



County of Tulare

Recommended Budget Overview
Fiscal Year 2019/20



Tulare County FY 2018/19 Budget

General Fund FY 2018/19 Recap

- County ended FY2018/19 in a sound financial position
- Improved and replaced assets and equipment
- Increased the Strategic Reserve
- Supported Economic Development
- Enhanced Public Safety
- Completed various capital projects and building improvements
- General Fund Unassigned Fund Balance at year-end: \$46.3 million

Budget Protocol

1. Revenue estimates are budgeted conservatively by comparing with historical actual revenue trends
2. One-time funds used for one-time purposes when setting departmental budget targets
3. Structural increases to departmental budgets reflect a thorough analysis of need, ongoing revenue opportunities, and operational efficiencies
4. All proposed budgets must be fiscally sustainable
5. Proceeds from sales of real property are designated for future capital needs

Tulare County FY 2019/20 Budget

Budget Highlights

- **Total Budgets – All Funds: \$1.38B (\$119.2M Increase)**
- **General Fund Budget: \$844.5M (\$54.5M Increase)**
- **Discretionary Revenues: \$176.8M (\$12.7M Increase)**
- **General Fund NCC: \$223M (\$11.7M Increase)**
- **General Fund Unassigned Fund Balance: \$46.3M (\$924,542 Decrease)**
- **Strategic Reserve: \$32M (\$2M Increase)**
- **Contingency: \$5M (Refunding at Same Level)**

Tulare County FY 2019/20 Budget

Budget Highlights - General Fund

- Jail Medical Services (Health/Mental Health Care): \$2.5M
- Emergencies: \$1M (Fire, Floods and Tree Mortality)
- Capital Improvements: \$5.8M
- County Fire Equipment: \$1.5M
- Economic Development: \$1.9M
- IT Projects: \$1.2M
- Conflict Public Defender: \$1.5M
- Internal Vehicle Borrowing Program: \$1.5M

Tulare County FY 2019/20 Budget

Budget Highlights - Outside Funds

- Aviation Navigation Aids: \$424,740
- County Fire Grant Funded Capital Assets: \$3.1M
- County Library and Literacy Vehicle: \$130,000
- Road Fund County Transportation Improvement Program: \$38.7M
- Solid Waste Visalia Phase 4 Expansion: \$3M
- Transit Operation and Maintenance Facility: \$11.5M
- Various Capital Projects: SCDF \$3M, Sequoia Field Program Facility \$15M, Probation Youth Facility \$1M, and Dinuba Library \$2.2M

California State Budget Fiscal Year 2019/20

- **Total Budget: \$214.8 Billion**
- **State General Fund: \$147.8 Billion**
- **Rainy Day Fund Balance: \$16.5 Billion**
- **Key Impacts to Counties:**
 - **\$175M Developing an Integrated Approach to Tackling the Homelessness issues**
 - **\$750M for Planning Grants and Housing Related Infrastructure**
 - **\$225.8M to Implement Forest and Wildfire Prevention Activities**
 - **\$296.8M for IHSS Maintenance of Effort**
 - **\$87.3M Investment to Upgrade and Replace Voting Systems**
 - **\$130M for Safe and Affordable Drinking Water Programs and Activities**

Tulare County Budget Report Fiscal Year 2019/20

- General Fund Five-Year History
- General County Revenues
- General Fund Unassigned Fund Balance
- Local Assessed Value and Property Taxation
- Sales and Use Tax Allocation
- Statewide Proposition 172 Sales Tax
- Comparison of County Funds
- Comparison of Authorized Staffing
- Functional County Budgets
- Looking to the Future

