

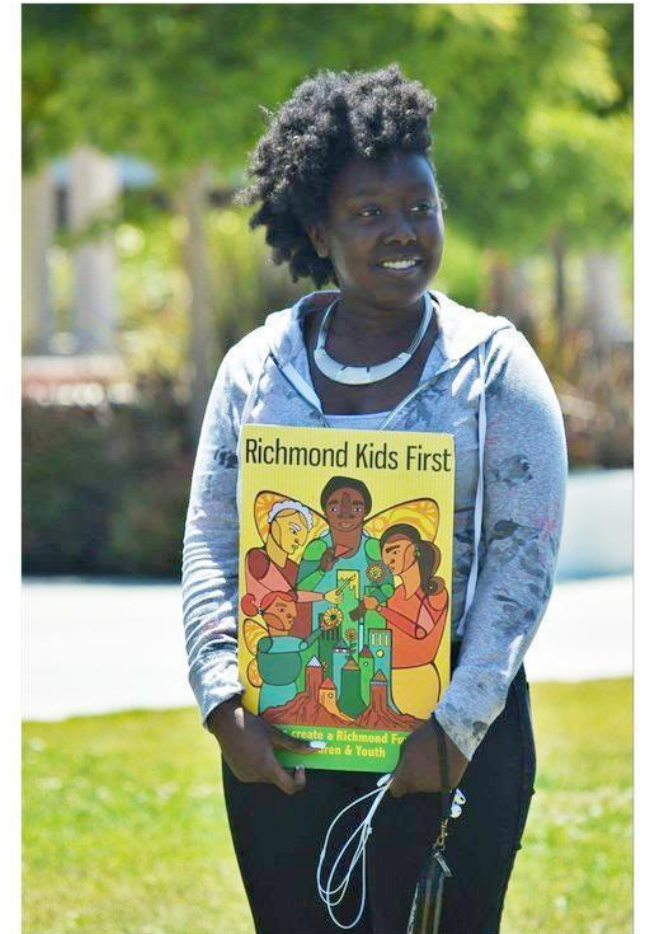


# BUDGET 101



# Goal for today

- Learn enough
- to make you feel comfortable
- starting a conversation
- about your interests in your County/City budget
- With the goal of getting more money for kids





# As an advocate, what do I want to know about the budget?

- **Enough to make your argument**—no need to become a budget expert  
(you pay city/county staff to do that for you.)
- Some idea of size of the total budget and where your local taxes go
- How much is spent on children services—almost impossible to figure out
- If you want to add to the budget-- be specific
- If they ask you where the money will come from...



# General thoughts- Attitudes

- Assume Good Intentions
- Seek first to understand
  - ask questions
- No perfect time to engage
- Yours, mine and ours





# Budgets -just like your checkbook



Money from prior year or reserves



+Current year revenues/sources



- Current year expenditures



Remaining fund balance/reserves



# Budget Basics

- **There are no rules for budgeting**
  - NACSLB (National Advisory Committee on State and Local Budgeting) best practices
- **Proposed Budget:**
  - Executive Summary/Transmittal Letter – Prepared by CAO, City Manager, Mayor – policy statement
    - Budget summaries, demographics, organization charts, fiscal policies, priorities
  - Typically some information by department, goals, performance measures, budget changes
  - Some level of State Controller or other detailed accounting schedules
- **Adopted Budget** (by fiscal office)-Annual Appropriation Ordinance:
  - Some portion of Transmittal letter
  - Budget detail schedules





# Budget Awards

## DISTINGUISHED BUDGET PRESENTATION AWARD



GOVERNMENT FINANCE OFFICERS ASSOCIATION

### *Distinguished Budget Presentation Award*

PRESENTED TO

**City of Santa Maria**

**California**

For the Fiscal Year Beginning

**July 1, 2020**

*Christopher P. Merrill*

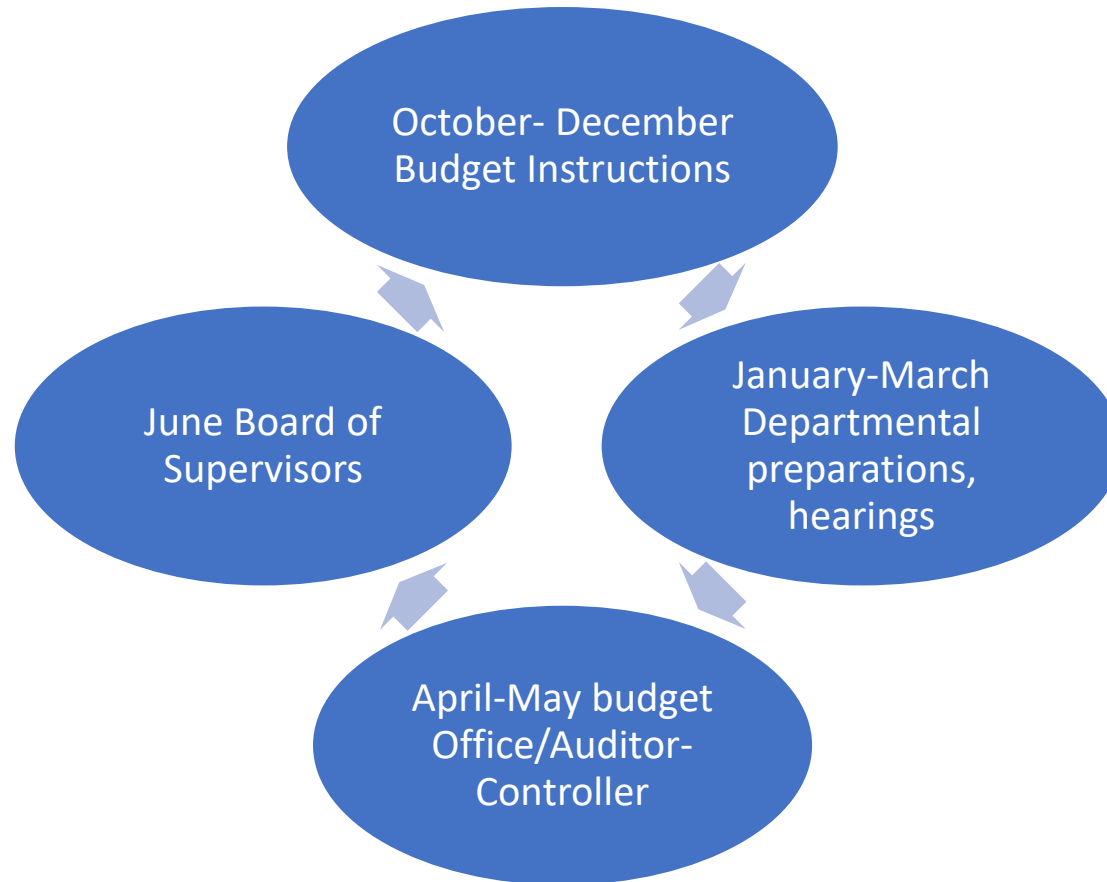
Executive Director

## OPERATING BUDGET EXCELLENCE AWARD





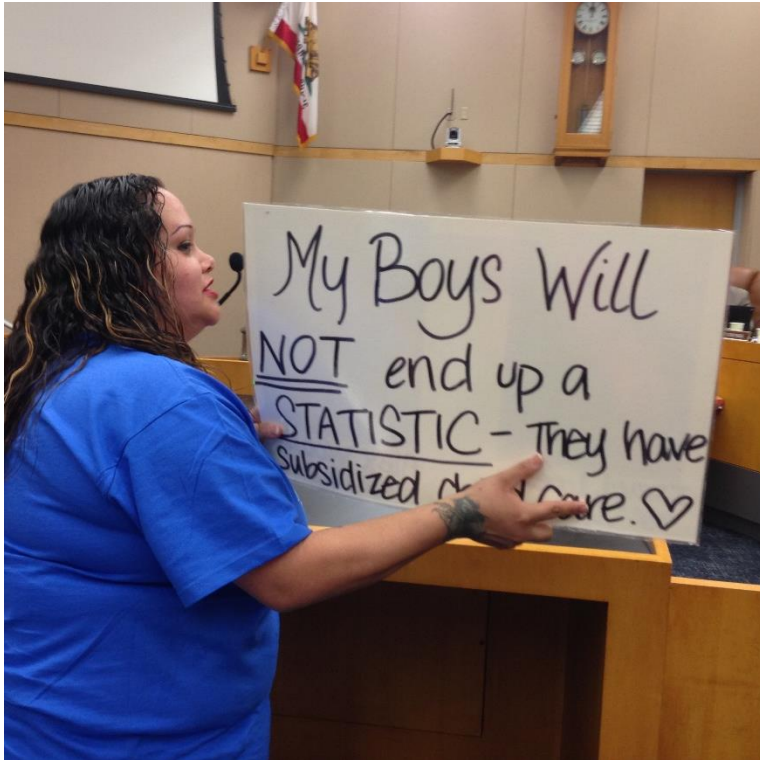
# Budget Timelines







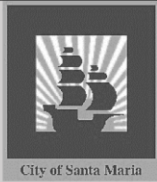
# Humboldt Calendar



Friday, Dec. 30	Mid-Year Budget Estimates from Departments due to County Administrative Office
Thursday, Jan. 12	Measure Z Citizens' Advisory Committee Meeting to distribute applications
Monday, Jan. 30	Salary Projections distributed to Departments
Tuesday, Feb. 7	Present 2022-23 Mid-Year Budget Report to Board of Supervisors
Tuesday, Feb. 7	Propose Board Budget Committee/Supervisor Structure to Board
March, 2023	CAO Liaisons meet with Departments
Thursday, Mar. 2	Measure Z Citizens' Advisory Committee Meeting to review applications
Friday, Mar. 3	2023 Board Retreat/Strategic Framework
Thurs & Fri, Mar. 23-24	
Friday, Mar. 3	Budget Kickoff: County Administrative Office presents 2023-24 budget instructions to County Departments
Thursday, Mar. 9	Measure Z Citizens' Advisory Committee Meeting to review applications
Monday, Mar. 13	Department Budget Presentations
Thursday, Mar. 16	Measure Z Citizens' Advisory Committee Meeting to review applications (if needed)
Monday, Mar. 20	Department Budget Presentations
Thursday, Mar. 23	Measure Z Citizens' Advisory Committee Meeting to review applications (if needed)
Monday, Apr. 3	Department Budget Presentations Continued (if needed)
Tuesday, Apr. 4	2023 County Fee Schedule Public Hearing noticed and fees publicly available
Monday, Apr. 10	2023-24 Budget Requests Completed by county departments and due to County Administrative Office
Tuesday, Apr. 25	2023 county fee schedule adopted by Board of Supervisors
Tuesday, Apr. 25	Measure Z Citizens' Advisory Committee recommendations presented to Board of Supervisors
Friday, May 5	2023-24 draft budget sent to Departments for review
Monday, May 15	2023-24 draft budget returned to CAO with any final modifications
Thursday, May 29	Effective date for updated county fees (except Planning & Building)
Tuesday, June 6	County Administrative Office presents 2023-24 Proposed County Budget to Board of Supervisors for adoption
Monday, June 12	Public hearings on 2023-24 Proposed County Budget; 1:30 & 5:30 p.m.: Clerk of the Board required to publish notice
Monday, June 26	Effective date for updated Planning & Building Fees
Tuesday, June 27	FY 2023-24 County Budget adopted by Board of Supervisors



