



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: County Executive Office
Department No.: 012
For Agenda Of: May 22, 2007
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director(s) Michael F. Brown, County Executive Officer
Contact Info: Ken A. Masuda, Assistant County Executive Officer (x3411)
SUBJECT: Fiscal Year 2007-08 Proposed Operating Plan and Budget

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

That the Board of Supervisors Receive the Fiscal Year 2007-08 Proposed Operating Plan and Budget for Santa Barbara County.

Summary Text:

The Fiscal Year 2007-08 Proposed Operating Plan and Budget is hereby submitted to the Board of Supervisors. Budget hearings are scheduled for the week of June 11-15, 2007.

Background:

The FY 2007-08 Recommended Expenditure budget for all funds totals \$757.9 million, an increase of \$41.3 million, or 5.8% more than the amount in the Adopted FY 2006-07 budget. The recommended budget includes \$42.7 million designated for future use. This brings Total Uses to \$800.6 million for FY 2007-08.

Staffing levels in the Proposed FY 2007-08 Operating Plan and Budget are 4,351 Full Time Equivalent (FTE) positions. This is an increase of 45 FTE compared with 4,306 in the FY 2006-07 Adopted budget.

(Dollars in Millions)	2005-06 Actual	2006-07 Adopted	2006-07 Estimated	2007-08 Recommended
Total Expenditures	\$641.9	\$716.6	\$717.4	\$757.9
Designated for Future Use	\$68.8	\$56.0	\$69.6	\$42.7
Total Uses	\$710.7	\$772.6	\$787.0	\$800.6
Staffing FTEs	4,155	4,306	4,260	4,351

The FY 2007-08 Recommended Budget includes Capital Budget appropriations of \$81.8 million for capital improvements, equipment, and other capital projects. The FY 2007-08 Capital Budget was presented to the Board of Supervisors on April 3, 2007 as part of the FY 2007-12 Capital Improvement Program. The Proposed Budget includes the use of \$7.0 million in discretionary funds for new capital projects and \$2.5 million for deferred maintenance.

The proposed budget includes another year of contributions to the Capital Designation, Deferred Maintenance program, and Road Designation. \$620,000 is allocated to the Capital Designation bringing the total designation to \$11.55 million. This designation provides one-time funds to support capital projects depicted in the chart below (which also includes an unallocated amount of \$0.5 million).

Capital Designation

Dollars in Millions	Prior Year	2006-07 Adopted	Transfer to Capital Fund	2006-07 Estimated	2007-08 Recommended	Designation Total (7/1/07)
New County Jail	\$2.0	\$0.0	\$0.0	\$2.0	\$0.0	\$2.0
New Cuyama facility	\$0.0	\$2.0	\$0.3	\$1.8	\$0.0	\$1.8
Emergency Operations Ctr	\$0.0	\$7.2	\$0.5	\$6.7	\$0.0	\$6.7
Public Defender remodel	\$0.5	\$1.0	\$0.9	\$0.6	\$0.0	\$0.6
ADMHS Children's Center	\$0.0	\$0.0	\$0.12	-\$0.12	\$0.12	\$0.0
Unallocated	\$0.0	\$0.0	\$0.0	\$0.0	\$0.5	\$0.5
Total Annual Designation	\$2.5	\$10.2	\$1.77	\$10.93	\$0.62	\$11.6

Two million dollars is allocated to the Deferred Maintenance program which provides \$1.5 million for deferred county building maintenance and \$500,000 million for deferred park maintenance. An additional \$500,000 is allocated to the Road Designation as a discretionary designation, separate from matching fund requirements, for maintenance of local roads. A list of projects funded from the Deferred Maintenance program and Road Designation, referenced by CIP page number, is shown in Attachment "A."

The proposed budget also includes a \$1 million appropriation to the Strategic Reserve which increases the reserve to \$26 million, including the \$1 million loan to ADMHS for settlement of a State audit. The \$1 million appropriation is the first year contribution to the 5 year strategy to meet the new goal of \$30 million by 2012.

Budget Hearings are scheduled to begin at 9:00 a.m. on Monday, June 11, with a one-hour presentation by the County Executive Office highlighting the major dollar allocations and issues in the FY 2007-08 Proposed Budget. Board discussions and departmental budget presentations are scheduled for Monday, June 11 and Wednesday, June 13 with final determinations and adoption scheduled for Friday, June 15. In line

with past practice, Budget Hearings will be noticed for the week of June 11-15 and, to be prudent, the week of June 18-22 in the event additional time is needed.

The Proposed Budget will be available to libraries and public agencies by Tuesday, May 22, 2007 and will be posted on the County's website at <http://www.countyofsb.org/cao/budgetresearch/budget0708>. Budget hearings and availability of the FY 2007-08 Proposed Budget will be noticed on Sunday, May 27, 2007 in the Santa Barbara News Press, Lompoc Record, and the Santa Maria Times.

In order to efficiently manage the Board's agenda, a list of on-going grants and contracts, by department, will be presented at budget hearings with a recommendation that the Board approve, as a group, their renewal for FY 2007-08. However, changes in contract scope or in amounts that exceed 10% (unless the dollar amount of change is under \$5,000), of on-going grants and contracts, as well as **new** grants and contracts requested by departments, must be presented to the Board for approval.

