



COUNTY OF YOLO

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2018-19 Recommended Budget & 2017-18 Annual Report Now Available

(Woodland, CA) – Today, Yolo County released its 2018-19 Recommended Budget and 2017-18 Annual Report. The Board of Supervisors will consider the recommended budget on June 12. Total expenditures for the county are recommended in the amount of \$481,532,135 with general purpose revenues of \$77,471,673, which is an increase of \$2,753,681 from the 2017-18 year-end estimated general purpose revenue. 2018-19 represents a major year of facility investment with capital expenditures recommended at \$67,218,832.

The Recommended Budget's focus includes Yolo County's strategic plan priorities, including investment in mental health services and programs to reduce homelessness, stabilizing long term pension costs, investment in county facilities and strengthening the County's overall fiscal health.

“This budget is balanced and reflects the policies included in the Board of Supervisors’ Long Term Financial Plan,” said Yolo County Administrator Patrick Blacklock. “While this plan has resulted in the county’s credit rating steadily increasing to an A+ with a stable outlook, there are storm clouds on the horizon. Rapidly rising Public Employee Retirement System (CalPERS) costs, the recent and ongoing In-Home Supportive Services multi-million dollar cost shift from the state and the likelihood of a future recession as we enter a ninth straight year of growth, signal the need to exercise fiscal caution as we begin the 2018-19 fiscal year.

The number of Yolo County employees per 1,000 residents (6.9 full-time equivalent) remains consistent from the 2017-18 staffing ratio. Staffing continues to be at a low point over a 20-year period and currently is the lowest of comparison counties.

There are three major unfunded liabilities that continue to be of concern to the overall health of the county fiscal climate. Pensions, retiree health and road maintenance have a combined current estimated liability of \$857,107,661. The pension liability of \$297,588,661 has doubled in the last four years despite pension reform lowering the formula for new employees. This is due to CalPERS’ rate changes, changes in accounting methodology and revised employee assumptions of higher age retirement. The retiree health liability saw a reduction from \$153,091,000 to \$86,519,000 during the most recent actuarial study in 2016, and the 2018 study due this summer anticipates a further reduction in this liability due to the ongoing efforts of the Board of Supervisors-approved pre-funding plan. The road maintenance liability of \$473,000,000 has yet to be addressed, though the recent passage of Senate Bill 1 will help significantly, and staff is actively working on options for consideration which include a sales tax measure and regional capital improvement and financing plan.

Once adopted, the recommended budget will serve as the interim spending plan until the adopted budget hearings can be completed following adoption of the state budget. The 2018-19 recommended budget is available online at www.yolocounty.org/budget-finance.

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