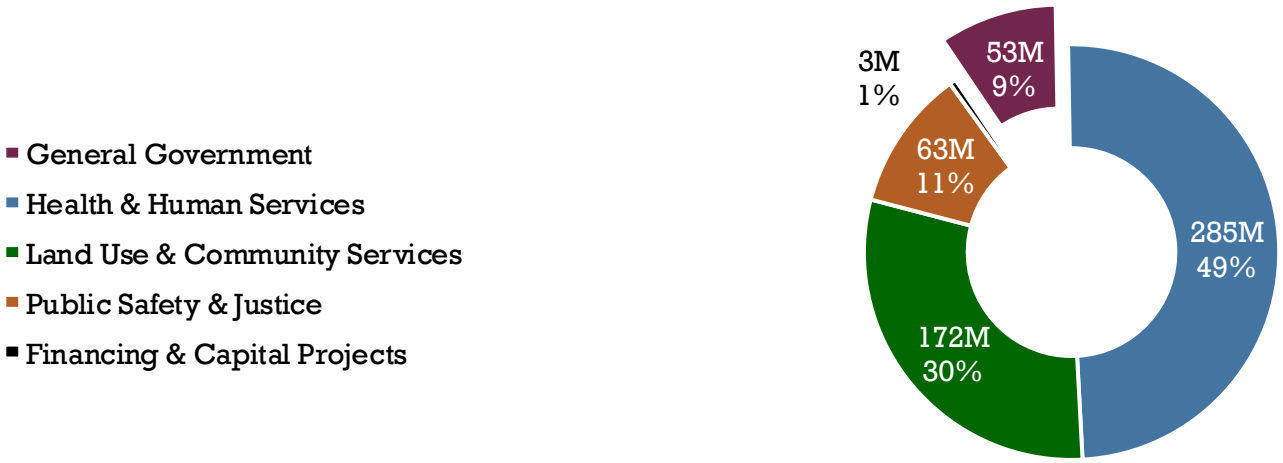
Valentine's Day wedding at the County. (Gail Pellerin, Clerk-Elections)

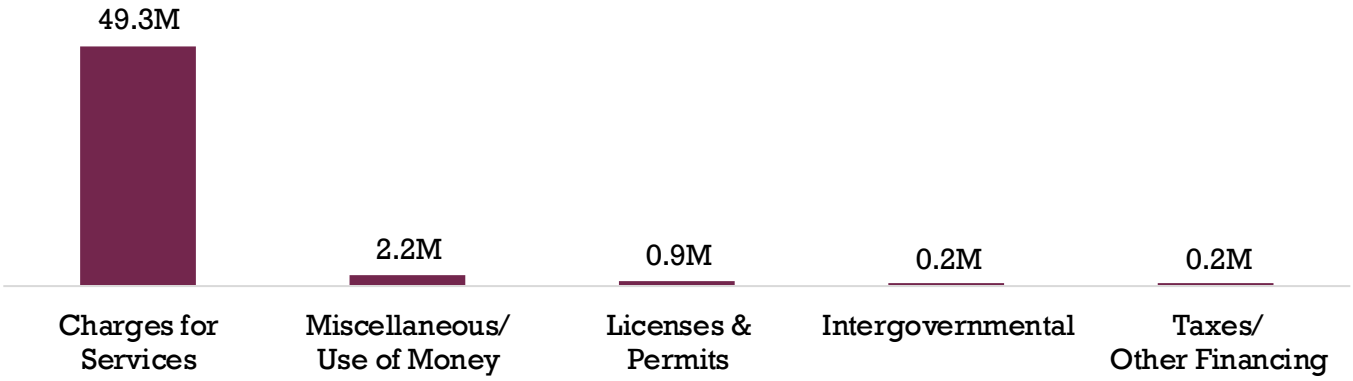
GENERAL GOVERNMENT

GENERAL GOVERNMENT FINANCING SUMMARY

FY 2018-19 Total Revenues
$53M



FY 2018-19 Total Revenues
Does not include Other Funds or General Fund contributions

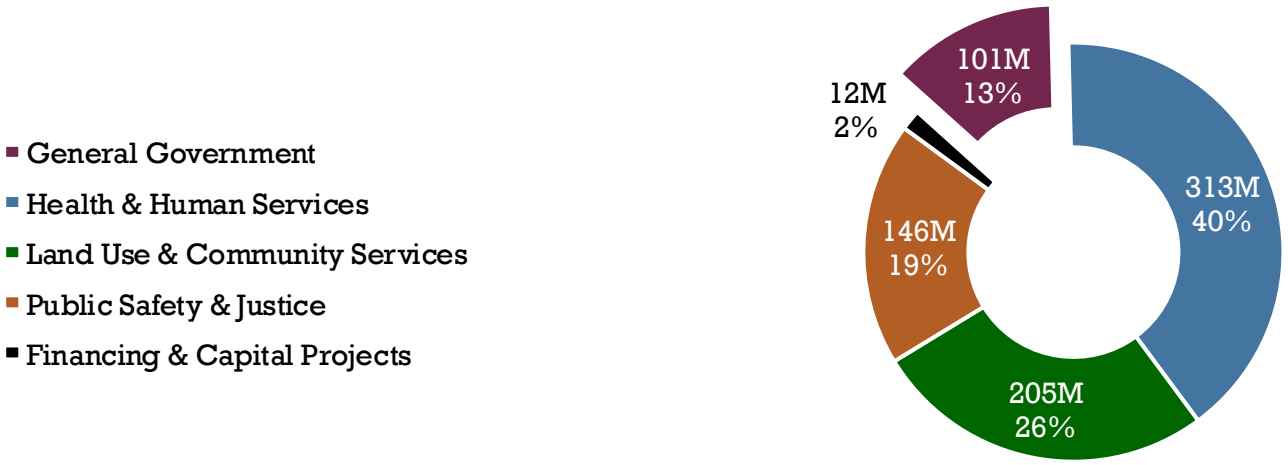


Department	Adopted 2017-18	FY 2018-19 Financing				Δ
		Revenues	Other Funds	General Fund	Total Financing	
AMBAG*	33,233	0	0	33,233	33,233	0.0%
Assessor-Recorder	5,407,151	3,097,401	0	2,249,273	5,346,674	-1.1%
Auditor-Controller	6,366,429	3,654,058	0	2,529,165	6,183,223	-2.9%
Board of Supervisors	2,751,280	0	0	2,974,614	2,974,614	8.1%
Cannabis Licensing	816,750	913,640	0	0	913,640	11.9%
County Administrative Office	4,303,141	692,589	0	2,881,470	3,574,059	-16.9%
County Clerk-Elections	3,485,252	1,284,015	0	2,623,827	3,907,842	12.1%
County Counsel	2,512,249	836,070	0	2,026,812	2,862,882	14.0%
Economic Development	1,292,978	439,063	0	591,731	1,030,794	-20.3%
General Services	6,927,773	4,708,831	34,477	2,542,480	7,285,788	5.2%
Information Services	16,220,984	15,903,851	0	0	15,903,851	-2.0%
Personnel	3,421,372	2,540,397	0	1,072,368	3,612,765	5.6%
Risk Management	43,521,505	18,801,480	26,454,088	1,710,548	46,966,116	7.9%
General Government Total	**97,060,097**	**52,871,395**	**26,488,565**	**21,235,521**	**100,595,481**	**3.6%**

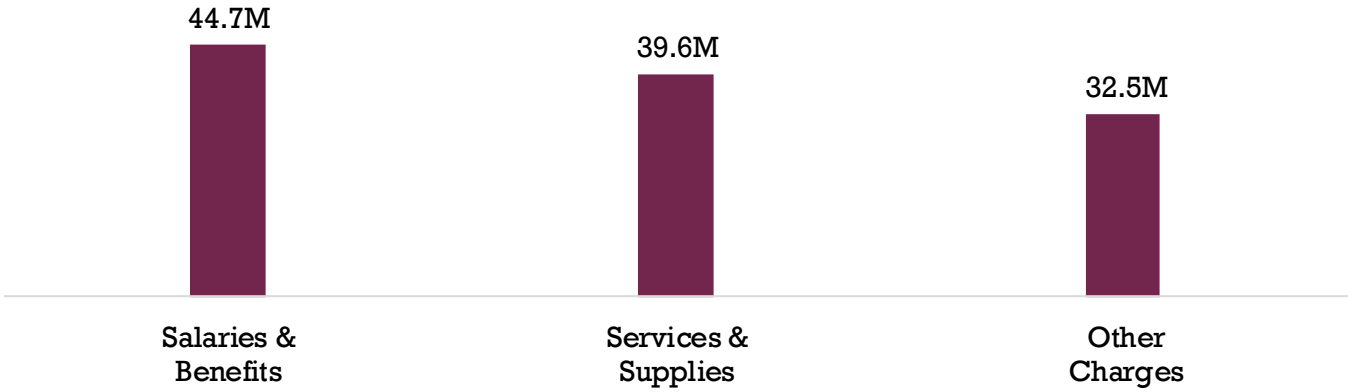
*Association of Monterey Bay Area Governments

GENERAL GOVERNMENT EXPENDITURE SUMMARY

FY 2018-19 Total Expenditures
$101M



FY 2018-19 Expenditures
Does not include IntraFund Transfers



Department	Actual 2016-17	Adopted 2017-18	Estimated 2017-18	Recommended 2018-19	Δ
AMBAG*	33,269	33,233	33,233	33,233	0.0%
Assessor-Recorder	4,643,629	5,407,151	5,261,534	5,346,674	-1.1%
Auditor-Controller	4,028,267	6,366,429	6,498,277	6,183,223	-2.9%
Board of Supervisors	2,650,116	2,751,280	2,766,143	2,974,614	8.1%
Cannabis Licensing	559,058	816,750	705,506	913,640	11.9%
County Administrative Office	3,188,582	4,303,141	2,950,123	3,574,059	-16.9%
County Clerk-Elections	3,372,109	3,485,252	3,500,077	3,907,842	12.1%
County Counsel	2,403,142	2,512,249	2,714,308	2,862,882	14.0%
Economic Development	823,969	1,292,978	998,999	1,030,794	-20.3%
General Services	6,278,712	6,927,773	7,416,086	7,285,788	5.2%
Information Services	14,086,251	16,220,984	14,678,231	15,903,851	-2.0%
Personnel	3,087,171	3,421,372	3,407,099	3,612,765	5.6%
Risk Management	20,991,305	43,521,505	22,524,723	46,966,116	7.9%
General Government Total	**66,145,580**	**97,060,097**	**73,454,339**	**100,595,481**	**3.6%**

*Association of Monterey Bay Area Governments

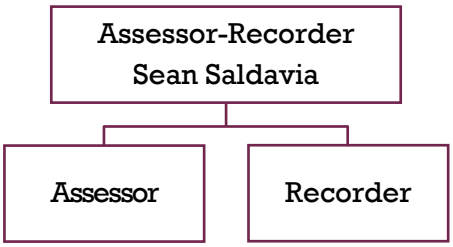
ASSESSOR-RECORDER

PROPOSED BUDGET • FY 2018-19

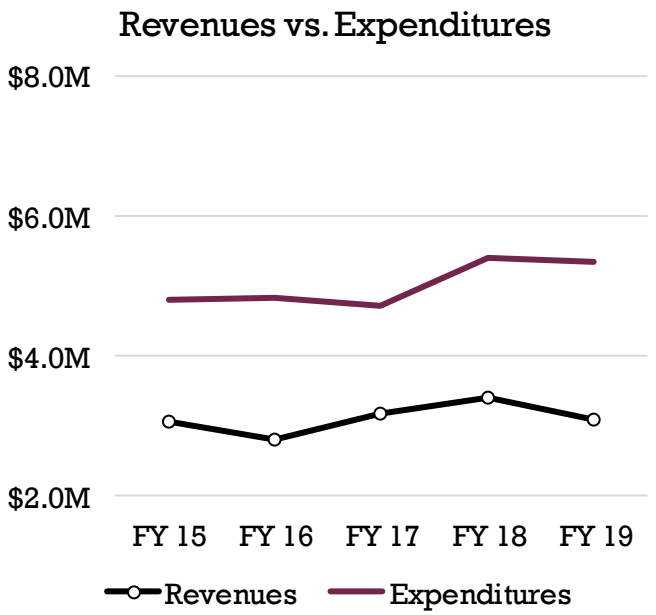
PROPOSED BUDGET

All Funds	FY 2017-18	FY 2018-19	Δ
Revenues	3,393,229	3,097,401	-8.7%
General Fund	*2,013,922*	*2,249,273*	*11.7%*
Total Financing	**5,407,151**	**5,346,674**	**-1.1%**
Total Expenditures	**5,407,151**	**5,346,674**	**-1.1%**
Total Staffing	35.00	35.00	0.0%
Unfunded Staffing	3.00	3.00	0.0%

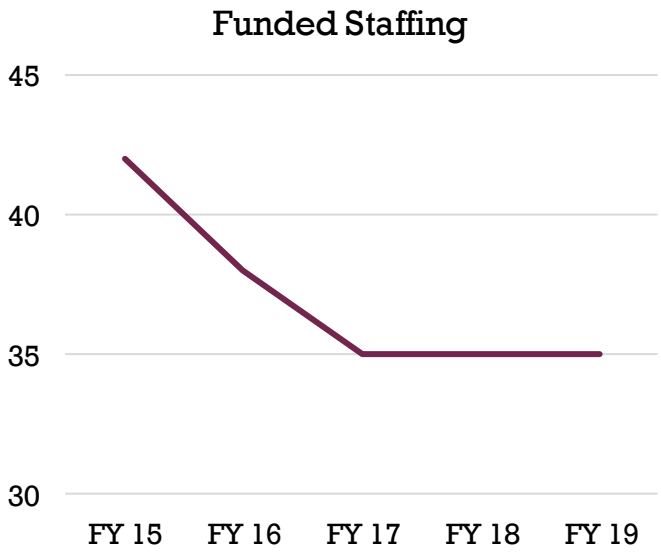
ORGANIZATIONAL CHART



5-YEAR TRENDS



Expenditures have increased while revenues have fluctuated. A General Fund contribution offsets the gap.



Staffing continues to decline, but has remained flat for the last two fiscal years.

ASSESSOR-RECORDER OVERVIEW

Mission

To fulfill the legally and locally mandated functions of the Assessor and Recorder in an accurate, timely and efficient manner.

Assessor

The Assessor is responsible for locating, identifying and valuing all taxable property in the County of Santa Cruz. The Assessor creates the official record of taxable property (local assessment roll), shares it with the Controller and Tax Collector, and makes it publicly available.

The Assessor directs the performance and coordination of all assessment activities, maintains contacts with legislators and state regulatory bodies, and participates in the rule making, standards development, and legislative activities of the California Assessor's Association. The Assessor's office is organized into two major program areas: valuation and administration.

Recorder

The Recorder provides public notice by accepting and recording legal documents as required by law, as well as maintaining birth, marriage and death records and indexes for the County.
The Recorder's Office maintains a perpetual record of real property transactions and vital statistics. Functions of the department include recording real property records, which consist of over 220 different document types such as deeds, deeds of trust, substitution of trustees, reconveyances, maps, and State and federal tax liens. Documents are indexed, scanned and microfilmed as a permanent record. The department collects recording fees, document transfer tax on transfers of real property and copy fees for providing copies of recorded documents. Real property records are open for public research and staff provides assistance to the public in accessing recorded transactions. Digitized records are available for County departments and copies on compact discs are prepared for title companies and other firms.

BUDGET OVERVIEW

2018-19 Recommended Budget

The 2018-19 recommended budget provides for a decrease of $60,477 in expenditures and a decrease of $295,828 in revenues, which results in a $235,351 increase in General Fund contribution.

Expenditures

The decrease in expenditures is primarily due to the completion of a major project offset by increases for existing staff.

Revenues

The decrease in revenues is due to the number of real estate transactions declining, reduction of recording fee revenue, and completion of a major project which was funded by trust revenues.

Staffing

Staffing is status quo for 2018-19.

County Fun Facts

County Land Use

Zone	Acres	% of Total
Timber Production	71,370	26.53%
Special Use	70,331	26.14%
Residential	43,992	16.35%
Commercial	43,391	16.13%
Parks & Open Space	25,088	9.33%
Agriculture	11,806	4.39%
Public Facilities	1,957	0.73%
Industrial	1,085	0.40%
Total	269,021	100%

BUDGET DETAIL

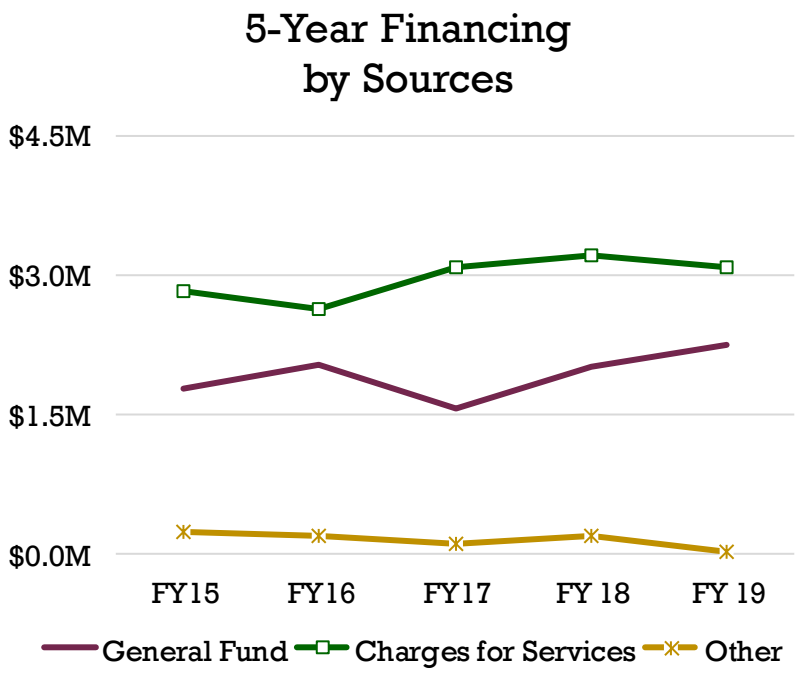
Budget Unit: 09

All Funds	Actual 2016-17	Adopted 2017-18	Estimated 2017-18	Recommended 2018-19	Change from 2017-18	
Revenues						
Taxes	0	1,000	1,000	1,000	0	0.0%
Charges for Services	3,003,591	3,203,009	3,223,913	3,085,621	(117,388)	-3.7%
Miscellaneous	2,165	185,240	185,240	6,800	(178,440)	-96.3%
Other Financing	0	3,980	3,980	3,980	0	0.0%
Total Revenues	**3,005,756**	**3,393,229**	**3,414,133**	**3,097,401**	**(295,828)**	**-8.7%**
General Fund	*1,637,873*	*2,013,922*	*1,847,401*	*2,249,273*	*235,351*	*11.7%*
Total Financing	**4,643,629**	**5,407,151**	**5,261,534**	**5,346,674**	**(60,477)**	**-1.1%**
Expenditures						
Salaries & Benefits	3,396,485	3,583,694	3,665,170	3,862,340	278,646	7.8%
Services & Supplies	1,104,018	1,715,646	1,560,538	1,377,016	(338,630)	-19.7%
Other Charges	360,478	352,347	280,362	361,121	8,774	2.5%
Subtotal	**4,860,981**	**5,651,687**	**5,506,070**	**5,600,477**	**(51,210)**	**-0.9%**
IntraFund Transfers	*(217,352)*	*(244,536)*	*(244,536)*	*(253,803)*	*(9,267)*	*3.8%*
Total Expenditures	**4,643,629**	**5,407,151**	**5,261,534**	**5,346,674**	**(60,477)**	**-1.1%**
Total Staffing		35.00	35.00	35.00	0.00	0.0%
Unfunded Staffing		3.00	3.00	3.00	0.00	0.0%

DEPARTMENT STAFFING

Division	Adopted 2017-18	Mid-Year 2017-18	Total 2017-18	Recommended 2018-19	Change from 2017-18
Assessor	26.00	0.00	26.00	26.00	0.00
Recorder	9.00	0.00	9.00	9.00	0.00
Total Staffing	**35.00**	**0.00**	**35.00**	**35.00**	**0.00**

HOW THE ASSESSOR-RECORDER IS FINANCED



General Fund

The Assessor-Recorder budget is 42% covered by the General Fund.

Charges for Services

The Assessor-Recorder charges fees for services, including property tax administration and recorder fees, covering 58% of its operating costs.

Other

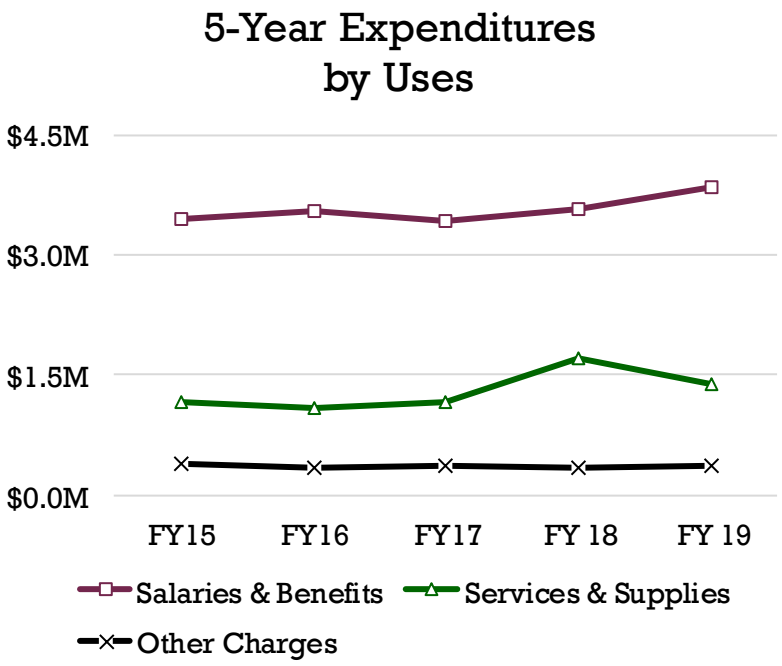
Various charges for digital record conversion.

FINANCING BY DIVISION

	FY 2018-19 Financing				
General Fund by Division	**Taxes**	**Charges for Services**	**Other***	**General Fund**	**Total Financing**
Assessor	1,000	1,374,405	0	2,249,273	3,624,678
Recorder	0	1,711,216	10,780	0	1,721,996
Total General Fund	**1,000**	**3,085,621**	**10,780**	**2,249,273**	**5,346,674**
Total All Funds	**1,000**	**3,085,621**	**10,780**	**2,249,273**	**5,346,674**

***Other** includes revenue from Miscellaneous Revenues and Other Financing Sources.

WHERE ASSESSOR-RECORDER EXPENDITURES GO



Salaries & Benefits

The majority of the Assessor-Recorder budget is spent on staff.

Services & Supplies

Includes costs for overhead such as office supplies, computer services and travel and training costs.

Other Charges

Lease and overhead charges in addition to debt service payment on property tax administration system.

*Expenditures do not include IntraFund transfers.

EXPENDITURES BY DIVISION

	FY 2018-19 Expenditures				
General Fund by Division	**Salaries & Benefits**	**Services & Supplies**	**Other Charges**	**IntraFund Transfers***	**Total Expenditures**
Assessor	2,904,114	749,357	225,010	(253,803)	3,624,678
Recorder	958,226	627,659	136,111	0	1,721,996
Total General Fund	**3,862,340**	**1,377,016**	**361,121**	**(253,803)**	**5,346,674**
Total All Funds	**3,862,340**	**1,377,016**	**361,121**	**(253,803)**	**5,346,674**

*IntraFund Transfers represent reimbursements from other departments.

ASSESSOR DIVISION

Valuation Division

The valuation of taxable real and business property is performed by a staff of State certified appraisers and auditor-appraisers. The resulting valuations are entered annually onto the County's assessment roll.

Administrative Division

The Administrative Division examines all recorded documents to implement changes of ownership and assessment changes, prepares and maintains the Assessor parcel maps, and processes and approves tax exemption claims. This division also maintains the public counter, provides Assessor products such as parcel maps and copies of the property tax roll, controls the department budget, and coordinates and produces the annual assessment roll.

Accomplishments

During 2017-18, the Assessor, along with the Auditor-Controller-Treasurer-Tax Collector continued to refine the Aumentum Tax System. Software problems were addressed with the contractor, testing and staff training continued, and system documentation was prepared. Working with Information Services, staff also migrated Assessor data into the new County document management system. This year, the values of 5,300 properties that experienced a decline in market value were reviewed.

