

Midyear Financial Report July – December 2020

Board of Supervisors

Vito Chiesa, Chairman

Buck Condit

Terry Withrow

Mani Grewal

Chance Condit



Submitted by Jody Hayes, Chief Executive Officer

Table of Contents

Introduction	3
Background	3
2020-2021 Midyear Financial Report Overview	5
General Fund Update.....	8
Cash Review	13
Challenges and Opportunities	15
Supporting Strong and Safe Neighborhoods	20
Priority Overview	21
Departmental Revenue.....	22
Departmental Expenditures.....	23
Midyear Issues and Recommendations.....	24
Supporting Community Health	32
Priority Overview	33
Departmental Revenue.....	34
Departmental Expenditures.....	35
Midyear Issues and Recommendations.....	36
Developing a Healthy Economy	41
Priority Overview	42
Departmental Revenue.....	43
Departmental Expenditures.....	44
Midyear Issues and Recommendations.....	45
Promoting First-Rate Learning.....	46
Priority Overview	47
Departmental Revenue.....	48
Departmental Expenditures.....	49
Midyear Issues and Recommendations.....	50
Delivering Efficient Public Services	51
Priority Overview	52
Departmental Revenue.....	53
Departmental Expenditures.....	54
Midyear Issues and Recommendations.....	55
Delivering Community Infrastructure.....	62
Priority Overview	63
Departmental Revenue.....	64
Departmental Expenditures.....	65
Midyear Issues and Recommendations.....	66
Two-Year Objectives	72
Midyear Financial Report Conclusion	93
Budget Schedule	93

Introduction

This is the Midyear Financial Report for Stanislaus County submitted by the Chief Executive Office for the period of July 1, 2020 to December 31, 2020, for Fiscal Year 2020-2021. It has been prepared to inform the Board of Supervisors, County leadership, and the public of the County's fiscal status. The report provides revenue and expenditure summaries

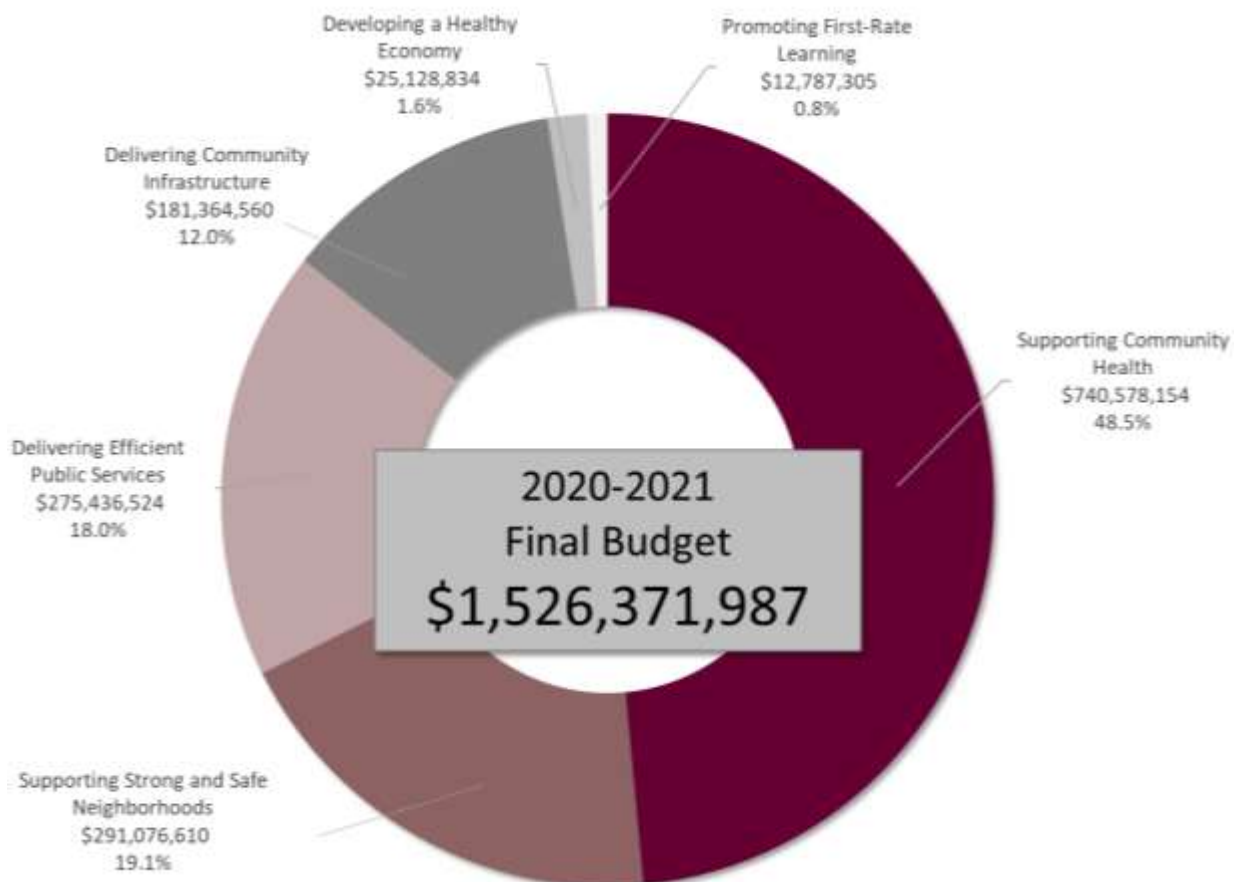
for County programs organized by Board of Supervisors' priority area and highlights adjustments to County budgets since the adoption of the Final Budget in September 2020. The Midyear Financial Report also includes a look forward at significant budget challenges and opportunities facing county government.

Background

On September 22, 2020, the Board of Supervisors adopted the Fiscal Year 2020-2021 Final Budget for Stanislaus County. This \$1.5 billion operational plan reflected an increase of \$127.1 million, or 9.1%, increase over the 2019-2020 Adopted Final Budget. The 2020-2021 Adopted Final Budget was balanced using a combination of \$1.4 billion in estimated

revenue and \$124 million in fund balance and one-time funding sources. It also included funding for 4,553 allocated full-time positions, an increase of 37 positions above the 2019-2020 Adopted Final Budget. The following chart reflects the total Adopted Final Budget Expenditures by the Board of Supervisors' priorities:

Fiscal Year 2020-2021 Adopted Final Budget Expenditures by Board Priority



2020-2021 First Quarter Adjustments

The 2020-2021 First Quarter Financial Report contained changes to the 2020-2021 Adopted Final Budget. These changes included a total increase in estimated revenue of \$14 million, a decrease in appropriations of \$676,560 million, resulting in a decrease in the use of fund balance/retained earnings of \$14.7 million. The increase to revenue

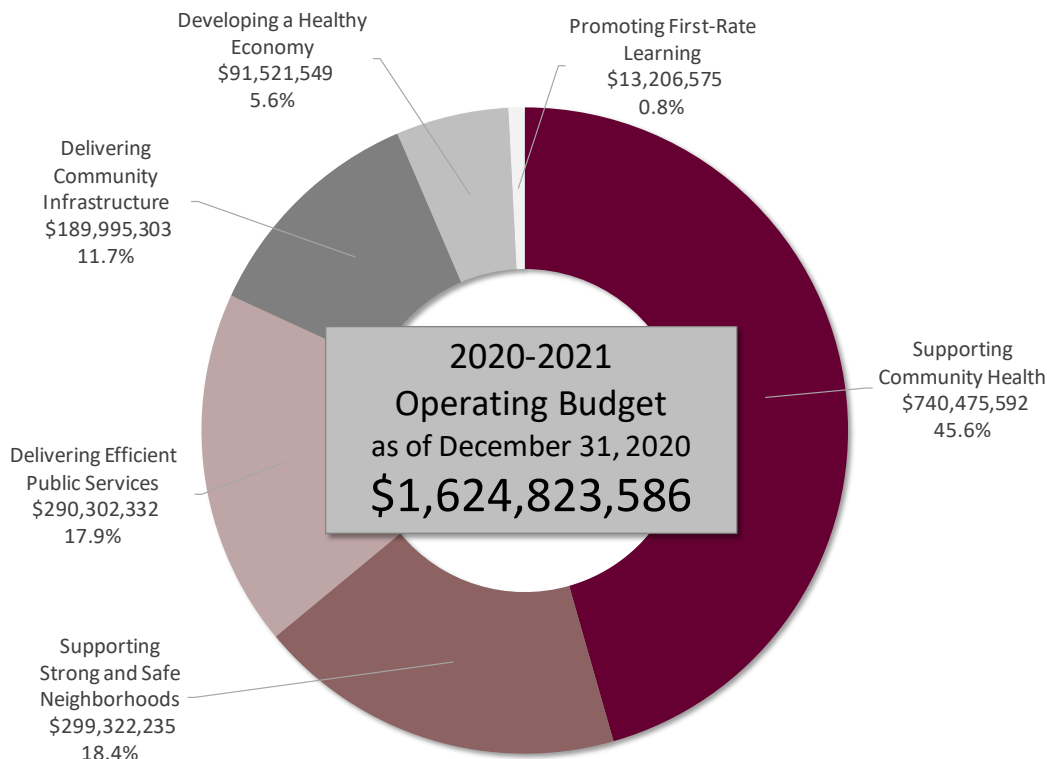
was primarily attributed to an increase of \$10.5 million in Realignment which was offset by \$9.2 million in technical adjustments; an increase of \$5.3 million in Discretionary Revenue; \$5 million for the construction of the Hickman Bridge project; \$1.5 of the County’s Coronavirus Relief Funds (CRF); and \$1 million in outside grant funds.

Summary of Other Adjustments

The Adopted Final Budget is adjusted each year by including appropriations that are carried forward from the prior fiscal year for projects that were planned for and authorized by the Board of Supervisors but were not fully completed. Funding for these projects is identified as assigned fund balance by the Auditor-Controller at year-end to ensure these funds are fully funded in the next year. In addition, throughout the year the Board of Supervisors approves adjustments to department budgets either through quarterly financial reports or in separate Board of Supervisor agenda item actions.

The sum of all these adjustments through December 31, 2020, totals \$98.5 million. This reflects \$27.3 million in carry forward of prior year appropriations, and \$71.2 million in budget adjustments inclusive of the First Quarter adjustments described above, approved by the Board of Supervisors in the current fiscal year. The County’s Operating Budget as of December 31, 2020, prior to the inclusion of any recommended budget adjustments identified in this Midyear Financial Report, totals \$1,624,823,586 as reflected in the following chart separated by Board of Supervisors’ priority area:

Fiscal Year 2020-2021 Operating Budget as of December 31, 2020 by Board Priority



2020-2021 Midyear Financial Report Overview

The Midyear Financial Report provides an update on the status of the County budget midway through the fiscal year. Its presentation is the result of the significant analysis performed by staff in all County departments and the Chief Executive Office. This extensive review includes an assessment of revenue received and costs expended to date for comparison to that experienced halfway through prior fiscal years using trend analysis as the basis for updated projections for the remainder of the fiscal year, with results compared to original year-end estimates. This report identifies recommended budget adjustments to meet departmental needs in support of their two-year objectives and ensure sufficient funding and appropriations exist to end the year in a positive fiscal position.

Midyear recommendations include a total increase in estimated revenue of \$24.2 million and an increase in appropriations of \$23.5 million, bringing the total Midyear Budget appropriation level to \$1,648,314,096. If approved, the recommendations contained in this report will result in an overall \$706,296 decrease in the use of fund balance and retained earnings.

The recommended budget continues to provide funding to departments in support of ongoing activities associated with the COVID-19 pandemic, including \$7.9 million in Emergency Solutions Grant (ESG) CARES funding for emergency shelter, rapid re-housing, outreach, and homeless management information systems activities along with the use of

\$146,675 in County CARES Coronavirus Relief Funds (CRF) for Emergency Operations Center (EOC) staffing support and road crew needs.

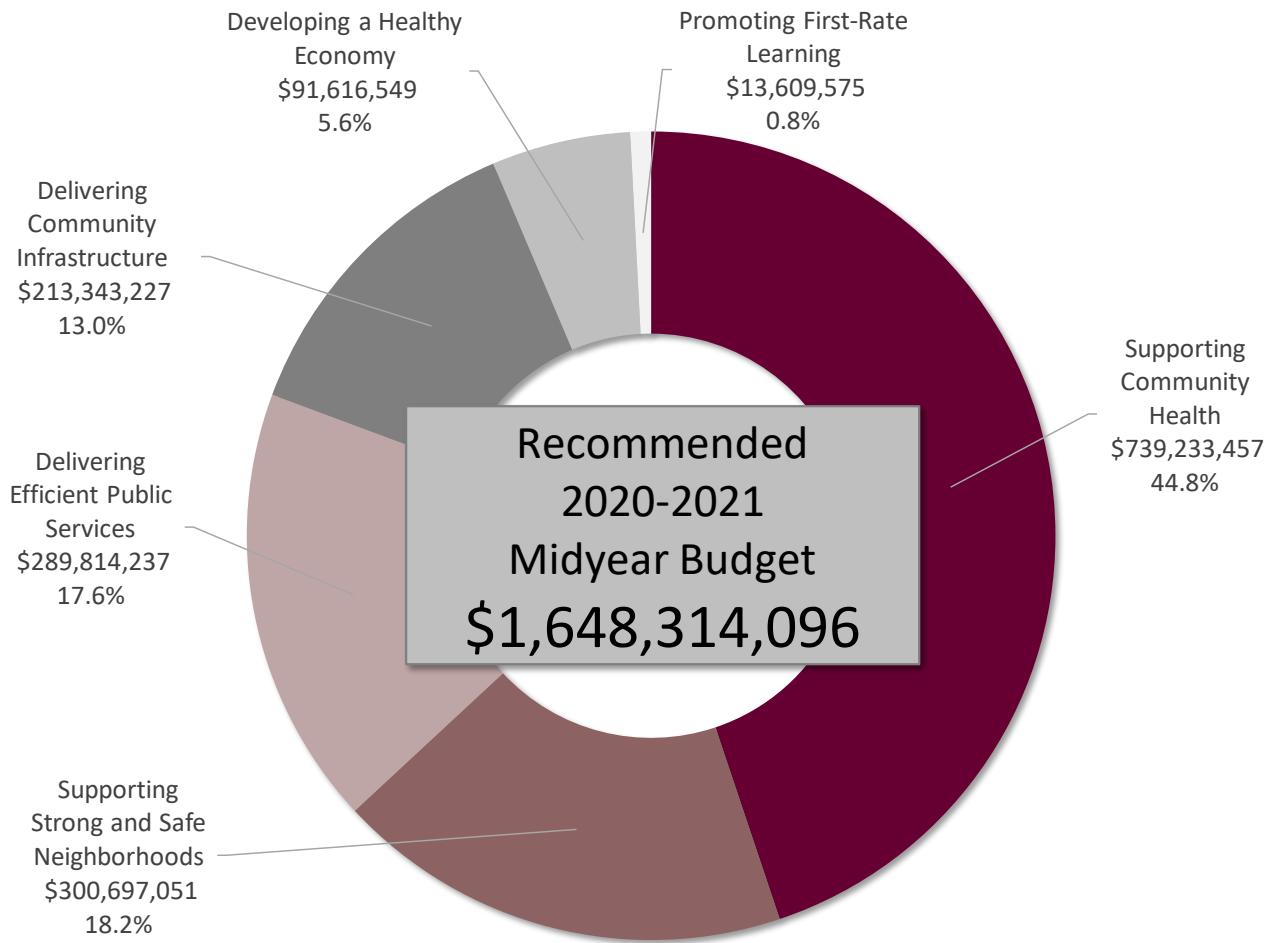
Midyear recommendations also include updated Realignment revenue projections based on California State Budget estimates and growth revenue received, increasing revenue by approximately \$2.5 million. Authorized Federal, State, and local revenue totaling \$13.9 million supporting 40 active projects in the Public Works – Road and Bridge division make up the largest increase to revenue at midyear.

Updated Discretionary Revenue estimates amount to a modest increase of \$1.3 million at midyear due to an ongoing positive economic outlook, with increases anticipated in property tax, Prop 172 sales tax, and investment revenue.

Finally, County General Fund support for various departments is made possible through the transfer of \$499,593 from Appropriations for Contingencies, the County's contingency funding reserved for use throughout the fiscal year to cover unanticipated needs as they arise.

The following chart depicts the \$1.6 billion Midyear Budget, inclusive of the recommended budget adjustments that are described in greater detail by department in subsequent sections of the report. Consistent with past practice, the budget is organized by Board priority area.

Fiscal Year 2020-2021 Recommended Midyear Budget Expenditures by Board Priority



Consistent with standard accounting practices, the County’s budget is divided into separate financial entities known as “funds”. These fund types are used to segregate resources and demonstrate legal

compliance. The following table reflects the Adopted Final Budget for 2020-2021, alongside the Midyear Operating budget and the Recommended Midyear Adjustments.

Development of the Midyear Budget Recommendations

Fund Type	2020-2021 Adopted Final Budget	2020-2021 Midyear Operating Budget	2020-2021 Midyear Adjustments	Recommended 2020-2021 Midyear Budget
General Fund	\$ 396,287,342	\$ 477,899,061	\$ (251,953)	\$ 477,647,108
Special Revenue	913,839,462	\$ 922,685,444	23,323,960	946,009,404
Capital Projects	799,692	\$ 799,692	-	799,692
Enterprise	83,718,878	\$ 86,949,072	110,395	87,059,467
Internal Service	131,726,613	\$ 136,490,317	308,108	136,798,425
Total	\$ 1,526,371,987	\$ 1,624,823,586	\$ 23,490,510	\$ 1,648,314,096

General Fund

The General Fund Recommended Midyear Budget for Fiscal Year 2020-2021 is \$477,647,108, a decrease of \$251,953 from the 2020-2021 Midyear Operating Budget. The decrease represents the net of \$1,047,640 in departmental requests, offset by an \$800,000 decrease for technical adjustments, and a \$499,593 transfer from Appropriations for Contingencies.

Special Revenue Funds

The Special Revenue Fund Recommended Midyear Budget for Fiscal Year 2020-2021 is \$946,009,404, an increase of \$23,323,960 over the 2020-2021 Midyear Operating Budget. The primary contributors to the recommended increase include: an increase of \$14.8 million for the Public Works - Road and Bridge budget for additional funding authorization for active projects and an increase of \$7.9 million for Planning and Community Development - Special Revenue Grants to utilize grant funding in support of the community in response to the COVID-19 pandemic, along with other departmental operational needs, as detailed in the attached Midyear Financial Report.

Capital Projects Funds

The Capital Projects Fund Recommended Midyear Budget for Fiscal Year 2020-2021 totals \$799,692, consistent with the Midyear Operating Budget; there are no recommended adjustments.

Enterprise Funds

The Enterprise Fund Recommended Midyear Budget for Fiscal Year 2020-2021 is \$87,059,467, an increase of \$110,395 from the 2020-2021 Midyear Operating Budget. The increase is attributed to \$65,000 in Sheriff - Inmate Welfare for overtime and extra help costs and \$45,395 in County Operations - Cannabis Program to support the cost of a new County Counsel Attorney.

Internal Service Funds

The Internal Service Fund Recommended Midyear Budget for Fiscal Year 2020-2021 is \$136,798,425, an increase of \$308,108 from the 2020-2021 Midyear Operating Budget. The increase is primarily

attributed to County Operations - General Liability for increased defense attorney fees and claims costs.

Fund Balance

The beginning fund balance for all funds on July 1, 2020 was \$638.1 million. The 2020-2021 Adopted Final Budget included the planned use of \$124 million in fund balance. Adjusted to include prior year encumbrance carryovers and Board of Supervisors' actions approved through December 31, 2020, a total use of \$120.9 million in fund balance was projected for all departments.

The recommendations contained in the Midyear Financial Report include department adjustments that will decrease the use of fund balance by \$706,296. The reduction is primarily attributed to the recognition of additional revenue, including \$13.9 million in Public Works project revenue, \$7.9 million in ESG CARES funding, and \$2.5 million in Realignment revenue that in total, exceed appropriation increases at midyear.

Additional fund balance adjustments include a reduction in the use of \$3.4 million in the General Fund largely due to an increase in Discretionary Revenue of \$1.3 million; a reduction in the use of \$1.2 million in Special Revenue budgets due to combined increases in revenue, including \$2.2 million in Realignment and other tax-based revenue, \$7.9 million in Emergency Solutions Grant (ESG) CARES funding, and \$13.9 million in project-based Federal, State, and local funding, that in total exceed budgeted appropriations; a \$1.6 million increase in Enterprise Funds primarily due to reduced Local Transit ridership during the COVID-19 pandemic; and a \$2.3 million increase to Internal Service Funds attributed to rate reductions in the Dental and Medical Self-Insurance funds.

Note that fund balance for Capital Projects Funds only contains balances for two budgets, CEO – Courthouse Construction Fund and CEO – Criminal Justice Facility Fund, funds traditionally included in the overall County budget and do not require adjustment at midyear. However, various funds exist within the financial management system for Board-approved projects that maintain a fund balance.

Inclusive of these other project funds, the fiscal year began with \$77.1 million in fund balance, with \$44.7 million projected to remain at year end. Details on the totality of all Capital Projects are available in the Comprehensive Annual Financial Report (CAFR) prepared by the Stanislaus County Auditor-

Controller. The following chart illustrates the beginning fund balances on July 1, 2020, for the various fund types, as well as the projected year-end balances adjusted for the recommendations contained in this report.

Summary of Fund Balance by Fund Type

Fund Type	Beginning Fund Balance on 7/1/2020*	Operating Budget Revenue on 12/31/2020	Operating Budget Appropriations on 12/31/2020	Midyear	
				Recommended Use of Fund Balance	Projected Fund Balance on 6/30/2021
General Fund	\$ 222,462,467	\$ 444,667,386	\$ 477,899,061	\$ (3,417,925)	\$ 192,648,717
Special Revenue Funds	268,073,501	856,938,122	922,685,444	(1,230,154)	203,556,333
Capital Projects Funds	3,806,216	680,000	799,692	-	3,686,524
Enterprise Funds	107,670,407	72,640,701	86,949,072	1,601,040	91,760,996
Internal Service Funds	36,113,282	129,016,013	136,490,317	2,340,743	26,298,235
Total All Funds	\$ 638,125,873	\$ 1,503,942,222	\$ 1,624,823,586	\$ (706,296)	\$ 517,950,805

*Note: The Final Budget document reported a total beginning fund balance of \$621,839,207. Since that time, post-closing adjustments totaling \$16,286,666 have been posted for all funds which resulted in a revised beginning fund balance of \$638.1 million, as depicted above. Significant post-closing adjustments included pension expenses for the Enterprise and Internal Service Funds associated with GASB 68; interest accruals and fair market value adjustments for all funds; additional Discretionary Revenue in the General Fund; and increased Risk Management Liability amounts in the Internal Service Funds, among others.

