

**SUMMARY**

	Fiscal Year 2011-12 Final Budget	Fiscal Year 2012-13 Adopted Budget	Fiscal Year 2012-13 Modified Budget	Fiscal Year 2013-14 Recommended Budget
<b><u>Requirements</u></b>				
Staffing Expenses	1,452,862,787	1,603,588,346	1,589,438,667	1,640,047,739
Operating Expenses	1,781,588,639	2,029,422,381	2,111,986,026	2,099,598,404
Capital Expenditures	300,711,446	265,714,050	271,393,026	258,662,834
Reimbursements	(202,372,464)	(251,198,177)	(256,122,863)	(249,430,068)
Contingencies	518,458,941	407,649,242	370,984,231	264,171,018
Subtotal Appropriation	<u>3,851,249,349</u>	<u>4,055,175,842</u>	<u>4,087,679,087</u>	<u>4,013,049,927</u>
Operating Transfers Out	257,129,821	251,643,511	275,294,942	234,556,168
Total Requirements	<u>4,108,379,170</u>	<u>4,306,819,353</u>	<u>4,362,974,029</u>	<u>4,247,606,095</u>
<b><u>Sources</u></b>				
Taxes	586,717,341	586,840,120	592,121,872	612,349,878
1991 Realignment	205,420,899	209,720,945	210,545,298	207,203,363
2011 Realignment	181,092,265	273,158,048	274,828,832	298,212,880
State, Federal, or Government Aid	1,473,589,346	1,473,579,902	1,485,608,472	1,522,366,548
Fee/Rate	649,085,578	681,785,783	678,022,371	743,615,964
Other Revenue	103,948,926	119,752,262	117,481,231	114,490,199
Operating Transfers In	231,539,329	194,836,516	223,020,176	191,982,004
Fund Balance/Use of Unrestricted Net Assets	635,151,797	708,291,320	708,291,320	445,097,981
General Fund Unassigned Fund Balance	69,913,117	60,449,354	60,449,354	88,680,727
Use of Reserves	5,218,640	5,000,000	19,200,000	36,274,743
Contributions to Reserves	(33,298,068)	(6,594,897)	(6,594,897)	(12,668,192)
Total Sources	<u>4,108,379,170</u>	<u>4,306,819,353</u>	<u>4,362,974,029</u>	<u>4,247,606,095</u>
Budgeted Staffing	19,050	19,071	19,123	19,489

Note: 2011 Realignment has been added as a line in Sources for 2013-14. Previously, this amount was included in the State, Federal, or Government Aid line. This change has also resulted in a change to the Fund Balance/Use of Unrestricted Net Assets line.

The schedule above represents the entire County Budget from the 2011-12 Final Budget through the 2013-14 Recommended Budget. The 2013-14 Recommended Budget for the County includes \$4.3 billion in budgeted requirements and sources as well as 19,489 in budgeted staffing. Further detail is provided in the following pages related to the County's Recommended Requirements, Sources, and Budgeted Staffing for the upcoming fiscal year.



**APPROPRIATION SUMMARY**

The 2013-14 Recommended Budget includes appropriation of \$4.0 billion, which is a net decrease of \$74.6 million or 1.82% over the 2012-13 Modified Budget. The schedule below lists appropriation, however, it does not include operating transfers out. This schedule shows the change from the prior year modified budget.

	2011-12 Actual	2012-13 Adopted	2012-13 Modified Budget	2013-14 Recommended Budget	Change Between 2012-13 Modified & 2013-14	Percentage Change
Countywide Operations (General Fund)						
Administration	53,691,870	66,833,043	67,969,536	66,665,601	(1,303,935)	(1.92%)
Capital Facilities Leases	16,049,598	13,052,882	13,052,882	13,013,014	(39,868)	(0.31%)
Contingencies	-	34,536,083	38,739,491	84,117,215	45,377,724	117.14%
Countywide Discretionary	1,132,172	7,500,000	21,700,000	7,500,000	(14,200,000)	(65.44%)
Economic Development Agency	2,697,916	3,045,214	3,045,214	3,129,834	84,620	2.78%
Fiscal	53,067,100	58,848,867	58,572,049	59,761,002	1,188,953	2.03%
Human Services	1,136,474,732	1,268,590,394	1,273,458,510	1,379,276,874	105,818,364	8.31%
Law and Justice	693,319,072	751,503,131	747,479,015	765,265,930	17,786,915	2.38%
Operations and Community Services	81,451,907	92,092,967	94,619,791	94,951,551	331,760	0.35%
<b>Total General Fund</b>	<b>2,037,884,367</b>	<b>2,296,002,581</b>	<b>2,318,636,488</b>	<b>2,473,681,021</b>	<b>155,044,533</b>	<b>6.69%</b>
Restricted Funds	-	111,403,025	111,403,025	32,201,061	(79,201,964)	(71.09%)
Capital Project Funds	102,678,982	195,169,667	203,587,992	186,412,518	(17,175,474)	(8.44%)
Special Revenue Funds	347,905,908	587,361,904	593,949,615	584,579,971	(9,369,644)	(1.58%)
Enterprise Funds	521,991,469	670,540,725	673,256,250	545,486,083	(127,770,167)	(18.98%)
Internal Service Funds	157,412,135	194,697,940	186,805,717	190,689,273	3,883,556	2.08%
<b>Subtotal</b>	<b>1,129,988,494</b>	<b>1,759,173,261</b>	<b>1,769,002,599</b>	<b>1,539,368,906</b>	<b>(229,633,693)</b>	<b>(12.98%)</b>
<b>Total Countywide Funds</b>	<b>3,167,872,861</b>	<b>4,055,175,842</b>	<b>4,087,639,087</b>	<b>4,013,049,927</b>	<b>(74,589,160)</b>	<b>(1.82%)</b>

Below are explanations of the major expenditures that are included in the \$4.0 billion 2013-14 Recommended budget. Immediately following on page 6 of this County Budget Summary are explanations of notable budget changes from the 2012-13 Modified Budget to the 2013-14 Recommended Budget.

**Countywide Operations (General Fund)**

The County General Fund contains the following operational groups, which have a total budgeted appropriation of \$2.5 billion recommended for 2013-14:

**Administration** has appropriation of \$66.7 million and contains County departments and functions that provide leadership and support for departments that provide direct public services to County residents. The leadership section of this operational group includes the Board of Supervisors (\$7.0 million), which is the governing body of County government, and the County Administrative Office (\$4.4 million), which directs and coordinates departmental activities according to the law and strategic goals set by the Board of Supervisors. Various support functions include civil legal services provided by County Counsel (\$8.7 million), employment and employee related services provided by Human Resources (\$7.2 million), and information technology support provided by the Information Services Department (\$15.8 million).

**Capital Facilities Leases** has appropriation of \$13.0 million and funds the cost of long-term capital lease payments for major County facilities financed by the General Fund. Lease payments include the Justice Center/Chino Airport Improvements and the West Valley Detention Center.

**Contingencies** of \$84.1 million primarily represents \$75.6 million from the County General Fund – Uncertainties Contingencies, which is funding available from 2013-14 sources that have not been allocated to another specific budget unit as well as any unassigned fund balance estimated to be carried over from 2012-13. For 2013-14, funding totaling \$57.8 million are being set-aside within contingencies to fund future one-time needs. This includes funding for Jail Upgrades (\$18.0 million), the new Financial Accounting System (\$13.0 million), the County Animal Shelter (\$10.0 million), the Rimforest Drainage Project (\$5.9 million), Land Use Services General Plan/Development Code Amendments (\$5.4 million), County Building Acquisition and Retrofit Projects (\$4.0 million), Prior Year Board Approved Set-Asides (\$1.3 million) and County Code/Charter Updates



(\$0.2 million). The remaining \$8.5 million in contingencies is representative of the County's mandatory 1.5% contingency, which per Policy 02-10 is in the general fund to accommodate unanticipated operational changes, legislative impacts, or other economic events affecting County operations that could not have been reasonably anticipated.

**Countywide Discretionary** of \$7.5 million primarily represents expenses related to the County issuing Tax Revenue Anticipation Notes (TRANS), which is a short term note issued by the County to address cash flow needs throughout the year because expenditures are incurred before County property tax revenues are received.

**Economic Development Agency** has appropriation of \$3.1 million and provides services that seek to create, maintain, and grow the economic value of the County. Such services include small business assistance and technical support, permitting assistance, international trade services, and business site selection assistance.

**Fiscal** has budgeted appropriation of \$59.8 million and includes the Auditor-Controller/Treasurer/Tax Collector (\$37.0 million) as well as the Assessor/Recorder/County Clerk (\$22.8 million). These departments provide services to the public and other County departments related to the establishment and collection of County property taxes along with other fiscal services that ensure the proper reporting and usage of taxpayer funds. Specifically, the Auditor-Controller/Treasurer/Tax Collector processes, safeguards and provides information regarding County financial activities, manages the County treasury pool, collects and distributes property taxes and other obligations owed to County agencies and courts. The Assessor/Recorder/County Clerk performs mandated assessment of properties, recording, and County clerk functions.

**Human Services** is the largest operational group within the County with appropriation totaling \$1.4 billion. This group provides health and social service programs to County residents through a number of County departments. Health services are provided primarily through the Department of Behavioral Health (\$150.7 million), Public Health (\$78.6 million), and California Children's Services (\$21.0 million). Social services are provided primarily through the Human Services Administrative Claim budget unit (\$473.7 million), Human Service Subsistence Payments budget units (\$511.8 million), Child Support Services Department (\$40.1 million), and the Aging and Adult Services Department (\$8.9 million).

**Law and Justice** has appropriation of \$765.3 million and provides public safety services to County residents. The Sheriff/Coroner/Public Administrator (\$488.5 million) provides law enforcement services for the unincorporated areas of the County and some countywide services (\$205.3 million for general operations). Another primary function of the Department is to provide Detention facilities (\$160.5 million) for all of the County pre-sentenced inmates as well as sentenced inmates no longer required to go to State prison as a result of the realignment by the State of adult offenders (2011 Realignment). The Department also provides law enforcement services to 14 County cities through contractual agreements (\$122.8 million). The Probation Department (\$137.4 million) provides supervision of adult and juvenile probationers throughout the County as well as for recently realigned State parolees (2011 Realignment). The District Attorney's Office (\$64.4 million) is responsible for prosecuting crimes committed within the County and the Public Defender (\$35.1 million) provides legal counsel for indigent defendants within the County.