# Santa Maria Calendar



## KEY DATES IN THE BUDGET PREPARATION PROCESS

October 2021	Capital/maintenance/equipment project requests sent to departments
February 2022	Budget Instructions distributed to departments
February 11	City Council's 2022-24 Goal-setting exercise, Citywide priorities set
May	Budget team compiles departmental requests and compiles Proposed Budget
June 6	Proposed Budget presented to the City Council
June 6-17	City Manager meets with City Council to review Proposed Budget
June 21	Public Hearing and City Council adoption of the Final Budget



# When/How to insert yourself?

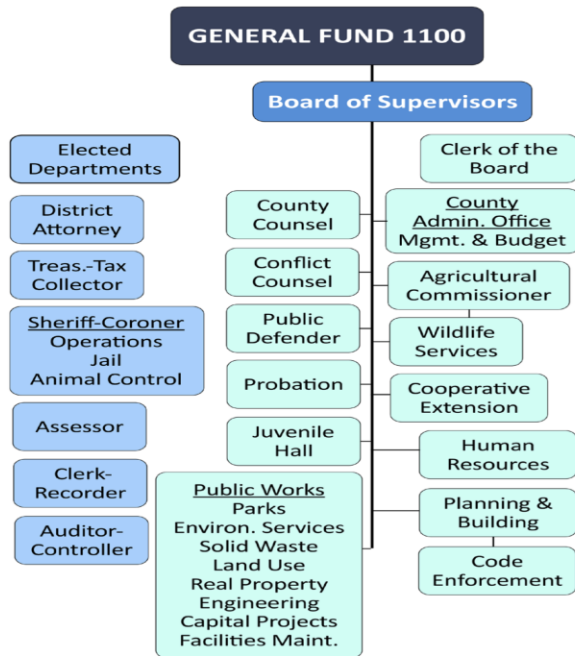
- Budget Instructions to Departments
- Board working/study sessions
- Departmental Budget Prep
- County Administrator Deliberations
- Initial Budget Hearings
- Final Budget Hearings





# Budgets are based on Funds -Humboldt

## GOVERNMENTAL FUNDS



### SPECIAL REVENUE FUNDS

Health & Human Services  
Beh. Health 1170  
Public Health 1175  
Substance Use Disorder 1180  
Social Services 1160  
Employment Training 1190

Economic Dev. 1120

Child Support Services 1380

Library 1500

County Admin. Office  
Economic Dev. Fish & Game 1120 & 1700

Public Works  
Roads & Transportation 1200 & 1510

### CAPITAL PROJECT FUNDS

Criminal Justice Construction 1410

Courthouse Construction 1420

## PROPRIETARY FUNDS

### INTERNAL SERVICE FUNDS

County Admin. Office  
Purchasing 3555  
Info. Tech. 3550  
Communications 3521  
ADA Compliance 3552

Human Resources  
Risk Mgmt. 3520  
Safety & HIPPA 3523  
3525  
3526  
3527  
3528

### ENTERPRISE FUNDS

Aviation 3530  
3539  
1820-1870







# Budget Transmittal Letter/Summary





# San Mateo County



## SHARED VISION 2025

Our shared vision for 2025 is for a healthy and safe, prosperous, livable, environmentally conscious, and collaborative community.

**Shared Vision 2025** reflects the goals and priorities for the San Mateo County community expressed during a series of public meetings and surveys. The "community outcomes" — healthy and safe, livable, prosperous, environmentally conscious and collaborative — provide a foundation for sound decision-making. Focusing on the Shared Vision 2025 goals and priorities places an emphasis on what's best for all of San Mateo County today and in the years to come. On January 29, 2013 the Board of Supervisors adopted nine **Community Impact Goals** and preliminary community indicators, to begin building performance dashboards that will be used to align employee goals and track the performance of County programs and services toward achieving Shared Vision 2025 goals.



### HEALTHY AND SAFE COMMUNITY

Our neighborhoods are safe and provide residents with access to quality healthcare and seamless services.

- Reduce crime
- Increase life expectancy



### PROSPEROUS COMMUNITY

Our economic strategy fosters innovation in all sectors, creates jobs, builds community and educational opportunities for all residents.

- Improve affordability of housing and basic needs
- Close education achievement gaps





# San Mateo County

## Housing our Residents

*“Homelessness is not a choice. It’s not a lifestyle. It’s an emergency.” – Nan Roman, President of the National Alliance to End Homelessness.*

Homelessness remains one of the most complex and persistent challenges of our time, affecting individuals and communities throughout our region. In the current budget, \$147.8 million (including some rollover) is allocated to address homelessness; we anticipate an increase of approximately 15 percent to this budget. Various factors contribute to this issue, including but not limited to:

- **Lack of affordable housing:** A primary cause of homelessness is the scarcity of affordable housing. Many people struggle to afford high rents or mortgage payments, especially in our region, where the cost of living is elevated, and housing demand outstrips supply.
- **Poverty:** Homelessness and poverty are often intertwined. Many homeless individuals lack access to basic resources such as food, healthcare, and education, making it difficult for them to secure and maintain employment, which in turn hampers their ability to afford housing.
- **Mental health and addiction:** Mental illness and addiction can also contribute to homelessness. People grappling with these issues may struggle to maintain employment or relationships, leading to social isolation and homelessness.



# Alameda County



## 10X Goals



### Eliminate Homelessness

Ensure the availability of diverse and affordable housing for all residents with the goal of eliminating homelessness in Alameda County.



### Employment for All

Deliver services through highly skilled, agile, and responsive County employees and support full employment of the hard to employ throughout the County.



### Crime Free County

Implement robust criminal justice strategies that lead to a crime free county through responsive and innovative community engagement while providing effective support for victims and reentry populations.



### Healthcare for All

Ensure healthcare for all with a focus on providing preventive and supportive services to vulnerable populations.



### Eliminate Poverty and Hunger

Ensure all residents' basic needs are met including eliminating poverty and hunger, while building resiliency and self-sufficiency among vulnerable populations.



### Accessible Infrastructure

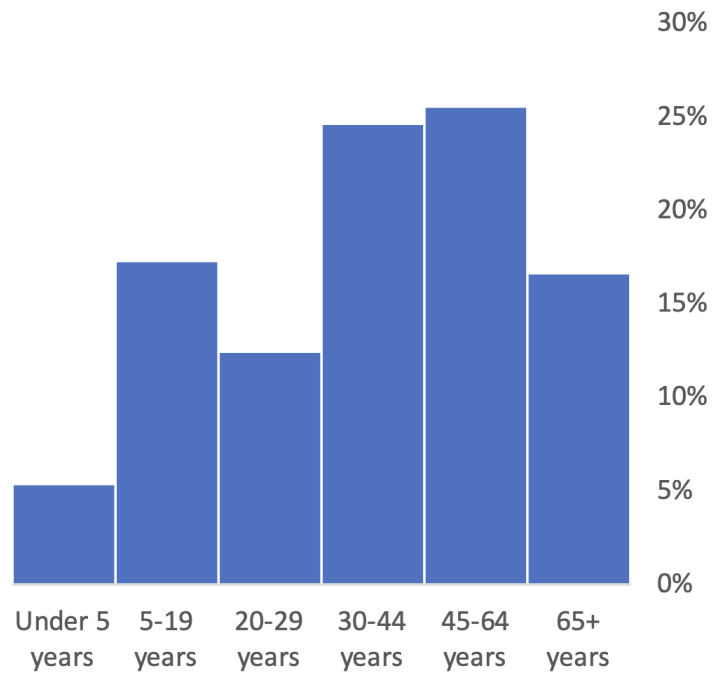
Implement smart, accessible, and adaptive public infrastructure that enables the deployment of future technologies while optimizing the return on investments of existing infrastructure.