General Fund Update

Discretionary Revenue

Discretionary Revenue refers to revenue received in the General Fund that is available to fund programs at the Board of Supervisors' discretion. Total Discretionary Revenue included in the 2020-2021 Adopted Final Budget was projected at \$233.6 million. Adjustments approved in the First Quarter Financial Report totaled \$5.3 million, bringing the Operating Budget to \$238.9 million. As of December 31, 2020, approximately \$72.9 million in revenue had been received, representing 31.2% of the Final Budget total.

Over the past four years, Discretionary Revenue collected through midyear ranged from 31.0% to 34.3% of the Final Budget projection, placing this year's receipts within the historical range. Additionally, the four-year history of Discretionary

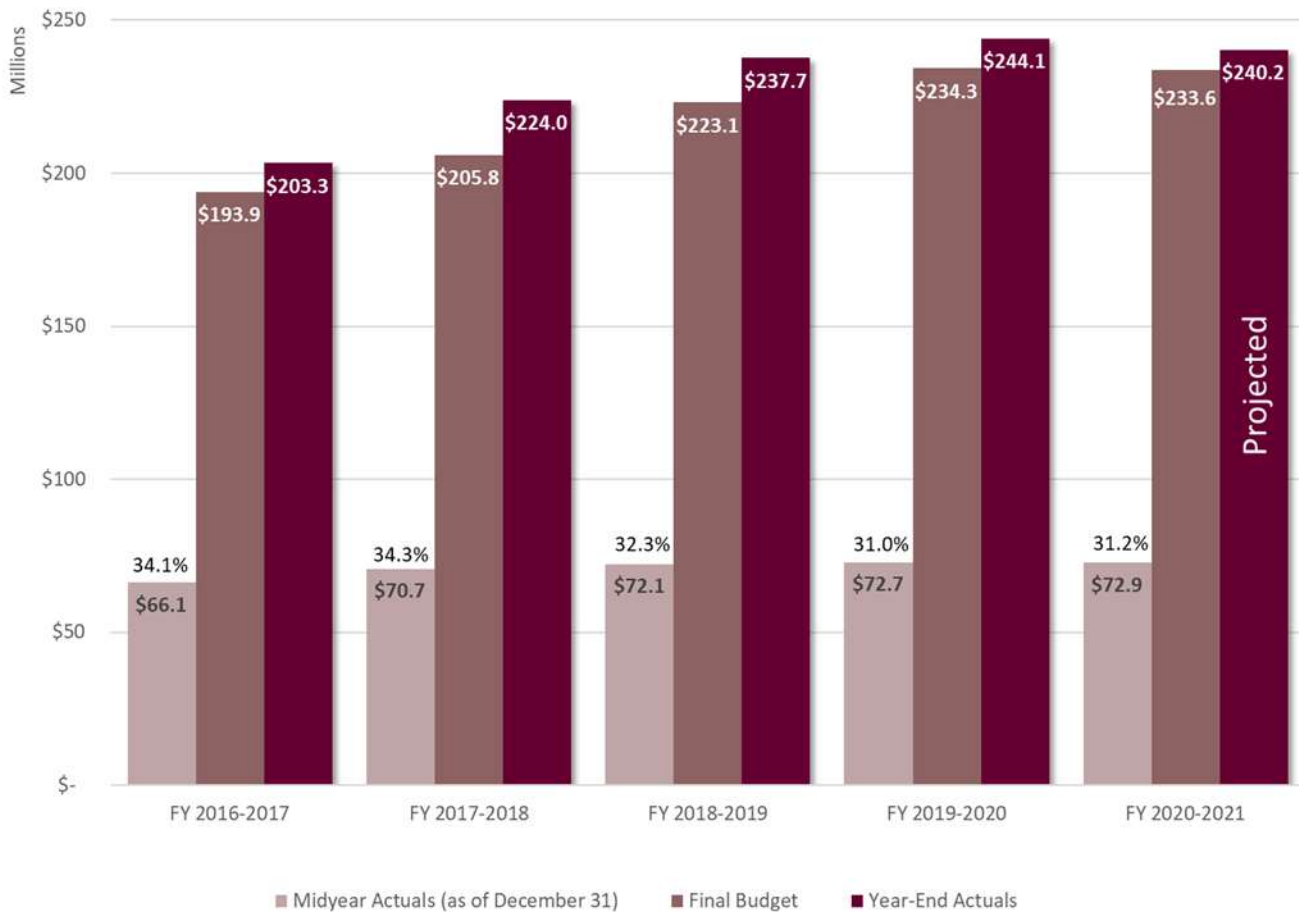
Revenue shows that revenue realized through midyear varied from 29.8% to 32.5% of actual year-end total receipts. Using revenue data from the first six months along with historical trend analysis, the 2020-2021 Midyear Budget reflects Discretionary Revenue estimated at \$240.2 million, an increase of \$1.3 million over that projected in the Midyear Operating Budget. Revenue received through December 2020 represents 31.2% of this updated revenue estimate.

The following chart provides a five-year comparison of midyear activity, including current year data, to show the first six months in revenue receipts, each year's Adopted Final Budget, and year-end actuals for the previous four years, with midyear projections noted for Fiscal Year 2020-2021.

General Fund – Discretionary Revenue Five-Year Comparison

Midyear Discretionary Revenue projections totaling \$240.2 million represent an increase of \$1.3 million, or 0.5%, over that estimated in the 2020-2021 Midyear Operating Budget. This net increase includes projected growth in property tax transfer fees and supplements along with increased investment earnings on Tobacco Endowment funds. The following is a summary of the recommended changes and estimate information in each of the effected Discretionary Revenue categories:

taxes are trending higher than originally budgeted due to a strong real estate market, precipitating an increase of \$400,000 and \$500,000 respectively. Sales and use tax revenue estimates were increased by \$2.6 million in the First Quarter Financial Report due to a stronger economic forecast locally and higher receipts through the end of the prior fiscal year. Additional analysis of receipts through December shows that there is a potential for additional revenue through the end of this fiscal year, however, it is not recommended to increase the estimate at this time due to the uncertainty of



Taxes

Included in this category are property-related taxes (secured and unsecured, supplementals, redevelopment pass-through increment, property tax received in lieu of vehicle license fees, property transfer tax), 1% sales and use taxes, and transient occupancy tax. Overall, current secured property taxes are estimated to be received as budgeted. Supplemental property taxes and property transfer

the economy. Overall, it is recommended to increase the Taxes category by \$900,000.

Intergovernmental Revenue

Intergovernmental Revenue includes revenue from Federal, State, and other local governmental sources in the form of grants, shared revenues, and payments in-lieu of taxes. The main source of revenue in this category is from a one-half cent Sales

and Use Tax for local public safety services, also known as Proposition (Prop) 172. Revenue estimates for Prop 172 were increased by \$2.7 million in the First Quarter Financial Report due to a stronger economic forecast locally and higher receipts through the end of the prior fiscal year. Additional analysis of receipts through December reveals another \$400,000 of estimated revenue due to the growth in Stanislaus County's sales as a percentage of overall State sales.

In addition, State revenue that was previously posted to Discretionary Revenue for mandated services per Senate Bill (SB) 90 has been posted to the departments who provided the services. This was the practice until Fiscal Year 2014-2015, when the State paid for claims that were submitted prior to 2004. At that time, because the General Fund had provided funding for those services when they weren't reimbursed by the State, the Chief Executive Officer decided to post the revenue to Discretionary Revenue, thereby changing the practice. This year, it is recommended to revert to the prior practice and once again record SB-90 revenue in department budgets, representing a decrease of \$400,000 in Discretionary Revenue. In total, because the adjustments net to zero, it is recommended that Intergovernmental Revenue remain as originally budgeted.

Other Financing Sources

Investment income from the 2002 and 2006 Tobacco Endowment Funds as well as operating transfers in for the Stanislaus Animal Services Facility debt payments are the revenue sources budgeted in this category. Investment income received for the Tobacco Endowment Funds was budgeted at \$2.4 million in the Adopted Final Budget. Compared to prior year actuals of \$3.5 million, and in consultation with the Treasury Division, year-end revenue is estimated at \$2.8 million, an increase of \$400,000. This amount is still lower than the previous year as interest rates have declined significantly in the current year and the balance in the 2006 fund has decreased due to its use for capital projects. As a result, Other Financing Sources is recommended to increase by \$400,000.

The following chart summarizes 2020-2021 Midyear Budget projections and recommended adjustments totaling \$1.3 million, for a revised Discretionary Revenue budget of \$240.2 million. Discretionary Revenue is continuously monitored and analyzed throughout the fiscal year. Any budget adjustments identified through that review process will be addressed in the Third Quarter Financial Report, if necessary.

Discretionary Revenue Midyear Adjustments				
Discretionary Revenue Category	Fiscal Year	Fiscal Year	Midyear	Midyear
	2019-2020	2020-2021	2020-2021	Recommended
	Actuals	Operating Budget	Projections	Adjustments
Taxes	\$ 173,614,723	\$ 177,180,000	\$ 178,080,000	\$ 900,000
Licenses, Permits, and Franchises	1,110,825	1,100,000	1,100,000	-
Fines, Forfeitures, and Penalties	2,687,844	1,100,000	1,100,000	-
Revenue from the Use of Money	12,149,814	5,400,000	5,400,000	-
Intergovernmental Revenue	48,660,859	47,820,000	47,820,000	-
Charges for Services	2,459,134	3,245,000	3,245,000	-
Miscellaneous Revenue	(270,176)	-	-	-
Other Financing Sources	3,651,212	3,060,000	3,460,000	400,000
Total Discretionary Revenue	\$ 244,064,235	\$ 238,905,000	\$ 240,205,000	\$ 1,300,000

Recommendation: It is recommended to increase estimated Discretionary Revenue by \$1,300,000.

General Fund Classification of Fund Balance

Of the five classifications of fund balance, Non-spendable, Restricted, and Committed are the most restrictive categories and are legally or contractually obligated components of fund balance. Assigned fund balance is comprised of amounts intended to be used by the County for specific purposes that are neither restricted nor committed. Unassigned fund balance is the least restrictive and is technically available for any purpose. The Chief Executive Officer has been authorized by the Board of Supervisors to assign portions of Unassigned fund balance for specific purposes such as debt service, carryover appropriations, contingencies, and budget balancing.

Within the Non-spendable category, post-closing entries related to Fiscal Year 2019-2020 decreased the fund balance by \$108,620, leaving a projected year-end balance of \$16.5 million. The balance in the Restricted category will remain at \$5.5 million for the year. The Committed category includes the budgeted use of fund balance of \$476,830, approved by the Board of Supervisors by a separate action for the Frank Raines Public Water Systems Improvement Project, leaving a projected year-end balance of \$1.4 million.

Assigned fund balance included a 2019-2020 post-closing increase of \$4.7 million and adjustment strategies identified in the 2020-2021 Adopted Final Budget reflect an increase of \$827,000 to bring the Contingency Reserve assignment to \$18.5 million consistent with the General Fund Reserve Policy.

Budgeted use of fund balance includes assignments approved in the Adopted Final Budget, along with funding for prior year appropriations added at 2019-2020 fiscal year-end and funding for approved uses by separate Board actions through December 2020. The 2020-2021 Adopted Final Budget included the use of \$40.9 million in Assigned fund balance for Budget Balancing, Revenue Stabilization, Enterprise and Technology Upgrades, Housing and Community Development, Workforce Development and Training, and Americans with Disabilities Act (ADA) improvements. At the end of Fiscal Year 2019-2020,

combined carryover appropriations and prior year encumbrances of \$10.1 million were added to the County's budget, increasing use of Assigned fund balance by the same amount. A new assignment is planned for fiscal year 2020-2021 for \$12.8 million in Coronavirus Relief Funds (CRF), which will increase the Assigned fund balance and decrease the Unassigned fund balance in the same amount. The First Quarter included an adjustment to return \$4 million to the Revenue Stabilization assignment to reflect increased Realignment revenue by several General Fund departments. Finally, through a separate action, the Board of Supervisors approved the use of \$508,572 in fund balance for carpet replacement on the second floor of 10th Street Place. Budgeted use of Assigned Fund Balance prior to midyear is \$34.7 million.

Midyear includes an adjustment to return \$800,000 to Assigned fund balance for Revenue Stabilization which reflects the increase of Realignment revenue anticipated by the Behavioral Health and Recovery Services department. Projected year-end Assigned Fund Balance is \$146.9 million.

The Unassigned category includes an increase of \$5.6 million for post-closing entries and a decrease of \$827,000 for adjustment strategies at Final Budget. Budgeted use of fund balance includes \$110,304 for Crows Landing Industrial Business Park, \$15 million in CRF issued to cities, a transfer of \$12.8 million to Assigned fund balance for Coronavirus, a transfer of \$2.5 million from General Fund to Enterprise Funds for Cannabis, and a return to Unassigned of \$5.3 million in Discretionary Revenue increases as identified in the 2020-2021 First Quarter Financial Report. Through separate actions, the Board approved an increase of \$27.8 million for CRF allocations offset by the use of \$746,618 for emergency non-congregate shelter and support options, Empire storm drain basin fencing, and application costs for annexation of Salida to County Service Area #4 storm drain.

Midyear adjustments include the addition of \$2.6 million to projected Unassigned Fund Balance

comprised of a \$1.3 million increase in Discretionary Revenue and a \$1.3 million increase in department revenue, leading to a year-end projected Unassigned fund balance of \$22.3 million.

The beginning total fund balance of \$222.5 million is \$10.2 million higher than that reported in the 2020-

2021 Adopted Final Budget due to post-closing adjustments within the Non-spendable, Assigned, and Unassigned fund balances. Inclusive of Final Budget adjustment strategies, the budgeted use of fund balance, and Midyear budget adjustments, the total fund balance is projected to end the fiscal year at \$192.6 million.

Classification of Fund Balance						
General Fund	Fund Balance 7/1/20	Post-Closing Adjustments	Adjustment Strategies	Budgeted Use of Fund Balance	Midyear Recommendations	Projected Fund Balance 6/30/21
Fund Balance - Nonspendable						
Imprest Cash	86,555	-				86,555
Advances to Other Funds	100,000	-				100,000
Advances to Other Governments (100)	71,000	-				71,000
Advances to Other Governments (107)	16,000	(4,000)				12,000
Economic Development Advances (105)	1,119,346	(139,380)				979,966
Teeter Receivable	15,068,133	-				15,068,133
Prepaid Items	175,301	-				175,301
Cash with Fiscal Agent	-	34,760				34,760
Total Nonspendable	\$ 16,636,335	\$ (108,620)	\$ -	\$ -	\$ -	\$ 16,527,715
Fund Balance - Restricted						
Tax Loss Reserve (106)	5,520,674	-				5,520,674
Total Restricted	\$ 5,520,674	\$ -	\$ -	\$ -	\$ -	\$ 5,520,674
Fund Balance - Committed						
Total Committed - Other	1,435,527	-		(476,830)		958,697
Total Committed - Capital Acquisition	451,534	-				451,534
Total Committed	\$ 1,887,061	\$ -	\$ -	\$ (476,830)	\$ -	\$ 1,410,231
Fund Balance - Assigned						
Contingency (General Fund Reserve Policy)	\$ 17,663,000	\$ -	\$ 827,000			18,490,000
Retirement Obligation	7,322,097	-				7,322,097
Teeter Plan	18,134,739	-				18,134,739
Carryover Appropriations (100) - Funds Available	6,004,100	-		(6,004,100)		-
Encumbrances (100)	10,358,287	-		(10,061,103)		297,184
Encumbrances (107)	12,039	-		(12,038)		1
Assigned - Budget Balancing	15,000,000	-		(10,522,581)		4,477,419
Assigned - Cash-out Obligations	4,000,000	-				4,000,000
Assigned - Community Impact - Housing	10,000,000	-				10,000,000
Assigned - Community Impact - Jobs/Crows						
Landing Industrial Business Park	15,800,248	-				15,800,248
Assigned - Debt Service Reserve	600,000	-				600,000
Assigned - Fair Value Adjustments	1,810,674	4,705,286				6,515,960
Assigned - Future Budget Balancing	5,190,116	-				5,190,116
Assigned - Housing and Community	123,307	-				123,307
Assigned - Revenue Stabilization	23,000,000	-		(9,416,091)	800,000	14,383,909
Assigned - Coronavirus Relief Funds	-	-		12,834,248	-	12,834,248
Assigned - Other	40,238,164	-		(11,508,572)		28,729,592
Total Assigned	\$ 175,256,771	\$ 4,705,286	\$ 827,000	\$ (34,690,237)	\$ 800,000	\$ 146,898,820
Fund Balance - Unassigned						
General Fund (100)	\$ 9,792,959	\$ 5,458,193	\$ (827,000)	\$ 2,190,404	\$ 2,617,925	19,232,481
Economic Development Bank (105)	542,812	139,380		(30,000)		652,192
Community Development Bank (107)	2,627,616	4,000		(225,012)		2,406,604
Total Unassigned	\$ 12,963,387	\$ 5,601,573	\$ (827,000)	\$ 1,935,392	\$ 2,617,925	\$ 22,291,277
Total Fund Balance	\$ 212,264,228	\$ 10,198,239	\$ -	\$ (33,231,675)	\$ 3,417,925	\$ 192,648,717
Revised Fund Balance as of 7/1/20 (including Post-Close Adjustments)	\$ 222,462,467					

Cash Review

General Fund Overall Cash Position

General Fund	Fiscal Year 2019-2020	Fiscal Year 2020-2021	Variance
Beginning Cash Balance	\$ 193,548,915	\$ 268,664,636	\$ 75,115,721
Midyear Cash Balance (as of December 31)	\$ 136,735,115	\$ 181,890,098	\$ 45,154,983

The Fiscal Year 2020-2021 beginning cash position of \$268.7 million represents an increase of \$75.1 million over the prior year beginning balance. As of midyear, the General Fund cash balance is \$181.9 million, an increase of \$45.2 million in cash over that identified in 2019-2020. The increases in the cash position at both the beginning of the year and at midyear are largely due to CARES Act CRF Funds received for response to the COVID-19 pandemic.

Special Revenue Funds Overall Cash Position

Special Revenue Funds	Fiscal Year 2019-2020	Fiscal Year 2020-2021	Variance
Beginning Cash Balance	\$ 138,614,492	\$ 143,670,151	\$ 5,055,659
Midyear Cash Balance (as of December 31)	\$ 159,289,985	\$ 164,831,404	\$ 5,541,419

As of midyear, the Special Revenue Funds have a positive \$164.8 million compared to \$159.3 million for the same period last fiscal year. The variance of \$5.5 million is primarily due to changes within the Community Services Agency (CSA). Specifically, the department has a positive cash balance of \$17 million compared to the December 31, 2019, positive balance of \$3.5 million in its Program Services and Support budget unit. The \$13.5 million increase in cash can be attributed primarily to timing differences between Federal and State advances, accounting adjustments, reimbursements and actual incurred cost in both the CalFresh and CalWORKs programs. In addition, there was an increase of \$3.2 million to fund balance for unused Realignment funds for Child Welfare Services and Wraparound Service revenues. Other adjustments in cash position across Special Revenue departments net a decrease of \$7.9 million.

Capital Projects Funds Overall Cash Position

Capital Project Funds	Fiscal Year 2019-2020	Fiscal Year 2020-2021	Variance
Beginning Cash Balance	\$ 3,817,517	\$ 3,731,480	\$ (86,037)
Midyear Cash Balance (as of December 31)	\$ 3,501,924	\$ 3,391,744	\$ (110,180)

As of midyear, the Capital Projects Funds have a positive cash balance of \$3.4 million compared to a positive cash balance of \$3.5 million for the same period last year. The decrease of \$110,180 is primarily attributable to increased lease costs for space at 801 10th Street and a decrease in revenue received from court fines and fees.

Enterprise Funds Overall Cash Position

Enterprise Funds	Fiscal Year 2019-2020	Fiscal Year 2020-2021	Variance
Beginning Cash Balance	\$ 57,972,192	\$ 95,158,193	\$ 37,186,001
Midyear Cash Balance (as of December 31)	\$ 52,702,043	\$ 98,052,813	\$ 45,350,770

As of midyear, the Enterprise Funds have a positive cash balance of \$98.1 million compared to a positive cash balance of \$52.7 million for the same period last year. The variance of \$45.4 million is primarily attributable to the timing of Inter-Governmental Transfer (IGT) revenue and Health Plan of San Joaquin shareable revenue, and advanced payments of COVID-19 funding. Environmental Resources experienced increase in cash in the Fink Road Landfill due to increased sanitation services revenue received Fiscal Year 2019-2020 combined with a significant decrease in contract-related expenditures. Additionally, the Fink Road Geer Road Landfill Post Closure funds were reclassified from Trust funds to Enterprise funds beginning in Fiscal Year 2020-2021 increasing the cash balance of Enterprise Funds by approximately \$28.0 million.

Internal Service Funds Overall Cash Position

Internal Service Funds	Fiscal Year 2019-2020	Fiscal Year 2020-2021	Variance
Beginning Cash Balance	\$ 59,434,469	\$ 68,103,766	\$ 8,669,297
Midyear Cash Balance (as of December 31)	\$ 59,511,877	\$ 63,972,638	\$ 4,460,761

As of midyear, the Internal Service Funds cash balance is \$64 million compared to \$59.5 million for the same period last fiscal year. The variance of \$4.5 million is primarily attributed to the following:

- Public Works Morgan Shop – Morgan Shop has a cash balance of \$1.8 million as of midyear compared to the balance of \$95,551 from the same period last year. The \$1.7 million increase is primarily due to the increase in Morgan Shop’s fleet services. The largest user of Morgan Shop’s fleet is the Public Works Road’s Division. Due to the COVID-19 pandemic, the Road’s Division has had to rent more vehicles to move the crews around to maintain social distancing. It is now a 1:1 ratio for a vehicle instead of crew in a vehicle. This has resulted in more revenue for Morgan Shop. Additionally, due to staffing changes, the billings are now being completed in a more timely and consistent manner.
- CEO-Medical Self-Insurance - Medical self-insurance budget cash balance as of December 2020 is showing a \$1,518,190 variance compared to the same period last year. Plan performance has been very positive to retained earnings, generating excess revenue over expenditures in the last two fiscal years. Medical rates have been reduced for 2021 which will spend down some of this retained earnings while remaining well within plan requirements for sustainability of operations.
- Information Technology Central (ITC) – ITC has a cash balance of \$4.1 million as of midyear compared to the balance of \$3.1 million from the same period last year. ITC’s cash balance has temporarily increased primarily due to COVID-19 related funding and reimbursements. General Fund contributions related to the higher-security Office 365 G5 enrollment will continue to accumulate until the annual payment to Dell, Incorporated is made in May 2021. ITC continues to expend COVID-19 funding related to the Remote Work platform, which funding was provided in advance of the purchases. All COVID-19 related funding for this project will be fully expended. Additionally, reimbursement for salary expenses incurred since March of 2020 related to the COVID-19 pandemic response has been received and is reflected in the current cash balance.