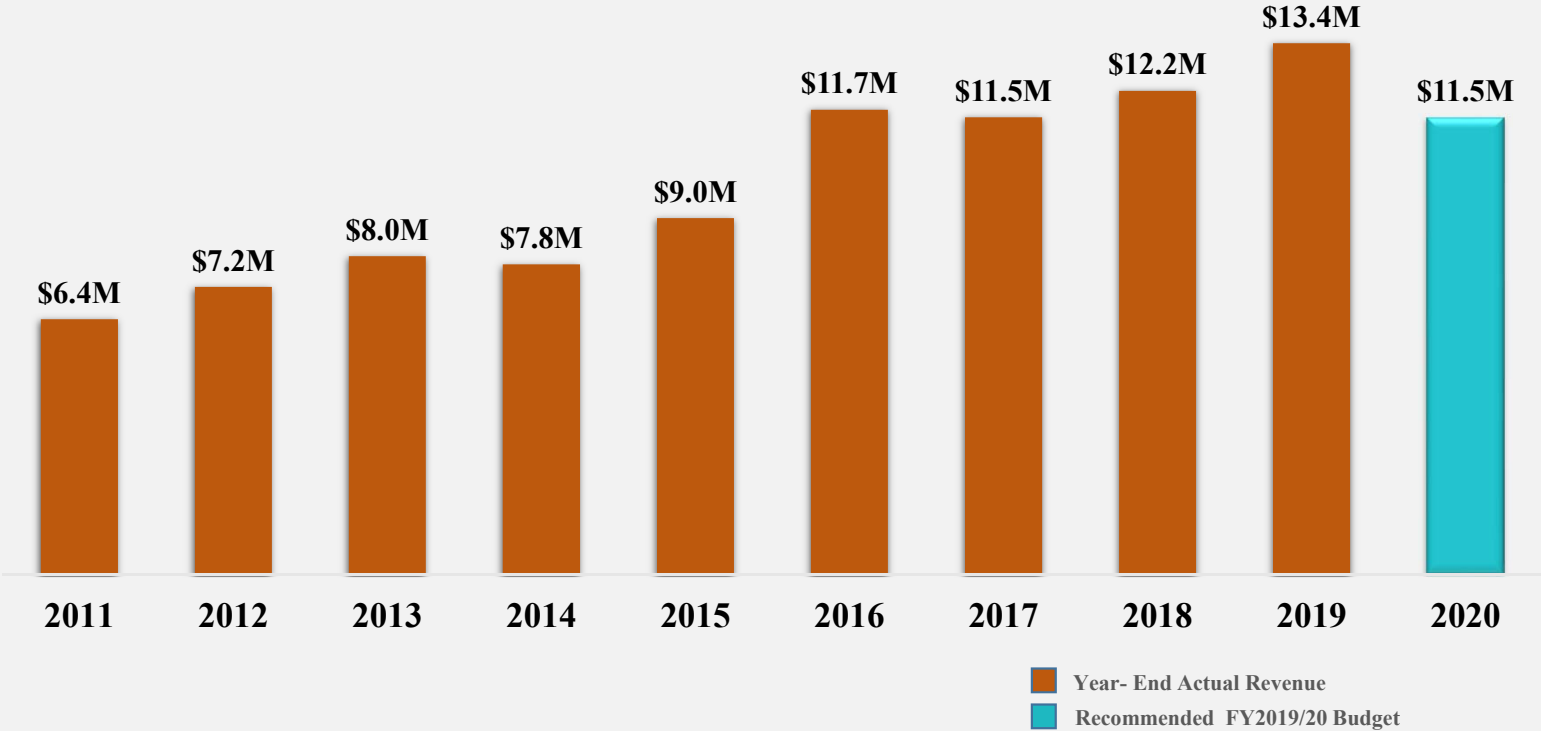
General Fund Five-Year History

Fiscal Year	Budgeted Amount	Percentage Increase
2015/16	709,100,088	5.13%
2016/17	715,084,944	0.84%
2017/18	752,842,911	5.28%
2018/19	790,039,705	4.94%
2019/20	844,549,915	6.90%