# Alameda County

Alameda County by Age



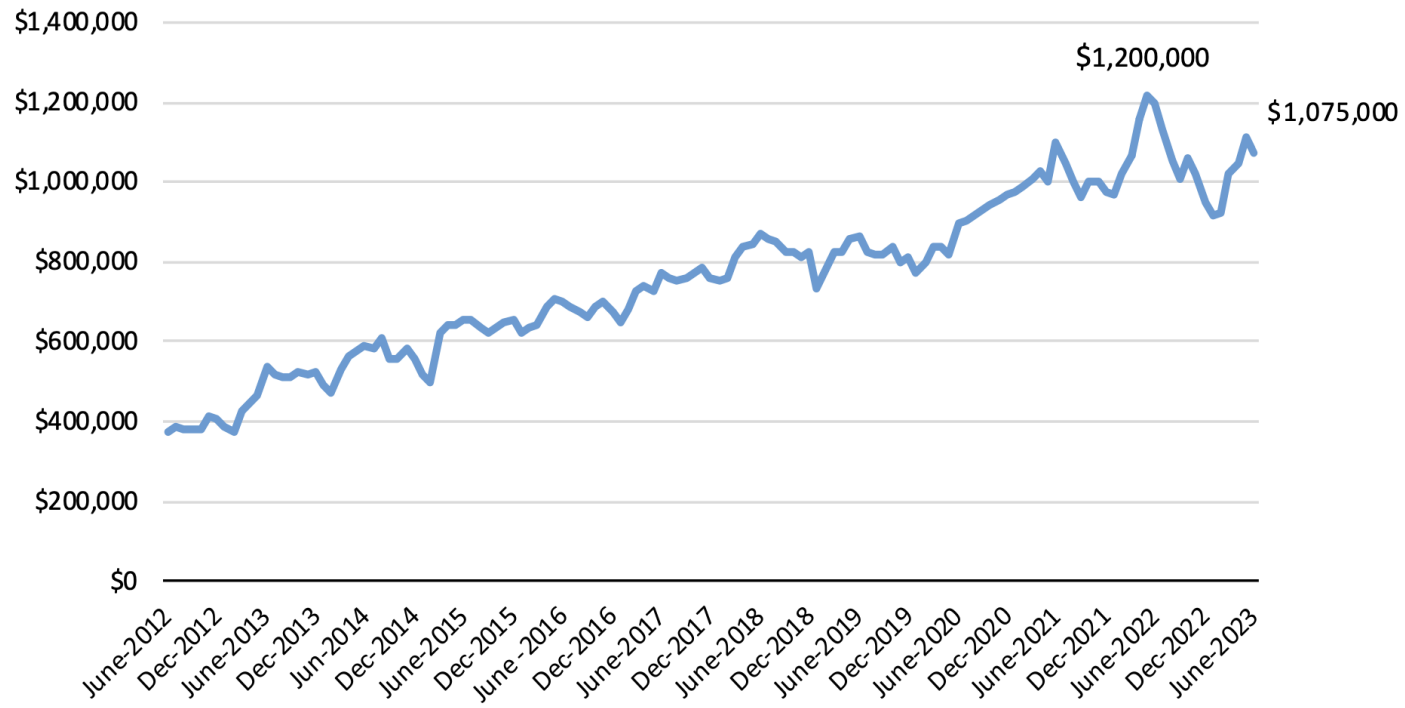
Source: U.S. Census Bureau, Population Estimates Program, July 1, 2022





# San Mateo

**Alameda County Median Home Values**



Source: Corelogic and Redfin







# San Mateo



## General Fund Discretionary Revenue and Expenditure Projections FY 2020-21 through FY 2027-28 (in Millions)

*Assumes Similar Savings from Two Previous Years*





# Alameda County

About 60 percent of Alameda County's discretionary revenue comes from property taxes, although the County receives only about 15 percent of the property tax collected.



\* Over time, redevelopment agencies' share of property taxes should be distributed to other entities.



# Sonoma County

## **Property Tax**

As mentioned above, however, the County is beginning to see the impact of economic changes in its property tax. Property tax represents nearly 80% of the County's discretionary general fund revenue. Based on changes to the roll through April, secured property tax growth for FY 2023-24 is projected with a 4.25% increase, though down from the 6.4% growth seen in 2022-23. This is because property tax growth tends to lag other economic trends due to delays in assessments and the fact that the role is finalized based on numbers from the end of the prior calendar year. Leading indicators show that there will be a significant slowdown in the future.

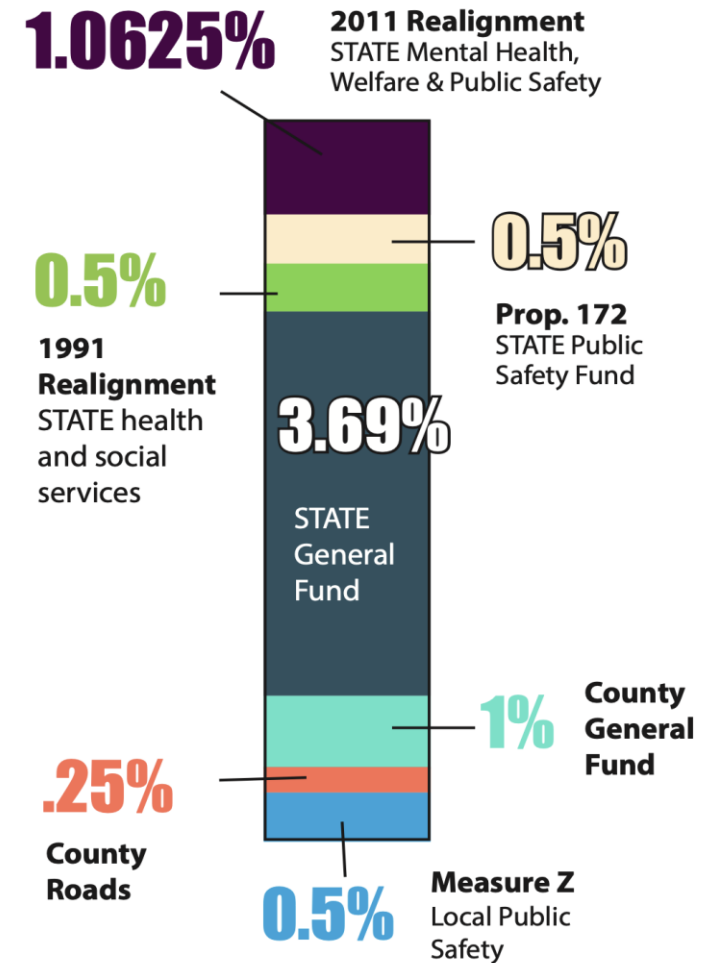
Driven, we estimate, by higher interest rates, the County Recorder's Office is seeing the lowest number of recorded documents (such as records of property sales) since 2005 (see Chart 2). While the sales home price has remained relatively high, there is still a significant drop in documentary transfer tax collected as a result of the low volume of transactions. Given the low level of sales, it is likely that property tax growth in 2024-25 will be low and will not keep up with rising costs. Current county forecasts include the reduced growth assumption and shows a \$11.1 million projected deficit in FY 2024-25, which will need to be solved in the coming fiscal year.



# Humboldt

## Sales Tax: Where Does It Go?

The sales tax rate in the unincorporated areas of Humboldt County is 7.75%. Of that amount, 7.25% is imposed at the state level, and 0.5% is local.







