

## FINANCE AND ADMINISTRATION

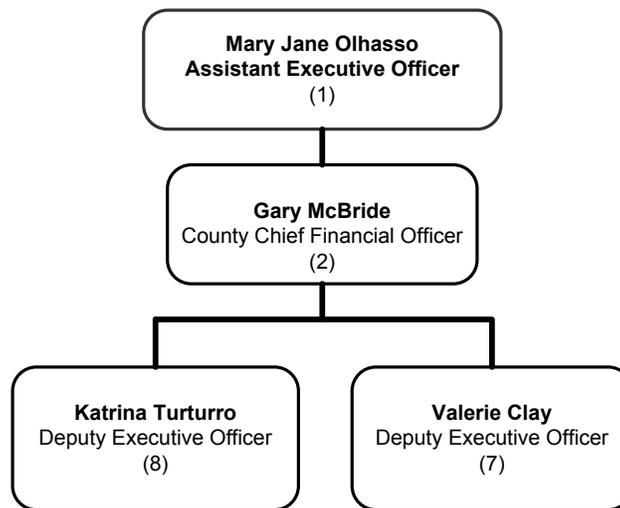
### Mary Jane Olhasso

#### DEPARTMENT MISSION STATEMENT

*Finance and Administration provides timely and accurate financial information to the public, Board of Supervisors, Chief Executive Officer, and County departments; identifies and implements best practices, true cost methodologies, alternative service delivery models, and efficient use of public investments.*



#### ORGANIZATIONAL CHART



#### 2013-14 ACCOMPLISHMENTS

- Received the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) for the eighth consecutive year.
- Created a comprehensive Countywide fee analysis and reporting system.
- Consolidated the Quarterly Report to the Board of Supervisors to include County Fire, Special Districts, Flood Control and Other Agencies.
- Developed a Countywide asset replacement inventory and monitoring system.
- Consolidated the Recommended Budget Book to include County Fire, Special Districts, Flood Control and Other Agencies.
- Increased General Purpose Reserve target of locally funded requirements from 12.7% to 13.5%.
- Developed a multi-year plan to address the projected shortfalls in the County's budget.
- Developed a budget for the coming fiscal year that brings the County into fiscal balance and addresses the most pressing Countywide needs.
- Developed a long-term budget plan which brings the County into operational and programmatic balance.

**COUNTY GOALS AND OBJECTIVES AND DEPARTMENT PERFORMANCE MEASURES**

**COUNTY GOAL: IMPROVE COUNTY GOVERNMENT OPERATIONS**

**Objective(s):** • *Monitor and evaluate operations and implement strategies to continually improve efficiency and effectiveness.*

*Department Strategy:*

- *Prepare a budget presentation that follows the guidelines established by the National Advisory Council on State and Local Budgeting and Government Finance Officers Association (GFOA) best practices on budgeting.*
- *Ensure Board of Supervisors has sufficient review time for recommended budget and fee ordinance documents.*

| Measurement  | 2012-13<br>Actual | 2013-14<br>Target | 2013-14<br>Actual | 2014-15<br>Target |
|--|-------------------|-------------------|-------------------|-------------------|
| Received Distinguished Budget Presentation Award from the Government Finance Officers Association. | Yes               | Yes               | Yes               | Yes               |
| Number of days recommended budget documents were provided in advance of the Board meeting.         | N/A               | 14                | 14                | 14                |
| Number of days fee ordinance documents were provided in advance of the Board meeting.              | N/A               | 14                | 14                | 14                |



