

MARIPOSA COUNTY  
BOARD OF SUPERVISORS

AGENDA  
ACTION FORM

Cont. 7/19/94  
DATE: July 11, 1994  
AGENDA ITEM NO.: 5

DEPARTMENT: Administration BY: Mike Coffield PHONE: 966-3222  
County Administrative Officer

- RECOMMENDED ACTION AND JUSTIFICATION:** (Policy Item: Yes \_\_\_ No \_\_\_)
1. Recommendation to Revise and/or Adopt the 1994/95 Proposed Budget; set the time for public hearings and budget deliberations; and consider and give direction for areas to be considered for program reductions.
  2. Adopt the attached Resolution of the Board of Supervisors Extending Dates and Time Periods Relating to the 1994/95 County Budget. The dates specified are not the dates recommended, but rather are the latest dates allowable in the Budget Act for the various milestones of the budget process.

The attached memorandum outlines the recommendations of the Administrative Officer, summarized above.

**BACKGROUND AND HISTORY OF BOARD ACTIONS:**

The County Administrative Officer regularly addresses the issues of the budget and makes recommendations to the Board. The Board normally adopts a proposed budget each fiscal year, and has annually set the time for public hearings and directed departments in the administration of budgets prior to adoption of the final fiscal year budget.

This action is in compliance with the Budget Act.

**LIST ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:**

1. The Board may select a number of alternatives in the recommendation of the attached memorandum.

**COSTS:** (x) Not Applicable

A. Budgeted current FY \$ \_\_\_\_\_

B. Total anticipated costs \$ \_\_\_\_\_

C. Required additional funding \$ \_\_\_\_\_

D. Internal transfers \$ \_\_\_\_\_

**SOURCE:** ( ) 4/5ths Vote Required

A. Unanticipated revenues \$ \_\_\_\_\_

B. Reserve for contingencies \$ \_\_\_\_\_

C. Source description: \_\_\_\_\_

Balance in Reserve for Contingencies, if approved: \$ \_\_\_\_\_

**SPECIAL INSTRUCTIONS:**  
List the attachments and number the pages consecutively:

Recommendation of Administrative Officer \_\_\_\_\_

Draft Public Hearing Schedule \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**CLERK'S USE ONLY:**

Res. No.: 94-304 Ord. No. \_\_\_\_\_

Vote - Ayes: 5 Noes: \_\_\_\_\_

Absent: \_\_\_\_\_ Abstained: \_\_\_\_\_

( ) Approved ( ) Denied

Minute Order Attached ( ) No Action Necessary

The foregoing instrument is a correct copy of the original on file in this office.

Date: \_\_\_\_\_

ATTEST: MARGIE WILLIAMS, Clerk of the Board  
County of Mariposa, State of California

By: \_\_\_\_\_  
Deputy

**ADMINISTRATIVE OFFICER'S RECOMMENDATION:**  
This item on agenda as:

Recommended

Not Recommended

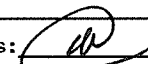
For Policy Determination

Submitted with Comment

Returned for Further Action

Comment: \_\_\_\_\_

\_\_\_\_\_

A.O. Initials: 

**RESOLUTION OF THE BOARD OF SUPERVISORS  
EXTENDING DATES AND TIME PERIODS RELATING  
TO THE 1994/95 COUNTY BUDGET**

**WHEREAS**, Chapter 134 of the Statutes of 1990, an urgency statute approved by the Governor and filed by the Secretary of State on June 12, 1990, permits the Board of Supervisors by resolution to extend the dates and time periods relating to the County Budget; and

**WHEREAS**, the Mariposa County Board of Supervisors deems it appropriate to extend the dates and time periods relating to the County's 1994/95 budget hearings and proceedings because of the delay in adoption of and major program realignments imposed by the State budget;