Goals

Resolving assessment appeals from 2017 will be a priority for the appraisal staff. Appeals require an appraiser to make an independent analysis of the market value of each property and attend the Assessment Appeals Board hearing if the appeal is not resolved with the property owner. All pending appeals are expected to be resolved by December 2018.

In 2018-19, the Assessor will continue working with Information Services on refinements to the document management system. The new system will allow the Assessor to receive forms electronically, a convenience and time saver for the public.

ASSESSOR BUDGET OVERVIEW

2018-19 Recommended Budget

The 2018-19 recommended budget provides for an increase of $235,351 in expenditures and status quo revenues, which results in a $235,351 increase in the General Fund contribution.

Expenditures

The recommended increase of $226,393 in Salaries and Benefits is to support increases for existing staff.

The recommended increase of $18,225 in Services and Supplies and Other Charges is mainly due to an increase in the Annual Maintenance & Support of the Aumentum Tax System. The increase of $9,267 in IntraFund Transfers is for a shared position with the Recorder Division.

Revenues

There is no change in recommended Charges for Services in 2018-19.

Staffing

Staffing is status quo for 2018-19.

ASSESSOR BUDGET DETAIL

Budget Unit: 09; Division: 0910

All Funds	Actual 2016-17	Adopted 2017-18	Estimated 2017-18	Recommended 2018-19	Change from 2017-18	
Revenues						
Taxes	0	1,000	1,000	1,000	0	0.0%
Charges for Services	1,392,001	1,374,405	1,374,405	1,374,405	0	0.0%
Miscellaneous	(27)	0	0	0	0	0.0%
Total Revenues	**1,391,974**	**1,375,405**	**1,375,405**	**1,375,405**	**0**	**0.0%**
General Fund	*1,642,164*	*2,013,922*	*1,847,401*	*2,249,273*	*235,351*	*11.7%*
Total Financing	**3,034,138**	**3,389,327**	**3,222,806**	**3,624,678**	**235,351**	**6.9%**
Expenditures						
Salaries & Benefits	2,549,024	2,677,721	2,748,698	2,904,114	226,393	8.5%
Services & Supplies	480,632	731,139	565,626	749,357	18,218	2.5%
Other Charges	221,834	225,003	153,018	225,010	7	0.0%
Subtotal	**3,251,490**	**3,633,863**	**3,467,342**	**3,878,481**	**244,618**	**6.7%**
IntraFund Transfers	*(217,352)*	*(244,536)*	*(244,536)*	*(253,803)*	*(9,267)*	*3.8%*
Total Expenditures	**3,034,138**	**3,389,327**	**3,222,806**	**3,624,678**	**235,351**	**6.9%**
Total Staffing		26.00	26.00	26.00	0.00	0.0%
Unfunded Staffing		3.00	3.00	3.00	0.00	0.0%

ASSESSOR FINANCING CHANGES

Financing Sources	Description/ Impact	Increase/ (Decrease)
General Fund	Increase in General Fund contribution.	235,351
	Total	**235,351**

ASSESSOR EXPENDITURE CHANGES

Financing Uses	Description/ Impact	Cost/ (Savings)
Salaries & Benefits	Increase to support existing staff.	226,393
Services & Supplies	Increase in contract cost for maintenance of computer system.	18,218
Other Charges	Increase in debt service payment.	7
IntraFund Transfers	Salary increase for shared positions with Recorder Division.	(9,267)
	Total	**235,351**

RECORDER DIVISION

Overview

The Recorder's Office maintains a perpetual record of real property transactions and vital statistics. As previously noted, functions of the department include recording real property records such as deeds, deeds of trust, substitution of trustees, reconveyances, maps, and State and federal tax liens. Documents are indexed, scanned and microfilmed as a permanent record. The department collects recording fees, document transfer tax on transfers of real property and copy fees for providing copies of recorded documents. The records are open for public research and staff provides assistance to the public in accessing recorded transactions.

Accomplishments

1. Increased our e-recording submitters from 384 to 596.
   - Allows for industry partners to have a quicker return on their recordings.
   - E-recording is funded through the ERDA Trust Fund. There is no fiscal impact to the General Fund.
2. Completed Digital Reel and Vitals Conversion Project to digitize vital records back to 1950.
   - Public has quicker access to their records.
   - The project was funded primarily through the Vital Records Trust Fund. There is no fiscal impact to the General Fund.

Goals

1. Implement e-recording to internal departments and other government agencies.
   - Will decrease paper and result in quicker access to public records.
   - No fiscal impact as this service is free through our G2G secure portal.
2. Continue increasing number of e-recording submitters.
   - A quicker, more efficient method of recording.
   - Saves Recorder time and postage costs.

RECORDER BUDGET OVERVIEW

2018-19 Recommended Budget

The 2018-19 recommended budget provides for a decrease of $295,828 in both expenditures and revenues, which results in no General Fund contribution.

Expenditures

The recommended increase in Salaries and Benefits of $52,253 is to support existing staff.
The recommended decrease of $348,081 in Services and Supplies and Other Charges is mainly due to the completion of the Digital Reel/ Vital Records Conversion Project.

Revenues

The recommended decrease of $117,388 in Charges for Services is due to the number of real estate transactions declining, causing a reduction in recording fee revenue.
The recommended decrease of $178,440 in Miscellaneous Revenues is due to decreased revenue from the trust fund for the completed Records Conversion Project.

Staffing

Staffing is status quo for 2018-19.

RECORDER BUDGET DETAIL

Budget Unit: 09; Division: 0920

All Funds	Actual 2016-17	Adopted 2017-18	Estimated 2017-18	Recommended 2018-19	Change from 2017-18	
Revenues						
Charges for Services	1,611,590	1,828,604	1,849,508	1,711,216	(117,388)	-6.4%
Miscellaneous	2,192	185,240	185,240	6,800	(178,440)	-96.3%
Other Financing	0	3,980	3,980	3,980	0	0.0%
Total Revenues	**1,613,782**	**2,017,824**	**2,038,728**	**1,721,996**	**(295,828)**	**-14.7%**
General Fund	*(4,291)*	*0*	*0*	*0*	*0*	*0.0%*
Total Financing	**1,609,491**	**2,017,824**	**2,038,728**	**1,721,996**	**(295,828)**	**-14.7%**
Expenditures						
Salaries & Benefits	847,461	905,973	916,472	958,226	52,253	5.8%
Services & Supplies	623,386	984,507	994,912	627,659	(356,848)	-36.2%
Other Charges	138,644	127,344	127,344	136,111	8,767	6.9%
Total Expenditures	**1,609,491**	**2,017,824**	**2,038,728**	**1,721,996**	**(295,828)**	**-14.7%**
Total Staffing		9.00	9.00	9.00	0.00	0.0%

RECORDER FINANCING CHANGES

Financing Sources	Description/ Impact	Increase/ (Decrease)
Charges for Services	Decrease in recording fee revenue.	(117,388)
Miscellaneous	Completion of records conversion project.	(178,440)
	Total	**(295,828)**

RECORDER EXPENDITURE CHANGES

Financing Uses	Description/ Impact	Cost/ (Savings)
Salaries & Benefits	Increases to support existing staff.	52,253
Services & Supplies	Completion of records conversion project.	(356,848)
Other Charges	Increase in overhead charges.	8,767
	Total	**(295,828)**

ASSOCIATION OF MONTEREY BAY AREA GOVERNMENTS

PROPOSED BUDGET • FY 2018-19

PROPOSED BUDGET

Budget Unit: 13; Budget Division: 1383

All Funds	Actual 2016-17	Adopted 2017-18	Estimated 2017-18	Recommended 2018-19	Change from 2017-18	
Revenues						
General Fund	*33,269*	*33,233*	*33,233*	*33,233*	*0*	*0.0%*
Total Financing	**33,269**	**33,233**	**33,233**	**33,233**	**0**	**0.0%**
Total Expenditures	**33,269**	**33,233**	**33,233**	**33,233**	**0**	**0.0%**

BUDGET OVERVIEW

AMBAG

The Association of Monterey Bay Area Governments (AMBAG) was organized in 1968 for the purpose of regional collaboration and problem-solving. AMBAG was formed by a Joint Powers Authority (JPA) and is governed by a 24-member Board of Directors comprised of elected officials from each city and county in the region.

The AMBAG region includes the counties of Monterey, San Benito, and Santa Cruz. It serves as a federally-designated Metropolitan Planning Organization, as established in all urban areas (population over 50,000) of the United States. AMBAG serves as the local Council of Governments (COG), which are regional bodies that address issues such as regional and municipal planning, economic and community development, cartography, hazard mitigation and emergency planning, aging services, water use, pollution control, transit administration, and transportation planning.

2018-19 Recommended Budget

The 2018-19 recommended budget provides for no change in expenditures, revenues or General Fund contribution.

Expenditures

The recommended expenditures reflects the County's contribution to AMBAG as a status quo budget. AMBAG has not approved a final 2018-19 budget at this time. If necessary, a revised recommendation will be presented as a supplemental item to the budget after the AMBAG Board has adopted a budget.

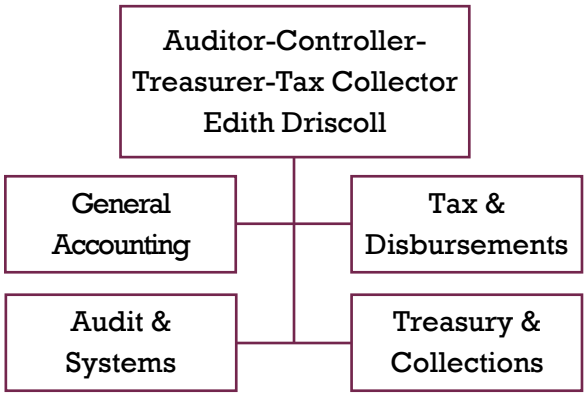
AUDITOR-CONTROLLER-TREASURER-TAX COLLECTOR

PROPOSED BUDGET • FY 2018-19

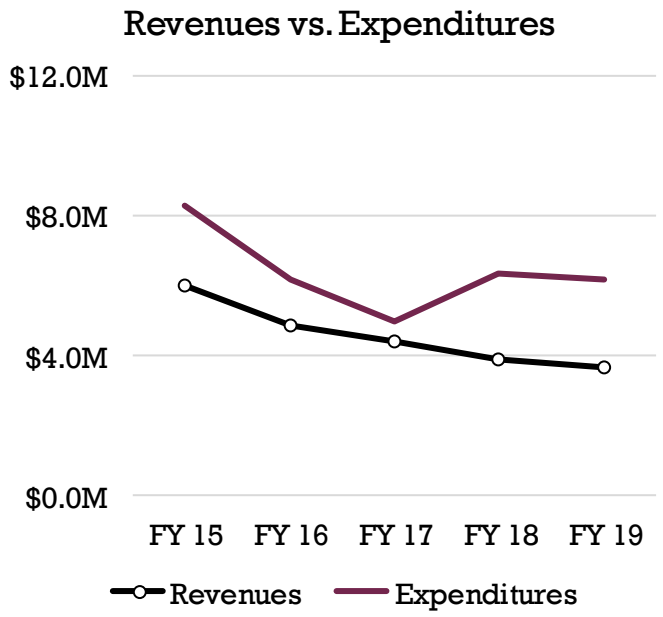
PROPOSED BUDGET

All Funds	FY 2017-18	FY 2018-19	Δ
Revenues	3,917,678	3,654,058	-6.7%
General Fund	*2,448,751*	*2,529,165*	*3.3%*
Total Financing	**6,366,429**	**6,183,223**	**-2.9%**
Total Expenditures	**6,366,429**	**6,183,223**	**-2.9%**
Total Staffing	44.75	45.75	2.2%
Unfunded Staffing	3.55	3.55	0.0%

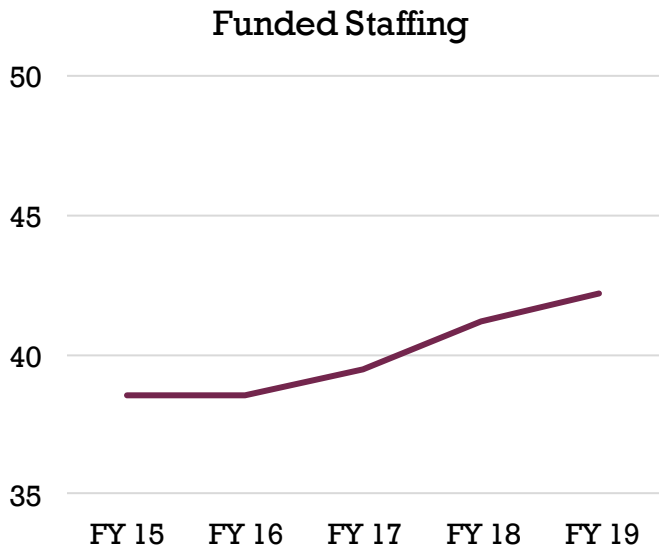
ORGANIZATIONAL CHART



5-YEAR TRENDS



A General Fund contribution offsets the difference between expenditures and revenues.



Staffing has increased due to increased activity with Transient Occupancy Tax, Cannabis Business Tax, and Financial Reporting and Debt Management.

AUDITOR-CONTROLLER-TREASURER-TAX COLL. OVERVIEW

The Auditor-Controller-Treasurer-Tax Collector serves as the Chief Financial Officer of County government and as financial advisor to the Board of Supervisors, County Administrative Officer, and autonomous special districts. This office is responsible for oversight of the accounting functions of these entities, countywide accounting policies and procedures, performing audits, maintaining custody of all funds in the County treasury, managing and investing County and other public agency funds, collecting property tax, and serving as the cash depository for County departments and other public entities.

This office includes four divisions: General Accounting Division; Audit and Systems Division; Tax and Disbursements Division and the Treasury-Tax Collection Division.

General Accounting Division

Records and monitors the financial transactions of all entities that use the County Treasury including general ledger and fixed asset accounting. They also prepare the County Annual Financial Report, financial statements, analysis, and reconciliations.

Audit & Systems Division

Conducts internal and external financial reviews, audits, and special studies including departmental internal control reviews. Staffs the Whistleblower Hotline and prepares the annual Cost Allocation Plan and the final Adopted County Budget.

Tax & Disbursements Division

Maintains the County's property tax system and payroll system and monitors County expenditures processing all claims with County funds and issuing all County payroll. Computes tax rates, maintains records of accountability for all tax levies, and answers questions regarding tax bills.

Treasury & Collections Division

Depository for all funds for school districts, special districts and County departments. Oversees all banking functions and manages the County's investment portfolio.

They also bill and collects property taxes and various fees levied by the County, cities, and other property taxing entities.

BUDGET OVERVIEW

2018-19 Recommended Budget

The 2018-19 recommended budget shows a decrease of $183,206 in expenditures and a decrease of $263,620 in revenues, resulting in a $80,414 increase in General Fund contribution.

Expenditures

The increase in Salaries and Benefits of $488,094 is for existing staff and the addition of one Accountant for increased financial reporting. Mid-year changes include the funding of a Tax Manager and Audit/Systems Manager offset by unfunding a Property Tax Systems Coordinator and an Auditor.

The increase in Services and Supplies of $86,096 is primarily due to increases in Telecom charges, Software License Services and Banking Services.

Revenues

The decrease in revenues of $263,620 is due to the reduction of $555,073 from the completion of the Financial System implementation offset by increases in Charges for Services for Accounting Fees, Cost Recoveries for Court Collections, Tax Lien Release Fees, Banking Services and an increase in Miscellaneous Revenue from Escheatment revenue.

Staffing

Staffing will increase due to the addition of 1.0 Accountant for increased financial reporting and reflects mid year reorganization changes resulting in no change to the total unfunded staff.

BUDGET DETAIL

Budget Unit: 12

All Funds	Actual 2016-17	Adopted 2017-18	Estimated 2017-18	Recommended 2018-19	Change from 2017-18	
Revenues						
Taxes	146,410	140,000	139,920	143,000	3,000	2.1%
Licenses & Permits	250	250	250	250	0	0.0%
Intergovernmental	2,359	0	3,021	0	0	0.0%
Charges for Services	3,519,705	3,053,180	3,060,869	3,312,063	258,883	8.5%
Miscellaneous	147,060	169,175	157,775	198,745	29,570	17.5%
Other Financing	113,205	555,073	555,073	0	(555,073)	-100.0%
Total Revenues	**3,928,989**	**3,917,678**	**3,916,908**	**3,654,058**	**(263,620)**	**-6.7%**
General Fund	*99,278*	*2,448,751*	*2,581,369*	*2,529,165*	*80,414*	*3.3%*
Total Financing	**4,028,267**	**6,366,429**	**6,498,277**	**6,183,223**	**(183,206)**	**-2.9%**
Expenditures						
Salaries & Benefits	4,332,136	4,965,921	5,114,020	5,454,015	488,094	9.8%
Services & Supplies	1,878,953	2,385,166	2,424,415	2,471,262	86,096	3.6%
Other Charges	2,456	1,297	1,297	2,886	1,589	122.5%
Fixed Assets	113,205	458,065	402,565	0	(458,065)	-100.0%
Subtotal	**6,326,750**	**7,810,449**	**7,942,297**	**7,928,163**	**117,714**	**1.5%**
IntraFund Transfers	*(2,298,483)*	*(1,444,020)*	*(1,444,020)*	*(1,744,940)*	*(300,920)*	*20.8%*
Total Expenditures	**4,028,267**	**6,366,429**	**6,498,277**	**6,183,223**	**(183,206)**	**-2.9%**
Total Staffing		44.75	45.75	45.75	1.00	2.2%
Unfunded Staffing		3.55	3.55	3.55	0.00	0.0%

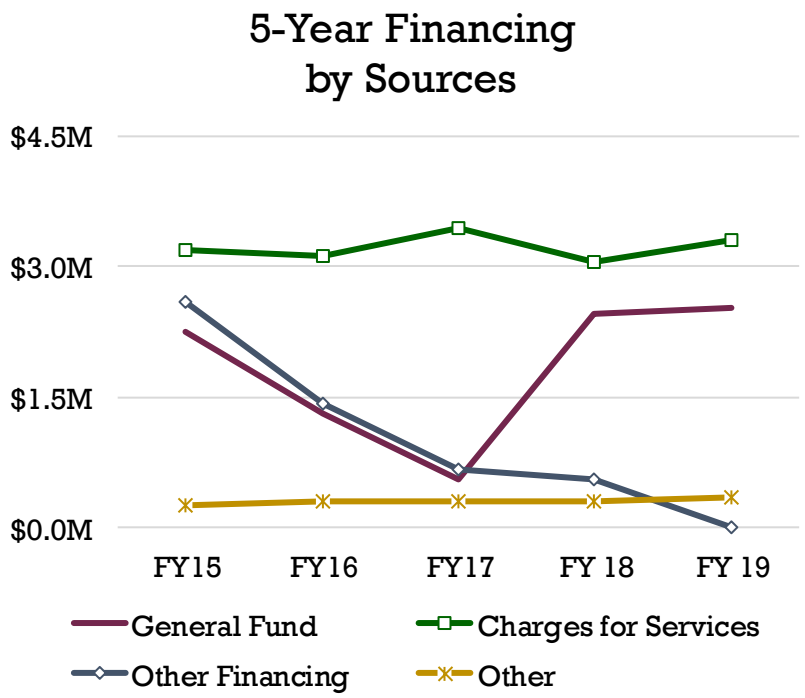
FINANCING CHANGES

Financing Sources	Description/ Impact	Increase/ (Decrease)
Taxes	Increase in Delinquent Property Tax fees.	3,000
Charges for Services	Increase in Accounting Fees for Cannabis Business Tax collection and Court Collections, increase for Tax Lien Release Fees and an increase for Banking Services.	258,883
Miscellaneous	Increase in Unclaimed/Escheatment Revenue anticipated.	29,570
Other Financing	Decrease due to the completion of the Financial System Project.	(555,073)
General Fund	Increase in the General Fund contribution.	80,414
	Total	**(183,206)**

EXPENDITURE CHANGES

Financing Uses	Description/ Impact	Cost/ (Savings)
Salaries & Benefits	Increases for existing staff.	402,128
	Increases for the addition of one accountant for increased financial reporting and debt management and other mid-year reorganization changes funding the tax manager and audit manager offset by unfunding other staff.	85,966
Services & Supplies	Increase to Telecom, Software License Services, Banking Services, Tax Lien Release Expense.	86,096
Other Charges	Increase to Copier Lease Principal and Interest.	1,589
Fixed Assets	Decrease due to the completion of the Financial System project.	(458,065)
IntraFund Transfers	Increased cost recovery for costs associated with Transient Occupancy Tax Collection, Debt Management, Cannabis Business Tax Collection and Financial Reporting.	(300,920)
	Total	**(183,206)**

HOW AUDITOR-CONTROLLER-TREASURER-TAX COLL. IS FINANCED



General Fund

Non recoverable costs are part of the General Fund contribution.

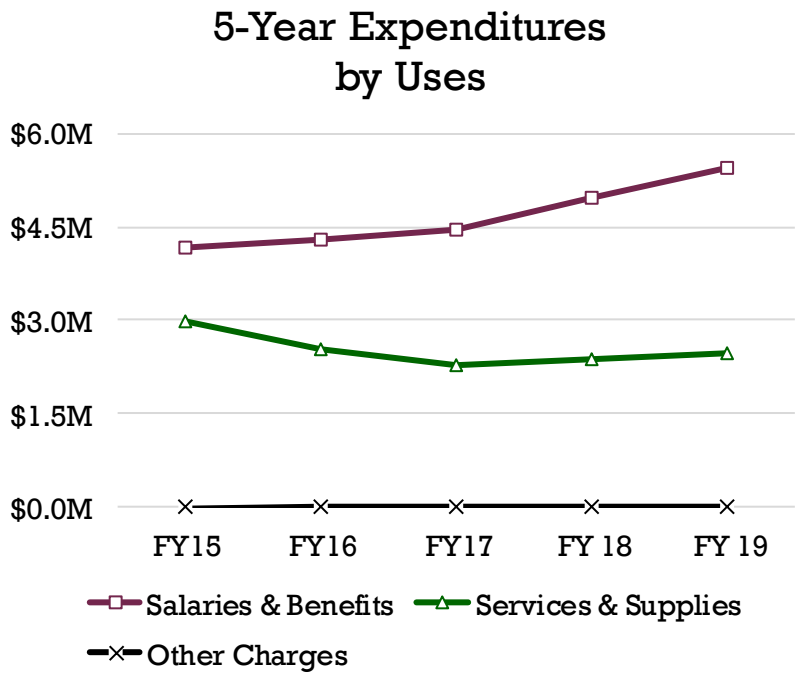
Charges for Services

The majority of financing comes from charges for services wherever possible to recover costs provided to manage the County Treasury and Property Taxes for all jurisdictions that utilize the county for services.

Other Financing & Other

Other revenues include recoverable cost of taxes, and one-time costs for financial system upgrade.

WHERE AUDITOR-CONTROLLER-TREASURER-TAX COLL. EXPENDITURES GO



Salaries & Benefits

The majority of the Auditor-Controller-Treasurer-Tax Collector budget is spent on staffing necessary to carry out the services required of the office.

Services & Supplies

Includes costs for overhead such as office supplies, telephone service, banking and investment services, data processing, software licensing, and audit services.

Other Charges

Minor financing charges.

*Expenditures do not include IntraFund Transfers.

Accomplishments

1. Provide Greater Access to Financial Data

   Continued to streamline processes and provide user training on the County's financial software to increase efficiencies for end-users. Offered training classes for employees on the various modules of the financial system. In 2017, The Auditor-Controller-Treasurer-Tax Collector (ACTTC) implemented EZ/Gov, which is available on the ACTTC website. This self-service tool provides financial data to the public. Pre-formatted data charts reflecting TOT and CBT receipts have been added.

   Citizens and media use the website's self-service feature to obtain requested information with minimal staff resources.

2. Transient Occupancy Tax (TOT) Outreach/ Audits

   Researched short-term rentals that did not have a TOT Certificate on file. Resulting in additional certificates being issued and property owners paying past and current TOT amounts due. This effort included audits of 50+ rentals within a large vacation resort property.

   Identification of unregistered vacation rental properties generated additional TOT revenue and brought property owners into compliance with County Ordinances.

3. Santa Cruz County Cannabis Business Tax (CBT) Amendment

   Accepted CBT from all cannabis related businesses in the unincorporated area of the County in the last fiscal year. Purchased customized CBT accounting software to manage these accounts and reconfigured the teller windows for CBT customers.

