



Monterey County

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Board Report

Legistar File Number: RES 17-094

June 27, 2017

Introduced: 6/16/2017

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Resolution

Consider adopting a Resolution approving the Fiscal Year (FY) 2017-18 Budget for the County of Monterey, incorporating the FY 2017-18 Recommended Budget and additional modifications directed by the Board at the June 5-6, 2017 Budget Hearings (4/5ths Vote Required).

RECOMMENDATION:

Consider adopting a resolution approving the Fiscal Year (FY) 2017-18 Budget for the County of Monterey, incorporating the FY 2017-18 Recommended Budget and additional modifications directed by the Board at the June 5-6, 2017 Budget Hearings (4/5ths Vote Required).

SUMMARY:

The County Administrative Office (CAO) presented the FY 2017-18 Recommended Budget to the Board of Supervisors (Board) at Budget Hearings on June 5, 2017. The Board approved a number of modifications and directed staff to incorporate related changes in the budget for adoption on June 27, 2017. Budget Hearing modifications directed by the Board are detailed in Attachment A and Exhibit 1. During Budget Hearings, the Board directed additional follow-up for several pending budgetary issues. Specific referrals and anticipated dates of response back to the Board are detailed in Attachment B.

DISCUSSION:

The FY 2017-18 Budget for all funds governed by the Board of Supervisors and the Board of Supervisors acting as the Board of Directors of individual special districts and successor agencies totals \$1,483,087,021. Total financing includes use of fund balance of \$68,011,337 and \$1,415,075,684 in revenues. Monterey County's FY 2017-18 Adopted Budget provides for 5,316.9 full-time equivalent (FTE) positions (Exhibit 1). The Board of Supervisors Acting as the Boards of Directors of individual special districts and successor agencies will consider related budgets, included in above totals, for adoption during individually convened hearings on June 27, 2017 as appropriate.

General Fund appropriations total \$679,756,053, offset by use of fund balance of \$42,860,204 and \$636,895,849 in revenues. The General Fund budget provides for 3,473.6 FTE.

Adopted Budget details are included in the FY 2017-18 Recommended Budget presented to the Board and to the public at Budget Hearings on June 5-6, 2017, and Board directed modifications listed in Attachment A and Exhibit 1 to the Resolution of Adoption.

The FY 2017-18 Adopted Budget includes \$3.5 million in modifications as directed by the Board during the Budget Hearings. Of the \$3.5 million, \$2.8 will be financed by the appropriation for contingencies and \$0.7 million will be sourced from an increase in state and federal aid for the positions added in the Department of Social Services.

The County Administrative Office recognizes that adoption of the State's FY 2017-18 Budget could impact County operations. Staff closely monitors the County's revenue and expenditure conditions to identify emerging issues and potential impacts that may require additional Board action. The County Administrative Office will return to the Board to address State budget and local issues and make recommendations as necessary to maintain a balanced budget throughout the fiscal year.

OTHER AGENCY INVOLVEMENT:

All County departments and agencies participate in development of the annual budget. At the close of Budget Hearings on June 6, 2017, staff in the CAO, Auditor-Controller's Office, and Human Resources Department initiated collaborative efforts to ensure that all components of the County's FY 2017-18 Adopted Budget are programmed in the budget, payroll, accounting, and human resources position tracking systems for accurate and timely implementation on July 1st of the new fiscal year.

FINANCING:

The FY 2017-18 Adopted Budget reflects the FY 2017-18 Recommended Budget and changes directed by the Board during Budget Hearings on June 5-6, 2017. The FY 2017-18 Budget is balanced and meets all requirements for adoption and implementation effective July 1, 2017.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The recommendation to approve the FY 2017-18 Budget for the County of Monterey is consistent with the Board of Supervisors' Strategic Initiative for Administration. The FY 2017-18 Budget for the County of Monterey represents a balanced budget that sustains core services and efficiently allocates resources.

Check the related Board of Supervisors Strategic Initiatives:

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

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Attachments:

1. FY 2017-18 Adopted Budget Resolution
2. Attachment A: Additions and revisions to the FY 2017-18 Recommended Budget as directed by the Board of Supervisors during the June 5-6, 2017 Budget Hearings
3. Exhibit 1: FY 2017-18 Adopted Budget Countywide Position Summary
4. Attachment B: Board-directed follow-up and pending Budget issues