



Fiscal Year 2018-2019 Recommended Budget



Budget Hearing Agenda

1. County Administrator Presentation
2. Department Head Presentations
 - Health Services Director, Anna Roth
 - Employment and Human Services Director, Kathy Gallagher
 - Sheriff, David Livingston
 - District Attorney, Diana Becton
 - Public Defender, Robin Lipetzky
 - Public Works Director, Brian Balbas
3. Open Public Hearing - Public Comment
4. Board Discussion/Action

2017/2018 Achievements

- Hired New Department Heads and Key Staff
 - District Attorney, Diana Becton
 - Public Works Director – Brian Balbas
 - Health Services Director – Anna Roth
 - Chief Assistant County Administrator – Tim Ewell
 - Economic Development Manager – Amalia Cunningham
 - Chief Information Officer (DoIT) – Marc Shorr
- Budget structurally balanced for 7th year in a row, built on assumption of 5% increase in assessed valuations, actual AV was 5.7%
- Maintained our AAA bond rating from Standard & Poor's, Contra Costa County “fundamentally sound, and had a stable outlook for the future”

2017/2018 Achievements

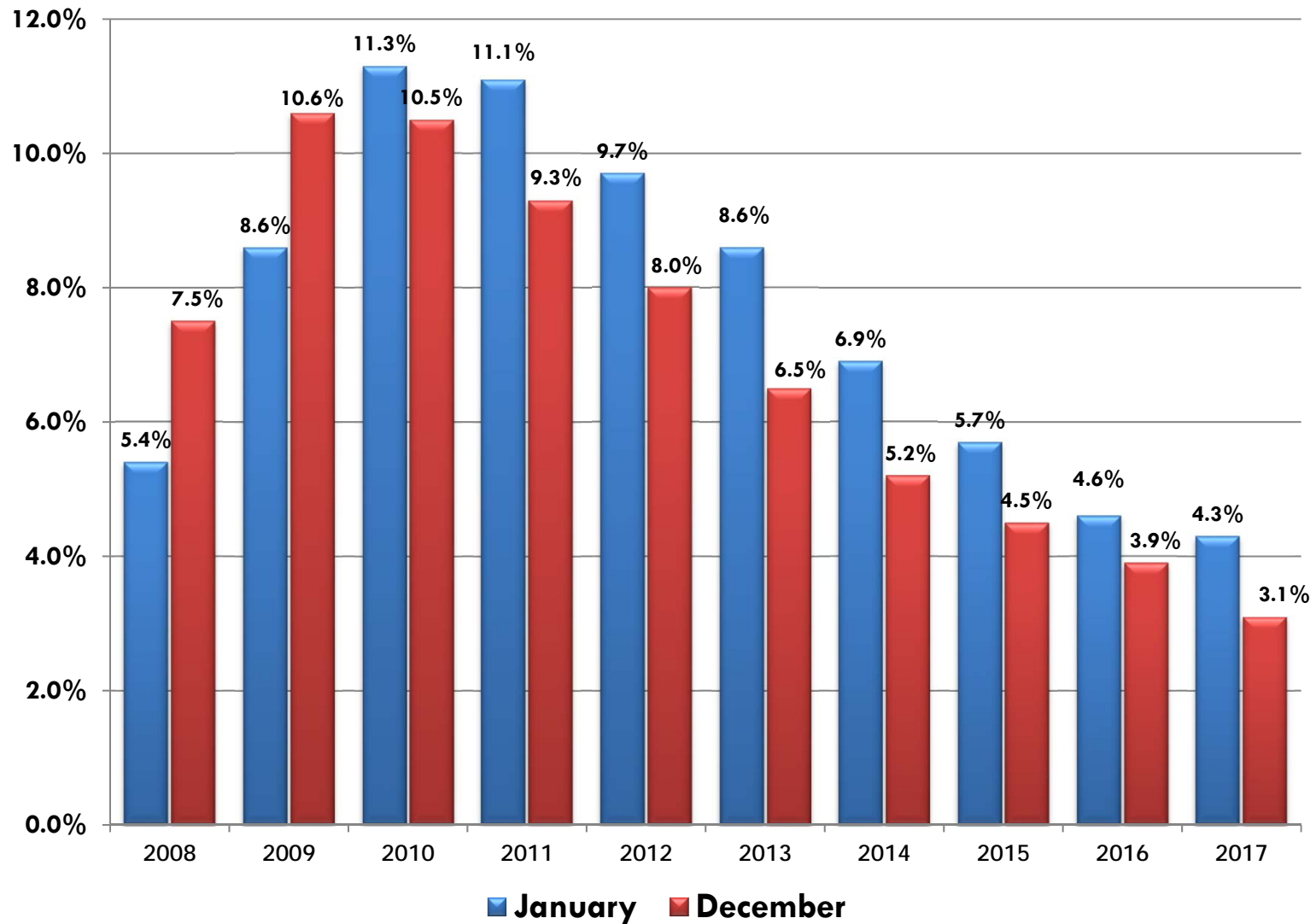
- \$100 million lease revenue bond
 - \$10 million for hospital and clinic system projects.
 - \$90 million to refinance existing debt at historically low interest rates (2.33%, saving more than \$9 million in today's dollars)
- \$100 million lease revenue bond (15 year term at 2.387% interest rate)
 - \$60 million for new County Administration facility, including a structure for additional parking
 - \$40 million for new Emergency Operations Center
- \$70 million grant from the state to replace beds in the Martinez Detention Facility with a new high-security, 416-bed facility on the campus of the West County Detention Facility.
 - Facility will include seven high-security housing units, a reentry services complex, a child/parent contact visitation center and a medical/psychiatric services clinic
 - All of the resources will be available to both men and women

2017/18 Achievements

- Implemented a new voting system in February 2018 to replace the aging system that has been in place since 2004.
- Worked in partnership with the California Community College Foundation and the CalFresh Employment and Training Program to implement the Fresh Success program working with two well-established community partners, Rubicon and Opportunity Junction.
- Contra Costa County and 12 Cities in the County joined the Marin Clean Energy group to provide residents the choice of moving to 50% or 100% renewable energy products. Residents also have the choice to remain with PG & E

