



General Government

Section C

Board of Supervisors members (from left) Larry Montna, Stan Cleveland, James Gallagher, Larry Munger, and Jim Whiteaker during a special Board of Supervisors meeting on the campus of East Nicolaus High School.

EXECUTIVE SUMMARY						
DEPT HEAD: TODD RETZLOFF	UNIT: ASSESSOR	FUND: GENERAL			0001 1-203	
		ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS		2,053,617	1,691,954	2,181,435	1,966,210	9.9-
SERVICES AND SUPPLIES		54,075	27,939	47,855	41,855	12.5-
OTHER CHARGES		210,927	90,211	267,269	172,558	35.4-
* GROSS BUDGET		2,318,619	1,810,104	2,496,559	2,180,623	12.7-
INTRAFUND TRANSFERS		35,996	34,355	37,450	37,556	.3
* NET BUDGET		2,354,615	1,844,459	2,534,009	2,218,179	12.5-
OTHER REVENUES						
USER PAY REVENUES		30,092	16,334	140,450	136,450	2.8-
GOVERNMENTAL REVENUES		0	0	0	0	.0
TOTAL OTHER REVENUES		30,092	16,334	140,450	136,450	2.8-
* UNREIMBURSED COSTS		2,324,523	1,828,125	2,393,559	2,081,729	13.0-
ALLOCATED POSITIONS		24.00	24.00	24.00	22.00	8.3-

Purpose

The County Assessor is charged with the annual responsibility of preparing the assessment rolls from which local property taxes are derived. As required by the State Constitution, the Assessor must locate, inventory, and value all taxable property in Sutter County.

- (\$10,251) Decrease in Extra Help expenses

Services & Supplies

- (\$2,500) Reduction in Transportation and Travel expenses
- (\$3,500) General net decrease in remaining services and supplies accounts

Major Budget changes

Other Charges

Salaries & Benefits

- (\$93,046) Decrease in Interfund Information Technology charges

- (\$116,291) Defund the vacant Assistant Assessor position
- (\$88,179) Elimination of one filled Auditor-Appraiser position
- (\$60,803) Elimination of one filled Assessment Technician position

Revenues

- (\$4,000) Decrease in Other Revenue

Program Discussion

As noted above, the primary function of the Assessor is to set values of all taxable property within the County in accordance with applicable tax laws excepting those values relating to the state-assessed utility roll, which are established by the State Board of Equalization (BOE). Valuations established by the Assessor and BOE form the basis for property taxes, providing revenues to the County, cities, state, schools, and certain benefit assessment districts.

Although secondary to establishing property values, another important function of the Assessor is to provide responsive public service to the citizens, other County departments, outside agencies, and the cities by furnishing general information, answering property-related questions, researching ownership, assisting property owners with concerns regarding assessments, providing access to assessor's maps and property characteristics data, and a host of other duties as required.

Once again, as during the preceding three fiscal periods, the primary focus of this department in the current fiscal period has been to address declining property values, pursuant to the provisions of Section 51 of the Revenue and Taxation Code (commonly referred to as "Prop 8"). Thousands of hours have been invested in this effort over the course of these most recent fiscal periods. The Assessor's workload over the next few years will be continually impacted by Proposition 8 value properties, requiring annual reappraisal to market value and monitoring of the Proposition 13 value.

Although the circumstances triggering value declines have affected nearly every type of property, the highest level of overall Prop 8 activity has involved single-family residential properties. During 2010, the

number of Prop 8 properties soared to over 9,000 and in processing the 2011 tax roll, the Assessor's Office has added a large number of commercial and industrial properties to what had been predominantly single-family residential properties. These influences indicate an increase to the workload in the real property division of approximately 14% from the previous year. The Assessor's Office has succeeded in completing reviews for the majority of properties with potential for Proposition 8 reductions while office staff has continued to provide a complementary level of service to all areas required of the Assessor.

The high demand for reviews resulted in over 493 appeals in 2009, but through work-expediting reductions, in 2010 this number was reduced to 141. While the total number was smaller, the complexities of the issues were quite comprehensive and involved. Gas wells, power plants, and Measure M development land provided for additional challenges beyond a high number of commercial properties.

Based on the previous statements, it will again be necessary, for the fourth year running, to request Board of Equalization approval for a 30-day extension to complete the annual assessment roll. Therefore, the FY 2011-12 roll will not be delivered to the Auditor until the end of July 2011.

Although insufficient data is available to derive a reliable forecast, it is anticipated that the roll decline for FY 2011-12 likely could be slightly less than the prior year.

Looking Forward

The Assessor recognizes three strategic forces influencing the path of the office:

- 1) The number of properties requiring annual appraisal to market value will

- continue to place severe workloads on the appraisers.
- 2) Budgetary constraints will force reductions in the working staff throughout the office.
- 3) Political forces are pushing all governmental agencies toward innovation and efficiency.

The Assessor’s goal is to move toward the future by taking action to accommodate these and other challenges. Planning and implementation, if initiated timely, will allow for changes to take place before the urgency becomes overwhelming. In addition to making the AS400 system a more comprehensive tool for many processes, two years ago the office began using spreadsheets to allow for rapid review and batch inputting for values. The Assessor recently implemented technological improvements through the purchase of dual monitors and upgraded software. Despite ongoing efforts to increase efficiency, the Assessor strongly believes that a transition to a computer processing system designed specifically for the Assessment function is an essential step toward successfully handling the office’s future needs. The Assessor’s Office is currently investigating the options in this realm and has had very promising conversations with potential vendors.

Positions & Impact

The Assessor recognizes that budgetary constraints require reductions in the working staff throughout the office. After much thought and discussion, the Assessor will be reducing his staff by one Assessment Technician and one Auditor-Appraiser position. The Assessor believes he can mitigate the loss of the Assessment Technician position by spreading those job tasks to other staff with little or no impact on services. The Auditor-Appraiser position will have some effect on the County, as it

will reduce the number of audits completed annually to the minimum required by the state, along with the number of files reviewed annually. This could lead to some escapes being missed, but the Assessor plans to limit this by requesting the minimum value be raised to the \$5,000 level. This would eliminate several small businesses and boats, which take the same amount of processing time, yet the amount billed and collected is only \$50, leaving the Auditor-Appraisers more time to review the larger accounts.

Postage & On-line Valuation Notices

The Assessor’s Office is in the process of changing the methodology for Valuation Notices from mailing each property owner a notice to posting all valuation notices on the internet. This change in process will reduce Assessor staff time and would reduce postage costs by approximately \$26,000 per year. In addition to reducing costs, this information will now be made available to all the public. The Valuation Notice will be placed on Sutter County’s internet site by August 1 of each year.

In addition, the Assessor has moved the last date for property owners to file an appeal from September 15th to November 30th, allowing them the maximum amount of time to either review the property value from the internet or wait until they have received their tax bill.

Printing & Process Changes

To reduce costs, protect the environment and become more efficient, the Assessor’s Office has changed the way it does printing and copying. The appraisal staff has stopped printing single family residential photos and now reviews them from the computer. Assessment technicians and auditors review as many documents and information on the computer screen as

possible, to reduce the number of photocopies that need to be produced within the office.

impact revenue generating activities of the office. Therefore, further reductions are not recommended at this time.

CAO Recommendation

Use of Reserves/Designations

This budget is recommended at \$2,218,179. The General Fund provides 93.9% of the financing for this budget unit, and is reduced by \$311,830 (13.0%) compared to FY 2010-11. A portion of the costs for this budget unit are recouped from user pay revenues.

This budget unit does not include any reserves or designations.

The recommended budget includes the elimination of two filled positions: an Auditor-Appraiser I/II/III and an Assessment Technician I/II/III. The Assistant Assessor position will continue to be held vacant and unfunded during FY 2011-12. The salary savings from all three reductions equals \$265,273.

In addition, the Assessor's Office will be reducing Extra Help expenses by \$10,251.

As stated in the Program Discussion section, the Assessor's workload in the real property division has increased by 14% at the same time that the County will be making staffing reductions. The effects of the eliminated and vacant/unfunded positions will be a reduction in processing capacity, but the Assessor plans to adjust the workload within the department to minimize service impacts to the public.

Interfund Information Technology charges have been reduced by \$93,046 from the prior year to reflect reduced charges countywide, based on recommended reductions in the Information Technology Department budget.

Additional reductions would require the elimination of an additional filled position, limiting the office's ability to meet legal requirements and would begin to significantly

E X E C U T I V E S U M M A R Y						
DEPT HEAD: ROBERT E STARK	UNIT: AUDITOR-CONTROLLER	FUND: GENERAL			0001 1-201	
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	1,122,517	936,001	1,126,536	1,090,049	3.2-	
SERVICES AND SUPPLIES	76,424	20,896	40,800	29,400	27.9-	
OTHER CHARGES	650,406	254,568	335,363	293,929	12.4-	
* GROSS BUDGET	1,849,347	1,211,465	1,502,699	1,413,378	5.9-	
INTRAFUND TRANSFERS	16,701	11,191	16,410	16,456	.3	
* NET BUDGET	1,866,048	1,222,656	1,519,109	1,429,834	5.9-	
OTHER REVENUES						
USER PAY REVENUES	2,619	2,653	2,500	3,679	47.2	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
TOTAL OTHER REVENUES	2,619	2,653	2,500	3,679	47.2	
* UNREIMBURSED COSTS	1,863,429	1,220,003	1,516,609	1,426,155	6.0-	
ALLOCATED POSITIONS	13.00	13.00	13.00	11.00	15.4-	

Purpose

The Auditor-Controller’s mission is to independently ensure objectivity, accuracy, and full disclosure of material information in all aspects of communicating financial and management information

The Auditor-Controller, an elected official, serves as the chief accounting officer of the County, and is a key part of the internal control process. The Auditor-Controller provides general supervision of all organizations under the control of the Board of Supervisors as well as those special districts and school districts whose funds are maintained by the County Treasury. The responsibilities of the Auditor-Controller are defined in Government Code Sections 25260, 26880 - 26886 and 26900 – 26922, 27132, and 29083.

Other duties include serving on the Treasury Oversight Committee, the Management

Audit Ad Hoc Committee, and advising the joint Grand Jury/Board of Supervisors Audit Committee.

Major Budget Changes

Salaries & Benefits

- (\$78,400) Elimination of one vacant Accountant II position
- (\$65,110) Elimination of one filled Executive Secretary position
- \$10,500 Increase in Extra Help to fund two months of an Accountant II to assist in the implementation of the Sungard Personnel-Payroll System.

Services & Supplies

- (\$6,625) Decrease in Employment Training and Training and Travel
- (\$4,775) General decrease in various Services & Supplies accounts

Other Charges

- (\$18,000) Decrease in Interfund Projects expense related to implementation costs for the new Personnel/Payroll system incurred in FY 2010-11
- (\$24,100) Decrease in Interfund Information Technology charges

User Pay Revenue

- \$1,179 Proposed increase in Civil Process Service revenue for new wage garnishment fee

Program Discussion

Staffing

The current staffing of the Auditor-Controller's Office includes 2.0 FTE for executive management and supervision of the office, one executive secretary for secretarial support, 2.8 FTE in the accounts payable section, 1.0 FTE to develop the County's A-87 cost plan, 2.0 FTE for general ledger and revenue reporting, 2.0 FTE (and extra help) for payroll processing, and 1.2 FTE in the Tax section.

The Accounts Payable section audits and processes all expenditure requests submitted

by County departments and special districts for compliance with Board policy and Auditor-Controller accounting policies. Staff distributes, upon direction from the State, all adoption assistance, childcare assistance, and job search transportation assistance warrants on behalf of the County. They also audit and distribute expenditure requests on behalf of the Sutter County Courts. In addition, this section monitors contract compliance requirements, appropriation controls, and maintains the County's financial reports.

The General Ledger/Revenue Reporting section manages accounting records for general and subsidiary ledger accounting and control for the County, and those districts that deposit funds into the County Treasury. Staff manages countywide capital assets, Consolidated Court revenue, and asset forfeiture distribution and reporting. The section also does County and Special District reporting.

Responsibilities of the Tax section include calculation of property taxes due based on the assessment roll, apportionment of property taxes collected, and accounting for various types of benefit assessments, special assessments, and bonds. The section manages the six property tax rolls. They also manage AB 8 (Chapter 282, Statutes of 1979) property tax allocations and prepare tax reports, the Unitary Tax formula, the annual Proposition 4 Gann Expenditure Limit Report, and the resolution submitted to the Board of Supervisors for approval. Staff audits the collection of property taxes to ensure all taxes are properly collected by the Tax-Collector and updates the property tax rolls to account for jurisdictional changes and property tax exchange agreements. The Department provides budget forecasts of property tax revenue to the County Administrative Office.

The Tax section also manages debt service, which provides funding for repayment of long-term lease and bond payment obligations, as well as the associated costs for the administering trustee bank and for required annual disclosure statements. This includes eight school bonds totaling over \$229 million.

Legal Fees

A significant request in this budget unit is the reimbursement of legal fees to the Auditor-Controller and Assistant Auditor-Controller (\$460,000) and for independent legal counsel (\$40,000). The Auditor-Controller's case is currently pending a decision in the California Supreme Court. Charges against the Assistant Auditor-Controller were dropped in 2006. The request includes approximately \$60,000 for the Assistant Auditor-Controller's legal costs, the provision of or set-aside of an estimated \$400,000 for reimbursement of the Auditor-Controller's legal expenses, and \$40,000 to provide legal counsel for the Auditor-Controller's Office for necessary legal services needed by the office to conduct business due to the Declaration of Conflict of Interest by County Counsel.

SunGard Personnel-Payroll System Implementation

On March 31, 2009, the Board of Supervisors approved a contract with Sungard Public Sector, Inc., to implement a new software system for Personnel, Payroll, Purchasing, and Budgeting. The Personnel, Payroll, and Purchasing modules are now scheduled to be implemented in early FY 2011-12. The Recommended Budget includes \$11,158 to continue an extra-help Accountant II for two months, to provide ongoing assistance to regular staff while the new Payroll system is being implemented.