   Service and Financial Impact: CBT Revenues resulting in over $3.7 Million in County General Fund Revenues.

4. Delinquent Property Tax Sales

   An auction was held of property tax defaulted properties on March 2, 2018. Initially the process began with 100+ properties being more than five years defaulted. However, as a result of the pending tax sale, all parcels were brought current, or included in the auction. After the auction sale, the County receives back taxes, penalties and interest. The remaining proceeds can be claimed by lien holders or revert to the General Fund.

Goals

1. County Banking

   The ACTTC issued a Request for Proposal for both comprehensive County banking and credit card processing services. New contracts for these services are anticipated in 2018-19.

2. Transient Occupancy Tax (TOT)

   Signed a contract with HOST Compliance, a company that utilizes web-searching software to identify illegal vacation rentals. This office will locate and notify illegal rentals of their TOT tax responsibilities and perform audits as needed.

3. Successor Agency Consolidation of the Oversite Boards

   On July 1, 2018, the individual Successor Agency Boards will be consolidated into one countywide consolidated redevelopment oversight board in accordance with Senate Bill No. 107 and Health and Safety Code Section 34179j. The Auditor-Controller is responsible for staffing and administration of the Board.

4. Debt Management

   Signed a contract for SymPro Debt Management Software. The software will assist the County in planning for future debt offerings and enhance internal and external debt reporting. It will automate debt service schedules, interest calculations and CAFR annual reporting.

BOARD OF SUPERVISORS

PROPOSED BUDGET • FY 2018-19

PROPOSED BUDGET

All Funds	FY 2017-18	FY 2018-19	Δ
Revenues			
General Fund	*2,751,280*	*2,974,614*	*8.1%*
Total Financing	**2,751,280**	**2,974,614**	**8.1%**
Total Expenditures	**2,751,280**	**2,974,614**	**8.1%**
Total Staffing	18.00	18.00	0.0%

ORGANIZATIONAL CHART

1st District
John Leopold

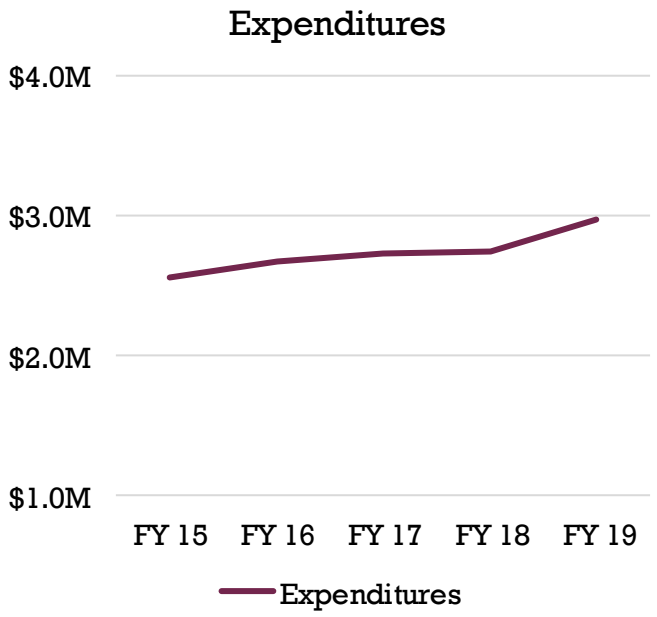
2nd District
Zach Friend

3rd District
Ryan Coonerty

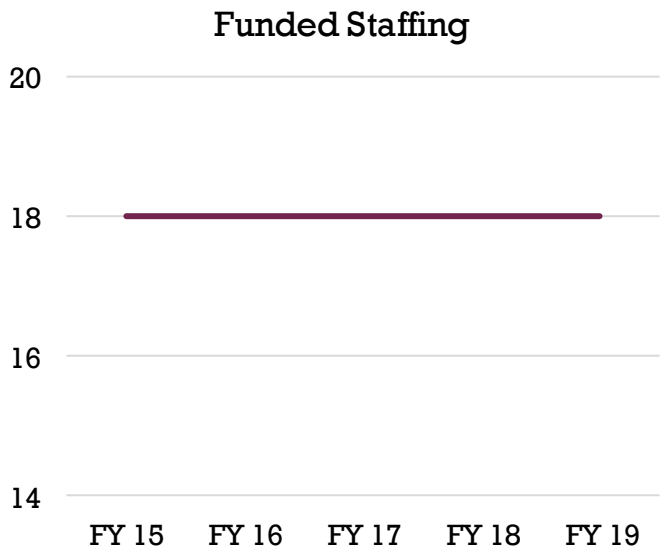
4th District
Greg Caput

5th District
Bruce McPherson

5-YEAR TRENDS



General Fund contribution offsets expenditures.



Staffing has remained at the level for the last five years.

BOARD OF SUPERVISORS OVERVIEW

Pursuant to the provisions of the California Constitution, the Board of Supervisors governs the County of Santa Cruz unincorporated area and is the executive and legislative body of the County of Santa Cruz. In its executive role, the Board sets priorities and policies for the overall operations of the various County departments and districts, approves the County budget, supervises the official conduct of County officers and employees, controls all County property, and appropriates and spends money on programs that meet the needs of County residents. The Board also has the power to direct and control the conduct of litigation in which the County or any public entity which the Board governs is a party. In its legislative role, the Board may act by resolution, by Board order, or by ordinance. In addition, the Board sits in a quasi-judicial role in the case of appeals of land use decisions and tax issues.

Members of the Board of Supervisors serve on the governing bodies of a number of other entities separate from the County, including the Santa Cruz County Capital Financing Authority, County Service Areas, the Santa Cruz County Flood Control and Water Conservation District, and County road and lighting maintenance districts. Board members also serve on local and regional agencies and boards such as the Association of Monterey Bay Area Governments, the Local Agency Formation Commission, the Santa Cruz County Library Financing Authority, the Santa Cruz County Regional Transportation Commission and the Santa Cruz Metropolitan Transit District.

BUDGET OVERVIEW

2018-19 Recommended Budget

The 2018-19 recommended budget provides for an increase of $223,334 in expenditures and no change in revenues, which results in a $223,334 increase in General Fund contribution.

Expenditures

The recommended increase in Salaries and Benefits of $219,325 is due to increases to support current staff.

The recommended increase in Services and Supplies of $4,009 is the result of increases in county telecommunications service costs and software licensing fees.

Staffing

Staffing is status quo for 2018-19.

County Fun Facts

Weekly Farmers' Markets

Day	Location	Time
Tuesday	Felton	2:30-6:30
Wednesday	Santa Cruz	1:30-6:30
Friday	Watsonville	3:00-7:00
Saturday	Aptos	8:00-12:00
	Scotts Valley	9:00-1:00
	Santa Cruz	9:00-1:00
Sunday	Watsonville	9:00-4:00
	Live Oak	9:00-1:00
	Seascape	11:00-2:00

Full Details at www.agdept.com

BUDGET DETAIL

Budget Unit: 15

All Funds	Actual 2016-17	Adopted 2017-18	Estimated 2017-18	Recommended 2018-19	Change from 2017-18	
Revenues						
Other Financing	10,408	0	0	0	0	0.0%
Total Revenues	**10,408**	**0**	**0**	**0**	**0**	**0.0%**
General Fund	*2,639,708*	*2,751,280*	*2,766,143*	*2,974,614*	*223,334*	*8.1%*
Total Financing	**2,650,116**	**2,751,280**	**2,766,143**	**2,974,614**	**223,334**	**8.1%**
Expenditures						
Salaries & Benefits	2,526,131	2,591,197	2,591,197	2,810,522	219,325	8.5%
Services & Supplies	110,340	156,024	170,887	160,033	4,009	2.6%
Other Charges	3,237	4,059	4,059	4,059	0	0.0%
Fixed Assets	10,408	0	0	0	0	0.0%
Total Expenditures	**2,650,116**	**2,751,280**	**2,766,143**	**2,974,614**	**223,334**	**8.1%**
Total Staffing		18.00	18.00	18.00	0.00	0.0%

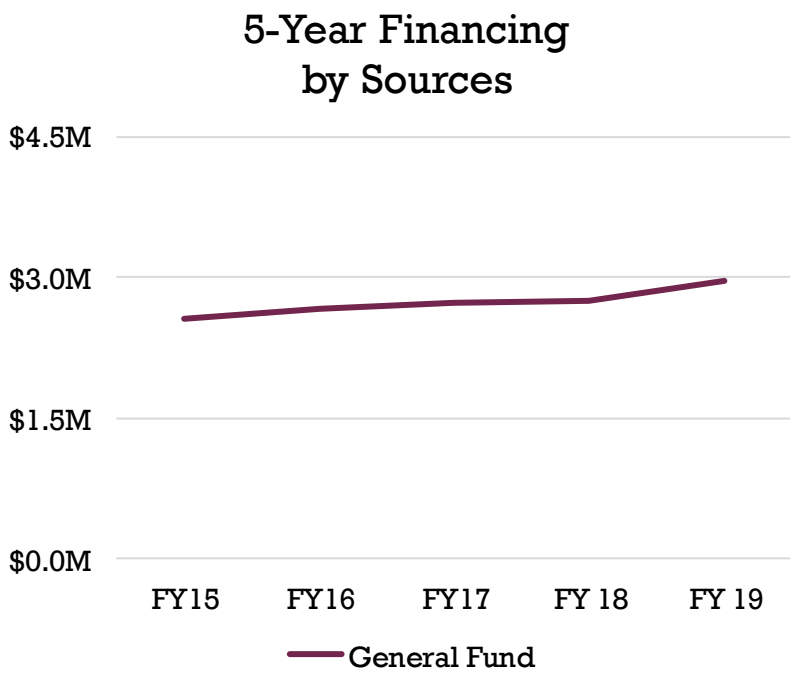
FINANCING CHANGES

Financing Sources	Description/ Impact	Increase/ (Decrease)
General Fund	Increase General Fund contribution.	223,334
	Total	**223,334**

EXPENDITURE CHANGES

Financing Uses	Description/ Impact	Cost/ (Savings)
Salaries & Benefits	Increases for existing staff.	219,325
Services & Supplies	Increase for telecommunications and software licensing fees.	4,009
	Total	**223,334**

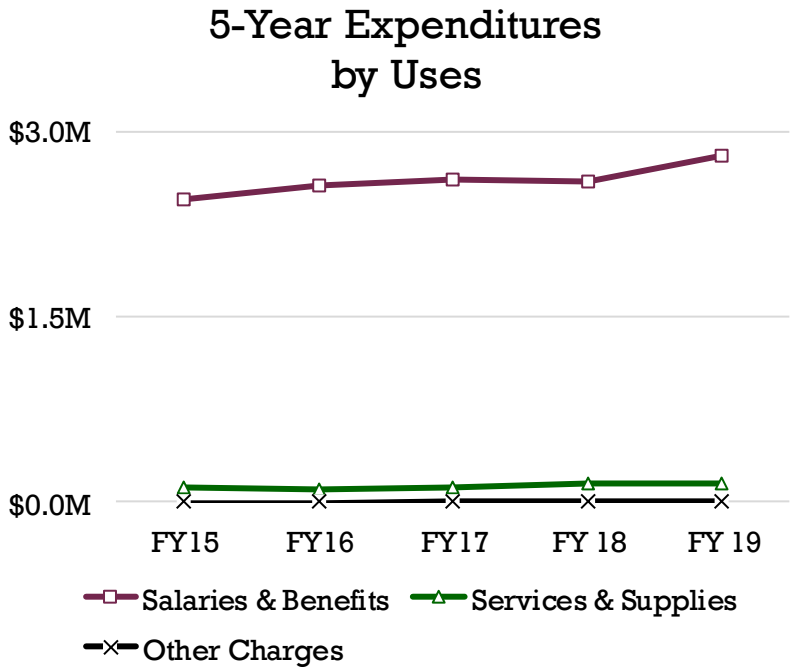
HOW THE BOARD OF SUPERVISORS IS FINANCED



General Fund

The financing for the Board of Supervisors is covered by the General Fund.

WHERE BOARD OF SUPERVISORS EXPENDITURES GO



Salaries & Benefits

The majority of the Board of Supervisors budget is spent on staff.

Services & Supplies

Includes costs for overhead such as office supplies, telephone service and travel and training costs.

Other Charges

Include costs for interest and principle on the copier lease purchase.

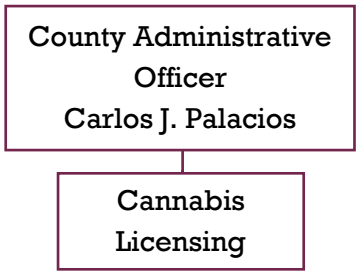
CANNABIS LICENSING

PROPOSED BUDGET • FY 2018-19

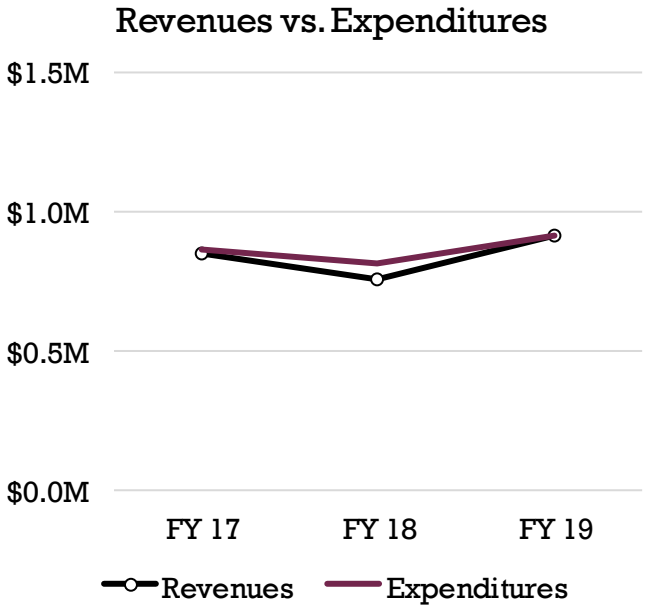
PROPOSED BUDGET

All Funds	FY 2017-18	FY 2018-19	Δ
Revenues	758,944	913,640	20.4%
General Fund	*57,806*	*0*	*-100%*
Total Financing	**816,750**	**913,640**	**11.9%**
Total Expenditures	**816,750**	**913,640**	**11.9%**
Total Staffing	5.00	5.00	0.0%

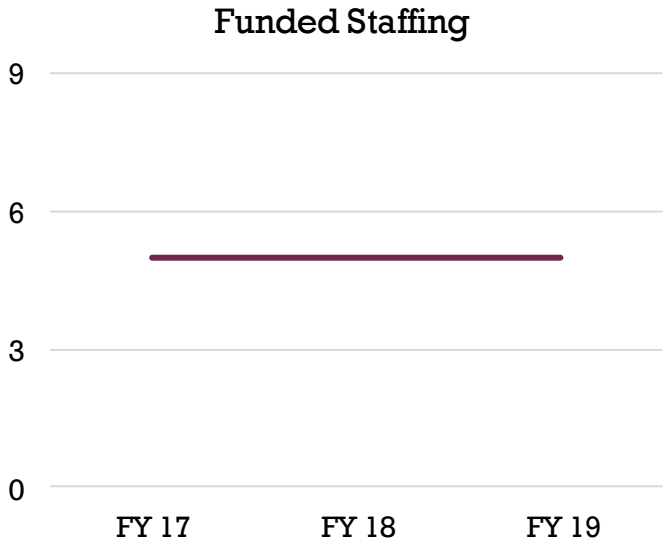
ORGANIZATIONAL CHART



3-YEAR TRENDS



The gap between expenditures and revenues is funded by General Fund contribution.



The unit was created in 2016-17, and its staffing will remain constant in 2018-19.

CANNABIS LICENSING OVERVIEW

The Cannabis Licensing Office was formed to implement State legislative actions for the regulation of medical and adult recreational cannabis use. Its mission is to create the licensing and regulatory framework, at the local level, that balances medical use, adult recreational use, and the health, safety and welfare of residents and businesses within Santa Cruz County.

The Office strives to develop and maintain an effective regulatory and licensing program that ensures consistent licensing and compliance within the cannabis industry. In alliance with our stakeholders, the Office will continue to conduct outreach and education on best practices for the industry. Additionally, the Office endeavors to minimize environmental degradation and maximize neighborhood harmony while helping this industry develop into one that can serve as a model for the state.

Accomplishments

1. Licensed twelve local dispensaries who also all received State licenses.
2. Completed the Environmental Impact Review process.
3. Drafted a revised ordinance for cultivation, distribution and manufacturing for Board consideration.
4. Conducted over 70 pre-licensing inspections leading to temporary State licenses for local cultivators and manufacturers.

Goals

1. Begin local licensing for cultivators, manufacturers and distributers based on the new ordinance with a goal of issuing at least 150 licenses by the end of FY 18-19.
2. In conjunction with the State and other County departments, develop database tracking mechanisms and performance measurements in order to analyze the impacts of the industry on our local economy and environment.
3. In cooperation with the State and other departments robustly enforce new regulations to ensure compliance and the protection of the health and safety of County.

BUDGET OVERVIEW

2018-19 Recommended Budget

The 2018-19 recommended budget provides for an increase of $96,890 in expenditures and an increase of $154,696 in revenues, which results in a $57,806 decrease in General Fund contribution.

Expenditures

The recommended increase in expenditures of $96,890 reflects additional costs expected with the advent of a full licensing program.

The recommended increase in Salaries and Benefits of $53,390 is the result of increases to support current staff.

The recommended increase in Services and Supplies of $43,500 is primarily the result of increases to professional services for database development, increases for telecommunications services and a slight increase for staff training and development, offset by reductions in general supplies, inventorial items and postage.

Revenues

The recommended increase in Revenues of $154,696 is due to anticipated increases in licensing fees, which are intended to support the total Cannabis Licensing Office expenses.

Staffing

Staffing is status quo for 2018-19.

BUDGET DETAIL

Budget Unit: 17

All Funds	Actual 2016-17	Adopted 2017-18	Estimated 2017-18	Recommended 2018-19	Change from 2017-18	
Revenues						
Licenses & Permits	506,300	758,944	210,000	913,640	154,696	20.4%
Total Revenues	**506,300**	**758,944**	**210,000**	**913,640**	**154,696**	**20.4%**
General Fund	*52,758*	*57,806*	*495,506*	*0*	*(57,806)*	*-100%*
Total Financing	**559,058**	**816,750**	**705,506**	**913,640**	**96,890**	**11.9%**
Expenditures						
Salaries & Benefits	311,499	700,344	555,000	753,734	53,390	7.6%
Services & Supplies	188,762	116,406	150,506	159,906	43,500	37.4%
Other Financing	58,797	0	0	0	0	0.0%
Total Expenditures	**559,058**	**816,750**	**705,506**	**913,640**	**96,890**	**11.9%**
Total Staffing		5.00	5.00	5.00	0.00	0.0%

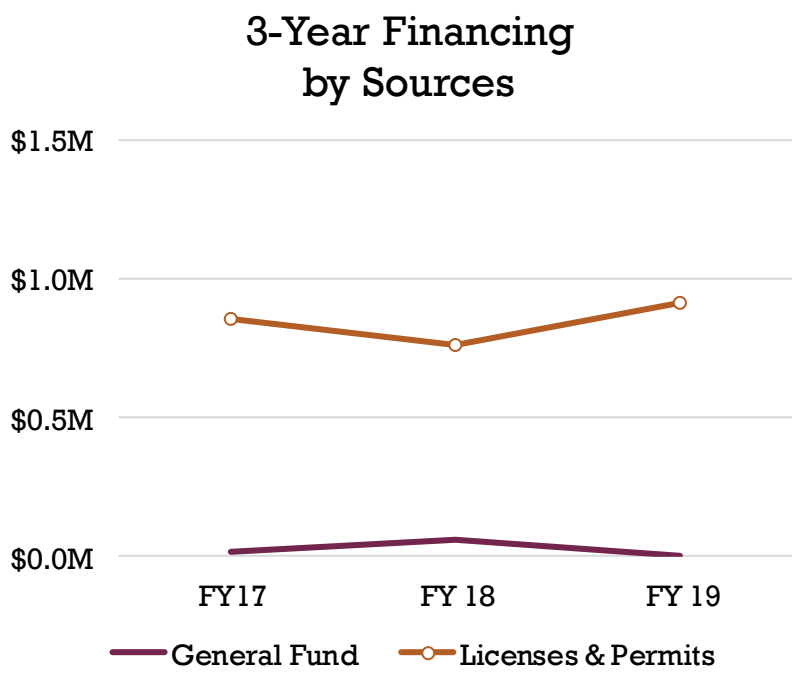
FINANCING CHANGES

Financing Sources	Description/ Impact	Increase/ (Decrease)
Licenses & Permits	Increase to fee revenue based on anticipated full year of licensing activities. Fees are intended to fully support the Cannabis Licensing Office expenses.	154,696
General Fund	Decrease to General Fund contribution in anticipation of increased licensing fees. General fund dollars have been used when licensing fee revenue does not meet projections.	(57,806)
	Total	**96,890**

EXPENDITURE CHANGES

Financing Uses	Description/ Impact	Cost/ (Savings)
Salaries & Benefits	Increase as a result of salary and benefit increases to support current staff.	53,390
Services & Supplies	Increases for Professional services, Telecom services and staff training and development.	43,500
	Total	**96,890**

HOW CANNABIS LICENSING IS FINANCED



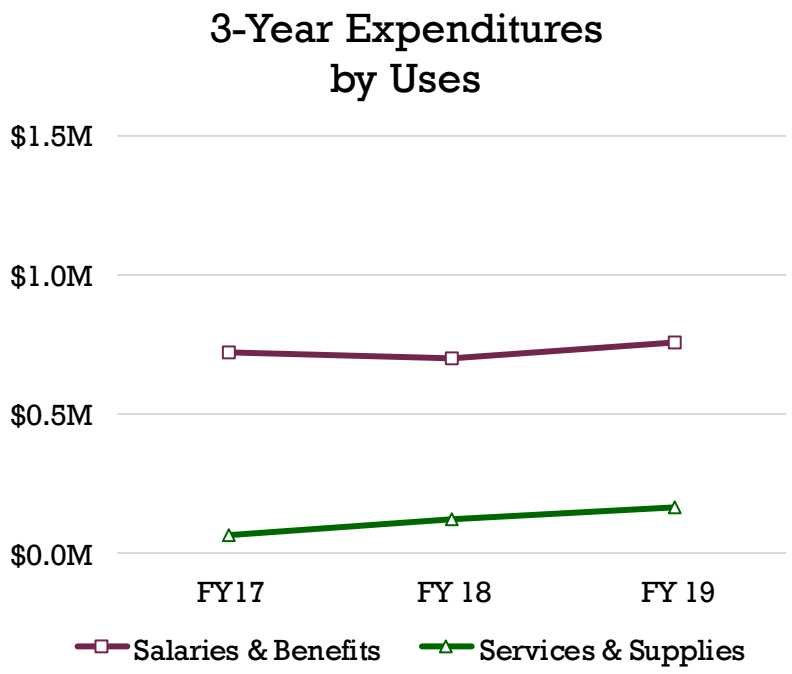
General Fund

General Fund contributions are used to make up any shortfall in licensing fee revenue.

Licensing & Permits

The Cannabis Licensing Office is financed through licenses and permit fees.

WHERE CANNABIS LICENSING EXPENDITURES GO



Salaries & Benefits

The majority of the Cannabis Licensing Office's budget is spent on staff.

Services & Supplies

Includes costs for overhead such as office supplies, telephone service and travel and training costs.

