

# FY 2017-19 Budget Hearings Board Inquiry Form

Board Member	
Williams	
Wolf	X
Hartmann	
Adam	
Lavagnino	

Inquiry Number: 34

Department: CEO  
 Date: 6/9/17  
 Page(s) of Budget Book/PowerPoint: Maintenance Funding allocation

**Request/Question:**

Excluding Baseline, please explain how the percentage breakdown of funds below is determined for each Department. Was this a policy decision to allocate such a relatively small percentage to CSD/Parks? What is the expenditure plan for these funds?

**Budget Summary**

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## Maintenance Funding

Maintenance Funding for FY 2017-18 (General Fund Allocations)				
	Public Works	General Services	Comm. Services Department	Maintenance Total
Baseline	\$ 500,000	\$ 1,300,000	\$ 500,000	\$ 2,300,000
18% Maintenance Funding	1,500,000	1,050,000	450,000	\$ 3,000,000
One-Time Maintenance Funds	<u>1,700,000</u> <sup>1</sup>	<u>1,190,000</u> <sup>2</sup>	510,000 <sup>3</sup>	\$ 3,400,000 *
<b>Subtotal</b>	<b>\$ 3,700,000</b>	<b>\$ 3,540,000</b>	<b>\$ 1,460,000</b>	<b>\$ 8,700,000</b>
Funding for Capital Debt Service	-	700,000 <sup>4</sup>	-	700,000 *
	<u>\$ 3,700,000</u>	<u>\$ 4,240,000</u>	<u>\$ 1,460,000</u>	<u>\$ 9,400,000</u>

**Notes**

- <sup>1</sup> Public Works one-time maintenance funds include CEO Recommended Expansions for road maintenance.
- <sup>2</sup> General Services one-time maintenance funds include CEO Recommendations for previously deferred projects and potential emergencies.
- <sup>3</sup> CSD one-time maintenance funds include CEO Recommendations for deferred maintenance and dead or dying tree clearing.
- <sup>4</sup> General Services debt service to support acceleration of capital projects. Proceeds could be used for non-General Services projects.
- \* - Additional FY 2017-18 funding, in excess of policy is \$4,100,000
- Note: Other funding sources provide maintenance funding, but are not shown here. This chart shows only General Fund allocations.

On June 11, 2014, the Board adopted the 18% Maintenance Funding Policy (refer to BIF#2). In part, it states the following:

*As discretionary revenues grow, 18% of the unallocated Discretionary General Fund Revenues will be committed for maintenance needs and will be allocated to Public Works, General Services and Parks in the budget development process based on existing needs and priorities. This funding will be allocated as part of the budget development process.*

For FY 2015-16, the first year of distribution, the percentage breakdown of funds for the 18% Maintenance Funding Policy was 50% for Public Works, 25% for General Services, and 25% for Community Services. For FY 2016-17 the CEO's Office worked with departments during the budget development process to establish the distribution percentage, 50% for Public Works, 35% for General Services, and 15% for Community Services. For FY 2017-18, the distribution percentages are recommended to remain unchanged. However, given the influx of new road maintenance funding as a result of SB1 and the anticipated revamping of the County's CIP process for FY 18/19, the allocation percentages between departments will need to be reviewed as part of the FY 18/19 budget development process.

During the FY 2017-18 Budget Workshops in April, as a Special Issue: Update on Maintenance, Public Works, General Services and CSD identified projects they intended to fund with their pro-rated share (50%, 35%, 15%) of the ongoing \$3.0 million revenue. In addition, each department identified a prioritized list of unfunded projects for their respective department. The allocation of one-time funds above the calculated 18% funding amount will be used by these departments to address their identified high priority projects.