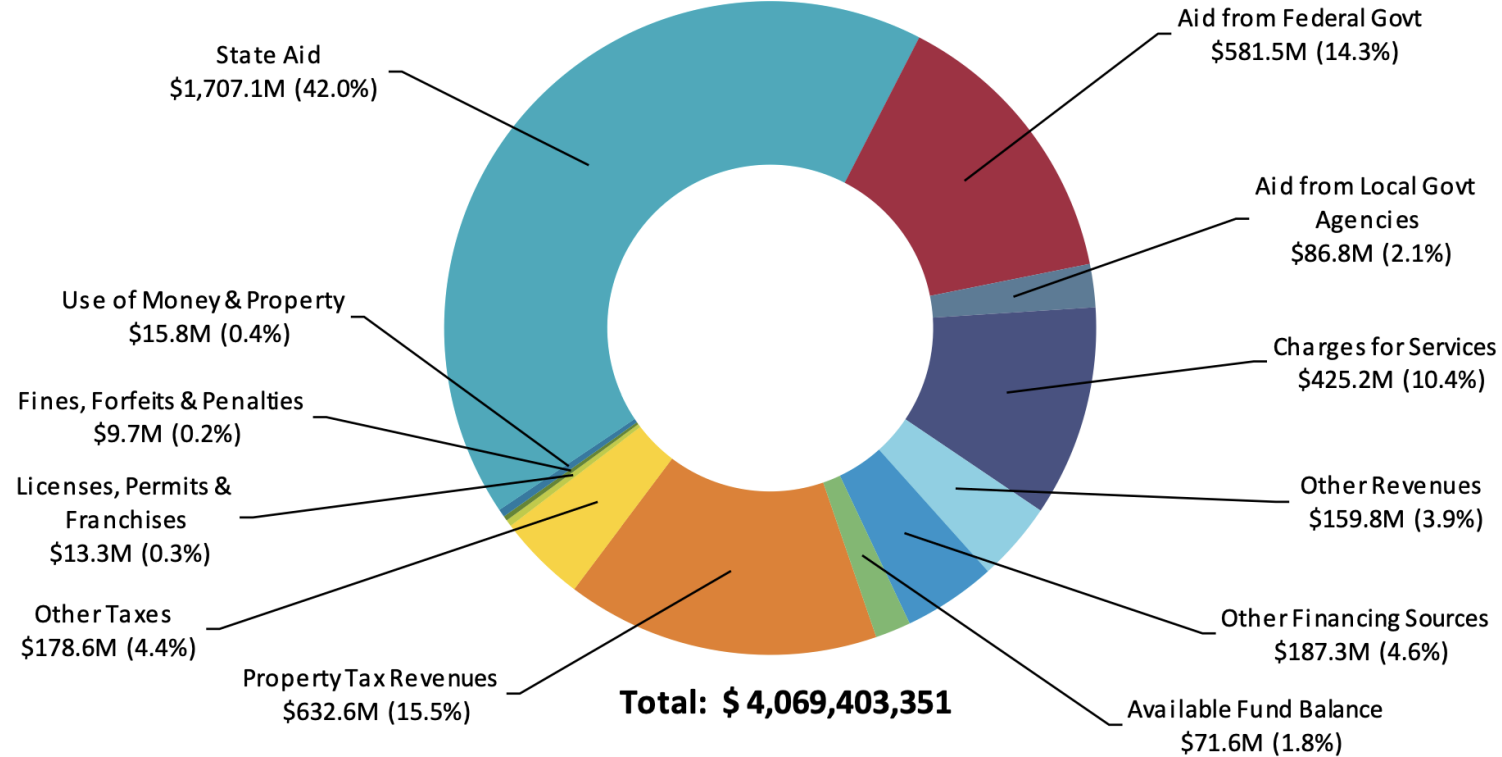
# Budget Summary Schedules





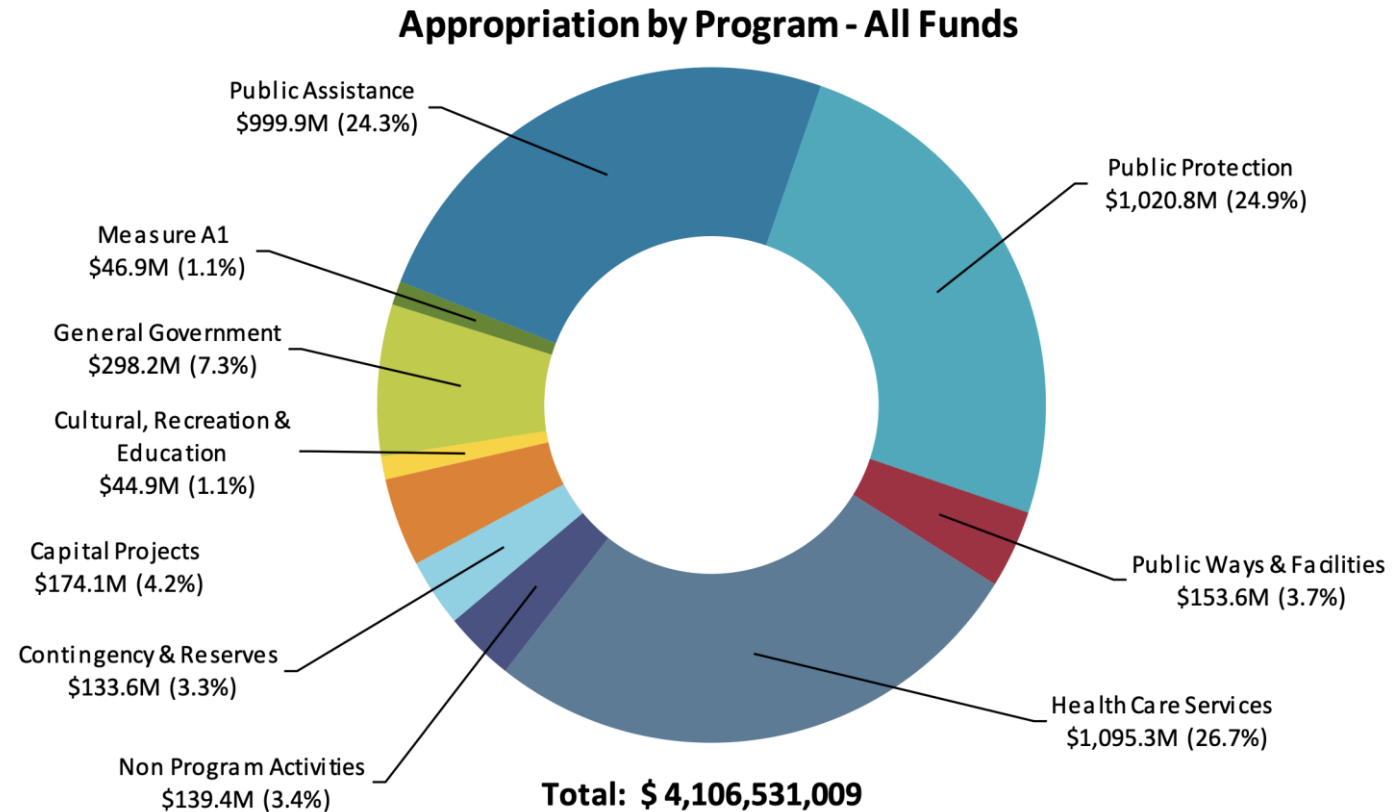
# Alameda County All Funds

**Available Financing by Source - All Funds**



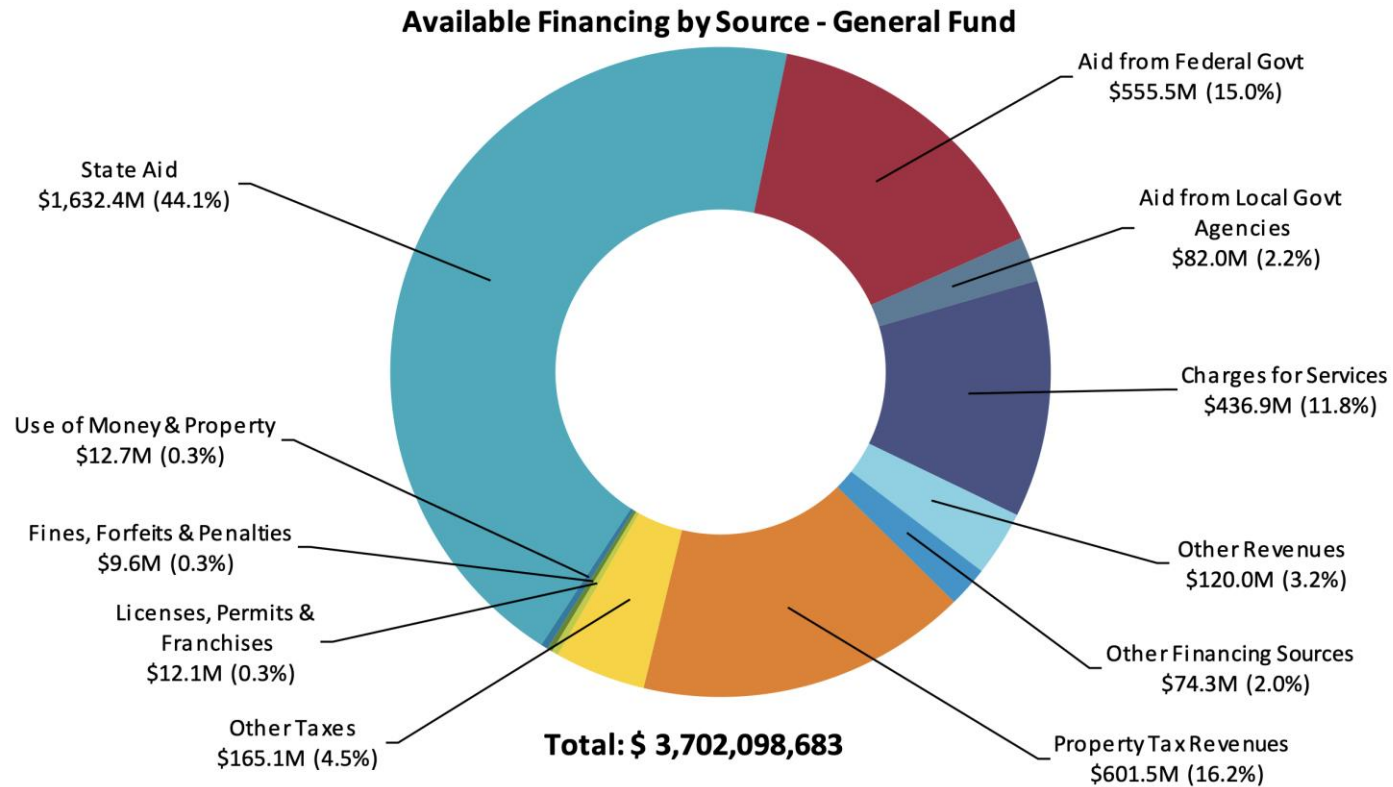


# Alameda County All Funds





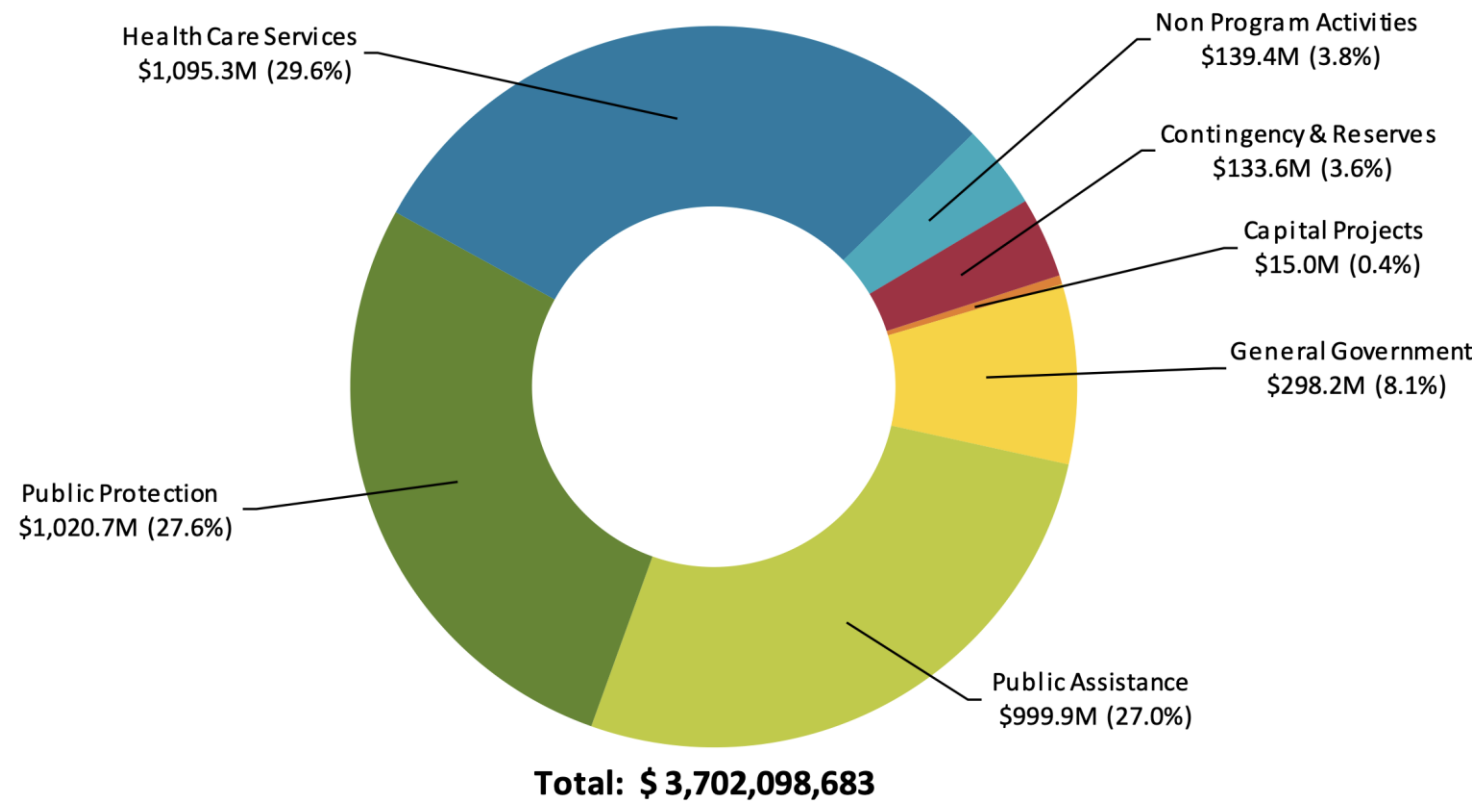