Much of these costs will be charged out to departments and will eventually be reimbursed through the A-87 cost plan.

Accomplishments

Over the last year, the Auditor's Office has:

- (1) Published the 2009 Citizens' Report that summarizes the County's financial condition and gives a brief analysis of where the County revenues come from and where those dollars are spent.
- (2) Received the State Controller's Award for Achieving Excellence in Financial Reporting in 2009.
- (3) Continued to cross-train staff for full coverage of the office during absences due to illness and vacation, and to improve morale by increasing the potential for advancement.
- (4) Presented the third annual year-end closing procedures training workshops including new information on the A-87 Cost Plan.
- (5) Developed proposed departmental rate workbooks for both the County general departments and fire departments that are automated for ease of use and accuracy for County personnel.
- (6) Reconciled outstanding SB90 Mandated Costs and recorded almost \$5 million in accounts receivable that is owed by the State.
- (7) Acquired the knowledge, not only to process Payroll in the new IFAS system, but also to build new payroll codes to meet the County's MOU rules to remain in compliance with State, Federal and CalPERS laws, while maintaining the integrity of the original build of the new IFAS Payroll-Human Resources system.
- (8) Trained Time Entry Personnel to include Management on Timecard Online Module and familiarized the trainees with new concepts incorporated in the new build.

(9) Trained departments to enable them capability to run their own Click Drag and Drill reports. This was accomplished effectively by training those within the County who perform these functions now, and by providing training materials to help departments meet the challenges of training new personnel in the future.

FY 2011-12 Objectives

The goals of the Auditor-Controller's Office for FY 2011-12 are (1) to complete implementation of the new SunGard payroll system; (2) to complete publication of the Auditor-Controller's policies and procedures manual; (3) to produce the 2010 Citizens' Report; (4) and to continue to hold annual meetings with service departments and others to increase general Cost Plan knowledge in the County and update them on procedures for developing rates and allocations. This is intended to increase efficiency and reduce workload by providing authoritative information at the outset of the process. Additional goals are (5) to increase payroll efficiency by encouraging more employees to sign up for direct deposit. Based on the experience of other entities, 90% is a reasonable goal; (6) to streamline the journal entry process; (7) to continue to educate and inform departments on how to prepare a journal entry; (8) to establish a migration and implementation plan for conversion of the Fixed Asset Access Database to the Capital Asset SunGard application; (9) to begin a Tax Rate Area consolidation process in order to provide efficiencies in the County property tax system; and (10) to work with county departments to bring in additional revenue for the County related to A-87 Cost reimbursement through fees, grants and reimbursements from the State and Federal Government and through the billing of A-87

costs to non-county departments and agencies.

Recommended Budget

The Auditor-Controller did not provide the County Administrative Office with a workable 20% reduction scenario, so the County Administrative Office has had to develop a recommended budget with limited input from the department head.

The Auditor-Controller's first budget submittal counted raises his staff never received as "budget reductions." It also included unilateral reductions in Information Technology expenses, although departments had received instructions that Information Technology charges would be handled centrally. Even after subtracting out the Auditor's perennial \$500,000 request for legal expenses, the submitted budget scenario represented an approximate \$52,500 (3.5%) *increase* in General Fund expenses rather than a 20% decrease.

After being informed that his first budget submittal was unacceptable, the Auditor submitted a second budget request which eliminated 100% of all Services and Supplies expenses, and depended upon furloughs of all 13 staff members for 1.5 days of every five (a 30% furlough) in order to meet budget reduction targets.

Since neither of the Auditor's proposed options are viable alternatives, the Recommended Budget looks quite different from what was submitted.

This budget is recommended at \$1,429,834. The General Fund provides 99.7% of the financing for this budget unit and is reduced by \$90,454 (6.0%) compared to FY 2010-11.

In April 2009, the Board authorized a limited-term Accountant II position for the Auditor-Controller's Office to assist permanent staff during the implementation of the new Sungard Personnel-Payroll system. Authorization to continue the limited-term position has been granted by the Board of Supervisors ever since. During FY 2010-11, one of the Accountant II positions assigned to payroll retired. The Auditor is currently using one permanent Accountant II, one limited-term Accountant II, and a part-time extra-help retired annuitant to provide payroll services.

In order to maintain staffing levels and continuity in the payroll section, the Recommended Budget eliminates the vacant Accountant II position, converts the Limited Term Accountant II to a permanent position, and provides \$10,500 to continue the extra-help position for an additional two months until the Sungard system can "go live" (estimated to take place in early FY 2011-12). This recommendation effectively maintains professional staffing levels within the Auditor's office at the same historic level it had prior to the addition of the Limited Term position and allows the Auditor-Controller's office to maintain the experienced and trained staff that is currently in place.

This budget recommendation also includes the elimination of one filled Executive Secretary position, resulting in a budget reduction of \$65,110. As reported by the Auditor, the Executive Secretary position provides secretarial support for executive management and office staff.

Reductions totaling \$11,400 are also recommended in various Services & Supplies line items, excluding the Legal Fees line item, based primarily on a review of historic actual expenditures.

For the 6th year in a row, the Auditor-Controller has requested funding (\$500,000) for reimbursement of legal fees and for on-going legal representation. This amount has not been included in the Recommended Budget. The Board has repeatedly turned down the Auditor's request for reimbursement of legal expenses (\$460,000) related to the defense of the Auditor-Controller and Assistant Auditor-Controller against their indictments. The remaining \$40,000 was intended for outside counsel to respond to business-related legal questions the Auditor may have.

In addition to the \$10,500 in Extra-Help mentioned above to augment payroll staffing, an additional \$14,123 is recommended to fund approximately 875 hours of an Account Clerk III position. This includes 325 hours for the Auditor-Controller's requested assistance during peak workload periods, such as year-end. It also includes 550 hours for data entry duties which have been previously performed by the Computer Operator in the Information Technology Department. Because the Computer Operator position remains defunded and will continue to be held vacant, this recommendation reflects these duties being performed by the Auditor-Controller's office with a respective increase in Extra Help hours. The \$14,123 figure is essentially the same as in the prior year's budget.

The Auditor-Controller has proposed a new Civil Process fee on wage garnishment orders, estimated to generate an additional \$1,179 of revenue annually. Pursuant to Government Code Section 706.034, the Board will need to authorize this payroll deduction fee.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

EXECUTIVE SUMMARY					
UNIT: BOARD OF SUPERVISORS			FUND: GENERAL		0001 1-101
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11
EXPENDITURES					
SALARIES AND EMPLOYEE BENEFITS	261,887	209,873	257,048	259,554	1.0
SERVICES AND SUPPLIES	49,280	39,759	60,700	54,950	9.5-
OTHER CHARGES	87,391	81,549	99,333	78,495	21.0-
* GROSS BUDGET	398,558	331,181	417,081	392,999	5.8-
INTRAFUND TRANSFERS	3,316	3,052	4,173	4,137	.9-
* NET BUDGET	401,874	334,233	421,254	397,136	5.7-
OTHER REVENUES					
USER PAY REVENUES	1,838	1,765	0	0	.0
GOVERNMENTAL REVENUES	0	0	0	0	.0
TOTAL OTHER REVENUES	1,838	1,765	0	0	.0
* UNREIMBURSED COSTS	400,036	332,468	421,254	397,136	5.7-
ALLOCATED POSITIONS	5.00	5.00	5.00	5.00	.0

Purpose

Technology and Liability Insurance Premium charges

The Board of Supervisors serves as the legislative body for Sutter County and provides policy direction for all branches of County government. The Board of Supervisors determines, pursuant to applicable Federal and State laws, the funding allocation for all County programs.

Program Discussion

This budget includes only the five members of the Board of Supervisors and the costs necessary to support their office’s operation. The budget is prepared by the County Administrator's Office.

Major Budget Changes

Services & Supplies

- (\$5,750) General decrease in Special Departmental Expense, Employment Training and Transportation & Travel accounts

Other Charges

- (\$20,838) General Decrease in Interfund Information

In FY 2010-11 the Board of Supervisors addressed short-term and long-term financial concerns brought on by the collapse of the national economy; declared a countywide State of Emergency to support emergency operations during March rain and wind storms; adopted a new General Plan to guide land use decisions; secured more than \$45 million in construction funding for projects on Highway 99 and Highway 113; reached agreement to proceed with a modern, regional animal shelter; dealt with myriad other policy issues; and did something no

Board of Supervisors has done in 161 years: approved an official County Flag.

In advance of the FY 2011-12 budget hearings, the Board of Supervisors, working in partnership with employee bargaining groups, negotiated substantial changes to employee compensation structures and pension benefits. The concessions reached with employee groups paved the way for the County to reduce the projected General Fund deficit, creating immediate cost savings and setting the stage for long-term cost reductions.

- The Board of Supervisors set the example for budget negotiations in 2010 by voting to require Board members to make contributions to their own pension fund. Board members continue to receive compensation well below the median for 10 comparable counties in a wage survey.
- Following through on the stated priority of reforming the County's pension system, the Board of Supervisors negotiated three important changes: reduced contributions by the County into the PERS pension fund for all existing and future employees by requiring employees to pay their own share of retirement costs, and reduced pension benefits from the fund for future County employees by creating a new pension tier with a lower retirement formula. Pension income under the new formula will be calculated based upon an average of the employee's three highest years of income instead of the single highest year. Over the course of several years, this will achieve significant savings in employee costs. More immediate financial relief was achieved when bargaining units agreed to forego already negotiated pay increases.
- In March 2011, the Board of Supervisors declared a local state of emergency after a levee near Verona was damaged by high water in the Natomas Cross Canal, threatening the Nicolaus basin, and causing in excess of \$4 million damage.
- The Board waived the \$17 fee for the whooping cough vaccine for the duration of an epidemic that emerged in mid-2010.
- On the heels of a successful benefit assessment election conducted by the Sutter Butte Flood Control Agency, the Board of Supervisors designated \$650,000 of Proposition 13 state bond flood control money toward completion of the U.S. Army Corps of Engineers feasibility study for the flood basin that includes Yuba City and Live Oak, and which will identify future flood control projects. The Board continued to contend with issues related to the Federal Emergency Management Agency's National Flood Insurance Program (NFIP), and accepted designation of the County as a "6" in the NFIP's Community Rating System, which provides for discounts of up to 20 percent for flood insurance.
- Completing a four-year process, the Board of Supervisors in March approved the new General Plan to guide land use decisions for the next two decades.
- Addressing a structural deficit in the operations of the Sutter County Airport, the Board negotiated a 70% increase to commercial property rentals on Airport land.
- In February, the Board adopted an ordinance granting preference to local vendors when the County purchases goods and services.

- In April, the Board completed the sale of 4.1 acres of land to the State of California for a modern Sutter County courthouse. The \$72 million, 79,000 square foot construction project at the southeast corner of Civic Center Boulevard and Veterans Memorial Circle is expected to begin in 2013 and be completed in 2014
- In October 2010, Board members attended the ribbon cutting for the Highway 99 Tudor Bypass, the next-to-last segment of highway between Yuba City and Sacramento to be widened to four lanes. The final four lane segment is under construction with the bridge over the Feather River at Nicolaus.
- Two interchange projects on Highway 99 are also planned. The Board transferred \$3.8 million of federal highway demonstration funds to Caltrans for a \$25 million interchange at Highway 99 and Riego Road. These monies will be repaid by the Sutter Pointe developers when their project breaks ground. The Board also lobbied successfully to get another \$19.4 million for an interchange at Highway 99 and 113 with no County share of cost required.
- In January 2011, Board members attended the ribbon cutting ceremonies for the new boat dock on the Feather River at Live Oak Park and the new Curry Creek Bridge on Pleasant Grove Road in southern Sutter County.
- In December, Board members attended the ground breaking for an expansion of the Community Memorial Museum. The Board granted a loan from the General Fund to help fund the project, which is paid for primarily with state park bond money and proceeds from a museum

trust fund. The General Fund loan will be repaid with proceeds from rentals of the new meeting hall.

- In May, the Board completed one entire year of web-streaming and archiving video of its meetings on the internet. This allows interested members of the public, who are unable to attend meetings in person or who do not have access to cable television, to view Board meetings. Interest in the live web-streaming is expanding. In one month from April 23 to May 23, 2011, 271 unique visitors came to the web-streaming site 458 times. The high water mark was a May 11 meeting when 66 people visited the site for the live web-streaming. To further improve the process of government transparency, the Board adopted the County's first written policy on how the County is to implement the requirements contained in the California Government Code for disclosing public records, to minimize confusion for the public and the departments which maintain the records.

Recommended Budget

This budget is recommended at \$397,136. The General Fund provides 100% of the financing for this budget unit and is reduced \$24,118 (5.7%) as compared to FY 2010-11.

The FY 2011-12 Recommended Budget reflects a decrease in various Services & Supplies accounts including Special Departmental Expense, Employment Training and Transportation & Travel accounts to achieve additional budget reductions.

The Interfund Information Technology and Interfund Liability Insurance Premium accounts reflect decreases based on allocated costs provided by the respective departments.

