

Council Meeting Staff Report

April 20, 2015

Agenda No.: 1)
Indexes (Council Goals):
Presenters: County Council - Special Meeting
Legislative File: 6889-15

Title

FY 2016 Budget Hearings.

Recommended Action

Council could adopt the budget on April 21, 27, or 28, 2015.

I move that Council adopt the FY 2016 budget in the amount of \$191,901,341 (or amended amount of \$_____) as described in Attachment A, Summary of Changes from Proposed to Adopted Budget.

I further move that Council approve the following items related to the adoption of the FY 2016 budget:

- 1. Summary of Pension Fund Administrative Costs in Attachment C;**
- 2. FY 2016 Long Range Financial Projection in Attachment D;**
- 3. FY 2016 Equipment Replacement List in Attachment E; and**
- 4. FY 2016 Recurring Grants in Attachment F.**

I further move that Council approve continuing appropriations in the FY 2016 budget for the following items from the FY 2015 budget:

- a) all valid encumbrances outstanding at June 30, 2015;**
- b) all unexpended and unencumbered previously approved project budgets at June 30, 2015;**
- c) the unexpended and unencumbered previously approved budget for Fire Mitigation; and**
- d) all unexpended and encumbered grant budgets at June 30, 2015 that are permitted to be carried forward by their governing grant agreements.**

County Manager's Recommendation

The County Manager recommends that Council adopt the FY 2016 budget.

Body

BUDGET HEARINGS (and potential budget adoption)

The FY 2016 Budget Hearings are scheduled for Monday, April 20, 2015, Tuesday, April 21, 2015, Monday, April 27, 2015, and Tuesday, April 28, 2015, beginning at 6 p.m. each evening. The proposed budget has been distributed separately, and reference copies are available online at the County's web site, at the libraries and at the 311 Customer Care Center. Additional reference copies will be available at the hearings.

Public Hearings: The first and last 30 minutes of each of the meetings will be reserved for public comment on any portion of the proposed budget. Note: The public hearing times overlap with the budget presentation and discussion times. During this overlap time, public comment will be the primary activity. After all public comment has been received, if time remains, other budget topics may

be discussed.

Budget Adoption: The Council may consider final changes and adoption of the budget on April 21, 27, or 28, 2015, depending upon timing of discussions.

While the schedule below indicates that certain portions of the budget will be presented and discussed on specific dates, these are subject to shift earlier or later based upon the actual timing of the discussions.

PRELIMINARY SCHEDULE

Monday, April 20, 2015

Introduction, Overview and Budget Summary

Budget Summary and Long Range Financial Projection

General County Departments

Elected Officials - County Assessor, County Clerk, Probate Judge, County Sheriff

Utilities

Tuesday, April 21, 27 and 28, 2015

Council Questions and Discussion of Proposed Budget

Parking Lot - Outstanding / Unresolved Items

Consideration of Adoption of FY 2016 Proposed Budget

Introduction, Overview and Budget Summary

The County Manager will present an introduction and overview. The overview will address the high-level goals of the proposed budget.

Budget Summary and Long Range Financial Projection

Highlights from the Summary & Outlook section of the proposed budget (pages 23-47) will be presented and discussed.

General County Operating Budgets

The County Manager will provide an overview of individual departmental highlights.

Elected Officials - County Assessor, County Clerk, Probate Judge, County Sheriff

These elected officials will provide an overview of their departments.

Joint Utilities Fund Budget

The Utilities Manager will present the Utilities Department Budget.

Parking Lot - Outstanding / Unresolved Items

Any changes made or direction received during the budget hearings will be incorporated into the proposed budget. Attachment A, Summary of changes from proposed to adopted will be updated as Council makes changes.

BUDGET ADOPTION

Budget adoption occurs after County Council has reviewed and considered the FY 2016 Proposed Budget at budget hearings. The attachments described below are being presented here for final consideration and adoption.

Summary of Pension Fund Administrative Costs

Although the expenses of the Pension Plan are passed on to the plan participants, the County Council, as the Plan Sponsor, has routinely established and approved an administrative budget for the Pension Fund to provide system controls over these payments. Because this is a trust fund, the administrative costs are not a formal part of the County's budget. See Attachment C.

FY 2016 Long Range Financial Projection

The attached Long Range Financial Projection (Attachment D) is presented here. The County's financial policies require Council approval of the projection which indicates Council's long-range financial policy direction.

FY 2016 Equipment Replacement List

Approval of this list (Attachment E) at this point in time will eliminate the need for additional formal Council action for routine replacement of vehicles at a later date.

Recurring Grants

Each year departments are required to notify Council of their intent to apply for recurring grants. Attachment F is a list of the recurring grants and estimated amounts for FY 2016. This will eliminate the need for additional formal Council action at a later date unless actual received amounts are different than originally budgeted. If that is the case, these routine adjustments will be lumped together and brought before Council during mid-year budget revisions.

Continuing Appropriations

In addition to adoption of the budget, carryover of certain current year budget items are presented at this time because of their routine nature. There are six basic categories for these appropriations, five of which are proposed for consideration at this time:

- a. Encumbrances - commitments to purchase, but for which delivery of goods or services has not yet been made and associated payments will cross fiscal years.
- b. Unexpended and unencumbered project budgets - project budgets that Council has previously, specifically approved such as CIP or other projects.
- c. Unexpended and unencumbered previously approved budget for Fire Mitigation;
- d. Unexpended and unencumbered grant budgets for programs that extend over fiscal years.
- e. (To be considered with the closing of the FY 2015 financial records in August / September as specific items are identified.) Other unexpended and unencumbered project budgets or capital purchases, evaluated individually, that satisfy the following criteria:

- The project, type of project, or item was included in the original FY 2015 budget; or
- It must have been identified during the FY 2016 budget development process as a capital item more appropriately spent from the FY 2015 budget (for example, certain hardware replacements).

Alternatives

Council may amend the proposed budget. The State requires that the governing body adopt its budget each year with requests due by June 1. State statute does not allow for an extension to this deadline.

Fiscal and Staff Impact/Planned Item

See the FY 2016 Proposed Budget

Attachments

A - FY 2016 Summary of changes from proposed to adopted

B - FY 2016 Proposed Budget - The complete FY 2016 proposed budget was distributed separately. Reference copies are available on line at the County's web site, at the libraries and at the 311 Customer Care Center. Additional reference copies will be available at the hearings.

C - FY 2016 Pension Administrative Costs

D - FY 2016 Long Range Financial Projection

E - FY 2016 Equipment Replacement List - Updated

F - FY 2016 Recurring Grants List - Updated