**Operations and Community Services** has appropriation of \$95.0 million and provides both internal support of County operations as well as external services to the public that promote the quality of life and well-being of County residents. Services that support the general operation of County government include custodial, grounds, and maintenance by Real Estate Services - Facilities Management Division (\$13.3 million), the payment of County utilities (\$19.6 million), and real estate services (\$4.6 million). Departments that provide direct services to the community include Agriculture/Weights and Measures (\$6.8 million), Land Use Services (\$22.3 million), Registrar of Voters (\$8.6 million), Regional Parks (\$10.4 million), and the County Museum (\$3.1 million).



### **Restricted Funds**

Restricted Funds (General Fund) have appropriation of \$32.2 million consist of four limited use budgets – Propositions 172 Half-Cent Sales tax, 1991 Realignment, 2011 Realignment, and Automated Systems Development. Proposition 172 revenue assists in funding the Sheriff/Coroner/Public Administrator, District Attorney, and Probation departments. Realignment assists in funding mental health, social services and health programs within the County. Automated Systems Development is funding that is set aside for the purpose of developing, upgrading, and/or replacing the County Financial Accounting System and other future developments.

### **Capital Project Funds**

Capital Project Funds have appropriation of \$186.4 million and are used to account for funding resources designated for the acquisition or construction of major capital facilities. The primary Capital Project Fund for the County is the Capital Improvement Program (CIP) budget unit. Further detail on major capital projects for 2013-14 are shown in the Capital Improvement Program section.

### **Special Revenue Funds**

Special Revenue Funds have appropriation totaling \$584.6 million. These funds account for the proceeds of specific sources that are legally restricted to expenditures for specific purposes and are primarily used to fund the following operational units within the County:

**Administration** has appropriation totaling \$4.9 million that is funded by Special Revenue Funds. Specifically, the Human Resources Department receives funds for Commuter Services (\$1.4 million) to pay for mobile source air pollution reduction programs for County employees. Additionally, Human Resources receives funding, under its Employee Benefits and Services unit (\$3.4 million), to administer the County's health, dental, vision, and life insurance plans as well as its integrated leave programs.

**Economic Development** has appropriation of \$60.2 million, including \$38.8 million for Community Development and Housing services funded primarily by federal Community Development Block Grant funds and \$21.4 million to the Department of Workforce Development, which is funded by federal Workforce Investment Act revenue to provide services to County residents including job search, skills assessments, vocational training, job readiness skills, and connection to employers.

**Fiscal** has appropriation of \$14.0 million and primarily represent statutory fees collected by the County to assist with services provided by the County Recorder (in the Assessor/Recorder/County Clerk Department). Funds are used to support the creation, retention, and retrieval of information in the County's system of recorded documents.

**Human Services** has appropriation of \$259.1 million, which primarily contains restricted funds for health services provided by the Department of Behavioral Health (\$172.5 million) and Public Health (\$8.3 million). The largest Special Revenue Fund in the health related operational group is the Mental Health Services Act fund (\$148.4 million). Passed by voters on November 2, 2004 (Proposition 63), taxpayers with an annual income exceeding \$1 million receive an income tax surcharge of 1% that is to be used to reduce the long-term adverse impact on individuals, families, and state and local budgets resulting from untreated serious mental illness. Human Services also contains the Preschool Services Department (\$49.5 million), which administers the Federal Head Start and Early Head Start programs, California Department of Education State Preschool Program, as well as the Child and Adult Food Care Program.

**Law and Justice** has appropriation of \$60.1 million primarily associated with various Sheriff/Coroner/Public Administrator (\$28.6 million), Probation Department (\$14.9 million), and District Attorney (\$11.0 million) restricted funding sources. The Sheriff/Coroner/Public Administrator major Special Revenue Funds include appropriation to operate the Local Automated Fingerprint Identification System (CAL-ID Program - \$5.2 million), and utilize federal seized asset funds for various law enforcement related purposes (\$9.3 million). The Probation Department's primary Special Revenue Fund is associated with the Juvenile Justice Grant Program (\$10.0 million), which allocates state resources to fund programs that address juvenile crime prevention and



focus on public safety. The District Attorney receives a variety of special funds, principally including a Specialized Prosecution fund (\$3.5 million) that is used to prosecute crimes such as hazardous waste dumping and consumer fraud and a Workers' Compensation Insurance Fraud Prosecution fund (\$2.6 million).

**Operations and Community Services** appropriation of \$184.6 million is primarily for utilization by the Department of Public Works – Transportation (\$147.4 million). This department is responsible for the operation, maintenance, and improvement of the County's road system that currently includes approximately 2,768 miles of roadway. Other notable funds include appropriation for the County Library (\$17.1 million) and County Airport Capital Improvement programs (\$2.9 million).

### **Enterprise Funds**

Enterprise funds have appropriation of \$545.5 million. These proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services to the public be financed or recovered primarily through user charges. There are two main enterprise fund operating groups within the County, as follows:

**Arrowhead Regional Medical Center (ARMC)** has appropriation of \$476.7 million and provides medical services to County residents. ARMC is an acute care facility that provides a full range of inpatient and outpatient services, has three off campus community health centers, and provides Department of Behavioral Health's inpatient activities and numerous specialty activities.

**Operations and Community Service's** Department of Public Works – Solid Waste Management has appropriation of \$68.8 million and is responsible for the operation and management of the County solid waste disposal system, which consists of six regional landfills, nine transfer stations, and thirty-three closed landfills or disposal sites.

### **Internal Service Funds**

Internal Service Funds have appropriation of \$190.7 million. These proprietary funds are used to account for the funding of goods or services provided by one department or agency to other departments or agencies of the governmental unit on a cost reimbursement basis. All Internal Service Funds are located within the Administration operating group, and include these main departments:

**Department of Risk Management** has appropriation of \$93.0 million and administers the County self-insured workers' compensation, public liability, property conservation, safety and risk reduction programs as well as its insured programs.

**Information Services Department** has appropriation of \$53.0 million to run its Computer Operations division, which provides enterprise data center services and a portion of the County communications services to County departments on a 24/7 basis. Additionally, the Department has a Telecommunications Services division that provides for the design, operation, maintenance and administration of the County-operated telecommunications phone network; the County Regional Public Safety Radio System; and the County Wide Area Network that joins approximately 16,600 County users together for the efficient use of technology.

**Fleet Management Department** has appropriation of \$33.6 million in order to provide vehicles, equipment, and related services to officials and employees of the County.

**Purchasing Department** has appropriation of \$11.1 million to provide printing services, mail and courier services, and management of county surplus property and storage for County departments.



**APPROPRIATION CHANGES AND OPERATIONAL IMPACT****Countywide Operations (General Fund)**

Countywide Operations in the General Fund show an increase in appropriation of \$155.1 million over the prior year modified budget, which is a 6.69% change. The largest increases are seen in the Human Services and Law and Justice operational groups as well as Contingencies. Human Services is increasing budgeted appropriation by \$105.8 million primarily as a result of the need for increased budget authority of \$33.0 million in the Health Administration budget unit related to additional projected intergovernmental transfers to the State. This unit transfers funds to the State, which in turn are used to draw down matching health care funds for ARMC from the federal government. Once the matching funds are received by ARMC, the Medical Center then deposits funds equal to the amount originally transferred to the State back into the Health Administration budget unit and ARMC retains the matching funds. Other health related budget increases are found in the Department of Behavioral Health, which is increasing appropriation by \$20.4 million primarily attributed to increases in Low Income Health Plan (LIHP) and Medi-Cal expansion consumers, which are funded with additional state and federal funding. In the area of social services, the Human Services Administrative Claim budget unit is increasing \$30.3 million primarily related to additional funding received in the Transitional Assistance Department (TAD) to provide increased eligibility and employment services. TAD is recommending the addition of 158 staff related to mandated program changes and rising caseload. Additionally, Human Services – Subsistence Units are increasing appropriation by \$16.8 million primarily related to increased caseload for children living in foster homes and group care facilities.

Law and Justice is increasing appropriation by a net \$17.8 million primarily related to both increased staffing costs associated with retirement rate increases as well as to accommodate the continued realignment of responsibility for specific State prisoners and parolees from the State to the County (2011 Realignment). The largest increase in appropriation is seen in the Sheriff/Coroner/Public Administrator (\$15.8 million), which is seeing retirement increases associated with rate changes of approximately \$11.1 million. The Department also added 23 positions (approximately \$3.3 million) at its Detention facilities to assist the Department in dealing with the realignment of State prisoners.

Significant increases totaling \$45.4 million are included in Contingencies, which represents the net change from the 2012-13 Modified Budget to the 2013-14 Recommended Budget in funding that is not yet allocated to another specific budget unit. This increase is primarily related to the release of the County's Future Space Needs Reserve (\$22.9 million) and from the Teeter Reserve (\$13.4 million), as the County no longer has the same level of need associated with these reserves.

Significant reductions are seen in the Countywide Discretionary budget unit totaling \$14.2 million due to one-time settlement costs in 2012-13 resulting from a negative ruling for California counties associated with the way counties charge Property Tax Administration Fees.