# Alameda County General Fund





# Alameda County General Fund

**Appropriation by Program - General Fund**

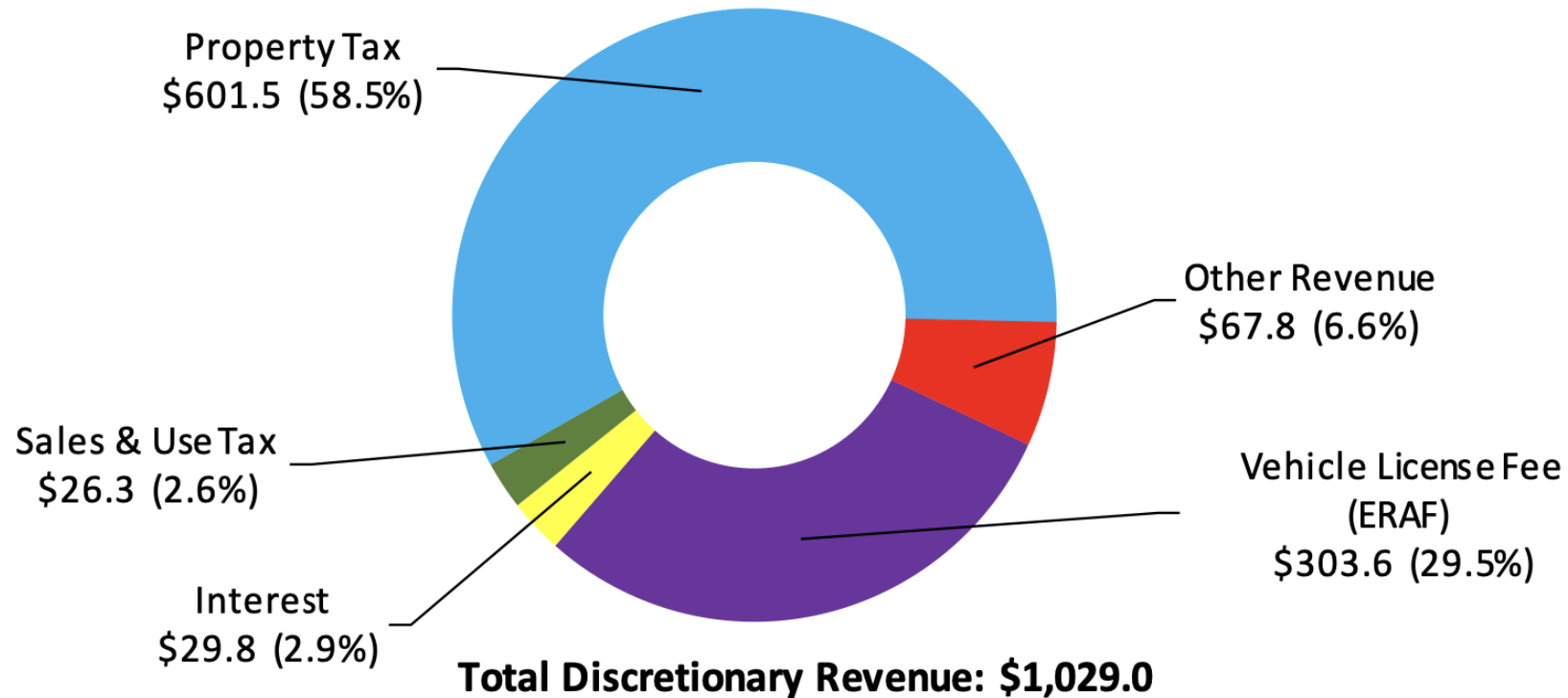






# Alameda County Discretionary Revenue

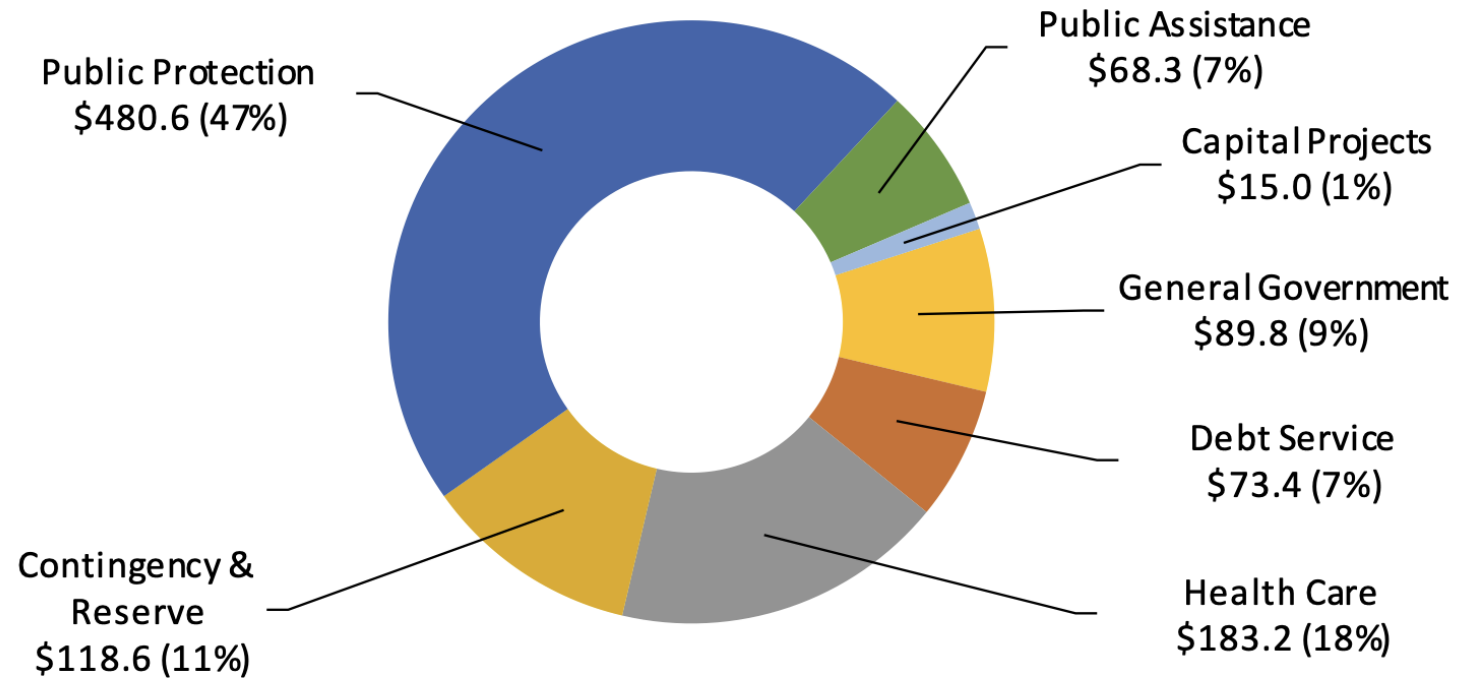
## Discretionary Revenue by Source (in millions)