General County Revenues

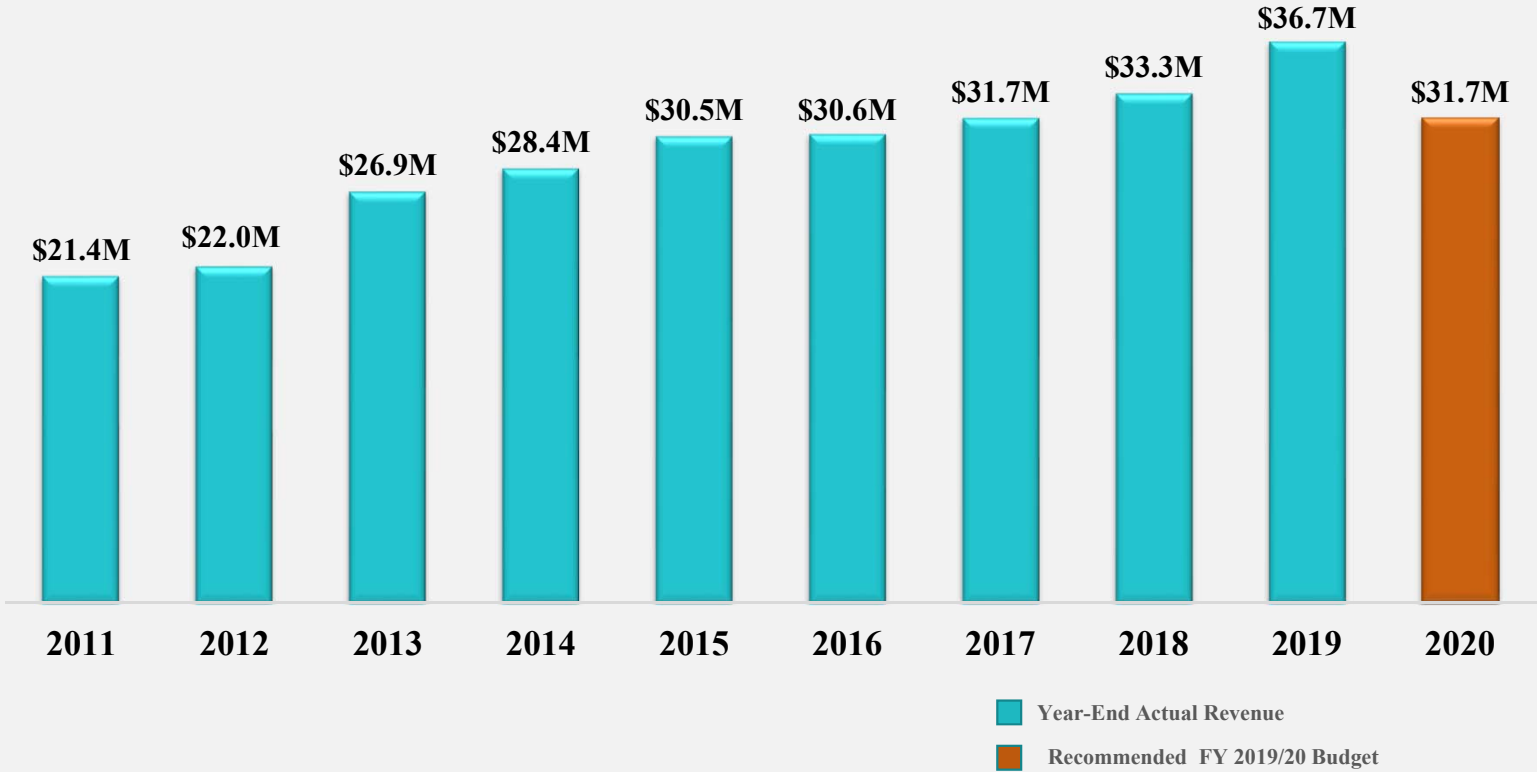
Description	FY 2017/18 Adopted Budget	FY 2018/19 Adopted Budget	FY 2019/20 Recommended	One-Year Percentage Change
Secured Property Taxes	\$44,613,730	\$45,506,005	\$47,856,334	5.16%
Motor Vehicle Fees	\$51,515,547	\$52,545,858	\$53,232,000	1.31%
Local Sales Tax	\$9,500,000	\$9,865,000	\$11,511,000	16.69%
Prop 172 Sales Tax	\$27,200,000	\$28,000,000	\$31,661,000	13.08%
All Other	\$26,520,390	\$28,213,294	\$32,539,506	15.33%
Total	\$159,349,667	\$164,130,157	\$176,799,840	7.72%

Sales and Use Tax Allocation



Source: Tulare County Accounting System Advantage Financial (AFIN)

Proposition 172 - Public Safety (One-Half Cent Sales Tax)



Source: Tulare County Accounting System Advantage Financial (AFIN)

General Fund Unassigned Fund Balance

Budgeted Fund Balance	Recommended FY 2019/20	Adopted FY 2018/19	Adopted FY 2017/18	Adopted FY 2016/17	Adopted FY 2015/16
Unassigned	\$46,313,194	\$47,237,736	\$38,265,226	\$31,637,173	\$29,370,805