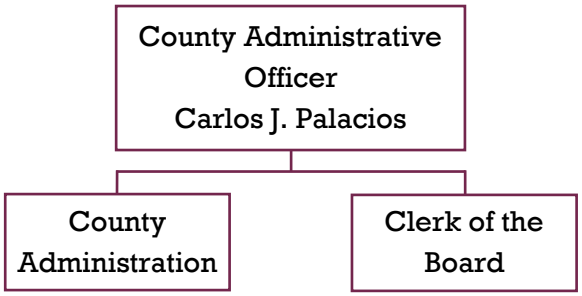
COUNTY ADMINISTRATIVE OFFICE

PROPOSED BUDGET • FY 2018-19

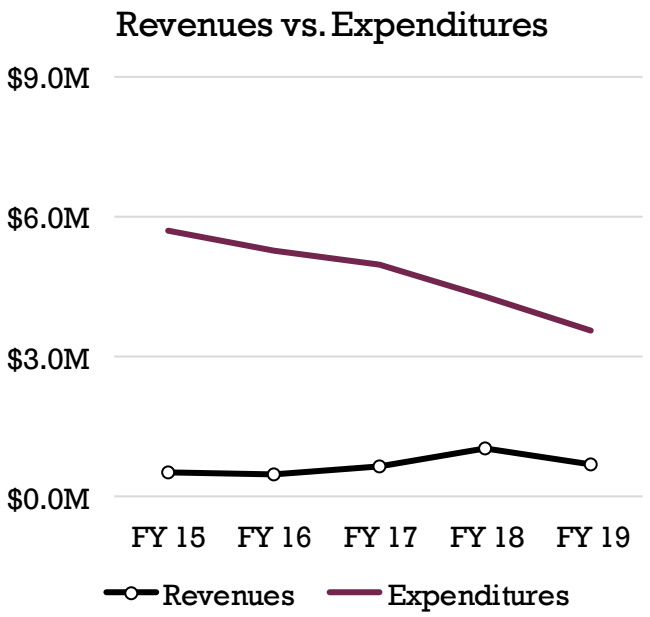
PROPOSED BUDGET

All Funds	FY 2017-18	FY 2018-19	Δ
Revenues	1,046,972	692,589	-33.8%
General Fund	*3,256,169*	*2,881,470*	*-11.5%*
Total Financing	**4,303,141**	**3,574,059**	**-16.9%**
Total Expenditures	**4,303,141**	**3,574,059**	**-16.9%**
Total Staffing	19.00	19.00	0.0%
Unfunded Staffing	0.00	1.00	

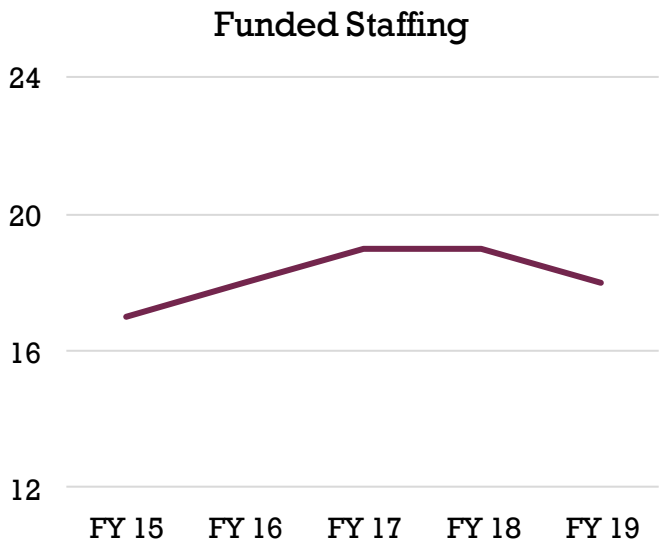
ORGANIZATIONAL CHART



5-YEAR TRENDS



The gap between Revenues and Expenditures is financed by General Fund contributions, which have declined by 35% in the past five years.



A Homeless Services Coordinator position was added in 2015-16 and a Board Clerk position was funded in 2016-17. The Homeless Services Coordinator was transferred to new budget unit.

COUNTY ADMINISTRATIVE OFFICE OVERVIEW

County Administrative Office

The County Administrative Officer works under the supervision and policy direction of the Board of Supervisors. The duties of the County Administrative Officer are specified in the County Code and include preparation and supervision of the County's budget, legislative analysis, contract and grant administration, intergovernmental relations, supervision of non-elected department heads, and oversight of all departmental functions.

The County Administrative Officer is also the ex-officio Clerk of the Board, Director of Emergency Services, Executive Director of the Public Finance Authority, a member of the Santa Cruz Regional 911 Joint Powers Authority Board, Library Joint Powers Authority Board and the Animal Services Authority Board of Directors. The County Administrative Office also administers activities related to tourism promotion, including activities associated with the countywide Tourism Marketing District, the Homeless Action Partnership Strategic Plan, Economic Development and Cannabis licensing activities.

Clerk of the Board

The Clerk of the Board's principal responsibilities are to maintain and publish the record of the proceedings of the Board of Supervisors in accordance with relevant laws, including the Ralph M. Brown Act.
The Clerk of the Board also assists in the preparation of the agenda for the Board's public meetings, including placing the agenda and minutes on the County's website, and assures public access to materials related to official County business.

The office is also Clerk to the Assessment Appeals Board, the Nuisance Abatement Appeals Commission, and the Environmental Health Appeals Commission. The Clerk of the Board maintains the County's on-line version of the County Code and updates the list of appointments and notices of vacancies for County Commissions and Committees on the Internet.

BUDGET OVERVIEW

2018-19 Recommended Budget

The 2018-19 recommended budget provides for a decrease of $729,082 in expenditures and a decrease of $354,383 in revenues, resulting in a $374,699 decrease in General Fund contribution.

Expenditures

The recommended decrease in Salaries and Benefits of $67,417 results primarily from increases for existing staff offset by unfunding a vacant Board Clerk and transferring the Homeless Services Coordinator to a new budget unit. The recommended decrease in Services and Supplies of $660,167 results primarily from completed prior year contractual services. The decrease in Other Charges of $1,498 is due to changes in the lease for the copier.

Revenues

The recommended decrease in revenues of $354,383 is primarily from the transfer of the Winter Shelter program cost recovery from the cities to a separate budget unit and the elimination of one-time revenue for the Homeless Services Coordinator position.

Staffing

Funded staffing is reduced for 2018-19 and reflects the addition of an analyst for the County Administrative Office offset by unfunding a vacant Board Clerk position and the transfer of the Homeless Services Coordinator to a separate budget unit.

BUDGET DETAIL

Budget Unit: 18

All Funds	Actual 2016-17	Adopted 2017-18	Estimated 2017-18	Recommended 2018-19	Change from 2017-18	
Revenues						
Licenses & Permits	22,200	18,000	18,000	18,000	0	0.0%
Charges for Services	785,487	1,026,971	665,634	672,588	(354,383)	-34.5%
Miscellaneous	(500)	1	1	1	0	0.0%
Other Financing	0	2,000	17,080	2,000	0	0.0%
Total Revenues	**807,187**	**1,046,972**	**700,715**	**692,589**	**(354,383)**	**-33.8%**
General Fund	*2,381,395*	*3,256,169*	*2,249,408*	*2,881,470*	*(374,699)*	*-11.5%*
Total Financing	**3,188,582**	**4,303,141**	**2,950,123**	**3,574,059**	**(729,082)**	**-16.9%**
Expenditures						
Salaries & Benefits	2,887,441	3,501,656	2,950,528	3,434,239	(67,417)	-1.9%
Services & Supplies	651,342	1,949,787	1,134,575	1,289,620	(660,167)	-33.9%
Other Charges	18,357	11,571	8,813	10,073	(1,498)	-12.9%
Fixed Assets	0	0	16,080	0	0	0.0%
Subtotal	**3,557,140**	**5,463,014**	**4,109,996**	**4,733,932**	**(729,082)**	**-13.3%**
IntraFund Transfers	*(368,558)*	*(1,159,873)*	*(1,159,873)*	*(1,159,873)*	*0*	*0.0%*
Total Expenditures	**3,188,582**	**4,303,141**	**2,950,123**	**3,574,059**	**(729,082)**	**-16.9%**
Total Staffing		19.00	19.00	19.00	0.00	0.0%
Unfunded Staffing		0.00	0.00	1.00	1.00	

DEPARTMENT STAFFING

Division	FY 2017-18 Allowed	FY 2017-18 Mid-Year	FY 2017-18 Total	FY 2018-19 Approved	Change from 2017-18
County Administration	14.00	0.00	14.00	14.00	0.00
Clerk of the Board	5.00	0.00	5.00	5.00	0.00
Total Staffing	**19.00**	**0.00**	**19.00**	**19.00**	**0.00**

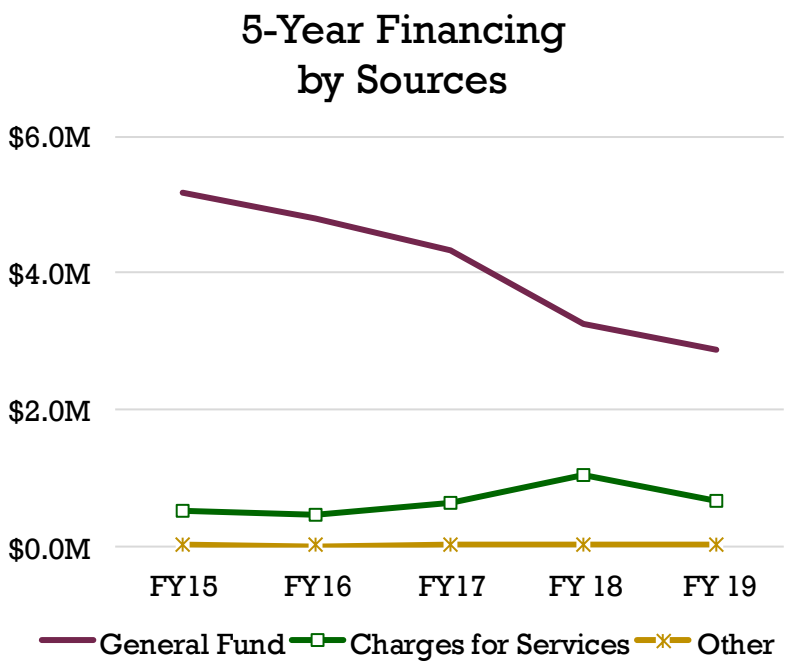
FINANCING CHANGES

Financing Sources	Description/ Impact	Increase/ (Decrease)
Charges for Services	Transfer cost recovery for Winter Shelter from the cities to new Homeless Services budget.	(181,383)
	Elimination of one-time revenue for the Homeless Services Coordinator.	(150,000)
	Reduced services for library and redevelopment.	(23,000)
General Fund	Reduced General Fund contribution.	(374,699)
	Total	**(729,082)**

EXPENDITURE CHANGES

Financing Uses	Description/ Impact	Cost/ (Savings)
Salaries & Benefits	Increases for existing staff.	243,232
	Transfer of Homeless Services Coordinator and extra help staffing to new budget.	(228,045)
	Unfund a vacant Board Clerk.	(82,604)
Services & Supplies	Completed prior year contractual services.	(660,167)
Other Charges	Reduced charges for the copier lease.	(1,498)
	Total	**(729,082)**

HOW THE COUNTY ADMINISTRATIVE OFFICE IS FINANCED



General Fund

The County Administrative Office is 78% financed by the General Fund. The General Fund contribution has declined by 35% over the past five years.

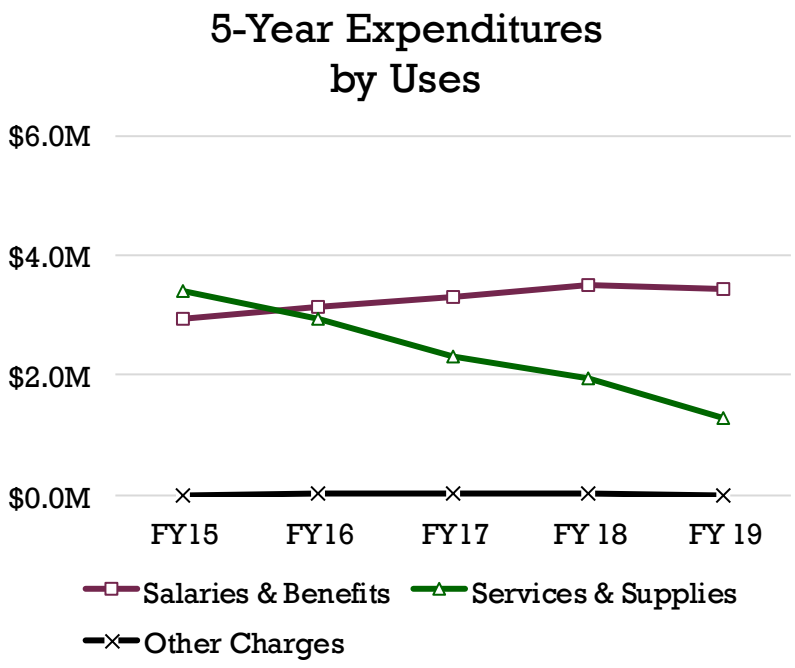
Charges for Services

The County Administrative Office recovers costs through Charges for Services whenever possible, or 22%.

Other

Includes filing fees and miscellaneous revenues primarily from the Clerk of the Board.

WHERE THE COUNTY ADMINISTRATIVE OFFICE EXPENDITURES GO



Salaries & Benefits

Two-thirds of expenditures provide the staffing costs for programs and services. Costs have gradually increased to support existing staff.

Services & Supplies

Includes various costs such as office supplies, outside legal counsel, data processing services, and professional and special services. Costs have continually declined due to decreases in services for completed prior year contractual costs.

Other Charges

Minor charges for copier lease.

*Expenditures do not include IntraFund Transfers.

ACCOMPLISHMENTS AND GOALS

Accomplishments

County Administrative Office

1. Initiated a county-wide strategic planning process to establish a long-term vision for the County and drafted multi-year strategic plan, which will inform County budget development.
2. Continued to improve the new Proposed Budget format, providing a budget overview and modified charts and tables.
3. Launched three-year Learn, Engage, Apply and Perform (LEAP) Program to develop new staff leaders and a common language, culture and approach across departments.
4. Formed cross-departmental steering committee, developed framework and training, and identified pilot projects to kick off county-wide continuous process improvement program focusing on employee engagement and customer value.
5. Identified and implemented improvements to Capital Improvement Program document.

Clerk of the Board

1. Implemented E-Signature Pilot Project for processing agenda materials to reduce contract processing time in pilot departments, decrease need for paper storage, and increase departmental access to centralized electronic records.
2. Revamped Board Memo format to increase clarity of staff reports for improved communication with the Board and the public, improve processing of final Board action materials, and provide easier search and retrieval functions for agenda materials.
3. Implemented electronic noticing for agenda materials for faster distribution of agenda notices and improved communication on completed Board actions.

Goals

County Administrative Office

1. Develop communications strategy to disseminate the strategic plan.
2. Develop a two-year budget combined with a two-year operational plan to implement the County's strategic plan goals.
3. Identify pilot projects to initiate the development of performance measures, which will assess the strategic plan's effectiveness.
4. Continue the LEAP Program with the California State Association of Counties (CSAC) Institute for Excellence in County Government credentialing program expected to be on-site in January 2019.
5. Expand continuous process improvement program to other departments within the County.
6. Launch organizational reviews for public defense, homelessness, facilities management, capital improvement and community development functions.

Clerk of the Board

1. Expand use of E-Signature to more departments, reducing time for processing internal and external documents, including agenda materials and correspondence, and reducing paper storage space needs.
2. Continue to improve agenda format, increasing clarity of meeting procedures and public access to the process.
3. Update Clerk of the Board web site, expanding instructional resources for ease of use of the electronic agenda system, and increasing public access to current and past meeting records.

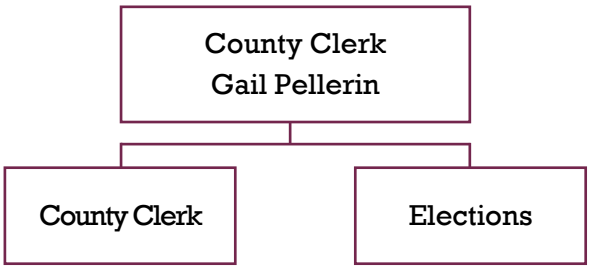
COUNTY CLERK - ELECTIONS

PROPOSED BUDGET • FY 2018-19

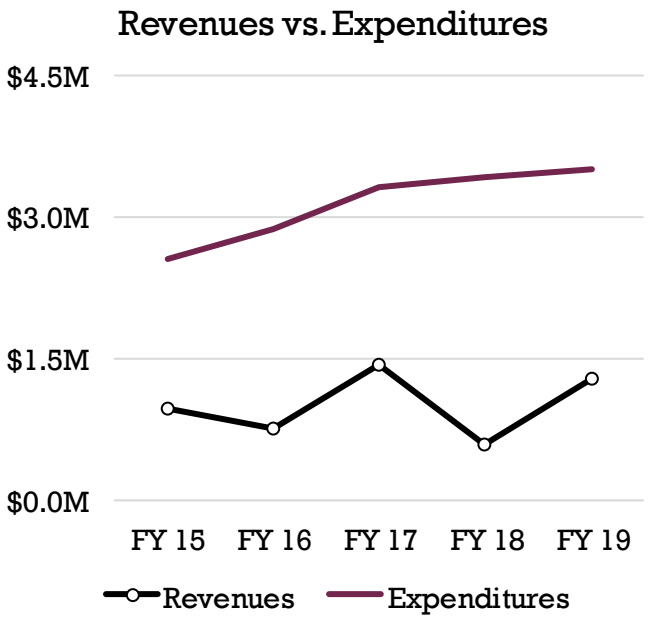
PROPOSED BUDGET

All Funds	FY 2017-18	FY 2018-19	Δ
Revenues	527,390	1,284,015	143.5%
General Fund	*2,957,862*	*2,623,827*	*-11.3%*
Total Financing	**3,485,252**	**3,907,842**	**12.1%**
Total Expenditures	**3,485,252**	**3,907,842**	**12.1%**
Total Staffing	14.00	14.00	0.0%

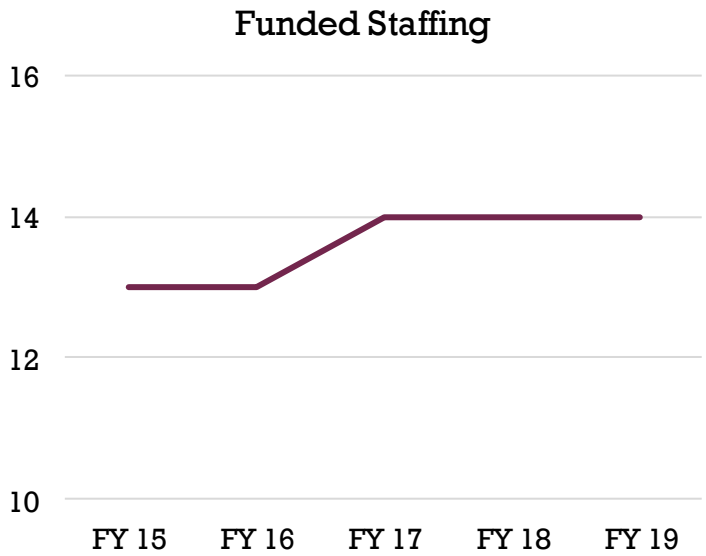
ORGANIZATIONAL CHART



5-YEAR TRENDS



While expenditures remain relatively stable, revenues fluctuate depending upon election year cycles. General Fund contributions offset the gap.



Staffing increased by one position in 2016-17 and is status quo for 2018-19.

COUNTY CLERK - ELECTIONS OVERVIEW

Clerk Services Division

The Clerk Services Division's responsibilities include issuing marriage licenses, filing fictitious business names, processing passport applications, administering notary oaths, appointing deputy commissioners for a day, registering unlawful detainer assistants, legal document assistants, process servers and professional photocopiers, and maintaining oaths for County employees. The Clerk Services Division also offers wedding ceremony services daily.

The department continues to offer Saturday office hours four or more times per year in response to the need for weekend passport hours for residents, especially those with families. The County Clerk's Division continues to provide Clerk Services at the Watsonville City Clerk's Office, located in the Watsonville Civic Plaza, one day per month.

Elections Division

The Elections Division's responsibilities include conducting elections for all federal, State, County, school district, special district and city offices, and all measures and propositions at the State or local level. Elections staff manages voter registration, coordinates voter outreach, manages candidate and elected officials' filings, recruits and trains poll workers, establishes polling places, and implements all new State and federal election laws.

State reimbursement for County costs incurred as a result of the special vacancy elections held in the summer of 2010 remain unpaid, and continued suspension of the two SB 90 programs that most impact elections is anticipated.

BUDGET OVERVIEW

2018-19 Recommended Budget

The 2018-19 recommended budget provides for a status quo budget, which includes an increase of $422,590 in expenditures and an increase of $756,625 in revenues, which results in a $334,035 decrease in General Fund contribution.

Expenditures

The recommended increase in Salaries and Benefits of $198,346 is due to cost increases for existing staff. The recommended increase in Services and Supplies of $175,470 is due to increased district election costs. The increase in Other Charges of $48,774 reflects a new voting system lease purchase.

Revenues

The recommended increase in Intergovernmental Revenues of $200,585 results from Help America Vote Act (HAVA) grant funding and a State allocation for new voting equipment. The recommended increase in Charges for Services of $556,290 is due to November 2018 General Election district consolidation. These increases are partially offset by a decrease in Miscellaneous Revenues of $250.

Staffing

Staffing is status quo for 2018-19.

BUDGET DETAIL

Budget Unit: 21

All Funds	Actual 2016-17	Adopted 2017-18	Estimated 2017-18	Recommended 2018-19	Change from 2017-18	
Revenues						
Licenses & Permits	180	200	200	200	0	0.0%
Intergovernmental	94,562	600	600	201,185	200,585	33,430.8%
Charges for Services	1,343,597	526,340	526,340	1,082,630	556,290	105.7%
Miscellaneous	399	250	250	0	(250)	-100%
Total Revenues	**1,438,738**	**527,390**	**527,390**	**1,284,015**	**756,625**	**143.5%**
General Fund	*1,933,371*	*2,957,862*	*2,972,687*	*2,623,827*	*(334,035)*	*-11.3%*
Total Financing	**3,372,109**	**3,485,252**	**3,500,077**	**3,907,842**	**422,590**	**12.1%**
Expenditures						
Salaries & Benefits	2,002,683	1,949,482	1,964,307	2,147,828	198,346	10.2%
Services & Supplies	1,311,061	1,479,544	1,479,544	1,655,014	175,470	11.9%
Other Charges	58,365	56,226	56,226	105,000	48,774	86.7%
Total Expenditures	**3,372,109**	**3,485,252**	**3,500,077**	**3,907,842**	**422,590**	**12.1%**
Total Staffing		14.00	14.00	14.00	0.00	0.0%

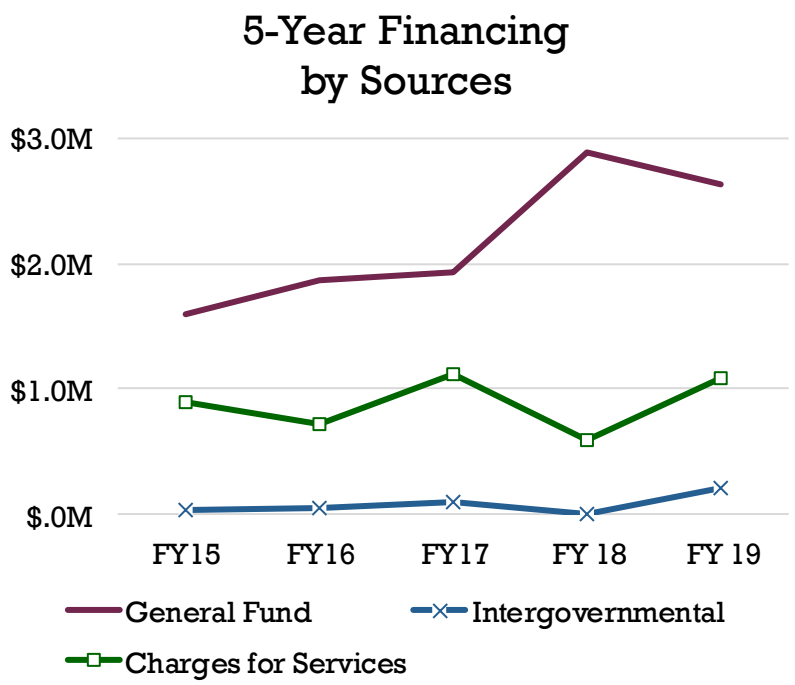
FINANCING CHANGES

Financing Sources	Description/ Impact	Increase/ (Decrease)
Intergovernmental	New HAVA grant and an allocation in the State budget offering a 1:1 match on voting equipment.	200,585
Charges for Services	Increased district election charges resulting in less County cost for the November 2018 election.	556,290
Miscellaneous	Minor changes.	(250)
General Fund	Decrease in General Fund contribution as result of increased election charges.	(334,035)
	Total	**422,590**

EXPENDITURE CHANGES

Financing Uses	Description/ Impact	Cost/ (Savings)
Salaries & Benefits	Increase in costs for existing staff.	198,346
Services & Supplies	Increased costs for district elections, data processing and equipment uses.	175,470
Other Charges	Increase for lease purchase for new voting system	48,774
	Total	**422,590**

HOW COUNTY CLERK - ELECTIONS IS FINANCED



General Fund

The majority of financing for the County Clerk-Elections budget is covered by the General Fund.