As a cost saving measure in FY 2010-11, the Board of Supervisors voluntarily began paying a portion of their County-paid pension costs. The FY 2010-11 Adopted Budget contained additional savings related to decreases in Maintenance Equipment, Memberships, Office Expenses, Office Equipment and Transportation & Travel, as compared to the FY 2009-10 Adopted Budget.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

Clerk-Recorder Clerk of the Board (1-105)

Donna M. Johnston, Clerk-Recorder

EXECUTIVE SUMMARY						
DEPT HEAD: DONNA M. JOHNSTON	UNIT: CLERK OF THE BOARD	FUND: GENERAL			0001 1-105	
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	160,974	131,771	174,492	182,312	4.5	
SERVICES AND SUPPLIES	5,513	3,749	7,025	6,200	11.7-	
OTHER CHARGES	5,931	4,343	7,271	6,571	9.6-	
* GROSS BUDGET	172,418	139,863	188,788	195,083	3.3	
INTRAFUND TRANSFERS	1,282	865	1,309	1,323	1.1	
* NET BUDGET	173,700	140,728	190,097	196,406	3.3	
OTHER REVENUES						
USER PAY REVENUES	626	212	100	50	50.0-	
GOVERNMENTAL REVENUES	1,500	900	1,700	1,320	22.4-	
TOTAL OTHER REVENUES	2,126	1,112	1,800	1,370	23.9-	
* UNREIMBURSED COSTS	171,574	139,616	188,297	195,036	3.6	
ALLOCATED POSITIONS	2.10	2.15	2.15	2.15	.0	

Purpose

The County Clerk is Ex-Officio Clerk of the Board of Supervisors. This office is charged with the responsibility of safekeeping all books, papers, and records which are deposited with this office, in accordance with State law.

This office attends all meetings, and maintains all minutes and records of the Board of Supervisors, the Assessment Appeals Board, and other Board functions.

Regular public meetings of the Board of Supervisors are held most Tuesdays at 7:00 p.m. in Yuba City.

Major Budget Changes

Salaries & Benefits

- \$7,820 General salary and benefits adjustments

Program Discussion

The Clerk of the Board budget includes funding for two Board Clerk positions. This budget unit also includes a portion of the County Clerk-Recorder position for oversight of the office and a portion of the Staff Analyst position for the performance of financial duties.

For FY 2011-12, the Clerk of the Board staff will continue to focus on serving the citizens of Sutter County.

Recommended Budget

This budget is recommended at \$196,406. The General Fund provides 99.3% of the financing for this budget unit and is increased by \$6,739 (3.6%) compared to FY 2010-11.

The recommended budget reflects a slight increase in net costs due primarily to an increase in health insurance premium costs. Efforts have been made to reduce budgeted costs for various Services and Supply line items; however, due to the limited size of the budget, these reductions will not offset the increased salary and benefit costs.

Due to the limited size of the Clerk of the Board budget, any reduction to the budget would necessitate a reduction in staffing. A reduction in staffing would inhibit the County's ability to meet legal requirements regarding regular business and meetings of the Board of Supervisors. Staff reductions in this budget would also affect official recordkeeping efforts. Therefore, reductions are not recommended.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

Clerk-Recorder County Elections (1-502)

Donna M. Johnston, Clerk-Recorder

EXECUTIVE SUMMARY						
DEPT HEAD: DONNA M. JOHNSTON	UNIT: ELECTIONS	FUND: GENERAL			0001 1-502	
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	390,759	389,302	436,325	456,820	4.7	
SERVICES AND SUPPLIES	219,205	204,296	359,645	275,936	23.3-	
OTHER CHARGES	37,207	22,817	52,433	41,597	20.7-	
* GROSS BUDGET	647,171	616,415	848,403	774,353	8.7-	
INTRAFUND TRANSFERS	7,035	6,291	8,612	8,551	.7-	
* NET BUDGET	654,206	622,706	857,015	782,904	8.6-	
OTHER REVENUES						
USER PAY REVENUES	32,637	224,801	233,500	41,350	82.3-	
GOVERNMENTAL REVENUES	1,281	17,230	17,745	1,800	89.9-	
TOTAL OTHER REVENUES	33,918	242,031	251,245	43,150	82.8-	
* UNREIMBURSED COSTS	620,288	380,675	605,770	739,754	22.1	
ALLOCATED POSITIONS	4.80	5.00	5.00	5.05	1.0	

Purpose

This budget unit is administered by the County Clerk-Recorder and funds all local elections for the Federal and State governments, as well as all County, City, school and Special District elections in Sutter County. This includes all aspects of registration, precincts and reporting, as well as voter registration maintenance.

- (\$73,945) Decrease in Special Department Expense due to the implementation of cost savings measures related to the June 2012 Primary Election

Intrafund Transfers

- (\$10,480) General decrease in Interfund Information Technology charges

Major Budget Changes

Salaries & Benefits

- \$20,495 General salaries and benefits adjustments

Services & Supplies

- (\$4,500) Decrease in Office Equipment

Revenues

- (\$198,500) Decrease in Election Services revenue – costs for the June 2011 Primary Election are not eligible for reimbursement
- \$9,200 Increase in Candidate Filing Fee revenue – candidates are required to pay filing fees for

participation in the June 2012
General Election

Program Discussion

The Elections Budget Unit funds the elections that the County administers, as well as elections administered on behalf of other entities such as the cities of Yuba City and Live Oak as well as various School Districts and other Special Districts. Elections that are administered for other entities are consolidated with countywide elections, and the County is reimbursed for the other jurisdictions' proportionate share of costs.

There is one election anticipated for FY 2011-12 - the June 2012 Primary Election. Costs for Primary Elections are a responsibility of the Counties and are therefore not eligible for State reimbursement.

Goals for FY 2011-12, in addition to conducting the election, include the implementation of redistricting changes and preparing for the online voter registration system.

Recommended Budget

This budget is recommended at \$782,904. The General Fund provides 94.5% of the financing for this budget unit and is increased by \$133,984 (22.1%) compared to FY 2010-11.

As previously mentioned, there is one election anticipated for FY 2011-12 - the June 2012 Primary Election. Costs for Primary Elections are a responsibility of the Counties and are therefore not eligible for State reimbursement.

Previous budgets have included funding for smaller, less frequent landowner and utility district elections. This budget does not include funding for these elections. In the event an election is called, such as a Special Election, a budget amendment requiring Board action would be required. If one of these elections is called, it would be reimbursed by the entity requiring the election.

Cost savings measures have been the focus of Elections for the past few years. A combination of continued streamlining of processes, printing reductions, Extra Help reductions and implementation of new Elections regulations have led to decreases in overall cost of conducting elections.

Additional reductions to the Elections budget would require the elimination of filled positions, because the County is mandated to cover the cost of the Primary Election. Staff reductions in the Elections office would hamper the office's ability to meet legal requirements and could compromise the ability for the County to administer a legal election. Therefore, further reductions are not recommended.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

Clerk-Recorder County Recorder (2-706)

Donna M. Johnston, Clerk-Recorder

		EXECUTIVE SUMMARY				
DEPT HEAD: DONNA M. JOHNSTON		UNIT: RECORDER		FUND: GENERAL		0001 2-706
		ACTUAL	ACTUAL	ADOPTED	CAO	% CHANGE
		EXPENDITURE	EXPENDITURE	BUDGET	RECOMMEND	OVER
		2009-10	4-30-11	2010-11	2011-12	2010-11
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS		480,582	344,898	497,285	365,363	26.5-
SERVICES AND SUPPLIES		58,767	39,089	54,847	51,286	6.5-
OTHER CHARGES		39,288	26,786	46,629	38,888	16.6-
* GROSS BUDGET		578,637	410,773	598,761	455,537	23.9-
INTRAFUND TRANSFERS		11,119	8,882	11,500	11,522	.2
* NET BUDGET		589,756	419,655	610,261	467,059	23.5-
OTHER REVENUES						
USER PAY REVENUES		589,756	318,681	495,480	421,300	15.0-
GOVERNMENTAL REVENUES		0	0	0	0	.0
TOTAL OTHER REVENUES		589,756	318,681	495,480	421,300	15.0-
* UNREIMBURSED COSTS		0	100,974	114,781	45,759	60.1-
ALLOCATED POSITIONS		6.65	6.70	6.70	5.25	21.6-

Purpose

The County Recorder is responsible for recording and filing documents which verify ownership, liens, or encumbrances, of all land in Sutter County. The Recorder's duties also include reproducing and indexing documents, papers, maps, and notices for which State law requires recording. Duties also include filing and maintaining birth, death, and marriage records for the County of Sutter.

Major Budget Changes

Salaries & Benefits

- (\$50,834) Elimination of one filled Deputy Clerk-Recorder II position (reflecting this budget unit's share of cost)

- (\$59,980) Defund one Deputy Clerk-Recorder III position following retirement of the incumbent (reflecting this budget unit's share of cost)
- (\$33,258) Decrease to this budget unit due to the reallocation of remaining Clerk-Recorder staff (increase shown in County Clerk budget unit 2-710)

Services & Supplies

- (\$2,150) Decrease in Professional/Specialized Services due to reduction in quantity of documents requiring digitizing

Other Charges

- (\$7,476) General decrease in Interfund Information Technology charges

Clerk-Recorder County Recorder (2-706)

Donna M. Johnston, Clerk-Recorder

Fiscal Year	Deeds	Deed of Trust	Notice of Default	Notice of Trustee Sale	Trustee Deed	Total All Recording Types
<i>Estimated</i>						
2010-11	3235	2569	984	995	650	22247
2009-10	3272	2413	1117	1068	707	21533
2008-09	3132	2319	1163	947	682	19886
2007-08	3484	3988	1313	856	614	25019
2006-07	4507	7246	586	298	182	32590

Revenues

- \$25,000 Increase in Recording Fees reflecting an increase in recordings and an approved fee increase
- (\$105,380) Decrease in Interfund Transfers-In from Special Revenue Funds due to decrease in staff performing projects that are billable against these funds

Program Discussion

The Recorder Budget Unit funds the Recorder operations, which are funded by document recording fees. Document recording fees are regulated by Government Code and a specified portion of these fees are set aside into special revenue funds for specific recorder projects. These special revenue funds and their purposes are: 1) the Micrographic Fund (0-237), which funds the cost of converting the document storage system to micrographics, 2) the Clerk/Recorder Upgrade Fund (0-232), which funds the support, maintenance, improvement and provision of the Recorder operation for modernized creation, retention, and retrieval of information in the County's recorded document system, 3) the Vital Statistics Fund (0-288), which funds the modernization of vital records operations,

and 4) the Social Security Truncation Fund (0-280), which funds the redaction of social security numbers on recorded documents.

Recommended Budget

This budget is recommended at \$467,059. The General Fund provides 9.8% of the financing for this budget unit and is reduced by \$69,022 (60.1%) compared to FY 2010-11.

This recommendation includes the elimination of one filled Deputy Clerk-Recorder II position. Additionally, one Deputy Clerk-Recorder III position will be defunded and held vacant following the retirement of the incumbent. These positions have historically been allocated across multiple budget units within the Clerk-Recorder Department. Therefore, the recommended reduction for the Clerk-Recorder budget unit reflects only this budget unit's share of the two full-time positions.

The recommended budget also reflects the reallocation of remaining Clerk-Recorder staff away from this budget unit to compensate for the recommended staffing reductions in other areas of the Department. A corresponding increase is shown in County Clerk budget unit (2-710).

It is anticipated that members of the public may experience longer service waiting times as a result of the reduction in staff. Greater service impacts are expected if recording activity increases over the coming year. Additionally, the reduction in staff will decrease the Department's ability to perform special project work related to funding from the Department's special revenue funds. Because service requests from members of the public will be addressed first, these

Clerk-Recorder County Recorder (2-706)

Donna M. Johnston, Clerk-Recorder

projects, such as the truncation of social security numbers from previously recorded documents, will be performed as staff is available.

Additional reductions would require the elimination of an additional filled position, limiting the office's ability to meet legal requirements regarding recording of documents and would significantly compromise the Department's ability to provide services to the public. Therefore, further reductions are not recommended.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

Clerk-Recorder County Clerk (2-710)

Donna M. Johnston, Clerk-Recorder

EXECUTIVE SUMMARY						
DEPT HEAD: DONNA M. JOHNSTON	UNIT: COUNTY CLERK	FUND: GENERAL			0001 2-710	
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	191,672	140,390	179,513	190,924	6.4	
SERVICES AND SUPPLIES	8,142	6,092	10,555	10,045	4.8-	
OTHER CHARGES	9,642	32,670	6,063	20,279	234.5	
* GROSS BUDGET	209,456	179,152	196,131	221,248	12.8	
INTRAFUND TRANSFERS	3,161	1,875	4,061	4,032	.7-	
* NET BUDGET	212,617	181,027	200,192	225,280	12.5	
OTHER REVENUES						
USER PAY REVENUES	108,546	83,660	101,200	98,780	2.4-	
GOVERNMENTAL REVENUES	2,566	0	0	0	.0	
TOTAL OTHER REVENUES	111,112	83,660	101,200	98,780	2.4-	
* UNREIMBURSED COSTS	101,505	97,367	98,992	126,500	27.8	
ALLOCATED POSITIONS	2.45	2.15	2.15	2.55	18.6	

Purpose

The County Clerk is responsible for issuing marriage licenses, processing passport applications, filing fictitious business name statements, registering notaries, process servers and professional photocopiers, performing wedding ceremonies, and other related work.

(reflecting this budget unit's share of cost)

- \$33,258 Increase to this budget unit due to the reallocation of remaining Clerk-Recorder staff (decrease shown in Clerk-Recorder budget unit 2-706)

Major Budget Changes

Salaries & Benefits

- (\$12,708) Elimination of one filled Deputy Clerk-Recorder II position (reflecting this budget unit's share of cost)
- (\$14,995) Defund one Deputy Clerk-Recorder III position following retirement of the incumbent

Program Discussion

The County Clerk budget unit funds the County Clerk operations, which include the acceptance of passport applications, Fictitious Business Name Statements, as well as marriage licenses and ceremonies. Vital records such as birth certificates are also available for purchase.

The Clerk's office prides itself on accuracy and continues to have no fraudulent passport applications as determined by the US Department of State.

Clerk-Recorder County Clerk (2-710)

Donna M. Johnston, Clerk-Recorder

Fictitious Name Statement revenue has decreased over the past year. The numbers of filings are shown below:

FY 2005-06	767
FY 2006-07	853
FY 2007-08	755
FY 2008-09	627
FY 2009-10	725
FY 2010-11 est.	678

provide services to the public. Therefore, further reductions are not recommended.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

Recommended Budget

This budget is recommended at \$225,280. The General Fund provides 56.2% of the financing for this budget unit and is increased by \$27,508 (27.8%) compared to FY 2010-11.