**Other County Funds**

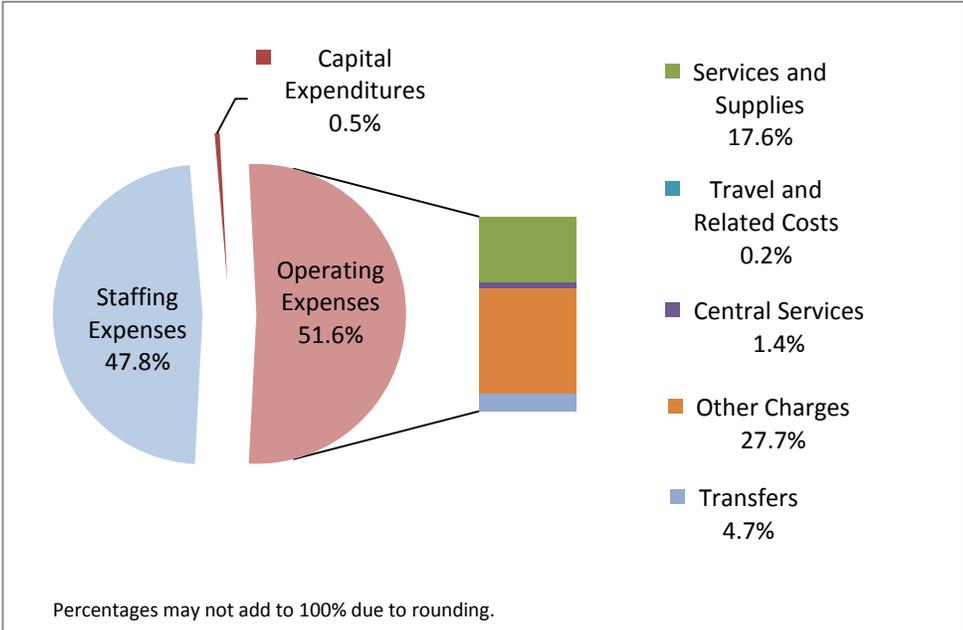
The total net reduction in appropriation for other County funds is \$229.6 million, which is a 12.98% net change. Notable changes include a net \$127.8 million reduction in appropriation for **Enterprise Funds**, \$79.2 million reduction in **Restricted Funds** and \$9.4 million in **Special Revenue Funds**. The reduction in Enterprise Funds is due to a change in the presentation of the budget in the Operations and Community Services Group - Solid Waste Enterprise Funds budget unit. Specifically, the amount representing available net assets set-aside for future use is no longer shown as a requirement, resulting in an \$87.8 million decrease in budgeted contingencies. Additionally, Solid Waste is reducing appropriation by \$38.7 million due to the County's decision to prepay the outstanding balance of the 2008 Refunding Program Certificates of Participation (Solid Waste COPs) in 2012-13. Restricted Funds are reducing by \$79.2 million due to a change in the way the County's Health Realignment fund is budgeted to be consistent with the manner in which the Mental Health and Social Services realignment funds are budgeted. Realignment funds do not directly incur expenses or provide service. These funds strictly transfer money to budget units of the departments that incur the expenditures which are funded by realignment revenue. The County's Health realignment fund will now reflect transfers to departments as an abatement to revenue in order to not duplicate expense and revenue recognition in all of the realignment funds. Special Revenue Funds are reducing by \$9.4 million due to a reduction in Economic Development Agency's Department of Community Development and Housing totaling \$26.0 million related to one-time payments in 2012-13 associated with the dissolution of the County's former RDA.



**GENERAL FUND SPENDING AUTHORITY BREAKDOWN**

The spending authority components included in this pie chart are for countywide operations (general fund) and consist of staffing expenses, operating expenses, and capital expenditures. Operating expenses are further divided into the various subcategories of services and supplies, central services, travel and related costs, other charges, and transfers.

Components not incorporated into this pie chart are operating transfers out, which are a funding mechanism between budget units; reimbursements, which are considered a funding source; and contingencies, as no expenditures can be made from this appropriation.

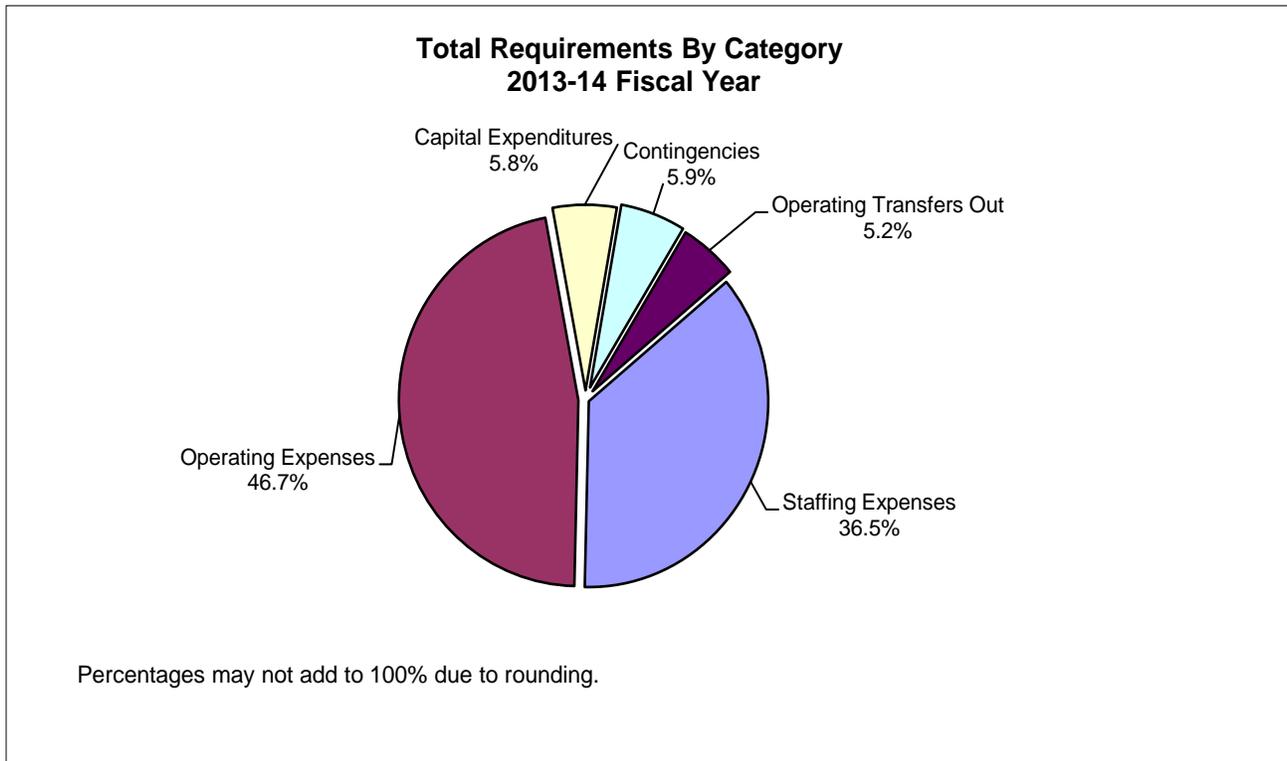


**REQUIREMENTS SUMMARY**

Total Requirements include appropriation adopted by the Board of Supervisors plus operating transfers out. Operating transfers out are a funding mechanism between budget units and are not appropriation to spend.

**TOTAL REQUIREMENTS BY CATEGORY**

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 Budgeted Staffing	 19,050	 19,071	 19,123	 19,489



Below is detail of what is included in the County 2013-14 Recommended Budget as well as significant changes from the 2012-13 Modified Budget by expenditure category for all requirements within the County:



**Staffing Expenses** represent 36.5% of total requirements within the County, for a total of \$1.6 billion. Departments with significant budgeted staffing expenses includes the Sheriff/Coroner/Public Administrator (\$402.6 million, 3,577 positions), Human Services Administrative Claim (\$313.2 million, 4,408 positions), and Arrowhead Regional Medical Center (\$244.2 million, 3,608 positions). Total budgeted salary costs for the County in 2013-14 is \$1.1 billion while costs for benefits make up the remaining \$576.2 million. The largest benefit related cost for the County is for employee pensions (retirement), which makes up 61% (\$350.4 million) of all appropriation associated with employee benefits.

Staffing expenses are increasing by \$50.6 million from the prior year primarily due to increased costs for salaries (\$27.9 million) and increased retirement costs (\$17.5 million). The increases in salaries are related to the addition of 366 positions, most of which are being added to the County's Human Services Departments (217 positions), Arrowhead Regional Medical Center (64 positions), and the Sheriff/Coroner/Public Administrator (53 positions). The increased retirement cost in the County is a result of significant market losses to the County pension fund in 2008-09, which the County is required to pay back over several years. This has increased the retirement rate the County is paying on employee's compensation by approximately 2.3% for General employees and 4.2% for Safety employees. However, the overall retirement increase is \$15.7 million less than it would have been due to concessions by employee groups that gave up the County's employer pickup (7% pickup) of the employees' required retirement contribution. Additionally, the County is beginning to see some savings associated with the State Public Employee Pension Reform Act (PEPRA), which reduced retirement benefits for employees originally hired to the County after January 1, 2013. However, the majority of those savings will be realized over several years, as individuals hired to the County before January 1, 2013 are replaced by those hired after that date.

**Operating Expenses** in the County include costs for services and supplies, internal service fund charges, travel, transfers to other County departments, and other charges. These expenses represent 46.7% of the County requirements, for a total of \$2.1 billion. The Human Services operating group makes up approximately half of the County operating expenses with a total appropriation of \$1.1 billion. Most of Human Services operating expenses include subsistence payments to help County residents in need throughout the County. Services and supplies appropriation accounts for half of the County operating expenses and includes notable costs for professional and specialized services (\$302.2 million), rents and leases (\$107.2 million), and medical expenses at ARMC (\$55.2 million).

Operating expenses are decreasing a net \$12.4 million in 2013-14. The County is recognizing large increased operating costs in Human Services (\$87.8 million) related to the need for increased Health Administration budget authority and additional social services being provided (as described on Page 6 of this County Budget Summary). However, there is a net reduction in operating expenses primarily due to one-time non-recurring expenses incurred by the County in 2012-13. This includes decreases in the Department of Community Development and Housing totaling \$26.0 million related to one-time payments in 2012-13 associated with the dissolution of the County's former RDA. The Solid Waste Department is reducing operating expenses totaling \$40.7 million related to the one-time prepayment of the outstanding balance of the 2008 Solid Waste COPs in 2012-13. The Countywide Discretionary unit is decreasing by \$14.2 million related to the one-time PTAF settlement costs in 2012-13 described on Page 6 of this County Budget Summary. Finally, Capital Improvement Program costs are reduced by \$11.8 million primarily related to a one-time payment to the State for the new Courthouse in San Bernardino.

**Capital Expenditures** represent all fixed asset related expenditures with a unit valuation of \$5,000 or more and a useful life of one-year or more. This includes costs related to purchases of land, structures and improvements to structures, equipment, vehicles, lease purchases, and capitalized software. These expenses represent 5.8% of County requirements, for a total of \$258.7 million. The Capital Improvement Program (CIP) contains most of the County appropriation in this category of expenditures (\$186.3 million). Besides structures and improvements to structures (\$175.8 million), which is the major budgeted expenditure of the Capital Improvement Program, capitalized software (\$15.3 million) is a large expense due to the recommended development, upgrade, and/or replacement of the County Financial Accounting System in the Automated Systems Development budget unit.