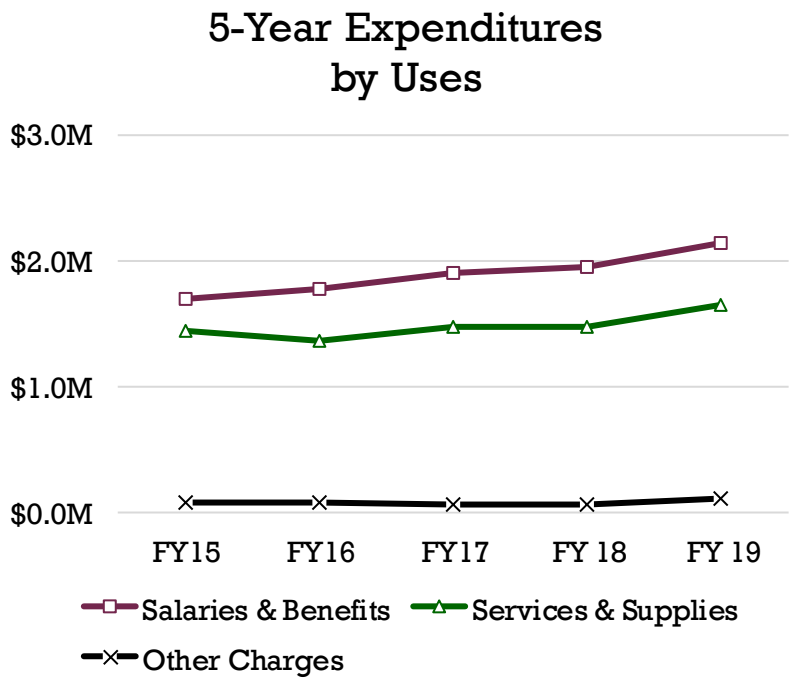
Intergovernmental

New HAVA grant funding and a State matching allocation for voting equipment.

Charges for Services

County Clerk charges for services wherever possible to recover costs for services including marriage certificates, weddings, passports, and special or regular elections held by local jurisdictions.

WHERE COUNTY CLERK - ELECTIONS EXPENDITURES GO



Salaries & Benefits

The majority of the County Clerk Elections budget is spent on staff.

Services & Supplies

Includes costs for overhead such as office supplies, printing, postage, professional services and election officer costs.

Other Charges

Includes costs for lease purchase of election equipment.

*Expenditures do not include IntraFund Transfers.

ACCOMPLISHMENTS AND GOALS

Accomplishments

1. Developed procedures providing Same Day Registration that allows people who missed the voter registration deadline to register and vote at the county elections office or other designated location up to and including Election Day.
2. Conducted the June 2018 Statewide Primary where all state offices and local offices will appear on the ballot along with five State Propositions and six local measures. Two additional vote-by-mail ballot drop boxes will be installed.
3. Conducted two mock elections using the new Vote Cal system. Working on the launch of the New Motor Voter law that will automate registration for persons who apply for or renew a driver's license through DMV.
4. Issued more than 1,000 marriage licenses, performed over 300 ceremonies including 17 on Valentine's Day, and issued more than 4,600 passports. Clerk Services are provided in Watsonville one Wednesday per month, and five Passport Saturdays will be held in 2018.
5. Relocated offices from the second floor to the third floor, which includes secure space for the vote-by-mail ballot sorter, vote counting system, and a new Peace, Love & Happiness conference room for weddings with a webcam for streaming live on the internet.
6. Relocated the Operations Center within the University Business Center to a larger, more accessible space. The new area still provides secure storage for voting equipment but now has a more usable office space for staff and more square footage for storage, testing and training. The new location is also in closer proximity to the loading docks making the logistics of preparing the election more streamlined.

Goals

1. Prepare for the November 2018 Statewide General Election. The ballot will include the top two vote-getters running for State office as well as any local run-off elections. All four cities, along with school and special districts will be on the ballot.
2. Research and test voting equipment to replace the equipment purchased in 2006. The current voting system is no longer sustainable and a new system will be required in the near future. Add a remote accessible ballot system for persons with disabilities is also under consideration.
3. Research the California Voter's Choice Act signed into law last year that creates a vote center based vote model instead of the traditional polling place system. Transitioning to this model in 2020 will require a new voting system, identification of vote centers throughout the county, purchase and installation of additional ballot drop boxes, and a coordinated voter outreach program with multiple communities of interest throughout Santa Cruz County.
4. Continue to evaluate the security of the voting system and conduct penetration testing to ensure systems are protected from any breach or hacking.

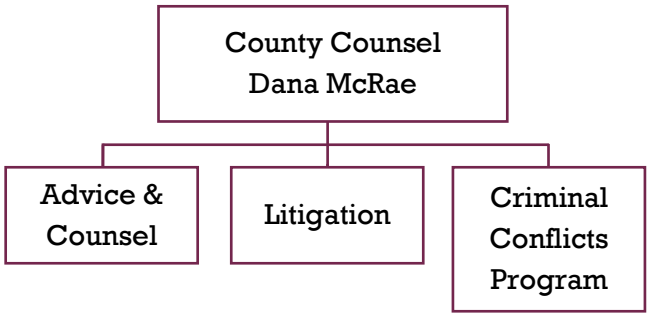
COUNTY COUNSEL

PROPOSED BUDGET • FY 2018-19

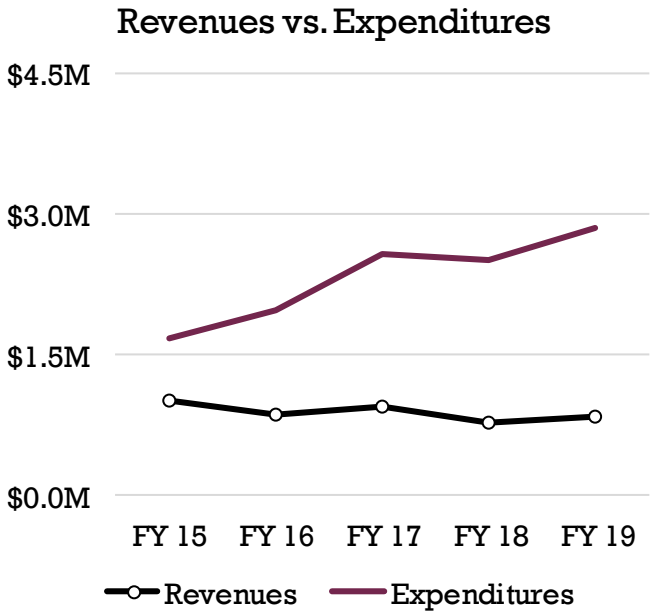
PROPOSED BUDGET

All Funds	FY 2017-18	FY 2018-19	Δ
Revenues	786,339	836,070	6.3%
General Fund	*1,725,910*	*2,026,812*	*17.4%*
Total Financing	**2,512,249**	**2,862,882**	**14.0%**
Total Expenditures	**2,512,249**	**2,862,882**	**14.0%**
Total Staffing	18.50	18.50	0.0%

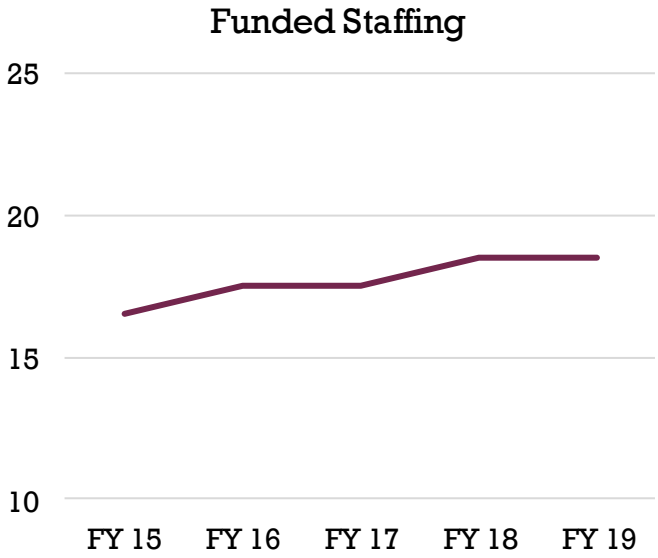
ORGANIZATIONAL CHART



5-YEAR TRENDS



A General Fund contribution is utilized for the difference between expenditures and revenues.



Total staffing for County Counsel has remained stable at 18.5 positions.

COUNTY COUNSEL OVERVIEW

The County Counsel's Office is responsible for handling the majority of civil legal matters for Santa Cruz County. The office defends, represents, and provides legal advice to the Board of Supervisors and County departments, employees, and officials. It also provides select legal services to County and cross-jurisdictional special districts, joint powers authorities, boards and commissions, including the Regional 911 Center, the Sanitation District, the Animal Services Authority, the Regional Transportation Commission, the Local Agency Formation Commission (LAFCO), the Flood Control and Water Conservation District, and the Grand Jury.

In order to comply with State law and local directives, County Counsel staff attends meetings of the Board of Supervisors, the Planning Commission, LAFCO, the Sanitation District, the Redevelopment Successor Agency Oversight Board, the Library Financing Authority, and the Assessment Appeals Board. Attendance at other commissions and district meetings is provided as needed.

Attorneys in this office provide legal services in the areas of litigation defense, land use, juvenile dependency, public health, code compliance, public contracting, public works, employment, conservatorships, taxation and financial concerns, law enforcement, parks, sanitation, and general government issues. They are also directly involved in drafting and amending provisions of the County Code as needed. The attorneys practice in both State and federal courts on a regular basis and represent the County in a variety of administrative proceedings.

County Counsel also manages the County's criminal conflicts program operated by private attorneys.

BUDGET OVERVIEW

2018-19 Recommended Budget

The 2018-19 recommended status quo budget provides for an increase of $350,633 in expenditures and an increase of $49,731 in revenues, which results in an increase of $300,902 in General Fund contribution.

Expenditures

The recommended increase of $350,633 in expenditures includes increases in Salaries and Benefits of $335,633 for existing staff and telecommunications costs of $15,000.

Revenues

The recommended increase of $49,731 is primarily in Charges for Services of $38,000 due to increased services provided to the Mobile Home Commission.

Staffing

Staffing is status quo for 2018-19.

BUDGET DETAIL

Budget Unit: 24

All Funds	Actual 2016-17	Adopted 2017-18	Estimated 2017-18	Recommended 2018-19	Change from 2017-18	
Revenues						
Taxes	11,959	0	11,731	11,731	11,731	0.0%
Fines & Assessments	11,575	20,000	20,000	20,000	0	0.0%
Charges for Services	778,808	739,091	671,691	777,091	38,000	5.1%
Miscellaneous	3,989	27,248	27,248	27,248	0	0.0%
Other Financing	11,240	0	0	0	0	0.0%
Total Revenues	**817,571**	**786,339**	**730,670**	**836,070**	**49,731**	**6.3%**
General Fund	*1,585,571*	*1,725,910*	*1,983,638*	*2,026,812*	*300,902*	*17.4%*
Total Financing	**2,403,142**	**2,512,249**	**2,714,308**	**2,862,882**	**350,633**	**14.0%**
Expenditures						
Salaries & Benefits	3,483,829	3,508,191	3,538,175	3,843,824	335,633	9.6%
Services & Supplies	153,395	162,311	162,311	177,311	15,000	9.2%
Other Charges	3,524	3,524	3,524	3,524	0	0.0%
Fixed Assets	11,240	0	0	0	0	0.0%
Subtotal	**3,651,988**	**3,674,026**	**3,704,010**	**4,024,659**	**350,633**	**9.5%**
IntraFund Transfers	*(1,248,846)*	*(1,161,777)*	*(989,702)*	*(1,161,777)*	*0*	*0.0%*
Total Expenditures	**2,403,142**	**2,512,249**	**2,714,308**	**2,862,882**	**350,633**	**14.0%**
Total Staffing		18.50	18.50	18.50	0.00	0.0%

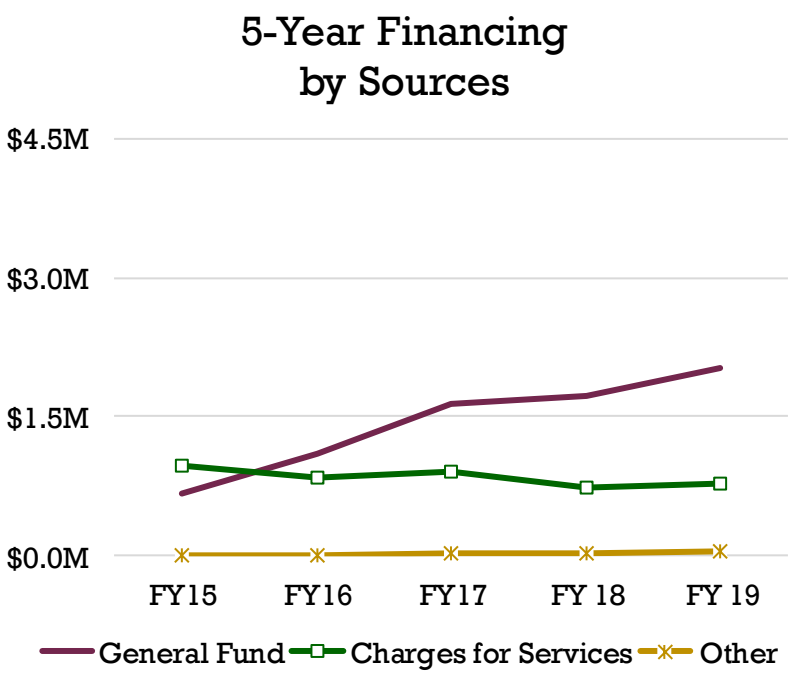
FINANCING CHANGES

Financing Sources	Description/ Impact	Increase/ (Decrease)
Taxes	Increase in penalties on delinquent taxes.	11,731
Charges for Services	Increase in charges to Mobile Home Trust for services provided	38,000
General Fund	Increase in General Fund contribution.	300,902
	Total	**350,633**

EXPENDITURE CHANGES

Financing Uses	Description/ Impact	Cost/ (Savings)
Salaries & Benefits	Increases for existing staff.	335,633
Services & Supplies	Increases for telecommunications.	15,000
	Total	**350,633**

HOW COUNTY COUNSEL IS FINANCED



General Fund

The majority of financing for the County Counsel budget is covered by the General Fund.

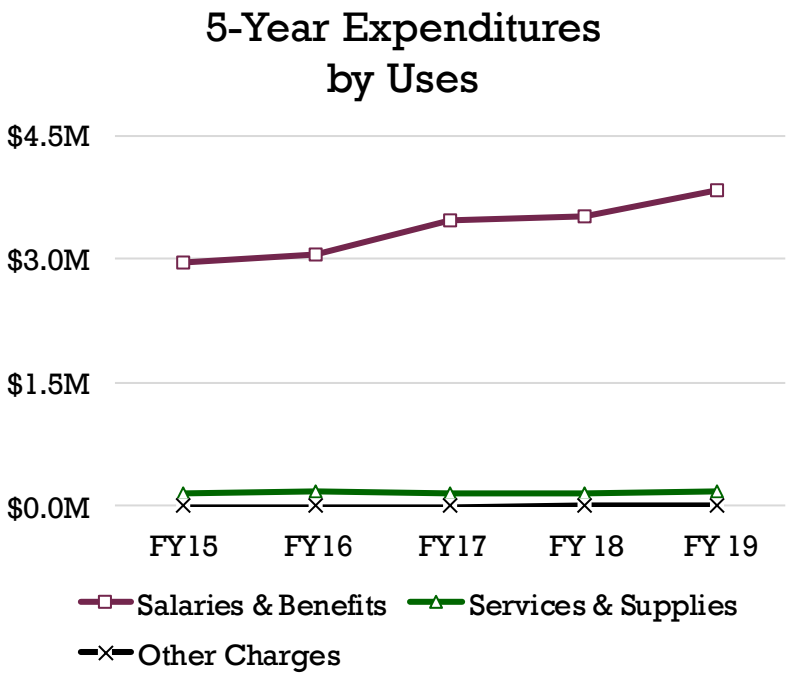
Charges for Services

County Counsel charges for services wherever possible to recover costs provided to non-General Fund departments and agencies.

Other

County Counsel receives a small amount of revenue from civil penalties.

WHERE COUNTY COUNSEL EXPENDITURES GO



Salaries & Benefits

The majority of the County Counsel budget is spent on staff.

Services & Supplies

Includes costs for overhead such as office supplies, telephone service and travel and training costs.

Other Charges

Minor financing costs.

*Expenditures do not include IntraFund Transfers.

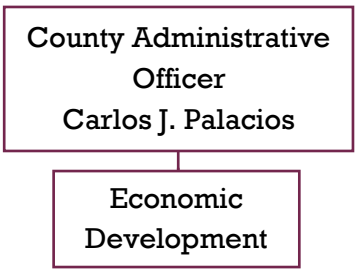
ECONOMIC DEVELOPMENT

PROPOSED BUDGET • FY 2018-19

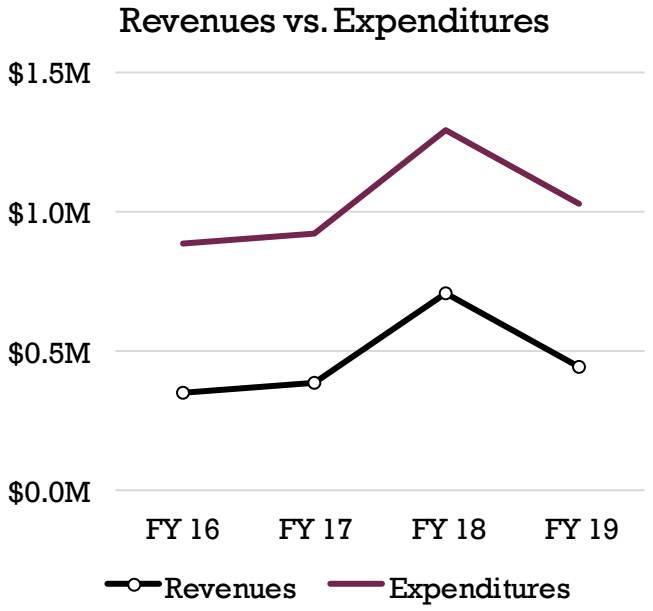
PROPOSED BUDGET

All Funds	FY 2017-18	FY 2018-19	Δ
Revenues	707,727	439,063	-38.0%
General Fund	*585,251*	*591,731*	*1.1%*
Total Financing	**1,292,978**	**1,030,794**	**-20.3%**
Total Expenditures	**1,292,978**	**1,030,794**	**-20.3%**
Total Staffing	3.00	3.00	0.0%

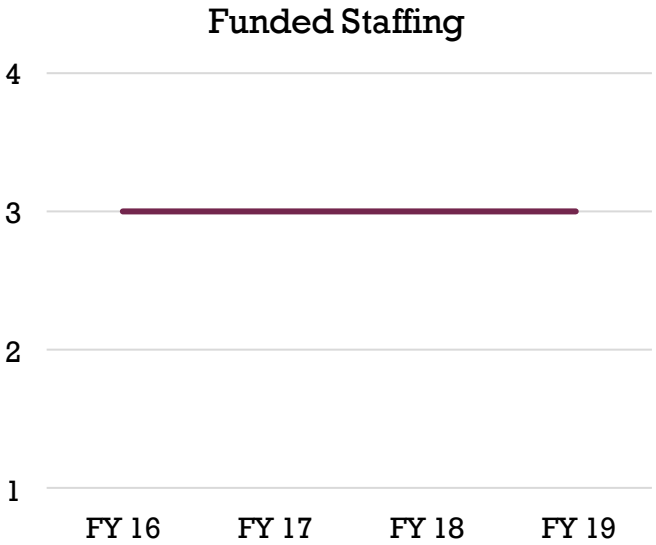
ORGANIZATIONAL CHART



4-YEAR TRENDS



The gap between expenditures and revenues is funded by General Fund contribution.



The unit was created in 2015-16, and staffing will remain constant in 2018-19.

ECONOMIC DEVELOPMENT OVERVIEW

Economic Development was established as a division of the County Administrative Office in FY 2015-16 to implement the Economic Vitality Strategy by building collaborative partnerships with the cities, other agencies and individual businesses; developing projects that create jobs and make efficient use of commercial space by facilitating infill development; expanding the public sector capacity through expanding access to high-speed fiber; and implementing the Long Range Property Management Plan.

Accomplishments

1. Furthered CEMEX Re-use and Restoration Plan; Technical Site Report, Draft Alternative Uses, and Economic Analysis of same.
2. Initiated disposition of former RDA site at 17th & Capitola; Request for Qualifications, Community Meeting and Exclusive Negotiation Agreement with preferred Developer.
3. Continued disposition of former RDA site at 7th & Brommer; Request for Qualifications, Community Meeting, and Exclusive Negotiation Agreement with preferred Developer.
4. Negotiated and finalized the CEMEX communications tower agreement.
5. Served in lead role in the upfront financing for Monterey Bay Community Power.
6. Implemented Small Business Saturday and second annual 82% Micro Business Summit.

Goals

1. Continue disposition of former RDA site at 17th & Capitola; Negotiate and enter into a Disposition and Development Agreement.
2. Continue disposition of former RDA site at 7th & Brommer; Negotiate and enter into a Disposition and Development Agreement.
3. Continue CEMEX Re-use and Restoration Plan; Re-use Plan and Local Coastal Plan Amendments based on Alternative Uses.
4. Advance Broadband into San Lorenzo Valley.
5. Continue Small Business Saturday, the 82% Micro Business Summit and facilitating a Main Street Program for Boulder Creek.

BUDGET OVERVIEW

2018-19 Recommended Budget

The 2017-18 recommended budget provides for a decrease of $262,184 in expenditures and a decrease of $268,664 in revenues, which results in an increase of $6,480 in General Fund contribution.

Expenditures

The recommended decrease in expenditures and revenues reflects anticipated completion of projects in 2017-18.

The recommended increase in Salaries and Benefits of $45,948 is due to increases for existing staff.

The recommended decrease in Services and Supplies of $308,132 is primarily due to the anticipated completion of projects in 2017-18.

Revenues

The recommended decrease in revenues of $268,664 is primarily in Miscellaneous Revenues related to reimbursements for projects anticipated to be completed in 2017-18.

Staffing

Staffing is status quo for 2018-19.