# Alameda County Discretionary Spending

## Use of Discretionary Revenue by Program (in millions)



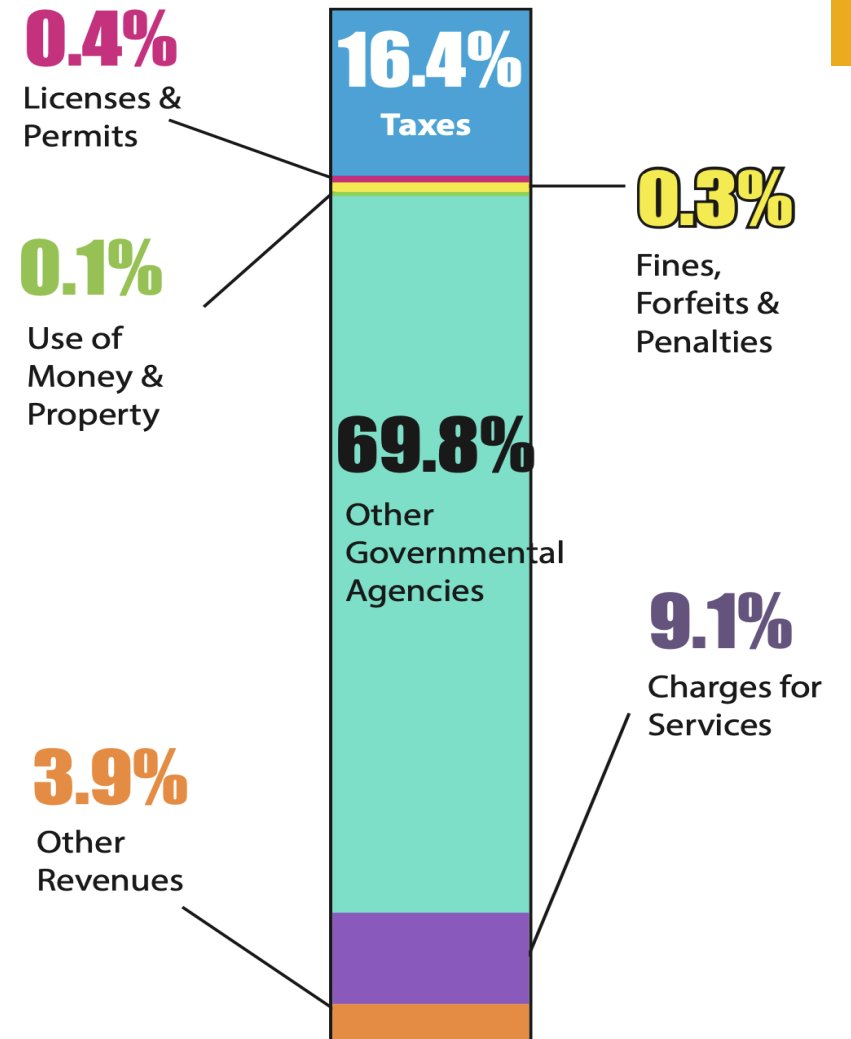
**Use of Discretionary Revenue: \$1,029.0**



# Humboldt County Revenues



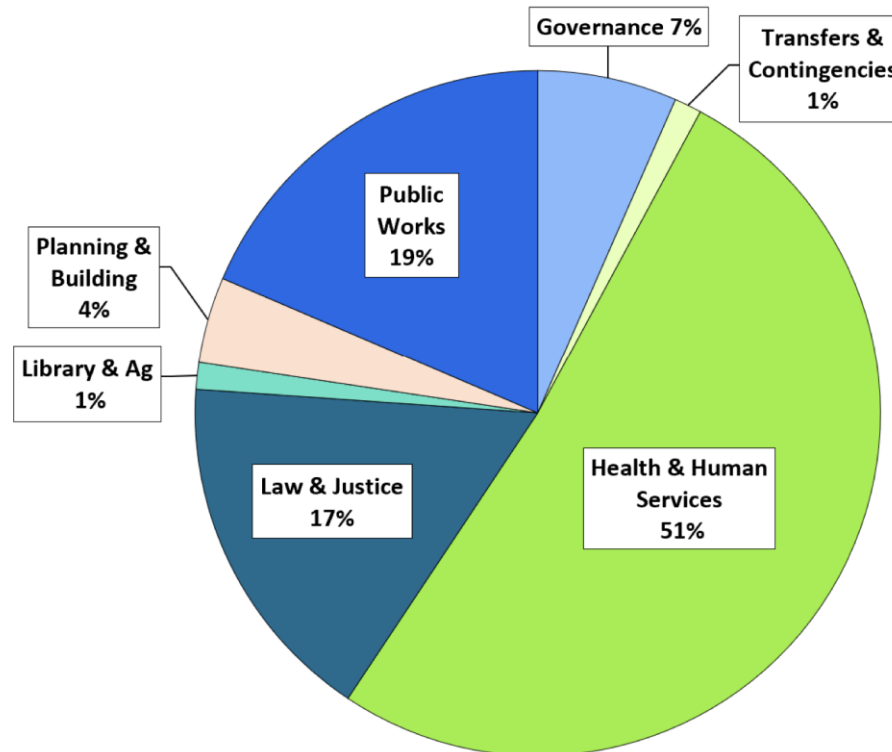
Revenue by Source





# Humboldt County Spending

**FY 2023-24 Expenditures by Functional Area: \$579,270,508**





# Humboldt County Revenues

## State Controller Schedule 6

Governmental Funds  
Detail of Additional Financing Sources by Fund and Account  
County of Humboldt  
Fiscal Year 2023-24

Schedule 6

Fund Name Financing Source Category Financing Source Account		2021-22 Estimated	2022-23 Estimated	2023-24 Recommended	2023-24 Adopted	Revenues	Other Sources
<b>County General Funds</b>							
<b>General Fund</b>							
<b>Special Items</b>							
9371 IR - Fingerprint Fees		805	0	0	0	0	0
<b>Total Special Items</b>		<b>805</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Taxes</b>							
101101 RDA Dissolution Increment		(873,464)	(915,341)	(934,965)	(934,965)	(934,965)	0
101117 Property Tax Current Secured		26,362,435	27,823,486	28,020,460	28,020,460	28,020,460	0
102500 Prop Tax Current-Unsecured		1,007,299	1,117,877	950,000	950,000	950,000	0
105100 Property Tax Pr Unsec & Escape		0	0	4,800	4,800	4,800	0
105110 Prop Tax Prior Unsecured		13,011	12,238	0	0	0	0
105800 Supplemental Prop Tax-Secured		315,449	455,615	300,000	300,000	300,000	0
105900 Supplemental Prop Tax PY		62,698	60,926	65,000	65,000	65,000	0
106040 Tax Clearance Mobile Home Cert		432	802	500	500	500	0
106050 Tax Collectn Fees Subj to Sale		19,206	26,639	35,000	35,000	35,000	0
106060 Secured Tax Roll-Costs		56,240	116,388	112,000	112,000	112,000	0
106070 Notice Fee		89,212	154,483	90,000	90,000	90,000	0
106100 Cannabis Excise Tax		3,713,649	1,473,392	0	0	0	0
106101 Cannabis Excise Tax Refunds		(439,558)	(1,052,953)	(500,000)	(500,000)	(500,000)	0
107000 Sales Tax Revenue		6,684,007	4,859,965	5,976,000	5,976,000	5,976,000	0
107010 Hotel & Motel Tax		3,290,354	3,553,956	3,000,000	3,000,000	3,000,000	0
107050 Measure Z Sales Tax		14,462,683	11,459,757	12,670,255	12,670,255	12,670,255	0
107060 Transfer From TLRP		0	2,000,000	2,500,000	2,500,000	2,500,000	0
108000 Utilities Franchises		1,064,045	1,302,252	990,000	990,000	990,000	0
108010 Franchise TV Cable Radio Gen		562,113	521,418	550,000	550,000	550,000	0
109010 Document Transfer Tax-Recorder		992,626	732,162	750,000	750,000	750,000	0
110102 Federal Wildlife Refuge		1,500	1,355	0	0	0	0
111102 St Wildlife Refuge In Lieu Tax		9,299	9,292	9,200	9,200	9,200	0
112100 Prop Tax Cur Unsecured Aircraf		59,442	50,165	50,000	50,000	50,000	0
113100 Timber Yield Tax		521,064	699,555	550,000	550,000	550,000	0
800015 Property Tax In Lieu VLF		20,624,516	21,610,018	22,050,000	22,050,000	22,050,000	0
<b>Total Taxes</b>		<b>78,598,258</b>	<b>76,073,447</b>	<b>77,238,250</b>	<b>77,238,250</b>	<b>77,238,250</b>	<b>0</b>





