



COUNTY OF HUMBOLDT

Legislation Text

File #: 18-575, **Version:** 1

To: Board of Supervisors

From: County Administrative Office

SUBJECT:

Public Hearing on Proposed County Budget for Fiscal Year 2018-19

RECOMMENDATION(S):

That the Board of Supervisors open the public hearing; receive reports from staff; receive testimony from public; continue the hearing to 5:30 p.m.; receive updated reports from staff (if required); receive additional testimony from public; close the public hearing; deliberate on the Fiscal Year (FY) 2018-19 proposed spending plan; give direction to staff regarding any desired modifications to the proposed budget; and set June 26 as the date to adopt the budget.

SOURCE OF FUNDING:

All County funds

DISCUSSION:

Annually, the County Administrative Office (CAO) presents a proposed budget to the Board of Supervisors. The adoption of an annual budget is one of the most significant policy decisions of the Board. As such, it requires substantial preparation and benefits markedly from public input.

California Government Code Sections 29000 through 30200, known as the County Budget Act, as applied through rules issued by the Office of the State Controller, provides the legal requirements pertaining to the content of the proposed budget, adoption procedures, and dates by which actions must be taken. The CAO, as designated by the Board, is responsible for completing the budget process within the confines of state code.

Locally, the budget process is lengthy and includes the below steps:

- On February 6, 2018, as part of the Mid-Year Budget report, your Board set parameters for the development of the FY 2018-19 budget for General Fund allocations and the budget calendar. The parameters included direction to set departmental allocations from the General Fund to increase by 5 percent based on current year General Fund allocations. This allocation was intended to cover increased costs for departments as well as allow for a balanced budget. In addition, your Board directed staff to accept Additional Requests for General Fund Appropriation (additional funding requests) in the FY 2018-19 budget that demonstrate a potential to generate future savings.
- Community Budget Roadshows were held on February 28 and March 8, 12 and 22, 2018, with the assistance from Access Humboldt and a facilitator, County of Humboldt elected officials, department heads and representatives from various departments. The purpose of the roadshows were to present an overall view of the

state of the county and to solicit public input on community priorities. In addition, community members unable to attend the workshops had the opportunity to participate and express their opinions on community priorities online via Open Humboldt. Staff plan to track these priorities through performance measures and report back to your Board and the community on the progress made towards those priorities. Additional information on the Community Budget Roadshow can be found on the county's website at [http://humboldt.gov.Qrg/I316/Open-Humboldt#peak democracy](http://humboldt.gov.Qrg/I316/Open-Humboldt#peak%20democracy).

- Preparation of the proposed budget began on February 22, 2018, when CAO staff presented to departments the parameters for development of their FY 2018-19 budget requests. Departments were asked to submit their requests to the CAO by April 2, 2018. The CAO reviewed the budget and Additional Requests for General Fund Appropriation (funding requests) in April and May, 2018.
- On April 23 and April 30, 2018 departments made presentations to your Board on their core services and budget requests.
- On May 3, 2018, your Board revised the Board's Strategic Framework and these have been integrated into the FY 2018-19 Proposed Budget.
- Presentation of the proposed budget was before your Board on June 5.
- Public hearings on the proposed budget are before your Board today.
- The final budget is anticipated to be adopted on June 26, 2018.

At today's hearings, it is recommended that you accept additional public comment and staff input, and provide any direction you wish staff to pursue prior to the final opportunity for public input and budget adoption, scheduled for June 26.

In addition, your Board requested additional information regarding transitional housing, included with this Board report (Attachment IV) is a Transitional Housing Sober Living fact sheet.

FINANCIAL IMPACT:

The total proposed county budget is \$412,417,553. Proposed General Fund expenditures are \$165,547,690 including a Contingency Reserve of \$3,500,000. The Contingency Reserve represents more than 2 percent of General Fund revenues and is in accordance with the Contingency Reserve policy updated by your Board on February 6, 2018. Per policy, contingencies should be proposed at \$3,190,445 (2 percent of \$159,522,342).

Today's public hearing supports the Board's Strategic Framework by inviting civic engagement and awareness of available services, as well as managing resources to ensure sustainability of services.

OTHER AGENCY INVOLVEMENT:

All county departments and agencies, as well as several community organizations that receive county funding, are affected.

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Defer the public hearing. This alternative is not recommended as public hearings require advanced notice, both legally and in order to secure maximum public input. In addition, deferring the public hearing would delay

adoption of the final budget.

ATTACHMENTS:

- I. Humboldt County FY 2018-19 Proposed Budget (copy on file with the Clerk of the Board and available online at <http://www.humboldt.gov/247/Budget>)
- II. Additional General Fund Appropriation Requests for FY 2018-19
- III. Measure Z Funding Requests
- IV. Transitional Housing Sober Living Fact Sheet

PREVIOUS ACTION/REFERRAL:

Board Order No.: F-1

Meeting of: 2/16/18