**SUMMARY OF BUDGET UNITS**

| 2014-15                           |                   |              |                   |               |            |           |
|-----------------------------------|-------------------|--------------|-------------------|---------------|------------|-----------|
|                                   | Requirements      | Sources      | Net County Cost   | Fund Balance  | Net Budget | Staffing  |
| <b>General Fund</b>               |                   |              |                   |               |            |           |
| Finance and Administration        | 2,889,619         | 0            | 2,889,619         |               |            | 18        |
| Capital Facilities Leases         | 13,016,519        | 0            | 13,016,519        |               |            | 0         |
| <b>Total General Fund</b>         | <b>15,906,138</b> | <b>0</b>     | <b>15,906,138</b> |               |            | <b>18</b> |
| <b>Special Revenue Fund</b>       |                   |              |                   |               |            |           |
| Disaster Recovery Fund            | 28,843            | 6,556        |                   | 22,287        |            | 0         |
| <b>Total Special Revenue Fund</b> | <b>28,843</b>     | <b>6,556</b> |                   | <b>22,287</b> |            | <b>0</b>  |
| <b>Total - All Funds</b>          | <b>15,934,981</b> | <b>6,556</b> | <b>15,906,138</b> | <b>22,287</b> | <b>0</b>   | <b>18</b> |

**5-YEAR REQUIREMENTS TREND**

|                            | 2010-11           | 2011-12           | 2012-13           | 2013-14           | 2014-15           |
|----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Finance and Administration | 0                 | 1,972,535         | 2,640,486         | 2,861,586         | 2,889,619         |
| Capital Facilities Leases  | 54,640,359        | 16,108,391        | 13,052,882        | 13,013,014        | 13,016,519        |
| Disaster Recovery Fund     | 173,135           | 209,310           | 18,868            | 24,315            | 28,843            |
| <b>Total</b>               | <b>54,813,494</b> | <b>18,290,236</b> | <b>15,712,236</b> | <b>15,898,915</b> | <b>15,934,981</b> |

**5-YEAR SOURCES TREND**

|                            | 2010-11           | 2011-12          | 2012-13       | 2013-14       | 2014-15      |
|----------------------------|-------------------|------------------|---------------|---------------|--------------|
| Finance and Administration | 0                 | 0                | 0             | 0             | 0            |
| Capital Facilities Leases  | 38,000,000        | 1,107,389        | 0             | 0             | 0            |
| Disaster Recovery Fund     | 20,547            | 30,000           | 15,000        | 10,000        | 6,556        |
| <b>Total</b>               | <b>38,020,547</b> | <b>1,137,389</b> | <b>15,000</b> | <b>10,000</b> | <b>6,556</b> |

**5-YEAR NET COUNTY COST TREND**

|                            | 2010-11           | 2011-12           | 2012-13           | 2013-14           | 2014-15           |
|----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Finance and Administration | 0                 | 1,972,535         | 2,640,486         | 2,861,586         | 2,889,619         |
| Capital Facilities Leases  | 16,640,359        | 15,001,002        | 13,052,882        | 13,013,014        | 13,016,519        |
| <b>Total</b>               | <b>16,640,359</b> | <b>16,973,537</b> | <b>15,693,368</b> | <b>15,874,600</b> | <b>15,906,138</b> |

**5-YEAR FUND BALANCE TREND**

|                        | 2010-11        | 2011-12        | 2012-13      | 2013-14       | 2014-15       |
|------------------------|----------------|----------------|--------------|---------------|---------------|
| Disaster Recovery Fund | 152,588        | 179,310        | 3,868        | 14,315        | 22,287        |
| <b>Total</b>           | <b>152,588</b> | <b>179,310</b> | <b>3,868</b> | <b>14,315</b> | <b>22,287</b> |