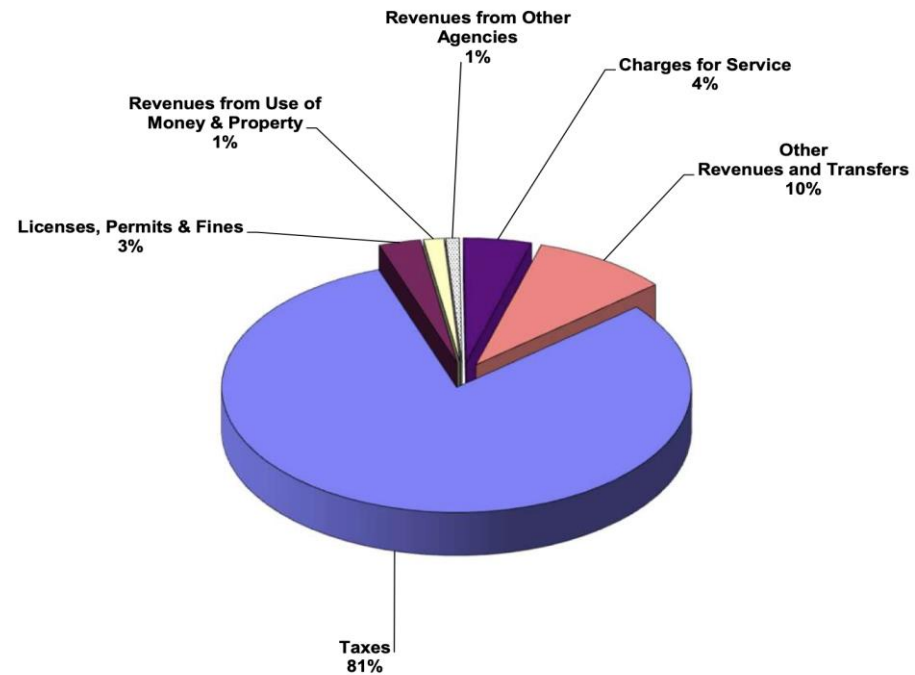
# Santa Maria Revenues

## **SOURCES OF FINANCING 2022-23**

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### **GENERAL FUND**

---





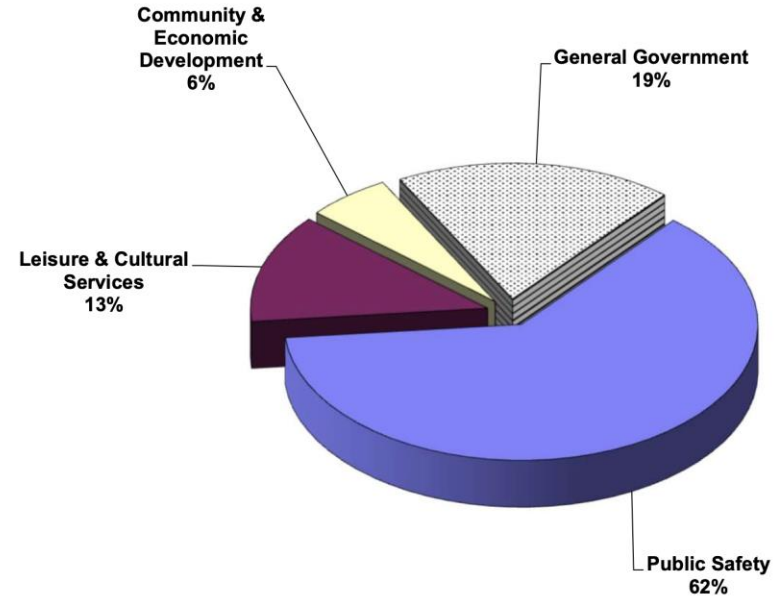
# Santa Maria Spending by Function

## **BUDGET BY FUNCTION 2022-23**

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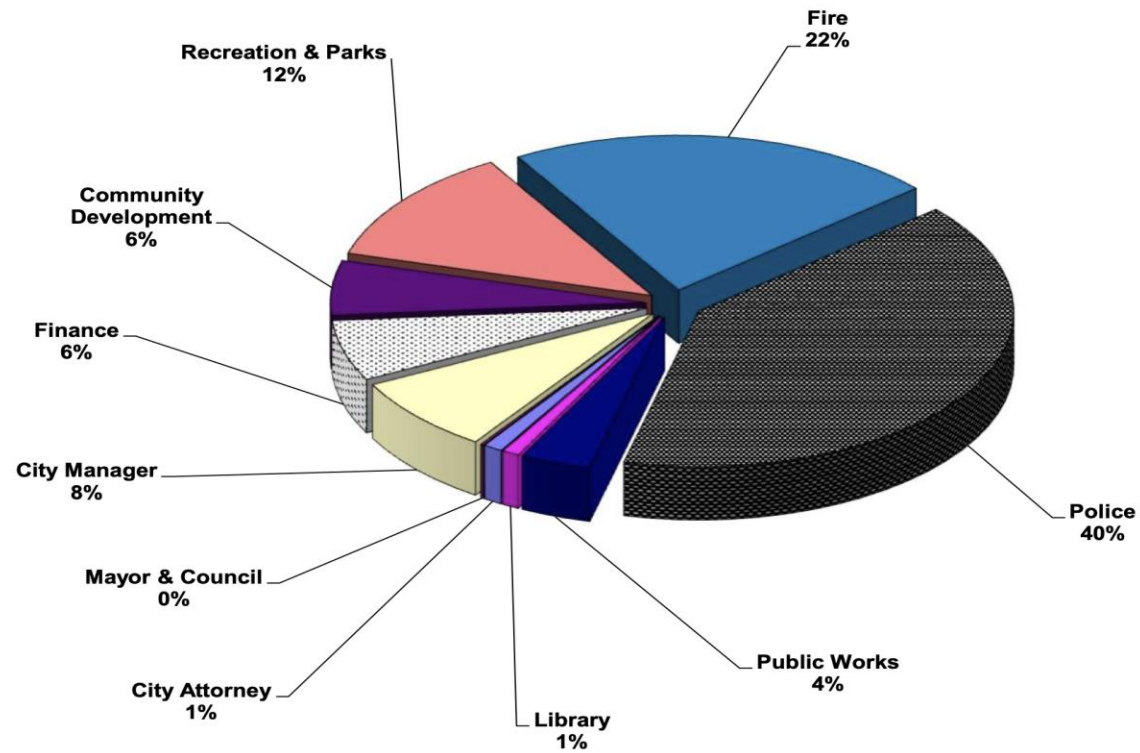
### **GENERAL FUND**

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# Santa Maria Spending by Department





# Santa Maria Tax Revenues

## **SCHEDULE OF REVENUES**

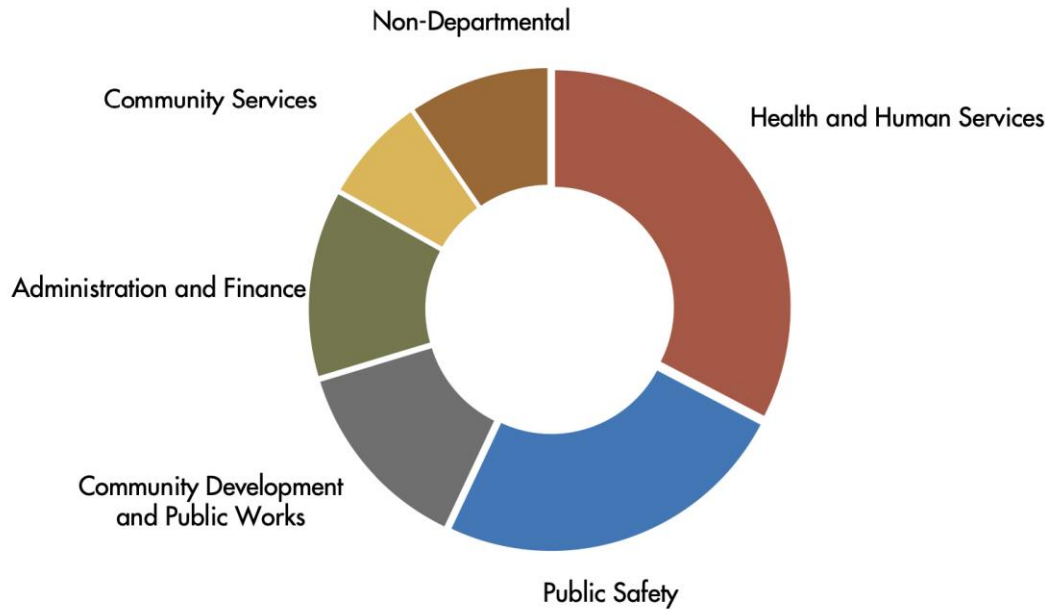
	<b>Actual 2020-21</b>	<b>Adopted 2021-22</b>	<b>Year-End Estimated 2021-22</b>	<b>Proposed 2022-23</b>	<b>Proposed 2023-24</b>
<b>GENERAL FUND (FUND 001)</b>					
Revenues:					
Taxes:					
Secured	\$ 12,129,211	\$ 12,498,486	\$ 12,498,596	\$ 13,827,920	\$ 14,351,082
Unsecured	417,404	462,786	519,467	464,728	483,039
Property Tax In Lieu of VLF	9,746,972	10,011,115	10,127,260	10,127,260	10,586,025
Sales & Use	27,069,908	25,832,202	29,981,944	30,316,409	30,937,893
Sales & Use - Safety	319,408	270,200	370,777	378,035	369,035
Franchises	4,683,115	4,788,780	4,534,942	4,788,780	4,788,780
Transient Occupancy	3,213,990	2,914,187	3,634,639	3,152,576	3,232,576
Business License	659,964	738,988	724,626	737,088	737,088
Property Transfer	352,611	294,773	258,021	294,773	294,773
Total Taxes	58,592,583	57,811,517	62,650,272	64,087,569	65,780,291
Licenses, Permits & Fines:					
Construction Permits	3,127,061	2,045,750	3,582,291	3,038,250	3,038,250
Taxi & Mobile Home Fees	23,823	26,700	24,057	24,700	24,700
Criminal Fines & Penalties	223,628	143,850	115,338	138,850	138,850
Total Licenses, Permits & Fines	3,374,512	2,216,300	3,721,686	3,201,800	3,201,800
Revenue from Use of Money & Property					
Interest Earned	(433,257)	889,796	842,125	889,796	889,796
Rental Income	581,174	806,503	602,799	660,217	673,717
Total Revenue from Use of Money & Property	147,917	1,696,299	1,444,924	1,550,013	1,563,513
Revenues from Other Agencies:					
Motor Vehicle License Fees	78,776	46,798	124,126	76,798	76,798
Homeowners' Tax Relief	50,600	293,271	49,932	53,271	53,271
Property Tax In Lieu	97,941	94,900	104,952	94,900	94,900
Mandated Costs	53,647	43,401	57,887	43,401	43,401
P.O.S.T.	36,661	43,773	-	43,773	43,773
Other Subventions	879,400	867,471	11,046,485	721,176	419,882
Total Revenue from Other Agencies	1,197,025	1,389,614	11,383,382	1,033,319	732,025



# Marin County Net County Costs

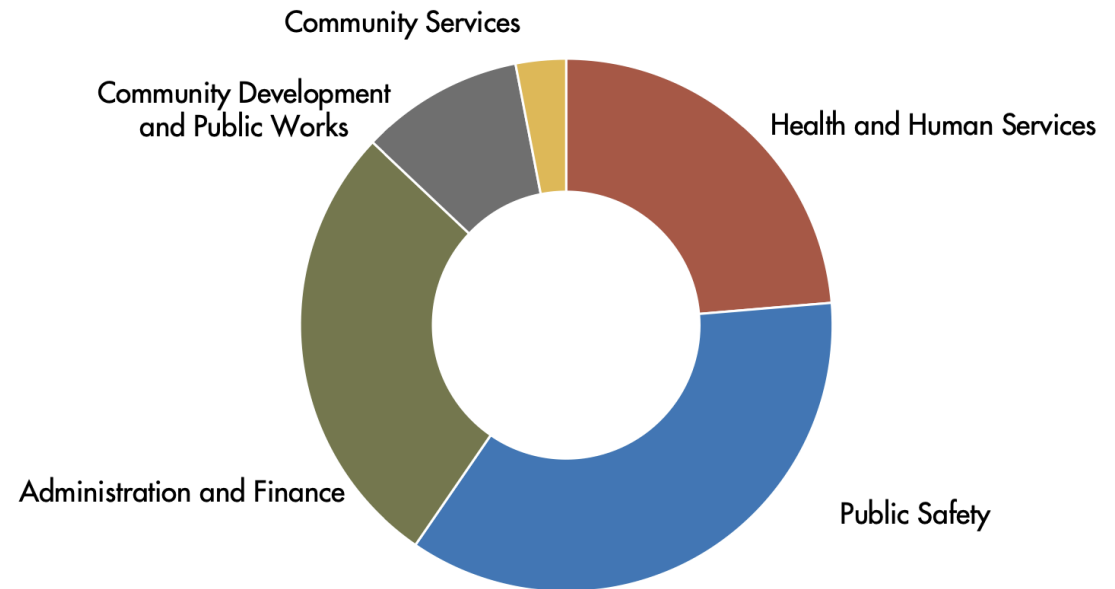
Expenditures by Service Area

ALL FUNDS



Net County Cost by Service Area

GENERAL FUND







# Other Things To Think About



# ASSESSING THE BUDGET LANDSCAPE

- **Cuts or increases in revenue**
- **Valuable programs threatened**
- **Specific competition for annual budget resources**
- **Priorities of decision-makers**



**EXAMPLE:**

Is the cannabis tax increasing? Is it spoken for?



