



# FY 2022-23 Budget Hearings

**Day 1 – Available Sources,  
CAO Recommendations &  
Deliberations**

# Presentation Overview

- Overview of Available Sources
- CAO Recommendations
- Overview of Budget Adjustment Tool
- Begin Deliberations



# Available Sources



# Ongoing Sources

## Tab 3

**Total Available: \$2.6 million**

Source	Amount
Reinvestment and Revitalization Fund	\$1.0 million
FY22-23 Contingencies	\$1.6 million





# Ongoing Sources

## Reinvestment and Revitalization Fund

- Board of Supervisors established the R&R fund in 2012 after dissolution of Redevelopment Agencies
- Originally focused on completing former redevelopment projects
- Secondary focus on countywide economic, community, and housing development projects



# Ongoing Sources

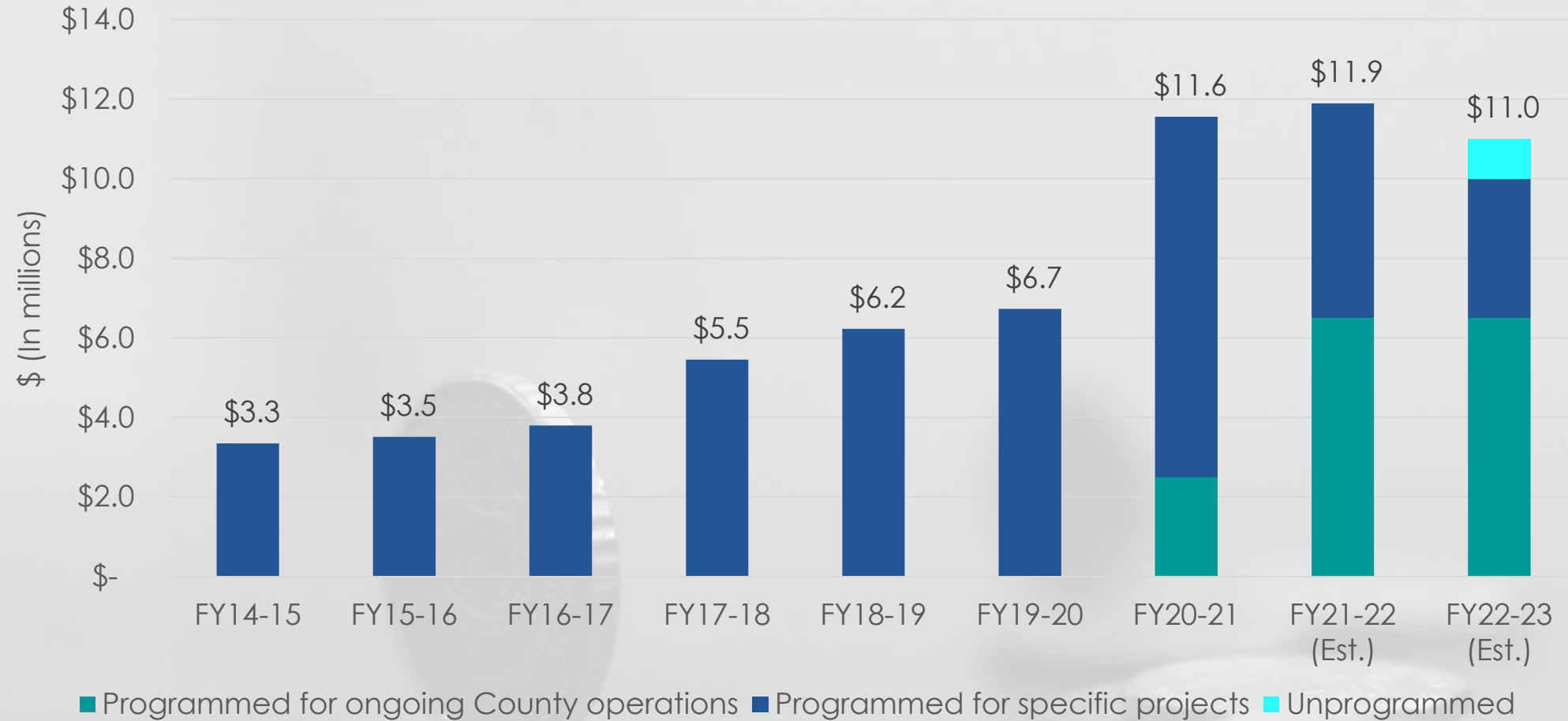
## Reinvestment and Revitalization Fund (continued)

