

Response to Questions on the FY 2017 Budget

Request By: Supervisor Foust

Question: Please provide the detailed amounts added to reserves as part of the advertised *FY 2016 Third Quarter Review* and the FY 2017 Advertised Budget Plan.

Response: As of the FY 2017 Advertised Budget Plan, updated to include the impact of adjustments included in the advertised *FY 2016 Third Quarter Review*, reserve balances are as follows:

	Reserve Balance (In \$ millions)	% of General Fund Disbursements
Revenue Stabilization Fund	\$166.31	4.17%
Managed Reserve	\$97.00	2.43%
TOTAL	\$263.31	6.60%

Reserves have been increased by utilizing one-time balances available at quarterly reviews, as well as through the use of one-time refunding savings in the County’s Debt Service fund. Additionally, as disbursement increases are approved, 10 percent of the increased amount is set aside in reserve.

As part of the advertised *FY 2016 Third Quarter Review*, an amount of \$14.8 million is proposed to be added to reserves, including \$10.3 million from the General Fund (\$5.7 million to the Revenue Stabilization Fund and \$4.6 million to the Managed Reserve) and \$4.5 million from the Debt Service Fund to the Revenue Stabilization Fund. The General Fund contribution consists of \$0.6 million (a 10 percent load applied against the \$5.6 million increase in General Fund disbursements included in the package) as well an additional \$9.7 available as a result of one-time balances. Debt Service funding is available as a result of savings generated from refunding bond sales.

Included in the FY 2017 Advertised Budget Plan is an increase to reserves of \$30.0 million. This amount includes \$16.9 million from the General Fund, based on a 10 percent load applied against the \$168.7 million in increased disbursements over the FY 2016 Adopted Budget Plan. This total is split between the Revenue Stabilization Fund (\$9.4 million) and the Managed Reserve (\$7.5 million). An additional \$13.1 million is available to be transferred to the Revenue Stabilization Fund from the Debt Service Fund as a result of refunding savings.