# Fund Balances/reserves

## Purpose

Protect against risk

Cash Flow

## Typical

Basic reserves 2-3 months or 15-25% of appropriations

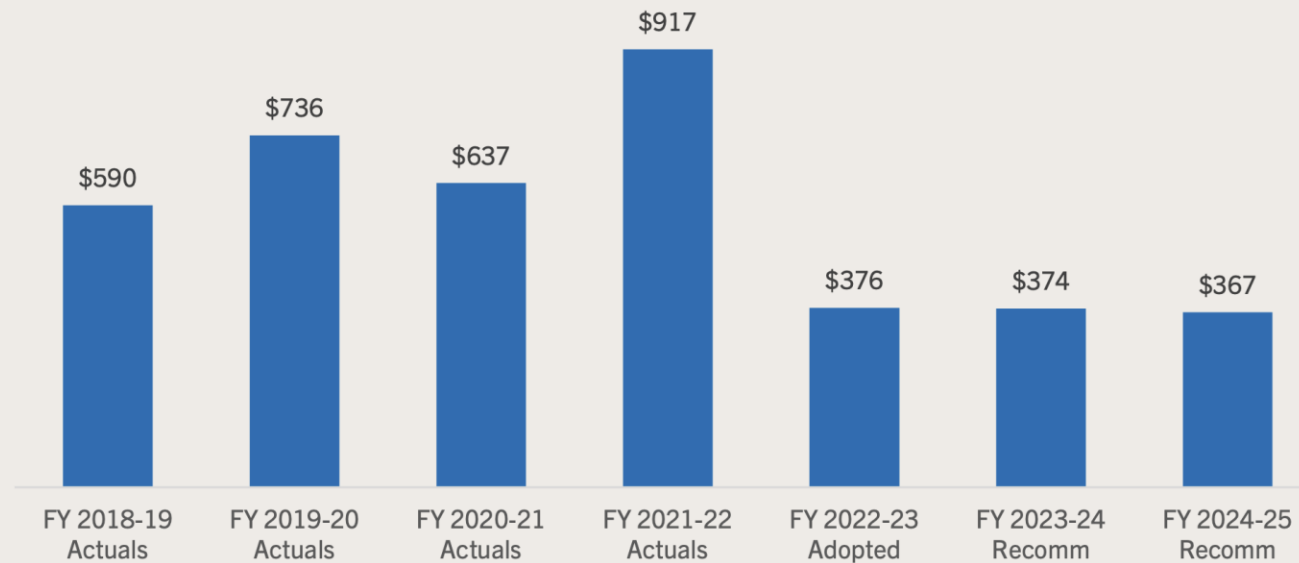
Higher in smaller communities, fewer taxes, fewer customers,  
etc.=higher risk

## Watch for multiple reserves



# San Mateo County Reserves

**General Fund Reserves and Contingencies  
(in Millions)**



*\*Reserves and Contingencies amounts for FY 2022-23 through FY 2024-25 are anticipated to increase by September Revisions.*



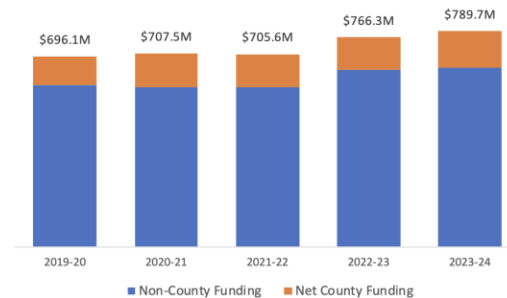
# Alameda County Children's Services

## ALAMEDA COUNTY CHILDREN'S SERVICES BUDGET OVERVIEW

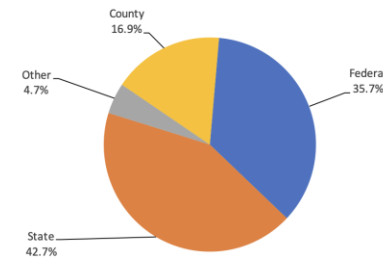
The following summary tables present funding sources and appropriations for Children's Services that are categorized according to the program areas providing services for children in the County: Health Care, Public Assistance, Public Protection, and General Government. Children's Services are also presented by service type and service purpose. For more information visit [budget.acgov.org](http://budget.acgov.org).

### Funding Sources and County Cost

FY 2019-20 through FY 2023-24

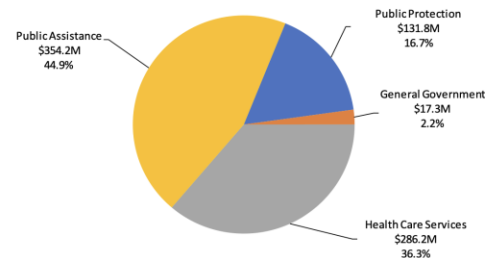


FY 2023-24 Funding Sources

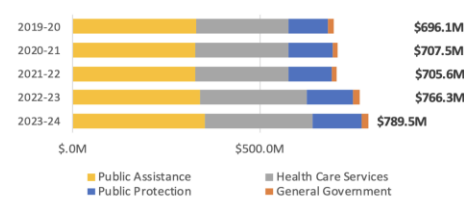


### Appropriations by Program Area

FY 2023-24 Appropriations by Program Area



FY 2019-20 through FY 2023-24

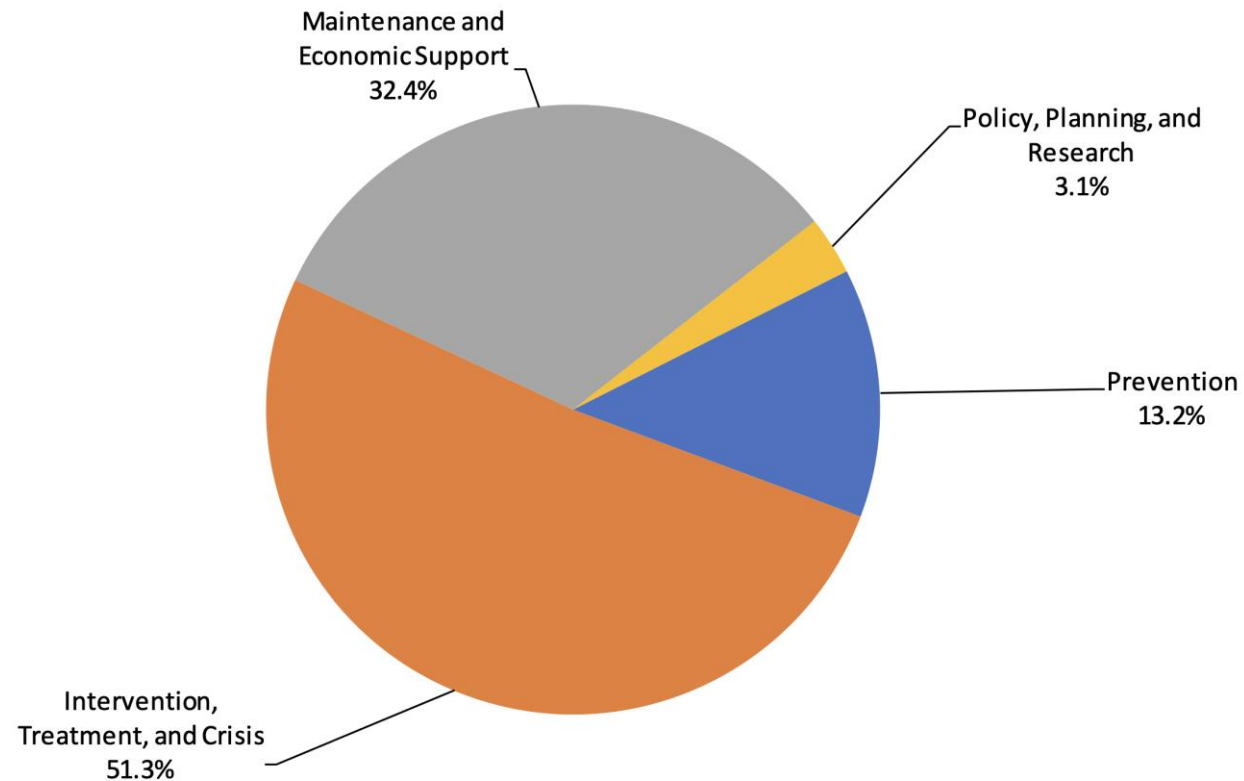






# Alameda County Children's Spending

**APPROPRIATIONS BY SERVICE PURPOSE FY 2023-24**





# First year start-up Budget Issues

- Pilot Projects
  - Get in early or you will be too late. Need to show results in time.
- Partial Year budget
  - Settle for partial budget as long as it is a full budget for a partial period. Then make sure it is “annualized” in the next budget.



# Pension (and Retiree Health Benefits)

Isn't the future at least as important as the past?

We have a legal obligation to our past for retiree pension costs

We have a moral obligation to our future to take care of our kids