Challenges and Opportunities

Behavioral Health and Recovery Services Strategic Planning Update – Behavioral Health and Recovery Services (BHRS) balanced their 2020-2021 Adopted Final Budget by holding 61 vacancies open to realize salary savings. These positions are being held frozen as an administrative control to ensure expenditures do not exceed budgeted costs in the current fiscal year. An organizational review is underway, which may involve a plan for restructuring along with the identification of increased efficiencies. The result of this review will be presented to the Board of Supervisors in the spring, with a plan for immediate implementation, so that the new structure is in place by July 1, 2021. The overriding goal is to ensure sustainability of programs and services in alignment with projected revenues well into the future, all while prioritizing the provision of core services.

COVID-19 – On March 4, 2020, the Governor issued a Proclamation of the State of Emergency in the State of California related to the 2019 Novel Coronavirus (COVID-19) pandemic. On March 17, 2020, the Board of Supervisors adopted a resolution ratifying the declaration of a local health emergency and issued a Proclamation of a Local Emergency related to COVID-19. The proclamation acknowledged that there have been resource requests for first responder agencies and local healthcare providers that are beyond the resources of Stanislaus County.

To assist the County with the financial burden of responding to the COVID-19 pandemic emergency, the United States Treasury allocated and disbursed to Stanislaus County \$96.1 million of CARES Act Coronavirus Relief Funds (CRF). Further, the California Department of Finance allocated an additional \$12.8 million of State CARES Act CRF pass-through funding to support costs necessary to respond to the emergency. The total of State pass-through and Federal CARES Act CRF funding is \$108.9 million. Other CARES Act funds were also provided through individual departments and existing programs to address many areas of hardship caused by the pandemic, including rental and utility assistance, non-congregate shelters, additional meals for seniors and Public Health efforts such as contact tracing and vaccine distribution.

As of December 31, 2020, funding totaling \$76.1 million of the \$108.9 million provided directly by the United States treasury has been expended and claimed. This includes \$36.9 million in County department support and \$39.2 million in community support. The balance of CARES Act CRF funds are available to continue to support COVID-19 pandemic response efforts until such time as the emergency concludes. The Federal Government is considering a \$1.9 trillion stimulus package that would provide an estimated additional \$108 million to Stanislaus County. This figure is preliminary and subject to passage by the Federal government in the American Rescue Plan.

Health Services Agency COVID-19 Response Federal Funding Increase – In January 2021, the California Department of Public Health (CDPH) received approximately \$1.7 billion through the Epidemiology and Laboratory Capacity (ELC) grant as part of the Coronavirus Response and Relief Supplemental Appropriations Act of 2021. CDPH is allocating approximately \$1.2 billion of this funding to local health jurisdictions (LHJ), of which Stanislaus County has been allocated \$24,639,154.

The activities proposed for use of these funds aim to build upon and leverage the investments of the past months and must be done addressing the needs of those most at risk for exposure to the disease and/or severe outcomes. Specifically, the funding is proposed to support the following six strategies: (1) enhance laboratory, surveillance, informatics and other workforce capacity; (2) strengthen laboratory testing; (3) advance electronic data exchange at public health laboratories; (4) improve public health surveillance and reporting of electronic health data; (5) use laboratory data to enhance investigation, response and prevention; and (6) coordinate and engage with partners. Stanislaus County doesn't operate a County Public Health Laboratory, but rather participates in a Joint Powers Agreement with San Joaquin County; therefore, Stanislaus County does not receive funding for strategies 2 and 3. Recently released Federal guidelines include vaccination operations as an eligible use of these funds.

The funding formula is based on population, poverty and race/ethnicity. Each LHJ is awarded a base of \$1 million. The balance of funds distributed is based on the proportions of the 2019 population (50% of allocation), population in poverty (25% of allocation), and the population that is Black/African American, Latina, or Native Hawaiian/Pacific Islander (25% of allocation).

Health Services Agency/Public Health Facility Status – On October 1, 2019, the Board of Supervisors approved a Bridging Design Contract with Dewberry Architects Inc., of Sacramento, California, to design a new Health Services Agency Administration/Public Health facility. The main campus for the Stanislaus County Health Services Agency (HSA) is located at the eastern portion of County Center II at 830 Scenic Drive in Modesto, California. Original facilities on the campus date back decades, with the last major infrastructure improvements occurring in 1978. This was also the site of the County Hospital until 1997. Due to a series of emergencies and the constant repairs required to maintain the aging and deteriorating facilities at County Center II, the Board of Supervisors authorized the relocation of most HSA programs to County Center III, located at 917 Oakdale Road in Modesto, California, in 2018. Subsequently, Public Health operations were moved to a leased building at 4701 Stoddard Avenue to accommodate the increased space needed to manage COVID-19 response activities.

The project has been delayed due to the prioritization of the local COVID-19 response. The Department has identified \$10 million in fund balance to be used to support the new facility. The Department receives revenue from a variety of funding sources that has contributed to the available fund balance. Additionally, the Department receives both Mandated County Match and General Fund contributions to support operations. The Chief Executive Office and Department staff are working together to identify the optimal level of ongoing General Fund support.

The Health Services Agency Administration/Public Health Facility Project has made some progress, despite the pandemic. The team continues to work on the design of the new facility and is also undertaking an evaluation study of existing Health Services Agency facilities, located on Scenic Drive in Modesto, that will identify the cost of renovating the current facilities. Also, underway and previously approved by the Board of Supervisors is an Asset Management Study of potential private redevelopment options for the site.

Assembly Bill (AB) 1869 – Effective July 1, 2021, AB 1869 eliminates 23 administrative fees that agencies and courts are authorized to impose to fund elements of the criminal legal system and will eliminate all outstanding debt incurred as a result of the imposition of administrative fees. Additionally, this bill would annually appropriate \$65 million from State General Fund to the Controller beginning in Fiscal Year 2021-2022 to Fiscal Year 2025-2026 for allocation to counties to backfill revenues lost from the repeal of fees specified in this bill. A process of how much will be allocated to the counties has not yet been provided. This bill will primarily impact the Probation Department, Sheriff's Office Home Detention and Work Furlough programs, Public Defender and Treasurer-Tax Collector's Office. Stanislaus County's funding impact in Fiscal Year 2021-2022 is estimated at \$1.5 million, with an estimated write-off of \$57 million.

State Budget Update – January 2021 Governor's Budget Summary – Governor Gavin Newsom submitted the 2021-2022 "Budget Built on Strong Fiscal Foundation" proposal to the Legislature in January. This proposed \$227 billion spending plan includes a record level of spending for education, allocates large sums to help reverse the effects of COVID-19 and includes funding for urgent action to jumpstart California's economic recovery.

The State budget is in a better position than expected due to record stock market gains and tax growth from affluent Californians. The overall proposed spending total for 2021-2022 is \$5 billion higher than in last January's budget, while the State General Fund amount is \$11.5 billion higher.

Compared to the \$54.3 billion budget deficit from 2020, California is currently seeing a \$34 billion budget resiliency based on reserves and surplus. The State is projecting \$22 billion in reserves with \$15.6 billion in the "Rainy Day" Fund, \$3 billion in the School Stabilization Reserve, \$2.9 billion in the operating reserve, and \$450 million in the

Safety Net Reserve. This budget year, the Governor is proposing \$9.5 billion in retirement liabilities with \$3 billion in additional payments in 2021-2022 and \$6.5 billion over the next three years. Projections indicate a \$15 billion surplus for this fiscal year. However, risks to the forecast remain higher than usual, and economic inequality has intensified since the pandemic began. Budget resiliency will be critical to protect programs in the future, as expenditures are projected to grow faster than revenues, with a structural deficit of \$7.6 billion projected for 2022-2023 that is forecast to grow to over \$11 billion by 2024-2025.

This budget reflects several critical needs of the State and highlights the administration's desire to address as many major issues as possible. Here are a few line items counties are paying close attention to in the recently proposed budget:

- \$2 billion for preparations to reopen schools and \$4.6 billion for extending learning opportunities
- \$1.8 billion for homelessness, including for Project Homekey, behavioral health continuum infrastructure, and residential care facilities.
- \$1.1 billion for CalAIM implementation.
- \$372 million placeholder for COVID-19 vaccine efforts.
- Over \$250 million to begin implementing the new Master Plan for Aging.
- \$500 million each for increased infill infrastructure grants and housing tax credits.
- \$50 million General Fund Investment in county Probation Departments

The Governor has also asked the Legislature to approve an \$11.2 billion recovery package in the current year, plus \$2.7 billion in the budget year. This package includes relief for individuals and additional small business grants, as well as grant support for non-profit cultural institutions and fee relief for restaurants and personal services.

Staff have completed a preliminary review of the January State Budget across departments and will continue to monitor the progress through the May Revise with the following areas of note:

- The State budget projects 1991 Realignment funding sources to increase by 5.6% from Fiscal Year 2019-2020 to Fiscal Year 2020-2021 and decrease by 1.9% from Fiscal Year 2020-2021 to Fiscal Year 2021-2022. Departments with programs/services affected by the projected decline include Health Services Agency, Behavioral Health and Recovery Services, Community Services Agency and the Department of Environmental Resources (DER).
- Within the Environmental Protection and Sustainable Agriculture Chapters, is a proposal to replace the current flat-fee mill assessment on pesticides sales with a risk-based tiered mill assessment; assessing a higher fee on higher toxicity pesticides, which will be phased-in over four years. The assessment would more than double the mill assessment on some chemicals. County agriculture departments receive a portion of this mill assessment to operate the pesticide use enforcement program at the local level and therefore an increase to the mill assessment would increase funding to county agriculture departments. Stanislaus County currently receives approximately \$1.1 million annually from these assessments. The anticipated increase to county agriculture departments is \$9.5 million when fully implemented in four years. It is not known at this time what additional responsibilities and activities would accompany the increased funding to county agriculture departments.
- In the area of Workforce Development, there is an overall \$353 million investment, including \$250 million in one-time General Fund support for workforce development and better linkages between higher education and gainful employment, focusing on communities that have been systematically excluded from opportunities to build skills. The bulk of the funding proposed would be administered through the

CSU/UC system and/or small business development with no direct investment into the local workforce development department; potential benefits may be available to County residents.

- The Highway User Tax Account (HUTA) and Road Maintenance and Rehabilitation Account (RMRA) are two of the Public Works Department’s major revenue sources, supporting the operations of the Department, and major maintenance and rehabilitation projects throughout the County.
 - In Fiscal Year 2020-2021 the HUTA and RMRA revenues continued to see a reduction in consumption that began in the latter half of Fiscal Year 2019-2020 due to the pandemic and the decline of gasoline consumption (by 8.4% and diesel by 3.7%). These declines have continued into Fiscal Year 2020-2021 with gasoline expected to see a 3.8% reduction and diesel a 4.9% reduction. The reduction in consumption was partially eased by the annual rate increase that went into effect July 1, 2020, and will occur every July 1 thereafter. Fiscal Year 2021-2022 is forecast a 5% consumption increase on gasoline and 2% on diesel fuel.
 - The Department of Finance is estimating HUTA revenues for FY2020-2021 to be \$12,975,401 (representing a decrease of \$109,789 (-.84%) from the Department’s budgeted number of \$13,085,190). In Fiscal Year 2020-2021, RMRA is estimated to be \$10,247,029. This is \$545,364 (5.62%) above the budgeted \$9,701,665 and current actuals as of December support this. Fiscal Year 2021-2022 estimates for HUTA are \$14,294,535 and RMRA are \$11,222,416.
 - While these Fiscal Year 2021-2022 numbers are encouraging, the May revision will allow the State to have more data for analysis and the Department may see these numbers adjust.
- The Governor’s Budget does include \$50 million in one-time funding to be directly allocated to supporting probation delivery of services statewide. This provides for the enhancement of treatment and programming needs in the community. Additionally, Senate Bill 823 includes ongoing funding for the Juvenile Justice Realignment Block Grant which includes \$46.5 million in funding for Fiscal Year 2021-2022.
- Community Services Agency administers the CalFresh program locally. County administrative funding in Fiscal Year 2021-2022 is projected at approximately \$838.7 million in State General Fund (SGF), an increase of approximately \$182 million from 2020-2021 due to increased caseload projections. The development of a new budget methodology to determine the appropriate funding level for CalFresh administration is proposed to be delayed for another fiscal year due to the COVID-19 pandemic.
- The State continues to make progress in meeting the Housing for All program goals through a multi-pronged approach including housing grants, loans, tax credits, property acquisitions, and supportive services. In total, the Governor’s budget includes more than \$8 billion in housing resources and \$2 billion in homelessness resources. This includes \$1.8 billion one-time monies to further Project Homekey efforts that began in 2020, of which \$750 million is for the Department of Housing and Community Development (HCD) to provide competitive grants for local governments to purchase and rehabilitate housing through Homekey acquisitions. The Governor is also asking the legislature to take early action to approve \$250 million of the \$1.75 billion in 2020-2021 to continue Homekey projects.
 - The Governor also proposed creating a new Housing Accountability Unit within HCD, to provide technical assistance to local governments, and to seek opportunities to work with local governments in meeting their housing planning and production obligations, in order to enhance the Administration’s enforcement of those obligations.
- The Governor’s budget includes a partial restoration of Department of Child Support Services funds that were cut in May 2020. The restoration funds will be allocated to the top 10 most underfunded counties and Stanislaus County is ranked 13th. There are no known significant adverse impacts. The Department is operating on the assumption of flat funding.

-
- The Governor’s budget proposes a historic investment in county behavioral health infrastructure with an infusion of \$1 billion, largely in one-time spending, intended to build out the delivery system capacity at the community level and support the State’s intention to eventually pursue the Medicaid Institutes of Mental Disease (IMD) waiver. The proposal extends flexibilities in county spending of local Mental Health Services Act (MHSA) funds for an additional fiscal year and anticipates the continuation of enhanced Federal Medical Assistance Percentage (FMAP) through December 2021 in response to the COVID-19 pandemic.
 - The January State budget also includes \$1.1 billion in 2021-2022, and \$1.5 billion in 2023-2024 to support county behavioral health CalAIM transformation under the Behavioral Health Quality Improvement Program. The proposed budget includes \$250 million in one-time monies to expand board and care support to counties with a specific focus on preserving and expanding housing for low-income seniors. There is also a proposed \$750 million for competitive grants available for the county behavioral health continuum with the goal of adding at least 5,000 beds, units or rooms to expand capacity and one-time \$400 million for student mental health.
 - Statewide funding of approximately \$5 million is identified to implement the recently released ten-year Master Plan for Aging. The plan centers on five priorities: housing for all ages and stages; health reimagined; inclusion and equity, not isolation; caregiving that works; and affording aging. Aging and Veterans Services and Community Services Agency will work collaboratively on this effort locally.

This State budget proposal represents a starting point for debate among policymakers. Planning and negotiations are occurring, but generally no action will be taken until after the April tax return deadline. County staff will continue to monitor the State Budget process and report impacts to the Board of Supervisors in future budget cycles.

Supporting Strong and Safe Neighborhoods

County Capital Projects
County Operations
District Attorney
Grand Jury
Integrated Criminal Justice Information System
Probation
Public Defender
Sheriff





Supporting Strong and Safe Neighborhoods for Individuals and Families to Thrive

Priority Overview

Ensuring a safe community and protecting the safety of the residents of Stanislaus County continues to be a top priority of the Board of Supervisors. The departments within this priority area focus on the safety of our neighborhoods and strengthening our communities. The impact of gangs, drugs, and vagrancy directly contributes to the decline of the physical, economic, and social health of the County. Robust partnerships within the organization, local municipalities, and community-based organizations throughout the region can maintain effective public safety programs and the ability to respond to emergencies on behalf of our community.

Departments assigned to the Board of Supervisors' priority area of *Supporting Strong and Safe*

Neighborhoods include: District Attorney, Probation, Public Defender and Sheriff. The revenue used to pay for these services comes primarily from local taxes such as property tax and sales tax, fees, franchises, charges for services, and a variety of other discretionary revenue sources. Public Safety Sales Tax (Proposition 172) revenue is also used to partially fund the District Attorney, Probation, and Sheriff's Department budgets. These departments also receive dedicated funds for specific grant funded programs.

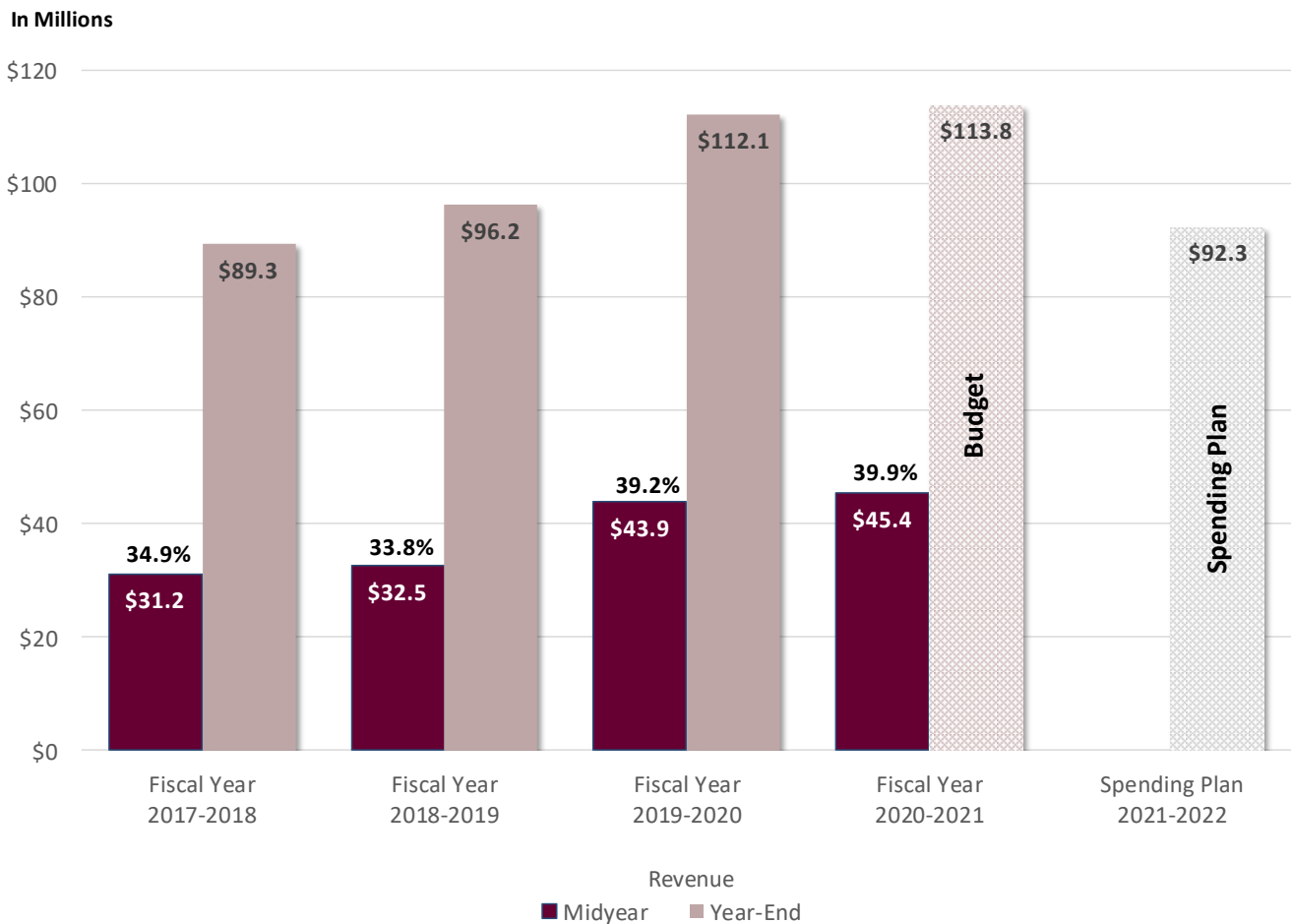
Overall, the departments within the priority of *Supporting Strong and Safe Neighborhoods* are on track to end the year within budget and in a positive fiscal position.

Departmental Revenue

For the departmental budgets that are part of the Board of Supervisors’ priority *Supporting Strong and Safe Neighborhoods*, as of December 31, 2020, actual revenue collected totals \$45.4 million, which represents 39.9% of the estimated annual revenue. This is slightly above the prior three-year range where revenue collections ranged from 33.8% to 39.2% of the final actual revenue. Fiscal Year 2019-2020 included a significant one-time revenue of \$12 million in State funds for OES to administer the

2019 emergency Communications Equipment and Infrastructure Grant awarded to the County. Fiscal Year 2020-2021 reflects the benefit of State Pass-through CARES Act CRF funds of \$12.8 million recognized in the Sheriff’s Office budget for Presumptive Eligible costs that will generate Net County Cost savings. These savings are placed in a General Fund assignment, made available to support continued COVID-19 Pandemic response.

Supporting Strong and Safe Neighborhoods Four-Year Revenue Comparison



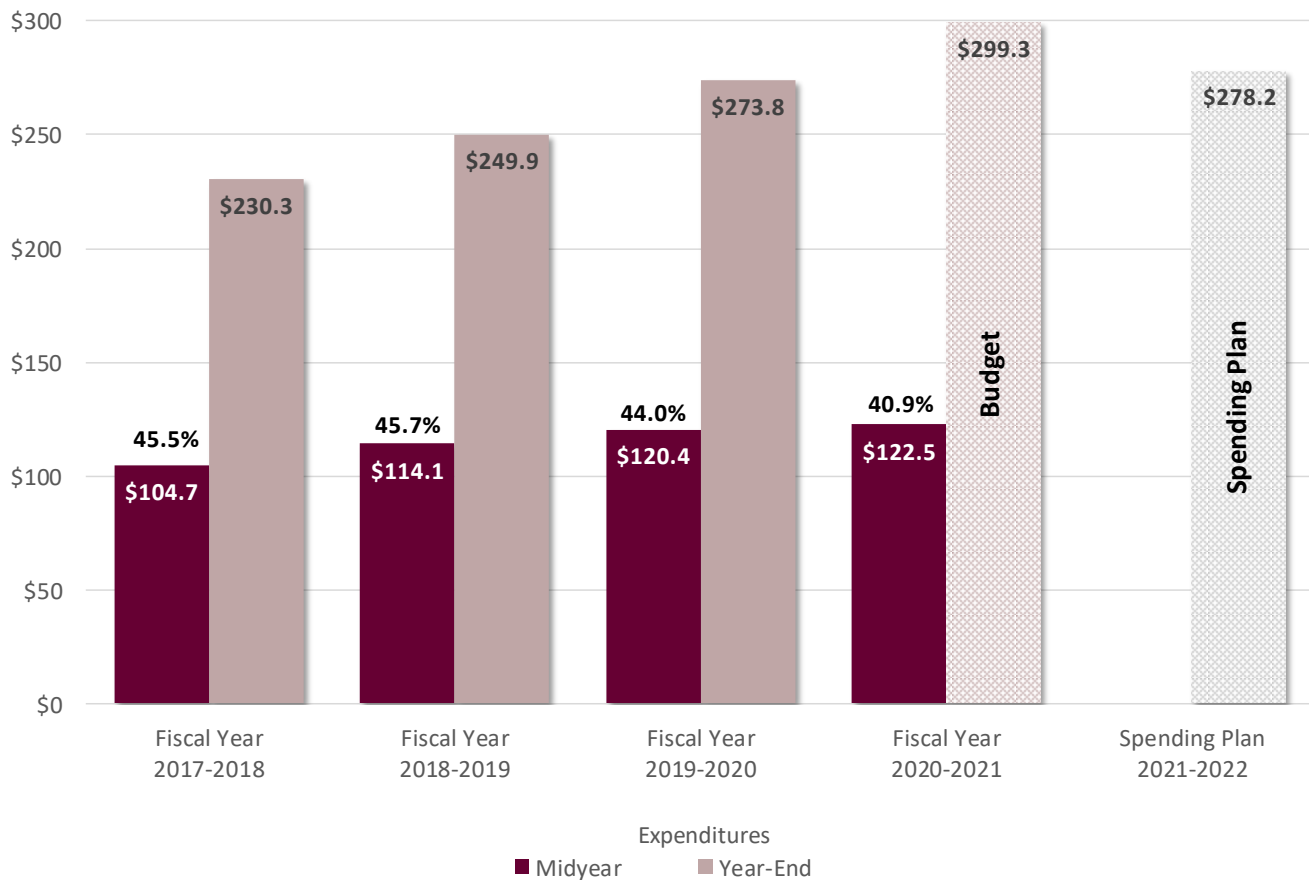
Departmental Expenditures

As of December 31, 2020, expenditures totaled \$122.5 million, representing 40.9% of the budgeted appropriations. This is below the range when compared to the midyear point of the prior three years when expenditures ranged from 44.0% to 45.7% of the final actual expenditures.