Capital expenditures are decreasing a net \$12.7 million in 2013-14. This is primarily due to a \$4.0 million reduction in Regional Parks – Special Revenue Funds related to revisions in the planned construction of Phase III of the Santa Ana River Trail. Additionally, Arrowhead Regional Medical Center is reducing capital expenditures by \$6.6 million in order to bring operations in line with projected sources for the fiscal year.



**Reimbursements** represent the amount received as a payment for the services provided on behalf of another governmental unit or department. Reimbursements are considered a funding source and total \$249.4 million in 2013-14. In 2012-13, the Sheriff/Coroner/Public Administrator established separate budget units for its detentions and contract law enforcement services, resulting in increased reimbursements from those budget units to the Sheriff/Coroner/Public Administrator's main operating unit at that time. In an effort to more accurately account for the costs in these new units, the Sheriff's Department moved the operating expenditures into the correct budget units in 2013-14 rather than reimburse its main operating unit. This change in accounting was the main contributor to the \$6.7 million reduction in Reimbursements in 2013-14.

**Contingencies** of \$264.2 million represent unallocated funding available from 2013-14 sources and any unassigned fund balance estimated to be carried over from 2012-13 for all County funds. Besides the County General Fund Contingencies, the Human Services Group accounts for the largest amount of contingencies (\$85.7 million), a considerable portion of which represents unallocated Mental Health Services Act funding in the Department of Behavioral Health. Contingencies are decreasing by \$106.8 million primarily due to a change in the presentation of the budget by Solid Waste Enterprise Funds – Consolidated unit, which no longer includes available net assets that are set aside for future use as a requirement.

**Operating Transfers Out** of \$234.6 million is a method of providing funding from one budget unit to another for the implementation of a project or program. The most significant usage of Operating Transfers Out is the Countywide Discretionary budget unit, which transfers discretionary general funding to various budget units outside the General Fund for various programs and projects. For 2013-14, significant projects and programs include funding for the Capital Improvement Program (\$12.0 million ongoing, \$24.9 million one-time), the 800 MHz digital radio system for public safety project (\$20.0 million ongoing), as well as funding for County Fire totaling \$18.8 million.

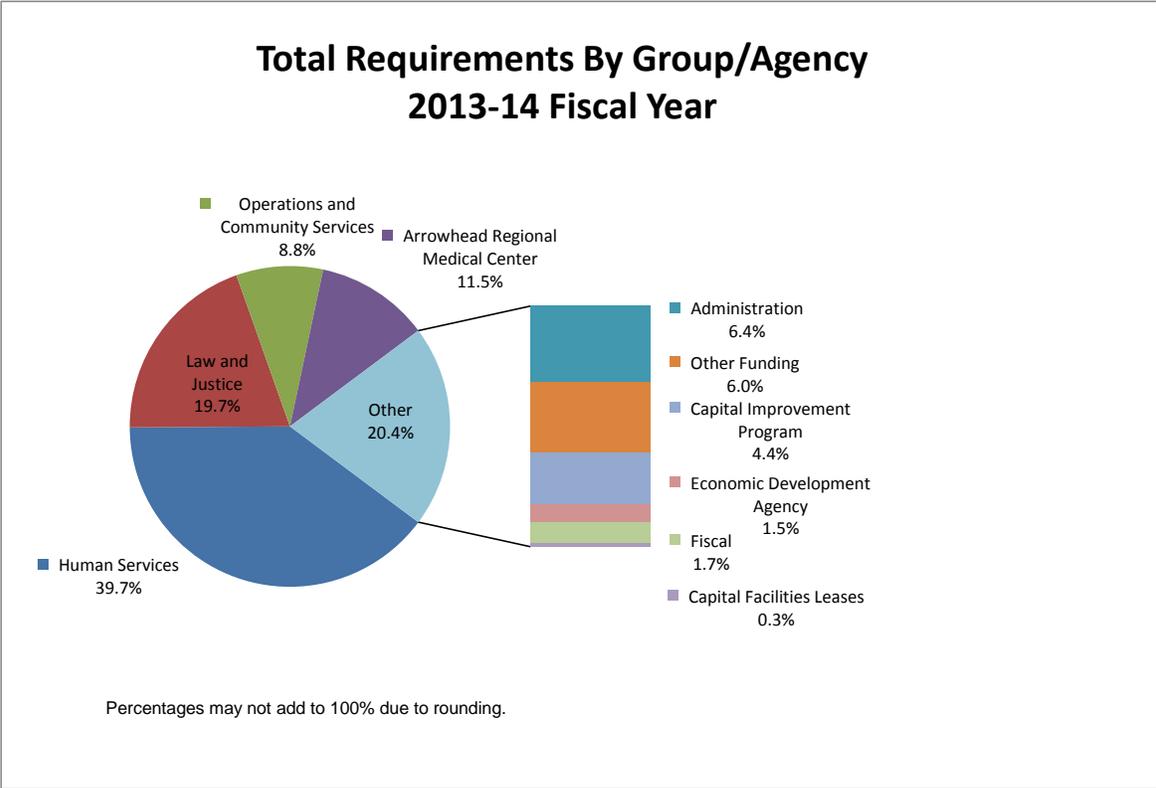


**TOTAL REQUIREMENTS BY GROUP/AGENCY**

	Fiscal Year 2011-12 Final Budget	Fiscal Year 2012-13 Adopted Budget	Fiscal Year 2012-13 Modified Budget	Fiscal Year 2013-14 Recommended Budget
Administration	230,576,012	279,053,010	272,861,937	272,392,085
Capital Facilities Leases	16,108,391	13,052,882	13,052,882	13,013,014
Economic Development Agency	75,995,018	104,909,423	110,205,088	65,651,228
Fiscal	68,542,120	69,833,632	69,589,814	73,762,279
Arrowhead Regional Medical Center	475,757,652	484,623,725	486,777,825	487,316,796
Human Services	1,413,624,302	1,551,764,674	1,558,636,564	1,686,782,777
Law and Justice	774,019,900	823,956,533	820,330,515	835,733,170
Operations and Community Services	484,051,060	494,228,686	517,057,145	371,855,372
Capital Improvement Program	255,731,374	205,243,994	213,818,760	187,568,090
Other Funding	313,973,341	280,152,794	300,603,499	253,531,284
<b>Total</b>	<b>4,108,379,170</b>	<b>4,306,819,353</b>	<b>4,362,934,029</b>	<b>4,247,606,095</b>

Budgeted Staffing	19,050	19,071	19,123	19,489
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The above chart lists requirements by group/agency. The Other Funding group includes budget units that are predominately countywide in nature, have no budgeted staffing associated with them, or exist for proper budgetary accounting purposes. Included in this group are contingencies, countywide discretionary, the restricted funds of 1991 and 2011 Realignment, Proposition 172, and Automated Systems Development, and some special revenue funds that incur no expenditures and only appropriate transfers and operating transfers out.



**Governmental Fund Types**

**General Fund:** The General Fund is used to account for resources traditionally associated with government, which are not required legally or by sound financial management to be accounted for in another fund. The General Fund is the County’s primary operating fund and requirements are separated into discretionary, categorical, and restricted. General Fund – Discretionary are those budget units that the Board of Supervisors predominately have oversight on the sources and requirements. General Fund – Categorical are those budget units that are typically mandated in nature, such as human service programs. General Fund – Restricted Funds consists of Prop 172, 1991 and 2011 Realignment, and Automated Systems Development.

**Special Revenue Funds:** Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes (other than for major capital projects).

**Capital Project Funds:** Capital Project Funds account for financial resources designated for the acquisition or construction of major capital facilities other than those funded by Enterprise and Internal Service Funds.

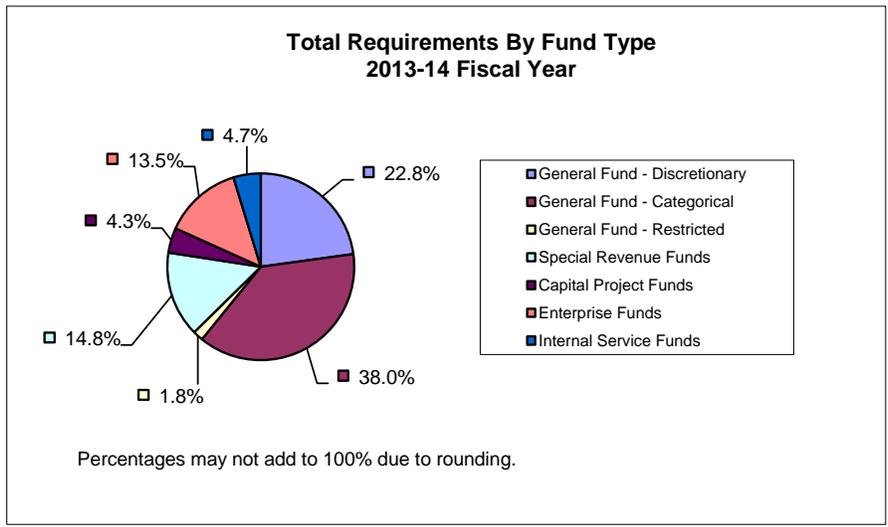
**Proprietary Fund Types**

**Enterprise Funds:** Enterprise Funds account for operations that are funded and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be funded or recovered primarily through user charges.

**Internal Service Funds:** Internal Service Funds account for the funding of goods or services provided by one department or agency to other departments or agencies of the governmental unit on a cost reimbursement basis.

**TOTAL REQUIREMENTS BY FUND TYPE**

	Fiscal Year 2011-12 Final Budget	Fiscal Year 2012-13 Adopted Budget	Fiscal Year 2012-13 Modified Budget	Fiscal Year 2013-14 Recommended Budget
General Fund - Discretionary	987,644,374	903,501,596	924,771,501	968,663,615
General Fund - Categorical	1,249,038,309	1,500,101,869	1,504,114,081	1,612,949,153
General Fund - Restricted	143,776,878	151,642,093	151,642,093	75,571,061
Special Revenue Funds	617,148,676	629,546,112	637,542,050	628,174,301
Capital Project Funds	255,731,374	216,697,190	225,271,956	187,568,090
Enterprise Funds	686,757,378	698,363,262	720,161,159	574,043,608
Internal Service Funds	168,282,181	206,967,231	199,431,189	200,636,267
<b>Total</b>	<b>4,108,379,170</b>	<b>4,306,819,353</b>	<b>4,362,934,029</b>	<b>4,247,606,095</b>
 Budgeted Staffing	 19,050	 19,071	 19,123	 19,489



The matrix below lists the group/agency as depicted in the organizational chart of the County. For each group/agency listed, the various fund types utilized are shown with their total requirements (including Operating Transfers Out).