## Finance and Administration

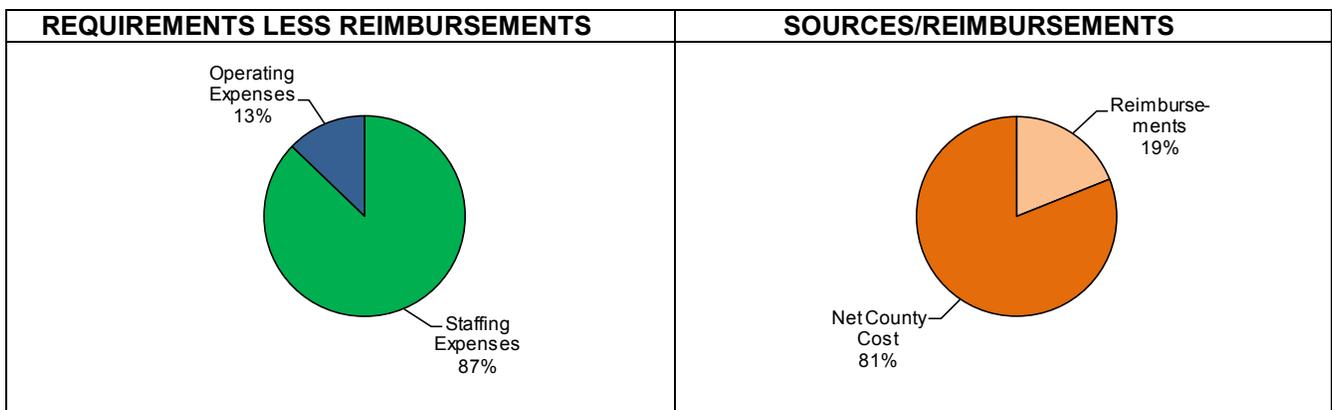
### DESCRIPTION OF MAJOR SERVICES

The Finance and Administration budget unit was created in 2011-12 to centralize financial management and oversight. In alignment with priorities of the Board of Supervisors and the Chief Executive Officer, this section provides timely and accurate financial information, and advises departments in financial matters.

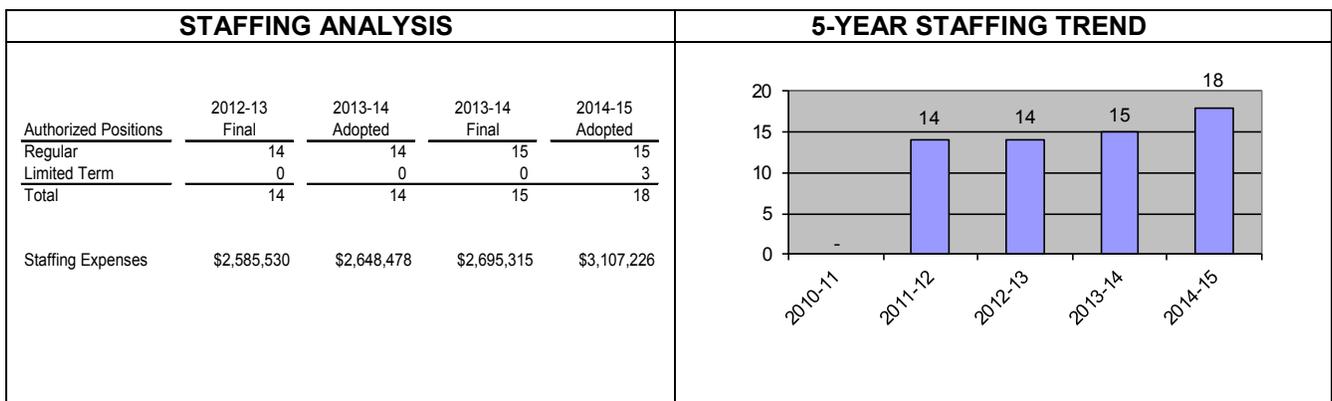
| Budget at a Glance                |             |
|-----------------------------------|-------------|
| Requirements Less Reimbursements* | \$3,563,661 |
| Sources/Reimbursements            | \$674,042   |
| Net County Cost                   | \$2,889,619 |
| Total Staff                       | 18          |
| Funded by Net County Cost         | 81%         |
| *Includes Contingencies           |             |

Finance and Administration is responsible for the preparation and administration of the County budget, including development of the five-year forecast and annual strategic plan; the administration and monitoring of the County general fund long-term debt portfolio, which includes both issuance and post-issuance activities; and oversight and administration of the County's capital improvement program.

