



County of Santa Cruz⁰⁰¹⁷

AUDITOR-CONTROLLER'S OFFICE

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GARY A. KNUTSON, AUDITOR-CONTROLLER

Chief Deputy Auditor-Controllers

Pam Silbaugh, Accounting

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Kathleen Hammons, Budget and Tax

AGENDA: September 19, 2000

September 8, 2000

Board of Supervisors
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

Dear Members of the Board:

SUBJECT: FTNAL BUDGET ACTIONS FOR 2000-2001 FISCAL YEAR

This document is the County Final Budget for fiscal 2000-2001. It reflects the actions taken on the proposed budget from June 19 through June 27, 2000.

The budget total is \$370 million, excluding the special districts under your control which total \$102 million. The general fund budget is \$319 million. The total number of positions authorized is 2,643.15. This budget provides reserves/designations for roads, the health facility repayment, the Federally Qualified Health Care phase out and emergencies. Total general contingencies of \$6,152,940 consist of \$4,603,721 restricted and reserved contingencies and undesignated general contingencies of \$1,846,219.

The County's Final Budget is \$150,400,485 under the statutory appropriation spending limitation for fiscal year 2000-2001. The Board of Supervisors' governed special districts are also under their respective limitations as well.

In 1998-99 the County adopted the process of including the re-budgeted prior year encumbered balances by adding them to the new year appropriation amounts approved during budget hearings. Accordingly, the final budget amounts also reflect those amounts which were approved in the proposed budget.

During the last State Legislative Session, Assembly Bill 2928 passed, providing additional funds for streets and highways. This bill also established another maintenance of effort requirement for local agencies that allocate monies from the General Fund for streets and highways, unless they meet a one

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time allocations test and are not available on an ongoing basis. The maintenance effort requirement pertains to expenditures made during any of the prior three years. The allocation of \$7,000,000 for the 2000-2001 fiscal year Road Program are considered one time allocations, the sources of which are the original Teeter Plan buy out and certain settlements and the DA Family Support. It is recommended that your Board of Supervisors' legislative program in 2000-01 seek less punitive language as contained in AB 2928 which would instead reward local governments that invest local dollars over and above the amounts allocated under existing State Law for Streets and Highways. The condition of our local roads reflect the State's failure to properly address a significant statewide problem.

Also of a one time nature, our office is performing the final reconciliation of the County's Earthquake Advance Trust Fund as a result of the close-out audit by the State. Any one time amounts will be reserved for the fiscal year 2001-2002 road program contribution and considered by your Board in the next budget process. Our office will provide the County Administrative Officer with a final accounting by year end with amount available when the reconciliation is completed.

It is now therefore recommended that your Board of Supervisors take the following actions:


-adopt the resolution approving the 2000-2001 budget for County funds and Special Districts Governed by the Board of Supervisors per Exhibit A.

-adopt the attached resolution establishing the 2000-2001 appropriations limitations for the County and Special Districts Governed by the Board of Supervisors per Exhibit B.


-cancel various appropriations due to insufficient funding as shown on Exhibit C.

-direct the County Administrative Officer to include a program to promote legislation for incentive funds for local agencies that allocate local dollars over and above the amount allocated under existing State Law for streets and highways.

Respectfully,


Gary A. Knutson
Auditor-Controller

RECOMMENDED


Susan A. Mauriello
County Administrative Officer

Attachment

cc: **County** Administrative Officer
County Counsel

EXHIBIT A
BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

RESOLUTION NO. _____

On motion of Supervisor
Duly seconded by Supervisor
the following resolution is adopted.

RESOLUTION ADOPTING FINAL BUDGET

WHEREAS, Sections 29080 and 29081 of the Government Code have been complied with, and

WHEREAS, said hearings have been terminated, during which time all additions and deletions to the proposed budget for 2000-2001 were made or authorized, and

NOW THEREFORE, IT IS HEREBY RESOLVED in accordance with Sections 29089 and 29091 of the Government Code, the Final Budget of the county of Santa Cruz and Special Districts for which the Board of Supervisors is the governing board, for the fiscal year 2000-2001 be and is hereby adopted by reference to the attached Final Budget.

BE IT FURTHER RESOLVED that the County Administrative Officer is authorized as follows to approve changes in equipment classification of fixed asset acquisitions as to quantity, type and cost as long as the original total budget unit amount approved by the Board of Supervisors is not exceeded:

1. Substitution or other items shall be limited to items of original appropriation of \$1,500 or less with a substitute cost not to exceed a unit cost of \$1,500.

2. Original items unit cost can be increased up to 15% provided that appropriation savings are available within the expenditure subobject. Changes in items costing more than that will continue to be approved by the Board of Supervisors regardless of amount.