State of the Economy

Unemployment 10 Year Comparison



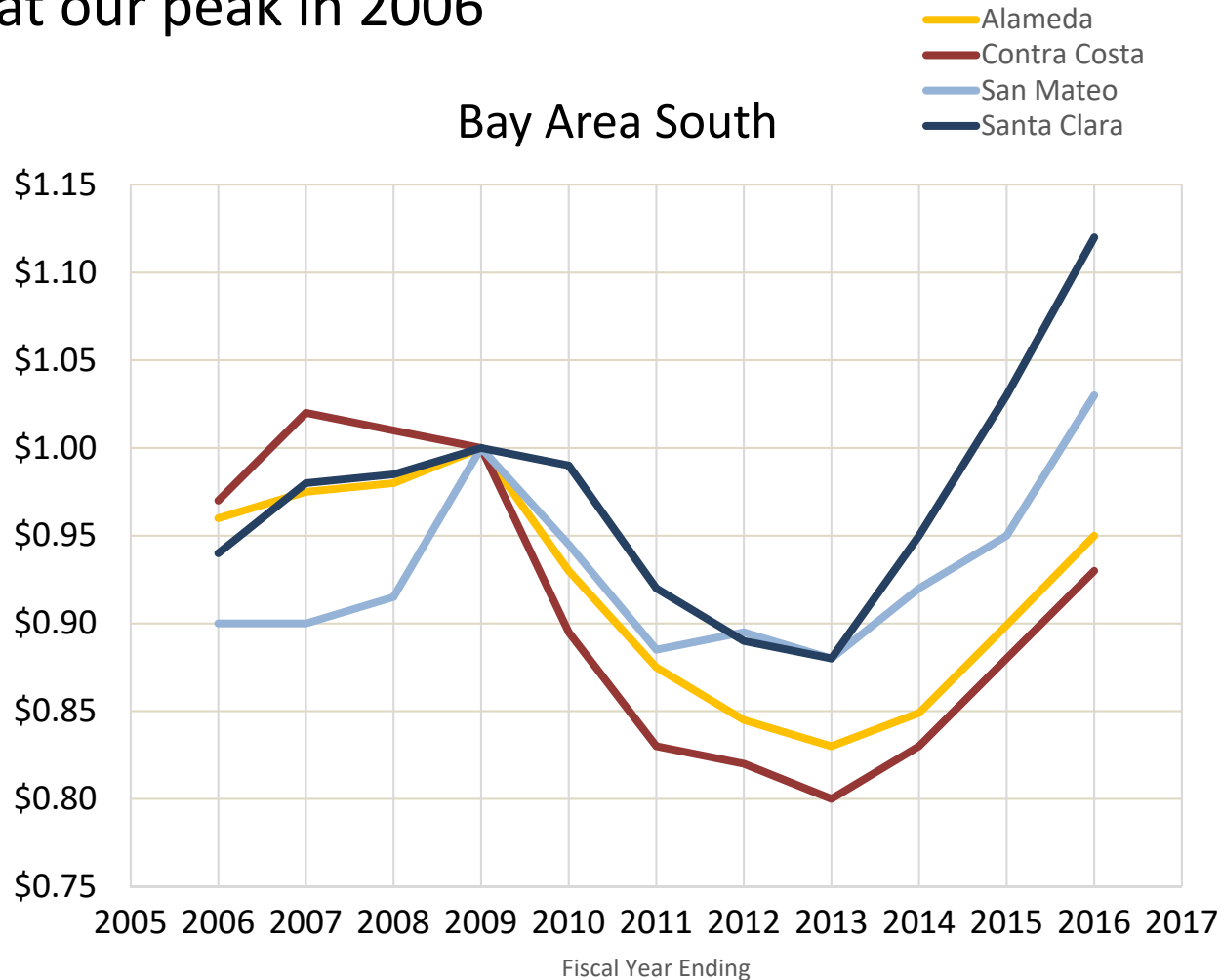
Contra Costa County

- Year-over-year for the three year period between 2009/10 and 2011/12 total Assessed Value declined by a total of 9.5%.
- Over the last six years from 2012/13 to 2017/18 the average increase was 5.34%.
- Shown below is the actual Contra Costa County experience and projected* increase of 5% for FY 2018-19:

| Fiscal Year | Total Value (000s) | Increase/ Decline |
|-------------|-----------------------|----------------------|
| FY 2008-09 | \$163,540,300 | 0.61% |
| FY 2009-10 | \$152,750,587 | -6.60% |
| FY 2010-11 | \$148,639,614 | -2.69% |
| FY 2011-12 | \$148,378,852 | -0.18% |
| FY 2012-13 | \$149,725,374 | 0.91% |
| FY 2013-14 | \$155,211,605 | 3.66% |
| FY 2014-15 | \$168,757,363 | 8.73% |
| FY 2015-16 | \$181,078,591 | 7.30% |
| FY 2016-17 | \$191,705,970 | 5.87% |
| FY 2017-18 | \$202,421,745 | 5.59% |
| FY 2018-19* | \$212,542,832 | 5.00% |

Property Taxes

- In spite of the recovering property tax values, after adjusting for population and inflation, we still have less total tax revenue now than at our peak in 2006



Per Capita and inflation adjusted (CSAC Report)

Departmental Budgeted Cost of Doing Business Increases for Contractors

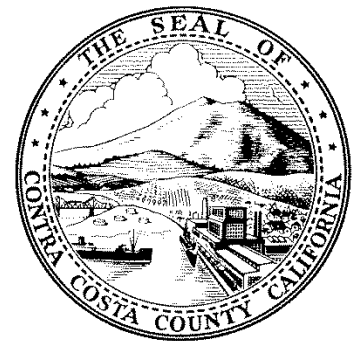
- EHSD – As part of the contract renewal process, the department anticipates a number of contractors will be submitting increase requests. Granting a Cost of Doing Business increase may require that a service level be adjusted downward if funding is not available. Each contract is evaluated independently. Appropriation adjustments may be made when allocations are confirmed in Sept/Oct to accommodate increased requests.
- Health Services – 3% across the Board for all Mental Health community based organization contracts

Contra Costa County Spending on Services Related to Homeless/Mental Health/Housing

Contra Costa County will spend almost \$2.4 Billion on Health and Employment & Human Services in FY 2018/19. That number includes almost \$127 million from the General Fund. It also includes over \$325 million for services related to homeless; mental health; and housing.

| Service | Expenditures | Federal/State/ Grants | General Fund | FTE |
|------------------------|---------------|--------------------------|--------------|-----|
| Homeless | \$49,329,836 | \$38,702,390 | \$10,627,446 | 254 |
| Mental Health | \$247,559,743 | \$218,610,338 | \$28,949,405 | 591 |
| Homeless/Mental Health | \$4,980,398 | \$3,745,118 | \$1,235,280 | 1 |
| Housing | \$23,804,484 | \$22,860,696 | \$943,788 | 37 |