### 2014-15 ADOPTED BUDGET



### BUDGETED STAFFING



**ANALYSIS OF 2014-15 ADOPTED BUDGET**

GROUP: Administration  
DEPARTMENT: Finance and Administration  
FUND: General

BUDGET UNIT: AAA FAB  
FUNCTION: General  
ACTIVITY: Finance

|                         | 2010-11<br>Actual | 2011-12<br>Actual | 2012-13<br>Actual | 2013-14<br>Actual | 2013-14<br>Final<br>Budget | 2014-15<br>Adopted<br>Budget | Change From<br>2013-14<br>Final<br>Budget |
|-------------------------|-------------------|-------------------|-------------------|-------------------|----------------------------|------------------------------|---|
| <b>Requirements</b>     |                   |                   |                   |                   |                            |                              |   |
| Staffing Expenses       | 0                 | 2,095,407         | 1,840,406         | 2,462,736         | 2,695,315                  | 3,107,226                    | 411,911                                   |
| Operating Expenses      | 0                 | 222,862           | 165,254           | 479,745           | 545,218                    | 456,435                      | (88,783)                                  |
| Capital Expenditures    | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Contingencies           | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Total Exp Authority     | 0                 | 2,318,269         | 2,005,660         | 2,942,481         | 3,240,533                  | 3,563,661                    | 323,128                                   |
| Reimbursements          | 0                 | (369,985)         | (364,311)         | (373,277)         | (378,947)                  | (674,042)                    | (295,095)                                 |
| Total Appropriation     | 0                 | 1,948,284         | 1,641,349         | 2,569,204         | 2,861,586                  | 2,889,619                    | 28,033                                    |
| Operating Transfers Out | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Total Requirements      | 0                 | 1,948,284         | 1,641,349         | 2,569,204         | 2,861,586                  | 2,889,619                    | 28,033                                    |
| <b>Sources</b>          |                   |                   |                   |                   |                            |                              |   |
| Taxes                   | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Realignment             | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| State, Fed or Gov't Aid | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Fee/Rate                | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Other Revenue           | 0                 | 0                 | 0                 | 4,883             | 0                          | 0                            | 0   |
| Total Revenue           | 0                 | 0                 | 0                 | 4,883             | 0                          | 0                            | 0   |
| Operating Transfers In  | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Total Sources           | 0                 | 0                 | 0                 | 4,883             | 0                          | 0                            | 0   |
| Net County Cost         | 0                 | 1,948,284         | 1,641,349         | 2,564,321         | 2,861,586                  | 2,889,619                    | 28,033                                    |
|                         |                   |                   |                   | Budgeted Staffing | 15                         | 18                           | 3   |

**MAJOR EXPENDITURES AND REVENUE IN 2014-15 ADOPTED BUDGET**

Staffing expenses of \$3.1 million fund 18 budgeted positions. The majority of reimbursements are from Health Administration, County Fire, and Indigent Defense for administrative oversight.

**BUDGET CHANGES AND OPERATIONAL IMPACT**

Staffing expenses are increasing, partially offset by an increase in reimbursements, to fund 2 contract positions for Indigent Defense administration and for increased reimbursement for Finance and Administration staff time dedicated to Health Care Administration. Requirements are increasing \$28,033 primarily due to increased retirement costs.

**STAFFING CHANGES AND OPERATIONAL IMPACT**

Staffing expenses of \$3.1 million fund 18 budgeted positions of which 15 are regular positions and 3 are limited term positions. The budget includes an increase of 3 positions. An Administrative Analyst III position is being added to the budget that previously resided in Health Administration. Two contract positions, an Indigent Defense Analyst and Indigent Defense Clerk, are being added to administer Indigent Defense Conflict Panel contracts and non-contract court appointed defense services as a result of the County assuming this responsibility from the Courts. These 2 positions are fully reimbursed by the Indigent Defense budget unit. Additionally, the budget includes a reclassification of a vacant Administrative Analyst III to a new Chief Administrative Analyst classification. This position will provide analysis and oversight of the County's Law and Justice Departments' programs and budget.



**2014-15 POSITION SUMMARY**

| Division                   | Regular | Limited Term | Total | Filled | Vacant | New | Total |
|----------------------------|---------|--------------|-------|--------|--------|-----|-------|
| Finance and Administration | 15      | 3            | 18    | 15     | 0      | 3   | 18    |
| Total                      | 15      | 3            | 18    | 15     | 0      | 3   | 18    |

| <b>Finance and Administration</b> |  |
|-----------------------------------|--|
| <u>Classification</u>             |  |
| 1                                 | Assistant Executive Officer - Finance and Administration |
| 1                                 | County Chief Financial Officer                           |
| 2                                 | Deputy Executive Officer                                 |
| 1                                 | Chief Administrative Analyst                             |
| 2                                 | Principal Administrative Analyst                         |
| 6                                 | Administrative Analyst III                               |
| 1                                 | Administrative Analyst I                                 |
| 1                                 | Contract Indigent Defense Analyst                        |
| 1                                 | Contract Indigent Defense Clerk                          |
| 1                                 | Executive Secretary III                                  |
| 1                                 | Public Service Employee                                  |
| 18                                | Total  |