BE IT FURTHER RESOLVED that the means of financing the expenditure programs will be by monies derived from revenue to accrue, fund balance available and tax levy or tax apportionment, and they are attached hereto and made a part hereof (on file with the Clerk of the Board):

BE IT FURTHER KNOWN AND UNDERSTOOD that the means of financing includes one time funding, conforming with the intent and meaning of Section 2182.1 (b) of the Streets and Highway Code for the County's Road Improvement Program. The amounts are derived from the original Teeter "Buy Out" plus the other settlement and the DA Family Support audit of prior

years. The Auditor-Controller is directed to make the appropriate transfers of funds to the Capital Projects Fund to carry out these and other capital projects in accordance with the budget.

PASSED AND ADOPTED BY THE BOARD OF SUPERVISORS of the County of Santa Cruz, State of California, at its regular meeting held this 19th day of September 2000, by the following vote:


AYES:	SUPERVISORS
NOES:	SUPERVISORS
ABSENT:	SUPERVISORS

Mardi Wormhoudt, Chair of Said Board

ATTEST:

Clerk of the Board

APPROVED AS TO FORM:



County Counsel

DISTRIBUTION: Auditor-Controller (2)
 County Counsel
 State Controller
 CAO

EXHIBIT B

BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

RESOLUTION NO. _____

On motion of Supervisor
duly seconded by
the following resolution is adopted

**RESOLUTION ESTABLISHING FISCAL YEAR 2000-01 APPROPRIATION LIMIT
UNDER ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION, AND
ESTABLISHING PERIOD FOR CONTESTING SUCH LIMITS FOR THE
COUNTY AND BOARD OF SUPERVISORS GOVERNED SPECIAL DISTRICTS**

WHEREAS, Article XIII B of the California Constitution provides that the state and each local government shall be subject to an annual appropriation limit as defined in that Article; and

WHEREAS, Article XIII B Section 8 (e) (2) requires the Governing Body to select the Change in Cost of Living methodology each year by recorded vote; and

WHEREAS, the percentage change in the Local Assessment roll from the preceding year due to the addition of non-residential new construction provides the greatest result rather than using the Changes in California Per Capita Income; and

WHEREAS, the Auditor-Controller of the County of Santa Cruz has computed the appropriations limit for the fiscal year 2000-01; and

WHEREAS, the Auditor-Controller of the County of Santa Cruz has prepared the applicable Statements showing the calculation and such detail Statements are available for public review during reasonable hours and after reasonable notice in the Auditor-Controller's Office:

NOW, THEREFORE, BE IT RESOLVED, that the County of Santa Cruz selects the Change in the Local Assessment roll and the percentage change in the population of the contiguous counties methodology for use in calculating its appropriation limit for fiscal year 2000-01; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that, the appropriations limit for the County of Santa Cruz for the fiscal year 2000-01 as shown on Attachment A is hereby established as \$203,164,608 and that such appropriations limit may be adjusted at a later date in accordance with Sections 3 and 11 of Article XIII B of the California Constitution; and

RESOLUTION NO. _____

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NOW, THEREFORE, BE IT STILL FURTHER RESOLVED that the appropriations limit for the Board of Supervisors Governed Special Districts for the fiscal year 2000-01 is hereby established as shown on Attachment B, and that such appropriations limit may be adjusted at a later date in accordance with Sections 3 and 11 of Article XIII B of the California Constitution; and

BE IT FURTHER RESOLVED that the appropriations limit for the County and Board of Supervisors Governed Special Districts for the fiscal year 2000-01 may be adjusted at a later date in the event that revenues which are unanticipated, and classified as proceeds of taxes in accordance with Section 8 (c) of Article XIII B of the California Constitution, are received and appropriated;

BE IT FURTHER RESOLVED that any judicial action or proceeding to attach, review, set aside, void or annul the appropriations limits established by this resolution shall be commenced within 45 days from the date of this resolution shall be commenced within 45 days from the date of this resolution in accordance with Division 9 of the Government Code.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California, this 19th day of September, 2000, by the following vote:

AYES: SUPERVISORS

NOES: SUPERVISORS

ABSENT: SUPERVISORS

Chairperson of the Board

ATTEST:

Clerk of the Board

APPROVED AS TO FORM:


County Counsel

Distribution: CAO
County Counsel
Auditor-Controller

Exhibit B
Attachment A

COUNTY OF SANTA CRUZ
CALCULATION OF APPROPRIATIONS SUBJECT TO LIMITATION
FOR FISCAL YEAR 2000-2001

	<u>Governmental Funds Only</u>
Available Financing	
Final 2000-2001 Budget Subject to Limit	\$326,342,194
Adjustments:	
Less: TRANS Interest Expense	(2,261,603)
State and Federal Mandated Costs	(20,933,252)
Add: County Service Area No. 38	<u>5,673,463</u>
Adjusted Appropriations	\$308,820,802
Less:	
a. Non-Proceeds of Taxes	(203,171,194)
b. Regulatory Licenses, User Fees and User Charges	(52,668,851)
c. Allocable Revenues Attributable to (a) and (b) above	<u>(216,634)</u>
Total 2000-2001 Appropriations Subject to Limitation	\$52,764,123
Appropriation Limit for Fiscal year 2000-2001	<u>203,164,608</u>
Amount Under Limitation	<u><u>\$150,400,485</u></u>