- By 2019-20 nearly all former redevelopment projects completed
  - Board redirected funding from CDC County Fund for Housing to support Residential Care Facilities
- By 2020-21 fund began growing due to completion of most successor agencies obligations aside from debt service and court decisions increased share going to County
- At FY 2020-21 Budget hearings Board directed available growth to support countywide needs and prevent cuts, and again utilized available growth for Board priorities at the FY 2021-22 Budget hearings.



# Ongoing Sources

## Reinvestment and Revitalization Fund – Revenue History



# Ongoing Sources

## Reinvestment and Revitalization Fund – FY 2022-23 Budget

Item	Recommended Budget
CDC contribution	\$728,040
Behavioral Health ongoing funding (Residential Care Facilities)	\$2,300,000
Policy, Grants and Special Projects funding (CAO)	\$126,836
Ongoing funding to GF to support departments	\$6,500,000
Unprogrammed	\$1,000,000
<b>Total</b>	<b>\$10,654,876</b>





# One Time Sources

## Tab 3

**Total Available: \$40.1 million**

Source	Amount
FY2020-21 General Fund YE Fund Balance	\$11.3 million
Reinvestment and Revitalization Fund Balance	\$982,000
Refuse Franchise Fees Fund Balance	\$2.9 million
Community Investment Fund	\$4.6 million
Anticipated FY2021-22 General Fund YE Fund Balance	\$20.2 million
<b>Total</b>	<b>\$40.1 million</b>



# One Time Sources

FY 2020-21 Year End General Fund Balance (\$11.3 M)

December 14, 2022

Source	Health Lab/Morgue	Sears Site
2020-21 YE Fund Balance	\$9.8 M	\$6.2 M
Chanate Sale Proceeds	-	\$13.9 M
Chanate Demo Set Aside	\$10.2 M	-
<b>Total</b>	<b>\$20 M</b>	<b>\$20.1 M</b>

Current Distribution

Source	Health Lab/Morgue	Deferred Maint.	TBD
2020-21 YE Fund Balance	\$9.8 M	-	\$11.3 M
Chanate Sale Proceeds	-	\$14.1 M	-
Chanate Demo Set Aside	\$10.2 M	-	-
<b>Total</b>	<b>\$20 M</b>	<b>\$14.1 M</b>	<b>\$11.3 M</b>



# One Time Sources

## Reinvestment and Revitalization Fund (\$982,000)

<b>Total Fund Balance</b>	<b>\$5,067,582</b>
1) Springs Community Hub	\$2,050,000
2) Hwy 12 Parking Mitigation*	\$820,000
4) Total Maximum Daily Load	\$341,804
5) Guerneville Homeless Shelter	\$485,000
6) CDC Technology Upgrade Project	\$198,778
7) Lower Russian River Area Specific Plan	\$190,000
<b>Total</b>	<b>\$4,085,582</b>
<b>Additional Fund Balance Available for Programming</b>	<b>\$982,000</b>