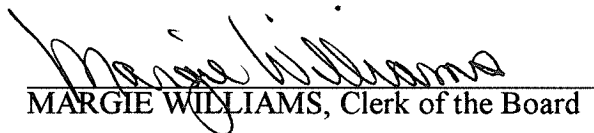
**NOW THEREFORE BE IT RESOLVED, ORDERED AND DETERMINED** that:

1. The August 10 date specified in Government Code Section 29066, relating to noticing the availability of the proposed budget and the date of public hearings, is extended to September 8;
2. The August 20 date specified in Government Code Section 29080, relating to the date for public hearings, is extended to September 18;
3. The August 30 date specified in Government Code Section 29088, relating to the date for public hearings, is extended to October 2;
4. The November 1 date specified in Government Code Section 29093, relating to the date for the auditor to file a copy of the budget with the Clerk of the Board and the State Controller, is extended to December 1.
5. The November 1 date specified in Government Code Section 29100.6, relating to the date the county auditor must file with the Controller a statement of amounts of exempt values, is extended to December 1.
6. The November 1 date specified in Government Code Section 29109, relating to the date the auditor shall forward to the Controller a statement of the rates of taxation is extended to December 1.

**PASSED AND ADOPTED** by the Mariposa County Board of Supervisors, a political subdivision of the State of California, this 19 day of July, 1994.

  
ARTHUR G. BAGGETT, JR., Chair  
Mariposa County Board of Supervisors

ATTEST:

  
MARGIE WILLIAMS, Clerk of the Board

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

  
JEFFREY G. GREEN, County Counsel

MARIPOSA COUNTY BOARD OF SUPERVISORS

MINUTE ORDER

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TO: MIKE COFFIELD, County Administrative Officer  
FROM: JANET BIBBY, Deputy Clerk of the Board J.B.  
SUBJECT: 1994/95 Proposed Budget  
Resolution Number 94-304

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THE BOARD OF SUPERVISORS OF MARIPOSA COUNTY, CALIFORNIA,  
ADOPTED THIS Order on July 19, 1994

ACTION AND VOTE:

**9:30 a.m.** Recommendation to Revise and/or Adopt the 1994/95 Proposed Budget; Set the Time for Public Hearings and Budget Deliberations; and Consider and Give Direction for Areas to be Considered for Program Reductions; and Adopt Resolution of the Board of Supervisors Extending Dates and Time Periods Relating to the 1994/95 County Budget (Continued from 7/11/94) (County Administrative Officer)

**BOARD ACTION:** County Administrative Officer provided a summary and overview of 1994/95 Proposed Budget. Discussion regarding reductions to county departments and contributions to the Worker's Compensation Fund. County Counsel advised the Board that the alternatives explored in the past concerning Worker's Compensation were found to be more expensive than the current process. County Administrative Officer indicated that additional information concerning revenue amounts will be available by budget deliberations in September. Further discussion regarding areas for review and consideration during budget deliberations (September 6 - 13, 1994) are as follows: Review positions created within the last five years and create a chart allowing a comparison of position costs, versus off-setting revenues; explore the options of early retirement/golden-hand-shake for employees; enhancements to the animal control program, license fees, returning program to the Sheriff's Department, and labeling this item as a priority; vehicle maintenance costs, versus efficiency; prioritizing Catheys Valley TPA Planning Advisory Committee; maintenance of county roads and adding frequently traveled roads not currently county maintained; advantages or disadvantages concerning take-home vehicles; funding for a detective position within the Sheriff's Department and a Deputy District Attorney position within the District Attorney's Office; reducing Chamber contract