COUNTY OF SANTA CRUZ
Board of Supervisors Governed Districts
Appropriation Limitations
For the 2000 - 2001 Fiscal Year

District Name	-----Appropriation-----	
	Limit	Subject to Limit
Boulder Creek CSA # 7	26,929	0
Empire Acres Special Road CSA # 17	7,498	3,181
Huckleberry Woods Road CSA # 15	43,138	3,350
Hutchinson Road CSA # 13	130,639	20,027
Pajaro Dunes CSA # 4 & Zone A	733,669	319,279
Place de Mer CSA # 2	186,175	0
Robak Drive Road CSA # 16	17,072	3,011
Sand Dollar Beach CSA # 5	171,663	0
Davenport - County Sanitation District	47,874	14,409
Whitehouse Canyon Road Maintenance District	5,736	2,003

EXHIBIT C
2000-2001 COUNTY OF SANTA CRUZ BUDGET 0025
FUNDS REQUIRING BUDGETARY CHANGES IN APPROPRIATIONS
DUE TO AVAILABLE FINANCING

FUND TYPE	FUND	INDEX NAME	SUBJECT AND NAME	AMOUNT
21	215	194980 PARK DED-CERTS RESERVE	6100 OPERATING TRANSFERS OUT	(13,466)
21	216	194990 PARK DED-FUND INTEREST	3660 POSCS SERVICES	(4,816)
21	300	134909 ART IN PUBLIC PLACES	3660 POSCS SERVICES	(193)
22	100	622100 APTOS SEASCAPE CSA 3	3590 DPW SERVICES-GENERAL MONEY	(11,963)
22	105	622105 BRAEMOOR CSA 47	3590 DPW SERVICES-GENERAL MONEY	(26,194)
		CO HWY SAFETY SERVICE AREA		
22	115	622115 #9	6610 BUILDINGS AND IMPROVEMENTS	(61,328)
22	145	622145 COUNTRY ESTATES CSA 35	3590 DPW SERVICES-GENERAL MONEY	(11,569)
22	150	622150 EMPIRE ACRES CSA 17	3590 DPW SERVICES-GENERAL MONEY	(1,153)
22	160	622160 BONITA ENCINO CSA 43	3590 DPW SERVICES-GENERAL MONEY	(2,774)
22	165	622165 FOREST GLEN CSA 36	3590 DPW SERVICES-GENERAL MONEY	(24,820)
22	166	622166 FELTON GROVE CSA 56	3590 DPW SERVICES-GENERAL MONEY	(1,081)
		HUCKLEBERRY WOODS RD		
22	190	622190 MAINT CSA 15	3590 DPW SERVICES-GENERAL MONEY	(11,893)
22	195	622195 HUTCHINSON RD CSA 13	3590 DPW SERVICES-GENERAL MONEY	(23,546)
22	220	622220 LOMAPRIETA CSA 41	3590 DPW SERVICES-GENERAL MONEY	(15,058)
22	225	622225 LOMOND TERRACE CSA #28	3590 DPW SERVICES-GENERAL MONEY	(42,794)
22	310	622310 ROBERTS RD CSA 37	3590 DPW SERVICES-GENERAL MONEY	(7,247)
22	320	622320 ROBAK DR CSA 16	3590 DPW SERVICES-GENERAL MONEY	(2,069)
		SC FLOOD CONTROL & WTR		
22	355	135462 CNSRV GEN	9695 APPROPRIATION FOR CONTINGENCIES	(3,412)
22	380	622380 SC FL CON ZN 7	6610 BUILDINGS AND IMPROVEMENTS	(556,009)
22	400	622400 SUNLIT LN CSA 42	3590 DPW SERVICES-GENERAL MONEY	(953)
22	405	622405 SUNBEAM WOODS CSA 44	3590 DPW SERVICES-GENERAL MONEY	(1,203)
22	425	622425 VIEWPOINT RD CSA #25	3590 DPW SERVICES-GENERAL MONEY	(277)
22	435	622435 UPPER PLEASANT VALLEY 52	3590 DPW SERVICES-GENERAL MONEY	(2,959)
22	445	622445 WHITEHOUSE CSA #18	3590 DPW SERVICES-GENERAL MONEY	(3,849)
50	120	650120 BEN LOMOND CLOSURE	3590 DPW SERVICES-GENERAL MONEY	(2,965)
50	125	625125 DAVENPORT SANITATION	6610 BUILDINGS AND IMPROVEMENTS	(50,311)
50	125	625125 DAVENPORT SANITATION	9695 APPROPRIATION FOR CONTINGENCIES	(15,143)
50	170	625170 ROLLING WOODS CSA 10	6610 BUILDINGS AND IMPROVEMENTS	(1,342)
50	200	625200 SAND DOLLAR CSA 5	9695 APPROPRIATION FOR CONTINGENCIES	(1,399)
50	226	625226 SUMMIT WEST CSA #54	9695 APPROPRIATION FOR CONTINGENCIES	(494)
50	230	625230 TRESTLE BEACH CSA 20	6610 BUILDINGS AND IMPROVEMENTS	(3,413)