\*Original RDA project



# One Time Sources

## Refuse Franchise Fees (\$2.9M)

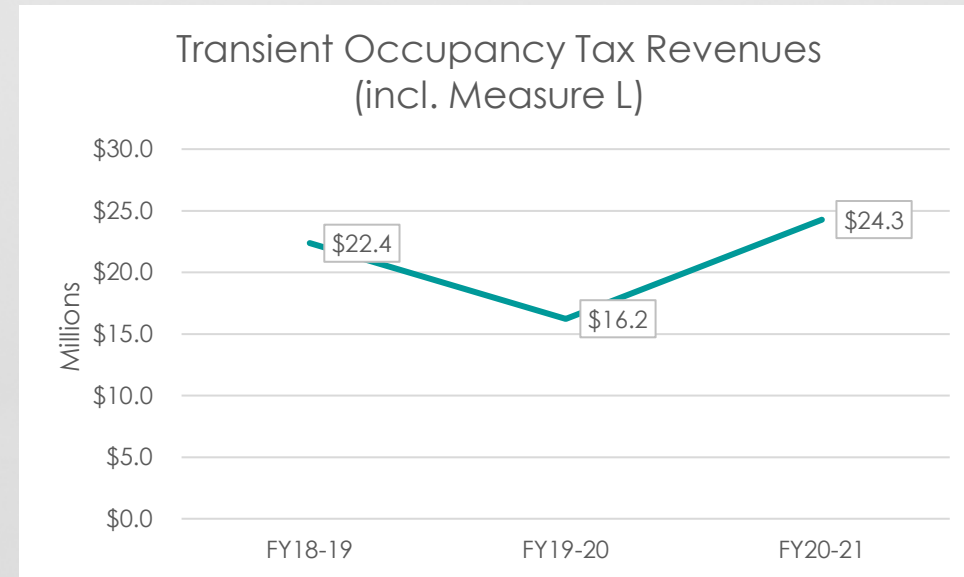
- Estimated Available Fund Balance is \$2.9 million.
- Uses designated by Board policy for solid waste obligations, roads infrastructure preservation and other Board priorities.



# One Time Sources

## Community Investment Fund (\$4.6M)

- Estimated Available Fund Balance is \$9.6 million.
- Policy allows for any fund balance to be directed to General Fund priorities during Budget Hearings.
- CAO is recommending programming \$4.6M and leaving \$5M in fund balance.





# One Time Sources

## FY 2021-22 Year End General Fund Balance (\$20.2M)

- Anticipating \$20.2M in FY21-22 Year End General Fund Savings based on 3<sup>rd</sup> Quarter Estimates.
- Increase of ~\$8M from Mid-Year estimates due to stronger tax revenue growth and increased salary savings in departments.



# One Time Sources

## Unspent FY 2021-22 Contingencies

- FY2021-22 3<sup>rd</sup> Quarter Estimates assumed funds would be fully expended.
- However, anticipated balance as of June 14, 2022 is \$3.2 million.



# One Time Sources

**Total Available: \$43.3 million**

Source	Amount
FY2020-21 General Fund YE Fund Balance	\$11.3 million
Reinvestment and Revitalization Fund Balance	\$982,000
Refuse Franchise Fees Fund Balance	\$2.9 million
Community Investment Fund	\$4.6 million
Anticipated FY2021-22 General Fund YE Fund Balance	\$20.2 million
FY 2021-22 Unused Contingencies	\$3.2 million
<b>Total</b>	<b>\$43.3 million</b>



# County Administrator's Recommendations



# CAO Recommendations

## Ongoing

Recommendation	Amount
Support Homeless Services Re-Organization (BOS Date 5/24/22, Item #43)	\$829,145





# CAO Recommendations

## Ongoing

Recommendation	Amount
Add 1.0 Director of Animal Services (BOS Date 5/17/22, Item #25)	\$283,862*

*\*Funding was set aside to support Animal Services pending conclusion of the study, so there is no increase in general fund cost to implement this recommendation.*



# CAO+ Recommendations

## Ongoing Departmental Requests

Recommendation	Amount
Add 1.0 Senior Emergency Services Coordinator (Emergency Management)	\$241,788
Add 2.0 FTEs for Debris Task force (Health Services)	\$381,365
Retain 1.0 Buyer (General Services)	\$131,726



# CAO Recommendations

## One-time and Ongoing

Recommendation	One-time	Ongoing
Strategic Plan Investments	\$4,000,000	\$1,000,000



# CAO Recommendations

## Strategic Plan Year 2 Funding Timeline & Process

Allocation process similar to FY2021-22 where departments submit funding needs for approved Objectives and Board selects which items to fund.

- Mid-July, 2022: Process and timeline released to departments
- Mid-August, 2022: Funding Requests from departments due to CAO.
  - Evaluation criteria will be similar to FY2021-22: operational feasibility, timing, racial and geographic equity and climate resiliency.
- September/October: CAO funding evaluations completed
- Early 2023: Funding Requests will be presented to Board for consideration.