MINUTE ORDER  
July 19, 1994  
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allocation by 50% and creating a new unallocated line item with the difference; transferring fire-dispatch from the California Department of Forestry to the Sheriff's Department; continuing dues for the California State Association of Counties, Water Agency, and Golden Chain; obtaining extra patrol efforts by the Sheriff's Department during the snow season in the Fish Camp area; reviewing the Space Needs Committee and the utilization of existing office space by installing dividers, rather than renovating offices; and the possibility of contributing \$150,000 to the Worker's Compensation Fund. Board concurred that no new positions or vacant positions are to be filled and no fixed assets are to be purchased without permission by the Board effective immediately, until further notice. Board provided clarification to County Counsel that positions approved prior to this discussion will not be affected. (M) Parker, (S) Erickson, Res. 94-304 adopted approving 1994/95 Proposed Budget and extending dates and time periods relating to the 1994/95 County Budget. Motion included direction to County Administrative Officer to amend Proposed Budget, reducing Chamber contract allocation by 50% and creating a new unallocated line item for the difference/Ayes: Unanimous.

cc: All Departments  
Board of Supervisors  
File

# Mariposa County Board of Supervisors

District 1 ..... ARTHUR G. BAGGETT, JR.  
District 2 ..... DOUG BALMAIN  
District 3 ..... ERIC J. ERICKSON  
District 4 ..... GARRY R. PARKER  
District 5 ..... GERTRUDE R. TABER



MIKE COFFIELD  
County Administrative Officer

MARGIE WILLIAMS  
Clerk of the Board

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July 11, 1994

To: Board of Supervisors

From: Mike Coffield   
County Administrative Officer

## 1994-95 Proposed Budget

**OVERVIEW** - Mariposa County general purpose revenues, through which all programs having a "net county cost" are funded, are projected to decline by 5.23% (over \$550,000) in 1994-95. Although projections made in the Mid-Year Budget Report and Budget Outlook Report were reasonable in light of revenue trends through the winter, tourist-related revenues have declined below expectations during the spring. As of this writing, the State Budget is deadlocked, and although we estimate that it will be no more than two weeks late, no one is prepared to guess how the \$1 billion dollars to be shifted from local governments will be allocated. In light of this, it is my

## Recommendation that the Board

1. Revise as desired, and then pursuant to Government Code Section 29063, adopt the attached resolution adopting the Proposed Budget as the County's spending plan until the Final Budget is adopted,
2. Adopt the attached resolution extending the dates for Budget Deliberations from August 15 - 25 to September 12 - 23,
3. Discuss, and if desired, provide direction to staff on suggested areas to be considered for Program reductions during Budget Deliberations.

**State budget status** - The Budget Conference Committee's strategy for local government reductions appears to be to reduce SB-910 revenues and SB-855 revenues, to implement the \$500 million "correction" to last year's shift from counties to the State via the Education Relief Augmentation Fund (ERAF), and to charge counties for California Youth Authority commitments. Three options are under discussion for Trial Court Funding, two of which will reduce our allocation by 65% (\$260,000).



Mariposa County has not yet joined the SB-910 program (case management reimbursement for Medi-Cal related administration), SB-855 applies only to counties with county hospitals, Mariposa calculated the property tax shift correctly according to the Department of Finance, so our exposure to State reductions under this scenario would be for CYA commitments (\$35,000/yr.), and Trial Court Funding. However, you will recall that the ultimate budget solution last year bore little resemblance to the Conference Committee recommendations; we will continue to follow closely the deliberations of the "Big Five" who are charged with breaking the deadlock, Governor Pete Wilson, Speaker Willie Brown, Assembly Minority Leader Jim Brulte, Senate President Pro Tem Bill Lockyer, and Senate Minority Leader Ken Maddy. Final action to deal with both the downturn in local revenues and State reductions will be taken during Budget Deliberations.

**BUDGET PROCESS** - The Budget Outlook Report was heard by the Board on April 26, 1994. The Board approved the recommendations in the report and authorized the issuance of Budget Instructions to the departments, which called for Baseline Requests to be returned by May 16, 1994, and Program Adjustments to be returned by May 23, 1994. As recommended, the Proposed Budget consists of the Baseline Budget, as reduced in order to accommodate the general revenue shortfall, and following your Board's adoption today or next week, it will serve as the County's spending authority until adoption of the final budget.