	General Fund	Special Revenue Funds	Capital Project Funds	Enterprise Funds	Internal Service Funds
<b>Administration</b>					
Board of Supervisors	7,046,590				
Board Discretionary Fund	6,372,070				
Clerk of the Board	2,343,659				
County Administrative Office	4,443,803	25,368			
County Counsel	9,303,001				
Finance and Administration	2,814,749				
Human Resources	13,235,148	4,891,013			
Fleet Management					33,896,011
Information Services	15,765,937				55,447,550
Purchasing	2,067,102				11,097,839
Risk Management					100,194,867
Local Agency Formation Commission	288,274				
County Schools	3,159,104				
<b>Capital Facilities Leases</b>					
Capital Facilities Leases	13,013,014				
<b>Arrowhead Regional Medical Center</b>					
Arrowhead Regional Medical Center				487,316,796	
<b>Economic Development Agency</b>					
Economic Development	3,129,834				
Community Development and Housing		41,106,041			
Workforce Development		21,415,353			
<b>Fiscal</b>					
Assessor/Recorder/County Clerk	22,789,523	12,611,172			
Auditor-Controller/Treasurer/Tax Collector	36,978,479	1,383,105			
<b>Human Services</b>					
Aging and Adult Services	9,818,229				
Behavioral Health	152,535,445	172,536,559			
Child Support Services	40,134,968				
Health Administration	110,534,459	38,897,275			
Human Services	985,650,941	16,947,295			
Preschool Services		49,514,614			
Public Health	100,027,940	8,288,561			
Veterans Affairs	1,896,491				
<b>Law and Justice</b>					
County Trial Courts	39,865,726	2,959,882			
District Attorney	64,450,766	10,962,257			
Law and Justice Group Administration	5,000	4,802,529			
Probation	137,368,823	14,872,382			
Public Defender	35,108,960				
Sheriff/Coroner/Public Administrator	488,684,406	36,652,439			
<b>Operations and Community Services</b>					
Agriculture/Weights and Measures	6,797,080	143,417			
Airports	2,910,893	5,413,265			
Architecture and Engineering					
County Library		17,135,845			
County Museum	3,091,973			67,174	
Land Use Services	22,250,336				
Public Works	3,536,654	148,434,292		86,589,419	
Real Estate Services	38,846,839	9,684,797			
Regional Parks	10,420,719	7,837,514		70,219	
Registrar of Voters	8,620,303				
Fish and Game Commission		4,633			
<b>Capital Improvement Program</b>					
Capital Improvement Program			187,568,090		
<b>Other Funding</b>					
All Other Funding (e.g. Countywide Discretionary, Prop 172, Realignment)	251,876,591	1,654,693			
<b>Grand Total:</b>	<b>2,657,183,829</b>	<b>628,174,301</b>	<b>187,568,090</b>	<b>574,043,608</b>	<b>200,636,267</b>



**REVENUE SUMMARY**

The 2013-14 Recommended Budget is funded from a variety of sources (revenue, operating transfers in, fund balance, and reserves). This schedule does not include fund balance carried over from the prior year or the use of reserves. It also does not include operating transfers in as they are a mechanism for providing funding from one budget unit to another within the County. This schedule shows the change from the prior year modified budget.

	2011-12 Actual	2012-13 Adopted	2012-13 Modified Budget	2013-14 Recommended Budget	Change Between 2012-13 Modified & 2013-14	Percentage Change
<b>REVENUE FOR ALL COUNTY FUNDS</b>						
Taxes						
Property Related Revenue*	434,318,158	427,272,563	431,189,552	437,385,156	6,195,604	1.44%
Other Taxes*	160,749,830	159,550,557	160,897,320	174,858,091	13,960,771	8.68%
1991 Realignment	208,872,965	172,350,945	173,175,298	169,833,363	(3,341,935)	(1.93%)
2011 Realignment	181,092,265	273,158,048	274,828,832	298,212,880	23,384,048	8.51%
State, Federal or Government Aid	1,145,965,141	1,147,512,077	1,156,534,282	1,190,754,766	34,220,484	2.96%
Fee/Rate	360,969,062	401,495,232	397,731,820	446,726,410	48,994,590	12.32%
Other Revenue	39,418,238	93,492,525	98,379,379	100,609,934	2,230,555	2.27%
<b>Subtotal</b>	<b>2,531,385,659</b>	<b>2,674,831,947</b>	<b>2,692,736,483</b>	<b>2,818,380,600</b>	<b>125,644,117</b>	<b>4.67%</b>
ENTERPRISE FUNDS	505,162,654	505,701,901	509,090,430	518,624,115	9,533,685	1.87%
INTERNAL SERVICE FUNDS	150,065,629	164,321,212	156,781,163	161,234,117	4,452,954	2.84%
<b>Subtotal</b>	<b>655,228,283</b>	<b>670,023,113</b>	<b>665,871,593</b>	<b>679,858,232</b>	<b>13,986,639</b>	<b>2.10%</b>
<b>Total County Budget</b>	<b>3,186,613,942</b>	<b>3,344,855,060</b>	<b>3,358,608,076</b>	<b>3,498,238,832</b>	<b>139,630,756</b>	<b>4.16%</b>

\*Property Related Revenue and Other Taxes have been restated to recognize the Sales Tax/Property Tax Swap in Other Taxes. For more information, please refer to the Discretionary General Funding section of the 2013-14 Recommended Budget, Executive Summary book.

Note: 2011 Realignment has been added as a budget line for 2013-14. Previously, this amount was included in the State, Federal, or Government Aid line.

**Property Related Revenue**

Property related revenue of \$437.4 million primarily consists of funding from property taxes and is projected to increase by \$6.2 million or 1.44% from the 2012-13 modified budget. This is the result of a projected 1.5% increase in the assessed valuation of properties within the County. This is the first year over the last five that the assessed valuation has increased. For more detail refer to the paragraph titled 'Property Related Revenue' found in the Discretionary General Funding section of the 2013-14 Recommended Budget, Executive Summary book.

**Other Taxes**

Other taxes of \$174.9 million primarily consist of Proposition 172 Half-Cent Sales Tax as well as the County's portion of sales tax and are increasing by a net \$14.0 million over the prior year modified budget. This is primarily due to Proposition 172 Half-Cent Sales Tax projected to increase by \$11.1 million in 2013-14 as compared to the 2012-13 modified budget amounts.

**1991 Realignment**

1991 Realignment revenues of \$169.8 million are decreasing over the prior year modified budget. This amount does not include Realignment funds allocated to Arrowhead Regional Medical Center of \$37.4 million, as this amount is included as part of Enterprise Funds. For more detail refer to the Discretionary General Funding section of the 2013-14 Recommended Budget, Executive Summary book.

**2011 Realignment**

2011 Realignment revenues of \$298.2 million are increasing by \$23.4 million over the prior year modified budget (8.51%). For more detail refer to the Discretionary General Funding section of the 2013-14 Recommended Budget, Executive Summary book.



### State, Federal or Government Aid

The County receives funding from State, Federal, and Other Government Aid totaling \$1.2 billion. The Human Services operational group receives the largest amount of funds from other governments, with \$388.0 million from the State and \$590.1 million from the Federal Government. There is an overall increase of \$34.2 million from the prior year modified budget in the revenue category of state, federal or government aid. This increase is comprised of both increases and decreases in various programs.

Primary increases in State, Federal or Government Aid include:

- **Human Services** operational group increased by a net \$54.8 million primarily due to additional funding for CalWORKS, Medi-Cal and Cal Fresh, which is used by the Transitional Assistance Department to provide increased eligibility and employment services. Notably, the Department of Behavioral Health's Mental Health Services Act funding is projected to increase by approximately \$9.9 million based on 2012-13 personal income tax surcharge cash distribution being higher than anticipated. This additional funding has been placed in contingencies for 2013-14.
- **Public Works – Transportation Special Revenue Funds** increased \$16.4 million over the prior year modified budget primarily related to additional Federal, State, and local funding (San Bernardino Associated Governments – SANBAG) for various projects, including the Glen Helen Parkway grade separation project, Maple Lane drainage improvements, Alabama Street culvert construction, and Yermo Bridge reconstruction.

Significant decreases in State, Federal or Government Aid include:

- **Community Development and Housing** decreased a net \$15.4 million primarily as a result of a change in budget presentation where the department is not budgeting funds held by Housing and Urban Development (HUD) which are committed to projects planned to be disbursed in future fiscal years. Additionally, the department completed large multi-year projects in 2012-13 and is expecting a 9% sequestration reduction in its federal allocations.
- The **Capital Improvement Program** budget is decreasing by \$11.8 million primarily related to the scheduled completion of the Adelanto Detention Center Expansion Project in 2013-14, which is partially funded utilizing state AB 900 Jail Construction funds.

### Fee/Rate

The revenue category of fee/rate includes the following types of revenues: licenses, permits, fines, fees, rates, and other services. Total revenue of \$446.7 million is anticipated to increase from the 2012-13 modified budget by \$49.0 million.

The following provides the most significant increases in this revenue category.

- **Human Services** Health Administration budget unit is increasing by \$32.9 million related to additional projected intergovernmental transfers to the state, which are eventually returned to this budget unit. This unit transfers funds to the state, which are then used to draw down matching health care funds for ARMC from the federal government. Once the matching funds are received by ARMC, the Medical Center then deposits funds equal to the amount originally transferred to the state back into the Health Administration budget unit and ARMC retains the matching funds.
- **Information Services – Application Development** is increasing current service revenues in 2013-14 by a net \$5.8 million over the prior year modified budget. This is due to a change in budget presentation to more accurately account for Application Development maintenance charges by placing the actual costs within user departments' budgets rather than solely within this budget unit. This results in additional revenue from County departments and a corresponding reduction of net county cost to this budget unit. In turn, the net county cost was placed within user department budgets to help pay for the Application Development Maintenance charges.