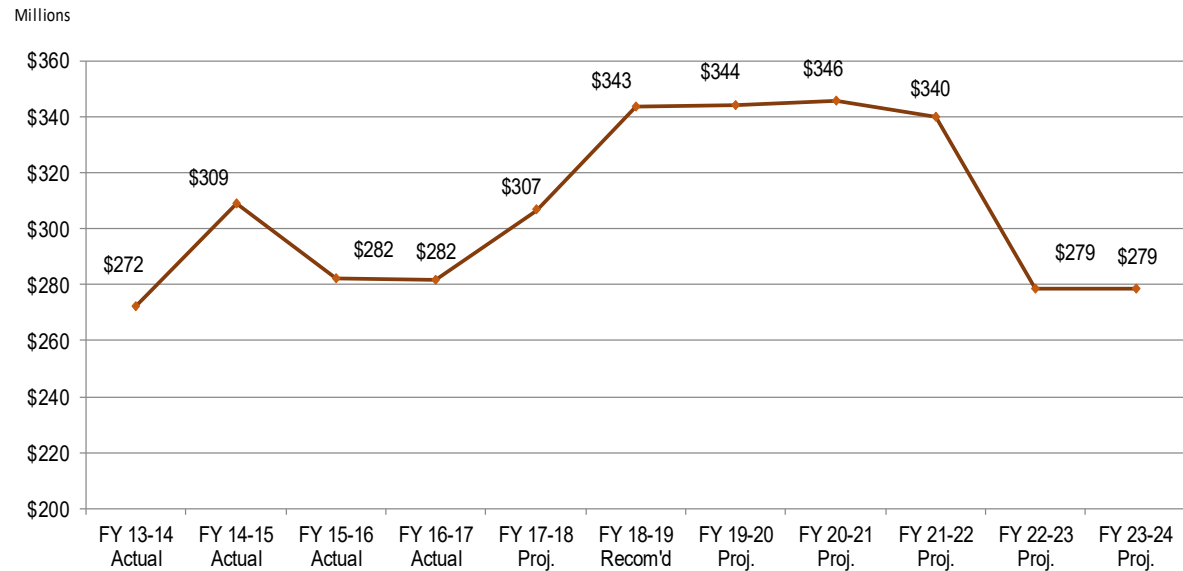
Benefits



Pension Cost Management

- Following carefully
- Monitoring changes by State and CCCERA Board
 - New PEPRA Tiers as of 1/1/2013
 - No extension of amortization
 - No change in 5-year smoothing
 - No change in pooling
 - Assumed rate of return change (7.00%)
- Updates:
 - Negotiated 2% PEPRA COLAs with all bargaining groups
 - FY 2018-19 Recommended Budget - \$343 M
 - FY 2019-20 onward based on Segal data
 - Chart now includes the years after debt service for the County and Fire pension obligation bonds are paid off (June 2022)

Actual and Projected* Retirement Expense



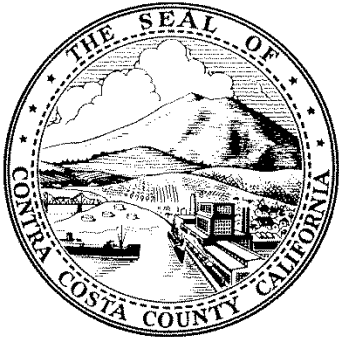
The chart includes four years of actual data, straight-line projection of current year (based on seven months of actual data), Recommended Budget for FY 2018-19, and projection of future years based upon actuarial data provided by CCCERA's actuary (letter dated March 8, 2018).

Assumes we meet the Assumed Rate of Return each year.

OPEB Liability Significantly Reduced due to Board Actions and Collective Bargaining

- The OPEB financing plan includes a \$20 million annual allocation of resources for pre-funding the OPEB liability.
 - The County has included this allocation in each adopted annual budget since FY 2008-2009.
- Health plan changes, caps on County contributions and labor concessions, in addition to annual pre-funding contributions, have assisted in reducing the County's
 - Unfunded Actuarial Accrued Liability (UAAL) by 70.3% since 2006: from \$2.57 billion to \$764.3 million, and
 - the annual required contribution has declined by 58.8% since 2006: from \$216.3 million to \$89.2 million.
- With a Market Value in the trust as of December 31, 2017 in excess of \$254 million, the County has pre-funded approximately 25% of its OPEB obligation.
- The Board's actions have made it possible for the County to continue to provide much needed services, including health services, to County residents including the indigent.

General Fund Reserves



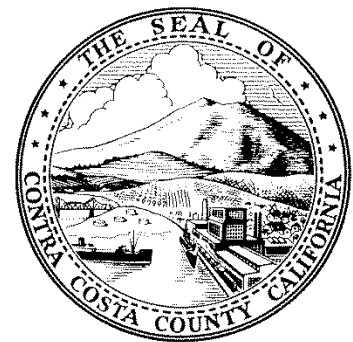
General Fund Reserve Assumptions

- June 30, 2017:
 - Total general fund revenues were \$1,472,133,000 and total fund balance including reserves were \$440,313,000.
 - Total fund balance is 29.91% of total revenue
 - Of the \$440.31 million in reserves
 - \$299.8 million was unassigned
 - \$140.5 million was assigned, committed, restricted or nonspendable
 - Minimum fund balances of 5% and 10% would be \$73.6 million and \$147.2 million respectively. There was \$293.09 million available over the 10% reserve minimum.
- June 30, 2018:
 - It is planned and anticipated that Total General Fund Balance including Reserves will remain stable.
- June 30, 2019:
 - No fund balance use is recommended in FY 2018-19.

Importance of Reserves for Cash Flow

- Although revenues are volatile, expenses (majority for salaries) are quite smooth.
- General Fund Reserve of \$440.3 Million, (\$299.8 Million Unassigned) has eliminated General Fund negative cash flow during the year.
- The General Fund cash balance no longer begins the year with a negative cash balance. The large disbursements for advances, pension pre-pay costs, and accrued expenses are now covered with reserves.
- Historically, cash flow were not positive until the second installment of property tax receipts are received in late spring.

Debt Position/Ratings



County of Contra Costa (County Only)
Outstanding Lease Revenue and Pension Obligation Bonds and True Interest Cost
(as of June 30, 2017)
(\$ in thousands)

| <u>Bond Issues</u> | <u>Date of Issue</u> | <u>Final Maturity Date</u> | <u>Principal Amount Issued</u> | <u>Outstanding Principal</u> | <u>True Interest Cost (%)</u> |
|--|--------------------------|------------------------------------|--|----------------------------------|---------------------------------------|
| <u>Lease Revenue Bond and Obligation Issues (LRBs and LROs):</u> | | | | | |
| 2010 Series A-1 (Capital Project I – Tax Exempt) | 11/16/10 | 06/01/20 | 6,790 | 3,120 | 4.15% ¹ |
| 2010 Series A-2 (Capital Project I – Taxable BABs) | 11/16/10 | 06/01/30 | 13,130 | 13,130 | 4.15% ¹ |
| 2010 Series A-3 (Capital Project I – Taxable RZBs) | 11/16/10 | 06/01/40 | 20,700 | 20,700 | 4.15% ¹ |
| 2010 Series B (Refunding) | 11/16/10 | 06/01/25 | 17,435 | 11,170 | 3.84% |
| 2012 Lease Revenue Obligations | 11/11/12 | 06/01/27 | 13,102 | 9,840 | 2.68% |
| 2015 Series A (Refunding and Capital Projects) | 08/25/15 | 06/01/35 | 19,055 | 17,985 | 3.18% |
| 2015 Series B (Refunding and Capital Projects) | 08/25/15 | 06/01/28 | 52,060 | 45,105 | 2.40% |
| 2017 Series A (Refunding and Capital Projects) | 03/03/17 | 06/01/27 | 99,810 | 99,810 | 2.33% |
| 2017 Series B (Capital Projects) | 05/26/17 | 06/01/32 | 100,285 | 100,285 | 2.39% |
| | | | <u>\$342,367</u> | <u>\$321,145</u> | |
| | | | <i>Total LRBs and LROs</i> | | |
| <u>Pension Obligation Bond Issues (POBs):</u> | | | | | |
| Series 2003 A (Taxable) | 05/01/03 | 06/01/22 | 322,710 | 185,830 | 5.36% |
| | | | <u>\$322,710</u> | <u>\$185,830</u> | |
| | | | <i>Total POBs</i> | | |
| | | | <u>\$665,077</u> | <u>\$506,975</u> | |
| | | | <i>Grand Total</i> | | |

1. The yield shown is the blended TIC for all three indicated series, net of the receipt of federal subsidies of interest cost.