BUDGET DETAIL

Budget Unit: 26

All Funds	Actual 2016-17	Adopted 2017-18	Estimated 2017-18	Recommended 2018-19	Change from 2017-18	
Revenues						
Intergovernmental	0	10,000	0	0	(10,000)	-100%
Charges for Services	78,881	437,121	100,000	424,063	(13,058)	-3.0%
Miscellaneous	199,450	260,606	260,606	15,000	(245,606)	-94.2%
Total Revenues	**278,331**	**707,727**	**360,606**	**439,063**	**(268,664)**	**-38.0%**
General Fund	*545,638*	*585,251*	*638,393*	*591,731*	*6,480*	*1.1%*
Total Financing	**823,969**	**1,292,978**	**998,999**	**1,030,794**	**(262,184)**	**-20.3%**
Expenditures						
Salaries & Benefits	550,213	570,141	551,987	616,089	45,948	8.1%
Services & Supplies	273,756	722,837	447,012	414,705	(308,132)	-42.6%
Total Expenditures	**823,969**	**1,292,978**	**998,999**	**1,030,794**	**(262,184)**	**-20.3%**
Total Staffing		3.00	3.00	3.00	0.00	0.0%

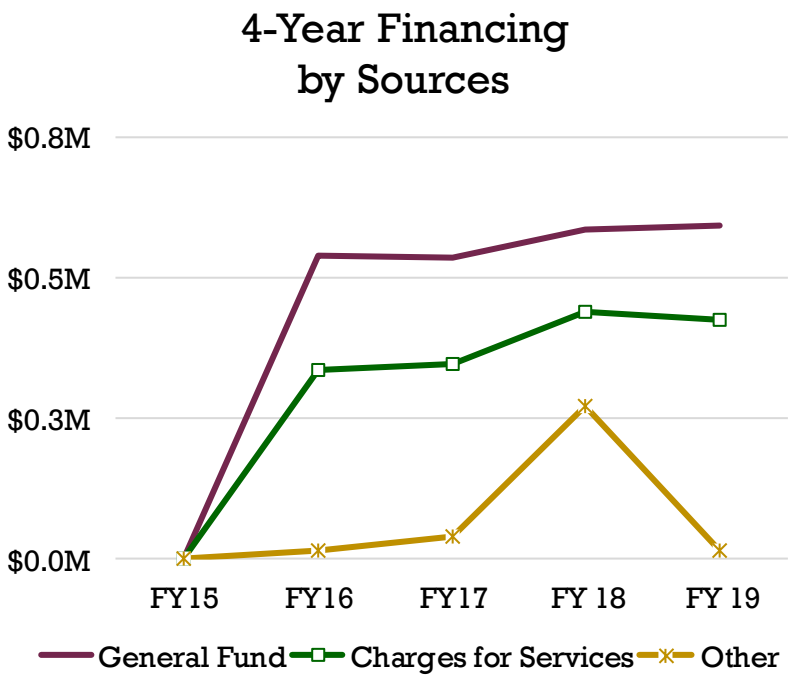
FINANCING CHANGES

Financing Sources	Description/ Impact	Increase/ (Decrease)
Intergovernmental	Aid From Other Governments reduced for administration costs related to the Comprehensive Economic Development Strategy transferred to the Human Services Department.	(10,000)
Charges for Services	Decrease in revenues anticipated from the Redevelopment Successor Agency for disposition of properties.	(13,058)
Miscellaneous	Contributions and Donations reduced due to completion of projects anticipated to be completed in 2017-18.	(245,606)
General Fund	Increase in Net County Cost for Silicon Valley Economic Development Alliance membership.	6,480
	Total	**(262,184)**

EXPENDITURE CHANGES

Financing Uses	Description/ Impact	Cost/ (Savings)
Salaries & Benefits	Increases for existing staff.	45,948
Services & Supplies	Completion of anticipated projects in 2017-18.	(308,132)
	Total	**(262,184)**

HOW ECONOMIC DEVELOPMENT IS FINANCED



General Fund

The majority of the Economic Development budget is financed by the General Fund.

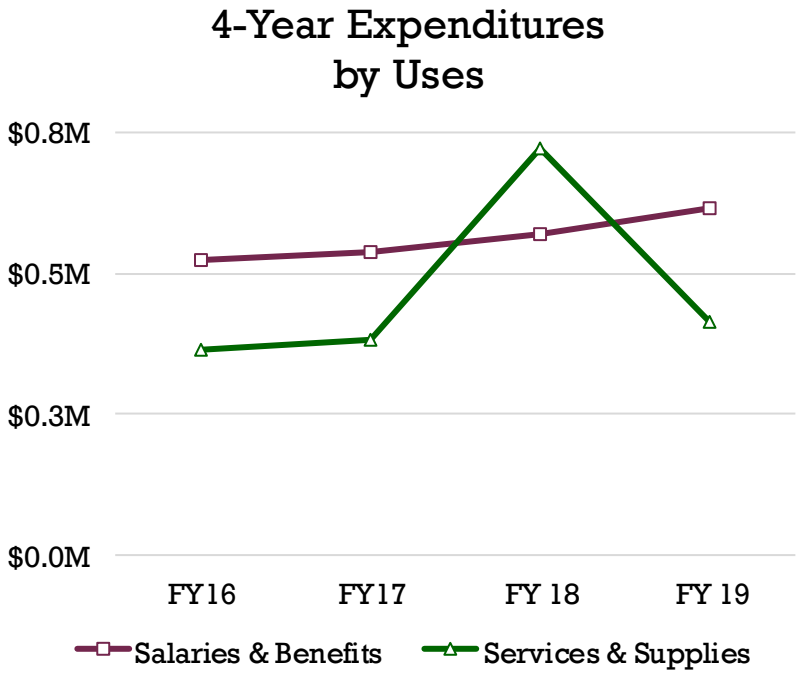
Charges for Services

Economic Development Charges for Services are primarily provided by revenues from the Redevelopment Successor Agency to implement the Long-Range Property Management Plan.

Other

Related to reimbursements for projects.

WHERE ECONOMIC DEVELOPMENT EXPENDITURES GO



Salaries & Benefits

The majority of the Economic Development budget is spent on staff.

Services & Supplies

Includes costs for professional services and overhead such as office supplies, telephone service and travel and training costs.

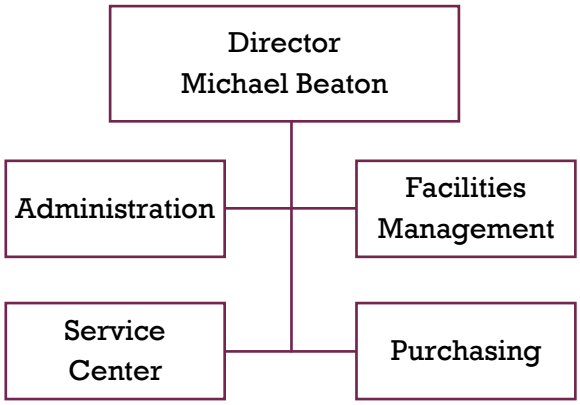
GENERAL SERVICES

PROPOSED BUDGET • FY 2018-19

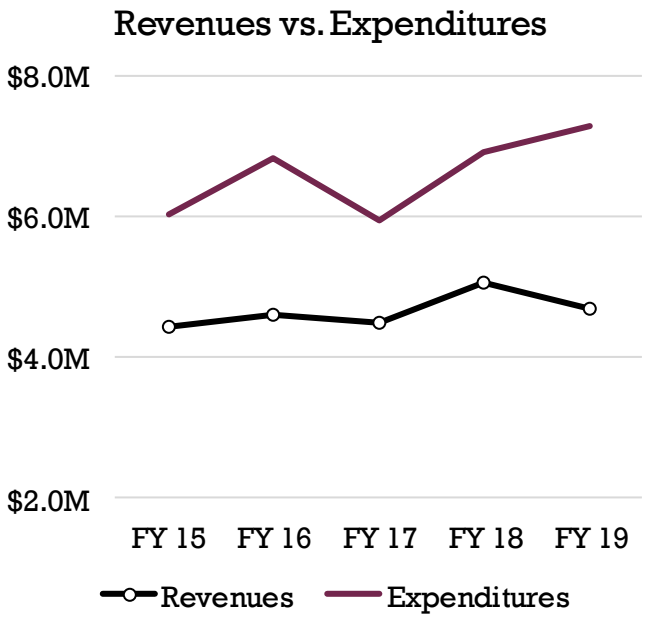
PROPOSED BUDGET

All Funds	FY 2017-18	FY 2018-19	Δ
Revenues	5,070,802	4,708,831	-7.1%
General Fund	*2,457,218*	*2,542,480*	*3.5%*
Other Funds	*(600,247)*	*34,477*	*-105.7%*
Total Financing	**6,927,773**	**7,285,788**	**5.2%**
Total Expenditures	**6,927,773**	**7,285,788**	**5.2%**
Total Staffing	60.00	60.00	0.0%
Unfunded Staffing	3.50	2.50	-28.6%

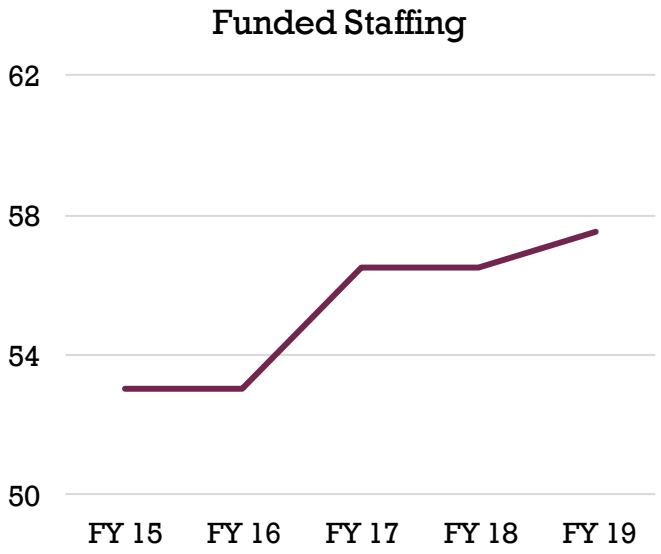
ORGANIZATIONAL CHART



5-YEAR TRENDS



The gap between revenues and expenditures is financed by a combination of General Fund contributions and other funds.



Staffing changes reflect the addition of limited-term positions in 2016-17 and funding the Deputy Director position in 2018-19.

GENERAL SERVICES OVERVIEW

Administration

General Services Administration staff is responsible for the overall management of the department, providing for planning, evaluation and program development and the associated administrative responsibilities. The division provides support for capital construction projects, which includes the processing of formal construction bids. Additionally, staff oversees the Transportation Reduction Incentive Program and the Employee Parking Program.

Purchasing & Central Stores Unit

The Purchasing Division manages the centralized purchasing program and supervises the County Warehouse central stores and record retention operations. Purchasing supports and trains departments in the procurement of goods and services. Staff also develop biddable specifications to meet program needs and seek competitive offers on goods or projects.

The Central Stores Unit is managed by the Purchasing Division. Central Stores provides centralized storage and distribution of materials and supplies to County departments.

Facilities Management Division

The Division includes four sections. The Building Maintenance Section is responsible for repair and maintenance of County-owned and leased facilities, maintenance of electrical systems and equipment, coordinating the abatement of hazardous materials, and inspecting fire alarm systems and other safety equipment.

The Building Equipment Maintenance Section is responsible for the repair and maintenance of mechanical equipment that provides heating, air conditioning, ventilation, refrigeration and plumbing.

The Custodial Services Section maintains almost 700,000 square feet of space in thirty-four County facilities and leased sites. Lastly, the Project Management Section is responsible for construction remediation projects, cafeteria operations, and energy management.

Service Center

The Service Center is responsible for the repair and maintenance of all County vehicles except those assigned to the Public Works Department. The Service Center maintains a pool of vehicles for daily use by all County departments. The fleet vehicles range from subcompacts to heavy-duty maintenance trucks, and include vehicles for the Sheriff's Office.

BUDGET OVERVIEW

2018-19 Recommended Budget

The 2018-19 recommended budget provides for an increase of $358,015 in expenditures, a decrease of $361,971 in revenues, offset by an increase of $634,724 in Other Funds, which results in an $85,262 increase in General Fund contribution.

Expenditures

The increase in expenditures of $358,105 is due to increases supporting existing staff as well as increasing costs to maintain aging infrastructure.

Fixed Assets

The Service Center division proposes to purchase 25 replacement vehicles for various departments.

Revenues

The decrease in revenues of $361,971 is primarily due to decreased funding from other departments for vehicle purchases.

Staffing

Staffing provides for the funding of the Deputy Director in 2018-19.

BUDGET DETAIL

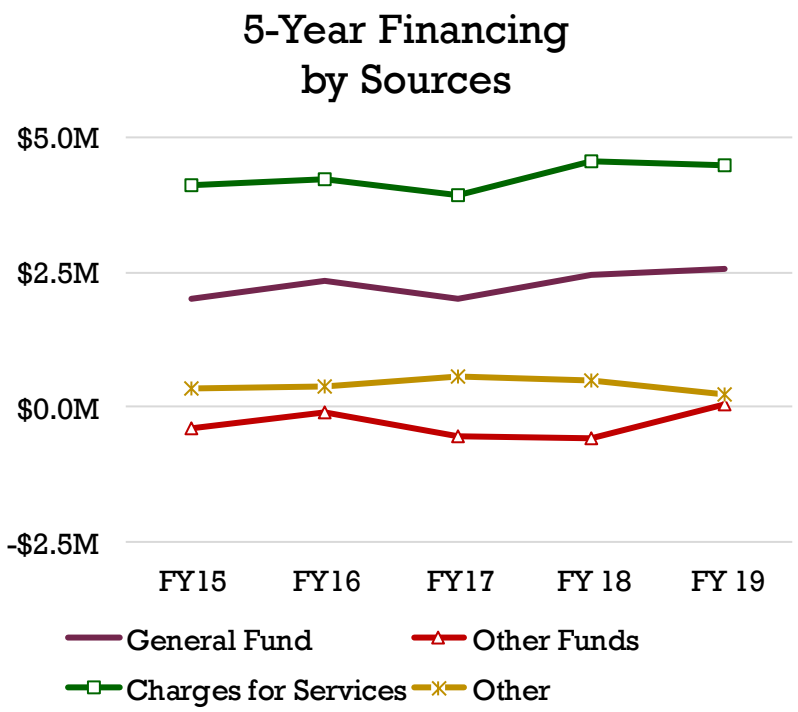
Budget Unit: 33

All Funds	Actual 2016-17	Adopted 2017-18	Estimated 2017-18	Recommended 2018-19	Change from 2017-18	
Revenues						
Use of Money	73,067	70,675	70,675	70,675	0	0.0%
Intergovernmental	0	0	442,889	0	0	0.0%
Charges for Services	4,178,742	4,570,416	4,392,696	4,479,253	(91,163)	-2.0%
Miscellaneous	166,754	98,711	170,806	103,903	5,192	5.3%
Other Financing	564,625	331,000	376,000	55,000	(276,000)	-83.4%
Total Revenues	**4,983,188**	**5,070,802**	**5,453,066**	**4,708,831**	**(361,971)**	**-7.1%**
General Fund	*2,161,063*	*2,457,218*	*2,149,932*	*2,542,480*	*85,262*	*3.5%*
Other Funds	*(865,539)*	*(600,247)*	*(186,912)*	*34,477*	*634,724*	*-105.7%*
Total Financing	**6,278,712**	**6,927,773**	**7,416,086**	**7,285,788**	**358,015**	**5.2%**
Expenditures						
Salaries & Benefits	5,596,119	6,053,093	5,881,348	6,501,371	448,278	7.4%
Services & Supplies	5,472,752	5,763,492	6,160,721	5,863,569	100,077	1.7%
Other Charges	1,392,283	1,286,780	1,468,521	1,431,433	144,653	11.2%
Other Financing	4,651	0	0	0	0	0.0%
Subtotal	**12,465,805**	**13,103,365**	**13,510,590**	**13,796,373**	**693,008**	**5.3%**
IntraFund Transfers	*(6,187,093)*	*(6,175,592)*	*(6,094,504)*	*(6,510,585)*	*(334,993)*	*5.4%*
Total Expenditures	**6,278,712**	**6,927,773**	**7,416,086**	**7,285,788**	**358,015**	**5.2%**
Total Staffing		60.00	60.00	60.00	0.00	0.0%
Unfunded Staffing		3.50	3.50	2.50	(1.00)	-28.6%

DEPARTMENT STAFFING

Division	Adopted 2017-18	Mid-Year 2017-18	Total 2017-18	Recommended 2018-19	Change from 2017-18
General Services	55.00	0.00	55.00	55.00	0.00
Service Center	5.00	0.00	5.00	5.00	0.00
Total Staffing	**60.00**	**0.00**	**60.00**	**60.00**	**0.00**

HOW GENERAL SERVICES IS FINANCED



General Fund

Slightly more than one-third of the budget is funded by a General Fund contribution.

Other Funds

Prior year fund balance from Fleet Service Center is utilized to replace the County fleet.

Charges for Services

General Services charges other departments for building and equipment maintenance, custodial services, utilities, project management and operations at the Fleet Service Center.

Other

Various minor revenues.

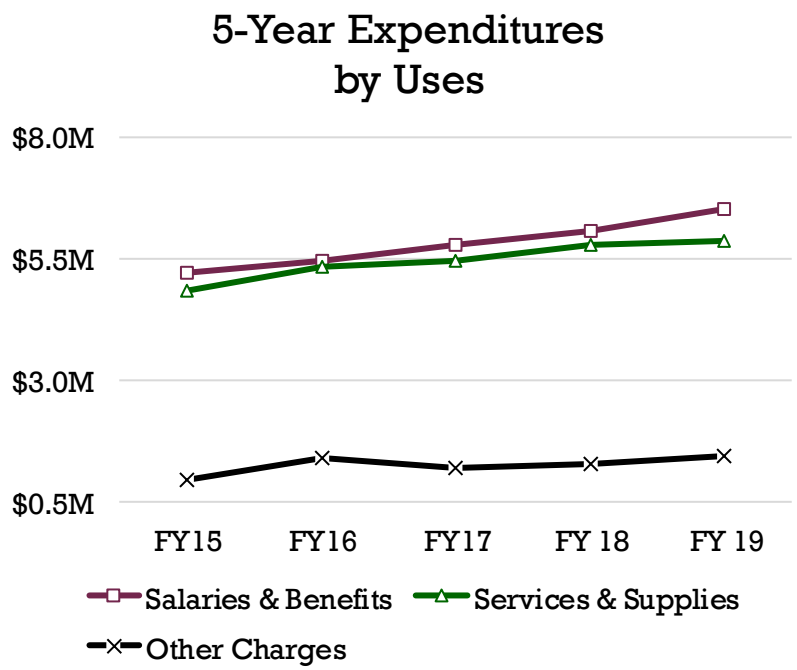
FINANCING BY DIVISION

General Fund by Division	FY 2018-19 Financing			
	Charges for Services	Other*	General Fund	Total Financing
General Services	1,970,927	174,578	2,542,480	4,687,985
Total General Fund	**1,970,927**	**174,578**	**2,542,480**	**4,687,985**

Other Funds by Division	FY 2018-19 Financing			
	Charges for Services	Other*	Other Funds	Total Financing
Service Center	2,508,326	55,000	34,477	2,597,803
Total Other Funds	**2,508,326**	**55,000**	**34,477**	**2,597,803**
Total All Funds	**4,479,253**	**229,578**	**2,576,957**	**7,285,788**

***Other** - Includes revenue from use of money and miscellaneous charges.

WHERE GENERAL SERVICES EXPENDITURES GO



Salaries & Benefits

Approximately half of the General Services budget is spent on staff.

Services & Supplies

Includes costs for the Service Center and building maintenance.

Other Charges

Include costs for interest and principle on copier lease as well as lease payments for the Government Center energy retrofit project and solar project.

*Expenditures do not include IntraFund Transfers.

EXPENDITURES BY DIVISION

	FY 2018-19 Expenditures				
General Fund by Division	**Salaries & Benefits**	**Services & Supplies**	**Other Charges**	**IntraFund Transfers***	**Total Expenditures**
General Services	5,893,421	4,854,853	450,296	(6,510,585)	4,687,985
Total General Fund	**5,893,421**	**4,854,853**	**450,296**	**(6,510,585)**	**4,687,985**

	FY 2018-19 Expenditures				
Other Funds by Division	**Salaries & Benefits**	**Services & Supplies**	**Other Charges**	**IntraFund Transfers***	**Total Expenditures**
Service Center	607,950	1,008,716	981,137	0	2,597,803
Total Other Funds	**607,950**	**1,008,716**	**981,137**	**0**	**2,597,803**
Total All Funds	**6,501,371**	**5,863,569**	**1,431,433**	**(6,510,585)**	**7,285,788**

***IntraFund Transfers** represent reimbursements from other departments.

GENERAL SERVICES

Overview

The role of the General Services Department is to provide leadership and quality services in the areas of purchasing, facilities maintenance, energy management, construction project management, safety, warehouse services, and other essential support and administrative functions.

Accomplishments

1. General Services staff, working with Optony, Inc., coordinated the installation of solar at eight County sites.
2. Staff provided Project Management for the on-going Government Center Remodel Project and the Mosquito and Vector Remodel at 640 Capitola Road.
3. Purchasing staff, working with County Departments, issued 15 Request for Proposals (RFP) for services including an RFP for cafeteria services, for the American Café, in the Government Center, which reopened in February 2018.
4. Building maintenance, equipment maintenance and custodial staff continued to support other County departments providing timely repair and cleaning services.
5. General Services staff, working with the City of Santa Cruz, implemented a bike share hub at the Government Center.

Goals

1. Support County departments by providing timely and efficient building, equipment and custodial services.
2. Pursue energy efficiency opportunities including additional LED lighting retrofits.
3. Continue development of vision and mission for GSD as well as participate in continuous process improvement in all areas.

GENERAL SERVICES BUDGET OVERVIEW

2018-19 Recommended Budget

The 2018-19 recommended budget provides for an increase of $84,291 in expenditures and a decrease of $971 in revenues, which results in a $85,262 increase in General Fund contribution.

Expenditures

The increase of $410,794 in Salaries and Benefits is due to funding the Deputy Director position and cost increases to support current staff.

The increase of $28,699 in Services and Supplies is due to an increase in telephone costs as well as increased costs to maintain the aging infrastructure.

The remaining decrease of $20,209 in Other Charges and increase of $334,993 in IntraFund Transfers are due to reduced lease payments and increased charges to other departments, respectively.

Revenues

The decrease of $6,163 in Charges for Services is due to a decrease in services provided to non-General Fund departments offset by an increase of $5,192 in Miscellaneous for purchasing services to non-General Fund departments

Staffing

Staffing changes include funding the Deputy Director position.

GENERAL SERVICES BUDGET DETAIL

Budget Unit: 33; Budget Division: 3310

All Funds	Actual 2016-17	Adopted 2017-18	Estimated 2017-18	Recommended 2018-19	Change from 2017-18	
Revenues						
Use of Money	73,067	70,675	70,675	70,675	0	0.0%
Intergovernmental	0	0	442,889	0	0	0.0%
Charges for Services	1,597,290	1,977,090	2,069,871	1,970,927	(6,163)	-0.3%
Miscellaneous	109,462	98,711	99,011	103,903	5,192	5.3%
Total Revenues	**1,779,819**	**2,146,476**	**2,682,446**	**2,145,505**	**(971)**	**0.0%**
General Fund	*2,161,063*	*2,457,218*	*2,149,932*	*2,542,480*	*85,262*	*3.5%*
Total Financing	**3,940,882**	**4,603,694**	**4,832,378**	**4,687,985**	**84,291**	**1.8%**
Expenditures						
Salaries & Benefits	5,031,129	5,482,627	5,266,563	5,893,421	410,794	7.5%
Services & Supplies	4,594,384	4,826,154	5,189,814	4,854,853	28,699	0.6%
Other Charges	497,811	470,505	470,505	450,296	(20,209)	-4.3%
Other Financing	4,651	0	0	0	0	0.0%
Subtotal	**10,127,975**	**10,779,286**	**10,926,882**	**11,198,570**	**419,284**	**3.9%**
IntraFund Transfers	*(6,187,093)*	*(6,175,592)*	*(6,094,504)*	*(6,510,585)*	*(334,993)*	*5.4%*
Total Expenditures	**3,940,882**	**4,603,694**	**4,832,378**	**4,687,985**	**84,291**	**1.8%**
Total Staffing		55.00	55.00	55.00	0.00	0.0%
Unfunded Staffing		3.50	3.50	2.50	(1.00)	-28.6%

GENERAL SERVICES FINANCING CHANGES

Financing Sources	Description/ Impact	Increase/ (Decrease)
Charges for Services	Decrease in services to non-General Fund departments.	(6,163)
Miscellaneous	Increase in purchasing services to non-General Fund departments.	5,192
General Fund	Increased General Fund contribution.	85,262
	Total	**84,291**

GENERAL SERVICES EXPENDITURE CHANGES

Financing Uses	Description/ Impact	Cost/ (Savings)
Salaries & Benefits	Increases to support existing staff.	225,704
	Fund Deputy Director position.	185,090
Services & Supplies	Increased costs to maintain aging infrastructure.	28,699
Other Charges	Reduced interest and loan payments for copy machine.	(20,209)
IntraFund Transfers	Increased charges to other departments for services.	(334,993)
	Total	**84,291**

PROGRAM DETAIL

Program Financing	Adopted 2017-18	FY 2018-19 Financing: Revenues	Other Funds	General Fund	Total Financing	Δ
Administration	207,227	322,806	0	1	322,807	55.8%
Building & Equip. Maint.	1,198,259	795,841	0	156,831	952,672	-20.5%
Custodial Service	1,154,132	563,560	0	708,926	1,272,486	10.3%
Project Mgmt./Safety	544,175	231,278	0	349,911	581,189	6.8%
Utilities	1,041,874	3,500	0	1,014,118	1,017,618	-2.3%
Parking & TRIP	164,660	91,600	0	100,904	192,504	16.9%
Cafeteria	18,590	18,550	0	0	18,550	-0.2%
Purchasing	274,777	118,370	0	211,789	330,159	20.2%
Total Financing	**4,603,694**	**2,145,505**	**0**	**2,542,480**	**4,687,985**	**1.8%**

Program Expenditures	Adopted 2017-18	FY 2018-19 Expenditures: Salaries & Benefits	Services & Supplies	Other	Total Expenditures	Δ
Administration	207,227	1,341,343	58,645	(1,077,181)	322,807	55.8%
Building & Equip. Maint.	1,198,259	1,690,940	903,709	(1,641,977)	952,672	-20.5%
Custodial Service	1,154,132	2,016,253	615,736	(1,308,128)	1,272,486	10.3%
Project Mgmt./Safety	544,175	325,706	306,858	(51,375)	581,189	6.8%
Utilities	1,041,874	0	2,467,654	(1,450,036)	1,017,618	-2.3%
Parking & TRIP	164,660	77,469	115,035	0	192,504	16.9%
Cafeteria	18,590	0	18,550	0	18,550	-0.2%
Purchasing	274,777	441,710	217,329	(587,341)	330,159	20.2%
Total Expenditures	**4,603,694**	**5,893,421**	**4,703,516**	**(6,116,038)**	**4,687,985**	**1.8%**

SERVICE CENTER

Overview

The Service Center Division is committed to increasing customer satisfaction and finding efficiencies in work processes where possible. Specific goals include optimizing the fleet by reducing the number of assigned vehicles when practical and continuing to increase the percentage of alternative fuel vehicles.