# CAO Recommendations

## One Time

Recommendation	Amount
Invest FY2020-21 YE Savings in County Center Replacement/Deferred Maintenance	\$11,331,836





# CAO Recommendations

## County Center Replacement/Deferred Maintenance Fund Balance

	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23 (Rec. Budget)	FY22-23 (CAO Rec.)
Contributions and interest	\$0.8	\$2.8	\$4.7	\$5.3	\$12.9	\$11.9	\$11.3
Chanate Proceeds	\$0.0	\$0.0	\$0.0	\$0.0	\$14.1	\$0.0	\$0.0
Expenditures	\$0.0	\$1.0	\$1.7	\$6.6	\$4.4	\$5.7	\$0.0
Net	\$0.8	\$1.7	\$3.0	(\$1.3)	\$22.5	\$6.2	\$11.3
<b>Balance</b>	<b>\$0.8</b>	<b>\$2.5</b>	<b>\$5.6</b>	<b>\$4.3</b>	<b>\$26.8</b>	<b>\$33.0</b>	<b>\$44.3</b>



# CAO Recommendations

## One Time

Recommendation	Amount
Funding for General Plan Update	\$2,800,000



# CAO Recommendations

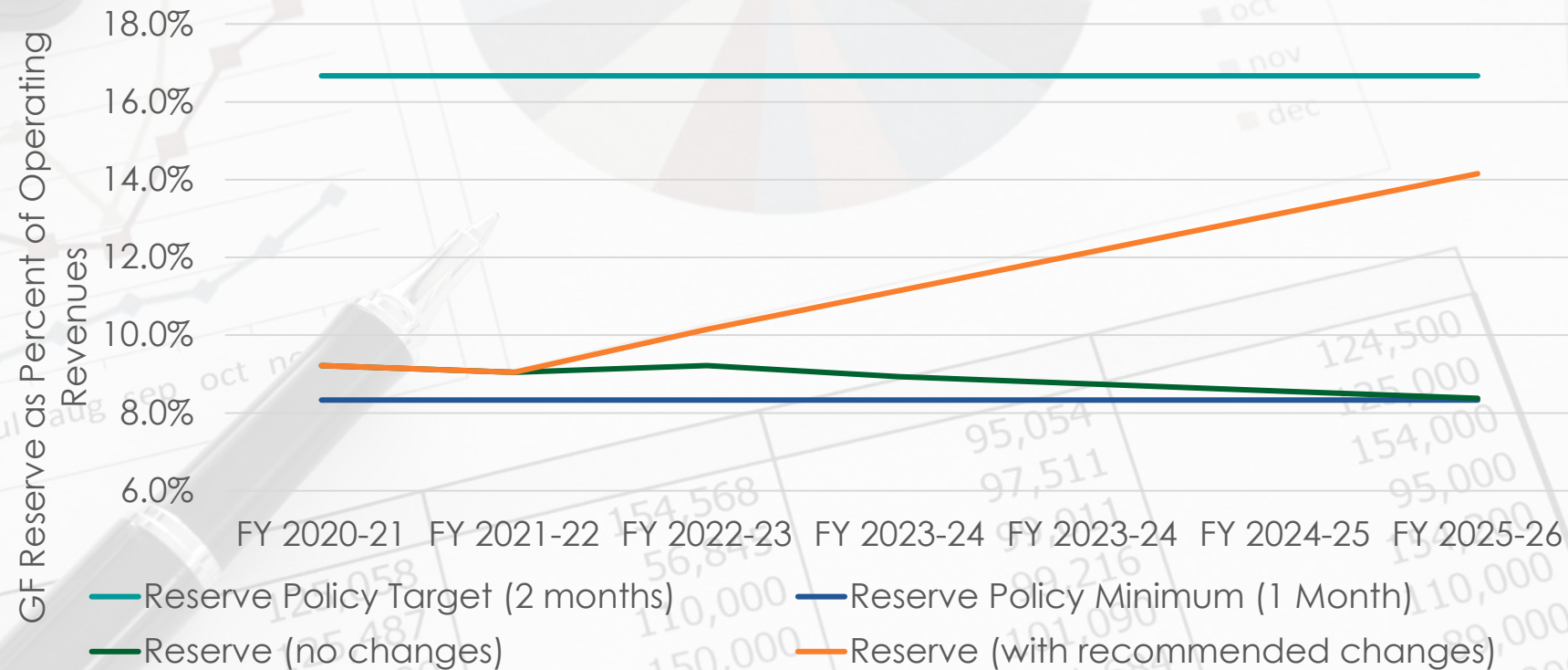
## One Time

Recommendation	Amount
Contribution to Reserves	\$5,475,000



# CAO Recommendations

Figure 1: General Fund Reserve as % of GF





# CAO Recommendations

## One Time

Recommendation	Amount
Behavioral Health Housing Unit Capital Project Funding Gap	\$5,000,000





# Behavioral Health Housing Unit

## Funding Shortfall

- Original Budget was \$44.7 million
  - \$40 million from State
  - \$4.7 million from County (including in-kind contribution)
- Project significantly delayed due to disasters, dispute with state over parking, and delays in state reviews
- Original projections did not include Project Labor Agreement
- New Estimate: \$54.0 million
  - \$9.3 million Gap
  - Gap may grow
- Seeking additional state funding, but uncertain at present
- CAO Recommend setting some funding aside