This lower expenditure percentage is due to significant budget investment in new initiatives that have been put on hold for implementation due to the impact of ongoing COVID-19 pandemic emergency response activities that have taken priority over many other operational plans.

Supporting Strong and Safe Neighborhoods Four-Year Expenditures Comparison

In Millions



Midyear Issues and Recommendations

The recommendations contained in this report for Strong and Safe Neighborhoods will increase appropriations by \$1.4 million. The budget adjustments are funded by \$2.6 million in department revenue and generates a savings of \$466,038 to department fund balance and savings of \$791,537 in Net County Cost.

District Attorney

Consumer Fraud Prosecution Program – The Consumer Fraud/Environmental Protection Prosecution Program pursues civil and criminal remedies against companies and individuals who harm or threaten to harm consumers or the environment. It is recommended to increase appropriations and estimated revenue by \$159,803 to reflect the unanticipated revenue received from civil and criminal penalties. An adjustment to transfer this revenue from this legal budget to the Criminal Division budget will offset the salaries and benefits for a Deputy District Attorney assigned to the consumer and environmental fraud activity. This is a one-time request and will have a positive effect on the County General Fund.

Criminal Division –The Criminal Division consists of administration, prosecution, investigation, victim services and paralegals. The Criminal Division has District Attorney prosecutors who review approximately 18,000 cases received from law enforcement agencies each year to determine whether there is sufficient evidence to file criminal charges. Approximately 12,000 new criminal cases are filed each year. Prosecutors appear, or virtually appear, daily in juvenile and adult courtrooms seeing cases through pretrial hearings, law and motion and disposition or trial. It is recommended to increase estimated revenue and decrease Net County Cost by \$27,227. A decrease of estimated revenue of \$68,851 is due to staff costs related to cannabis enforcement billings being less than anticipated and is offset by an increase in estimated revenue of \$96,078 due to a reimbursement in SB 90 State-mandated costs and COVID-19 pandemic expenses. These changes result in a net increase of \$27,227 in revenue. This is a one-time adjustment and will have a positive effect on the County General Fund. It is further recommended to decrease appropriations and Net County Cost by \$79,820 in fixed assets due to Information Technology hardware costs coming in lower than originally anticipated. This is a one-time request and will have a positive effect on the County General Fund.

Real Estate Fraud – The Real Estate Fraud unit investigates and prosecutes crimes of real estate fraud and is supported by collected revenues. It is recommended to increase appropriations and estimated revenue in the amount of \$100,419. This consists of \$93,467 for projected receipt of fees collected from certain real estate documents, and \$6,952 in Intergovernmental revenue for Federal overtime reimbursement of a Criminal Investigator. This is a one-time request with no impact to the County General Fund.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
District Attorney - Consumer Fraud Prosecution Program	\$159,803	\$159,803	\$0	\$0	Increase appropriations and estimated revenue to reflect unanticipated revenue received from civil and criminal penalties, through the Other Financing Uses Intrafund transfers account.
District Attorney - Criminal Division	\$27,227	\$0	\$0	(\$27,227)	Increase estimated revenue by \$96,078 for SB90 State mandated costs and COVID-19 pandemic reimbursements; and a decrease in revenue of \$68,851 due to lesser cannabis expenses in staff costs, results in a net increase of \$27,227 in estimated revenue and decrease in net county cost.
District Attorney - Criminal Division	\$159,803	\$0	\$0	(\$159,803)	Increase estimated revenue through a transfer in from the Consumer Fraud Prosecution Program to offset salaries and benefits of staff assigned to the Consumer Fraud/Environmental Protection Unit.
District Attorney - Criminal Division	\$0	(\$79,820)	\$0	(\$79,820)	Decrease appropriations and net county cost in fixed assets to reflect actual costs for purchase of computer equipment.
District Attorney - Real Estate Fraud	\$100,419	\$100,419	\$0	\$0	Increase appropriations and estimated revenue to reflect projected revenue received from certain real estate documents and Federal overtime reimbursement.
Total	\$447,252	\$180,402	\$0	(\$266,850)	

Recommendation: It is recommended to increase estimated revenue by \$447,252 and appropriations by \$180,402, with a decrease to Net County Cost of \$266,850.

Probation

Corrections Performance Incentive Act (CPIA)- It is recommended to increase appropriations and the use of fund balance by \$155,000 to purchase lights and sirens for the Department's vehicles. Pursuant to California Vehicle Code Section 165, any vehicle operated by a peace officer in the performance of his or her duties is deemed to be an "authorized emergency vehicle." California Vehicle Code Section 25252 states that every authorized emergency vehicle shall be equipped with at least one steady burning red warning lamp visible from at least 1,000 feet from the front of the vehicle. Based on the citing authorities and conferring with County Counsel, equipping the department vehicles with red lights and sirens is a mandatory requirement. Additionally, equipping the vehicles with red lights and sirens will enable officers to respond to peers or partner law enforcement agencies in need of assistance in a more efficient fashion. A quicker response time will enhance officer and community safety.

The Department will be purchasing tasers for all their field officers at a total cost of \$80,000. This will be funded with an increase in appropriations and revenue of \$60,000 in CPIA funds and \$20,000 Net County Cost redirected from salary savings in the current year. Tasers will give the officers the ability to safely take an offender into custody without incapacitating partner officers with pepper spray, causing property damage or triggering potential injuries to fellow officers or to offenders by using physical force. The first year's total cost of \$80,000 includes the purchase of the tasers and Evidence.com user license fees.

Furthermore, it is recommended to increase estimated revenue for over \$1.6 million to recognize the Enhancing Law Enforcement Activities Subaccount (ELEAS) Realignment growth due to an increase in vehicle license fees.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Probation - Corrections Performance Incentive Fund	\$0	\$155,000	\$155,000	\$0	Increase appropriations and use of fund balance for the purchase of lights and sirens for the department vehicles.
Probation - Corrections Performance Incentive Fund	\$60,000	\$60,000	\$0	\$0	Increase appropriations and estimated revenue for the purchase of tasers. The total first year cost is approximately \$80,000.
Probation - Field Services	\$0	\$20,000	\$0	\$20,000	Transfer in appropriations from Salaries & Benefits to cover the purchase of tasers using projected salary savings.
Probation - Field Services	\$0	(\$20,000)	\$0	(\$20,000)	Transfer from Salaries & Benefits for the purchase of tasers.
Probation - Institutional Services	\$454,445	\$0	\$0	(\$454,445)	Increase revenue to align the budget with actual realignment revenue growth from Vehicle License Fees received.
Probation - Juvenile Commitment Facility	\$311,630	\$0	\$0	(\$311,630)	Increase revenue to align the budget with actual realignment revenue growth from Vehicle License Fees received.
Probation - Juvenile Justice Crime Prevention Act	\$850,543	\$0	(\$850,543)	\$0	Increase revenue to align the budget with actual realignment revenue growth from Vehicle License Fees received.
Total	\$1,676,618	\$215,000	(\$695,543)	(\$766,075)	

Recommendation: It is recommended to increase estimated revenue by \$1.7 million, increase appropriations by \$215,000, decrease the use of fund balance by \$695,543, and a decrease to Net County Cost of \$766,075.

It is also recommended the Department be allowed transferability among the Juvenile Commitment Facility and the Institution Services budgets, as needed, to direct Net County Cost funding and end the fiscal year in a positive position.

Staffing Recommendation: A request for a classification study of one Staff Services Analyst position was submitted in the 2019-2020 Midyear budget. The study has been completed and it is recommended to reclassify the position to a Staff Services Coordinator to perform additional duties related to the American’s With Disability Act (ADA) and the reasonable accommodation process.

Public Defender

Due to increasing caseloads and the Court modifying its operations, the Public Defender handles cases in more criminal departments than in years past. Attorneys and investigators are in greater need for clerical support. It is critical that data is accurately entered into the case management system and in a timely manner; including information regarding “parties,” or material witnesses in a case. Without timely and accurate entry of this information into the Department’s case management system, conflicts of interest cannot be detected, resulting in costly and unnecessary expenditure of resources and delays in cases getting to trial. Historically, due to lack of sufficient clerical staff, conflicts checks were not performed in a manner consistent with the Rules of Professional Conduct, and the case management system was underutilized. Timely and accurate identification of conflicts of interest benefits the Indigent Defense program, because a change in counsel midstream results in an inefficient

use of time, money, and resources. It is recommended that an additional Legal Clerk III position be allocated to the Public Defender, and this be accomplished by reducing appropriations of \$23,878 from the Indigent Defense budget and increasing the Public Defender’s budget by the same amount this fiscal year. Reducing appropriations in Indigent Defense is possible due to savings generated in the new conflicts of interest business model implemented in Fiscal Year 2019-2020. The annual ongoing cost of the position is \$80,000.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Public Defender - Public Defender	\$0	\$23,878	\$0	\$23,878	Increase appropriations, offset by a decrease in Indigent Defense, to support the cost of one Legal Clerk III position for the remainder of the Fiscal Year. Approximate annual cost of this position is \$80,000.
Public Defender - Indigent Defense	\$0	(\$23,878)	\$0	(\$23,878)	Decrease appropriations to offset an increase in appropriations in the Public Defender budget to fund the cost of one Legal Clerk III position for the remainder of the Fiscal Year.
Total	\$0	\$0	\$0	\$0	

Recommendation: It is recommended to increase appropriations of \$23,878 in the Public Defender budget offset by a decrease from the Indigent Defense budget to fund a Legal Clerk III position.

Staffing Recommendation: It is recommended to add one Legal Clerk III position to assist internal support staff with clerical duties and provide quality services to clients.

Sheriff

Contract Cities – The Contract Cities budget is a General Fund budget that funds the contracted law enforcement services for the cities of Riverbank, Patterson, Waterford and Hughson. It is recommended to increase appropriations and estimated revenue by \$35,000 using insurance proceeds to replace a Patterson motorcycle and equipment that was totaled in a vehicular accident in June of 2020.

Court Security - It is recommended to increase estimated revenue by \$79,096 due to an increase in 2011 Realignment projections reflected in the State Budget released in January 2021. This results in less use of fund balance.

Driver Training Program – The Emergency Vehicle Operator Course (EVOC) is the Department’s formal Driver Training Program. In the past, one Contract employee oversaw the entire program. Due to the increased number of staff being trained, there is a demand for more instructors. An increase in appropriations and estimated revenue of \$50,000 is recommended in salaries and benefits to fund costs trending higher than projected.

Jail Commissary/Inmate Welfare – Due to the COVID-19 pandemic, there has been an increased need for overtime and extra-help staff to assist with the Commissary duties to ensure that the inmates continue to receive items they have purchased in a timely manner, while following the proper safety protocols. This was an immediate need during the outbreak at the Detention facilities and continues to be a need to have an effective operation during the pandemic. This unit has also generated additional phone revenue than anticipated of \$65,000. It is recommended to increase appropriations and estimated revenue by \$65,000.

Office of Emergency Services Grants - On November 26, 2019, the Board of Supervisors approved the Department to accept the 2019 Emergency Communications Equipment and Infrastructure Grant from the California

Governor's Office of Emergency Services in the amount of \$12 million. These funds were received and were placed in an interest-bearing fund to be used for emergency communications equipment and infrastructure. The Department is working on completing the project to enhance clear communications, interoperability, and increased coverage to approximately 90% for portable radio use within the County. An increase in appropriations in services and supplies of \$233,601, estimated revenue of \$100,000 from the interest earned and use of fund balance of \$133,601 is recommended to purchase the additional radio equipment. A technical adjustment for \$313,879 is also recommended to transfer out appropriations from Fixed Assets to Services and Supplies to purchase the portable radio equipment using AB109 communications grant funding.

Homeland Security Grants - On November 6, 2018, the Board of Supervisors authorized the Department to apply for and accept the Fiscal Year 2018 Homeland Security Grant from the California Governor's Office of Emergency Services (Cal OES) to enhance local emergency management and homeland security efforts. The grant program provides funding for equipment to strengthen interoperable communications to first responders, emergency management planning, and training of the Community Emergency Response Team (CERT) in support of Operational Area partners. A technical adjustment of \$59,029 is recommended to transfer out appropriations from Salaries and Benefits and Services and Supplies to Fixed Assets to allow for more radio equipment to be purchased.

Office of Emergency Services/Fire Warden – The COVID-19 response has led to a critical need to quickly obtain, interpret, and present COVID-19 related information in concise and digestible formats for both government reporting and community consumption. This information includes input from hospitals, epidemiology sources, private and public feeds, and other sources. Federal and State COVID-19 modeling products have been mandated that require not only the interpretation of COVID-19 related information and formatting, but the ability to code the information from a multitude of information inputs. Currently, a Crime Analyst is performing this function, however a need has been recognized that data science is necessary to manage data and information gathering and reporting on an on-going basis. After studying the position, CEO-Human Relations has created a new classification of Data Scientist. It is recommended to increase appropriations and Net County Cost by \$41,388 to fund a new position for the remainder of the fiscal year.

Operations – The Sheriff's Office shipped a helicopter camera to the vendor for routine maintenance. During the transport, the camera was damaged and now needs repairs. The camera is covered by insurance and Risk Management staff are working with the provider to obtain reimbursement. It is recommended to increase appropriations and estimated revenue from the insurance proceeds for \$114,000 for the helicopter camera repair.

On June 9, 2020, the Board of Supervisors authorized the Department to apply for an Off-Highway Vehicle grant and was awarded \$136,667. The Department originally budgeted \$126,383 in appropriations and estimated revenue. It is recommended to increase appropriations and estimated revenue by \$10,284 to right-size to the actual amount awarded.

Purchases related to the Edward Byrne Justice Assistance Grant (JAG) award flows through the Operations budget and are reimbursed from the JAG budget. The 2018 and 2019 JAG grant awards were only included in the JAG legal budget and inadvertently nothing was allocated to the Operations budget. An increase in appropriations and estimated revenue of \$45,141 is recommended for the Operations budget to make this technical adjustment.

On January 5, 2021, the labor agreement between County of Stanislaus and the Stanislaus Sworn Deputies Association was approved by the Board of Supervisors. This resulted in wage increases for the sworn Deputy Sheriffs in the amount of \$313,975 for the remainder of the 2020-2021 Fiscal Year. Of this amount, \$200,000 will affect the Net County Cost in the Sheriff Operations budget. It is recommended to increase appropriations and estimated revenue using SB90 revenue, for \$10,000 in the Administration budget, and increase appropriations

and Net County Cost of \$200,000 in the Operations budget. The remainder of the Deputy Sheriffs' increase in salary costs will be absorbed within the department's existing appropriations.

Vehicle Theft Unit – The Vehicle Theft Unit has had an attorney from the District Attorney's office assigned to StanCATT in the past, however the position had been vacant in Fiscal Year 2019-2020. The attorney position is now filled and assigned back to StanCATT. It is recommended to increase appropriations and use of fund balance for \$175,000 to cover the costs of the attorney position.

Budget Unit Name	Recommended Budget Adjustment				Description
	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	
Sheriff - Administration	\$10,000	\$10,000	\$0	\$0	Increase appropriations in Salaries and Benefits and estimated revenue for approved Labor MOU impacts for Deputy Sheriffs, funded with SB90 revenue.
Sheriff - Contract Cities	\$35,000	\$35,000	\$0	\$0	Increase appropriations and estimated revenue for a motorcycle and equipment replacement using insurance proceeds to be received for a Patterson motorcycle totaled in an accident.
Sheriff - Court Security	\$79,096	\$0	(\$79,096)	\$0	Increase estimated 2011 Realignment revenue based on updated State budget projections, resulting in less use of fund balance.
Sheriff - Driver Training Program	\$50,000	\$50,000	\$0	\$0	Increase appropriations in Salaries and Benefits and estimated revenue due to costs trending higher than the legal budget and additional revenue earned in drivers training courses.
Sheriff - Jail Commissary / Inmate Welfare	\$65,000	\$65,000	\$0	\$0	Increase appropriations in Salaries and Benefits and estimated revenue to cover costs for additional overtime and extra help staffing for the detention facilities commissary due to the COVID-19 pandemic, funded with additional phone revenue.
Sheriff - OES Grants	\$100,000	\$233,601	\$133,601	\$0	Increase appropriations in Services and Supplies, estimated revenue and use of fund balance to purchase additional radio equipment for public safety.
Sheriff - OES Grants	\$0	(\$313,879)	(\$313,879)	\$0	Transfer appropriations to Services and Supplies from Fixed Assets to purchase radio equipment for public safety.
Sheriff - OES Grants	\$0	\$313,879	\$313,879	\$0	Transfer appropriations from Fixed Assets to Services and Supplies to purchase radio equipment for public safety.
Sheriff - OES Homeland Security Grants	\$0	(\$59,029)	(\$59,029)	\$0	Transfer appropriations from Salaries and Benefits and Services and Supplies to Fixed Assets to purchase radio equipment for public safety.
Sheriff - OES Homeland Security Grants	\$0	\$59,029	\$59,029	\$0	Transfer appropriations to Fixed Assets from Salaries and Benefits and Services and Supplies to purchase radio equipment for public safety.
Sheriff - OES/Fire Warden	\$0	\$41,388	\$0	\$41,388	Increase appropriations to add a Data Scientist positions to be used for Countywide COVID-19 data analysis and dashboarding, funded by a General Fund Contribution.
Sheriff - Operations	\$114,000	\$114,000	\$0	\$0	Increase appropriations in Services and Supplies and estimated revenue for helicopter camera repair due to damage during shipping using insurance proceeds.
Sheriff - Operations	\$10,284	\$10,284	\$0	\$0	Increase appropriations and estimated revenue to match award amount received for the 2019 Off-Road Highway Vehicle (OHV) Grant.
Sheriff - Operations	\$45,141	\$45,141	\$0	\$0	Increase appropriations and estimated revenue for the 2017 and 2019 Edward Byrne JAG Grant awards that were not included in the department's approved budget.
Sheriff - Operations	\$0	\$200,000	\$0	\$200,000	Increase appropriations for approved Labor MOU impacts for Deputy Sheriffs, funded by net county cost.
Sheriff- Vehicle Theft Unit	\$0	\$175,000	\$175,000	\$0	Increase appropriations and use of fund balance to cover costs for an Attorney from the District Attorney's Office that is assigned to the StanCATT unit that was not included in the Final Budget.
Total	\$508,521	\$979,414	\$229,505	\$241,388	

Recommendation: It is recommended to increase estimated revenue by \$508,521 and appropriations by \$979,414, resulting in an increased use of fund balance of \$229,505 and increase to Net County Cost of \$241,388.

It is also recommended the Department be allowed transferability among the Sheriff budgets of Detention and Adult Detention Expansion, as needed, to direct Net County Cost funding and end the fiscal year in a positive position.

Staffing Recommendation: A request for a classification study was submitted in the 2020-2021 Final Budget. The study has been completed and it is recommended to add a new classification of Data Scientist to model complex problems, analyze and mine data, develop dashboards, and present information through the use of statistical, algorithmic, mining and visualization methods. It is also recommended to add one Data Scientist position to the Office of Emergency Services/Fire Warden.

In addition, a request for a classification study of one vacant Administrative Secretary position was submitted in the 2020-2021 Final Budget. The study has been completed and it is recommended to reclassify the position to a Community Services Officer to align departmental needs and associated anticipated job duties of the position with the appropriate classification.

It is further recommended to study the request to add two new classifications, Crime Analyst II and Crime Analyst Supervisor.

Supporting Community Health

Aging and Veterans Services
Behavioral Health and Recovery Services
Child Support Services
Community Services Agency
Health Services Agency





Supporting community health including physical, mental, emotional and spiritual health

Priority Overview

Supporting Community Health is vital to the quality of life for our residents. The primary focus on protecting and promoting the physical health and safety of our residents includes preventing disease, disability, and death. Protecting emotional safety focuses on social issues that include homelessness, incarceration, and fragmented families with financial and emotional needs. Resources dedicated to prevention provide for services to a broader population than the resources required for direct services.

The departments assigned to this priority area include Aging and Veterans Services, Behavioral

Health and Recovery Services, Child Support Services, Community Services Agency, and Health Services Agency. The major funding sources for the programs provided by these departments include Federal and State funding. The County uses local discretionary funds, where required, to match other governmental funding in support of these programs.

Overall, the departments *Supporting Community Health* are on track to end the year within budget and in a positive fiscal position and 1991 and 2011 Realignment revenue projections continue to come in higher than anticipated, as detailed in the Governor's Fiscal Year 2021-2022 Proposed Budget.