Accomplishments

1. Maintained 436 vehicles including 25 pool vehicles for daily use as needed to all County departments. During 2017-18, the division increased its hybrid fleet by eight vehicles.
2. Completed 1,100 work orders, including 485 preventative maintenance checks (routine service calls), 385 repairs and 230 other/non-routine services such as drive-up light bulb and wiper blade replacements and smog checks.
3. Decommissioned a compressed natural gas fueling station.
4. Decreased outfitting time for new Sheriff vehicles, resulting in increased customer satisfaction.

Goals

1. Continue to investigate opportunities to increase number of electric vehicle charging stations
2. Continue to provide timely and efficient vehicle repairs
3. Continue to increase number of hybrid and electric vehicles in the inventory
4. Continue to analyze fleet reserves and develop plan for continuous replacement of existing fleet.

SERVICE CENTER BUDGET OVERVIEW

2018-19 Recommended Budget

The 2018-19 recommended budget provides for an increase of $273,724 in expenditures and a decrease of $361,000 in revenues, offset by an increase of $634,724 in Other Funds, leaving $2,415,646 available for future vehicle purchases, before adjustments for non-operating costs.

Expenditures

The increase of $37,484 in Salaries and Benefits is due to increased costs to support existing staff.

The increase of $71,378 in Services and Supplies is due to the installation of four new electric vehicle charging stations and rising fuel prices.

The increase of $164,862 in Other Charges is primarily due to depreciation costs.

Fixed Assets

The budget request reflects the proposed purchase of 25 replacement vehicles for various departments. The purchases for vehicle replacement are based on adopted Board policy establishing mileage and age criteria and the Fleet Manager's recommendation. For passenger vehicles, the criteria is older than seven years or over 100,000 miles.

Revenues

The decrease of $85,000 in Charges for Services is due to decreased maintenance charges and the decrease of $276,000 in Other Financing is due to a reduction of departments directly purchasing vehicles.

Staffing

Staffing is status quo for 2018-19.

SERVICE CENTER BUDGET DETAIL

Budget Unit: 33; Budget Division: 3350

All Funds	Actual 2016-17	Adopted 2017-18	Estimated 2017-18	Recommended 2018-19	Change from 2017-18	
Charges for Services	2,581,452	2,593,326	2,322,825	2,508,326	(85,000)	-3.3%
Miscellaneous	57,292	0	71,795	0	0	0.0%
Other Financing	564,625	331,000	376,000	55,000	(276,000)	-83.4%
Total Revenues	**3,203,369**	**2,924,326**	**2,770,620**	**2,563,326**	**(361,000)**	**-12.3%**
Other Funds	*(865,539)*	*(600,247)*	*(186,912)*	*34,477*	*634,724*	*-105.7%*
Total Financing	**2,337,830**	**2,324,079**	**2,583,708**	**2,597,803**	**273,724**	**11.8%**
Expenditures						
Salaries & Benefits	564,990	570,466	614,785	607,950	37,484	6.6%
Services & Supplies	878,368	937,338	970,907	1,008,716	71,378	7.6%
Other Charges	894,472	816,275	998,016	981,137	164,862	20.2%
Fixed Assets*	0	0	0	0	0	0.0%
Total Expenditures	**2,337,830**	**2,324,079**	**2,583,708**	**2,597,803**	**273,724**	**11.8%**
Total Staffing		5.00	5.00	5.00	0.00	0.0%

***Fixed Asset** purchases in the amount of $956,809 are recommended in 2018-19. Fixed Assets are capitalized over the useful life of the item and are thus reflected as $0 in the budget detail chart for Internal Service Funds. A full listing of Fixed Assets can be found in the Appendix.

SERVICE CENTER FINANCING CHANGES

Financing Sources	Description/ Impact	Increase/ (Decrease)
Charges for Services	Decreased maintenance charges	(85,000)
Other Financing	Decrease in vehicles purchased directly by departments	(276,000)
Other Funds	Increase in net cost of operations	634,724
	Total	**273,724**

SERVICE CENTER EXPENDITURE CHANGES

Financing Uses	Description/ Impact	Cost/ (Savings)
Salaries & Benefits	Increases to support existing staff	37,484
Services & Supplies	Install four new charging stations and cover rising fuel costs	71,378
Other Charges	Increased depreciation costs	164,862
	Total	**273,724**

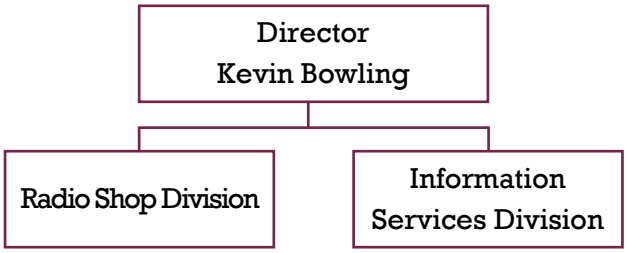
INFORMATION SERVICES

PROPOSED BUDGET • FY 2018-19

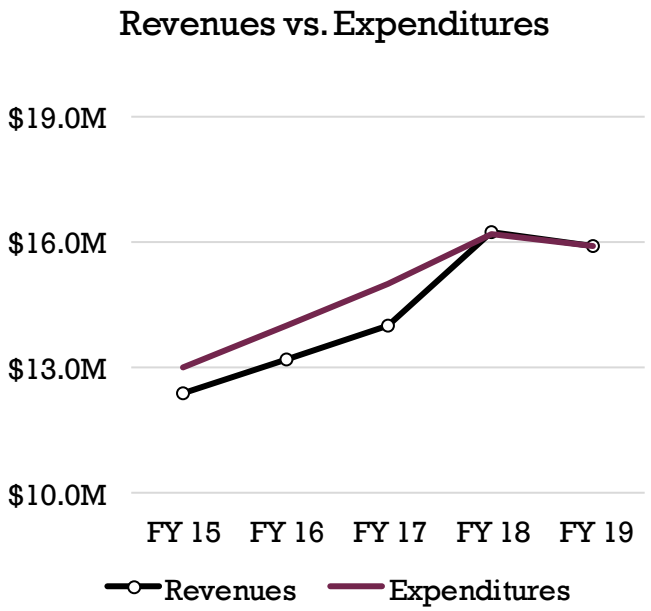
PROPOSED BUDGET

All Funds	FY 2017-18	FY 2018-19	Δ
Revenues	16,255,876	15,903,851	-2.2%
General Fund	*68,000*	*0*	*-100%*
Other Funds	*(102,892)*	*0*	*-100%*
Total Financing	**16,220,984**	**15,903,851**	**-2.0%**
Total Expenditures	**16,220,984**	**15,903,851**	**-2.0%**
Total Staffing	63.00	63.00	0.0%
Unfunded Staffing	1.00	2.00	100%

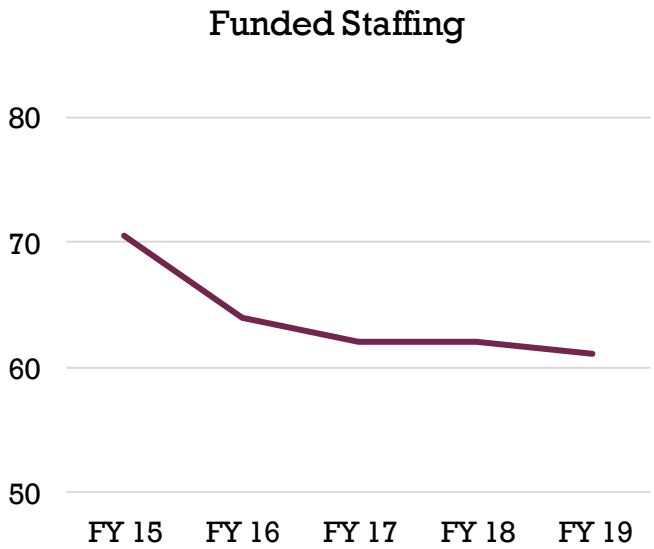
ORGANIZATIONAL CHART



5-YEAR TRENDS



The gap between revenues and expenditures is financed by fund balance.



Staffing levels have reduced over time due to departmental efficiencies and technological improvements.

INFORMATION SERVICES OVERVIEW

Mission

We believe government must be resilient and responsive to the evolving needs of its citizens. We partner with all departments to apply the best technology to serve our collective users.

Information Services Division

The Applications Group responds to requests for business and geographic application development and desktop support. Activities include programming enhancements and new features for existing applications like the Payroll/ Personnel System and the Citizen Connect mobile app, electronically drawing maps in support of elections, and maintaining the County website.

The Technology Infrastructure Group is responsible for the reliability of the infrastructure platforms for all voice and data systems. This includes supporting the County's local area networks and wide area networks, installing and configuring server hardware and software, and establishing and implementing network and server security protocols.

Radio Shop Division

The Radio Shop is responsible for the design, implementation and maintenance of 147 radio sites throughout Santa Cruz County. This communication infrastructure supports 33 countywide communication systems, including systems critical to police, fire, and ambulance services.

BUDGET OVERVIEW

2018-19 Recommended Budget

The 2018-19 recommended budget provides for a decrease of $317,133 in expenditures and financing with no direct General Fund contributions, leaving $5,107,919 in the fund before adjustments for non-operating costs. The General Fund contributes via other department's budgets.

Expenditures

The increase in Salaries and Benefits of $524,741 is for costs increases for existing staff.

The decrease in Services and Supplies of $427,129 is due to a reduction in maintenance services and non-pc software costs.

The decrease in Other Charges of $182,392 is due to overall reductions in depreciation and County overhead charges. The decrease of $66,488 in IntraFund Transfers is due to decreases in reimbursements from other County departments.

Fixed Assets

Recommended purchases include equipment for duplicating $140,000; and ISD Network Access $688,000.
The decrease in Fixed Assets of $222,841 reflects the reductions of the County's Radio Shop costs. Details on Fixed Assets are found in the Appendix.

Revenues

The General Fund contribution for 2018-19 is eliminated, decreasing by $68,000 as a result of reductions in Radio Shop expenditures.

The increase of $10,967 in Use of Money is due to increases in rents. Intergovernmental revenue decreased $137,841 due to a grant close out.

The decrease in Charges for Service of $268,044 is due to a reduction of department expenses.

Miscellaneous revenue is increased by $42,893 due to increases in external revenue mainly through GIS mapping sales.

Staffing

One position has been unfunded due to department efficiencies.

BUDGET DETAIL

Budget Unit: 42

All Funds	Actual 2016-17	Adopted 2017-18	Estimated 2017-18	Recommended 2018-19	Change from 2017-18	
Revenues						
Use of Money	50,548	26,642	37,369	37,609	10,967	41.2%
Intergovernmental	541,637	137,841	137,841	0	(137,841)	-100%
Charges for Services	13,259,239	16,051,158	14,449,190	15,783,114	(268,044)	-1.7%
Miscellaneous	60,515	40,235	53,831	83,128	42,893	106.6%
Total Revenues	**13,911,939**	**16,255,876**	**14,678,231**	**15,903,851**	**(352,025)**	**-2.2%**
General Fund	*(137,061)*	*68,000*	*0*	*0*	*(68,000)*	*-100%*
Other Funds	*311,373*	*(102,892)*	*0*	*0*	*102,892*	*-100%*
Total Financing	**14,086,251**	**16,220,984**	**14,678,231**	**15,903,851**	**(317,133)**	**-2.0%**
Expenditures						
Salaries & Benefits	8,171,052	9,456,525	8,928,190	9,981,266	524,741	5.5%
Services & Supplies	6,434,093	8,631,763	6,627,464	8,204,634	(427,129)	-4.9%
Other Charges	1,934,591	2,401,656	2,231,403	2,219,264	(182,392)	-7.6%
Fixed Assets	541,637	222,841	222,841	0	(222,841)	-100%
Other Financing	0	76,000	69,146	0	(76,000)	-100%
Subtotal	**17,081,373**	**20,788,785**	**18,079,044**	**20,405,164**	**(383,621)**	**-1.8%**
IntraFund Transfers	*(2,995,122)*	*(4,567,801)*	*(3,400,813)*	*(4,501,313)*	*66,488*	*-1.5%*
Total Expenditures	**14,086,251**	**16,220,984**	**14,678,231**	**15,903,851**	**(317,133)**	**-2.0%**
Total Staffing		63.00	63.00	63.00	0.00	0.0%
Unfunded Staffing		1.00	1.00	2.00	1.00	100%

DEPARTMENT STAFFING

Division	FY 2017-18 Allowed	FY 2017-18 Mid-Year	FY 2017-18 Total	FY 2018-19 Approved	Change from 2017-18
Radio Shop	7.00	0.00	7.00	7.00	0.00
Information Services	56.00	0.00	56.00	56.00	0.00
Total Staffing	**63.00**	**0.00**	**63.00**	**63.00**	**0.00**

FINANCING CHANGES

Financing Sources	Description/ Impact	Increase/ (Decrease)
Use of Money	Increase is due to the increase in rental sublease percentages.	10,967
Intergovernmental	Decrease is due to completed grant in the Radio Shop.	(137,841)
Charges for Services	Decrease is due to lower offsetting expenditures.	(268,044)
Miscellaneous	Increase is due to greater external revenue in GIS mapping sales.	42,893
General Fund	Decrease is due to Radio Shop's reduced expenditures and increased external revenues.	(68,000)
Other Funds	Increase in net-cost funds remaining in reserves for future years.	102,892
	Total	**(317,133)**

EXPENDITURE CHANGES

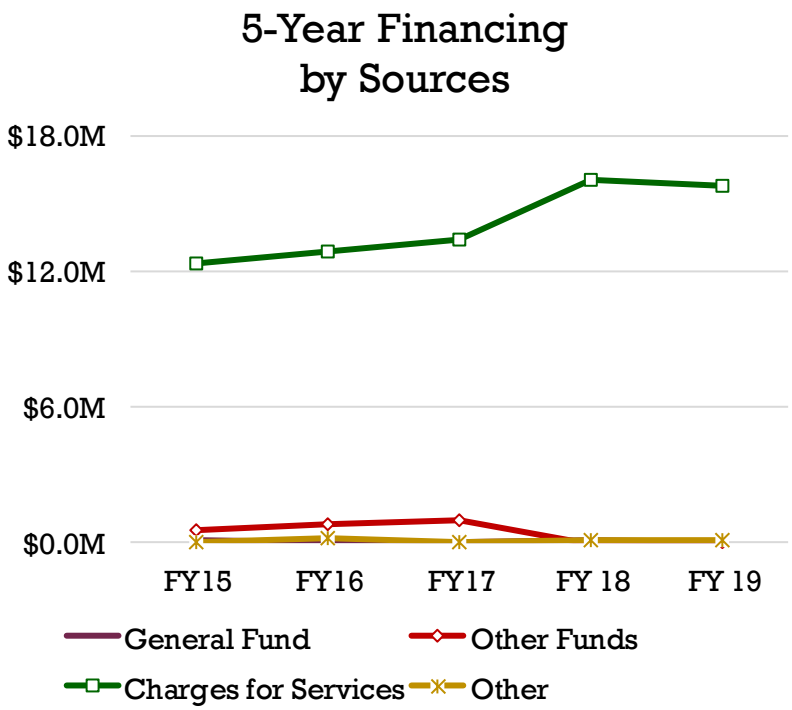
Financing Uses	Description/ Impact	Cost/ (Savings)
Salaries & Benefits	Increase for existing staff.	524,741
Services & Supplies	Decrease is due to reduced maintenance services and non-pc software costs.	(427,129)
Other Charges	Decrease is due to reduced depreciation and County Overhead.	(182,392)
Fixed Assets	Decrease reflects completed grant project for the Radio Shop.	(222,841)
Other Financing	Decrease is due to no additional vehicle purchases.	(76,000)
IntraFund Transfers	Decrease is due to reduced reimbursements from other departments.	66,488
	Total	**(317,133)**

INFORMATION SERVICES PROGRAM DETAIL

Program Financing	Adopted 2017-18	FY 2018-19 Financing				Δ
		Revenues	Other Funds	General Fund	Total Financing	
Administration	3	30,000	0	0	30,000	0%
Telephone	3,872,218	3,581,771	0	0	3,581,771	-7.5%
Duplicating	644,567	614,733	0	0	614,733	-4.6%
Programming	3,155,696	3,274,642	(32,118)	0	3,242,524	2.8%
Network Access	7,116,691	7,069,460	22,799	0	7,092,259	-0.3%
Desktop Support	135,089	182,902	11,625	0	194,527	44.0%
GIS Services	517,356	572,869	(2,306)	0	570,563	10.3%
Radio Service	779,364	577,474	0	0	577,474	-25.9%
Total Financing	**16,220,984**	**15,903,851**	**0**	**0**	**15,903,851**	**-2.0%**

Program Expenditures	Adopted 2017-18	FY 2018-19 Expenditures				Δ
		Salaries & Benefits	Services & Supplies	Other	Total Expenditures	
Administration	3	1,015,066	105,073	(1,090,139)	30,000	0%
Telephone	3,872,218	957,144	2,918,607	(293,980)	3,581,771	-7.5%
Duplicating	644,567	223,208	308,065	83,460	614,733	-4.6%
Programming	3,155,696	2,952,659	289,865	0	3,242,524	2.8%
Network Access	7,116,691	3,309,935	2,982,324	800,000	7,092,259	-0.3%
Desktop Support	135,089	0	1,074,250	(879,723)	194,527	44.0%
GIS Services	517,356	521,393	47,198	1,972	570,563	10.3%
Radio Service	779,364	1,001,861	479,252	(903,639)	577,474	-25.9%
Total Expenditures	**16,220,984**	**9,981,266**	**8,204,634**	**(2,282,049)**	**15,903,851**	**-2.0%**

HOW INFORMATION SERVICES IS FINANCED



General Fund

Supports Radio Shop operations.

Other Funds

Supports Information Services operations.

Charges for Services

Information Services primarily receives revenues from Charges for Services to County departments. A small amount of revenue is received from the sale of maps by Geographic Information Systems.

Other

Includes revenue from use of money, intergovernmental and miscellaneous charges.

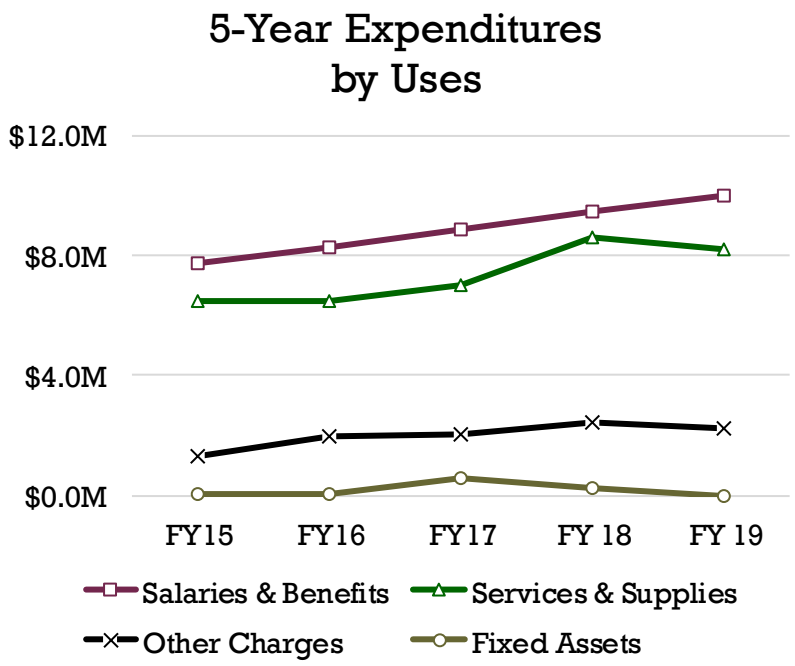
FINANCING BY DIVISION

	FY 2018-19 Financing			
General Fund By Division	**Charges for Services**	**Other***	**General Fund**	**Total Financing**
Radio Shop	539,865	37,609	0	577,474
Total General Fund	**539,865**	**37,609**	**0**	**577,474**

	FY 2018-19 Financing			
Other Funds by Division	**Charges for Services**	**Other***	**Other Funds**	**Total Financing**
Information Services	15,243,249	83,128	0	15,326,377
Total Other Funds	**15,243,249**	**83,128**	**0**	**15,326,377**
Total All Funds	**15,783,114**	**120,737**	**0**	**15,903,851**

***Other** - Includes revenue from Licenses & Permits, Fines & Assessments, Use of Money, and Miscellaneous.

WHERE INFORMATION SERVICES EXPENDITURES GO



Salaries & Benefits

The majority of the Information Services budget is spent on Salaries and Benefits.

Services & Supplies

Supports maintenance and improvement of the County Network and radio repairs, network maintenance and computer support.

Other Charges

Includes lease purchase of equipment.

Fixed Assets

Includes purchase of equipment for maintaining the County's information infrastructure.

*Expenditures do not include IntraFund Transfers

EXPENDITURES BY DIVISION

	FY 2018-19 Expenditures				
General Fund by Division	**Salaries & Benefits**	**Services & Supplies**	**Other Charges**	**IntraFund Transfers***	**Total Expenditures**
Radio Shop	1,001,861	479,252	208,491	(1,112,130)	577,474
Total General Fund	**1,001,861**	**479,252**	**208,491**	**(1,112,130)**	**577,474**

	FY 2018-19 Expenditures				
Other Funds By Division	**Salaries & Benefits**	**Services & Supplies**	**Other Charges**	**IntraFund Transfers***	**Total Expenditures**
Information Services	8,979,405	7,725,382	2,010,773	(3,389,183)	15,326,377
Total Other Funds	**8,979,405**	**7,725,382**	**2,010,773**	**(3,389,183)**	**15,326,377**
Total All Funds	**9,981,266**	**8,204,634**	**2,219,264**	**(4,501,313)**	**15,903,851**

***IntraFund Transfers** represent reimbursements from other departments.

ACCOMPLISHMENTS AND GOALS

ACCOMPLISHMENTS

1. The Information Services Department (ISD) completed the deployment of Office 365 to all County departments as well as the migration of all County mailboxes to a hosted Exchange server solution. Enhanced features allow County staff to collaborate much more easily between county staff and even external partners.

2. With ISD providing technical and project management leadership, County departments migrated to a modern document management system which included converting legacy documents to the new platform. With this tool for storing electronic documents, it sets the stage for automating many county business processes.

3. ISD, in partnership with the Sheriff's Office and SCR911, replaced the County's Department of Justice (DOJ) message switch, which provides secure communication between County Public Safety jurisdictions and California's DOJ. As part of this project, ISD installed Cradlepoint in-vehicle routers for the SHF patrol vehicle fleet. The Cradlepoint devices use a new private network which offers secure communication back to the county network

4. First responder radio communications on the North Coast of Santa Cruz County has traditionally been very poor north of Davenport. ISD's Radio Shop secured leased space at San Mateo County's Pigeon Point radio site which provides broad coverage from the San Mateo county line down to Davenport , including the beaches, and into the Bonny Doon area . When coupled next year with a new Tower at Davenport, radio coverage will be substantially improved.

