

**PROJECTED CHANGES IN BUDGETARY FUND BALANCE – GOVERNMENTAL FUNDS**

	General Fund	Restricted General Fund	Special Revenue Funds	Capital Project Funds	Permanent Fund
<b>2014-15 Beginning Budgetary Fund Balance</b>	<b>110,316,025</b>	<b>267,210,614</b>	<b>448,464,065</b>	<b>150,948,085</b>	<b>1,610,065</b>
<b>Add:</b>					
Revenues	2,527,851,108	516,249,924	557,796,369	12,378,981	10,000
Other Financing Sources	26,800,000	6,159,432	64,451,318	54,634,717	
Use of Reserves	5,636,537	-			
<b>Total Available Financing</b>	<b>2,670,603,670</b>	<b>789,619,970</b>	<b>1,070,711,752</b>	<b>217,961,783</b>	<b>1,620,065</b>
<b>Less:</b>					
Expenditures	2,505,542,047	507,175,752	702,644,416	215,529,290	
Other Financing Uses	62,394,294	18,748,410	74,391,260	1,368,251	8,000
Increase in Reserves	48,227,450				
<b>Total Requirements</b>	<b>2,616,163,791</b>	<b>525,924,162</b>	<b>777,035,676</b>	<b>216,897,541</b>	<b>8,000</b>
<b>2014-15 Projected Ending Budgetary Fund Balance</b>	<b>54,439,879</b>	<b>263,695,808</b>	<b>293,676,076</b>	<b>1,064,242</b>	<b>1,612,065</b>

General Fund

For the General Fund, budgetary fund balance is expected to decrease by \$55.9 million. This is due primarily to a net change in Reserves of \$42.6 million. This increase primarily includes contributions of \$15.1 to the labor reserve, \$7.9 million to the earned leave reserve, \$9.0 million for Transportation projects, and \$12.2 million for various capital improvement projects.

Restricted General Fund

The restricted General Fund includes the 1991 and 2011 Realignment funds, the Proposition 172 Fund and the Automated Systems Development fund. Fund balance in the Restricted General Fund is expected to decrease slightly by \$3.5 million.

For the Realignment funds, anticipated revenue exceeds departmental usage by \$8.3 million. Realignment expenditure levels, budgeted based on requirements with adjustments for recent program changes, continue to be monitored closely as revenues to pay these expenses are directly dependent on the health of the economy.

For the Automated Systems Development Fund, the budget appropriates the entire fund balance of \$11.9 million. However, this is a large project which will likely span many fiscal years.



Special Revenue Funds

In accordance with Section 29009 of the California Government Code, the entire unreserved fund balance in special revenue funds must be appropriated each year. Budgeted contingencies are appropriated for future or unplanned expenditures that are not anticipated for the current budget year. The projected 2014-15 ending fund balance of \$293.7 million is the contingency appropriation. Therefore, overall fund balances in the special revenue funds are anticipated to decrease by \$154.8 million from a beginning budgetary fund balance of \$448.5 million. Fund balance at the end of this fiscal year will be carried over to the 2015-16 budget.

Significant details regarding projected reductions in fund balances for Special Revenue Funds:

- **Flood Control District** anticipates a \$38.2 million reduction in fund balance due to expenditures related to large construction contracts.
- **Public Works Transportation** anticipates a \$36.6 million reduction in fund balance to fund a variety of road related projects for 2014-15.
- **Community Development and Housing** anticipates a decrease in fund balance of \$23.0 million to fund Community Development programs.
- **Sheriff/Coroner/Public Administrator** anticipates a \$17.2 million reduction in fund balance due to planned operating, fixed asset, and capital expenditures.
- **Fire Protection District** budgets a \$12.1 million reduction related to the appropriation of fund balance in the Capital Replacement set-asides to make funds available for planned and future capital needs.
- **Behavioral Health – Mental Health Services Act (MHSA)** budget unit projects a \$5.8 million decrease in fund balance primarily due to an increase in staffing expenses for programs proposed through the Mental Health Services Act Community Program Planning Process for 2014-15.

Capital Project Funds

Capital project funds normally appropriate the entire fund balance each year by project; therefore, the projected ending fund balance is a nominal \$1.1 million. Historically, amounts budgeted in capital projects funds each year are greater than the amounts actually expended because large capital projects often span many fiscal years and project balances are carried over annually until project completion. Hence, the actual ending fund balance is typically much greater than budgeted.

Permanent Fund

Permanent funds account for legally restricted resources provided in trust in which the earnings but not the principal can be used to support the primary governments programs.

**Special Districts Department** permanent fund accounts for an endowment for the North Etiwanda Preserve. Fund balance is anticipated to increase slightly as planned needs are less than anticipated interest revenue.