- **Public Works – Transportation Special Revenue Funds** has a net \$6.5 million increase showing in current services related to funding from the San Bernardino Redevelopment Agency successor agency for the Cherry Avenue widening project and the Cherry Avenue at Interstate 10 interchange improvement project.

### **Other Revenue**

Other revenue of \$100.6 million primarily includes interest earnings, rents and concessions, and tobacco settlement funds. This revenue source is anticipated to increase by a net \$2.2 million over the prior year modified budget.

### **Enterprise Funds**

Enterprise Funds revenue totaling \$518.6 million are increasing by \$9.5 million. The primary change in projected revenue for 2013-14 is in the **Public Works – Solid Waste Management** Department. This Department is increasing revenue by \$9.7 million as a result of an increase from out-of-County imported waste coming in under the County's new disposal system operations contract.

### **Internal Service Funds**

Internal Service Funds totaling \$161.2 million are increasing by \$4.5 million. These funds charge other County departments for specific services. Notable changes in revenue are detailed below:

The **Fleet Management Department** has total revenue of \$33.4 million and increased revenues by \$5.7 million primarily as a result of the fact that, beginning in 2013-14, shop operations will also include full services maintenance and repairs for County Fire's vehicles and equipment. Therefore, additional revenue is anticipated from County Fire for automotive parts, services performed, and the associated overhead revenue.

The internal service fund budget units that comprise **Risk Management's** insurance program decreased revenues by \$2.3 million. This decrease is a result of diminishing interest earnings as well as less projected insurance recoveries.

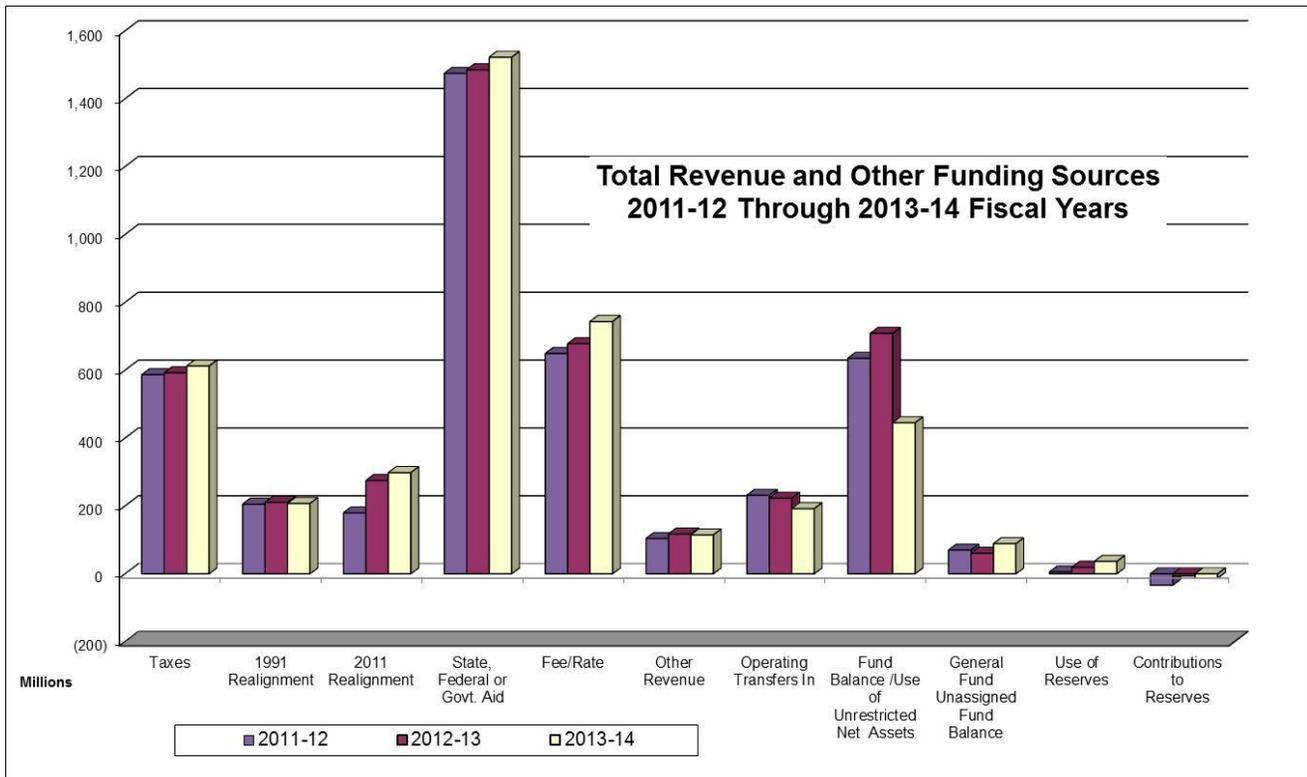


**TOTAL REVENUE AND OTHER FUNDING SOURCES**

	Fiscal Year 2011-12 Final Budget	Fiscal Year 2012-13 Adopted Budget	Fiscal Year 2012-13 Modified Budget	Fiscal Year 2013-14 Recommended Budget
<b>Revenue</b>				
Taxes	586,717,341	586,840,120	592,121,872	612,349,878
1991 Realignment	205,420,899	209,720,945	210,545,298	207,203,363
2011 Realignment	181,092,265	273,158,048	274,828,832	298,212,880
State, Federal or Government Aid	1,473,589,346	1,473,579,902	1,485,608,472	1,522,366,548
Fee/Rate	649,085,578	681,785,783	678,022,371	743,615,964
Other Revenue	103,948,926	119,752,262	117,481,231	114,490,199
<b>Total Revenue</b>	<b>3,199,854,355</b>	<b>3,344,837,060</b>	<b>3,358,608,076</b>	<b>3,498,238,832</b>
<b>Other Funding Sources</b>				
Operating Transfers In	231,539,329	194,836,516	223,020,176	191,982,004
Fund Balance/Use of Unrestricted Net Assets	635,151,797	708,291,320	708,291,320	445,097,981
General Fund Unassigned Fund Balance	69,913,117	60,449,354	60,449,354	88,680,727
Use of Reserves	5,218,640	5,000,000	19,200,000	36,274,743
Contributions to Reserves	(33,298,068)	(6,594,897)	(6,594,897)	(12,668,192)
<b>Total Other Funding Sources</b>	<b>908,524,815</b>	<b>961,982,293</b>	<b>1,004,365,953</b>	<b>749,367,263</b>
<b>Total Revenue and Other Funding Sources</b>	<b>4,108,379,170</b>	<b>4,306,819,353</b>	<b>4,362,974,029</b>	<b>4,247,606,095</b>

Note: 2011 Realignment has been added as a line in Sources for 2013-14. Previously, this amount was included in the State, Federal, or Government Aid line. This change has also resulted in a change to the Fund Balance/Use of Unrestricted Net Assets line.

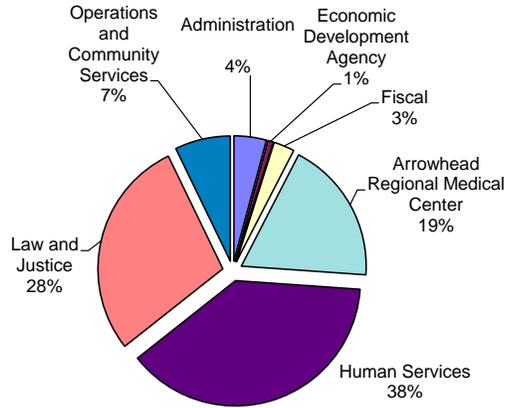
The revenue and other funding sources schedule above includes all County funds. This schedule includes operating transfers in, which are the mechanism for providing funding from one budget unit to another within the County. Additionally, this schedule summary provides the fund balance/use of unrestricted net assets for all non-general funds, the general fund's unassigned fund balance, as well as the use of, and the contributions to, the County reserves as committed in the County fiscal plan.



**BUDGETED STAFFING SUMMARY**

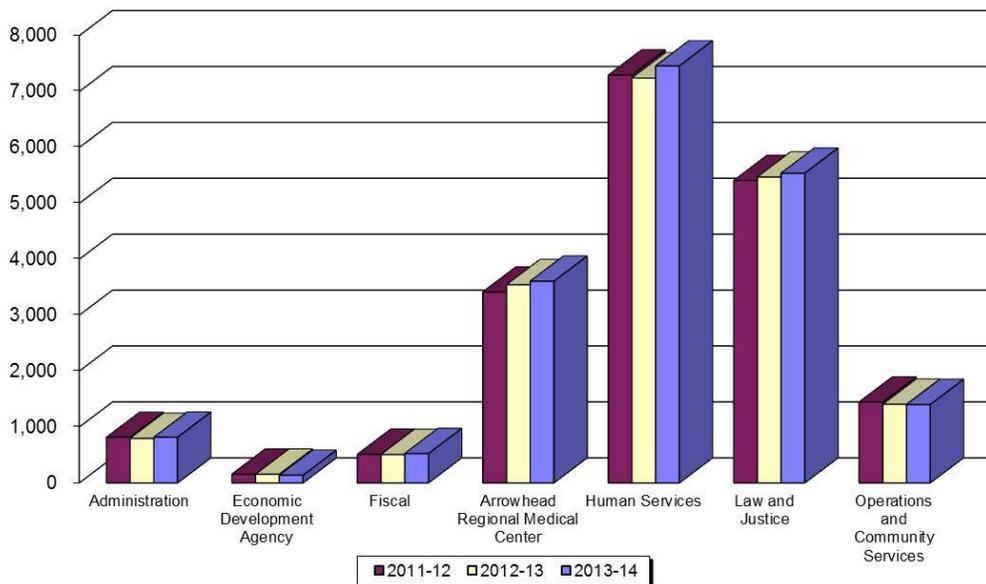
Budgeted staffing is accounted for using headcount; each position, whether full time or part time, is counted as one. The pie chart below depicts the budgeted staffing by group/agency for the 2013-14 fiscal year. The following bar graph illustrates the budgeted staffing for the 2013-14 fiscal year as well as the prior two fiscal years.