- Further delays will increase costs



# Behavioral Health Housing Unit

## Staffing Set Aside

FY	Amount Set Aside	Amount Programmed
2019-20 Adopted	\$3.1 million ongoing	No funding programmed
2020-21 (pre-COVID)	\$3.1 million ongoing	No funding programmed
2020-21 (Final)	Ongoing capacity released	\$3.1 million ongoing funding to Sheriff's Office
2021-22	No capacity reserved	(Sheriff's Office support ongoing)
2022-23	\$6.6 million ongoing	\$2.1 million 1x for helicopter; \$2.1 million reserved for FY 23-24
2023-24	\$6.6 million ongoing	No funding programmed



# CAO Recommendations

## One Time

### Recommendation

### Amount

Restore Contingencies used for CRA positions to \$5M

\$685,870



# CAO Recommendations

## One-time Departmental Requests

Recommendation	Amount
Emergency Response Towing/Transport Vehicle (Emergency Management)	\$112,200
EV & Charging Infrastructure for Records Services (Information Services)	\$107,000
Rebuild Assessor Database (Clerk-Recorder-Assessor)	\$230,000
9-1-1 Dispatch System Replacement – initial work (Sheriff's Office)	\$1,500,000





# CAO+ Recommendations

## Use of additional FY2021-22 Year-End Savings

Recommendation	Amount
Pension Unfunded Liability Pay Down	One-third
Increase Contribution to Reserves	One-third
County Center Replacement/Deferred Maintenance	One-third







# Budget Adjustment Tool Overview



# Budget Adjustment Tool

## Tab 4

- Will be used throughout budget hearings
- Provides real-time updates on sources available for balancing based on board decisions
- Adjustments to items on the list or to available sources may be made