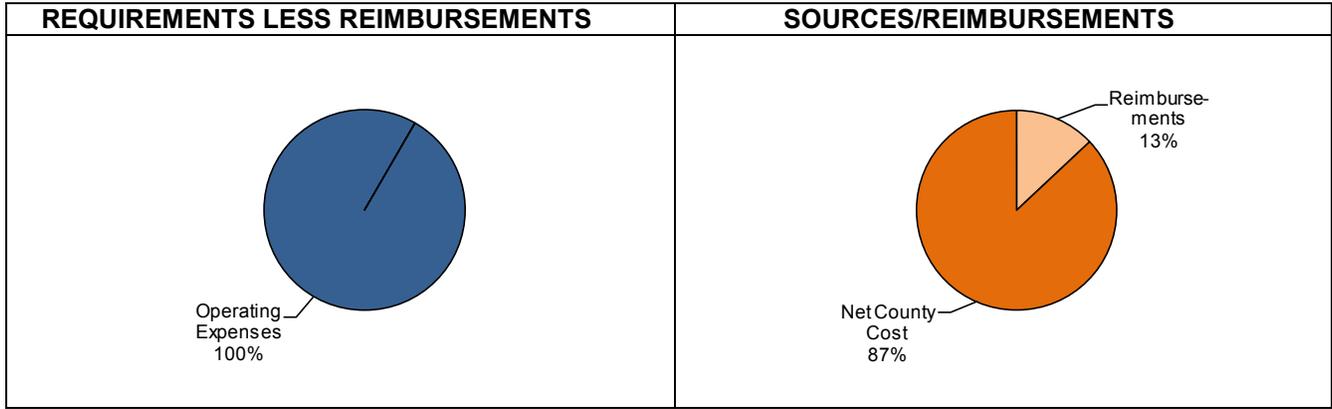
## Capital Facilities Leases

### DESCRIPTION OF MAJOR SERVICES

This budget unit funds the cost of long-term capital lease payments for the major County facilities financed by the general fund.

| Budget at a Glance                     |              |
|--|--------------|
| Requirements Less Reimbursements*      | \$14,960,588 |
| Sources/Reimbursements                 | \$1,944,069  |
| Net County Cost                        | \$13,016,519 |
| Total Staff                            | 0            |
| Funded by Net County Cost              | 87%          |
| <small>*Includes Contingencies</small> |              |

### 2014-15 ADOPTED BUDGET



**ANALYSIS OF 2014-15 ADOPTED BUDGET**

GROUP: Administration  
 DEPARTMENT: Finance and Administration - Capital Facilities Leases  
 FUND: General