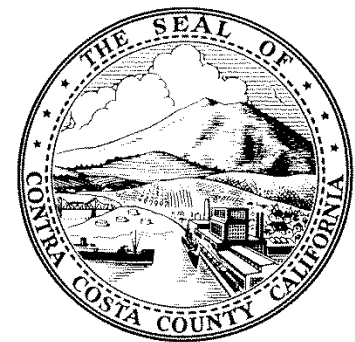
History of Underlying Long-Term Ratings Since 1995

All Ratings are “Stable” Unless Otherwise Noted in Footnotes 4 and 5

| Notes | FY Ending June 30 | Implied General Obligation Bond/Issuer Rating | | Pension Obligation Bond | | Lease Revenue Bond/Certificates of Participation | |
|-------|-------------------|---|-----|-------------------------|-----|--|-----|
| | | Moody's | S&P | Moody's | S&P | Moody's | S&P |
| 1 | 1995 | Aa2 | AA | A1 | AA- | A1 | A+ |
| 2 | 1996 | Aa2 | AA | Aa3 | AA- | A1 | A+ |
| 3 | 2001 | Aa2 | AA | Aa3 | AA- | A1 | AA- |
| 4 | 2006 | Aa3 | AA | A1 | AA- | A2 | AA- |
| 5 | 2007 | Aa3 | AA | A1 | AA- | A2 | AA- |
| 6 | 2010 | Aa2 | AA | Aa3 | AA- | A1 | AA- |
| 7 | 2013 | Aa2 | AA | A1 | AA- | A1 | AA- |
| 8 | 2014 | Aa2 | AAA | A1 | AA+ | A1 | AA+ |
| 9 | 2017 | Aa2 | AAA | A1 | AA+ | Aa3 ⁹ | AA+ |
| 10 | 2018 | Aa2 | AAA | A1 | AAA | Aa3 | AA+ |

1. Municipal bond insurance policies were purchased to allow the ratings to be increased to Aaa (Moody's) and AAA (S&P) on all or portions of all Lease Revenue Bond/COPs issues since FY 1987-88 and on all or portions of all Pension Obligation Bonds since FY 2000-01.
2. Beginning in 1996, Moody's began to rate pension obligation bonds one notch (rather than the previous two notches) lower than the issuer's general obligation bond rating. In addition, Moody's replaced their two-notch per tier system (e.g. Aa1, Aa2) with a three notch per tier system (e.g. Aa1, Aa2, Aa3).
3. Beginning in 2001, S&P began to rate lease obligations one notch (rather than the previous two notches) lower than the issuer's general obligation bond rating.
4. S&P assigned an outlook of "Negative" to the County in November 2005. On December 1, 2005, Moody's downgraded the County one notch and changed the outlook to "Negative".
5. Moody's assigned an outlook of "Stable" to the County in November 2006. In February 2007, S&P changed the outlook to "Stable".
6. The changes in Moody's ratings reflect the recalibration of ratings completed by Moody's in April 2010.
7. February 20, 2013 Moody's downgraded the County's Pension Obligation Bonds to A1 with a "Stable" outlook.
8. December 19, 2013, S&P upgraded the County's ratings for each type of debt.
9. October 6, 2016, Moody's upgraded the County's LRB rating to Aa3.
10. February 23, 2018, Standard & Poor's Global upgraded the County's Pension Obligation Bonds from AA+ to AAA.

Capital/Facility Maintenance Needs



Capital Maintenance Costs

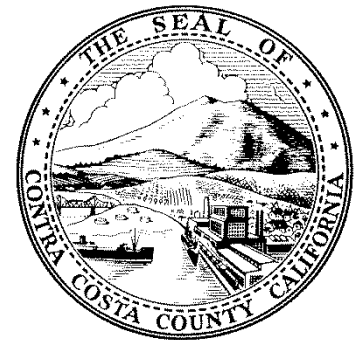
- On March 31, 2015 the Board of Supervisors received an updated comprehensive building condition assessment which identified a total of \$272.2 million in deferred facilities maintenance needs and capital renewal requirements
- The 2007 report had identified \$270.2 Million
- \$5 Million was budgeted in FY 2012/13,
- \$10 Million in each year of FY 2013/14 through FY 2017/18;
- Recommended Budget for FY 2018/19 includes:
 - \$10 million for major capital improvements (one-time monies)
 - \$5 million for plant acquisition, construction and repair
 - \$1.5 million for minor improvements and deferred maintenance when no other funds are available
 - \$2,550,000 to continue to fund facility lifecycle on a by-building cost-per-square foot basis

Capital Improvement Plan

- The budget process includes strategic planning and financing elements for facilities renewal and new construction projects and a comprehensive management program for general government real estate relative to acquisition, use, disposition and maintenance. This element includes funding decisions for maintaining the County's facility assets, allowing the Board of Supervisors to weigh competing funding decisions using credible information.
- In FY 2018-19 the County will begin construction of two significant capital projects, a new 72,000 square foot administration building to replace the existing 651 Pine Street facility and a new 38,000 square foot EOC and administration building for the Sheriff.
- In addition to these two major projects, the County will continue the design and planning for another capital project the West County Re-Entry, Treatment and Replacement Housing Project (WRTH). This project will partially replace space in the older Martinez Detention Facility while increasing the capacity to treat detainees with mental health issues in a more appropriate setting