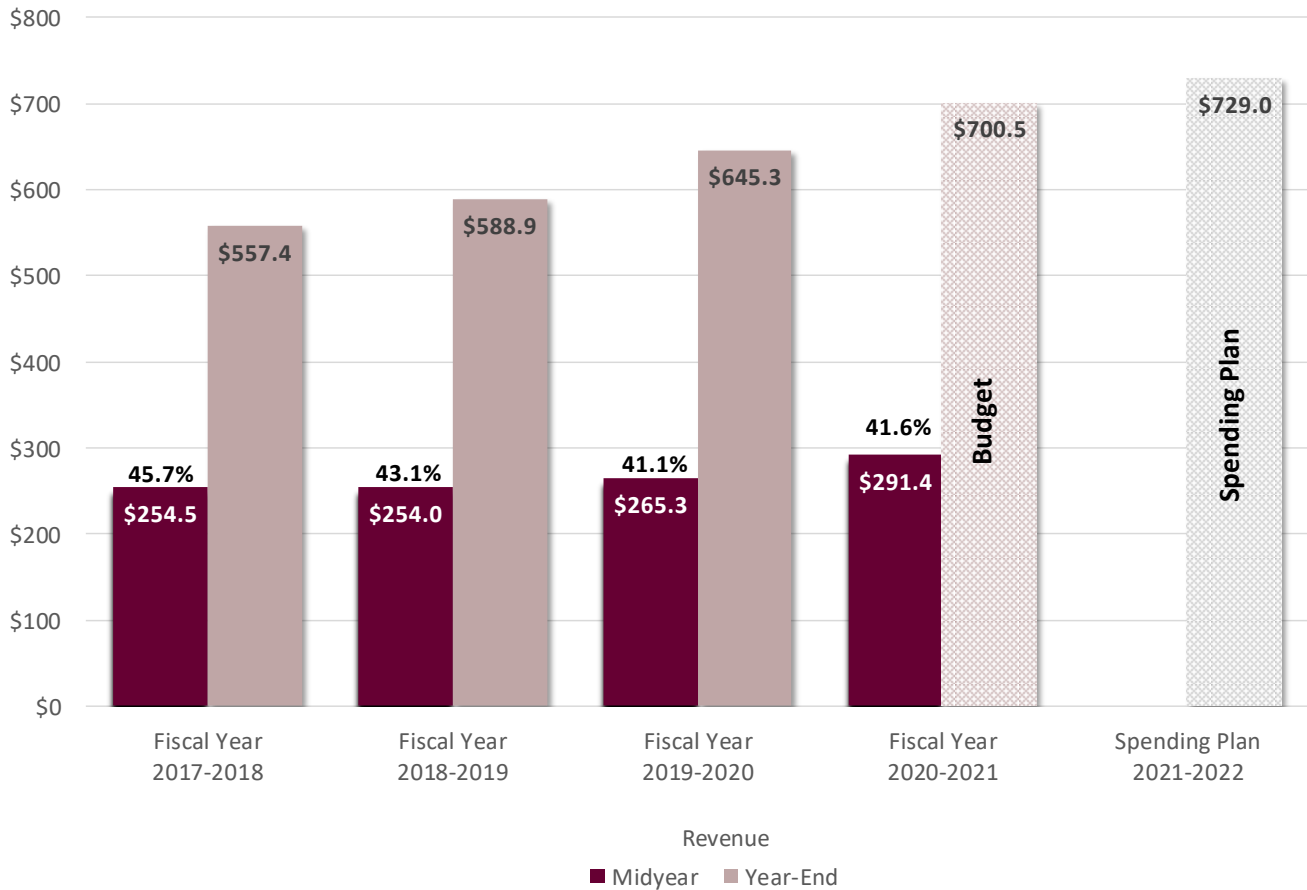
Departmental Revenue

For departmental budgets *Supporting Community Health*, actual revenue received as of December 31, 2020 totals \$291.4 million, which represents 41.6% of the estimated annual revenue. This ratio is within

the normal range when comparing to revenue received as of midyear in the previous three years when collections ranged from 41.1% to 45.7% of year-end actual totals.

Supporting Community Health Four-Year Revenue Comparison

In Millions



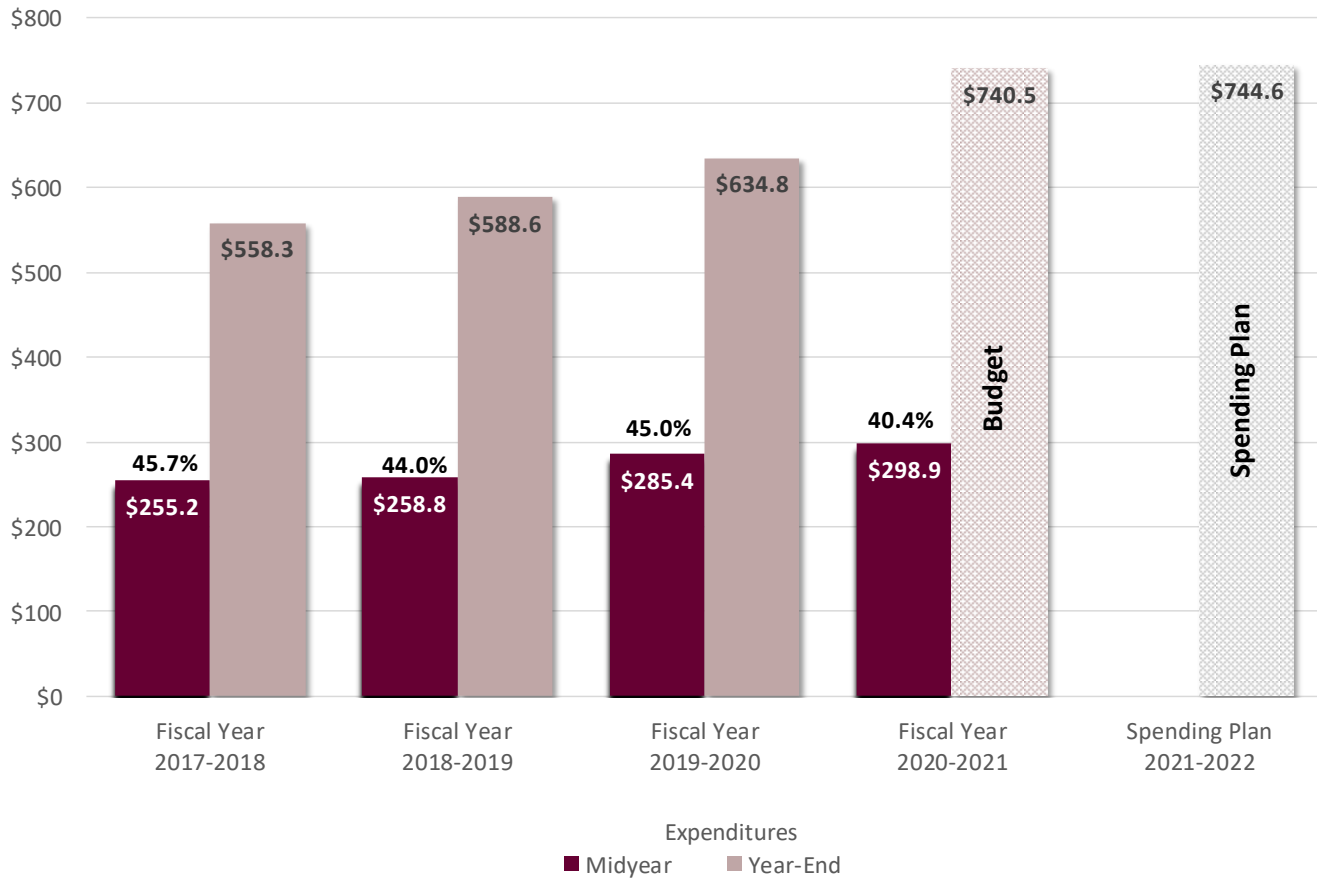
Departmental Expenditures

As of December 31, 2020, expenditures in this priority area totaled \$298.9 million, representing 40.4% of the budgeted appropriations. Actual expenditures identified at the midyear point of the previous three years as a ratio of year-end costs represented a range of 44% to 45.7% of the final annual expenditures, placing this year's rate of expenditures below the historical range. While

expenditures to date this fiscal year represent a 12.2% increase over the average three-year actuals through December, Fiscal Year 2020-2021 budgeted appropriations exceed the three-year year-end average by 24.7%, as a result of services and activities associated with the COVID-19 emergency response, making this year's ratio to date appear disproportionately low.

Supporting Community Health Four-Year Expenditures Comparison

In Millions



Midyear Issues and Recommendations

The recommendations contained in this report for *Supporting Community Health* will net for a total decrease in appropriations of \$1.2 million with a \$1.7 million increase in estimated revenue, resulting in a \$2.2 million decrease in the use of departmental fund balance and a \$749,982 decrease in Net County Cost.

Aging and Veterans Services

Veterans Services filled the Veterans Services Representative position at a higher salary than what was included in the Adopted Final Budget; the position was filled at step five when the budget included the position at step one. It is recommended to increase appropriations by \$14,725 to cover the costs of the Veterans Services Representative, funded by Net County Cost.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Aging and Veterans Services - Veterans Services		\$14,725		\$14,725	Increase in appropriations to fund the Veterans Service Representative Position budgeted at Step 1 and filled at Step 5, funded by Net County Cost.
Total	\$0	\$14,725	\$0	\$14,725	

Recommendation: It is recommended to increase appropriations by \$14,725, funded by an increase of \$14,725 in Net County Cost.

Behavioral Health and Recovery Services

The Behavioral Health and Recovery Services (BHRS) 2020-2021 Adopted Final Budget projected \$5.4 million in fund balance on July 1, 2020, which was authorized for departmental use by the Board of Supervisors. Due to unanticipated increases in inpatient psychiatric hospitalization and residential mental health treatment costs in Fiscal Year 2019-2020, BHRS's available fund balance as of July 1, 2020 was \$4.1 million, resulting in a \$1.3 million shortfall. For BHRS to end Fiscal Year 2020-2021 in a positive financial position and align with updated revenue projections, the following actions and technical adjustments are recommended.

The 2008-2009 Adopted Final Budget included the recommendation to establish a commitment in the BHRS fund balance for future capital expenses related to the provision of mental health services, to be funded by the proceeds of the sale of the Stanislaus Behavioral Health Center (SBHC). The purpose of the designation was to develop in-patient possibilities, including but not limited to a psychiatric health facility to mitigate the scarcity of in-patient psychiatric beds the department was experiencing at the time. While psychiatric beds are still limited and the need for these services continue to pose challenges, the Department is able to place patients in the appropriate level of care. However, these placements are costly and have continued to deplete available funding sources. Of the \$4.1 million in BHRS's fund balance, \$2.1 million remains committed by the Board of Supervisors (Resolution 2008-649) as detailed above. It is recommended that the commitment be released into BHRS's unassigned fund balance and made available for departmental use this fiscal year. Lifting of the commitment requires a four-fifths vote of the Board of Supervisors.

In addition, it is recommended to reduce Intrafund appropriations by \$1.4 million due to a change in the internal cost allocation plan methodology, resulting in a decreased use of fund balance. The methodology was changed

from a full-time employee basis to a relative value basis, which is calculated based on the value of services provided and includes administration costs for contracted services.

Lastly, the Chief Executive Officer is recommending an \$800,000 increase in projected 2011 Realignment revenue for BHRS this fiscal year based on estimates contained in the Governor's 2021-2022 Proposed Budget, with an equal reduction in Net County Cost, partially refunding one-time revenue stabilization funding provided by the County General Fund. If the projected revenue increase does not materialize, the General Fund will return the \$800,000 to BHRS.

Public Guardian provides mandated services for mental health evaluations and court testimony for conservatorship clients. It is recommended to increase appropriations by a total of \$150,000 to accurately reflect the cost of these mandated services. The increase in appropriations is funded by departmental fund balance, however; there will be an ongoing General Fund contribution needed to fund these services in the future.

BHRS relied on the anticipated salary savings of holding 61 positions vacant to balance the 2020-2021 Adopted Final Budget. These positions remain frozen to ensure that personnel costs do not exceed those budgeted for the fiscal year. The Department is in the process of performing an organizational review, which may involve a plan for restructuring and will include the identification of increased efficiencies to ensure the sustainability of programs and services into the future while prioritizing the provision of core services. Should this review result in the identified need to utilize any of the 61 positions being frozen, the Department will return to the Board of Supervisors to request the specific positions be unfrozen along with a funding plan to sustain those positions. The Department continues to conduct stakeholder processes and gather community input to complete the program review, plans, and recommendations that align program operations and services with sustainable funding and will be brought to the Board for consideration in the near future.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Behavioral Health and Recovery Services - Behavioral Health and Recovery Services		(\$1,400,000)	(\$1,400,000)	\$0	Reduce appropriations in Intrafund expenses due to a change in the internal cost allocation plan to ensure fund balance remains positive.
Behavioral Health and Recovery Services - Behavioral Health and Recovery Services	\$800,000			(\$800,000)	Increase estimated 2011 Realignment revenue based on 2021-2022 Governor's Proposed Budget, partially refunding one-time revenue stabilization funding provided by the County General Fund.
Behavioral Health and Recovery Services - Public Guardian		\$150,000	\$150,000	\$0	Increase appropriations to accurately reflect the cost of mandated services for mental health evaluations and court testimony for conservatorship clients, using fund balance.
Total	\$800,000	(\$1,250,000)	(\$1,250,000)	(\$800,000)	

Recommendation: It is recommended to increase estimated revenue by \$800,000 and decrease appropriations by \$1.3 million, resulting in a decrease of \$1.3 million in departmental fund balance usage and a decrease of \$800,000 in Net County Cost. It is also recommended to release the \$2.1 million fund balance commitment for capital expenses.

Staffing Recommendation: It is recommended to conduct a classification study of one Administrative Clerk III position to determine if it is the correct classification for the current job duties and responsibilities assigned to this position.

Child Support Services

The 2020-2021 Adopted Final Budget for Child Support Services projected \$830,248 in fund balance on July 1, 2020, which was authorized for departmental use by the Board of Supervisors. Available fund balance as of July 1, 2020 was \$696,607; therefore, a decrease of \$133,641 in appropriations is recommended to align with available fund balance.

It is recommended to transfer \$386,305 in appropriations from Services and Supplies to Fixed Assets to allow the Department to purchase information technology enhancements and to fund remodels of bathrooms and a kitchen to be in compliance with Americans with Disabilities Act requirements.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Child Support Services - Child Support Services		(\$133,641)	(\$133,641)	\$0	Reduction in appropriations to align use of Department fund balance with available fund balance as of July 1, 2020.
Child Support Services - Child Support Services		(\$386,305)	(\$386,305)	\$0	Transfer appropriations for IT enhancements and ADA remodel of bathrooms and kitchen from Services and Supplies.
Child Support Services - Child Support Services		\$386,305	\$386,305	\$0	Transfer appropriations for IT enhancements and ADA remodel of bathrooms and kitchen to Fixed Assets.
Total	\$0	(\$133,641)	(\$133,641)	\$0	

Recommendation: It is recommended to decrease appropriations by \$133,641, resulting in a decrease of \$133,641 in departmental fund balance usage.

Community Services Agency

The Homeless Emergency Aid Program (HEAP) projected \$1.4 million in fund balance on July 1, 2020, of which \$1.6 million was authorized for use by the Board of Supervisors in the 2020-2021 Adopted Final Budget. Available fund balance as of July 1, 2020 was \$1.5 million; therefore, a decrease of \$93,219 in appropriations is recommended to align with available fund balance. It is also recommended to increase estimated revenue by \$10,000 due to higher than anticipated interest earnings on HEAP funds. All HEAP funds will be expended by June 30, 2021, as required.

When the Housing and Homeless Services budget was established in Fiscal Year 2019-2020, positions were allocated in Program Services and Support while Salaries and Benefits appropriations were budgeted in Housing and Homeless Services. To better align costs with the Department’s internal cost allocation plan, it is recommended to transfer \$2.1 million in appropriations and \$1.3 million in estimated revenue from Housing and Homeless Services to Program Services and Support and to increase estimated Federal and State revenue by \$729,453 to balance the increase in appropriations in Program Services and Support while decreasing the use of fund balance by \$729,453 in Housing and Homeless Services. Adjustments will be made in the 2021-2022 Proposed Budget to address the ongoing shift of Salaries and Benefits appropriations in both legal budget units.

In-Home Supportive Services (IHSS) Public Authority – Administration received an increase in their allocation from the State in September 2020. It is recommended to increase estimated revenue and appropriations by \$220,000 to allow for full utilization of the Public Authority Administration's allocation level.

The Department has identified the potential for fluctuations in mandated programs that could exceed current budget authority in certain line items. As a result, authorization to allow transferability among the CSA Special Revenue Funds receiving County match is recommended to assist the Department in meeting mandated program requirements and to end the fiscal year in a positive position. Authorization to allow transferability is recommended for the following legal budget units; Program Services and Support, Public Economic Assistance, General Assistance, IHSS Public Authority – Benefits, and IHSS Public Authority – Provider Wages. Any savings in the Department County match will be returned to the General Fund at year end.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Community Services Agency - Homeless Emergency Aid Program		(\$93,219)	(\$93,219)	\$0	Decrease in appropriations to align with available fund balance as of July 1, 2020.
Community Services Agency - Homeless Emergency Aid Program	\$10,000		(\$10,000)	\$0	Increase in estimated interest revenue earned on fund balance for the Homeless Emergency Aid Program Fund.
Community Services Agency - Housing and Homeless Services	(\$1,324,607)	(\$2,054,060)	(\$729,453)	\$0	Transfer Salaries and Benefits appropriations and estimated revenues from Housing and Homeless Services to Program Services and Support.
Community Services Agency - Program Services and Support	\$1,324,607	\$2,054,060	\$729,453	\$0	Transfer Salaries and Benefits appropriations and estimated revenues from Housing and Homeless Services to Program Services and Support.
Community Services Agency - Program Services and Support	\$729,453		(\$729,453)	\$0	Increase in estimated Federal and State revenue to balance the increase in appropriations due to the transfer of Salaries and Benefits appropriations.
Community Services Agency - IHSS Public Authority-Administration	\$220,000	\$220,000		\$0	Increase in estimated revenue and appropriations to allow for full utilization of the Public Authority Administration's allocation level.
Total	\$959,453	\$126,781	(\$832,672)	\$0	

Recommendation: It is recommended to increase estimated revenue by \$959,453 and increase appropriations by \$126,781, resulting in a decrease of \$832,672 in departmental fund balance usage. It is also recommended to allow transferability among the CSA Special Revenue Funds receiving County match.

Health Services Agency

Administration provides administrative direction and support to all Health Services Agency (HSA) divisions and has identified necessary Information Technology (IT) enhancements. The Department needs to replace outdated IT equipment nearing end of life usage that will improve data storage security and performance. These enhancements will support the COVID-19 response efforts and help deliver resources in a more efficient and effective manner. It is recommended to transfer \$600,000 in appropriations from Services and Supplies to Fixed Assets for these IT enhancements.

Emergency Medical Services (EMS) Discretionary Fund, authorized by Health and Safety Code (HSC) § 1797.98a, reimburses physicians/surgeons and hospitals for the cost of uncompensated emergency care and for other discretionary EMS purposes. HSA has an agreement with the Mountain Valley Emergency Medical Services Agency, which administers these services. Revenue is lower than projected at midyear due to a decrease in court fines/fees as a result of the COVID-19 emergency; courts have been closed and/or operating on modified schedules and have been forgiving fines. Typically, court fines/fees revenue within the EMS Discretionary fund are enough to cover contractual payments to Mountain Valley, but due to the impacts of COVID-19, revenues have significantly declined, and projected revenue will not cover the contractual obligation. It is recommended to decrease revenue by \$35,293, funded by Net County Cost.

Public Health has been supporting the Emergency Operations Center (EOC) in responding to the COVID-19 emergency. Additional support is needed in the form of freezers, respirators, computer equipment and other essential items. It is recommended to transfer \$500,000 in appropriations from Salaries and Benefits to Fixed Assets to continue to support EOC operational needs.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Health Services Agency - Administration		(\$600,000)	(\$600,000)	\$0	Transfer appropriations from Services and Supplies to Fixed Assets for IT enhancements.
Health Services Agency - Administration		\$600,000	\$600,000	\$0	Transfer appropriations from Services and Supplies to Fixed Assets for IT enhancements.
Health Services Agency - EMS Discretionary Fund	(\$35,293)			\$35,293	Decrease in estimated court fine/fees revenue as a result of the COVID-19 emergency, funded by Net County Cost, to maintain emergency medical services.
Health Services Agency - Public Health		(\$500,000)	(\$500,000)	\$0	Transfer appropriations from Salaries and Benefits to Fixed Assets to continue to support EOC operational needs.
Health Services Agency - Public Health		\$500,000	\$500,000	\$0	Transfer appropriations from Salaries and Benefits to Fixed Assets to continue to support EOC operational needs.
Total	(\$35,293)	\$0	\$0	\$35,293	

Recommendations: It is recommended to decrease estimated revenue by \$35,293, funded by an increase of \$35,293 in Net County Cost.

Developing a Healthy Economy

Agricultural Commissioner
Economic Development Bank
UC Cooperative Extension
Workforce Development





Developing a healthy economy, building upon our strong agricultural foundation

Priority Overview

The Board of Supervisors' priority area of *Developing a Healthy Economy* recognizes the critical role that County government can play in supporting a local economy that promotes, protects, and sustains our agricultural economies while providing for more diversified economic opportunities that will strengthen our local economy and provide for a better, more stable, quality of life for our residents. Supporting job creation, providing a wide range of employment and training services, and educational resources are key aspects of *Developing a Healthy Economy*. Departments and programs assigned to this priority area include: Agricultural Commissioner, Chief Executive Office - Economic Development, UC Cooperative Extension and Workforce Development.

The Board of Supervisors' priority area of *Developing a Healthy Economy*, building upon our strong agricultural foundation recognizes the vital role of the County's number one industry, agriculture, that generates \$3.6 billion in value of agricultural commodities per year. Farmland conversion, air pollution, soil salinity and drainage, agricultural water supply and water quality, and preservation of the County's unique agriculture heritage are key aspects of *Developing a Healthy Economy*.

While agriculture plays a critical role in the local economy placing the economic viability of the County on a limited number of sectors puts the County at risk. Sector diversification strengthens the local economy and provides for a better, more stable, quality of life for residents. Departments assigned to this priority area focused on agribusiness include: Agricultural Commissioner Office and Cooperative Extension.

There are various funding sources for departments in this priority area. The Agricultural Commissioner receives State funding for several programs, charges for specific services and receives funding from the General Fund. Cooperative Extension's University of California advisors are funded through the University of California system; however, the County provides funding from the General Fund for support staff and operational expenses. Workforce Development's major funding source is Federal funds (Workforce Innovation and Opportunity Act).

Overall, the departments within the Board priority *Developing a Healthy Economy* are on track to end the year within budgeted appropriations and in a positive fiscal position.