**Budgeted Staffing By Group / Agency  
2013-14 Fiscal Year**



Percentages may not add to 100% due to

**Budgeted Staffing By Group / Agency  
2011-12 Through 2013-14 Fiscal Years**



	2012-13 Modified Budget Staffing	Change from Modified Budget			2013-14 Recommended Budget Staffing	Percentage Change
		Caseload Driven/ Grant or Special Funded Programs	All Other Programs	Total Change		
General Fund	13,200	237	62	299	13,499	2.3%
Other Funds	5,923	67	-	67	5,990	1.1%
<b>Total</b>	<b>19,123</b>	<b>304</b>	<b>62</b>	<b>366</b>	<b>19,489</b>	

Budgeted staffing for caseload driven/grant, or special funded programs, increased overall by a net 304 positions. Significant changes from the previous year’s final budgeted staffing in caseload driven, grant or special funded programs include the following:

**General Fund**

- **Human Services Administrative Claim** had a net increase of 193 budgeted positions. The net increase is the result of an additional 158 in the Transitional Assistance Department, as funding for the Department will increase as caseloads continue to grow and the effect of the Affordable Care Act is likely to increase Medi-Cal funding and caseload. Additionally, Human Services – Support is increasing a net 22 positions. Over the last few years, there have been few staffing changes in this division due to overall stagnation of funding available to departments in this budget unit. However, the current expected funding increases and corresponding staffing additions to the Transitional Assistance Department necessitates the additional staffing within the Support Divisions.
- **Behavioral Health** increased budgeted staffing by 20 positions. This is primarily the result of the expansion of the Screening, Assessment, Referral, and Treatment Program (4 positions), the 2011 Public Safety Realignment Program (9 positions), and increased demand for clinical services resulting in 9 new positions.
- **Public Health** decreased budgeted staffing by a net 30 positions. This decrease of vacant positions is the result a reduced need for clinic staffing based on lower than expected clinic visits. Existing staff, both professional and support, is being shifted between clinic sites to align with individual clinic need. The Department does not expect the staffing decrease to negatively affect operations.
- **Sheriff/Coroner/Public Administrator** increased 36 budgeted positions in this category primarily due to a net increase of 31 positions in the Sheriff – Detentions unit. This budget unit is increasing 23 positions utilizing 2011 Public Safety Realignment funding in order to improve monitoring of inmates in the County’s Electronic Monitoring Program (10 positions) as well as to provide 13 additional staffing for the Sheriff – Detention Health Services Division. The Department is also adding 8 Inmate Welfare related position as approved by Inmate Welfare Board. Finally, the department’s primary operations unit is adding 5 caseload related positions associated with Bureau of Administration operations (3 positions), CAL-ID program (1 position), and Inland Regional Narcotics Enforcement Team (1 position).
- **District Attorney – Criminal Prosecution** increased 12 budgeted positions in the caseload driven, grant or special funded programs category as follows: 8 positions for additional workload associated with public safety realignment (2011 Realignment), 2 positions to provide assistance for the Department’s Specialized Prosecution Unit, 1 Deputy District Attorney for the prosecution of cold case homicides, and 1 Deputy District Attorney for the Alcohol and Drug Impaired Prosecution Program.



### Other Funds

- **Arrowhead Regional Medical Center (ARMC)** had a net increase of 64 budgeted positions (155 new positions offset by the deletion of 91 positions). The new positions are primarily a result of ARMC's commitment to meet regulatory requirements (79 positions), reduce overtime premium costs (26 positions), and achieve volume related service goals (42 positions). The reduced positions are primarily due to the closure of Home Health (20 positions), postponement of development of an Observation Unit (27) and other operational adjustments (36 positions).
- **The Department of Behavioral Health – Mental Health Services Act** budget unit is increasing by a net 37 positions. This is primarily related to a recommendation to add forty (40) new positions for the expansion of recovery services, triage mental health services, clinical assessment services, community crises services and administrative support.
- **The Department of Workforce Development** is recommending the deletion of a net 18 positions, 4 regular positions and 14 limited term positions. The limited term positions were utilized for staffing special projects tied to temporary funding sources that end in 2012-13. The Department anticipates maintaining current levels of services for its primary mandated tasks of providing employment services to job seekers and businesses.
- **Public Works – Transportation – Road Operations** is decreasing a net 11 positions. This is primarily due to the transfer of 10 Land Development related positions from this budget unit to the Land Use Services Department in order to better serve the development community.

Budgeted staffing for all other programs increased a net 62 positions. Significant changes from the previous year's modified budgeted staffing in all other programs include the following:

### General Fund

- **Land Use Services Department** is increasing a net 19 budgeted positions primarily due to the reorganization of 10 Land Development staff from the Department of Public Works to a new Land Use – Land Development budget unit in order to better serve the development community. Notably, the Department's Planning division is also seeking to add 5 positions to bolster the County's Mining Program, which will help to ensure compliance with state and federal mining inspection laws.
- **Auditor-Controller/Treasurer/Tax Collector (ATC)** is recommending to add a net 13 budgeted positions, consisting of 1 Automated Systems Analyst II to help manage IT infrastructure, 10 Public Service Employees for the ATC's summer internship program, and 2 Public Service Employees to provide support and assistance to meet the increased seasonal workload demands of ATC's Controller Division.
- **Sheriff/Coroner/Public Administrator** is recommending to increase a net 17 budgeted positions primarily related to the additional of 13 limited term positions that are required for temporary workload relief due to existing and projected vacancies. Additionally, the Department transferred 1 existing position from its Detentions budget unit and is adding 3 additional employees that will be job sharing within the department.
- **Board of Supervisors** is seeing a net increase of 13 budgeted positions as a result of an understatement of Board staff in the 2012-13 Modified Budget. This is due to the transition of 3<sup>rd</sup> and 1<sup>st</sup> District Supervisorial staff, whereby the 2012-13 Modified budget includes the deletion of prior Board member's staff, but does not yet include the addition of newly elected Board members staff. While the newly elected Supervisors begin to add staff upon election, it is through the annual budget process that these positions are added to the budget.

Countywide staffing changes are outlined by County department in the following chart:



BUDGETED STAFFING SUMMARY

Department	2011-12 Final Budget	2012-13 Modified Budget	2013-14 Recommended Budget	Change Between 2012-13 & 2013-14
<b>ADMINISTRATION</b>				
<b><u>GENERAL FUND</u></b>				
BOARD OF SUPERVISORS	45	35	48	13
CLERK OF THE BOARD	13	13	15	2
COUNTY ADMINISTRATIVE OFFICE	16	17	17	-
COUNTY COUNSEL	91	89	85	(4)
FINANCE AND ADMINISTRATION	14	14	14	-
HUMAN RESOURCES	73	79	79	-
HUMAN RESOURCES - CENTER FOR EMPLOYEE HEALTH AND WELLNESS	11	11	11	-
INFORMATION SERVICES - APPLICATION DEVELOPMENT	91	94	100	6
PURCHASING	15	17	20	3
SUBTOTAL GENERAL FUND	369	369	389	20
<b><u>OTHER FUNDS</u></b>				
FLEET MANAGEMENT - GARAGE	83	81	84	3
FLEET MANAGEMENT - MOTOR POOL	3	3	3	-
HUMAN RESOURCES - COMMUTER SERVICES	3	3	3	-
HUMAN RESOURCES - EMPLOYEE BENEFITS AND SERVICES	28	28	28	-
INFORMATION SERVICES - COMPUTER OPERATIONS	130	122	116	(6)
INFORMATION SERVICES - TELECOMMUNICATIONS SERVICES	97	92	95	3
PURCHASING - PRINTING SERVICES	15	14	15	1
PURCHASING - SURPLUS PROPERTY AND STORAGE OPERATIONS	2	2	2	-
PURCHASING - MAIL/COURIER SERVICES	25	25	25	-
RISK MANAGEMENT - OPERATIONS	61	58	58	-
SUBTOTAL OTHER FUNDS	447	428	429	1
<b>TOTAL ADMINISTRATION</b>	<b>816</b>	<b>797</b>	<b>818</b>	<b>21</b>
<b>ECONOMIC DEVELOPMENT AGENCY</b>				
<b><u>GENERAL FUND</u></b>				
ECONOMIC DEVELOPMENT	16	15	13	(2)
<b><u>OTHER FUNDS</u></b>				
COMMUNITY DEVELOPMENT AND HOUSING	26	18	20	2
WORKFORCE DEVELOPMENT	115	122	104	(18)
SUBTOTAL OTHER FUNDS	141	140	124	(16)
<b>TOTAL ECONOMIC DEVELOPMENT AGENCY</b>	<b>157</b>	<b>155</b>	<b>137</b>	<b>(18)</b>
<b>FISCAL</b>				
<b><u>GENERAL FUND</u></b>				
ASSESSOR/RECORDER/COUNTY CLERK	216	216	221	5
AUDITOR-CONTROLLER/TREASURER/TAX COLLECTOR	291	280	293	13
SUBTOTAL GENERAL FUND	507	496	514	18
<b><u>OTHER FUNDS</u></b>				
ASSESSOR/RECORDER/COUNTY CLERK - SPECIAL REVENUE FUNDS	4	12	11	(1)
SUBTOTAL OTHER FUNDS	4	12	11	(1)
<b>TOTAL FISCAL</b>	<b>511</b>	<b>508</b>	<b>525</b>	<b>17</b>