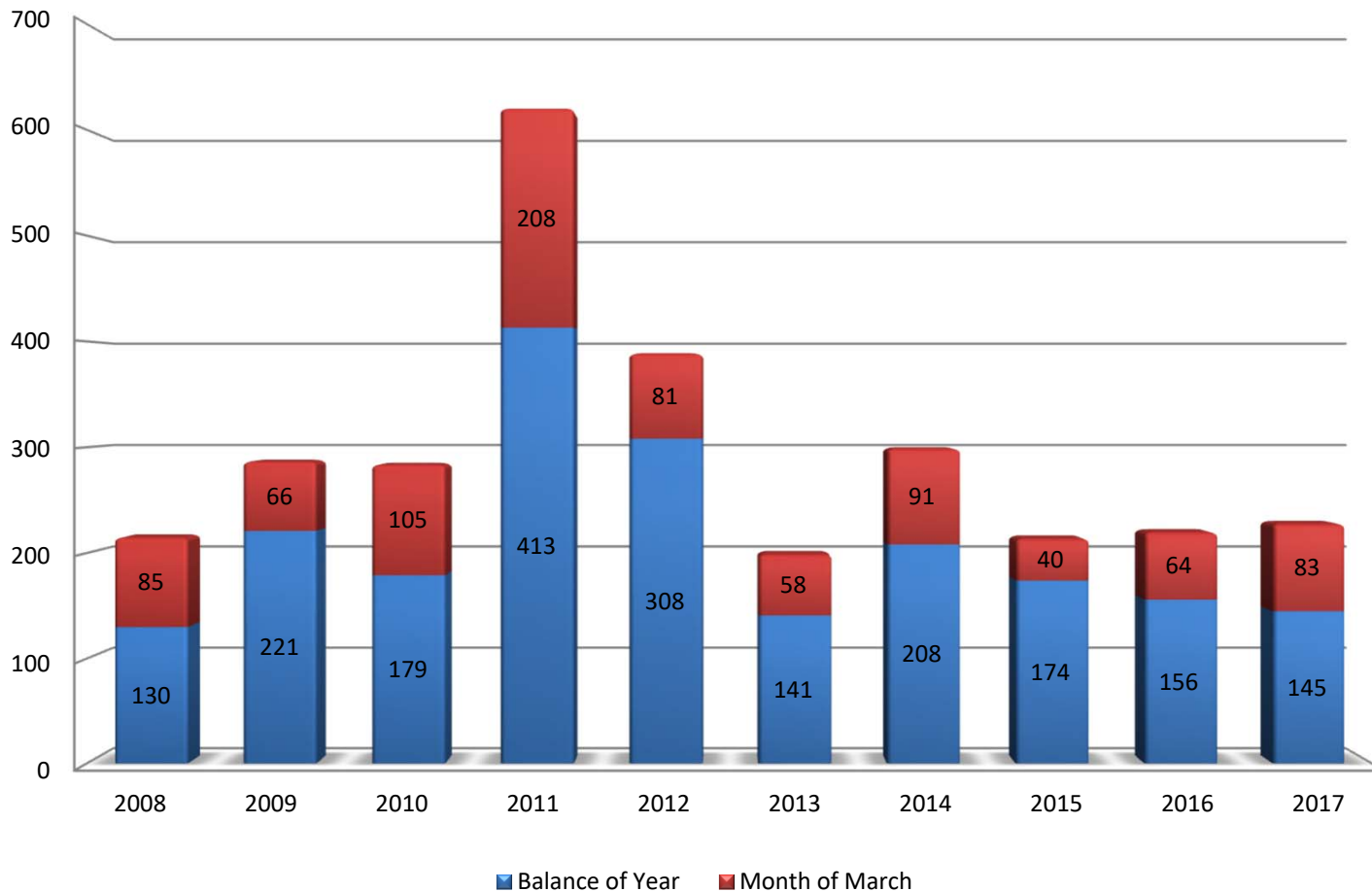


Labor



Retirements

The County continues to carry a number of vacant positions due, in part, to unprecedented numbers of retirements during calendar year 2011 and 2012. The chart below provides the last ten years of retirement history by year and for the month of March. Historically March retirements are the highest because retirees must be retired by April 1 in order to receive a cost-of-living adjustment from the Contra Costa County Employees' Retirement Association.



Net of 12 Additional FTEs Recommended

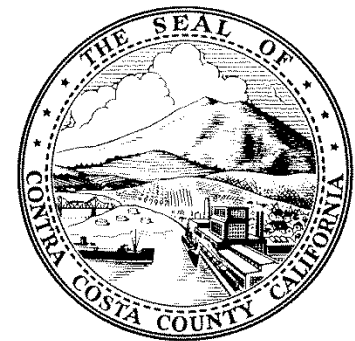
- Agriculture has a decrease of 1 FTE,
- Central Support has a decrease of 1 FTE,
- District Attorney has an increase of 14 FTEs,
- Employment & Human Services decrease of 37 FTEs,
- Health Services increase of 1 FTE,
- Probation increase of 1 FTE,
- Public Defender increase of 8 FTEs,
- Public Works increase of 17 FTEs,
- Sheriff-Coroner decrease of 4 FTEs,
- CCC Fire Protection District and EMS Transport increase of 14 FTEs

| Recommended Budget FTEs Net Add/Delete History | | | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | <u>2010-11</u> | <u>2011-12</u> | <u>2012-13</u> | <u>2013-14</u> | <u>2014-15</u> | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> |
| County | -111 | -138 | -12 | 2 | 4 | 28 | 36 | 58 | -2 |
| CCC Fire | <u>-8</u> | <u>0</u> | <u>0</u> | <u>-18</u> | <u>0</u> | <u>7</u> | <u>14</u> | <u>5</u> | <u>14</u> |
| All County | -119 | -138 | -12 | -16 | 4 | 35 | 50 | 63 | 12 |