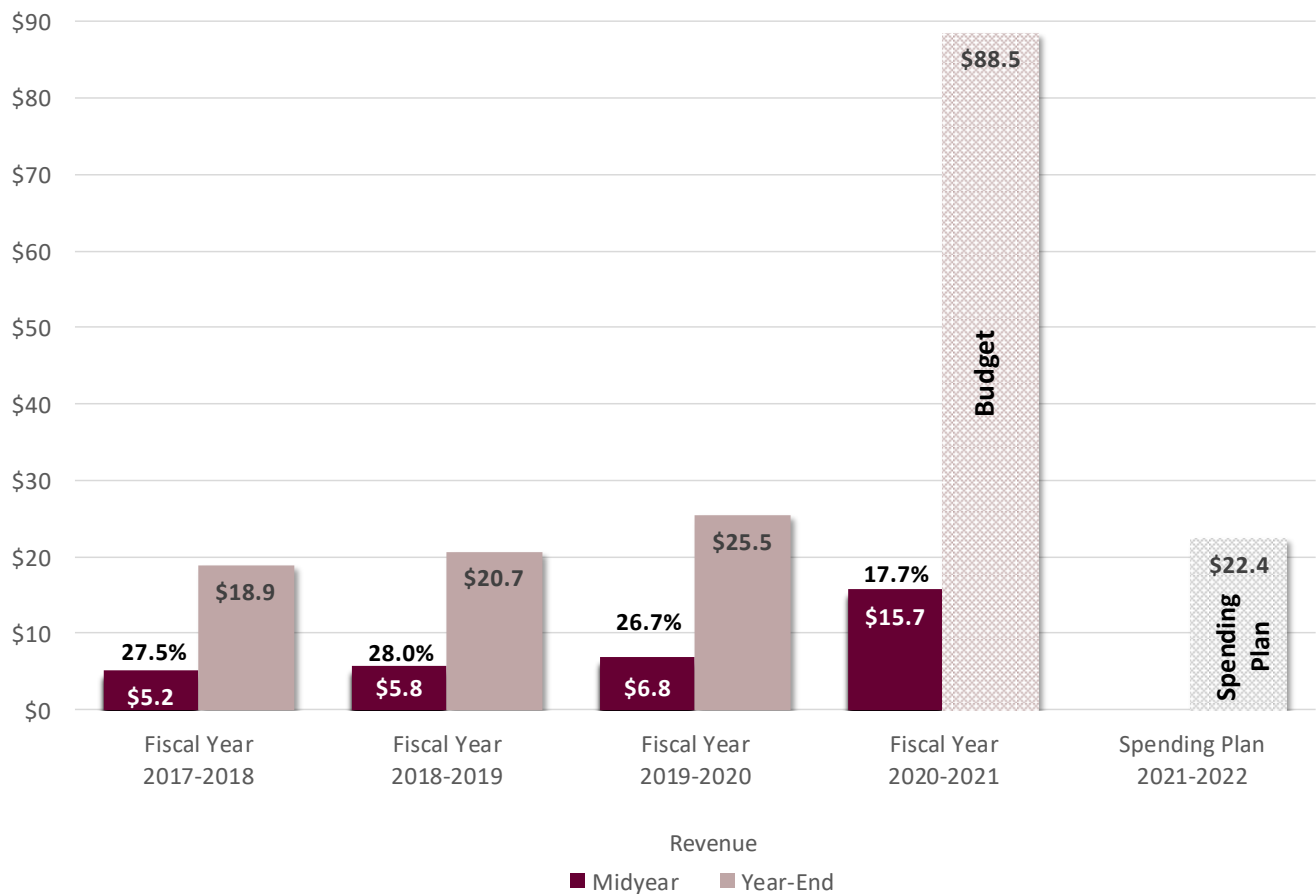
Departmental Revenue

For the departments contained in the Board of Supervisors’ priority area of *Developing a Healthy Economy*, as of December 31, 2020, actual revenue collected is \$15.7 million, which represents 17.7% of the estimated annual revenue. This is below the range when compared to midyear point of the prior three years when collections were 26.7% to 28% of

the final actual revenue. The revenue ratio is below the prior three-year range due to an overall increase of \$63 million in revenue received for this priority primarily due to CARES Act CRF funding allocated to the Economic Development Bank to assist in the County’s response to the COVID-19 pandemic emergency.

Developing a Healthy Economy Four-Year Revenue Comparison

In Millions



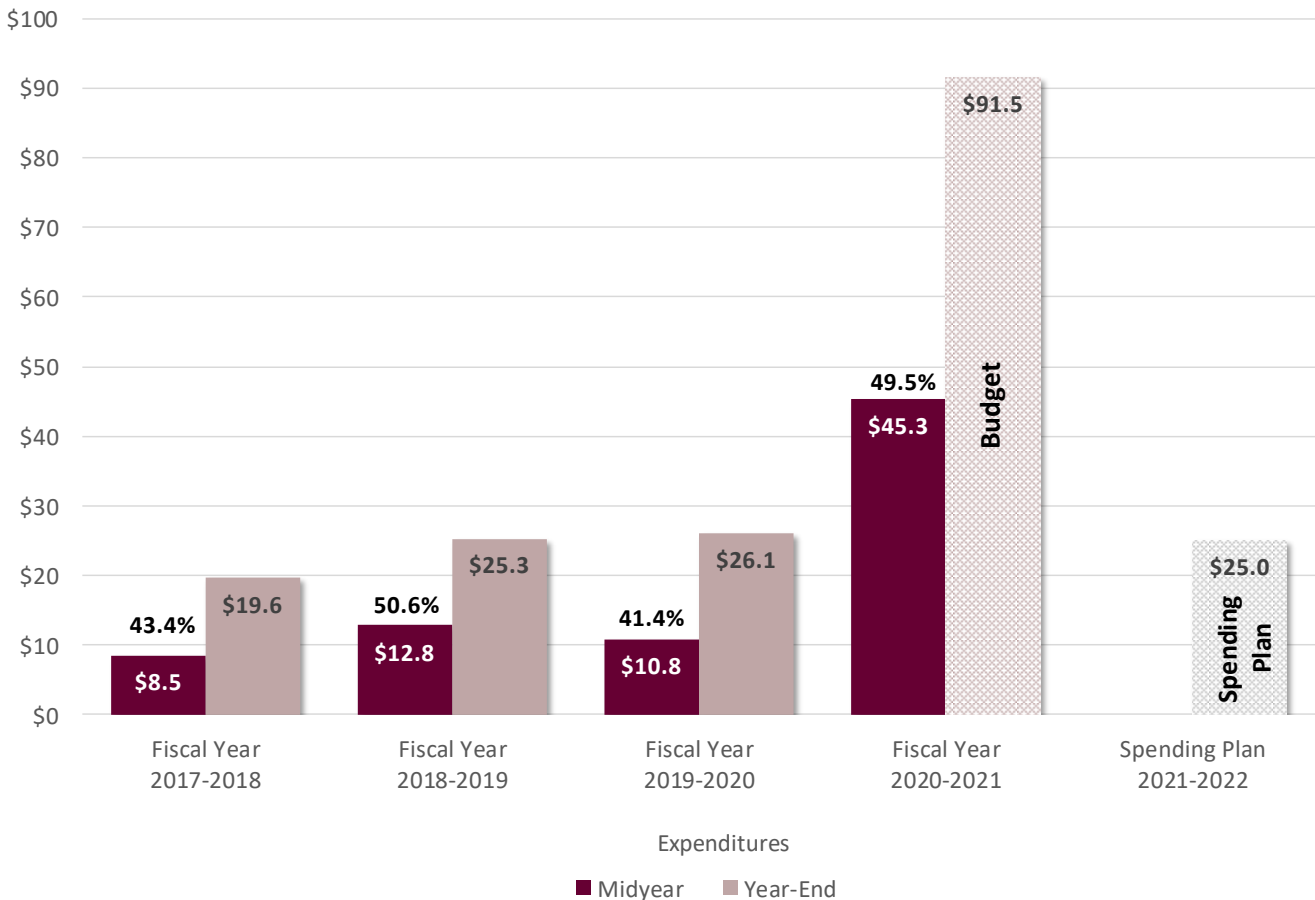
Departmental Expenditures

As of December 31, 2020, expenditures are \$45.3 million, representing 49.5% of the budgeted appropriations. Expenditures at the midyear point of the prior three years ranged from 41.4% to 50.6% of the final actual expenditures, placing this year within

the three-year range. However, there is a \$65.4 million increase in budgeted expenditures and an increase of \$34.5 million in year-to-date expenditures for this priority due to CARES Act CRF funding in response to the COVID-19 pandemic.

Developing a Healthy Economy Four-Year Expenditures Comparison

In Millions



Midyear Issues and Recommendations

The recommendations contained in this report for the priority of *Developing a Healthy Economy* will increase appropriations by \$95,000 funded by an increase in Net County Cost.

Agricultural Commissioner

The Department will have two retirements in March 2021 with cash-outs that are estimated to be \$95,000, funded by an increase in Net County Cost.

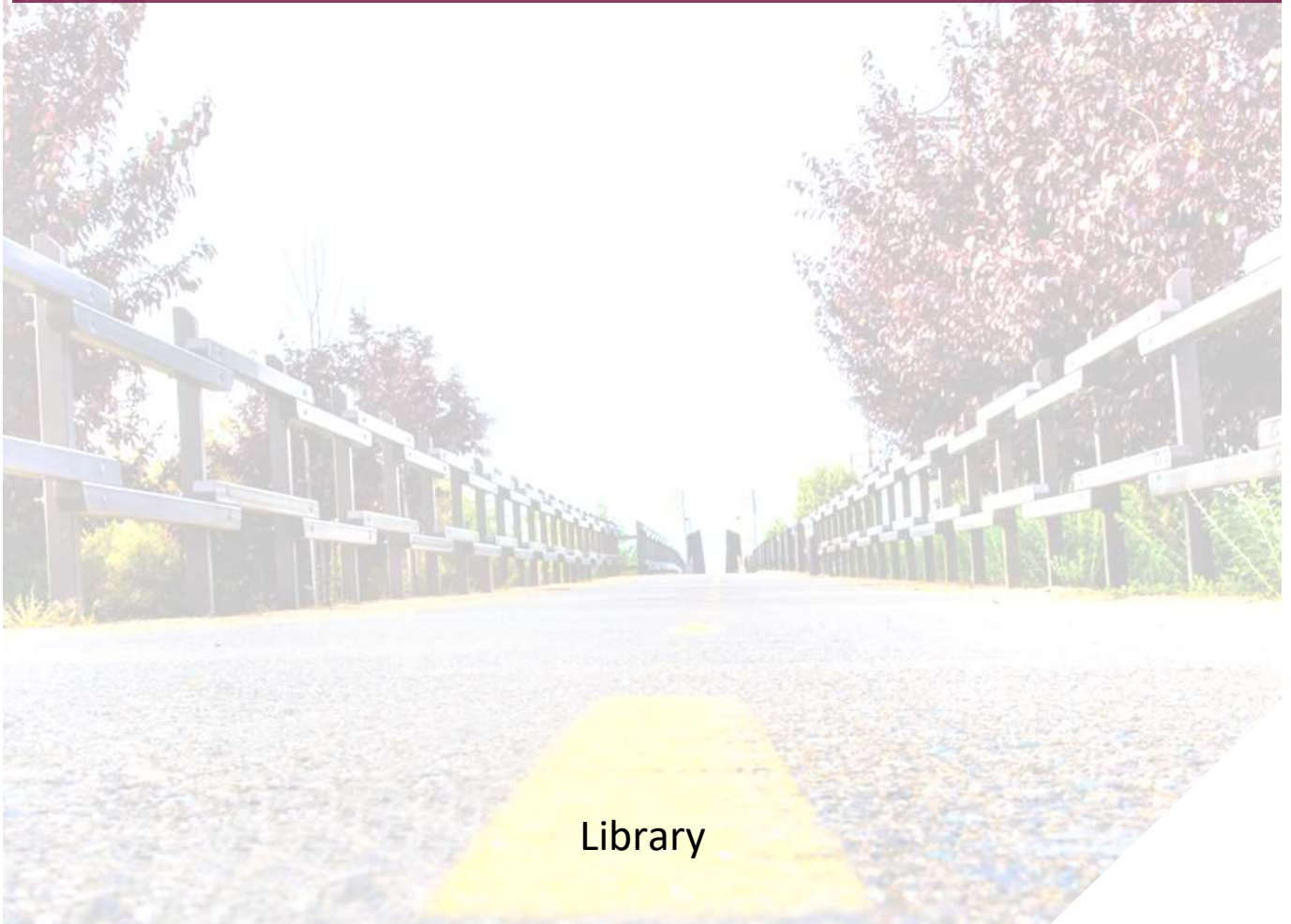
Budget Unit Name	Recommended Budget Adjustment				Description
	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	
Agricultural Commissioner	\$0	\$95,000	\$0	\$95,000	Increase appropriations to fund two retirement cash outs
Total	\$0	\$95,000	\$0	\$95,000	

Recommendation: It is recommended to increase appropriations by \$95,000, funded by an increase in Net County Cost.

Workforce Development

Staffing Recommendation: It is recommended to conduct a classification study of one Senior System Engineer position to determine if it is the correct classification for the current job duties and responsibilities assigned to this position.

Promoting First-Rate Learning



Library





Promoting first-rate learning opportunities for all residents in support of community and individual prosperity

Priority Overview

The single Department contained within this section supports the Board of Supervisors' priority of *Promoting First-Rate Learning*, with the primary focus on advancing learning capabilities for children and young adults. The Department serves members of the community and also provides valuable services to local agencies and other County departments.

The Library is responsible for implementing the Board of Supervisors' priority of *Promoting First-Rate Learning* opportunities for all residents to advance community and individual prosperity. The Stanislaus County Library engages members of the community and offers access to information, knowledge, and the tools for innovation and personal development. The Library offers early literacy programs for children, basic literacy services to adults, workforce readiness programs, resources for veterans and their families,

and outreach services beyond the physical walls of the libraries including online e-resources and community outreach activities such as home delivery service for customers who are unable to come to the Library due to advanced age, injury or illness. The Library also offers unique services such as the Veterans Resource Center, passport application processing, and citizenship information sessions.

The Library is primarily funded by a voter approved 1/8-cent sales tax, which represents approximately 90% of the Library's total estimated revenue to support the Library operations in Fiscal Year 2020-2021. The voter approved 1/8-cent sales tax was extended for 12 years when Measure S passed in the November 7, 2017 election.

The Library is on track to end the year within budget and in a positive fiscal position.

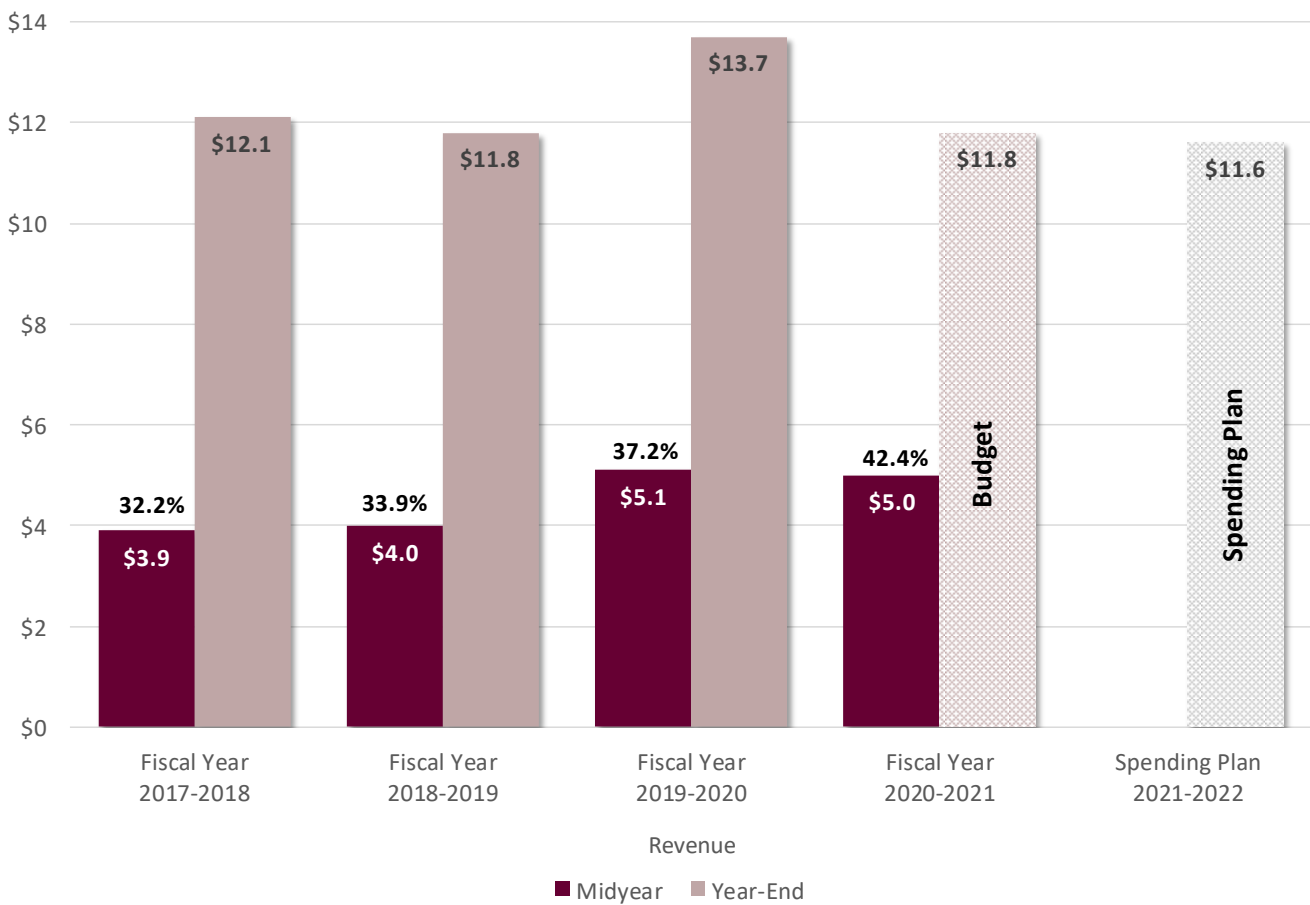
Departmental Revenue

For the department budget that makes up the Board of Supervisors' priority area of *Promoting First-Rate Learning* as of December 31, 2020, actual revenue collected is \$5 million, which represents 42.4% of the estimated annual revenue. This is above the range when compared to mid-year of the prior three years when collections were 32.2% to 37.2% of the final actual revenue. The actual revenue is above the prior

three-year range due to higher sales tax revenue received than previously forecasted at Final Budget. The Library budgeted a 15% reduction in estimated sales tax revenue for Fiscal Year 2020-2021 due to the COVID-19 pandemic and early estimates on potential impacts to sales tax revenue. Actual sales tax revenue received at midyear is on par with Fiscal Year 2019-2020.

Promoting First-Rate Learning Four-Year Revenue Comparison

In Millions



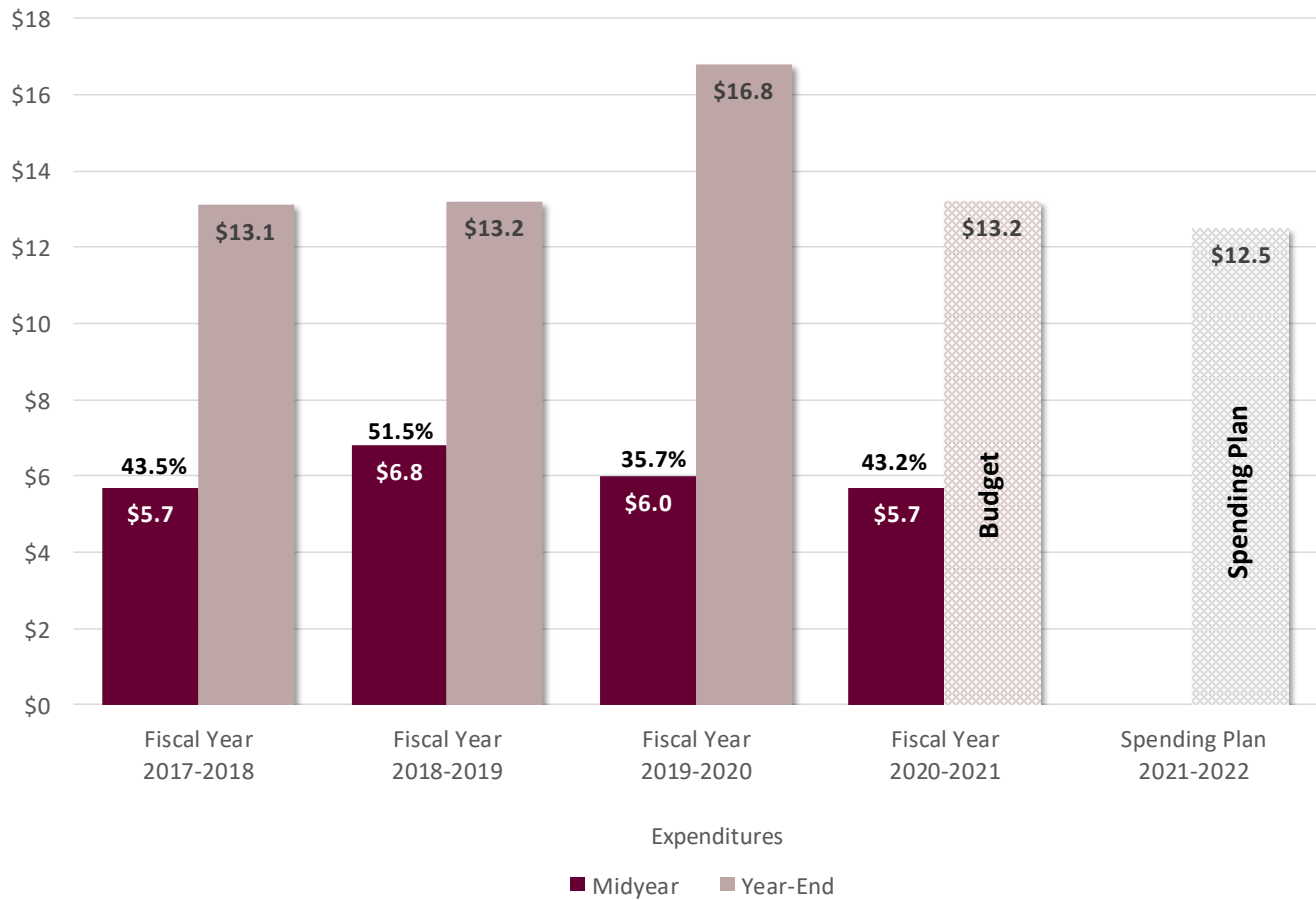
Departmental Expenditures

As of December 31, 2020, expenditures total \$5.7 million, representing 43.2% of the budgeted appropriations. Expenditures at the mid-year point

of the prior three years ranged from 35.7% to 51.5% of the final actual expenditures, placing this year within the range.

Promoting First-Rate Learning Four-Year Expenditures Comparison

In Millions



Midyear Issues and Recommendations

The recommendations contained in this report for the priority of *Promoting First-Rate Learning* will increase estimated revenue by \$311,377 and appropriations by \$403,000 funded by an increase use of \$91,623 in department fund balance and \$25,000 in CARES Act CRF and Federal Emergency Management Agency (FEMA) funding for expenses associated with responding to the COVID-19 pandemic emergency.

Library

Estimated sales tax revenue is trending higher than originally projected by \$512,835, however a decrease in charges for service such as passport services, copy services, and late fees are projected to decline by \$226,458, as a result of a reduction in services due to the COVID-19 pandemic. The net impact is an increase in estimated revenue of \$286,377.

Library extra-help staff continue to support Emergency Operation Center (EOC) services during the COVID-19 pandemic. An increase of \$25,000 in extra-help costs is recommended, which is funded by CARES Act CRF.

