8043) to cap County contributions at the FY 2015-16 level and increase appropriations by \$100,000 in the Economic Development Department's administration unit (DEO001-001-1070-8221).
4. In addition to the above modifications, the following actions are recommended to implement the alternative financing of the ERP:
 - A. Establish a new internal service fund (ISF) to track, maintain, and replace capital assets
 - B. Establish within the new ISF two sub-funds: a sub-fund for vehicle replacement and a sub-fund for Information Technology Resource Planning, each with its respective appropriation and organizational unit.
 - C. Transfer all funds from the current general fund assignments 3116 (vehicle replacement) into the vehicle replacement sub-fund within the new ISF.
 - D. Transfer all funds from the current general fund assignment 3122 (NGEN) and the assigned \$2,000,000 from 3123 (capital projects "ERP") into the Information Technology Resource Planning sub-fund within the new ISF.
 - E. Authorize the Auditor-Controller to transfer all financing uses and financing sources from the ERP Fund (Fund 403-AUD006) to the new ISF sub-fund for ERP.
 - F. Authorize the Auditor-Controller and the fund manager (County Administrative Office) to apply the previous allocation methodologies within the ISF for the enterprise and vehicle replacement funds through reimbursement, charges for services and Board of Supervisor policy.
 - G. Decrease appropriations and estimated revenue by \$5,076,589 in the Auditor-Controller (AUD006-403-1110-8006) Enterprise Resource Planning (ERP) Fund to reflect the alternative financing of the ERP Upgrade.
 - H. Authorize closing Fund 403-AUD006 once deemed appropriate.
 - I. Authorize a recorded not to exceed 36-month loan with interest from the VRF sub-fund to the ERP sub-fund of the newly created ISF to fund the ERP upgrade, where interest will be accrued to be paid back from ERP to the VRP sub-fund and the loan document is created as a backup on the terms and conditions, which are to include the necessary clauses to be in compliance with OMB A-87 circular.

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