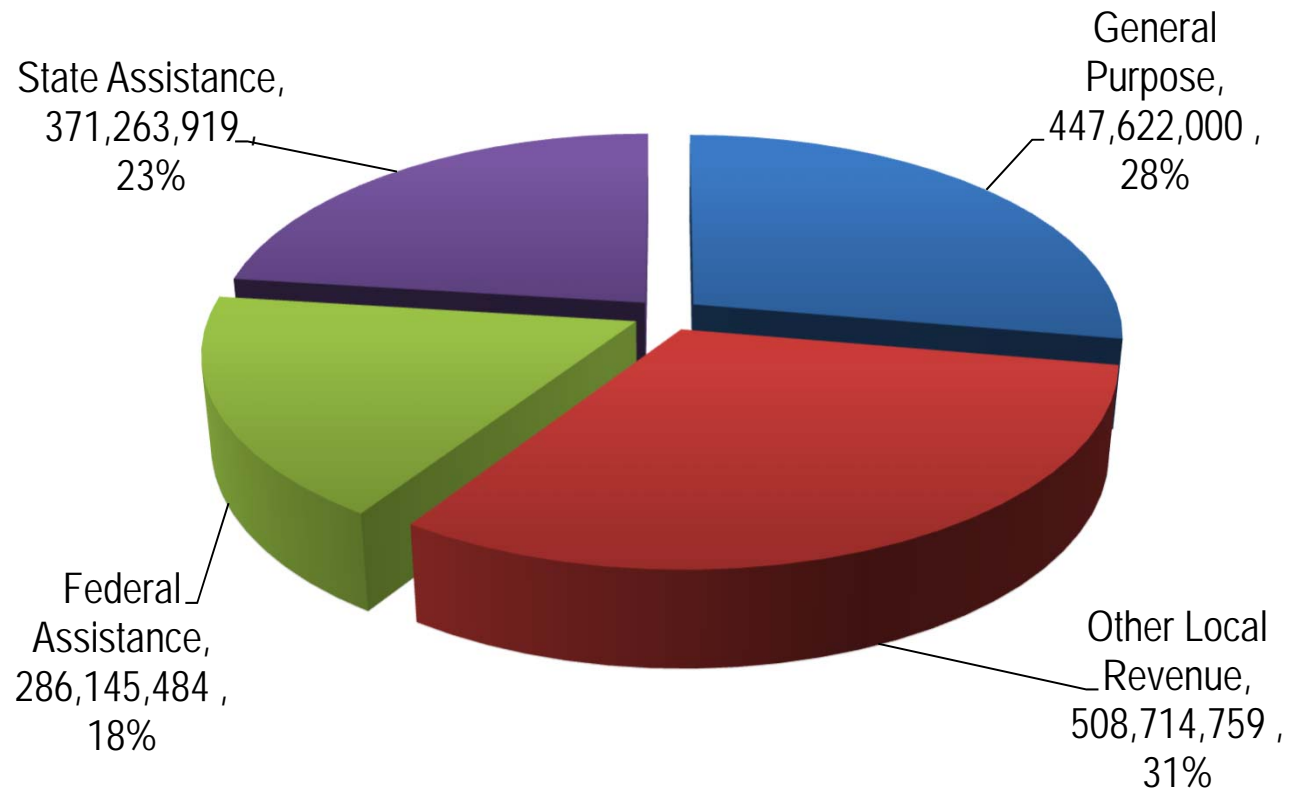
Labor Contracts

| | Total Number | Contract |
|---|-------------------------------|------------------------|
| | of Permanent Employees | Expiration Date |
| <u>Open or Opening in Fiscal Year 2018/19</u> | | |
| California Nurses Association | 1,067 | 5/31/2018 |
| Physicians and Dentists of Contra Costa | 275 | 5/31/2018 |
| CCC Defenders Association | 73 | 6/30/2018 |
| CCC Deputy District Attorneys' Association | 91 | 6/30/2018 |
| IHSS SEIU - 2015 | | 6/30/2018 |
| Open or Opening in Fiscal Year 2018/19 | 1,506 | 16% |
| <u>Settled</u> | | |
| AFSCME Local 2700, United Clerical, Technical and Specialized Employees | 1,590 | 6/30/2019 |
| AFSCME Local 512, Professional and Technical Employees | 241 | 6/30/2019 |
| Deputy Sheriff's Association, Mgmt Unit and Rank and File Unit | 839 | 6/30/2019 |
| Deputy Sheriff's Association, Probation Peace Officers Association | 243 | 6/30/2019 |
| District Attorney Investigator's Association | 16 | 6/30/2019 |
| IAFF Local 1230 | 300 | 6/30/2020 |
| Professional & Technical Engineers – Local 21, AFL-CIO | 1,065 | 6/30/2019 |
| Public Employees Union, Local One & FACS Site Supervisor Unit | 556 | 6/30/2019 |
| SEIU Local 1021, Rank and File and Service Line Supervisors Units | 886 | 6/30/2019 |
| Teamsters, Local 856 | 1,707 | 6/30/2019 |
| United Chief Officers' Association | 12 | 6/30/2020 |
| Western Council of Engineers | 26 | 6/30/2019 |
| Management Classified & Exempt & Management Project | 421 | n/a |
| Total | 7,902 | 84% |