BUDGET UNIT: AAA JPL  
 FUNCTION: General  
 ACTIVITY: Property Management

|                         | 2010-11<br>Actual | 2011-12<br>Actual | 2012-13<br>Actual | 2013-14<br>Actual | 2013-14<br>Final<br>Budget | 2014-15<br>Adopted<br>Budget | Change From<br>2013-14<br>Final<br>Budget |
|-------------------------|-------------------|-------------------|-------------------|-------------------|----------------------------|------------------------------|---|
| <b>Requirements</b>     |                   |                   |                   |                   |                            |                              |   |
| Staffing Expenses       | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Operating Expenses      | 54,214,260        | 17,993,260        | 14,876,470        | 14,665,377        | 14,954,748                 | 14,960,588                   | 5,840                                     |
| Capital Expenditures    | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Contingencies           | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Total Exp Authority     | 54,214,260        | 17,993,260        | 14,876,470        | 14,665,377        | 14,954,748                 | 14,960,588                   | 5,840                                     |
| Reimbursements          | (2,037,795)       | (1,943,662)       | (1,945,536)       | (1,941,734)       | (1,941,734)                | (1,944,069)                  | (2,335)                                   |
| Total Appropriation     | 52,176,465        | 16,049,598        | 12,930,934        | 12,723,643        | 13,013,014                 | 13,016,519                   | 3,505                                     |
| Operating Transfers Out | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Total Requirements      | 52,176,465        | 16,049,598        | 12,930,934        | 12,723,643        | 13,013,014                 | 13,016,519                   | 3,505                                     |
| <b>Sources</b>          |                   |                   |                   |                   |                            |                              |   |
| Taxes                   | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Realignment             | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| State, Fed or Gov't Aid | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Fee/Rate                | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Other Revenue           | 38,004,413        | 1,107,389         | 10,700            | 146               | 0                          | 0                            | 0   |
| Total Revenue           | 38,004,413        | 1,107,389         | 10,700            | 146               | 0                          | 0                            | 0   |
| Operating Transfers In  | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Total Sources           | 38,004,413        | 1,107,389         | 10,700            | 146               | 0                          | 0                            | 0   |
| Net County Cost         | 14,172,052        | 14,942,209        | 12,920,234        | 12,723,497        | 13,013,014                 | 13,016,519                   | 3,505                                     |
|                         |                   |                   |                   | Budgeted Staffing | 0                          | 0                            | 0   |

**MAJOR EXPENDITURES AND REVENUE IN 2014-15 ADOPTED BUDGET**

Operating expenses of \$15.0 million represent lease payments and related fees and administrative costs for the major County assets financed by the general fund.

**Lease Payments:**

|   |             |
|---|-------------|
| Justice Center/Chino Airport Improvements | \$6,557,750 |
| West Valley Detention Center              | 8,088,159   |
| Subtotal                                  | 14,645,909  |

**Other Expenditures:**

|   |              |
|---|--------------|
| Debt Administration (including Trustee Fees, Audit and Arbitrage) | 238,970      |
| COWCAP  | 75,709       |
| Subtotal  | 14,960,588   |
| Reimbursements  | (1,944,069)  |
| Total   | \$13,016,519 |

**BUDGET CHANGES AND OPERATIONAL IMPACT**

Operating expenses reflect a minor increase in Countywide Cost Allocation Plan (COWCAP) charges.

**STAFFING CHANGES AND OPERATIONAL IMPACT**

There is no staffing associated with this budget unit.



## Disaster Recovery Fund

### DESCRIPTION OF MAJOR SERVICES

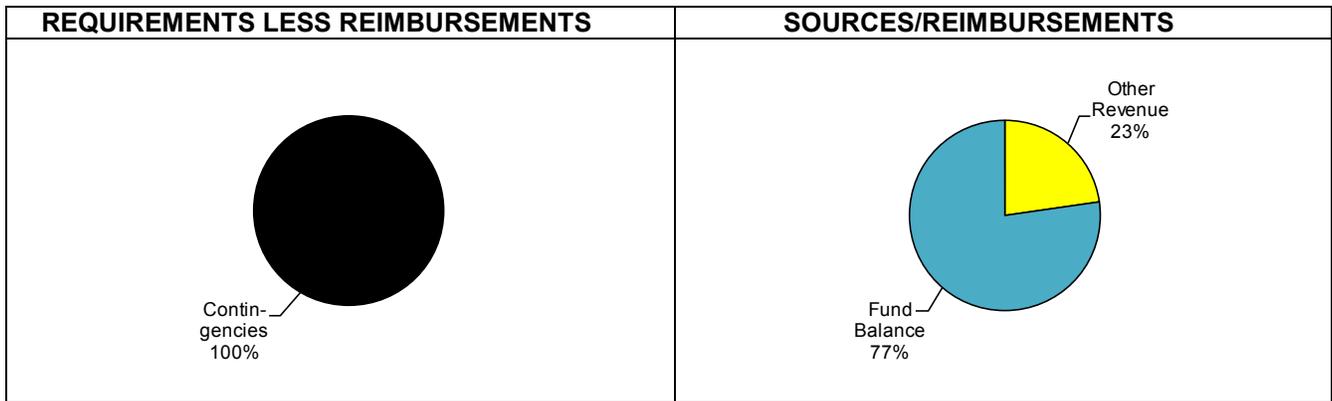
The Disaster Recovery Fund was established to provide separate accountability for specific administrative and program costs related to the County's disaster recovery efforts, which are reimbursed through state and federal funds. Prior incidents have included the Grand Prix/Old Fires in October 2003, Grass Valley/Slide Fires of October 2007, and winter storms of 1998, 2005, and 2010.