This recommendation includes the elimination of one filled Deputy Clerk-Recorder II position. Additionally, one Deputy Clerk-Recorder III position will be defunded and held vacant following the retirement of the incumbent. These positions have historically been allocated across multiple budget units within the Clerk-Recorder Department. Therefore, the recommended reduction for the County Clerk budget unit reflects only this budget unit's share of the two full-time positions.

The recommended budget also reflects the reallocation of remaining Clerk-Recorder staff to this budget unit from other areas of the Department to compensate for the recommended staffing reductions. A corresponding decrease is shown in Clerk-Recorder budget unit (2-706).

Additional reductions would require the elimination of an additional filled position, limiting the office's ability to meet legal requirements regarding recording of documents and would significantly compromise the department's ability to

**Clerk-Recorder
Domestic Violence (2-711)**

Donna M. Johnston, Clerk-Recorder

EXECUTIVE SUMMARY						
DEPT HEAD: DONNA M. JOHNSTON	UNIT: DOMESTIC VIOLENCE CENTERS	FUND: GENERAL	0001 2-711			
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11	
EXPENDITURES						
OTHER CHARGES	22,477	13,539	21,000	21,000	.0	
* GROSS BUDGET	22,477	13,539	21,000	21,000	.0	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	22,477	13,539	21,000	21,000	.0	
OTHER REVENUES						
USER PAY REVENUES	22,477	13,539	21,000	21,000	.0	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
TOTAL OTHER REVENUES	22,477	13,539	21,000	21,000	.0	
* UNREIMBURSED COSTS	0	0	0	0	.0	
ALLOCATED POSITIONS	.00	.00	.00	.00	.0	

Purpose

The purpose of this budget is to collect funds from fees generated by the issuance of marriage licenses and to distribute those funds to domestic violence programs, pursuant to Government Code §26840 and Welfare and Institutions Code §18305. The County may either forward these additional fees to the State for distribution to domestic violence centers, or it may distribute the funds to a local domestic violence center.

domestic violence programs. Casa de Esperanza provides a safe house for victims, as well as counseling services for victims of domestic violence.

The statistics of Marriage licenses for the past several years are as follows:

<u>Fiscal Year</u>	<u>Number of Marriages</u>
2010	601
2009	606
2008	578
2007	565
2006	538
2005	527
2004	535
2003	471
2002	442
2001	459
2000	437

Major Budget Changes

There are no major budget changes for FY 2011-12.

Program Discussion

We recommend that the Board of Supervisors distribute the collected funds locally to Casa de Esperanza for local

Clerk-Recorder Domestic Violence (2-711)

Donna M. Johnston, Clerk-Recorder

Recommended Budget

This budget is recommended at \$21,000. The General Fund does not provide any financing for this budget unit.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

Contingency (9-900)

Stephanie J. Larsen, County Administrative Officer

EXECUTIVE SUMMARY						
DEPT HEAD: STEPHANIE J LARSEN	UNIT: CONTINGENCY		FUND: GENERAL		0001 9-900	
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11	
EXPENDITURES						
* GROSS BUDGET	0	0	0	0	.0	
* NET BUDGET	0	0	0	0	.0	
APPROPRIATION FOR CONTINGENCY	0	0	750,000	750,000	.0	
INCREASES IN RESERVES	0	0	0	0	.0	
* TOTAL BUDGET	0	0	750,000	750,000	.0	
OTHER REVENUES						
USER PAY REVENUES	0	0	0	0	.0	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
TOTAL OTHER REVENUES	0	0	0	0	.0	
* UNREIMBURSED COSTS	0	0	750,000	750,000	.0	
ALLOCATED POSITIONS	.00	.00	.00	.00	.0	

Purpose

These funds are appropriated to be available for unanticipated expenses or unanticipated revenue shortfalls in the County General Fund. Transfers of funds from contingencies require approval by a 4/5ths vote of the Board of Supervisors.

This budget is prepared by the County Administrator's Office.

Program Discussion

The Contingencies budget is used for unanticipated requirements occurring in all County operations during the fiscal year. It acts as a hedge against unanticipated adverse state and federal budget actions, funds mid-year employee salary and benefits adjustments, and provides funds for unanticipated needs that may occur during the course of the fiscal year. The recommended

amount of \$750,000 represents approximately 1.25% of recommended total General Fund expenditures.

The zeroes shown in the "Actual" columns for prior years can appear misleading. To avoid double-counting of expenditures within the General Fund, the Auditor-Controller's Office reduces the budgeted amount in the Contingency Reserve and adds to the budgeted amount in the new budget unit when a transfer is made. For example, the originally-budgeted amount for FY 2010-11 was \$750,000. However, as of April 30, 2010, transfers totaling \$174,719 have been approved for various projects during the year, following the approval of the FY 2010-11 Adopted Budget. These transfers have therefore reduced the adjusted budget to \$575,281 for FY 2010-11. The same procedure will be used for FY 2011-12. Any funds not transferred out of Contingencies during a given fiscal year remain in the General Fund.

Recommended Budget

The Recommended Appropriation for Contingencies is \$750,000. There is no change from FY 2010-11.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

EXECUTIVE SUMMARY						
DEPT HEAD: STEPHANIE J LARSEN	UNIT: COUNTY ADMINISTRATOR	FUND: GENERAL			0001 1-102	
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	1,046,576	793,759	1,086,328	1,007,483	7.3-	
SERVICES AND SUPPLIES	44,326	18,538	46,400	28,300	39.0-	
OTHER CHARGES	45,890	25,074	67,569	62,294	7.8-	
* GROSS BUDGET	1,136,792	837,371	1,200,297	1,098,077	8.5-	
INTRAFUND TRANSFERS	1,361	772	2,043	2,080	1.8	
* NET BUDGET	1,138,153	838,143	1,202,340	1,100,157	8.5-	
OTHER REVENUES						
USER PAY REVENUES	5,258	302	3,900	3,900	.0	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
TOTAL OTHER REVENUES	5,258	302	3,900	3,900	.0	
* UNREIMBURSED COSTS	1,132,895	837,841	1,198,440	1,096,257	8.5-	
ALLOCATED POSITIONS	8.00	8.00	8.00	8.00	.0	

Purpose

The County Administrative Officer (CAO) is appointed by the Board of Supervisors to manage the day-to-day operations of the County and to provide staff support to the Board of Supervisors. The duties of the CAO and her staff include attending all Board meetings; providing policy recommendations for matters being considered by the Board; preparing and submitting the annual proposed County budget to the Board of Supervisors; and monitoring the fiscal condition of all County departments. Additionally, the CAO assists the Board in administering policy, including managing County operations to ensure overall effectiveness. This department is also responsible for representing the Board of Supervisors to other jurisdictions such as the Cities of Yuba City and Live Oak, neighboring counties, and the State of

California. In addition, the CAO provides staff to the Local Agency Formation Commission (LAFCO).

Major Budget Changes

Salaries & Benefits

- (\$44,223) Decrease to reflect a 5% voluntary furlough for the County Administrative Officer, the Assistant County Administrator, the Deputy County Administrative Officer, the Senior Analyst, and the Public Information Officer. The County Administrative Officer will also voluntarily forgo a \$5,000 salary increase included in her contract for FY 2011-12.

- (\$21,894) Decrease related to removing the remaining funding for one vacant Senior Analyst position, which was left vacant and partially defunded in FY 2010-11
- (\$12,728) General salary and benefits adjustment

Services & Supplies

- (\$1,500) Decrease in Professional & Specialized Services
- (\$1,500) Decrease in Subscriptions & Publications
- (\$2,000) Decrease in Office Equipment
- (\$2,500) Decrease in Employee Training
- (\$7,500) Decrease in Transportation and Travel
- (\$1,850) Miscellaneous decreases in Services & Supplies

Other Charges

- (\$7,042) Decrease in Interfund Information Technology charges
- \$2,000 Increase in Interfund Projects charges

Program Discussion

The County Administrative Office is the administrative arm of the Board of Supervisors. The CAO provides leadership

and guidance in the implementation of the policies of the Board of Supervisors. The CAO analyzes issues and makes recommendations to the Board regarding the administration and operation of County departments and programs. The CAO and her staff coordinate and oversee the County budget and monitors the use of financial and human resources. The Public Information Officer, housed within the CAO's office, provides media relations and related support to all departments.

The CAO's office oversees the SB 90 state mandate reimbursement contract, and approves interdepartmental rates charged out to departments by the Information Technology and Fleet Services internal service funds.

The CAO's office also prepares and administers the budgets for Non-Departmental Expenses (1-103), General Revenues (1-209), Contingency (9-900), Subsidy Requests (7-202), three Court-related budgets (2-109, 2-110, and 2-112), the Board of Supervisors (1-101), Economic Development Block Grant funds, the nine County Share budgets representing the County General Fund contributions to other funds, and other special revenue funds not specifically under the purview of another department.

Accomplishments in FY 2010-11 include:

- In conjunction with the Cities of Yuba City and Live Oak, as well as Community Services, Public Works, and Yuba County, conducted a study of the most cost-effective ways to provide animal control services and replace the badly-aging animal shelter.

- Concluded negotiations for the State to purchase County land on Civic Center Boulevard, a major first step in construction of a new Sutter County Courthouse.
- Prepared budget recommendations for the most fiscally challenging County budget in at least two decades, including evaluation of early retirement incentive options and a voluntary furlough program.
- Conducted the County's first formal mid-year budget report.
- Completed and updated the countywide fee study begun in FY 2009-10.
- Participated in ongoing negotiations with the Cities of Yuba City and Live Oak regarding the formation of a Joint Powers Authority for Animal Control and related issues regarding funding, designation of lead agency for future operations, and construction of the replacement animal shelter.
- Provided oversight and budgetary management for the implementation of the County's new Sungard software system for Personnel, Payroll, Purchasing, and Budgeting.
- Reviewed Airport funding in detail for the Airport Ad Hoc Committee.
- Worked with County Counsel, outside counsel, Public Works, Community Services, Golden State Water Company, and the Sutter Pointe developers for a mutually agreeable solution to provide healthy and economical water service to Robbins and the future community of

Sutter Pointe. Also worked with the Yuba-Sutter Economic Development Corporation to acquire grants to improve the Robbins wastewater system.

The County Administrative Office goals for FY 2010-11 include:

- To complete negotiations for the development of the Animal Control Joint Powers Authority, an orderly transition of lead agency responsibilities for Animal Control, and begin construction of the new animal shelter.
- To provide continued oversight of the countywide Sungard project and implementation of the new budgeting module.
- To continue annual updates of the countywide fee structure.
- To complete a study of fleet services to identify potential cost-savings.
- To identify other areas within County government where additional cost-efficiencies can be achieved.

Recommended Budget

The budget is recommended at \$1,100,157. The General Fund provides 99.6% of the financing for this budget unit, and is reduced by \$102,183 (8.5%) compared to FY 2010-11. A portion of the costs for this budget unit are recouped from the Local Agency Formations Commission for staff support, and through the annual A-87 cost plan.

The five professional staff within the County Administrative Office are proposing to take a voluntary 5% furlough during FY 2011-

12, resulting in a reduction of \$44,223 in Salaries & Benefits expenses. This amount also includes the County Administrative Officer's voluntary elimination of a \$5,000 salary increase that would have gone into effect in FY 2011-12, in addition to the 5% furlough amount.

An additional savings of \$21,894 results from eliminating the remaining funding for a Senior Analyst position which was left vacant and partially unfunded in FY 2010-11.

The primary service impact of these staffing reductions is that response times will be slowed, and completion of projects and/or initiatives will be delayed or may not be able to be addressed at all. This would affect both internal and public service requests. There may be a need to increase extra help funding or contract out for special projects, if necessary.

In addition to staffing reductions, Interfund Information Technology charges have been reduced by \$7,042 from the prior year due to recommended reductions in the Information Technology Department budget.

This budget recommendation also includes reductions to various services and supplies accounts in an effort to reduce costs in recognition of reduced countywide financing.

On March 31, 2009, the Board of Supervisors approved a contract with Sungard Public Sector, Inc., to implement a new software system for Personnel, Payroll, Purchasing, and Budgeting. The Personnel, and Payroll modules are scheduled to be implemented in early FY 2011-12. The Recommended Budget includes a re-budget of \$30,000 for one extra-help position to

assist regular staff during the implementation of the budget module, which has been deferred for over a year pending completion of the Personnel and Payroll modules.

Due to the limited size of the budget for the County Administrative Office, additional reductions would necessitate the elimination of a filled position. This would be in addition to the Senior Analyst position that is currently being held vacant and unfunded. Further staff reductions would limit the office's ability to meet requirements of the office, including legal requirements such as the preparation of the annual Recommended Budget and responses to Public Records Act requests. Further reductions are not recommended at this time.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

EXECUTIVE SUMMARY						
DEPT HEAD: RONALD S. ERICKSON	UNIT: COUNTY COUNSEL	FUND: GENERAL			0001 1-301	
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	958,616	719,440	941,913	1,057,628	12.3	
SERVICES AND SUPPLIES	132,623	107,768	171,220	52,220	69.5-	
OTHER CHARGES	12,998	7,374	15,872	14,718	7.3-	
* GROSS BUDGET	1,104,237	834,582	1,129,005	1,124,566	.4-	
INTRAFUND TRANSFERS	304-	1,408	2,697	2,716	.7	
* NET BUDGET	1,103,933	835,990	1,131,702	1,127,282	.4-	
OTHER REVENUES						
USER PAY REVENUES	27,285	37,574	36,000	36,000	.0	
GOVERNMENTAL REVENUES	8,319	0	0	0	.0	
TOTAL OTHER REVENUES	35,604	37,574	36,000	36,000	.0	
* UNREIMBURSED COSTS	1,068,329	798,416	1,095,702	1,091,282	.4-	
ALLOCATED POSITIONS	6.50	6.50	6.50	6.50	.0	

Purpose

The County Counsel serves as the chief civil law attorney for the County of Sutter, providing legal advice to County officials and officers and prosecuting and defending lawsuits on behalf of the County.