GOALS

1. Electronic signature of contracts and resolutions was piloted via the County Agenda Management system in 2017-18. After two departments started using this feature exclusively, the savings in staff hours was significant. In light of that success ,the County entered into contract for county-wide electronic signature. The coming year will see expanded use of e-signature for :

   - Contracts and resolutions by all County departments within the agenda management system.
   - Internal forms like vacation requests will be e-signed and automated workflow used.
   - Electronic forms, signature, and workflow will be introduced to constituent forms and processes.

2. Open Enrollment automation and electronic employee files will be a multi-stage project that kicks off in the new fiscal year. Utilizing e-signature and the electronic document management will set the stage for creating an online employee portal that can save employee and staff time and improve service delivery to county workers.

3. With preliminary paperwork completed in 2017 -18, ISD will oversee the construction and implementation of a new, exclusively Radio Communications tower in Davenport on a leased site on the property of the old cement plant. This tower will close the radio communications holes that exist in the current network.

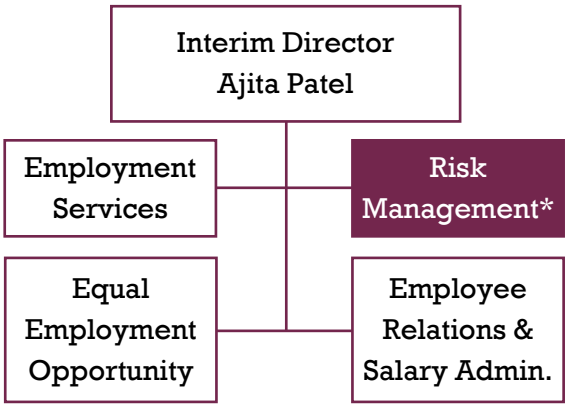
PERSONNEL

PROPOSED BUDGET • FY 2018-19

PROPOSED BUDGET

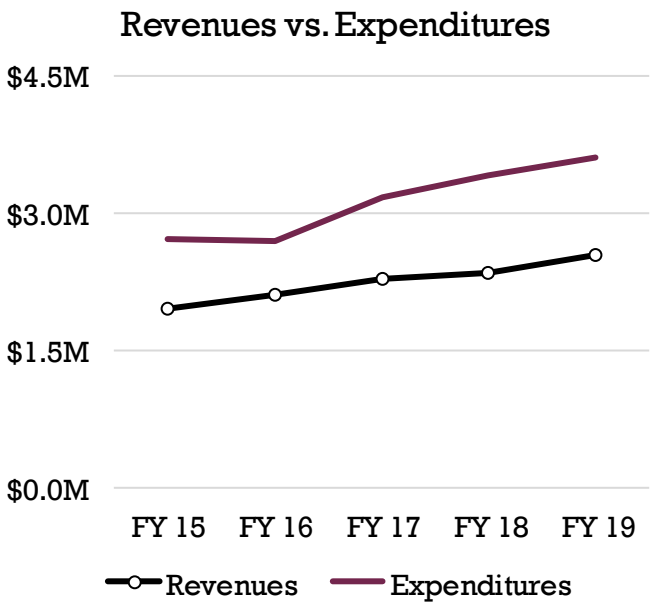
All Funds	FY 2017-18	FY 2018-19	Δ
Revenues	2,349,004	2,540,397	8.1%
General Fund	*1,072,368*	*1,072,368*	*0.0%*
Total Financing	**3,421,372**	**3,612,765**	**5.6%**
Total Expenditures	**3,421,372**	**3,612,765**	**5.6%**
Total Staffing	27.00	27.00	0.0%
Unfunded Staffing	1.00	1.00	0.0%

ORGANIZATIONAL CHART

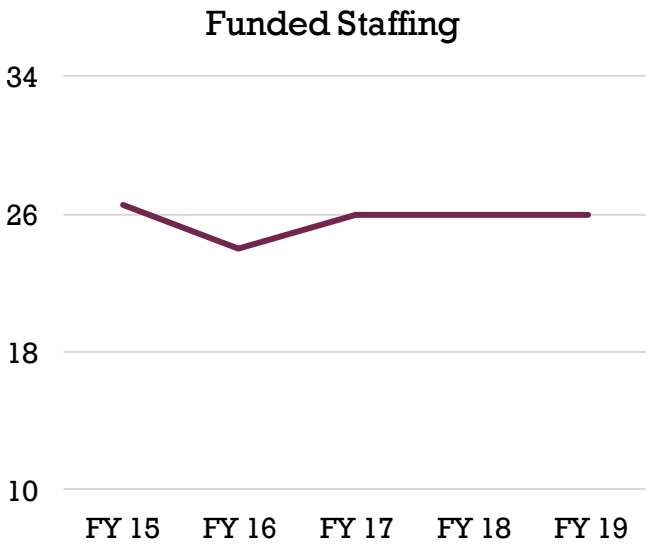


**Risk Management is detailed separately starting on Page 109.*

5-YEAR TRENDS



The gap between revenues and expenditures is funded by General Fund contributions.



Two positions have been added since 2014-15 to support efforts in the Employment Services division.

PERSONNEL OVERVIEW

Mission

In collaboration with our customers, the Personnel Department will recruit, develop, support, and retain an ethical, professional, and diverse workforce dedicated to serving the community.

Employment Services Division (ESD)

This division is responsible for the County's recruitment, testing and selection programs. The division is also responsible for bilingual proficiency testing, and oversight of decentralized recruitment activities for the Human Services Department, Health Services Agency, and the Department of Public Works, as well as administering the County's Volunteer Initiative Program.

Equal Employment Opportunity (EEO)

This division oversees the Equal Employment Opportunity and Americans with Disabilities Act Compliance programs for the County. The Equal Employment Officer investigates and responds to all discrimination and harassment complaints filed by or against County employees, both internally and with outside governmental agencies.

Employee Relations and Salary Administration (ERSA)

This division administers the County's Employee Relations Program which includes labor relations, assisting with negotiation of labor agreements, conducting meet and confer sessions, interpreting contracts, conducting classification and compensation studies, providing for employee training, employee processing, management of personnel records, and payroll data.

BUDGET OVERVIEW

2018-19 Recommended Budget

The 2018-19 recommended budget provides for an increase of $191,393 in expenditures and an increase of $191,393 in revenues, which results in no increase in General Fund contribution.

Expenditures

The recommended increase in Salaries and Benefits of $229,795 is due to cost increases for existing staff.

The recommended decrease in Services and Supplies of $4,200 is due to the amount requested for professional and special services.

The recommended increase of $39,410 in IntraFund Charges reflects increased direct charges to the Health Services Agency and Human Services Department for provision of Personnel Services.

Revenues

The recommended increase of $191,393 in Charges for Services is to offset the increase in salary and benefit costs.

Staffing

Staffing is status quo for 2018-19.

BUDGET DETAIL

Budget Unit: 51

All Funds	Actual 2016-17	Adopted 2017-18	Estimated 2017-18	Recommended 2018-19	Change from 2017-18	
Revenues						
Charges for Services	2,315,083	2,348,504	2,334,166	2,539,897	191,393	8.1%
Miscellaneous	1,175	500	565	500	0	0.0%
Total Revenues	**2,316,258**	**2,349,004**	**2,334,731**	**2,540,397**	**191,393**	**8.1%**
General Fund	*770,913*	*1,072,368*	*1,072,368*	*1,072,368*	*0*	*0.0%*
Total Financing	**3,087,171**	**3,421,372**	**3,407,099**	**3,612,765**	**191,393**	**5.6%**
Expenditures						
Salaries & Benefits	3,510,239	3,564,963	3,635,633	3,794,758	229,795	6.4%
Services & Supplies	507,538	680,776	593,230	676,576	(4,200)	-0.6%
Other Charges	1,301	0	2,603	5,208	5,208	0.0%
Subtotal	**4,019,078**	**4,245,739**	**4,231,466**	**4,476,542**	**230,803**	**5.4%**
IntraFund Transfers	*(931,907)*	*(824,367)*	*(824,367)*	*(863,777)*	*(39,410)*	*4.8%*
Total Expenditures	**3,087,171**	**3,421,372**	**3,407,099**	**3,612,765**	**191,393**	**5.6%**
Total Staffing		27.00	27.00	27.00	0.00	0.0%
Unfunded Staffing		1.00	1.00	1.00	0.00	0.0%

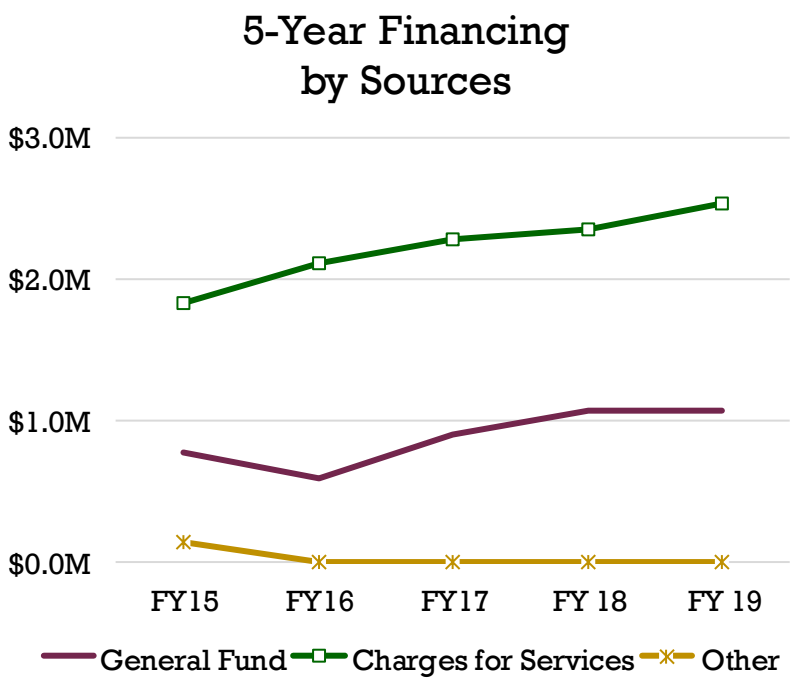
FINANCING CHANGES

Financing Sources	Description/ Impact	Increase/ (Decrease)
Charges for Services	Increased charges to cover increased costs.	191,393
	Total	**191,393**

EXPENDITURE CHANGES

Financing Uses	Description/ Impact	Cost/ (Savings)
Salaries & Benefits	Increased costs for existing staff.	229,795
Services & Supplies	Reduced costs for professional services.	(4,200)
Other Charges	Lease purchase of new copier.	5,208
IntraFund Transfers	Increased reimbursements from departments.	(39,410)
	Total	**191,393**

HOW PERSONNEL IS FINANCED



General Fund

The General Fund covers insurance for County-owned properties, and Personnel staff and services.

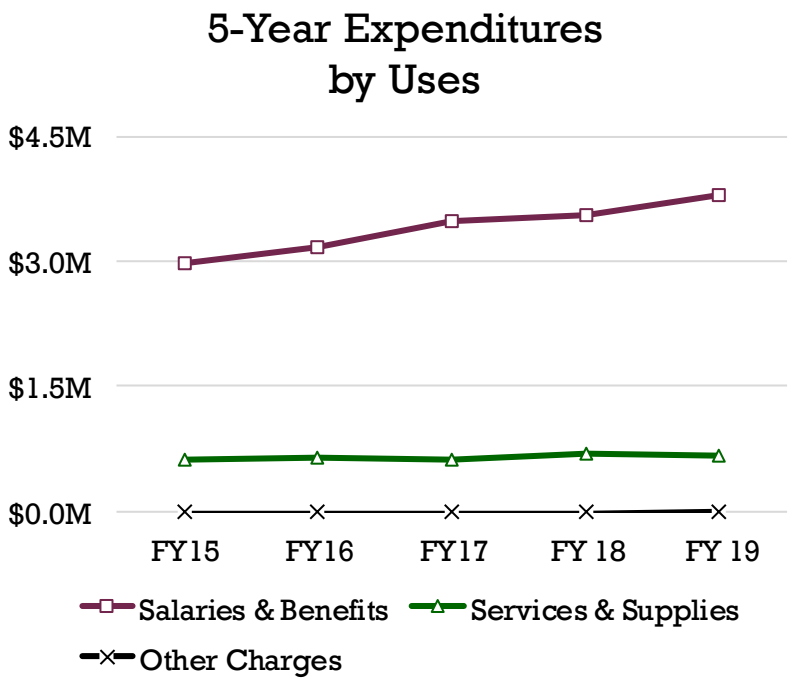
Charges for Services

Personnel services such as recruitment, employee benefits, and employee relations are apportioned to County departments.

Other

Charges to departments.

WHERE PERSONNEL EXPENDITURES GO



Salaries & Benefits

Personnel staff manage employment services, employee relations, and equal employment opportunity.

Services & Supplies

Includes costs for charges from other departments, insurance premiums and claims against the County.

Other Charges

Minor financing charges for copier.

ACCOMPLISHMENTS AND GOALS

ACCOMPLISHMENTS

Employment Services

1. Expanded Talent Acquisition Program and provided enhanced customer experience for prospective applicants within the recruitment process and increased qualified applicant pool.
2. Partnered with local colleges/programs (e.g., Cabrillo, UCSC, ROP) to provide information on employment opportunities with the County.
3. Made strategic use of social media and conducted targeted direct email and LinkedIn Recruiter campaigns.
4. Represented the County on: Access to Employment; Your Future Is Our Business Board and Cabrillo Business and Technology Advisory Job Fair Committees.

Employee Relations and Salary Administration

1. Negotiated and implemented labor agreements.
2. Added a New Employee Orientation program on Santa Cruz County Learns (SCCL), the online professional development program.
3. Streamlined data entry and reporting systems in SCCL to improve efficiency and implemented a quarterly SCCL newsletter.
4. Expanded and enhanced the Countywide Employee Wellness program, increased monthly lunchtime wellness seminars at multiple worksites, emailed weekly wellness newsletters, negotiating employee discounts at local wellness-related vendors, and promoted other wellness activities.
5. Revitalized job specifications for competitive and difficult to recruit positions and deleted unnecessary/duplicative material from the Personnel Regulations.

Equal Opportunity Office

1. Reviewed all departmental EEO and Cultural Competency Plans to promote accountability and enhanced EEO recruitment efforts to provide benchmarks for measuring goals and objectives.
2. Increased outreach efforts to persons with disabilities.

GOALS

Employment Services

1. Expand the Talent Acquisition Program, using advertising, social media and other communication to brand the County as the employer of choice in the community.
2. Consider holding a County of Santa Cruz job fair as well as explore other recruiting events.

Employee Relations and Salary Administration

1. Develop a training website on the County Intranet where employees can easily access information on a full array of trainings.
2. Host California State Association of Counties (CSAC) Leadership Institute classroom.
3. Develop and institute resources for employee engagement activities.

Equal Employment Opportunity

1. Update the Personnel Administrative Manual to ensure adherence to best practices.
2. Assist implementation of SB 179 requirements in the workforce composition reports and records system.
3. Conduct voluntary employee survey to obtain input to promote a more inclusive and diverse workplace.

RISK MANAGEMENT

PROPOSED BUDGET

All Funds	Actual 2016-17	Adopted 2017-18	Estimated 2017-18	Recommended 2018-19	Change from 2017-18	
Revenues	23,638,936	18,724,480	21,229,372	18,801,480	77,000	0.4%
General Fund	*1,622,142*	*1,667,325*	*1,667,325*	*1,710,548*	*43,223*	*2.6%*
Other Funds	*(4,269,773)*	*23,129,700*	*(371,974)*	*26,454,088*	*3,324,388*	*14.4%*
Total Financing	**20,991,305**	**43,521,505**	**22,524,723**	**46,966,116**	**3,444,611**	**7.9%**
Total Expenditures	**20,991,305**	**43,521,505**	**22,524,723**	**46,966,116**	**3,444,611**	**7.9%**
Total Staffing		12.00	12.00	12.00	0.00	0.0%

RISK MANAGEMENT OVERVIEW

The Risk Management Division is divided into seven units: Liability and Property, Workers' Compensation, Unemployment, Administration, Dental Insurance, Employee Insurance Staffing, General Fund Liability and Property Insurance.

Liability and Property Fund

This fund provides for operation of the County's Liability and Property Insurance programs. It is the County's policy to maintain sufficient actuarially recommended reserves to absorb potential losses. Expenditures in this fund may fluctuate significantly year to year due to variability in claims. The Liability Program protects the County from losses or damages to other parties. The County currently purchases excess liability insurance for an insured amount between $1 million and $35 million. The Property Program protects the County against losses from physical damage to County facilities, including equipment and documents, with special limited coverage for earthquake and flood. Most losses are subject to a deductible.

Continued on page 112

BUDGET OVERVIEW

2018-19 Recommended Budget

The 2018-19 recommended budget includes provides for an increase of $3,444,611 in expenditures and financing, resulting in a contribution increase of $43,223 from the General Fund and leaves a reserve of $1,204,778 in the fund balance.

Expenditures

The increase in Salaries and Benefits of $117,615 is due to cost increases for existing staff. The decrease in Services and Supplies of $1,088,837 is for the amount requested for professional and special services to fund the Liability & Property Fund and related claims.

The increase in Other Charges of $4,415,833 is for increases to insurance reserves for Liability & Property and Workers Compensation future claims.

Revenues

The increase of $512,000 in Charges for Services reflects cost increases for existing staff and increases to reserves.

Staffing

Staffing is status quo for 2018-19.

BUDGET DETAIL

Budget Unit: 52

All Funds	Actual 2016-17	Adopted 2017-18	Estimated 2017-18	Recommended 2018-19	Change from 2017-18	
Revenues						
Use of Money	241,675	106,500	208,500	171,500	65,000	61.0%
Charges for Services	16,290,132	16,616,980	16,643,642	17,128,980	512,000	3.1%
Miscellaneous	7,107,129	2,001,000	4,377,230	1,501,000	(500,000)	-25.0%
Total Revenues	**23,638,936**	**18,724,480**	**21,229,372**	**18,801,480**	**77,000**	**0.4%**
General Fund	*1,622,142*	*1,667,325*	*1,667,325*	*1,710,548*	*43,223*	*2.6%*
Other Funds	*(4,269,773)*	*23,129,700*	*(371,974)*	*26,454,088*	*3,324,388*	*14.4%*
Total Financing	**20,991,305**	**43,521,505**	**22,524,723**	**46,966,116**	**3,444,611**	**7.9%**
Expenditures						
Salaries & Benefits	1,307,651	1,425,062	1,424,445	1,542,677	117,615	8.3%
Services & Supplies	14,544,132	18,225,663	16,800,519	17,136,826	(1,088,837)	-6.0%
Other Charges	5,159,102	23,902,861	4,331,839	28,318,694	4,415,833	18.5%
Subtotal	**21,010,885**	**43,553,586**	**22,556,804**	**46,998,197**	**3,444,611**	**7.9%**
IntraFund Transfers	*(19,580)*	*(32,081)*	*(32,081)*	*(32,081)*	*0*	*0.0%*
Total Expenditures	**20,991,305**	**43,521,505**	**22,524,723**	**46,966,116**	**3,444,611**	**7.9%**
Total Staffing		12.00	12.00	12.00	0.00	0.0%

FINANCING CHANGES

Financing Sources	Description/ Impact	Increase/ (Decrease)
Use of Money	Increase in interest rate of return.	65,000
Charges for Services	Increase in Personnel Services offset increased expenditures.	512,000
Miscellaneous	Reduction in contributions from other funds because of lower funding requirements for specific liability funds.	(500,000)
General Fund	Increase in General Fund contribution to Liability and Property Insurance charges.	43,223
Other Funds	Increases in use of fund balances.	3,324,388
	Total	**3,444,611**

EXPENDITURE CHANGES

Financing Uses	Description/ Impact	Cost/ (Savings)
Salaries & Benefits	Increases costs for current staff.	117,615
Services & Supplies	Overall decrease in professional and special services, primarily in Liability and Property Insurance.	(1,088,837)
Other Charges	Increase insurance reserves and claims primarily in Workers Comp.	4,415,833
	Total	**3,444,611**

PROGRAM DETAIL

Program Financing	Adopted 2017-18	FY 2018-19 Financing: Revenues	Other Funds	General Fund	Total Financing	Δ
Dental Insurance	3,380,312	2,173,000	610,126	0	2,783,126	-17.7%
Employee Insurance	1,913,076	1,504,500	541,812	0	2,046,312	7.0%
Liability & Property Program	15,034,561	5,050,000	9,910,326	0	14,960,326	-0.5%
Liability & Property Program GF	1,667,325	0	0	1,710,548	1,710,548	2.6%
Unemployment Insurance	693,711	404,000	224,903	0	628,903	-9.3%
Workers Compensation	19,662,227	8,621,000	14,782,401	0	23,403,401	19.0%
Employee Benefits Staffing	1,170,293	1,048,980	384,520	0	1,433,500	22.5%
Total Financing	**43,521,505**	**18,801,480**	**26,454,088**	**1,710,548**	**46,966,116**	**7.9%**

Program Expenditures	Adopted 2017-18	FY 2018-19 Expenditures: Salaries & Benefits	Services & Supplies	Other	Total Expenditures	Δ
Dental Insurance	3,380,312	0	2,282,000	501,126	2,783,126	-17.7%
Employee Insurance	1,913,076	1,101,990	764,097	180,225	2,046,312	7.0%
Liability & Property Program	15,034,561	0	5,082,750	9,877,576	14,960,326	-0.5%
Liability & Property Program GF	1,667,325	0	1,742,629	(32,081)	1,710,548	2.6%
Unemployment Insurance	693,711	0	426,000	202,903	628,903	-9.3%
Workers Compensation	19,662,227	0	5,865,500	17,537,901	23,403,401	19.0%
Employee Benefits Staffing	1,170,293	440,687	973,850	18,963	1,433,500	22.5%
Total Expenditures	**43,521,505**	**1,542,677**	**17,136,826**	**28,286,613**	**46,966,116**	**7.9%**

RISK MANAGEMENT CLAIMS RESERVES

Claims Reserves

Claims Reserves are used to address various unforeseen risk fund expenditures throughout the year. These reserves protect the County from major losses and manage the significant fluctuations in claims.

The County receives an actuarial report bi-annually which sets reserve goals for Liability & Property and Workers Compensation risk funds. The County's goal is to maintain a claims reserve balance of 80-85 percent of the actuarial goal for these risk funds.

While the other risk funds do not have claims reserves goals, it is best practices to maintain some reserves as added protection from unanticipated increases in costs.

CLAIMS RESERVES DETAIL

Risk Funds Claims Reserves	Actuarial Goal	FY 2018-19 Reserves	% Funded
60118 Dental Insurance	N/A	610,126	N/A
60120 Liability & Property	8,729,000	6,692,829	77%
60135 Unemployment Insurance	N/A	200,388	N/A
60140 Workers Compensation	35,932,000	13,996,554	39%
Total Reserves		**21,499,897**	

RISK MANAGEMENT OVERVIEW CONT'D

The General Fund share of Liability and Property Insurance represents 35 percent of total costs.

Workers' Compensation Fund

The Workers' Compensation fund includes costs of medical treatment, disability compensation, and vocational rehabilitation for work-related injuries. The fund also covers costs for legal fees, claims administration, investigative services, State self-insurance fees, occupational health and safety program costs and excess insurance within the County's self-insured retention level.

Unemployment Insurance

The County of Santa Cruz provides Unemployment Insurance (UI) coverage for all County employees.

Risk Management Administration

This fund provides for appropriations of the Risk Management Administrative Unit.

Employee Insurance Staffing

This unit provides benefit administrative services for the County and Board governed special districts insured health program, Budget Reconciliation Act of 1985 (COBRA), life, vision, long-term disability insurances, and the Employee Assistance Program

Dental Insurance Fund

The County of Santa Cruz provides a self-funded indemnity dental program for employees and their dependents.

ACCOMPLISHMENTS AND GOALS

Accomplishments

1. Enhanced the Employee Benefits website by incorporating information about other benefits offerings such as the Deferred Compensation program.
2. Made the Benefits program more accessible and efficient by making open enrollment forms available online.
3. Continued to work on improving communication with employees who have open workers' compensation claims.

Goals

1. In the Risk Management division, the Benefits unit will improve the open enrollment process by incorporating the use of online fillable forms and will expand the range of information available on the Employee Benefits website.
2. Workers' Compensation will strive to reduce open claims by 10%, working with the Third Party Administrator (TPA) to close claims, and reducing the number of lost work days by collaborating with the TPA, doctors, departments, and employees to return employees to work quickly.
3. Develop a health benefits cost containment plan.