Local Assessed Value & Property Taxation

Economic Growth

Assessed Valuation Growth without Exemptions

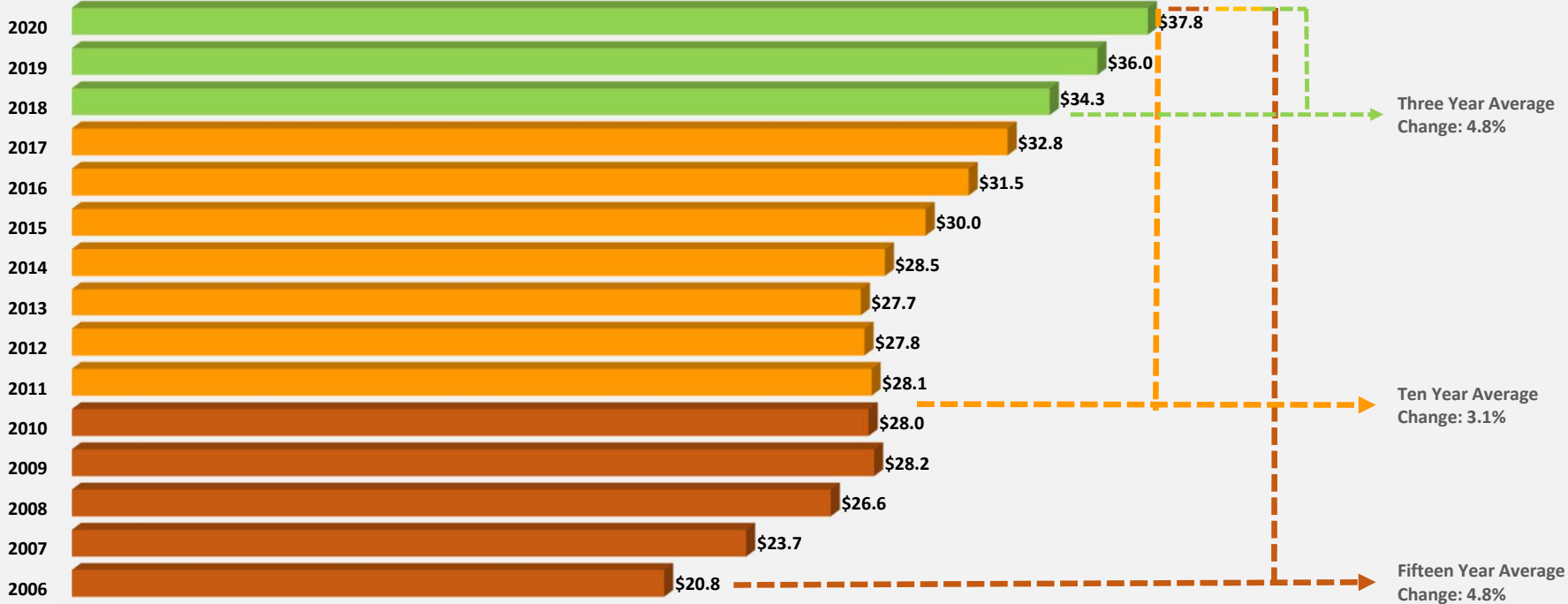
- FY 2019/20: \$37.8 Billion (\$1.8 Billion Increase)
- Growth Rate : 4.925%
- Three-Year Average Growth Rate: 4.770%

Assessed Valuation Growth with Exemptions

- FY 2019/20: \$36.5 Billion (\$1.8 Billion Increase)
- Growth Rate as Reported by Assessor: 5.117%
- Three-Year Average Growth Rate: 4.853%

New Building Permits for FY 2018/19: 3,751 (237 Decrease)

Local Assessed Value & Property Taxation (Billions)



Source: Tulare County Assessor Preliminary Tax Roll Statistical Data Summary (Net Value Total without Homeowner Exemptions)

Comparisons of County Funds

Fund Type	FY 2018/19 Adopted Budget	FY 2019/20 Recommended	Difference	% Inc/Dec
General Fund	790,039,705	844,549,915	54,510,210	6.9%
Other Operating Funds	338,047,957	388,947,637	50,899,680	15.1%
County Service Areas	1,494,376	1,451,487	(42,889)	(2.9%)
Enterprise Funds	34,858,667	43,879,755	9,021,088	25.9%
Internal Service Funds	92,300,535	94,971,492	2,670,957	2.9%
Special District	5,797,019	7,932,314	2,135,295	36.8%
Total	\$1,262,538,259	\$1,381,732,600	\$119,194,341	9.4%