A total increase of \$378,000 in appropriations is recommended for repairs of various Library facilities that include: \$130,000 to repair the roof drain system at the main Modesto Library, \$200,000 to repair the covered patio at the Salida Library, and \$48,000 to replace rock in ten dry wells also at the Salida Library. These maintenance projects are funded by department fund balance. Department fund balance was \$6.1 million as of July 1, 2020.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Library	\$512,835	\$0	(\$512,835)	\$0	Increase estimated sales tax revenue based on current projections.
Library	(\$226,458)	\$0	\$226,458	\$0	Decrease estimated revenue due to 85% decline in late fee and copy service revenue, and zero passport services revenue.
Library	\$25,000	\$25,000	\$0	\$0	Increase appropriations for extra-help salaries assigned to support Emergency Operation Center (EOC), funded by CRF.
Library	\$0	\$130,000	\$130,000	\$0	Increase appropriations for the Modesto Library roof drainage repair, funded by department fund balance.
Library	\$0	\$200,000	\$200,000	\$0	Increase appropriations for the Salida Library repair, funded by department fund balance.
Library	\$0	\$48,000	\$48,000	\$0	Increase appropriations for the Salida Library parking lot to replace rock in 10 dry wells.
Total	\$311,377	\$403,000	\$91,623	\$0	

Recommendation: It is recommended to increase estimated revenue by \$311,377 and appropriations by \$403,000, resulting in the use of \$91,632 of department fund balance and \$25,000 in CARES Act CRF revenue.

Delivering Efficient Public Services

Assessor
Auditor-Controller
Board of Supervisors
Chief Executive Office
CEO – Human Relations
Clerk-Recorder
County Counsel
County Operations
General Services Agency
Information Technology Central
Treasurer-Tax Collector





Delivering efficient public services to benefit our residents and businesses

Priority Overview

Efficiency is a critical element in the effective operation of government agencies and allows for the sustained provision of valuable services to the community. County departments provide a multitude of services to a diverse customer base and these customers expect government to be responsive to their needs. County departments must work to understand these needs and determine how best to provide the desired services. Customer feedback is a valuable source of insight in this process and encourages departments to remain focused on continuous improvement.

Departments assigned to the Board of Supervisors' priority area of *Delivering Efficient Public Services* include the Assessor, Auditor-Controller, Chief

Executive Office, Clerk-Recorder/Elections, County Counsel, General Services Agency, Information Technology Central, and Treasurer-Tax Collector. These departments serve members of the community while also providing valuable services to local agencies and other County departments, internal customers with unique needs to ensure efficient delivery of services. The revenue used to pay for the majority of these services comes from local taxes such as property tax, sales tax, various fees, franchises, charges for services, and a variety of other discretionary funding sources.

Overall, departments within the priority *Delivering Efficient Public Services* are on track to end the year within budget and in a positive fiscal position.

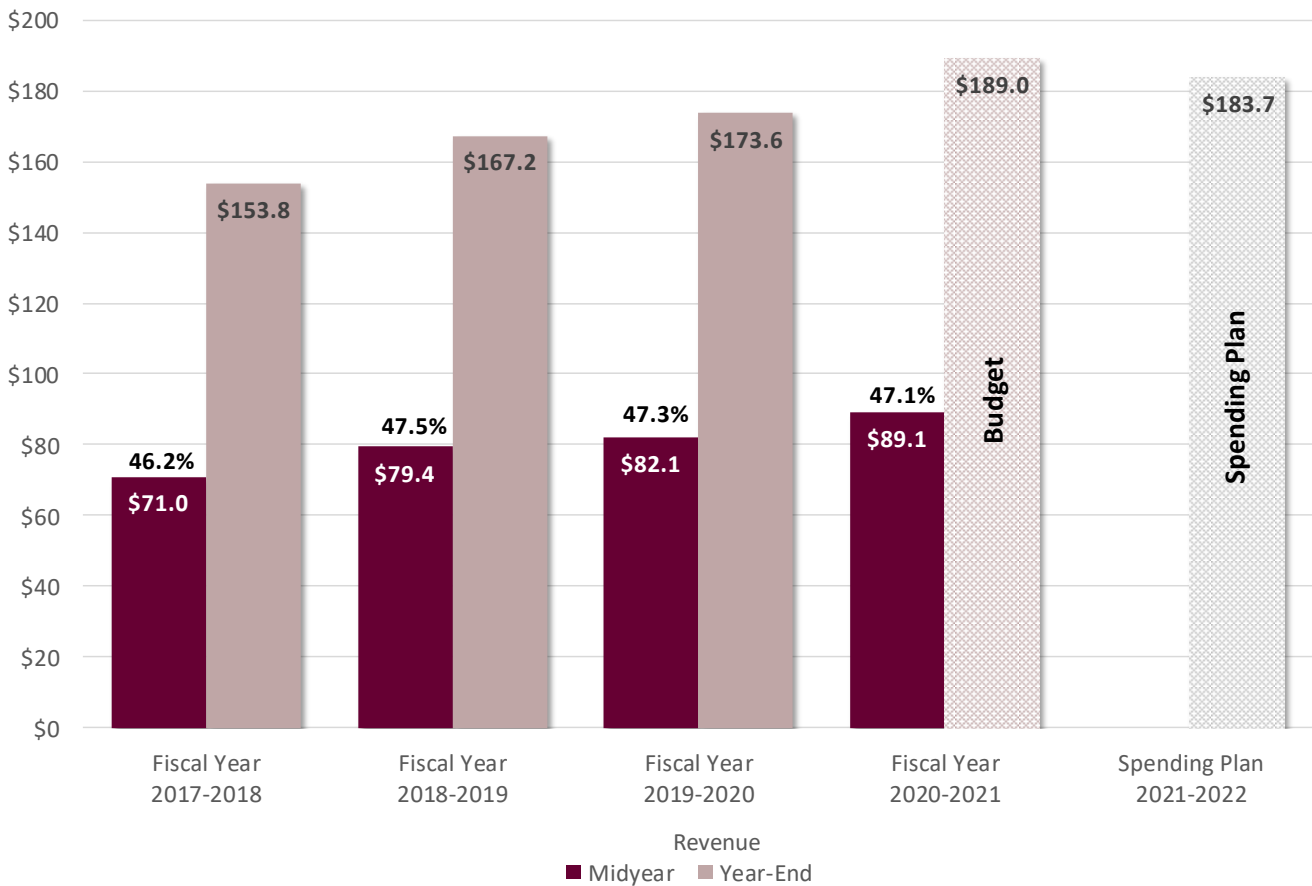
Departmental Revenue

For the departmental budgets that make up the Board of Supervisors' *Delivering Efficient Public Services* priority area, the actual revenue collected as of December 31, 2020, totaled \$89.1 million, which represents 47.1% of the estimated annual revenue. This is within the range of revenue received in the

midyear point of the previous three years when collections ranged from 46.2% to 47.5% of the final actual revenue received through December. The increase in revenue this year is attributed to increases in Cannabis Program, Vehicle License Fee, and General Services Agency revenues.

Delivering Efficient Public Services Four-Year Revenue Comparison

In Millions



Departmental Expenditures

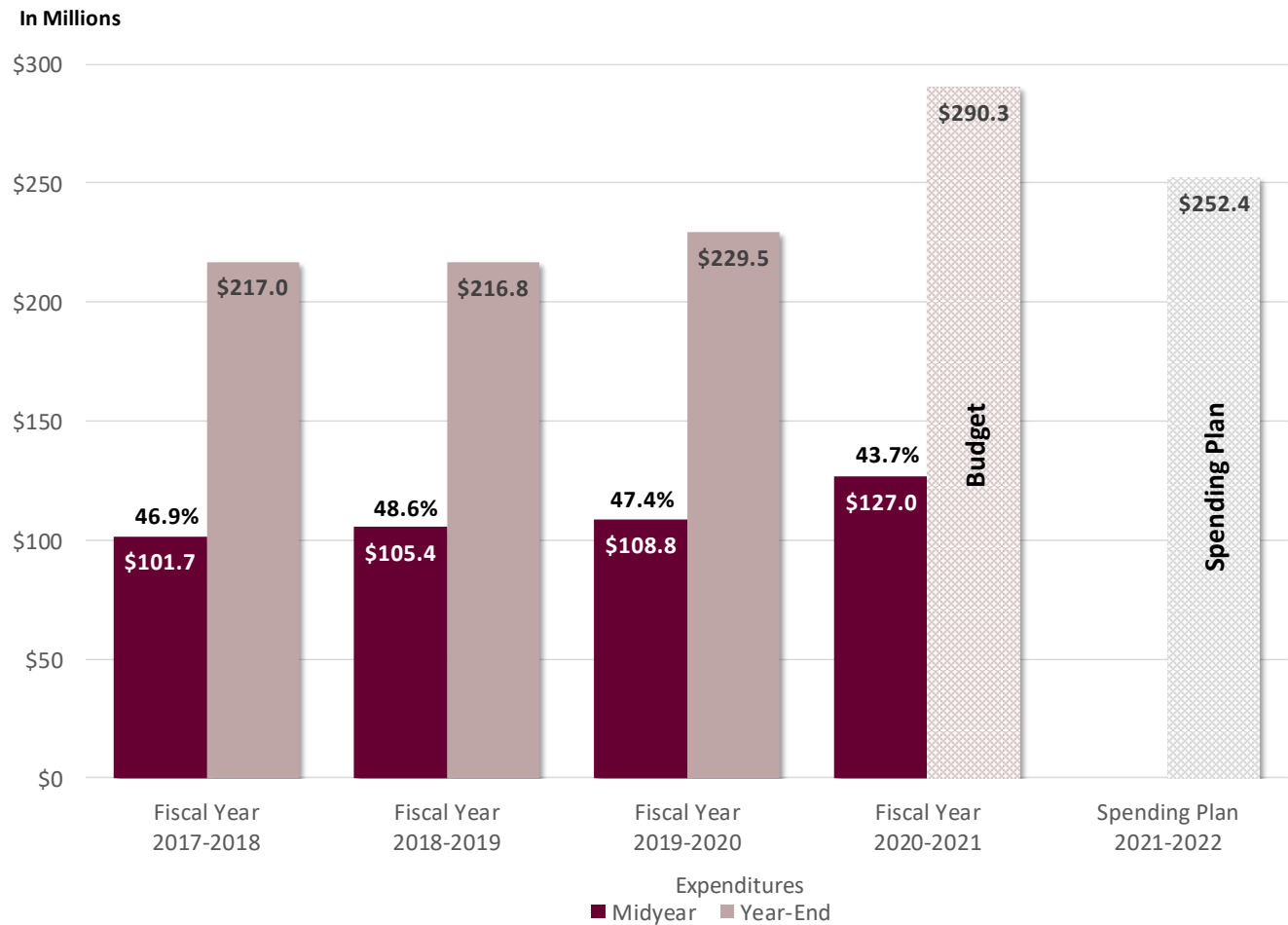
As of December 31, 2020, expenditures in this Board priority area totaled \$127 million, representing 43.7% of the appropriations budgeted for the year. Expenditures at the midyear point of the previous three fiscal years ranged from a low of 46.9% to a high of 48.6% of the final actual expenditures received through December, placing this year below the historical range.

While expenditures are up as a whole, attributed to increases in Cannabis Program, Information Technology Central, and General Services Agency costs, some costs within this priority rarely

materialize as budgeted. Contingency funding budgeted in Appropriations for Contingencies began the fiscal year at \$12 million. As transfers are made from this account, with only \$745,622 through December, the budget is reduced, skewing comparisons between percent of budget and percentage of yearend expenditures. Removing the remaining \$11.3 million in contingency funding brings the percentage to budget up to 45%, closer to the historical trend.

Other contributing factors include delays in project-based activities that reflect lower expenditures.

Delivering Efficient Public Services Four-Year Expenditures Comparison



Midyear Issues and Recommendations

The recommendations contained in this report for *Delivering Efficient Public Services* include a decrease in appropriations of \$488,095, an increase in estimated revenue of \$289,527, a total increase of \$2 million in the use of fund balance and retained earnings, and a \$2.8 million reduction in Net County Cost, including the transfer of \$499,593 from Appropriations for Contingencies. Revenue includes the increase of \$1.3 million in Discretionary Revenue.

Auditor-Controller

Enterprise Resource Planning (ERP) - A decrease in appropriations of \$4,992 is recommended to rightsize this budget to remain within available funds. This technical adjustment will reduce the use of retained earnings from \$333,137 to \$328,145, using all available retained earnings to cover anticipated costs in the current fiscal year.

Budget Unit Name	Recommended Budget Adjustment				Description
	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	
Auditor-Controller - Enterprise Resource Planning	\$0	(\$4,992)	(\$4,992)	\$0	Decrease appropriations to right size available retained earnings.
Total	\$0	(\$4,992)	(\$4,992)	\$0	

Recommendation: It is recommended to decrease appropriations and the use of retained earnings by \$4,992.

Staffing Recommendation: It is recommended to add one time-limited Manager IV position to lead the Enterprise Resource Planning (ERP) Project. This position is needed to oversee the implementation of the ERP project once a Systems Integrator (SI) is selected.

It is also recommended to study a request to add one block-budgeted Manager I/II position to support the Department Head as the Administrative Services Manager in budget development, human resources and operations management. No budget adjustment is necessary as sufficient appropriations are available in the ERP fund.

Chief Executive Office – Human Relations

Human Relations – It is recommended to add two new Confidential Assistant III positions to assist with the processing of Workers’ Compensation claims, to comply with recent COVID-19 reporting guidelines, and to process forms related to employment and benefits. As the number of County employees has grown, the demand on the Human Relations staff has grown and has resulted in the consistent use of part-time staff. The additional full-time staff will reduce the use of part-time staff and will work to stabilize the division. The annual cost of the positions is \$153,274, three months of which is estimated to cost \$38,319. These positions will be fully funded by charges to the County’s self-insurance funds.

Dental Self-Insurance – It is recommended to decrease estimated revenue by \$396,115 to reflect the 15% decrease in dental rates effective January 1, 2021. This decrease will result in an increased use of retained earnings, which had an available balance of \$1.1 million as of July 1, 2020.

Medical Self-Insurance – The County’s Medical Self-Insurance program continues to perform very well. As of December 2020, expenditures were at 42.4% of budget, creating capacity in the program to fund COVID-19 testing for County employees. In addition, it is recommended to decrease estimated revenue by \$1.7 million to reflect

the 1% decrease in medical rates effective January 1, 2021. This decrease will result in an increased use of retained earnings, which had an available balance of \$9.4 million as of July 1, 2020.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Chief Executive Office - Human Relations	\$38,319	\$38,319	\$0	\$0	Increase appropriations and estimated revenue for two new Confidential Assistant III positions.
Chief Executive Office - Dental Self-Insurance	(\$396,115)	\$0	\$396,115	\$0	Decrease estimated revenue to reflect the 15% rate reduction effective January 1, 2021, funded by retained earnings.
Chief Executive Office - Medical Self-Insurance	(\$1,658,195)	\$0	\$1,658,195	\$0	Decrease estimated revenue to reflect the 1% rate reduction effective January 1, 2021, funded by retained earnings.
Total	(\$2,015,991)	\$38,319	\$2,054,310	\$0	

Recommendation: It is recommended to decrease estimated revenue by \$2.0 million and increase appropriations by \$38,319, funded by \$2.1 million in departmental retained earnings.

Staffing Recommendation: It is recommended to add two new Confidential Assistant III positions to support the Human Relation Division’s timely processing of Workers’ Compensation claims and forms related to employment and benefits.

Clerk-Recorder

A total increase in estimated revenue of \$885,000, an increase in appropriations of \$500,000, an increase of \$300,000, in the use of departmental fund balance and a decrease in Net County Cost of \$85,000 is recommended for the Department.

Clerk-Recorder – the Department is projecting an increase in estimated revenue of \$485,000, from an increase in the number of document recordings being processed associated with increased mortgage refinancing and home sales. The increase in estimated revenue will fund the following:

- A one-time cost of \$100,000 is being recommended to support additional extra-help support as the Department is experiencing a significant increase in service requests by mail;
- An increase in appropriations of \$300,000 is being recommended for the Clerk-Recorder Public Services Lobby and Counter Remodel Project for needed security improvements and compliance with Americans with Disabilities Act; providing a more customer friendly and ergonomic experience for customers, and
- A decrease to Net County Cost of \$85,000.

Elections – the following adjustments are needed to support needs unique to this fiscal year:

- A transfer of \$238,764 from Fixed Assets to Salaries and Benefits is being recommended to offset unanticipated staffing costs associated with hiring extra-help staff for the mandated all-mail Presidential Election held this past November; and
- An increase in estimated revenue and appropriations of \$100,000 is recommended for additional extra-help staff to support the Emergency Operations Center including the call center and contract tracing efforts; costs will be reimbursed with CARES Act Coronavirus Relief Funds (CRF).

Modernization – this budget unit is projecting an increase in estimated revenue of \$300,000, which will reduce reliance on fund balance.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Clerk-Recorder	\$100,000	\$100,000	\$0	\$0	Increase in estimated revenue and appropriations in Salary and Benefits for increased extra-help staffing costs.
Clerk-Recorder	\$300,000	\$300,000	\$0	\$0	Increase in estimated revenue and appropriations for the Clerk-Recorder Public Services Lobby and Counter Remodel Project.
Clerk-Recorder	\$85,000			(\$85,000)	Increase in estimated revenue based on projections, resulting in a decrease to Net County Cost.
Clerk-Recorder - Elections	\$100,000	\$100,000	\$0	\$0	Increase estimated revenue and appropriations for additional Extra Help staff to support the 211 Call Center/Emergency Operations Center funded by CARES Act CRF reimbursement.
Clerk-Recorder - Elections	\$0	(\$238,764)	\$0	(\$238,764)	Transfer appropriations from Fixed Assets to Salaries and Benefits to offset increased staffing costs.
Clerk-Recorder - Elections	\$0	\$238,764	\$0	\$238,764	Transfer appropriations to Salaries and Benefits from Fixed Assets to offset increased staffing costs.
Clerk-Recorder - Modernization	\$300,000	\$0	(\$300,000)	\$0	Increase in estimated revenue based on updated projections, resulting in a decrease to the use of fund balance.
Total	\$885,000	\$500,000	(\$300,000)	(\$85,000)	

Recommendation: It is recommended to increase appropriations by \$500,000, funded by an increase in estimated revenue of \$885,000, and a decrease in the use of fund balance of \$300,000, resulting in a decrease to Net County Cost of \$85,000.

Staffing Recommendation: It is recommended to conduct a classification study of one Application Specialist II position to determine if it is the correct classification for the current job duties and responsibilities assigned to this position.

County Counsel

An overall increase in appropriations of \$152,301, funded by a \$75,123 increase in estimated revenue and \$77,178 increase in Net County Cost is recommended. An increase in appropriations of \$64,850 will support the cost of one Attorney V position to provide legal services associated with the Cannabis program and is funded by \$55,123 in estimated revenue and \$9,727 in Net County Cost. An increase in appropriations of \$40,000 is recommended for consulting services to assist the Department with implementing the new case management system and customizing the software according to the Department’s need, funded by \$20,000 in estimated revenue and \$20,000 in Net County Cost. An increase in appropriations of \$47,451 funded by an increase in Net County Cost is recommended for retirement cash-out costs.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
County Counsel	\$55,123	\$64,850	\$0	\$9,727	Increase appropriations and estimated revenue to support the cost of one Attorney V position to provide services associated with the cannabis program.
County Counsel	\$0	\$47,451	\$0	\$47,451	Increase appropriations for retirement cash-out costs, funded by Net County Cost.
County Counsel	\$20,000	\$40,000	\$0	\$20,000	Increase appropriations and estimated revenue for consulting services to assist with the implementation of the new case management system.
Total	\$75,123	\$152,301	\$0	\$77,178	

Recommendation: It is recommended to increase appropriations by \$152,301 and estimated revenue by \$75,123, funded by an increase of \$77,178 in Net County Cost.

Staffing Recommendation: It is recommended to add one new Attorney V position to provide legal services related to the Stanislaus County cannabis program.

County Operations

A net decrease of \$973,723 in appropriations, an increase of \$45,395 in estimated revenue, an increase of \$280,475 in Retained Earnings and a decrease of \$1.3 million in the reliance on Net County Cost are recommended for County Operations.

Appropriations for Contingencies - This budget serves as the contingency fund for the County and provides funds to meet unexpected and emergency financial exposures which may arise during the fiscal year. The transfer of funds from Appropriations for Contingencies to departmental operating budgets requires a four-fifths vote by the Board of Supervisors. The 2020-2021 Adopted Final Budget included a total of \$12,008,510 in appropriations for use during the fiscal year for contingencies related to General Fund cash-outs, health insurance increases, Cost Allocation Plan (CAP) charges, and other miscellaneous unforeseen program or community needs. At First Quarter, a transfer of \$745,622 was recommended to fund increased appropriations in multiple General Fund departments, leaving a remaining balance of \$11,262,888.

At this time, it is requested that Appropriations for Contingencies be decreased by a total of \$499,593, transferring funds as follows:

- \$200,000 to Sheriff – Operations for Deputy Sherrif negotiated labor cost increases;
- \$95,000 to Agricultural Commissioner for retirement cash-out costs;
- \$77,178 to County Counsel for retirement cash-out, Prolaw consultant, and 15% of new position costs;
- \$41,388 to Sheriff – OES/Fire Warden for Data Scientist position costs;
- \$41,052 to Environmental Resources – Groundwater Program for legal services, health benefit cash-out costs, and to fully cover staff costs associated with the program;
- \$30,250 to Parks and Recreation for building safety proximity card access;
- \$14,725 to Aging and Veterans Services – Veterans Services for increased costs associated with the Veterans Service Representative position.

If all midyear transfers are approved, \$10,763,295 will remain in Appropriations for Contingencies for use throughout the balance of Fiscal Year 2020-2021.

Cannabis Program – Staff resources to properly support this evolving program are being evaluated. An increase in estimated revenue and appropriations of \$45,395 will support a new Attorney V position in County Counsel’s Office to provide on-going legal resources to the program in the areas of land use, development agreements, code enforcement, law enforcement, tax analysis, and various other legal issues associated with this program. Further staffing recommendations may be addressed in the Proposed Budget.

General Liability – An increase in appropriations of \$280,475 is recommended to provide funding for defense attorney fees and claims costs. The increase will result in the use of additional retained earnings. As of July 1, 2020, the retained earnings balance in this fund was a negative \$2.8 million and the Adopted Final Budget included the use of \$542,665 to balance the budget. The use of an additional \$280,475 will increase the retained earnings deficit to approximately \$3.6 million at fiscal year-end. A plan to restore retained earnings to a positive position will be presented to the Board as part of the upcoming Proposed Budget 2021-2022.