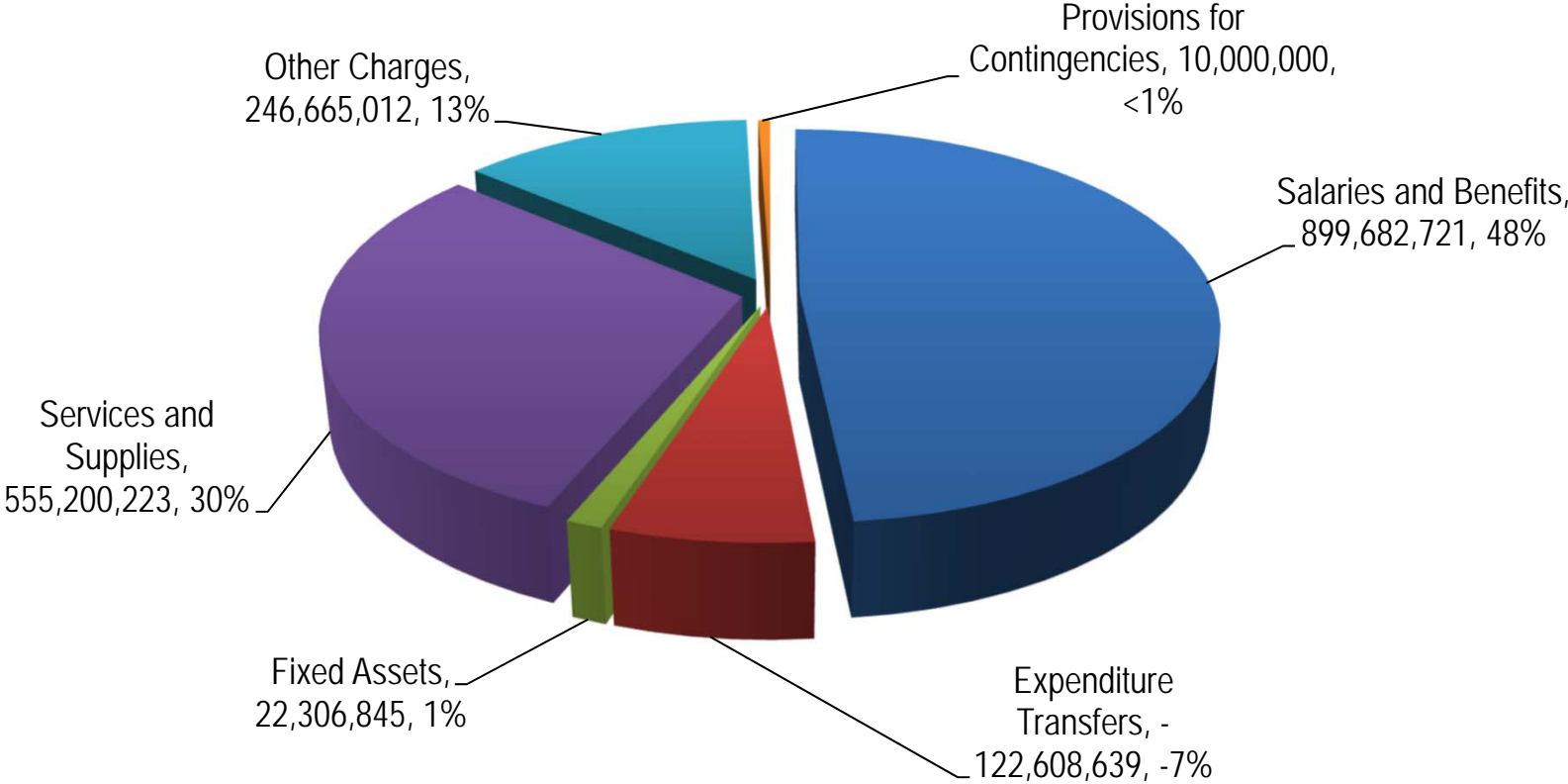
Budget and Financial Performance



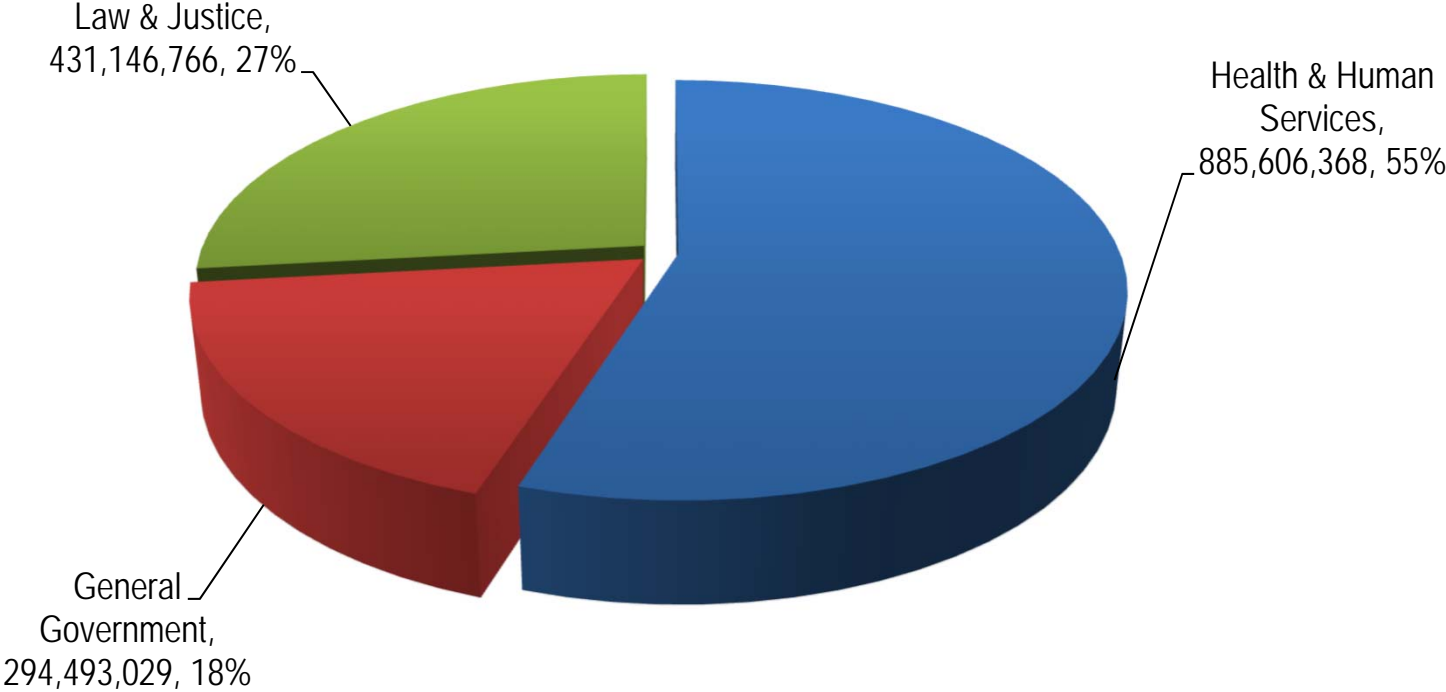
Total General Fund Revenue \$1.613 Billion



Total General Fund Expenditures \$1.611 Billion



Distribution of General Fund Expenditures



Ranking of Department Share of General Purpose Revenue

| | 2018-19 Baseline | Share of Total | 2018-19 Recommended | Share of Total | |
|-------------------------------------|---------------------|-------------------|------------------------|-------------------|----|
| Health Services | 96,505,000 | 21.2% | 96,505,000 | 21.6% | 81 |
| Sheriff-Coroner | 95,074,465 | 20.9% | 90,350,000 | 20.2% | |
| Probation | 47,339,690 | 10.4% | 46,300,000 | 10.3% | |
| Public Works | 26,917,000 | 5.9% | 26,973,000 | 6.0% | |
| Employment and Human Services | 28,904,086 | 6.4% | 26,910,000 | 6.0% | |
| Public Defender | 23,465,594 | 5.2% | 23,932,000 | 5.3% | |
| District Attorney | 19,543,308 | 4.3% | 20,550,000 | 4.6% | |
| Capital Improvements | 16,500,000 | 3.6% | 16,500,000 | 3.7% | |
| Assessor | 17,025,202 | 3.7% | 16,000,000 | 3.6% | |
| Superior Court Related Functions | 12,225,000 | 2.7% | 12,225,000 | 2.7% | |
| Contingency Reserve | 10,000,000 | 2.2% | 10,000,000 | 2.2% | |
| Board Of Supervisors | 7,235,694 | 1.6% | 7,270,000 | 1.6% | |
| County Administrator | 7,060,000 | 1.6% | 7,060,000 | 1.6% | |
| Central Support Services: | 7,013,866 | 1.5% | 6,891,000 | 1.5% | |
| Employee/Retiree Benefits | 5,500,000 | 1.2% | 5,500,000 | 1.2% | |
| Conflict Defense Services | 5,007,000 | 1.1% | 5,007,000 | 1.1% | |
| Clerk-Recorder Elections | 5,000,000 | 1.1% | 5,000,000 | 1.1% | |
| Animal Services | 4,699,000 | 1.0% | 4,699,000 | 1.0% | |
| Auditor-Controller | 4,158,000 | 0.9% | 4,158,000 | 0.9% | |
| Human Resources | 3,511,000 | 0.8% | 3,511,000 | 0.8% | |
| County Counsel | 3,022,053 | 0.7% | 3,000,000 | 0.7% | |
| Agriculture-Weights/Measures | 2,647,101 | 0.6% | 2,531,000 | 0.6% | |
| Treasurer-Tax Collector | 2,403,000 | 0.5% | 2,403,000 | 0.5% | |
| Justice System Development/Planning | 1,790,000 | 0.4% | 1,790,000 | 0.4% | |
| Veterans Service | 1,117,000 | 0.2% | 1,117,000 | 0.2% | |
| Conservation & Development | 785,000 | 0.2% | 785,000 | 0.2% | |
| Crockett-Rodeo Revenues | 560,000 | 0.1% | 560,000 | 0.1% | |
| Dept Of Information Technology: | 95,000 | <0.1% | 95,000 | <0.1% | |
| | 455,103,059 | 100.0% | 447,622,000 | 100.0% | |

Reasons for Optimism

Positive Economic Outlook

- State revenues up
- State Budget reasonably stable
- Affordable Care Act intact for now
- AV revenue up 5.78% for FY 2017/18
- Projecting 5.0% growth in AV revenue in 2018/19

Positive County Results

- Budget structurally balanced for seventh year in a row
- OPEB managed
- Have begun pre-funding infrastructure needs
- Standard & Poor's Rating Increase to AAA in 2013 (reaffirmed 2015)
- Moody's Rating increased for Lease Revenue Bonds to Aa3 (from A1) in 2016
- Final Pension Obligation Bond Matures 6/1/2022 (\$47,382,000)

