



Legislation Text

File #: 2022-0629, **Version:** 1

To: Board of Supervisors/Directors/Commissioners/Directors of the Sonoma Valley County Sanitation District of the County of Sonoma

Department or Agency Name(s): County Administrator's Office

Staff Name and Phone Number: Peter Bruland: 565-2431

Vote Requirement: Majority

Supervisorial District(s): Countywide

Title:

FY 2022-23 Budget Hearings

Recommended Action:

- A) Adopt a Concurrent Resolution adopting the Fiscal Year 2022-23 Budget and Position Allocation Listing and final Board direction for all entities governed by the Board of Supervisors/Directors/Commissioners (Tab 14)
- B) Adopt a Resolution approving the Fiscal Year 2022-23 Budget for the Sonoma Valley County Sanitation District (Tab 14)
- C) Adopt a Concurrent Resolution establishing Fiscal Year 2022-23 appropriations limits for the County and Board of Supervisors-governed special districts, County Services Areas, and the Sonoma County Agricultural Preservation and Open Space District (Tab 12)
- D) Adopt Revised Financial and Budget policies (Tab 11)
- E) Adopt Supplemental Budget Adjustments (Tab 13) and Position Allocation Listing (Tab 14), including Vacancy Sweeps (Tab 7)
- F) Consider staff's recommendation for moving the Community Development Commission's Ending Homelessness team to a newly established Homelessness Services Division in the Department of Health Services; and if approved, direct staff to begin implementation efforts including meet and confer with labor organizations to eventually transfer 11.0 FTE position allocations from Community Development Commission to Department of Health Services; and approve budget adjustments in the Budget Adjustment Tool (Tab 4) for this reorganization to support the future addition of the following positions to the Department of Health Services Position Allocation List: Homelessness Services Division Director, an Accountant III, and a Senior Office Assistant.
- G) Approve transferring designated fund balances for the FEMA Audit Reserve and Resiliency Projects from the General Fund Reserve to the newly established "Reserved Purposes" Fund.

Executive Summary:

Public hearings on the FY 2022-23 Recommended Budget will begin on June 14, 2022 and will continue each day, not to exceed fourteen (14) calendar days, until the budget is adopted. In addition, the Board will establish appropriations limits in compliance with Article XIII B of the State Constitution for Fiscal Year FY 2022-23.

The discussion in this memo highlights a few key elements of the Recommended Budget. The Recommended

Budget and additional materials for budget hearings are available at: [≤
https://sonomacounty.ca.gov/administrative-support-and-fiscal-services/county-administrators-office/budget-and-operations/budget-reports](https://sonomacounty.ca.gov/administrative-support-and-fiscal-services/county-administrators-office/budget-and-operations/budget-reports) <<https://sonomacounty.ca.gov/administrative-support-and-fiscal-services/county-administrators-office/budget-and-operations/budget-reports>> provide in depth information on administrative details associated with the budget as well as areas of policy updates.

The schedule and a detailed description of the binder contents can be found in Tab 1 of the above-mentioned budget binder materials.

Discussion:

The total recommended uses (less operating transfers) for FY 2022-23 is \$2.14 billion. This is financed by \$1.94 billion in sources and \$204 million in use of fund balance. Use of fund balance includes use of accumulated revenues or bond funding for capital projects and other one-time costs. Total use of fund balance is decreasing by \$5.2 million from the FY 2021-22 adopted budget. Details regarding the overall recommended budget can be found on pages 9-14 of the Recommended Budget book and details associated with department's budgets can be found within that book. The Recommended Budget Book is available here: <<https://sonomacounty.ca.gov/Main%20County%20Site/Administrative%20Support%20%26%20Fiscal%20Services/County%20Administrator/Documents/Public%20Reports/Budget%20Reports/0-Recommended%20Budget%20FY%202022-23%20FINAL.pdf>>

In addition to the Recommended Budget, additional information for the Budget Hearings is compiled for the Board of Supervisors and the public to explain staff recommendations to adjust the budget before final adoption. The information (commonly referred to as the "Budget Hearing Materials Binder") can be found on the County's Budget Reports webpage: <<https://sonomacounty.ca.gov/administrative-support-and-fiscal-services/county-administrators-office/budget-and-operations/budget-reports>>
<<https://sonomacounty.ca.gov/administrative-support-and-fiscal-services/county-administrators-office/budget-and-operations/budget-reports>>.

The Budget Hearings were preceded by Spring Budget Workshops (April 25-27, 2022) in which departments presented an overview of their FY 2022-23 Recommended Budgets. The workshop materials and departmental PowerPoint presentations are available here:
<<http://sonoma-county.legistar.com/gateway.aspx?m=l&id=/matter.aspx?key=8527>>.

The information available includes:

- 1) A brief overview of the budget, key issues impacting the budget, and the CAO recommendations for Budget Hearings, and an overview of materials in the Binder and schedule for budget hearings;
- 2) The 5-year General Fund Fiscal Forecast;
- 3) A memo outlining Available Revenue Sources that the Board may program at Budget Hearings;
- 4) The Budget Adjustment tool which illustrates various budget requests;
- 5) Reports providing details on Add Back and Program Change Requests submitted by departments;
- 6) Requests for funding submitted by Board members and community organizations;
- 7) A summary of position changes from the FY 2021-22 Revised Budget to present;
- 8) A memo discussing fund balances in the various funds controlled by the County and special districts under the control of the Board of Supervisors/Directors;

- 9) A memo discussing the General Fund Reserves;
- 10) Board Inquiry Requests for additional information on various topics related to the budget and responses from staff;
- 11) An update to County Financial Policies;
- 12) Resolution updating the Proposition 4 Appropriations Limit (Gann Limit) for FY 2022-23;
- 13) Supplemental Adjustments to the FY 2022-23 Recommended budget;
- 14) Resolutions adopting the FY 2022-23 budget, which will establish the appropriations and positions approved for fiscal year starting on 7/1/2022.

On May 24, 2022, the Board considered the Homelessness Services Organization item, which included a recommendation by staff to move the Community Development Commission's Ending Homelessness team to the Department of Health Services under a new Homelessness Services Division. The proposed recommendation included adding positions to support a new division within the Health Department. The funding request (approximately \$830,000 annually) is included in the Budget Adjustment Tool - Tab 4 of the Budget Hearing Binder. Should the Board approve the funding for this recommendation, there is draft language in the attached resolution that will allow for the implementation of the new organizational model. Because the reorganization involves moving positions between the Community Development Commission, a separate legal entity, and the County, a specific board action is required to allow staff to begin the meet and confer process with affected labor organizations and take other steps necessary for the eventual movement of positions. The draft budget resolution includes the recommended action.

Strategic Plan:

This item directly supports the County's Five-year Strategic Plan and is aligned with the following pillar, goal, and objective.

Pillar: Organizational Excellence

Goal: Goal 1: Strengthen operational effectiveness, fiscal reliability, and accountability

Objective: Objective 3: Ensure County budget process and information are understandable, accessible, and in a format that enables the public to identify County investments and funding for major initiatives and services.

Prior Board Actions:

None

FISCAL SUMMARY

Narrative Explanation of Fiscal Impacts:

Please refer to the Executive Summary Budget Overview on pages 9-14 of the Recommended Budget Book for financial details associated with the FY 2022-23 Recommended Budget.

Narrative Explanation of Staffing Impacts (If Required):

Please refer to Exhibit D of the Sonoma County Budget Resolution (Tab 14) for position allocation details included in the Recommended Budget.

Attachments:

Resolutions

PowerPoint Presentations

Related Items “On File” with the Clerk of the Board:

None