Services & Supplies

- (\$70,000) Decrease in Professional and Specialized Services to eliminate funding for contract counsel services to assist the Department while one position was on unpaid status for a portion of FY 2010-11

Major Budget Changes

Salaries & Benefits

- \$93,730 Increase to reflect a full year of funding for one position that was on unpaid status for a portion of FY 2010-11
- (\$43,160) Decrease to reflect a 5% voluntary furlough for the County Counsel, Assistant County Counsel and Deputy County Counsel employees

- (\$32,000) Decrease in Professional and Specialized Services related to standard outside counsel services
- (\$10,000) Decrease in Subscriptions and Publications related to law research services
- (\$6,000) Decrease in Transportation and Travel
- (\$1,000) Decrease in Memberships

Program Discussion

The County Counsel budget provides funds for the office to perform duties prescribed by state statute, local ordinance, and as assigned by the Board of Supervisors. As part of the County Counsel's function, an attorney from the office attends meetings of the Board of Supervisors, the County Planning Commission, and the Assessment Appeals Board. County Counsel also attends meetings of the Gilsizer County Drainage District and the Feather River Air Quality Management District, both independent special districts. Pursuant to contract, the County advises the Local Agency Formation Commission and attends its meetings. Additionally, County Counsel provides advice to various independent special districts located in the County on an as-needed basis. The primary duties of the County Counsel's office are as follows:

- Representing the Public Guardian in establishing and renewing conservatorships under the Probate Code and under the Welfare and Institutions Code.
- Representing the Mental Health facility before the Superior Court in writs of habeas corpus and informed consent proceedings.
- Representing the Child Protective Services division of the Welfare and Social Services Department in juvenile court proceedings.
- The office renders legal opinions in writing and orally in response to requests from the Board of Supervisors, the County Administrative Officer, County

department heads, other management employees and special districts.

- The County Counsel provides litigation services in lawsuits both by and against the County including those relating to planning, zoning, California Environmental Quality Act, code enforcement, writs of mandate, tax matters, and other complex litigation.
- Advising County department heads and the Personnel Department in employee disciplinary matters and litigating such matters from the initial procedures to arbitration to court proceedings.
- County Counsel has been very active in enforcing bail bond forfeitures and will continue this practice in FY 2011-12.
- County Counsel coordinates with the Risk Manager and the County's insurance adjuster with regard to tort litigation and the selection of counsel.
- From time to time, County Counsel contracts with outside counsel in cases where County Counsel's office has a conflict of interest or where expertise in a specific legal area is required.
- County Counsel's goal for FY 2011-12 is to continue to provide timely and quality legal services to the County, to vigorously defend and prosecute lawsuits on behalf of the County, and to provide well-researched and reasoned advice to County officers and departments.

Recommended Budget

This budget is recommended at \$1,127,282. The General Fund provides 96.8% of the financing for this budget unit and is reduced by \$4,420 (0.4%) compared to FY 2010-11. A portion of the costs for this budget unit are recouped from outside and subvented funds through the annual A-87 cost plan.

The five professional staff within the County Counsel Department are proposing to take a voluntary 5% furlough during FY 2011-12 resulting in a reduction of \$43,160 in Salaries and Benefits expense. A 5% furlough equates to 13 un-paid days per year. It should be expected that staff members of furlough will be unavailable on their specified furlough days.

Further reductions to the budget are recommended as follows:

- The Subscriptions and Publications account has been reduced by \$10,000 (in addition to a \$5,000 reduction in FY 2010-11). Law Research contracts and subscriptions have been reduced. The Department has agreed to keep only one legal resource subscription, and will use internet-based research to the extent possible.
- The Professional and Specialized Services account has been reduced by \$32,000 (in addition to a \$52,000 reduction in FY 2010-11). It should be noted that additional appropriations will be required for outside counsel in the event that larger cases arise which would exceed the capacity of the Department.
- The Transportation and Travel account has been reduced by \$6,000 (in

addition to a \$2,000 reduction in FY 2011-12). The Department must keep a minimum appropriation for Transportation and Travel for professional staff to attend trainings where they receive continuing education credits, as this is the most economical means to meet licensing requirements.

- The Memberships account has also been reduced by \$1,000, based on estimated actual costs.

These recommended budget reductions are offset by increases in Salaries and Benefits related to general increases in negotiated benefits (such as health insurance premiums). Additionally, the budget returns funding for six months of the Assistant County Counsel position, which had been defunded in FY 2010-11 to reflect the un-paid status of the incumbent. This essentially created a budget savings of \$89,750 in FY 2010-11. At that time, \$70,000 of that savings was added to the Professional and Specialized Services account to allow the County Counsel Department to contract for additional counsel services to help offset the vacant position. That \$70,000 in funding has been removed from the FY 2011-12 recommended budget for the Professional and Specialized Services account. The cost increase for adding back the six months of funding for the Assistant County Counsel position in FY 2011-12 is \$93,730.

The primary service impact of the furloughs and expense reductions will be seen by County departments, including the Board of Supervisors and the County Administrative Office, rather than by members of the public. County departments can expect to experience a reduction in service response times (i.e., longer waiting times).

Additionally, the Board of Supervisors will potentially need to increase Extra Help funding or contract out for special services in the event that larger cases arise which exceed the current capacity of the Department.

Therefore, the impact of these reductions will need to be monitored during the year and potentially reevaluated for FY 2012-13.

The County Counsel Department is relatively small, staffed by the County Counsel, an Assistant County Counsel and three Deputy County Counsel, plus one full-time Administrative Assistant and one part-time Legal Secretary. Further budget reductions in the County Counsel department would, depending on the desired reduction amount, require the reduction of at least one professional position and would result in a commensurate reduction in legal services available to the Board of Supervisors and County departments. Therefore, no further reductions are recommended in this budget unit.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

County Share Budgets Trial Courts - General (2-110)

Stephanie J. Larsen, County Administrative Officer

EXECUTIVE SUMMARY						
DEPT HEAD: STEPHANIE J LARSEN	UNIT: TRIAL COURTS-GENERAL		FUND: TRIAL COURT		0014 2-110	
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11	
EXPENDITURES						
* GROSS BUDGET	0	0	0	0	.0	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	0	0	0	0	.0	
OTHER REVENUES						
USER PAY REVENUES	3,880,345	4,590,000	4,742,344	4,292,148	9.5-	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
GENERAL REVENUES	13,948-	724-	0	0	.0	
UNDESIGNATED FUND BALANCE 7/1	0	204,157-	204,576-	0	100.0-	
TOTAL AVAILABLE FINANCING	3,866,397	4,385,119	4,537,768	4,292,148	5.4-	
* UNREIMBURSED COSTS	3,866,397-	4,385,119-	4,537,768-	4,292,148-	5.4-	
ALLOCATED POSITIONS	.00	.00	.00	.00	.0	

Purpose

This budget, which is prepared by the County Administrative Officer, shows the contribution from the County General Fund necessary to balance the Trial Court Fund. The Trial Court Fund consists of the budgets for Probation, Sheriff's Court Bailiffs, the Public Defender, and the County General Fund contribution to operation of Superior Court and conflict indigent defense costs.

Major Budget Changes

Revenues

- (\$450,196) Decrease in Interfund General Fund cost

Program Discussion/ Recommended Budget

The recommended General Fund Contribution is \$4,292,148, which is a decrease of \$450,196 (9.5%) compared to FY 2011-12. As noted, this Unreimbursed Cost represents the County share of all recommended budgets in the Trial Court Fund.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

County Share Budgets Trial Court Funding (2-114)

Stephanie J. Larsen, County Administrative Officer

EXECUTIVE SUMMARY						
DEPT HEAD: STEPHANIE J LARSEN	UNIT: TRIAL COURT-COUNTY SHARE	FUND: GENERAL			0001 2-114	
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11	
EXPENDITURES						
OTHER CHARGES	3,880,345	4,590,000	4,742,344	4,292,148	9.5-	
* GROSS BUDGET	3,880,345	4,590,000	4,742,344	4,292,148	9.5-	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	3,880,345	4,590,000	4,742,344	4,292,148	9.5-	
OTHER REVENUES						
USER PAY REVENUES	0	0	0	0	.0	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
TOTAL OTHER REVENUES	0	0	0	0	.0	
* UNREIMBURSED COSTS	3,880,345	4,590,000	4,742,344	4,292,148	9.5-	
ALLOCATED POSITIONS	.00	.00	.00	.00	.0	

Purpose

This budget unit, which is prepared by the County Administrator's Office, reflects the General Fund cost of the Trial Court Fund. The amount appropriated is shown as revenue in the Trial Court General Budget (2-110).

The recommended amount equals the revenue that is required to meet the Unreimbursed Costs of all the budget units within the Trial Court Fund, which include Sheriff's Court Bailiffs (2-103), Public Defender (2-106), Trial Court Funding (2-109), Superior Court (2-112) and Probation (2-304).

Major Budget Changes

Other Charges

- (\$450,196) Decrease in Interfund Trial Court cost

The decreased County Contribution to this fund is primarily due to decreases in unreimbursed costs of \$396,943 in the Probation budget unit and \$69,376 in the Public Defender budget unit compared to FY 2010-11.

Program Discussion/ Recommended Budget

The recommended General Fund contribution is \$4,292,148, which is a decrease of \$450,196 (9.5%) compared to FY 2010-11.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

County Share Budgets Public Safety - General (2-210)

Stephanie J. Larsen, County Administrative Officer

EXECUTIVE SUMMARY					
DEPT HEAD: STEPHANIE J LARSEN	UNIT: PUBLIC SAFETY-GENERAL		FUND: PUBLIC SAFETY		0015 2-210
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11
EXPENDITURES					
* GROSS BUDGET	0	0	0	0	.0
INTRAFUND TRANSFERS	0	0	0	0	.0
* NET BUDGET	0	0	0	0	.0
OTHER REVENUES					
USER PAY REVENUES	20,119,062	15,241,430	22,161,796	20,299,110	8.4-
GOVERNMENTAL REVENUES	0	0	0	0	.0
GENERAL REVENUES	50,788-	7,577	0	0	.0
TOTAL OTHER REVENUES	20,068,274	15,249,007	22,161,796	20,299,110	8.4-
* UNREIMBURSED COSTS	20,068,274-	15,249,007-	22,161,796-	20,299,110-	8.4-
ALLOCATED POSITIONS	.00	.00	.00	.00	.0

Purpose

This budget unit, which is prepared by the County Administrator's Office, was created by the Board of Supervisors in 1993. It shows both the revenue derived from the ½ percent sales tax increase the State's voters approved when they passed Proposition 172 in November 1993 and the contribution from the County General Fund necessary to finance public safety costs. The General Fund contribution is budgeted in the Public Safety - County Share budget unit (2-215).

Public Safety Augmentation
Fund (0-282)

Program Discussion/ Recommended Budget

The Revenue for this budget is recommended at \$20,299,110 which is a decrease of \$1,862,686 (8.4%) compared to FY 2010-11. The recommended General Fund contribution is \$14,699,110, which is a decrease of \$2,212,686 (13.1%) compared to FY 2010-11.

Major Budget Changes

Revenues

- (\$2,212,686) Decrease in Interfund General Fund Cost
- \$350,000 Increase in Interfund Transfer In-Special Revenue from the

Proposition 172 revenue is estimated at \$5,600,000. This revenue estimate assumes an increase of \$350,000 from the prior fiscal year. Based on recent receipts, it is anticipated this sales tax based revenue will increase in FY 2010-11 and will again increase slightly, in FY 2011-12.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

County Share Budgets Public Safety (2-215)

Stephanie J. Larsen, County Administrative Officer

EXECUTIVE SUMMARY						
DEPT HEAD: STEPHANIE J LARSEN	UNIT: PUBLIC SAFETY-COUNTY SHARE		FUND: GENERAL		0001 2-215	
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11	
EXPENDITURES						
OTHER CHARGES	14,707,012	10,900,000	16,911,796	14,699,110	13.1-	
* GROSS BUDGET	14,707,012	10,900,000	16,911,796	14,699,110	13.1-	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	14,707,012	10,900,000	16,911,796	14,699,110	13.1-	
OTHER REVENUES						
USER PAY REVENUES	0	0	0	0	.0	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
TOTAL OTHER REVENUES	0	0	0	0	.0	
* UNREIMBURSED COSTS	14,707,012	10,900,000	16,911,796	14,699,110	13.1-	
ALLOCATED POSITIONS	.00	.00	.00	.00	.0	

Purpose

This budget unit, which is prepared by the County Administrator's Office, reflects the General Fund cost of the Public Safety Fund.

The amount appropriated in this budget unit appears as revenue in the Public Safety - General budget unit (2-210), which is located in the Public Safety Fund.

Major Budget Changes

Other Charges

- (\$2,212,686) Decrease in Interfund Public Safety Costs

Program Discussion/ Recommended Budget

This budget is recommended at \$14,699,110, which is a decrease of \$2,212,686 (13.1%) compared to FY 2010-11. The General Fund contribution to the Public Safety Fund reflects the total of the recommended Unreimbursed Costs of all budgets within the Public Safety Fund.

