



YEAR END BUDGET REVIEW

Fiscal Year 2024-2025

Year End Budget adjustments

Year End Revenue Projections

Estimated ending fund balances by
Fund

Recommendation on use of General
Fund fund balance for FY 25-26

TODAY'S TOPICS

YEAR END BUDGET ADJUSTMENTS

Detailed in Attachment A

GENERAL FUND BUDGET ADJUSTMENTS

Cost Center	Increase in Appropriations	Need	Revenue Source
Community Development	\$140,000	Professional services to planning, outside plan checks and outside counsel	Recognizing additional anticipated building and EH departmental revenues
Grand Jury	\$14,000	Increases in operational expenses	
Veterans Services	\$2,626	DSS Staff Time for VSO recruitment	Offset by recognizing additional dept. revenue

OTHER FUNDS BUDGET ADJUSTMENTS

Fund	Cost Center	Increase in Appropriations	Need
Behavioral Health	Behavioral Health	\$0	Reduce SDE, Increase Transfer Out-BH Housing by \$5,349
BH Housing	Cabrini House	\$5,349	Increase Transfer In-BH & Increase Transfer Out-County Capital
County Capital	County Capital	\$5,349	Increase Transfer In-Cabrini & Increase Buildings Maint. Improvements
Employee Leave Liability	Employee Leave Liability	\$200,000	Increase Leave Cash Outs-Vacation; not enough in Terminations to cover

YEAR END REVENUE PROJECTIONS

ANTICIPATED CHANGES TO GENERAL REVENUES

Anticipating reduction in general revenues of \$284,126

- Not including reduction in realignment revenues of \$794,490

Major Factors:

- Sales Tax
- Cable TV Franchise Fees
- Lake Tulloch Concessionaire

No change to TOT projection from Adopted but reduced from January 2025 review

SALES TAX PROJECTIONS

Fiscal Year	Sales Tax Revenue	
FY 2019-2020	\$4,964,886	
FY 2020-2021	\$6,490,632	
FY 2021-2022	\$6,960,186	
FY 2022-2023	\$6,558,227	
FY 2023-2024	\$6,567,070	
FY 2024-2025 Recommended projection	\$6,834,000	2% growth on FY 23-24 YE estimates
FY 2024-2025 Adopted projection	\$6,698,411	2% growth on FY 23-24 Actuals
FY 2024-2025 Mid-Year projection	\$6,567,070	Reduced back to FY 23-24 Actuals
FY 2024-2025 Year End projection	\$6,500,000	Reduced to below FY 23-24 Actuals

TRANSIENT OCCUPANCY TAX (TOT)

Visit Tuolumne County reports:

- Visit California numbers are trending slightly higher than last year.
- Uncertainty of Yosemite reservations and current political climate are leading to reductions in international visitors this summer
 - Bookings in Highway 120 area are down 25% from this time last year

Revenue Team projecting 4% growth for FY 24-25 from FY 23-24 actuals

- Historic TOT growth is approximately 10%

Revenue Team projecting 4% growth for FY 25-26, accounting for new development proposed to open in FY 25-26

ESTIMATED ENDING FUND BALANCE PROJECTIONS

General Fund Fund Balance

General Fund contingencies at Mid-Year	\$1,159,618
Mid-Year Cuts (currently in contingencies)	\$2,637,351
Anticipated reductions in general revenues	(\$284,126)
Estimated reductions to salary & benefits from vacancies / hiring freeze	\$1,990,488
Estimated adjustments to departmental revenues and operating expenses	\$82,800
Estimated Fire Fund fund balance to be included in General Fund in FY 25-26	\$111,947
Total ESTIMATED ending fund balance	\$5,698,078

GENERAL FUND

USING FUND BALANCE IN FY 25-26

Budget Team Recommendation

MID-YEAR CUTS

\$ Amount	Source	FY 25-26 Use
\$2,637,351	Mid-Year Cuts	Use toward FY 25-26 anticipated shortfall, as was intended

BOARD BUDGET POLICY ON USE OF FUND BALANCE

Balance annual operating budgets without the use of one-time revenues (i.e. unobligated/available beginning fund balances and other significant one-time revenue allocations).