**Baseline Development** - The first step in the Baseline process was to remove one-time revenues and expenditures (\$1,335,112) from the budget. Then, baseline additions and updated general revenues were included. After this step, the gap between ongoing program expenses and revenues was \$706,206. To close that gap, the following reductions to net county cost were made to the Baseline budget:

- \$ 50,000 - defer contribution to Accrued Benefits,
- \$ 400,000 - defer contribution to Worker's Compensation,
- \$ 225,684 - assume that a fund balance will be available at year's end for one-time items in Baseline,
- \$ 30,522 - reduce contribution to Data Processing Improvements to \$19,448.

These reductions are not recommended because they are unnecessary baseline items. They are recommended because they put no programs immediately at risk. They can be dealt with during Budget Deliberations when the full impact of State reductions will be known, and after the County's books are closed for 1993-94, which will establish final revenue figures for the prior year as well as the closing fund balance.

**Areas of concern.** There are many uncertainties regarding the Proposed Budget. Our Worker's Compensation loss experience requires a \$400,000 contribution to stay at the actuarially recommended level of \$1,000,000. While the County can defer one year of contribution, that will create significant pressure next year to address a growing deficit.

We have some major jury trials in the offing which will almost certainly require supplementing the budgets of both the prosecution and the defense from the Contingency Reserve. None of our justice system departments is budgeted for these extraordinary expenses. If the fund balance is insufficient to cover the anticipated \$225,684 in one-time expenses in Baseline, they will have to be covered by cuts in on-going programs. While deferring the contributions to Accrued Benefits and Data Processing is expedient, such reductions are not prudent long term choices. These areas are prime candidates for the allocation of any over-realized fund balance. Should the Board be unable to support any of these reductions, compensating cuts elsewhere in the budget are required.

**Program Adjustment requests** - There were 102 Program Adjustment Requests received totaling \$1,576,839. Many of these were revenue offset so the Net County Cost of all requests was \$586,044. In addition, there were additional requests for \$999,779 in Capital Improvement Projects. For lack of general revenues, few, if any, of these requests will be recommended during Deliberations. The table below summarizes the Proposed Budget, requested enhancements and total request by category of expense:

ACCOUNT	1993-94 ADOPTED	1994-95 PROPOSED	1994-95 BASELINE CHANGES	1994-95	1994-95
				PROGRAM ADJ. REQUESTS	TOTAL REQUEST
Salaries and Benefits	11,465,913	11,730,680	264,767	393,554	12,124,234
Services and Supplies	17,954,898	15,429,449	(2,525,449)	319,813	15,749,262
Other Charges	3,365,666	3,547,991	182,325	0	3,547,991
Fixed Assets	5,463,449	5,278,855	(184,594)	704,279	5,983,134
Contingency Reserve	535,670	437,830	(97,840)	54,656	492,486
Reserve Desig. - Gen'l Res.	390,195	423,116	32,921	54,537	477,653
Operating Transfers	2,004,427	1,701,956	(302,471)	50,000	1,751,956
<b>TOTAL EXPENSE</b>	<b>41,180,218</b>	<b>38,549,877</b>	<b>(2,630,341)</b>	<b>1,576,839</b>	<b>40,126,716</b>
Program Revenues	(23,941,129)	(21,012,104)	2,929,025	(990,795)	(22,002,899)
General Purpose Revenues	(10,802,147)	(10,237,145)	565,002	0	(10,237,145)
Reserve Desig. Reductions	0	0	0	0	0
Fund Balance - Special Funds	(6,097,873)	(7,074,944)	(977,071)	0	(7,074,944)
Fund Balance - General Fund	(339,069)	(225,684)	113,385	0	(225,684)
<b>TOTAL REVENUE</b>	<b>(41,180,218)</b>	<b>(38,549,877)</b>	<b>2,630,341</b>	<b>(990,795)</b>	<b>(39,540,672)</b>
<b>TOTAL</b>				<b>586,044</b>	<b>586,044</b>