BUDGETED STAFFING SUMMARY

Department	2011-12 Final Budget	2012-13 Modified Budget	2013-14 Recommended Budget	Change Between 2012-13 & 2013-14
<b>ARROWHEAD REGIONAL MEDICAL CENTER</b>				
<b><u>OTHER FUNDS</u></b>				
ARROWHEAD REGIONAL MEDICAL CENTER	3,416	3,544	3,608	64
<b>TOTAL ARROWHEAD REGIONAL MEDICAL CENTER</b>	<b>3,416</b>	<b>3,544</b>	<b>3,608</b>	<b>64</b>
<b>HUMAN SERVICES</b>				
<b><u>GENERAL FUND</u></b>				
AGING AND ADULT SERVICES - AGING PROGRAMS	48	47	46	(1)
AGING AND ADULT SERVICES - PUBLIC GUARDIAN - CONSERVATOR	18	19	19	-
CHILD SUPPORT SERVICES	435	435	434	(1)
HEALTH ADMINISTRATION	1	2	2	-
BEHAVIORAL HEALTH	507	529	549	20
PUBLIC HEALTH	759	737	707	(30)
PUBLIC HEALTH - CALIFORNIA CHILDREN'S SERVICES	159	161	166	5
HUMAN SERVICES - ADMINISTRATIVE CLAIM	4,221	4,215	4,408	193
VETERANS AFFAIRS	18	18	18	-
SUBTOTAL GENERAL FUND	6,166	6,163	6,349	186
<b><u>OTHER FUNDS</u></b>				
HUMAN SERVICES - WRAPAROUND REINVESTMENT FUND	28	6	6	-
BEHAVIORAL HEALTH - MENTAL HEALTH SERVICE ACT	368	367	404	37
PRESCHOOL SERVICES	732	706	700	(6)
SUBTOTAL OTHER FUNDS	1,128	1,079	1,110	31
<b>TOTAL HUMAN SERVICES</b>	<b>7,294</b>	<b>7,242</b>	<b>7,459</b>	<b>217</b>
<b>LAW AND JUSTICE</b>				
<b><u>GENERAL FUND</u></b>				
DISTRICT ATTORNEY - CRIMINAL PROSECUTION	473	477	488	11
LAW AND JUSTICE GROUP ADMINISTRATION	1	1	1	-
PROBATION - ADMINISTRATION, CORRECTIONS & DETENTION	1,190	1,194	1,193	(1)
PROBATION - JUVENILE JUSTICE GRANT PROGRAM	32	38	38	-
PUBLIC DEFENDER	246	237	243	6
SHERIFF/CORONER/PUBLIC ADMINISTRATOR	3,467	1,648	1,670	22
SHERIFF - DETENTIONS	-	1,301	1,332	31
SHERIFF - LAW ENFORCEMENT CONTRACTS	-	575	575	-
SUBTOTAL GENERAL FUND	5,409	5,471	5,540	69
<b><u>OTHER FUNDS</u></b>				
SHERIFF/CORONER/PUBLIC ADMINISTRATOR - PUBLIC GATHERINGS	-	-	-	-
SUBTOTAL OTHER FUNDS	-	-	-	-
<b>TOTAL LAW AND JUSTICE</b>	<b>5,409</b>	<b>5,471</b>	<b>5,540</b>	<b>69</b>



BUDGETED STAFFING SUMMARY

Department	2011-12 Final Budget	2012-13 Modified Budget	2013-14 Recommended Budget	Change Between 2012-13 & 2013-14
<b>OPERATIONS AND COMMUNITY SERVICES</b>				
<b><u>GENERAL FUND</u></b>				
AGRICULTURE/WEIGHTS AND MEASURES	61	63	63	-
AIRPORTS	24	19	20	1
ARCHITECTURE AND ENGINEERING	16	19	19	-
COUNTY MUSEUM	30	30	21	(9)
LAND USE SERVICES - ADMINISTRATION	27	32	36	4
LAND USE SERVICES - LAND DEVELOPMENT	-	-	9	9
LAND USE SERVICES - PLANNING	20	20	25	5
LAND USE SERVICES - BUILDING AND SAFETY	21	21	21	-
LAND USE SERVICES - CODE ENFORCEMENT	31	27	28	1
LAND USE SERVICES - FIRE HAZARD ABATEMENT	14	15	15	-
PUBLIC WORKS - SURVEYOR	34	26	25	(1)
REAL ESTATE SERVICES (RES)	22	23	23	-
RES - FACILITIES MANAGEMENT DIVISION	103	106	109	3
RES - UTILITIES	2	2	2	-
REGIONAL PARKS	279	259	252	(7)
REGISTRAR OF VOTERS	25	24	26	2
SUBTOTAL GENERAL FUND	709	686	694	8
<b><u>OTHER FUNDS</u></b>				
COUNTY LIBRARY	281	279	279	-
COUNTY MUSEUM - MUSEUM STORE	1	1	1	-
PUBLIC WORKS - TRANSPORTATION - ROAD OPERATIONS	364	354	343	(11)
PUBLIC WORKS - SOLID WASTE MANAGEMENT - OPERATIONS	84	81	81	-
REGIONAL PARKS - ENTERPRISE FUNDS	6	5	4	(1)
REGIONAL PARKS - SPECIAL REVENUE FUNDS	2	-	-	-
SUBTOTAL OTHER FUNDS	738	720	708	(12)
<b>TOTAL OPERATIONS AND COMMUNITY SERVICES</b>	<b>1,447</b>	<b>1,406</b>	<b>1,402</b>	<b>(4)</b>
<b>TOTAL COUNTY DEPARTMENTS - GENERAL FUND</b>	<b>13,176</b>	<b>13,200</b>	<b>13,499</b>	<b>299</b>
<b>TOTAL COUNTY DEPARTMENTS - OTHER FUNDS</b>	<b>5,874</b>	<b>5,923</b>	<b>5,990</b>	<b>67</b>
<b>COUNTY DEPARTMENTS GRAND TOTAL</b>	<b>19,050</b>	<b>19,123</b>	<b>19,489</b>	<b>366</b>



**CAPITAL IMPROVEMENT PROGRAM**

The County Capital Improvement Program includes construction, rehabilitation and repair projects for numerous facilities and structures.

The funds listed in the appropriation summary schedule in this County Budget Summary and presented in the schedules below represent projects managed by the Architecture and Engineering Department as well as the Department of Public Works (and "Others"). Architecture and Engineering projects include \$186.4 million in projects managed through Capital Funds and \$3.6 million in projects managed through Arrowhead Regional Medical Center Enterprise Funds, for a total project budget of \$190.0 million. The appropriation for the additional projects administered by the Department of Public Works and other units are found within those Department's budget pages. These schedules do not include operating transfers out.

**CAPITAL PROJECTS FUNDS SUMMARY**

	Fund CJP	Fund CJV	Sub-Total	ARMC Capital Fund CJE	Total
<b>Requirements</b>					
Noninventoriable Equipment	61,704		61,704		61,704
Contributions to Non-Owned Projects	36,198		36,198		36,198
Improvements to Land	12,708,512		12,708,512	654,844	13,363,356
Structures and Improvements	159,115,423	13,107,113	172,222,536	2,947,751	175,170,287
Equipment	964,259	240,000	1,204,259		1,204,259
Services and Supplies Transfers Out	22,414		22,414		22,414
Vehicles		156,895	156,895		156,895
<i>Total Requirements</i>	<u>172,908,510</u>	<u>13,504,008</u>	<u>186,412,518</u>	<u>3,602,595</u>	<u>190,015,113</u>

**CAPITAL PROJECTS ADMINISTRATION**

<b><u>ADMINISTERED BY:</u></b>	Discretionary		<b>Total</b>
	<b>General Funding</b>	<b>Other Funding</b>	
<b><u>ARCHITECTURE AND ENGINEERING DEPARTMENT (A&amp;E)</u></b>			
NEW PROJECTS	56,850,000	7,991,194	64,841,194
CARRYOVER BALANCES	93,564,841	31,609,078	125,173,919
TOTAL PROJECTS ADMINISTERED BY (A&E)	<u>150,414,841</u>	<u>39,600,272</u>	<u>190,015,113</u>
<b><u>DEPT. OF PUBLIC WORKS (DPW) PROJECTS:</u></b>			
<b>TRANSPORTATION:</b>			
NEW PROJECTS	4,109,813	13,864,968	17,974,781
CARRYOVER BALANCES	7,817,000	55,343,298	63,160,298
TOTAL PROJECTS ADMINISTERED BY DPW-TRANSPORTATION	<u>11,926,813</u>	<u>69,208,266</u>	<u>81,135,079</u>
<b>SOLID WASTE MANAGEMENT:</b>			
NEW PROJECTS	-	12,034,941	12,034,941
CARRYOVER PROJECTS	-	5,276,506	5,276,506
TOTAL PROJECTS ADMINISTERED BY DPW-SOLID WASTE MANAGEMENT	<u>-</u>	<u>17,311,447</u>	<u>17,311,447</u>
TOTAL PROJECTS DPW	<u>11,926,813</u>	<u>86,519,713</u>	<u>98,446,526</u>
<b><u>PROJECTS ADMINISTERED BY OTHERS</u></b>			
NEW PROJECTS	-	871,009	871,009
CARRYOVER BALANCES	-	559,940	559,940
TOTAL PROJECTS ADMINISTERED BY OTHERS	<u>-</u>	<u>1,430,949</u>	<u>1,430,949</u>
<b>TOTAL 2013-14 CIP BUDGET</b>	<b><u>162,341,654</u></b>	<b><u>127,550,934</u></b>	<b><u>289,892,588</u></b>



In the 2013-14 Recommended Budget, \$64.8 million in new projects is funded primarily using County discretionary general funding. Major projects include the annual allocation of \$20.0 million for the 800 Megahertz (MHz) Upgrade Project; \$15.7 million in additional new discretionary general funding to increase the budget from \$1.3 million to \$17.0 million for a 20,000 square foot expansion of the Sheriff/Coroner/Public Administrator (Sheriff) Crime Lab; \$4.5 million to relocate Sheriff's Aviation from the Rialto Airport to 65,000 square feet of new hangar and maintenance space to be constructed at San Bernardino International Airport; and \$4.5 million to be added to the County Buildings Acquisition and Retrofit Project to acquire office space to locate general funded departments in close proximity to the Victorville Courthouse. In addition, the base budget for CIP of \$12.0 million includes funding of \$3.4 million for deferred maintenance at various County and Regional Park facilities; \$2.8 million for heating, ventilation and air conditioning upgrades and maintenance; \$1.5 million for site infrastructure such as security enhancements, drainage, and oil and air switch replacements; \$1.3 million to improve building systems such as elevator modernization, boiler replacements, and fire alarm system upgrades; \$1.2 million for interior renovation to improve interiors at the Redlands Museum, detention facilities, and remodel space for efficiencies; \$0.9 million to repair and/or replace roofs; and \$0.9 million to patch, seal and rehabilitate various parking lots and driveways.

Projects approved in prior years but not yet completed total an additional \$125.2 million. The major multi-year carryover projects are the 800 MHz Replacement Project, expansion of the Adelanto Detention Center, and the County Buildings Acquisition and Retrofit Project.

The County has several other capital projects that are accounted for in various special revenue funds belonging to the respective project departments, such as Airports, Regional Parks, and the Department of Public Works-Solid Waste Management and Transportation Divisions.

For a complete listing of capital improvement program highlights in all funds, please refer to the Capital Improvement Program section of the 2013-14 Recommended Budget book.