The recommended decrease in the General Fund contribution to the Public Safety Fund is primarily the result of reductions in the Sheriff, District Attorney, Emergency Services and Fire Services budgets.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

County Share Budgets Mental Health Fund (4-107)

Stephanie J. Larsen, County Administrative Officer

EXECUTIVE SUMMARY						
DEPT HEAD: STEPHANIE J LARSEN	UNIT: MENTAL HEALTH-COUNTY SHARE	FUND: GENERAL			0001 4-107	
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11	
EXPENDITURES						
OTHER CHARGES	1,575,220	1,209,293	1,664,212	1,646,000	1.1-	
* GROSS BUDGET	1,575,220	1,209,293	1,664,212	1,646,000	1.1-	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	1,575,220	1,209,293	1,664,212	1,646,000	1.1-	
OTHER REVENUES						
USER PAY REVENUES	0	0	0	0	.0	
GOVERNMENTAL REVENUES	1,575,220	1,209,293	1,664,212	1,646,000	1.1-	
TOTAL OTHER REVENUES	1,575,220	1,209,293	1,664,212	1,646,000	1.1-	
* UNREIMBURSED COSTS	0	0	0	0	.0	
ALLOCATED POSITIONS	.00	.00	.00	.00	.0	

Purpose

As required by State law, the Mental Health share of the Motor Vehicle In-Lieu Realignment revenues are first placed into this budget unit, then transferred to the Mental Health Realignment Special Revenue Fund, and subsequently transferred to the Mental Health operating budget (4-102).

This budget unit is prepared by the County Administrator's Office.

Major Budget Changes

- (\$18,212) Decrease in projected Motor Vehicle In-Lieu (MVIL) Realignment revenue reflecting economic trends

Program Discussion/ Recommended Budget

This budget is recommended at \$1,646,000, which is a decrease of \$18,212 (1.1%) compared to FY 2010-11. Funding is essentially stable. There is no County Share contribution required for this budget unit. The Mental Health fund is self-contained and does not have an Unreimbursed County Cost.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

County Share Budgets Health Care - General (4-110)

Stephanie J. Larsen, County Administrative Officer

		EXECUTIVE SUMMARY				
DEPT HEAD: STEPHANIE J LARSEN		UNIT: HEALTH CARE-GENERAL		FUND: HEALTH		0012 4-110
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11	
EXPENDITURES						
OTHER CHARGES	2,996,118	2,396,894	2,996,118	2,996,118	.0	
* GROSS BUDGET	2,996,118	2,396,894	2,996,118	2,996,118	.0	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	2,996,118	2,396,894	2,996,118	2,996,118	.0	
OTHER REVENUES						
USER PAY REVENUES	8,524,094	7,932,606	9,377,461	8,818,203	6.0-	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
GENERAL REVENUES	5,198-	3,953	0	0	.0	
TOTAL OTHER REVENUES	8,518,896	7,936,559	9,377,461	8,818,203	6.0-	
* UNREIMBURSED COSTS	5,522,778-	5,539,665-	6,381,343-	5,822,085-	8.8-	
ALLOCATED POSITIONS	.00	.00	.00	.00	.0	

Purpose

The Health Care – General budget unit includes Health Realignment Revenue received by the County and a contribution from the County General Fund which constitutes that fund’s share of health costs. It should be noted that Health Realignment Revenue is transferred into the Health Fund from Special Revenue Fund 0247 and consists of two components: Motor Vehicle In-Lieu Revenue (MVIL) and Sales Tax Revenue.

In addition, this budget unit contains an appropriation (\$2,996,118) that represents the portion of the County’s Health Realignment revenue that is transferred to the County Medical Services Program (CMSP). This amount was previously budgeted in the Non-County Providers budget, but was relocated to this budget unit after the County Board of Supervisors

agreed to allow the State Controller to make direct payments to CMSP (instead of the revenue being sent to the County, and the County making the payments).

This budget unit is prepared by the County Administrator's Office.

Major Budget Changes

Revenues

- (\$559,258) Decrease in General Fund share of cost for the Health Fund

Program Discussion/ Recommended Budget

The recommended revenue is \$8,818,203, which is a decrease of \$559,258 (6%) compared to FY 2010-11. This decrease

County Share Budgets

Health Care - General (4-110)

Stephanie J. Larsen, County Administrative Officer

represents a savings to the General Fund of the same amount.

Other Charges is recommended at \$2,996,118 to fund the County contribution to the County Medical Services Plan (CMSP) for indigent medical services. This amount is the same as the FY 2010-11 Adopted Budget.

The recommended budget for the MVIL portion of Health Realignment revenue is recommended at \$4,400,000; the same as in FY 2010-11. The Motor Vehicle In-lieu (MVIL) portion of the Health Realignment revenue is first deposited in the General Fund and is then transferred to this budget unit.

The recommended amount for the sales tax portion of the Health Realignment revenue, which, by statute, is first deposited to the Health Realignment Fund (Special Revenue Fund 0-247), is recommended at \$1,300,000. It is anticipated that Sales Tax revenues will remain stable in FY 2011-12.

The Realignment revenue amounts are set each year by the State Controller's Office. Based on current economic conditions, it is anticipated that these revenues will remain constant, with no increase or decrease, in FY 2011-12. It should be noted that these budgeted figures are subject to change once revenue estimate information becomes available from the State Controller's office later in the year. Staff believes that there is limited possibility that these numbers will further decrease in FY 2011-12.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

County Share Budgets Health Fund (4-112)

Stephanie J. Larsen, County Administrative Officer

EXECUTIVE SUMMARY						
DEPT HEAD: STEPHANIE J LARSEN	UNIT: HEALTH-COUNTY SHARE	FUND: GENERAL			0001 4-112	
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11	
EXPENDITURES						
OTHER CHARGES	7,226,960	7,052,967	8,077,461	7,518,203	6.9-	
* GROSS BUDGET	7,226,960	7,052,967	8,077,461	7,518,203	6.9-	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	7,226,960	7,052,967	8,077,461	7,518,203	6.9-	
OTHER REVENUES						
USER PAY REVENUES	0	0	0	0	.0	
GOVERNMENTAL REVENUES	4,379,900	3,278,155	4,400,000	4,400,000	.0	
TOTAL OTHER REVENUES	4,379,900	3,278,155	4,400,000	4,400,000	.0	
* UNREIMBURSED COSTS	2,847,060	3,774,812	3,677,461	3,118,203	15.2-	
ALLOCATED POSITIONS	.00	.00	.00	.00	.0	

Purpose

The Health Fund – County Share budget unit includes the County's share of the cost of the budget units and programs of the Health Services Fund 0012. This budget unit also includes Health Realignment Motor Vehicle In-Lieu (MVIL) revenue. Health Realignment MVIL revenue is budgeted as a pass-through in this budget unit in order to meet State law, which requires that Realignment MVIL revenue be first placed in the General Fund and, upon receipt, be transferred to the Health Realignment Special Revenue Fund (Fund 0-247).

This budget is prepared by the County Administrator's Office.

Major Budget Changes

Other Charges

- (\$559,258) Decrease in General Fund share of cost for the Health Fund

Program Discussion/ Recommended Budget

This budget is recommended at \$7,518,203, which is a decrease of \$559,258 (6.9%) compared to FY 2010-11.

MVIL Realignment revenues are recommended at \$4,400,000, the same as in FY 2010-11.

The General Fund share of cost is recommended at \$3,118,203, which is \$559,258 less than FY 2010-11. The General Fund contribution to the Health

County Share Budgets Health Fund (4-112)

Stephanie J. Larsen, County Administrative Officer

Fund reflects the total of the recommended Unreimbursed Costs of all budget units within the Health Fund.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

County Share Budgets Welfare/Social Services General (5-110)

Stephanie J. Larsen, County Administrative Officer

EXECUTIVE SUMMARY					
DEPT HEAD: STEPHANIE J LARSEN	UNIT: WELFARE/SOCIAL SERVICES-GENRL FUND: WELFARE/SOCIAL SERVICES			0013 5-110	
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11
EXPENDITURES					
* GROSS BUDGET	0	0	0	0	.0
INTRAFUND TRANSFERS	0	0	0	0	.0
* NET BUDGET	0	0	0	0	.0
OTHER REVENUES					
USER PAY REVENUES	1,643,122	4,588,130	4,462,746	3,520,812	21.1-
GOVERNMENTAL REVENUES	0	0	0	0	.0
GENERAL REVENUES	8,882	45,449	0	0	.0
TOTAL OTHER REVENUES	1,652,004	4,633,579	4,462,746	3,520,812	21.1-
* UNREIMBURSED COSTS	1,652,004-	4,633,579-	4,462,746-	3,520,812-	21.1-
ALLOCATED POSITIONS	.00	.00	.00	.00	.0

Purpose

The Welfare/Social Services General budget unit is a revenue-only budget unit that is used to balance the Welfare Fund to the total cost of all budget units within the Welfare Fund. This budget unit contains revenue from the Social Services Realignment Special Revenue Fund (0-248) and a revenue contribution from the General Fund. The latter constitutes the County's share of aggregate Welfare/Social Services' costs. The County's share of the cost is shown as a corresponding appropriation in General Fund Budget Unit 5-113. The revenue included in this budget unit equals the sum of the Unreimbursed Costs of all the other budget units in the Welfare/Social Services Fund.

This budget is prepared by the County Administrator's Office.

Major Budget Changes

Other Charges

- \$14,000 Increase in Interfund General Fund Cost to meet the County's Maintenance of Effort requirements
- (\$955,934) Decrease in required contribution from the Welfare/Social Services Realignment Fund

Program Discussion/ Recommended Budget

The recommended revenue is \$3,520,812, which is a decrease of \$941,934 (21.1%) compared to FY 2010-11.

The recommended amount for the sales tax portion of the Social Services Realignment

County Share Budgets

Welfare/Social Services General (5-110)

Stephanie J. Larsen, County Administrator

Revenues (SSRR), which, by statute, is first deposited to the Welfare/Social Services Realignment Fund (Fund 0-248), is recommended at \$2,896,812. It is anticipated that Sales Tax receipts in FY 2010-11 will remain constant, with no increase or decrease, for FY 2011-12.

The recommended budget for the MVIL portion of the SSRR is \$175,000, the same as budgeted in FY 2010-11. The Motor Vehicle In-lieu (MVIL) portion of the SSRR is first deposited in the General Fund and is then transferred to this budget unit.

The SSRR amounts are set each year by the State Controller's Office. Based on current economic conditions, it is anticipated that these revenues will remain constant from FY 2010-11 to FY 2011-12. It should be noted these budgeted figures are subject to change once revenue estimate information becomes available from the State Controller's office later in the year.

Staff believes there is limited possibility these numbers will further decrease in FY 2011-12. However, in the event that Realignment Revenues do not meet the budgeted amount (due to a decrease in statewide sales tax collections) there are sufficient reserve funds available in the Welfare/Social Services Realignment Fund to support the FY 2011-12 recommended budget.

The recommended General Fund share of cost for the Welfare/Social Services Fund is \$449,000, which is \$14,000 (3.2%) higher than in FY 2010-11. This increase reflects the Maintenance of Effort requirement that the County is obligated to fund for Welfare and Social Services-related programs.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

County Share Budgets Welfare/Social Services Fund (5-113)

Stephanie J. Larsen, County Administrative Officer

EXECUTIVE SUMMARY						
DEPT HEAD: STEPHANIE J LARSEN	UNIT: WELFARE-COUNTY SHARE		FUND: GENERAL		0001 5-113	
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11	
EXPENDITURES						
OTHER CHARGES	437,398	133,307	610,000	624,000	2.3	
* GROSS BUDGET	437,398	133,307	610,000	624,000	2.3	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	437,398	133,307	610,000	624,000	2.3	
OTHER REVENUES						
USER PAY REVENUES	0	0	0	0	.0	
GOVERNMENTAL REVENUES	178,109	133,307	175,000	175,000	.0	
TOTAL OTHER REVENUES	178,109	133,307	175,000	175,000	.0	
* UNREIMBURSED COSTS	259,289	0	435,000	449,000	3.2	
ALLOCATED POSITIONS	.00	.00	.00	.00	.0	

Purpose

The Welfare/Social Services Fund – County Share budget unit includes the County's share of the cost of the budget units and programs included in the Welfare/Social Services Fund (Fund 0013). The amount appropriated in this budget unit is shown as revenue in Budget Unit 5-110 (Welfare/Social Services - General). The Motor Vehicle In-Lieu (MVIL) Realignment revenue shown in this budget unit is required by law to first be deposited in the County's General Fund before being transferred to the Welfare/Social Services Realignment Special Revenue Fund (0-248).

This budget is prepared by the County Administrator's Office.

Major Budget Changes

Other Charges

- \$14,000 Increase in General Fund Cost for the Welfare/Social Services Fund, to meet the County's Maintenance of Effort requirements

Program Discussion/ Recommended Budget

The recommended budget is \$624,000, which is an increase of \$14,000 (2.3%) compared to FY 2010-11.

MVIL Realignment revenues are recommended at \$175,000, the same amount as FY 2010-11.

The General Fund contribution is recommended at \$449,000, which is \$14,000 higher than the prior year.

County Share Budgets Welfare/Social Services Fund (5-113)

Stephanie J. Larsen, County Administrative Officer

The Unreimbursed Cost of this budget unit represents the County share of all recommended budgets in the Welfare/Social Services Fund. The increase of \$14,000 represents the Maintenance of Effort requirements that the County is obligated to pay towards provision of Welfare/Social Services related programs.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

General Revenues (1-209) *Stephanie J. Larsen, County Administrative Officer*

EXECUTIVE SUMMARY						
DEPT HEAD: STEPHANIE J LARSEN	UNIT: GENERAL REVENUES		FUND: GENERAL		0001 1-209	
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11	
EXPENDITURES						
OTHER CHARGES	0	13,018	0	32,414	***	
* GROSS BUDGET	0	13,018	0	32,414	***	
INTRAFUND TRANSFERS	9,292-	307,898-	411,225-	322,128-	21.7-	
* NET BUDGET	9,292-	294,880-	411,225-	289,714-	29.5-	
APPROPRIATION FOR CONTINGENCY	0	0	0	0	.0	
INCREASE IN DESIGNATIONS	0	0	3,242,556	182,759	94.4-	
INCREASES IN RESERVES	0	0	0	0	.0	
* TOTAL BUDGET	9,292-	294,880-	2,831,331	106,955-	103.8-	
OTHER REVENUES						
GENERAL REVENUES	35,088,403	19,435,085	33,606,494	33,925,032	.9	
OTHER FINANCING SOURCES	1,729	0	0	0	.0	
RESIDUAL EQUITY TRANS-IN	0	0	0	182,759	***	
CANCELLATION P/Y DESIGNATIONS	0	0	4,535,267	3,000,000	33.9-	
UNDESIGNATED FUND BALANCE 7/1	18,627,610	13,563,586	11,941,578	4,600,000	61.5-	
TOTAL OTHER REVENUES	53,717,742	32,998,671	50,083,339	41,707,791	16.7-	

Purpose

The General Revenues budget unit accounts for the general revenues of the County's General Fund. General revenues include property taxes; the undesignated fund balance; fines, sales and use taxes; various revenues from the State; miscellaneous taxes and other revenues which are not accounted for in other budget units. In the Recommended Budget, the estimated undesignated fund balance expected to be available is included in the General Revenues budget. These general revenues finance the "Unreimbursed Cost" of all other budget units within the General Fund.