Comparison of Authorized Staffing

Fund Type	FY2017/18 Adopted Budget	FY2018/19 Adopted Budget	FY2019/20 Recommended Budget	Net Change 18/19 -19/20	% Increase 18/19 -19/20
General Fund	4,126.63	4,135.63	4,206.63	71.00	1.72%
Other Funds	877.00	898.00	899.00	1.00	0.11%
Total Authorized Staffing	5,003.63	5,033.63	5,105.63	72.00	1.43%

Functional County Budgets

- **Total Budget: \$1.38 Billion**
- **Agriculture, Research, and Fish and Wildlife: \$9.8 Million**
- **Public Safety and Public Law: \$255.6 Million**
- **Land Use, Development, and Infrastructure: \$21.2 Million**
- **Transportation: \$120.9 Million**
- **Health and Human Services: \$694.4 Million**
- **Property Assessment, Public Finance and Accounting: \$41.4 Million**
- **Assessment Districts, County Service Areas, Special Districts, and Solid Waste: \$23.5 Million**
- **Internal Service Funds: \$95.0 Million**
- **Supporting County Departments: \$68.2 Million**
- **General Government and Operations: \$51.9 Million**

Looking To The Future

Tulare County Long-term Debt as of June 30, 2019

- Pension Obligation Bonds: \$242M
- Variable Rate Demand Bonds: \$32.3M (Millennium Bonds Outstanding)
- Chevron Loan Payable: \$1.9M
- Certificates of Participation for Enterprise Funds: \$1.1M
- Bonds for El Rancho Sewer District: \$4,200
- Total Long-term Debt: \$277M

Looking To The Future

- **General Increases in the Cost of Doing Business**
- **Increasing Internal Services Funds**
- **Countywide Financial and Human Resource Systems Upgrade**
- **Increasing Retirement Cost and Unfunded Liability**
- **Salaries and Benefits (Total Compensation)**

Looking To The Future

Significant challenges:

- Criminal Detention Facilities (Staffing, Health Care, public safety capital)
- Fire Services (Capital Improvements, Fixed Assets, Staffing Ratios)
- Health and Human Services (In-Home Support and Medical/Mental Health Care)
- Zones of Benefit (Water and Wastewater Systems, Rehabilitation, Consolidation, Divestment)

Action Plans Adopted by the Board July 31, 2018

- Priority -Based Budgeting
- Phasing of Spending Plan
- Deferring Expenditures
- Adjusting Expenditures

Board Study Session, Spring of 2020, to update Board on Changes to Plan

Thank You!

- Board of Supervisors
- Board of Supervisors Representatives
- County Administrative Office Staff
- All County Agencies and Departments: Leadership, Management and Staff
- County Counsel
- Auditor-Controller/Treasurer-Tax Collector
- Human Resources and Development
- General Services Agency Print & Mail



FY 2019/20
Budget Hearing

Adjourn as the Tulare County Board of Supervisors and Convene as the Terra Bella Sewer Maintenance District

Enterprise Fund (Budget Book Page 339)

Terra Bella Sewer Maintenance District

- 1. Adopt the FY 2019/20 Final Budget for the Terra Bella Sewer Maintenance District as modified during the hearings; and**
- 2. Authorize the Auditor-Controller to make necessary minor adjustments in order to bring the FY 2019/20 Budget into final balance.**

Adjourn as the Terra Bella Sewer Maintenance District and Convene as the Tulare County Flood Control District

Special District (Budget Book Page 367)

Tulare County Flood Control District

- 1. Adopt the FY 2019/20 Final Budget for the Tulare County Flood Control District as modified during the hearings; and**
- 2. Authorize the Auditor-Controller to make necessary minor adjustments in order to bring the FY 2019/20 Budget into final balance.**

Adjourn as the Tulare County Flood Control District and Reconvene as the Tulare County Board of Supervisors

Enterprise and Assessment District Funds – Consent Budgets

(Budget Book Pages 331-338 and 343-355)

Solid Waste, Transit Funds and L & M Funds-Assessment Districts

L01 Orosi Lighting/Landscape 92-01
L05 Orosi Storm Drain 95-720
L10 Orosi Storm Drain 98-722
L16 Earlimart Lighting/Landscape 02-01
L60 Tipton Storm Drain 02-748
L65 Earlimart Storm Drain 02-746
L70 Cutler Storm Drain 05-764
L75 Teviston Storm Drain 04-752
L80 Earlimart Storm Drain 04-744
L85 Orosi Storm Drain 04-754
L86 Visalia Storm Drain 07-792
L87 Visalia Storm Drain 07-767
L88 Visalia District 13-792
L89 Traver Storm Drain 14-830