Reasons for Concern/Potential Costs

- Current Administration in Washington likely to reduce funding to States and Counties
- Cumulative effect of wage increases will exceed projected revenues and will stress future year budgets
- Finance & Tax Systems Replacement - \$12-15 M (each)
- Additional funding requests from Departments and the public in the next few years are likely to be more than can be provided from current and projected revenue sources
- In-Home Supportive Services - Maintenance of Effort scheduled to increase by \$5.3 M over the next 4 years
- SB 1 Repeal Effort likely to make it to the November Ballot

Issues for Further Consideration

HEALTH DEPARTMENT

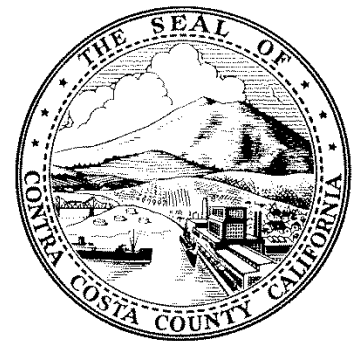
- Contra Costa Cares provides primary care services to adults not covered by the Affordable Care Act (ACA)
- The Department's Budget includes \$750,000 for Contra Costa Cares that will be matched by area hospitals or Community Organizations

Reasons for Concern/Potential Costs

Health Department:

- The Current Federal Administration continues to propose to replace the Affordable Care Act (ACA) but has not been able to present a workable plan
- Governor's Budget does not propose any reduction in Affordable Care Act (ACA) Funding
- The Health Department projects that total repeal could impact 72,000 people currently enrolled in our Medi-Cal expansion and negatively impact the Department's budget by \$90 M

Contra Costa County Fire Protection



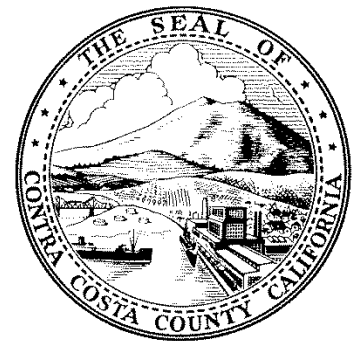
CCC Fire Protection District

- **Reasons for optimism**
 - Settled with Local 1230 and UCOA through 2021
 - Employer share of pension costs stable
 - “Alliance” Transport program stable. Revenue exceeding projections
 - Station 16 (Lafayette) and 70 (san Pablo) Projects close to breaking ground following years of planning
- **Reasons for concern**
 - Property tax revenue increases slowing
 - Cost of labor contracts
 - \$8.7 million in 18/19 (total three year cost of \$23.3 million)
 - Continued financial strains and unknowns on
 - Debt service payments increasing approx. \$700k/year through 2022
 - Pension Obligation Bonds paid off 2022/23
 - Additional staffing for Station 1 (Walnut Creek) and future staffing of Station 16 (Lafayette) once constructed

CCC Fire Protection District

- **FY 2018-19 Recommended Budget Summary**
 - Balanced assuming 5% increase in property tax revenue
 - Begins funding goal of 50% reserve for Alliance program with \$2.8 million reserve contribution
 - Increases staffing in the Fire Suppression and EMS Transport operations
 - **Net increase of 10 FTEs to ConFire**, including nine (9) Firefighter-Recruits in early 2019 in anticipation of opening Station 16
 - **Net Increase of 4 FTEs to EMS Transport Fund**, including one (1) Assistant Fire Chief to supervise dispatch and one (1) Fire Captain to staff Helicopter Operations in partnership with the Sheriff's Office

Recommendations



Recommended Budget Actions

1. OPEN and CONDUCT a public hearing to receive input on the FY 2018-19 Recommended Budget;
2. ACKNOWLEDGE that significant economic issues will continue to challenge the Board of Supervisors in its effort to finance services and programs which Contra Costa County residents need, or expect will be provided to them;
3. ACKNOWLEDGE that wage and benefit increases when coupled with the lack of increased funding from the State and Federal Governments will challenge the County's ability to deliver essential services to our residents;
4. DIRECT the County Administrator to continue to meet with the County's union representatives and employees to explain the size, scope and anticipated length of the County's fiscal challenges and to gain their input/suggestions;
5. DIRECT the County Administrator to continue to make this information readily available to the residents of the County;
6. ACKNOWLEDGE that the Recommended Budget does not include any funding changes that may occur in the State of California's 2018-19 fiscal year budget or in the manner in which the Medi-Cal Waiver is implemented and these two events may have an unknown impact on the drawdown of federal funds for services and facilities;
7. RE-AFFIRM the Board of Supervisors' policy prohibiting the use of County General Purpose Revenue to back-fill State revenue cuts;

Recommended Budget Actions

8. ACKNOWLEDGE that retirement expenses are expected to decrease in the short run, but are likely to increase in future years should market returns not meet or exceed the Assumed Rate of Return;
9. ACKNOWLEDGE that the Recommended Budget balances annual estimated expenditures with estimated revenues in FY 2018-19, and is both technically and structurally balanced;
10. ACKNOWLEDGE that the Recommended Budget includes a specific appropriation for contingency, and that the Board also maintains its ability to manage General Fund contingencies during the fiscal year by use of reserve funds set aside for that purpose;
11. ACKNOWLEDGE that any restoration of any recommended program reductions will require an equivalent reduction in funds from other County priorities in order to adhere to our balanced budget policy;
12. ACKNOWLEDGE that continuing to build the County's reserves, maintaining an improved credit rating, and maintenance of the County's physical assets remain a priority of the Board of Supervisors over the long term;
13. DIRECT the County Administrator to prepare for Board adoption on May 08, 2018, the FY 2018-19 County and Special District Budgets, as modified, to incorporate any changes directed by the Board during these public hearings; and
14. DIRECT the County Administrator to prepare for consideration by the Board of Supervisors on May 8, 2018, position additions and eliminations necessary to carry out Board action on the Recommended Budget.

Budget Hearing Agenda

1. County Administrator Presentation
2. Department Head Presentations
 - Health Services Director, Anna Roth
 - Employment and Human Services Director, Kathy Gallagher
 - Sheriff, David Livingston
 - District Attorney, Diana Becton
 - Public Defender, Robin Lipetzky
 - Public Works Director, Brian Balbas
3. Open Public Hearing - Public Comment
4. Board Discussion/Action

“The next Governor is going to be on the cliff What’s out there is darkness, uncertainty, decline, and recession. So, good luck, baby!”

(Governor Brown as quoted in the New Yorker, March 26, 2018)



Contra Costa County

Mission

Contra Costa County is dedicated to providing public services which improve the **quality of life** of our residents and the economic viability of our businesses.

Vision

Contra Costa County is recognized as a **world-class service organization** where innovation and partnerships merge to enable our residents to enjoy a safe, healthy and prosperous life.

Values

Contra Costa County **serves people,** businesses and communities. Our organization and each one of our employees value:

- Clients and communities
- Partnerships
- Quality Services
- Accountability
- Fiscal prudence
- Organizational excellence