This budget is prepared by the County Administrator's Office.

Major Budget Changes

Revenues

- (\$800,500) Budgeted decrease in property tax revenues, including in-lieu of vehicle license fee revenue, as compared to the FY 2010-11 Adopted Budget
- \$379,440 Budgeted increase in local sales and use tax revenue, in-lieu local sales and use taxes, as compared to the FY 2010-11 Adopted Budget
- (\$250,000) Budgeted decrease in projected interest earnings based on reduced funds earning interest

- (\$50,000) SB21 Revenue moved to Trial Court Funding budget unit to more accurately reflect revenue received from court related fees and fines
- \$739,176 Increase in A-87 cost reimbursements, based upon the cost plan prepared by the Auditor-Controller

Program Discussion & Recommended Budget

The estimate for the General Revenue category is \$33,925,032, which is an increase of \$318,538 (0.9%) compared to the FY 2010-11 Adopted Budget.

The relative increase in General Revenues is primarily due to a \$278,000 interfund transfer in of General Government Impact Fee funds to cover the Unreimbursed Cost of the recommended expansion of the Agricultural Commissioner's offices at 142 Garden Highway.

The County's three major General Revenues have traditionally been the property tax, the sales tax, and the motor vehicle in-lieu payments from the State. However, significant changes occurred in FY 2004-05 regarding how two of these major revenue streams, the sales tax and the motor vehicle in-lieu (MVIL) payments, are received from the State.

Regarding sales tax, the voter approved Proposition 57 (2004), officially called The Economic Recovery Bond Act, implemented a set of transactions, also known as the "Triple Flip," whereby a share of revenues that had previously appeared under the Sales and Use

Taxes account are now shown in the related In-Lieu Local Sales and Use Tax account. The amount that each county receives for In-Lieu Local Sales and Use Tax is provided each year by the State Controller's Office. This "temporary" shift of revenues by the State is to last until all of the revenue bonds issued by the State, pursuant to Proposition 57, are paid off.

Up until 2004, a primary source of revenue for California counties was the motor vehicle in-lieu. Due to the voter approved Proposition 1A (Protection of Local Government Revenues Act of November 2004), the State now receives the motor vehicle in-lieu revenues and have "swapped" that revenue for property tax. That revenue is budgeted in the Property Tax In-Lieu – Vehicle License Fee account. The intent of Prop 1A was to protect revenues collected by local governments (cities, counties, and special districts) from being transferred to the California state government for statewide use. This is a permanent change to the County-State relationship regarding these revenues, and the County will continue to receive Property Tax revenues in lieu of MVIL. Property Tax In-Lieu - Vehicle License Fee revenues are calculated each year by a formula determined by the State Controller's Office. It should be noted that these In-Lieu Property Tax revenues are not related to, nor should they in any way impact, the amount received in the Property Tax – Secured account.

With this Recommended Budget, property tax revenues (including secured, unsecured, and property tax in lieu of Motor Vehicle License Fees) are projected to be approximately \$21.3 million. This represents a decrease of approximately \$0.8 million, or 3.6%, from the FY 2010-11 Adopted Budget, based on the initial property tax roll estimate. The County Administrative Officer and the Assessor

General Revenues (1-209) *Stephanie J. Larsen, County Administrative Officer*

estimate that property tax revenue will continue to decline in FY 2011-12, due primarily to the number of applications for re-assessment for both personal and business properties.

The budget for sales and use tax revenue is recommended at \$2.17 million. Sales tax based revenues declined substantially in FY 2008-09 and FY 2009-10. The decline in sales tax revenues appears to be leveling off in FY 2010-11, with sales tax based revenue projected to come in slightly over what was included in the FY 2010-11 Adopted Budget. The County Administrative Office is projecting that sales tax receipts will remain essentially flat through FY 2011-12.

The County receives Franchise Fee revenue from three sources: PG&E, Recology Yuba-Sutter, and Comcast, with the majority of the fee revenue coming from PG&E. Because the PG&E franchise fee is tied to electric and gas use, this revenue source fluctuates from year to year. FY 2009-10 franchise fee revenue from PG&E came in lower than anticipated. Total franchise fee revenue is projected to be \$1.6 million for FY 2010-11 and will remain essentially flat through FY 2011-12.

The SB21 Recorder revenue account has been moved from the General Revenues 1-209 budget unit into Trial Court Funding budget unit to more accurately reflect revenue received from court related fees and fines. This also simplifies the calculation of the Court Fine & Forfeiture maintenance-of-effort payment to the State, which is calculated and paid at year-end by the Auditor-Controller's office.

An Interfund Transfer-In from the General Government Impact Fee fund (#0-101) in the amount of \$278,000 is recommended to fund

the County's share of cost of the recommended expansion of the Agricultural Commissioner's offices at 142 Garden Highway.

The estimated Fund Balance Available from FY 2010-11 is \$4.6 million. This represents carry-forward monies generated from on-going County operations which we estimate can be, and needs to be, used to fund on-going County expenditures.

It should be noted that the actual estimated Fund Balance Available will not be known until the financial books of the County are closed by the Auditor-Controller, typically in October of each year, and it is likely that the actual fund balance will differ from what is included in this recommendation. At this time, we anticipate that any change in Fund Balance Available that results from the closing of the County books at year-end will be adjusted to the Increases in Designations account, to be placed in the Designation for Capital Projects in the Final Budget.

Use of Reserves/Designations

It is recommended that \$322,000 of the Designation for Capital Projects (account 37312) be liquidated in FY 2011-12 to fund the cost of General Fund projects in the Plant Acquisition budget (budget unit 1-801).

It is recommended that \$30,000 of the Designation for Future Remodel – Ag Building (account 37311) be liquidated to help fund the recommended expansion of the Agricultural Commissioner's offices at 142 Garden Highway. This project is included and discussed in the Plant Acquisition budget.

It is recommended that \$27,000 of the Designation for Flood Control Projects

General Revenues (1-209) *Stephanie J. Larsen, County Administrative Officer*

(account 37306) be liquidated to fund the recommended installation and surveying of eight river gauges within Sutter County. This project is included in the Plant Acquisition budget.

Projects fund (4-100) that is recommended to be returned to the General Fund.

\$15,570 from the Designation for Wellness Program (account 37310) has been cancelled in FY 2011-12 to offset costs of the County's Wellness Program. These costs are budgeted in the Public Health budget unit.

The Board of Supervisors established the Designation for Williamson Act Subvention in 2004 as a means of accumulating and saving these State subvention revenues for the purpose of using the funds to offset any future decline or elimination of the subvention in the State budget. The subvention was effectively eliminated by the State in 2009. The County is no longer entering into new contracts or renewing existing contracts. Due to the structure of Williamson Act contracts, it will take 10 years for existing contracts to terminate. Therefore, it is recommended that one-tenth of the FY 2010-11 balance of the Designation for Williamson Act Subvention (account 37338), equaling \$51,150, be cancelled in FY 2011-12 to offset the loss of that revenue source.

It is recommended that \$2,554,280 held in the General Fund's Designation for Capital Projects (account 37312) be liquidated to meet on-going financing requirements.

The total Cancellation of Prior Year Designations in the General Revenues budget unit for FY 2011-12 is recommended at \$3,000,000.

It is recommended that the Designation for Capital Projects be increased by \$180,259, reflecting residual equity from the Capital

Non-Departmental Expenses (1-103)

Stephanie J. Larsen
County Administrative Officer

E X E C U T I V E S U M M A R Y					
DEPT HEAD: STEPHANIE J LARSEN	UNIT: NON-DEPARTMENTAL EXPENSES	FUND: GENERAL	0001 1-103		
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11
EXPENDITURES					
SALARIES AND EMPLOYEE BENEFITS	0	0	40,000	0	100.0-
SERVICES AND SUPPLIES	446,534	475,518	703,428	506,300	28.0-
OTHER CHARGES	0	11,873	12,000	23,140	92.8
* GROSS BUDGET	446,534	487,391	755,428	529,440	29.9-
INTRAFUND TRANSFERS	5,000-	3	5,000-	5,000-	.0
* NET BUDGET	441,534	487,394	750,428	524,440	30.1-
APPROPRIATION FOR CONTINGENCY	0	0	0	0	.0
INCREASE IN DESIGNATIONS	0	0	68,338	44,665	34.6-
INCREASES IN RESERVES	0	0	0	0	.0
* TOTAL BUDGET	441,534	487,394	818,766	569,105	30.5-
OTHER REVENUES					
USER PAY REVENUES	100,544	23,088	88,900	54,490	38.7-
GOVERNMENTAL REVENUES	0	0	0	0	.0
TOTAL OTHER REVENUES	100,544	23,088	88,900	54,490	38.7-
* UNREIMBURSED COSTS	340,990	464,306	729,866	514,615	29.5-
ALLOCATED POSITIONS	.00	.00	.00	.00	.0

Purpose

The Non-Departmental Expenses (NDE) budget unit finances certain general service costs of County government, which are not readily allocated to any specific department. Typical costs include professional services for legislative advocacy and conducting the annual independent audit of County government finances.

cost has been moved to budget unit 1-104, Personnel Transition Costs

Major Budget Changes

Salaries & Benefits

- (\$40,000) Decrease in County Contribution to Unemployment Insurance - this place-holder

Services & Supplies

- (\$12,000) Decrease due to the elimination of the County's participation in the annual State Fair Exhibit
- (\$60,000) Decrease in Auditing Fees based on reduced contract cost for the annual Audit of Financial Statements
- (\$42,000) Decrease in Professional and Specialized Services to reflect

Non-Departmental Expenses (1-103)

Stephanie J. Larsen
County Administrative Officer

a reduction in special services required for FY 2011-12

- (\$76,928) Decrease in Special Department Expense Flood - the County's annual Assessment (paid to Sutter Butte Flood Control Agency) has been move to the Building Maintenance budget unit (1-700)

Other Charges

- \$11,140 Increase in Contribution to Others – the County's contribution to the Area Agency on Aging has been moved into the NDE budget unit from the Subsidy Request budget unit (7-202)

Revenues

- (\$32,410) Decrease in Interfund Audit Expense revenue based on reduced contract cost for the annual Audit of Financial Statements

Program Discussion

As indicated above, this budget unit finances certain general service costs of County government, which are not readily allocated to any specific department. Typical costs financed by this budget unit include professional services for legislative advocacy and conducting the annual independent audit of County government finances.

Within the Salaries and Benefits object level, the only account traditionally budgeted in

NDE is Unemployment Insurance, which each year has served as a “place-holder” for possible Unemployment Insurance payments for General Fund Departments. Departments that are currently incurring on-going Unemployment costs have budgeted anticipated amounts in their individual budget units. For FY 2011-12 anticipated Unemployment Insurance payments due to filled positions that are recommended to be eliminated are reflected in the Personnel Transition Costs budget unit (1-104).

Revenues include an Interfund transfer from non-General Fund departments to pay for their proportionate share of the annual County financial audit.

Recommended Budget

This budget is recommended at \$569,105. The General Fund provides approximately 90.4% of the financing for this budget unit and is reduced by \$256,671 (35.0%) compared to FY 2010-11.

Audit Fees are recommended at \$190,000, reflecting a reduction of \$60,000 based on reduced contract cost for the annual Audit of Financial Statements. In March 2010, the County entered into a contract for Management Audit services. The term of the contract covered the remainder of FY 2009-10 with the completion of work being in FY 2010-11. This account includes \$100,000 as a place-holder for the potential extension of the contract in order to conduct management audits of additional departments.

The Professional and Special Service – Legal line item is recommended at \$10,000 to cover possible residual legal issues related to the Measure M project.

Non-Departmental Expenses (1-103)

Stephanie J. Larsen
County Administrative Officer

The Professional/Specialized Services account is recommended at \$133,000, reflecting a reduction of \$42,000 due to a reduction of special contract services required in FY 2011-12.

joint Agricultural Commissioner/Farm Advisor facility.

The Contribution to Others account now reflects the County's contribution to the Area 4 Agency on Aging (pursuant to a current Joint Powers Agreement). This annual payment has been moved into the NDE budget unit from the Subsidy Request budget unit (7-202).

Intrafund Transfers include a negative \$5,000 (essentially a revenue) in Intrafund Rents/Leases related to the Farm Advisor's building lease. This account is budgeted each year.

The Interfund Audit Expense revenue account has been reduced proportionally to the reduction in the cost for the annual Audit of Financial Statements.