**Advertising Budget** - The Budget Guidelines directed that the Advertising Fund " . . . be budgeted at last year's level of appropriations . . . plus the same percentage increase assumed . . . for general purpose revenues", which was then 4.25%. We now project a 5.23% reduction in general purpose revenues, so the Advertising Budget was likewise

reduced to \$496,354. You will recall that to balance the 1993-94 budget, reductions of \$281,731 were necessary from the historic contribution level of 16.66% of the Transient Occupancy Tax (TOT). This left a contribution of \$384,584, which was augmented by a fund balance in the Advertising Fund of \$122,255 yielding an available budget of \$520,133. This year, that fund balance is exhausted. So even though the expenditure level was reduced by 5%, the contribution from TOT had to be increased by 22% up to \$485,354 to reach the required appropriation level. The Budget Guidelines also directed that full appropriation of 16.66% of TOT be reflected in the Advertising Budget. Had that allocation been made, it would have equaled \$750,000, and required \$265,000 more in program reductions from the Baseline Budget.

**STRATEGY FOR BUDGET DELIBERATIONS** - After determining the outcome of State budget negotiations, the County's fiscal status after our books close, and the impact of these on our spending capacity, staff intended to return to the Board the week of August 1, 1994, with recommended increases for the Board's consideration and reductions necessary to accommodate the funding losses. Since significant reductions appear in the offing, we now suggest that the Board postpone budget deliberations until mid-September to allow more time for the development of alternatives. Also, any discussion today of program priorities which the Board wants reflected in suggested reductions would be especially useful.

**Authorization to fill new positions/acquire new fixed assets.** There is one new position in the Baseline Budget pursuant to Board direction (Constable - Full time Animal Control Officer), however, it may not be filled until adoption of the Final Budget without prior Board approval, and no new fixed assets may be purchased. Due to the need to proceed immediately with Head Start implementation, your Board's authorization is requested to buy the related fixed assets in July. This program is fully revenue offset, so those purchases will not have any effect on the general fund reductions which may be required.

**Proposition 172 funding** - As directed in the Budget Guidelines, \$591,600 in estimated Proposition 172 funding has been allocated to the four "Public Safety" departments as follows:

District Attorney -	\$ 81,728
Sheriff -	\$407,738
Probation -	\$ 56,554
Fire Protection -	\$ 45,580

There are several pending pieces of legislation seeking to impose a "maintenance of effort" requirement on the allocation of Proposition 172 funds. Due to the high priority assigned by the Board to public safety in this County, none of these bills will pose a difficulty for us, but, one of them may suggest a different basis for allocating these funds, such as total net cost rather than total budget. If so, we will return to the Board during Budget Deliberations with a revised proposal.



**TRUST FUNDS** - There are 15 budget units carried in annual budget which are not operating budgets, but rather are trust funds or accumulated capital funds. The Auditor and I are reviewing the following budgets with the affected department heads, and during final deliberations we will make a recommendation on leaving the following budget units out of the annual budget. The units in question are Airport Development, Airport Taxiway, Closure/Post Closure Fund (Solid Waste), the Utility Capital Funds of Coulterville CSA, Don Pedro Sewer, Mariposa Parking, Mariposa Pines and Yosemite West Special Districts, the Pedestrian Bike Way Fund, the Probation and Sheriff STC Funds, Recorder's Micro-Conversion and Modernization Funds, the Senior Citizens Program Fund, the Tax Collector Costs Fund. We believe that putting each of these funds in the operating budget, including their full fund balances as if all of each of these budgets were going to be expended each year overstates the budget by \$600,000 on the one hand, and on the other hand, makes funds which were intended to accumulate for major expenses too accessible. In the past, the Auditor allowed expenditures directly from these funds, however, in the future, if expenditures of these funds are necessary, they will be brought into an appropriate operating budget as expenditures offset by revenue from the special fund. In that way, oversight by the Board and public accountability will be maintained without overstating the operating budget.