- Up to 50% of the 10-year rolling average of actual Fund Balance can be considered recurring revenue and may be used toward ongoing expenses or any expense listed in item #2

Dedicate unobligated/available beginning fund balances to:

1. Establish annual contingencies
2. Pay off County debts
3. Increase reserves
4. Fund future liabilities; and
5. Fund capital equipment, plant, infrastructure and other one-time needs

\$ Amount	Source	FY 25-26 Use
\$1,000,000	General Fund contingencies at Mid-Year	Use to refund contingencies in FY 25-26
\$1,500,000	Estimated reductions to salary & benefits from vacancies / hiring freeze	Use toward FY 25-26 Capital Projects/Deferred Maintenance and Reserves
\$560,727	Estimated reductions to salary & benefits from vacancies / hiring freeze Estimated adjustments to departmental revenues and operations expenses Estimated Fire Fund fund balance	Use what is needed toward operations to balance FY 25-26 according to Board's budget policy Add any remainder to contingencies until actual fund balance is determined in September
\$3,060,727	Estimated True Fund Balance	

50% of 10-year rolling average of fund balance (less COVID-19 years): **\$1,570,162**

GENERAL FUND

Dedicate unobligated/available beginning fund balances to:

- Establish annual contingencies
- Pay off County debts
- Increase reserves
- Fund future liabilities; and
- Fund capital equipment, plant, infrastructure and other one-time needs

OTHER GOVERNMENTAL FUNDS—SPECIAL REVENUE FUNDS: HHSA

Fund	Estimated Ending Fund Balance	
Public Health	\$680,736	Contingencies that will be rebudgeted
Opioid Operations	\$0	
Behavioral Health	\$1,619,171	Contingencies that will be rebudgeted
Tuolumne County BH Housing	\$3,000	
Supportive Housing	\$10,268	
Department of Social Services	\$2,790,868	Contingencies that will be rebudgeted

Anticipating significant reductions in revenues, including challenges with meeting VLF base, no anticipated growth and reductions in grants.

OTHER GOVERNMENTAL FUNDS—SPECIAL REVENUE FUNDS

Fund	Estimated Ending Fund Balance	
County Roads	\$1,234,202	Contingencies for road projects
Monument Preservation	\$268,598	
Tuolumne County Fire	\$111,947	Will be added to FY 25-26 General Fund beginning fund balance
Criminal Justice Facility	\$242	
Fish and Wildlife Preservation Fund	\$1,787	
American Rescue Plan	\$ 0	
Perm. Local Housing Allocation (PLHA)	\$18,810	

OTHER GOVERNMENTAL FUNDS—CAPITAL FUNDS

Fund	Estimated Ending Fund Balance	
Road Construction Capital	\$887,576	GF match for 2023 storm projects
County Capital	\$3,006,678	Will be rebudgeted to finish projects that were not completed in FY 24-25
Capital-Housing (CARE and Opioid Litigation)	\$4,773,046	Primarily Opioid Litigation settlement revenue

ENTERPRISE FUNDS

Fund	Estimated Ending Fund Balance	
Columbia Airport	\$175,000	
Pine Mountain Lake Airport	\$0	
Ambulance	\$3,996,927	Contingencies that will be rebudgeted in FY 25-26
Solid Waste Management	\$1,390,638	Contingencies that will be rebudgeted in FY 25-26

INTERNAL SERVICE FUNDS

Fund	Estimated Ending Fund Balance
Liability Self Insurance	\$1,699,914
Unemployment Insurance	\$268,598
Telecommunications	\$511,522
Workers Compensation	\$14,904,361
Purchasing	\$51,810
Employee Group Insurance	\$31,058
Employee Leave Liability	\$1,239,547
Post Retirement Insurance	\$4,031,777
Information Technology Services	\$2,020,577

RECOMMENDATION & DIRECTION

1. Approve the FY 24-25 year-end budget adjustments detailed in Attachment A
2. Approve staff's recommendation on the use of General Fund fund balance for the development of the FY 25-26 Recommended Budget