# Budget Adjustment Tool

			DRAFT								One-time FY20-21 Fund Balance	One-time*	On-going	GF Contingencies
										Total Available (Board determined)	11,331,836	28,758,263	1,000,000	4,314,330
										Sum of Approved Uses:	11,331,836	19,910,070	1,000,000	1,584,024
										Remaining:	0	8,848,193	-	2,730,306
Row #	Request ID	Department/BOS Member/Community Org	Title/Short Description	Narrative Tab-Page #	One-time or Ongoing	Funding Requested	Gross Expenditures	Revenues & Reimb/Use of Fund Balance	FTE Req	CAO Review Comment				
Recommended Funding Requests														
A01	NonDpt-PCR-03	CAO Recommendation	Funding for General Plan Update	Tab 1- CAO Rec	One-time	2,800,000	2,800,000	0	0			2,800,000		
A02	NonDpt-PCR-04	CAO Recommendation	Contribution to bring reserves from 9.2% to 16.7% over an 8 year period.	Tab 1- CAO Rec	One-time	5,475,000	5,475,000	0	0			5,475,000		
A03	NonDpt-PCR-06	CAO Recommendation	Behavioral Health Unit Capital Project Funding Gap	Tab 1- CAO Rec	One-time	5,000,000	5,000,000	0	0			5,000,000		
A04	NonDpt-PCR-08	CAO Recommendation	Move FY 20-21 Year End Fund balance originally earmarked for the purchase of the Sears site to the Deferred Maintenance/County Center Project fund.	Tab 1- CAO Rec	One-time	11,331,836	11,331,836	0	0		11,331,836			
A05	NonDpt-PCR-09	CAO Recommendation	Utilize one-time funds to restore contingencies to \$5M; confingencies were utilized for Clerk-Recorder-Assessor positions approved on April 19, 2022.	Tab 1- CAO Rec	One-time	685,870	685,870	0	0			685,870		
A06	CRA-PCR-01	Clerk- Recorder-Assessor	Rebuild Assessor Database for data necessary to assess property and prepare the annual assessment roll.	Tab 5 -PCR-2	One-time	230,000	230,000	0	0			230,000		
A07	DEM-PCR-02	Dept of Emergency	Emergency Response Towing/Transport Vehicle	Tab 5 -PCR-65	One-time	112,200	112,200	0	0			112,200		
A08	ISD-PCR-01	Information Systems	Electric Vehicle and charging infrastructure used for countywide delivery of records, mail and courier services.	Tab 5 -PCR-39	One-time	107,000	107,000	0	0			107,000		



# Budget Adjustment Tool

## Categorization of requests

- Green – CAO Recommendation or Department Request Recommended for Approval
- White – Board/Community Requests & strong departmental proposal
- Gray – Not recommended

A05	NonDpt-PCR-09	CAO Recommendation	Utilize one-time funds to restore contingencies to \$5M; contingencies were utilized for Clerk-Recorder-Assessor positions approved on April 19, 2022.	Tab 1- CAO Rec
A06	CRA-PCR-01	Clerk- Recorder-Assessor	Rebuild Assessor Database for data necessary to assess property and prepare the annual assessment roll.	Tab 5 -PCR-2

Example



# Additional Information – Tabs 1, 5 & 6

Request ID	Department/BOS Member/Community Org	Title/Short Description	Narrative Tab-Page #
NonDpt-PCR-09	CAO Recommendation	Utilize one-time funds to restore contingencies to \$5M;	Tab 1-
CRA-PCR-01	Clerk-Recorder-Assessor	Rebu	Tab 1-
DEM-PCR-02	Dept of Emergency	Emer	Tab 1-
ISD-PCR-01	Information Systems	Elect coun	Tab 1-
Request ID	Department/BOS Member/Community Org	Title/Short Description	Narrative Tab-Page #
BoardReq-01	Coursey & Gore	Fire Memorial - 5 year anniversary of the Tubbs Fire	Tab 6-3
BoardReq-02	Coursey & Gore	Graffiti Abatement	Tab 6-7
BoardReq-03	Gorin	0.5 BOS Aide Posiiton - D1	Tab 6-9
BoardReq-04	Gorin	Shift Field Reps to GF	Tab 6-11
BoardReq-05	Gorin	Donald Gap Pedestrian Project	Tab 6-13
BoardReq-07	Gorin	Support Fire Safe Councils	Tab 6-19
BoardReq-08	Gorin	Renovate Larson Park	Tab 6-24
BoardReq-09	Gorin	Renovate Maxwell Farms Park	Tab 6-24
BoardReq-10	Hopkins	Equity and Environmental Justice Deputy Director	Tab 6-47







# Consider Available Sources & Straw Vote



# Deliberations





# Consider CAO Recommended Funding Requests

1. CAO Recommendations (Green)
2. Department Requests for Future consideration (White)
3. Recommended Self-Funded Department Requests (Green)
4. Requests Not Recommended For Funding (Gray)





# **Consider Board & Community Funding Requests**





# Questions?