Use of Reserves/Designations

Increases in Designations are recommended at \$44,665:

- \$39,665 is recommended to transfer actual net revenues from FY 2009-10 Transient Occupancy Tax (TOT) payments to the Designation for Transient Occupancy Tax (account #37339).
- \$5,000 is recommended to be placed in the Designation for Farm Advisor/Ag Building (account #37309). This designation will be used to offset costs for any future improvement to or replacement of the

Personnel Transition Costs (1-104)

Stephanie J. Larsen
County Administrative Officer

EXECUTIVE SUMMARY						
DEPT HEAD: STEPHANIE J LARSEN	UNIT: PERSONNEL TRANSITION COSTS	FUND: GENERAL	0001 1-104			
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	0	0	0	277,317	***	
* GROSS BUDGET	0	0	0	277,317	***	
INTRAFUND TRANSFERS	0	0	0	0	.0	
* NET BUDGET	0	0	0	277,317	***	
OTHER REVENUES						
USER PAY REVENUES	0	0	0	0	.0	
GOVERNMENTAL REVENUES	0	0	0	0	.0	
CANCELLATION P/Y DESIGNATIONS	0	0	0	277,317	***	
TOTAL OTHER REVENUES	0	0	0	277,317	***	
* UNREIMBURSED COSTS	0	0	0	0	.0	
ALLOCATED POSITIONS	.00	.00	.00	16.00	***	

Purpose

The Personnel Transition Costs budget unit is a new budget unit created in FY 2011-12. This budget unit represents the County's total anticipated Unemployment Insurance liabilities associated with the recommended elimination of filled positions. This budget unit also includes one month of funding and the position allocation for those positions that are recommended to be eliminated in FY 2011-12.

Major Budget Changes

Salaries & Benefits

- \$90,117 Transition funding for positions recommended to be eliminated in FY 2011-12, based on an estimated one-month cost

- \$187,200 County Contribution for Unemployment Insurance for employees affected by eliminated positions

Recommended Budget

This budget is recommended at \$277,317.

It is recommended that the costs associated with this budget unit be funded with a Cancellation of Prior Year Designations, from the Designation for Capital Projects (account #37312).

Treasurer Tax-Collector Highland Estates Improvement Reserve (0-391)

Steven L. Harrah, Treasurer Tax-Collector

EXECUTIVE SUMMARY

DEPT HEAD: STEVEN L. HARRAH

UNIT: HIGHLAND ESTATE IMPRVMT RSRVE FUND: HIGHLAND ESTATE IMPRVMT RSRVE 0391 0-391

	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11
EXPENDITURES					
OTHER CHARGES	44,592	0	0	3,918	***
* GROSS BUDGET	44,592	0	0	3,918	***
INTRAFUND TRANSFERS	0	0	0	0	.0
* NET BUDGET	44,592	0	0	3,918	***
APPROPRIATION FOR CONTINGENCY	0	0	0	0	.0
INCREASES IN RESERVES	0	0	0	0	.0
* TOTAL BUDGET	44,592	0	0	3,918	***
OTHER REVENUES					
USER PAY REVENUES	0	0	0	0	.0
GOVERNMENTAL REVENUES	0	0	0	0	.0
GENERAL REVENUES	1,917	1,174	1,000	1,000	.0
CANCELLATION P/Y DESIGNATIONS	0	0	44,475	2,418	94.6-
UNDESIGNATED FUND BALANCE 7/1	2,800-	1,000-	45,475-	500	101.1-
TOTAL AVAILABLE FINANCING	883-	174	0	3,918	***
* UNREIMBURSED COSTS	45,475	174-	0	0	.0
ALLOCATED POSITIONS	.00	.00	.00	.00	.0

Purpose

The primary purpose of this budget unit is to appropriate the interest revenue for the reserve fund related to the Limited Obligation Improvement Bonds, Highland Estates Improvement Project bond issue of \$375,380, which matures on September 2, 2013.

Major Budget Changes

Other Charges

- \$3,000 Increase in Contributions to Others to maintain the required balance in the Reserve fund

Revenues

- \$3,000 General increase in interest revenue

Program Discussion

In FY 2009-10, \$44,592 was transferred from the Reserve Fund to the Bond Redemption Fund to bring the balance of the Reserve account to \$37,538, which is the amount required by the bond issuance.

Recommended Budget

This budget is recommended at \$3,918. The General Fund does not provide any financing for this budget unit.

Treasurer Tax-Collector Highland Estates Improvement Reserve (0-391)

Steven L. Harrah, Treasurer Tax-Collector

The Contributions to Others account is recommended at \$3,918. This account is used to transfer interest earnings, and any funds received during the year, to the Bond Redemption Fund, in order to maintain the required balance in the Reserve fund.

Use of Reserves/Designations

The Highland Estates Improvement Reserve fund contains a Designation for Future Appropriations. The balance of the Designation account is currently at \$39,206, which is \$2,418 greater than required. Therefore, it is recommended that \$2,418 be cancelled from the Designation.

Treasurer - Tax Collector Tax Collector (1-202)

Steven L. Harrah, Treasurer-Tax Collector

EXECUTIVE SUMMARY						
DEPT HEAD: STEVEN L. HARRAH	UNIT: TREASURER-TAX COLLECTOR	FUND: GENERAL			0001 1-202	
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11	
EXPENDITURES						
SALARIES AND EMPLOYEE BENEFITS	593,122	531,460	628,547	630,089	.2	
SERVICES AND SUPPLIES	114,062	53,113	144,875	117,200	19.1-	
OTHER CHARGES	99,482	110,219	120,338	114,264	5.0-	
* GROSS BUDGET	806,666	694,792	893,760	861,553	3.6-	
INTRAFUND TRANSFERS	26,533	25,976	26,237	26,252	.1	
* NET BUDGET	833,199	720,768	919,997	887,805	3.5-	
OTHER REVENUES						
USER PAY REVENUES	277,089	253,554	325,940	336,040	3.1	
GOVERNMENTAL REVENUES	17,484	2,336	0	0	.0	
TOTAL OTHER REVENUES	294,573	255,890	325,940	336,040	3.1	
* UNREIMBURSED COSTS	538,626	464,878	594,057	551,765	7.1-	
ALLOCATED POSITIONS	7.67	7.67	7.67	7.17	6.5-	

Purpose

The Treasurer-Tax Collector's office provides services to other County departments and performs functions for several local government agencies not under the control of the County Board of Supervisors. Tax collections are performed for all taxing agencies including the County, cities, school districts and various special districts. The Treasurer also safeguards and invests the monies for the County, school districts, and most of the special districts in Sutter County as part of its Treasury function.

Major Budget Changes

Salaries & Benefits

- (\$21,185) Reduction of one filled Treasurer-Deputy Collector

position to a 50% (0.5 FTE) position

Services & Supplies

- \$4,000 Increase in Auditing Fees for Pooled Money Investment Board annual Compliance Audit
- (\$8,425) Decrease in Office Expenses to achieve budget reductions
- (\$20,000) Decrease in Special Department Expense for Bank Fees based on a review of actual expenses
- (\$3,250) Decreases in remaining services and supplies accounts to achieve additional budget reductions

Treasurer - Tax Collector Tax Collector (1-202)

Steven L. Harrah, Treasurer-Tax Collector

Revenues

- \$6,100 Increase's in Installment Plan Fees and return Unsecured Collection Fees based on a review of actual revenues
- \$4,000 Increase in Treasury Fees to recoup costs of annual Compliance Audit

Program Discussion

The Treasurer-Tax Collector's Office is accountable for three primary functions. As the County's banking depository, the Department provides pooled treasury services to County departments, schools and special districts. These services include receiving cash receipts and depositing them with the County's banking institution; paying County warrants issued by the auditor or schools; and managing and investing funds.

Cash balances in the County treasury average \$150 to \$200 million each day. Every month, the Department banks approximately 15,000 checks in addition to cash and pays anywhere from 12,000 to 15,000 county and school warrants.

The Treasurer-Tax Collector's Office administers the property tax collection function for the county, cities, schools and special districts. Tax activities include mailing bills, recording payments and reconciling accounts with the Auditor-Controller for the secured, unsecured and supplemental property tax rolls. Annually, this office mails approximately 45,000 tax bills and collects and processes more than \$90 million in tax payments.

The Office of Revenue Collections is the third division located in the Treasurer-Tax Collector's Office. Budgetary details for this function appear under budget unit 1-204.

Recommended Budget

This budget is recommended at \$887,805. The General Fund provides 62.1% of the financing for this budget unit and is reduced \$42,292 (7.1%) compared to FY 2010-11.

This recommendation reflects the reduction of one (1.0 FTE) Treasurer-Deputy Collector position in the Tax Collectors office to a 50% (0.5 FTE) position. The Department will also continue to hold vacant and unfunded one Treasurer-Deputy Collector position that was frozen and unfunded in FY 2009-10. It is expected that members of the public will experience longer wait periods, especially during peak tax payment seasons. Additionally, it is expected that the processing of payments will be delayed during those periods of increased workload. It should be noted that if a significant delay in processing of payments occurs, this could result in a loss of investment revenue, as those delayed payments would not be immediately available for investment.

Bank Fee expense, reflected in the Special Department Expense line items, has been decreased by \$20,000 based on a review of historic actual expenses. Bank Fees paid by the County are recouped through Treasury Fees, paid by all participants in the treasury.

The cost of the annual Compliance Audit for the Pooled Money Investment Board (conducted pursuant to Government Code Section 27134) has been added this year to the Treasurer-Tax Collector budget unit. It

is anticipated that the cost of the audit will be recouped through Treasury Fees. Therefore, Audit Fees expense and Treasury Fees revenue have been increased by \$4,000 respectively.

Additional reductions would require the elimination of an additional filled position, limiting the office's ability to meet legal requirements regarding hours of operation (the Tax Collector is required to remain open until 5 pm). Further staffing reductions would also lead to longer delays in processing of payments. Therefore, further reductions are not recommended at this time.

Major projects and policy issues for this budget unit in the upcoming year will include the implementation of internet property tax payments. This project is to continue the efforts in applying modern technology necessary to stay current with subsequent property tax billings and collections and for the convenience of our citizens. Modernization of processes is also expected to increase efficiency in the Tax Collector functions, especially during peak tax payment seasons.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.

**Treasurer - Tax Collector
Office of Revenue Collections (1-204)**

Steven L. Harrah, Treasurer-Tax Collector

EXECUTIVE SUMMARY					
DEPT HEAD: STEVEN L. HARRAH	UNIT: OFFICE OF REVENUE COLLECTION FUND: GENERAL			0001 1-204	
	ACTUAL EXPENDITURE 2009-10	ACTUAL EXPENDITURE 4-30-11	ADOPTED BUDGET 2010-11	CAO RECOMMEND 2011-12	% CHANGE OVER 2010-11
EXPENDITURES					
SALARIES AND EMPLOYEE BENEFITS	182,710	119,589	176,770	183,068	3.6
SERVICES AND SUPPLIES	19,569	15,194	18,950	14,550	23.2-
OTHER CHARGES	5,773	2,879	7,443	6,259	15.9-
* GROSS BUDGET	208,052	137,662	203,163	203,877	.4
INTRAFUND TRANSFERS	3,912	34	9,876	9,893	.2
* NET BUDGET	211,964	137,696	213,039	213,770	.3
OTHER REVENUES					
USER PAY REVENUES	64,584	35,372	82,500	98,747	19.7
GOVERNMENTAL REVENUES	0	0	0	0	.0
TOTAL OTHER REVENUES	64,584	35,372	82,500	98,747	19.7
* UNREIMBURSED COSTS	147,380	102,324	130,539	115,023	11.9-
ALLOCATED POSITIONS	3.33	3.33	3.33	3.33	.0

Purpose

The Office of Revenue Collection is a division of the Treasurer-Tax Collector's Office. The office pursues payment of delinquent debts owed to the County, once the referring department's collection attempts have been exhausted, and the Superior Court. Currently, the Office of Revenue Collections has in excess of 18,000 accounts, 5,000 County and 13,000 Superior Court, logged into the system's inventory with unpaid balances exceeding \$10 million. There is and has been a decrease in revenue due to the downturn in the economical status of the ORC clientele. Our goal is to continue to pursue aggressive collections in areas that create greater revenues.

The Office of Revenue Collections is the third division located in the Treasurer-Tax Collector's Office.

Major Budget Changes

Salaries & Benefits

- \$6,298 General salary and benefits adjustments

Services & Supplies

- (\$4,400) General decrease in overall services and supplies expenses

Revenues

- \$16,247 Increase in Interfund Transfer-In from the ORC Collections special revenue fund (0-243)

Program Discussion

In FY 2009-10 over \$676,000 was recovered in delinquent debts owed to the County Departments and courts which includes: Agriculture Department; Auditor; Child Support; Clerk-Recorder; Community Services-Fire; District Attorney-Victim Witness; Human Services-Health, Mental Health and Welfare; Juvenile Hall; Library; Probation; Public Defender; and Sheriff. It is projected that \$700,000 will be realized in FY 2010-11, and the goal for FY 2011-12 is \$735,000. In FY 2009-10, the collection of delinquent taxes was transferred from the Office of Revenue Collection to the Tax Collection function of the Treasurer-Tax Collector's Department.

Court restitution collections recovered by the Office of Revenue Collections apply to the maintenance of effort requirement for trial court funding. Additionally, the State of California rebates 10% of restitution collections to the Office of Revenue Collections for collection enhancements.

One of the major projects and policy issues for this budget unit in the upcoming year is to implement a credit card system to maintain the Department's status as a Comprehensive Collection Program under California Penal Code 1463.007.

Recommended Budget

This budget is recommended at \$213,770. The General Fund provides 53.8% of the financing for this budget unit and is reduced \$15,516 (11.9%) compared to FY 2010-11.

The recommended budget reflects the elimination of funding for Computer Hardware and for Transportation and Travel,

as well as reductions to Communications, Maintenance of Equipment and Professional/Specialized Services expenses. These reductions are made in an effort to reduce County costs for FY 2011-12. Cost reductions will be re-evaluated for FY 2012-13.

An increase of \$16,247 is recommended in the Interfund Transfer-In from the ORC Collections special revenue fund (0-243). Increased funding is intended to offset costs associated with administering Office of Revenue Collections programs.

The Office of Revenue Collections division is currently staffed by two Treasurer-Collector Deputy positions, and is allocated a portion of the Assistant Treasurer-Tax Collector position for management oversight. In FY 2011-12, the department will continue to hold vacant and unfunded a third Treasurer-Deputy Collector position that was frozen and unfunded in FY 2010-11. Further reductions are not recommended at this time.

Use of Reserves/Designations

This budget unit does not include any reserves or designations.