Responding to Board Questions. Members of the Board of Supervisors may have questions which the County Executive Office (CEO) can answer prior to Budget Hearings. A form (Attachment B) has been included with this letter to facilitate such inquiries between now and the start of Budget Hearings on June 11. Additional copies of the form will be available in the CEO's and Board's offices.

Fiscal and Facilities Impacts:

As indicated in the FY 2007-08 Proposed Budget.

Special Instructions: The Clerk of the Board is requested to notice the budget hearings and availability of the FY 2007-08 Proposed Budget in the Santa Barbara News Press, Lompoc Record, and Santa Maria Times on Sunday, May 27, 2007.

Attachments:

- A: FY 2007-08 Deferred Maintenance and Road Designation Funding
- B: Board Inquiry Form
- C: Notice of Public Hearing

Authored by:

Zandra Cholmondeley, Principal Administrative Analyst (x3261)
Jason Stilwell, Project Manager (x3413)

Attachment “A”

**FY 2007-08 Deferred Maintenance and Road Designation funding
\$2.500 million in new discretionary General Fund allocations**

Department	Funding Source	Project Title	FY 2007-08 (in thousands)			
			CIP Page #	Carry-Over	*New	Total
Parks	GF Capital Maintenance Designation	Polecraft Fence Replacement - South County	B-102	\$0	\$25	\$25
Parks	GF Capital Maintenance Designation	Goleta Beach Pier	B-95	\$0	\$35	\$35
Parks	GF Capital Maintenance Designation	Cachuma Lake Recreation Area Improvements	B-93	\$0	\$50	\$50
Parks	GF Capital Maintenance Designation	Play Equipment Replacement North County	B-98	\$0	\$55	\$55
Parks	GF Capital Maintenance Designation	Arroyo Burro Beach Park Improvements	B-65	\$0	\$60	\$60
Parks	GF Capital Maintenance Designation	Santa Barbara County Parks Paving Program	B-103	\$0	\$75	\$75
Parks	GF Capital Maintenance Designation	Waller Park Pond Improvements	B-92	\$0	\$100	\$100
Parks	GF Capital Maintenance Designation	Santa Barbara County Parks Restroom Rehabilitation	B-100	\$0	\$100	\$100
General Services	GF Capital Maintenance Designation	Building Maintenance Projects Minor (Under \$100,000)	B-242	\$0	\$250	\$250
General Services	GF Capital Maintenance Designation	Building Maintenance Projects Major (\$100,000 or More)	B-237	\$0	\$1,250	\$1,250
Public Works	GF Road Designation	Prev Maint- 5 Year Countywide Concrete Program	B-114	\$0	\$150	\$150
Public Works	GF Road Designation	Prev Maint- 5 Year Countywide Surface Treatment Program	B-115	\$0	\$350	\$350
TOTAL				\$0	\$2,500	\$2,500

Attachment "B"

Board Inquiry Form

Board Member	
Carbajal	
Wolf	
Firestone	
Gray	
Centeno	

Department:

Date:

Budget Page(s):

**Request/
Question:**

Report Back by:

Response:

PUBLIC NOTICE

**NOTICE OF PUBLIC HEARING
SANTA BARBARA COUNTY
PROPOSED BUDGET FOR THE 2007-2008 FISCAL YEAR**

Notice is hereby given that on Monday, June 11, 2007, at 9:00 a.m. in the Board of Supervisors' Hearing Room, Fourth Floor, County Administration Building, 105 East Anapamu Street, Santa Barbara, California, the Board of Supervisors will meet for the purpose of conducting Public Hearings on the County's Proposed Budget for 2007-2008. The Proposed Budget includes the County's General Operational Budget as well as budgets of special districts governed by the Board of Supervisors.

The hearings are scheduled for June 11 and 13 with the Board of Supervisors' final determination scheduled for Friday, June 15, 2007; however, the Board may choose to extend the hearings through June 22, 2007. A tentative daily schedule is available at the County Executive Office, 105 East Anapamu Street, Room 406, Santa Barbara, California; however, individual times on that schedule are subject to change.

Any interested person may submit written comments and may appear and be heard regarding any item included in the proposed budgets and/or for the purpose of requesting the inclusion of additional items before and/or during the hearings. The Board will receive staff's recommended final budget changes which will be available for public review at least 72 hours before the Board takes final action on them.

In compliance with the Americans with Disabilities Act, persons needing special assistance to participate in these hearings, may contact the Clerk of the Board at (805) 568-2240. Notification at least 48 hours prior to the meeting will enable the Clerk to make reasonable arrangements.

A copy of the 2007-2008 Proposed Budget is available for public review at the Clerk of the Board office, 105 East Anapamu Street, Room 407, Santa Barbara, California, between 8:00 a.m. and 5:00 p.m., weekdays. Copies are also available at the County's Third District office at 1745 Mission Drive, Suite B, Solvang; the Fourth District office at 401 East Cypress Avenue, Lompoc; and the Fifth District office at 511 East Lakeside Parkway, Santa Maria. Additional copies of the 2007-2008 Proposed Budget are available for public review at all main libraries during library operating hours

Questions may be directed to the County Executive Office at (805) 568-3400.

Witness my hand and seal this _____ day of _____ 2007.

Michael F. Brown
CLERK OF THE BOARD OF SUPERVISORS

By _____
Board Assistant