L90 Visalia Storm Drain 14-792
L91 Visalia Storm Drain 16-767
L92 Goshen Storm Drain 18-789
M03 Strathmore Road 05-773
M04 Porterville Road 06-781
M06 Visalia Road 06-772
M86 Visalia Road 07-792R
M87 Visalia Road 07-767R
M88 Goshen Road 09-804R
M89 Goshen 12-804R
M90 Visalia 13-792R
M91 Visalia 14-792R
M92 Visalia Road 16-767R
M93 Goshen Road 18-789R

Tulare County Board of Supervisors Continued

County Service Areas #1 and #2 - Consent Budgets

(Budget Book Pages 357-366)

C15 Lemon Cove Water

Z01 El Rancho Sewer

Z10 Delft Colony Sewer

Z11 Delft Colony Water

Z50 Seville Sewer

Z60 Tonyville Sewer

Z70 Tooleville Sewer

Z80 Traver Sewer

Z90 Yettem Sewer

Z91 Yettem Water

Z95 Wells Tract Water

Z96 Wells Tract Sewer

Tulare County Board of Supervisors Continued

Internal Service Funds - Consent Budgets (Budget Book Pages 289-330)

General Services Agency

Copier Services

Custodial Services

Facilities

Fleet Services

Grounds Services

Mail Services

Print Services

Utilities

County Counsel - Risk Management

General Liability

Medical Malpractice

Property Insurance

Workers' Compensation

Human Resources and Development

Dental Insurance

Information & Communications Technology

Communications

Information & Communications Technology

Tulare County Board of Supervisors Continued

Operating Funds - Consent Budgets

(Budget Book Pages 226-288)

Aviation

Building Debt Service

Capital Projects

Child Support Services

Community Development Block Grants

County Fire

Fish and Wildlife

Health Realignment

HOME Program

Housing Successor Agency

ICT Special Projects

Indigent Health Care

Library

Mental Health Realignment

Pension Obligation Bond

Road Fund

Social Services Realignment

Tobacco Settlement

Workforce Investment Board

Tulare County Board of Supervisors Continued

General Fund - Consent Budgets

(Budget Book Pages 105-225)

Agricultural Commissioner/Sealer of Weights and Measures

Assessor/Clerk-Recorder

Auditor-Controller/Treasurer-Tax Collector

Board of Supervisors

Capital Acquisitions

Central Telephone Services

Citizens' Option for Public Safety (COPS)

Cooperative Extension

County Administration

County Counsel

District Attorney

General Services Agency

Health and Human Services Agency

Tulare County Board of Supervisors Continued

General Fund - Consent Budgets (Continued)

(Budget Book Pages 105-225)

Human Resources and Development
Juvenile Justice Crime Prevention Act
Miscellaneous Administration
Miscellaneous Criminal Justice
Probation
Public Defender

Purchasing
Registrar of Voters
Resource Management Agency
Rural Crime Prevention
Sheriff-Coroner

General Fund - General Revenues (Budget Book Page 124)

General Revenues

General Fund - Contingency (Budget Book Page 130)

Contingency

Others as Needed

Requested Action

Approve Final Action Items Requested in the Agenda Submitted for this Budget Hearing:

- 1. Adopt the FY 2019/20 Final Budgets for all funds and activities as modified during the hearings for the Enterprise and Assessment District Funds, County Service Areas #1 and #2, Special Districts, Internal Services Funds, Operating Funds, and the General Fund;**
- 2. Amend the Personnel Class Specifications, Class Designations, and Compensation Changes subject to meet and confer;**
- 3. Amend the Position Allocation List reflecting adds, deletes, amends, and reclassifications subject to meet and confer;**

Requested Action

4. Approve a 2% cost of living increase for the following county elected officials: Sheriff-Coroner, District Attorney, County Assessor/Clerk Recorder, and Auditor-Controller/Treasurer-Tax Collector, consistent with the April 30, 2019, Resolution 2019-0287 action;
5. Approve the Board of Supervisors cost of living increase of 2% consistent with the April 30, 2019, Resolution 2019-0287 action, and pursuant to Tulare County Ordinance Code No. 3558, effective with the start of the first full pay period following sixty (60) days after the adoption of the Annual Budget for Fiscal Year 2019/20, per Ordinance Code section 1-07-1060(e); and
6. Authorize the Auditor-Controller to make necessary minor adjustments in order to bring the FY 2019/20 Budget into final balance.