#### Budget at a Glance

|                                   |          |
|-----------------------------------|----------|
| Requirements Less Reimbursements* | \$28,843 |
| Sources/Reimbursements            | \$6,556  |
| Fund Balance                      | \$22,287 |
| Contribution to Fund Balance      | \$6,556  |
| Total Staff                       | 0        |

\*Includes Contingencies

### 2014-15 ADOPTED BUDGET



### ANALYSIS OF 2014-15 ADOPTED BUDGET

GROUP: Administration  
 DEPARTMENT: Finance and Administration - Disaster Recovery Fund  
 FUND: Disaster Recovery Fund

BUDGET UNIT: SFH CAO  
 FUNCTION: Public Protection  
 ACTIVITY: Other Protection

|                            | 2010-11<br>Actual | 2011-12<br>Actual | 2012-13<br>Actual | 2013-14<br>Actual | 2013-14<br>Final<br>Budget | 2014-15<br>Adopted<br>Budget | Change From<br>2013-14<br>Final<br>Budget |
|----------------------------|-------------------|-------------------|-------------------|-------------------|----------------------------|------------------------------|---|
| <b>Requirements</b>        |                   |                   |                   |                   |                            |                              |   |
| Staffing Expenses          | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Operating Expenses         | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Capital Expenditures       | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Contingencies              | 0                 | 0                 | 0                 | 0                 | 24,315                     | 28,843                       | 4,528                                     |
| <b>Total Exp Authority</b> | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>24,315</b>              | <b>28,843</b>                | <b>4,528</b>                              |
| Reimbursements             | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| <b>Total Appropriation</b> | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>24,315</b>              | <b>28,843</b>                | <b>4,528</b>                              |
| Operating Transfers Out    | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| <b>Total Requirements</b>  | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>24,315</b>              | <b>28,843</b>                | <b>4,528</b>                              |
| <b>Sources</b>             |                   |                   |                   |                   |                            |                              |   |
| Taxes                      | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Realignment                | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| State, Fed or Gov't Aid    | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Fee/Rate                   | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| Other Revenue              | 19,161            | 20,548            | 10,446            | 7,973             | 10,000                     | 6,556                        | (3,444)                                   |
| <b>Total Revenue</b>       | <b>19,161</b>     | <b>20,548</b>     | <b>10,446</b>     | <b>7,973</b>      | <b>10,000</b>              | <b>6,556</b>                 | <b>(3,444)</b>                            |
| Operating Transfers In     | 0                 | 0                 | 0                 | 0                 | 0                          | 0                            | 0   |
| <b>Total Sources</b>       | <b>19,161</b>     | <b>20,548</b>     | <b>10,446</b>     | <b>7,973</b>      | <b>10,000</b>              | <b>6,556</b>                 | <b>(3,444)</b>                            |
|                            |                   |                   |                   | Fund Balance      | 14,315                     | 22,287                       | 7,972                                     |
|                            |                   |                   |                   | Budgeted Staffing | 0                          | 0                            | 0   |



**MAJOR EXPENDITURES AND REVENUE IN 2014-15 ADOPTED BUDGET**

Other revenue of \$6,556 represents anticipated interest earnings on the cash balance in the fund, which includes amounts due to other agencies.

**BUDGET CHANGES AND OPERATIONAL IMPACT**

This budget unit is currently used as a suspense account to track payments by state and federal agencies for reimbursable disaster recovery efforts that are then distributed to County departments.

**STAFFING CHANGES AND OPERATIONAL IMPACT**

There is no staffing associated with this budget unit.