Mandated County Match – A decrease in appropriations of \$800,000 is recommended to reduce reliance on the General Fund in Behavioral Health and Recovery Services based on the department’s increase to estimated revenue for 2011 Realignment at midyear.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/ General Fund Contribution	Description
County Operations - Appropriations for Contingencies	\$0	(\$41,388)	\$0	(\$41,388)	Transfer to Sheriff - OES/Fire Warden for Data Scientist position costs
County Operations - Appropriations for Contingencies	\$0	(\$200,000)	\$0	(\$200,000)	Transfer to Sheriff - Operations for Deputy Sheriff Labor MOU impacts
County Operations - Appropriations for Contingencies	\$0	(\$14,725)	\$0	(\$14,725)	Transfer to Aging and Veterans Services -Veterans Services to fund increased costs for Venerans Service Representative Position between step 1 and step 5
County Operations - Appropriations for Contingencies	\$0	(\$95,000)	\$0	(\$95,000)	Transfer to Ag Commissioner to support cashout costs
County Operations - Appropriations for Contingencies	\$0	(\$77,178)	\$0	(\$77,178)	Transfer to County Counsel for retirement cash out, ProLaw consultant, and 15% of Attorney V position
County Operations - Appropriations for Contingencies	\$0	(\$41,052)	\$0	(\$41,052)	Transfer to Environmental Resources - Groundwater Program for Legal Services, Admin. Secretary staff costs, and Cash out costs
County Operations - Appropriations for Contingencies	\$0	(\$30,250)	\$0	(\$30,250)	Transfer to Parks and Recreation for building safety access
County Operations - Cannabis Program	\$45,395	\$45,395	\$0	\$0	Add 70% of Attorney V position to support Cannabis Program, pro-rated for 3 months
County Operations - General Liability	\$0	\$280,475	\$280,475	\$0	Increase General Liability appropriations for increased defense attorney costs
County Operations - Mandated County Match	\$0	(\$800,000)	\$0	(\$800,000)	Decrease County Match for BHRS due to increased Realignment Revenue projected
Total	\$45,395	(\$973,723)	\$280,475	(\$1,299,593)	

Recommendation: It is recommended to increase revenue by \$45,395, decrease appropriations by \$973,723, and increase retained earnings by \$280,475, resulting in a Net County Cost savings of \$1,299,593.

General Services Agency

Plant Acquisition – This budget includes \$200,000 in appropriations for the County’s Safety Program funded by the General Fund. Departments that are unable to fund safety related expenses within annual budget authority may make a request for use of these funds that is reviewed by the Safety Board for consideration and approval at quarterly meetings which are led by the Human Relations Director and Safety Officer. It is recommended to remove the Safety Board from the process and allow departments to begin considering any safety exposures in

their ongoing planning and operations. As a result, it is recommended to decrease appropriations in GSA Plant Acquisition by \$200,000 and to provide instruction to departments to request funding for safety related projects through the schedule County budget cycle process.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
General Services Agency - Plant Acquisition	\$0	(\$200,000)	\$0	(\$200,000)	Decrease appropriations for County Safety Program.
Total	\$0	(\$200,000)	\$0	(\$200,000)	

Recommendation: It is recommended to decrease appropriations by \$200,000, resulting in a decrease to Net County Cost in the Plant Acquisition budget.

Delivering Community Infrastructure

Environmental Resources
Parks and Recreation
Planning and Community Development
Public Works





Delivering community infrastructure to benefit our residents and businesses

Priority Overview

The Board of Supervisors' priority area of *Delivering Community Infrastructure* is essential to the quality of life for the residents of Stanislaus County and to the maintenance and expansion of a robust economy. Water quality, effective liquid and solid waste disposal, recreational opportunities, and regional approaches to transportation circulation are critical to community infrastructure. Departments assigned to this priority area include: Environmental Resources, Parks and Recreation, Planning and Community Development, and Public Works. The major funding sources for these departments include State and Federal funding, fees and charges for

services, the General Fund, special revenue grants and 1/2-cent sales tax commonly referred to as Measure L.

Parks and Recreation has identified a revenue shortfall as a result of COVID-19 and will likely require an increase to Net County Cost. Staff is monitoring the Parks and Recreation budget and will provide recommended adjustments as part of the Third Quarter Financial Report. The other departments within *Delivering Community Infrastructure* are on track to end the year within budget and in a positive fiscal position.

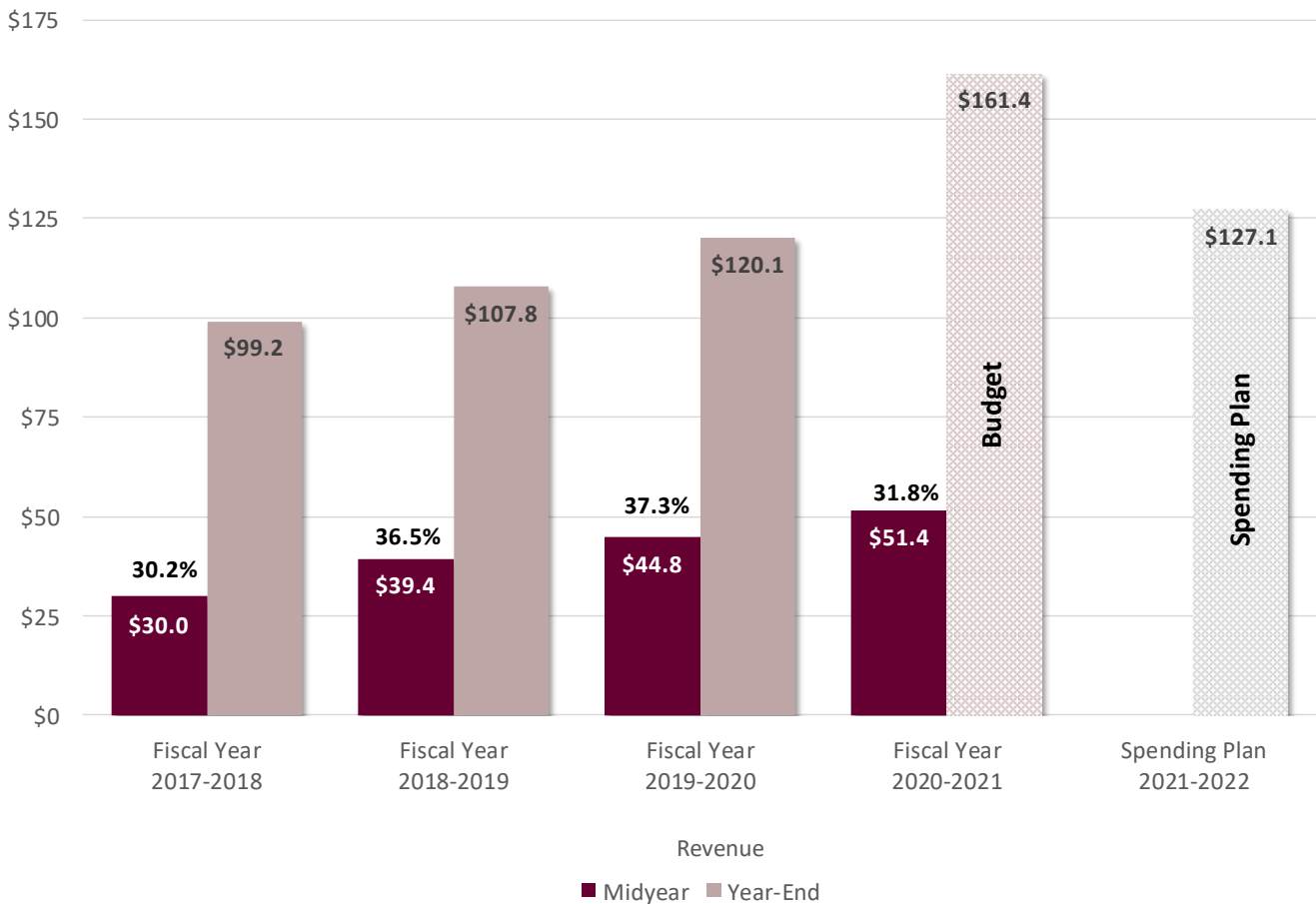
Departmental Revenue

For the departmental budgets that are part of the Board priority *Delivering Community Infrastructure* as of December 31, 2020, actual revenue collected totals \$51.4 million, which represents 31.8% of the

estimated annual revenue. This is within the range when compared to the midyear point of the prior three years when collections ranged from 30.2% to 37.3% of the final actual revenue.

Delivering Community Infrastructure Four-Year Revenue Comparison

In Millions



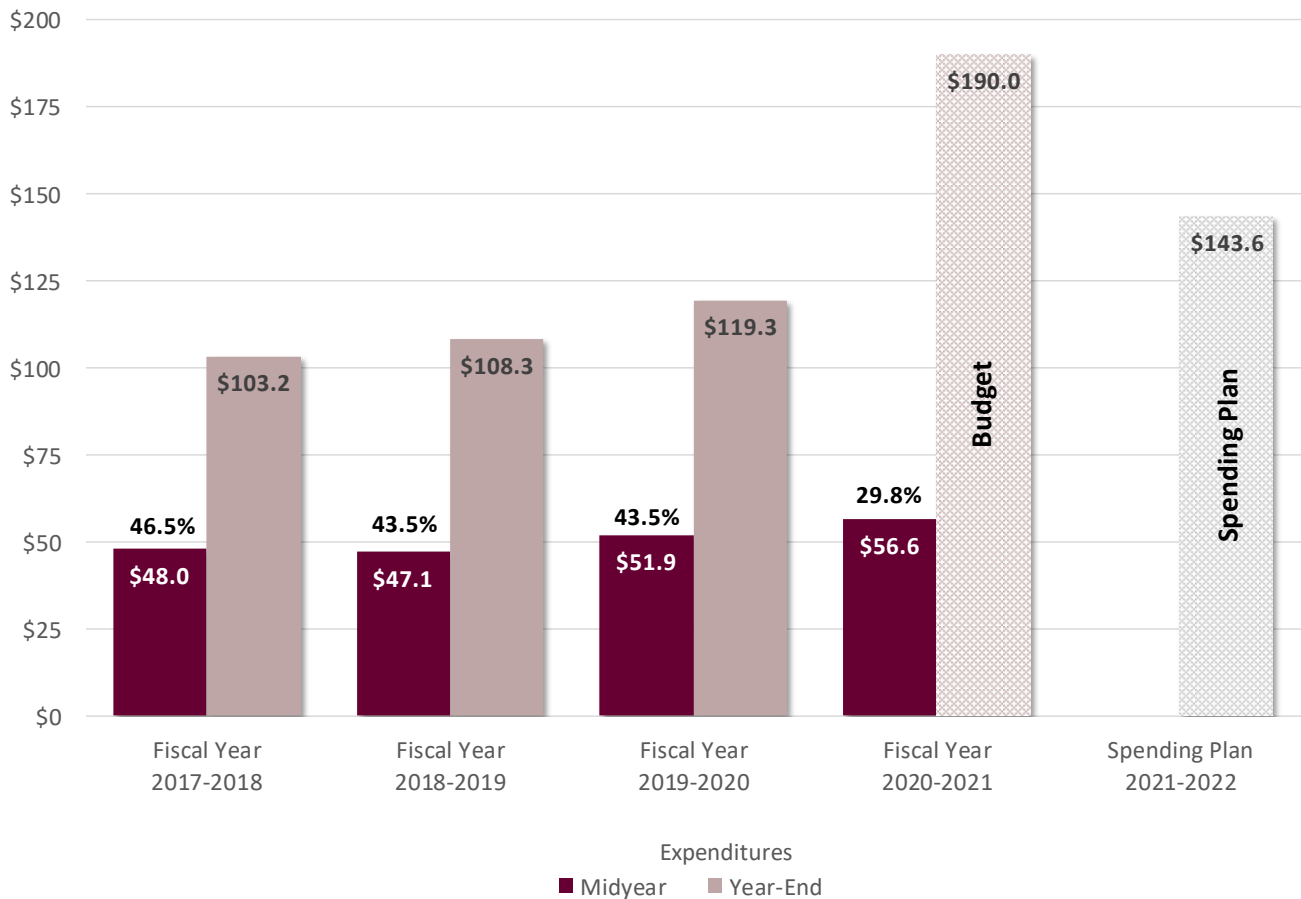
Departmental Expenditures

As of December 31, 2020, expenditures total \$56.6 million, representing 29.8% of the budgeted appropriations. Expenditures at the midyear point of the prior three years ranged from 43.5% to 46.5% of the final actual expenditures, placing this year's expenditures below the normal range. The lower

percentage at midyear compared to the same time last year is primarily due to the timing of road projects, the timing of park improvement projects, and the result of a number of large expenses in the Fink Road Landfill that do occur until the end of the fiscal year.

Delivering Community Infrastructure Four-Year Expenditures Comparison

In Millions



Midyear Issues and Recommendations

The recommendations contained in this report for the priority of *Delivering Community Infrastructure* will increase appropriations in the amount of \$23.3 million. The budget adjustments are funded by \$20 million in department revenue, \$3.3 million in the use of department fund balance and \$71,302 in General Fund Contribution.

Environmental Resources

Environmental Resources – The Department’s budget includes an off-setting negative intrafund account used to transfer costs to other program budgets. The Department anticipates it will be abating less expenses than originally planned and has identified a need to increase appropriations by \$458,741 funded by use of additional departmental fund balance.

AB 939-Source Reduction and Recycle – This budget funds activities related to reducing waste disposed of at landfills, solid waste planning, and solid waste facility and landfill compliance. It is recommended to increase appropriations by \$11,012 funded by department fund balance to cover the program’s administrative costs.

Abandoned Vehicle Abatement – This program responds to abandoned vehicle complaints on both public and private property. It is recommended to increase appropriations by \$10,888 funded by department fund balance to cover necessary staff costs associated with administering the program.

Groundwater Program – The Groundwater Program ensures compliance with the Sustainable Groundwater Management Act and was established as a separate legal budget unit in the Fiscal Year 2020-2021 Final Budget. It is recommended to increase appropriations by \$18,212 funded by Net County Cost to cover legal fees related to the Protect Our Water & Environmental Resources (POWER) Groundwater lawsuit. In addition it is recommended to increase appropriations by \$22,840, funded by Net County Cost, to fully cover staff costs associated with the program.

Used Oil Recycling – This budget’s funds are designated for public education and financial support of used oil and used oil filter recycling related activities. It is recommended to increase appropriations by \$1,951, funded by department fund balance for administrative costs.

Waste Tire Enforcement Grant – This grant is used to conduct inspections, re-inspections, follow-up, surveillance, and enforcement of tire dealers, auto dismantlers, tire haulers, and other points of waste tire generation to ensure compliance with all applicable laws and regulations of these facilities. Staffing costs to administer the program are higher than originally budgeted and it is recommended to increase appropriations by \$108,344 funded by \$2,344 in estimated revenue and \$106,000 in departmental fund balance.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Environmental Resources	\$0	\$458,741	\$458,741	\$0	Increase appropriations in order to reduce the offsetting negative expenditure amount.
Environmental Resources - AB 939-Source Reduction and Recycle	\$0	\$11,012	\$11,012	\$0	Increase appropriations to cover the program's administrative costs.
Environmental Resources - Abandoned Vehicle Abatement	\$0	\$10,888	\$10,888	\$0	Increase appropriations to cover necessary staff costs to administer the program.
Environmental Resources - Groundwater Program	\$0	\$18,212	\$0	\$18,212	Increase appropriations in Services and Supplies to cover Legal Services.
Environmental Resources - Groundwater Program	\$0	\$22,840	\$0	\$22,840	Increase appropriations in Salaries and Benefits to cover staff costs.
Environmental Resources - Used Oil Recycling	\$0	\$1,951	\$1,951	\$0	Increase appropriations to cover the program's administrative costs.
Environmental Resources - Waste Tire Enforcement Grant	\$2,344	\$108,344	\$106,000	\$0	Increase estimated revenue and appropriations to cover the program's administrative costs, with the remainder funded by use of fund balance.
Total	\$2,344	\$631,988	\$588,592	\$41,052	

Recommendation:

It is recommended to increase appropriations by \$631,988 funded by \$2,344 in estimated revenue, \$588,592 in department fund balance, and \$41,052 of Net County Cost.

Parks and Recreation

Parks and Recreation – Financial analysis performed as part of the Midyear Financial Report estimates that department revenue will be approximately \$1.4 million less than budget. This revenue shortfall is a result of the COVID-19 pandemic as Woodward and Modesto reservoirs both experienced sharp decreases in attendance and overnight camping during the first half of the fiscal year. To limit the exposure to the General Fund, the Department has identified approximately \$800,000 in cost savings. Department and CEO staff will monitor the budget and will return as part of the Third Quarter Financial Report to recommend the necessary budget adjustments.

An increase of \$30,250 in Fixed Assets is recommended for a one-time costs associated with the installation of a building security access system at the Tuolumne Building. This security project was recommended by the County’s safety officer and General Services Agency and will be funded with additional General Fund.

Off-Highway Vehicle Fund – The Off-Highway Vehicle Fund provides for the development and activities at the Frank Raines and La Grange Off-Highway Vehicle Parks. Camping restrictions implemented in response to the COVID-19 Emergency and the Complex Fire, which affected Frank Raines, have impacted revenue. As a result, it is recommended to decrease appropriations and estimated revenue by \$169,902.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/ General Fund Contribution	Description
Parks and Recreation	\$0	\$30,250	\$0	\$30,250	Increase appropriations in Fixed Assets for a building access system.
Parks and Recreation - Off-Highway Vehicle Fund	(\$169,902)	(\$169,902)	\$0	\$0	Reduce appropriations and estimated revenue due to the Complex Fire and camping restrictions.
Total	(\$169,902)	(\$139,652)	\$0	\$30,250	

Recommendation:

It is recommended to decrease appropriations by \$139,652 and estimated revenue by \$169,902, requiring \$30,250 in additional Net County Cost.

Planning and Community Development

Planning-Special Revenue Grants – Within this budget are several grant programs in which the funds are used to provide construction of community infrastructure, public services activities, and implement programs designed to assist those who are experiencing homelessness or are at-risk of experiencing homelessness. In 2020, the Stanislaus Urban County received \$22.8 million in California Emergency Solutions Grant (ESG) CARES funding to be used to prevent, prepare for, and respond to Coronavirus affected individuals and families who are experiencing homelessness or receiving homeless assistance. Planning and Community Development is the entity responsible to administer the funds as the appointed Administrative Entity of the Stanislaus Community System of Care (CSOC) and has identified the need to increase estimated revenue and appropriations by approximately \$7.9 million in Fiscal Year 2020-2021 for activities related to this grant funding. This includes providing emergency shelter operations and development, rapid re-housing, street outreach, and homeless management information systems activities in response to the Coronavirus. Grant funding not used in Fiscal Year 2020-2021 will be expended in subsequent budget years.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/ General Fund Contribution	Description
Planning-Special Revenue Grants	\$7,861,740	\$7,861,740		\$0	Increase estimated revenue and appropriations related to CA ESG CARES grant funding.
Total	\$7,861,740	\$7,861,740	\$0	\$0	

Recommendation: It is recommended to increase appropriations and estimated revenue by \$7.9 million.

Public Works

Administration – The Administration division of Public Works provides accounting support to over 90 active road and bridge projects and 64 special districts in addition to day-to-day operations. The workload has surpassed the capacity of existing staff and it is recommended to add an Accountant II. This new position will be assigned accounting functions related to the special districts and the Development Services unit. It will also conduct necessary account reconciliations and assist in the billing of capital projects. It is recommended to increase

appropriations and estimated revenue by \$30,700 to cover the cost of this position for the remainder of the fiscal year. The estimated annual cost of the position is \$92,100.

Local Transit – Department revenue has been negatively impacted due to COVID-19. Federal and State funding as well as fare revenue is lower than originally budgeted. As a result an adjustment reducing revenue by approximately \$1.6 million is recommended to better reflect expected revenue resulting in increased use of retained earnings. In order to mitigate the additional use of retained earnings the Department will reduce costs where possible.

Morgan Shop – COVID-19 has limited the options for restroom facilities for Public Works crews as businesses shut down in compliance with State orders. To address this need it is recommended to increase Fixed Asset appropriations by \$21,675 funded by CRF revenue to purchase a portable restroom and wash stations. A key feature of the portable restrooms are the hand-washing stations located within the restroom. In addition, it is recommended to increase appropriations in Fixed Assets by \$10,950 to purchase a multi-use trailer to be used by various road crews. Owning the trailer will allow Morgan Shop to make the necessary modifications needed to the trailer to accommodate the needs of the crews.

Road and Bridge – Public Works has over 90 active projects which rely on Federal, State, and local funding. Throughout the year, department staff monitors the projects and tracks the authorizations it receives. At midyear, the Department has identified a need to increase appropriations by \$14.8 million funded by \$13.9 million in revenue and \$901,982 in department fund balance. This increase is related to 40 different projects and is needed to ensure all projects continue to move forward on schedule. Among the projects are SR-132 West, Albers Road Rehabilitation, Seventh Street Bridge, Crows Landing Bridge, and Crows Landing Corridor.

In addition it is recommended to increase appropriations by \$170,000 funded with department fund balance to initiate the process of replacing the existing project accounting software. The current software has become insufficient and can not handle the requirements of the Department. The Department will engage ITC, GSA – Capital Projects and other department stakeholders to ensure all needs, requirements, and specifications are met.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/ General Fund Contribution	Description
Public Works - Administration	\$30,700	\$30,700	\$0	\$0	Increase appropriations and estimated revenue for the addition of an Accountant II. Annual cost is approximately \$92,100.
Public Works - Local Transit	(\$1,601,040)	\$0	\$1,601,040	\$0	Reduce estimated revenue to reflect reduced ridership due to COVID-19.
Public Works - Morgan Shop	\$0	\$10,950	\$10,950	\$0	Increase appropriations in Fixed Assets for the purchase of a multi-use trailer.
Public Works - Morgan Shop	\$21,675	\$21,675	\$0	\$0	Increase appropriations in Fixed Assets funded by CRF Revenue for the purchase of a portable bathroom and wash stations for road crews.
Public Works - Road and Bridge	\$13,858,541	\$14,760,523	\$901,982	\$0	Increase appropriations and estimated revenue associated with active road projects.
Public Works - Road and Bridge	\$0	\$170,000	\$170,000	\$0	Increase appropriations to upgrade the existing project cost accounting management system.
Total	\$12,309,876	\$14,993,848	\$2,683,972	\$0	

Recommendation: It is recommended to increase appropriations by \$15 million funded with \$12.3 million of department revenue and \$2.7 million in department fund balance/retained earnings.

Staffing Recommendation: It is recommended to add one new Accountant II position to support the Finance Division’s workload attributed to an increase in active projects and funding.

Special Districts

At the time of the Fiscal Year 2020-2021 Adopted Final Budget, spending plans were estimated, and appropriations and estimated revenue were approved for the dependent special districts governed by the Board of Supervisors to allow them to operate in the fiscal year. Subsequent analysis during the development of the assessment rates and related operations resulted in the requested changes to the Adopted Final Budgets for five County Service Areas.

County Service Areas

A net increase of appropriations of \$53,160 is recommended to the following:

- \$1,350 for CSA 7 to cover the increase costs of street sweeping and maintenance services;
- \$35,500 for CSA 10 (Public Works) to cover the increased costs of street sweeping services;
- \$1,860 for CSA 10 (Admin) to cover the increased cost of administrative services;
- \$250 for CSA 11 to cover the increase cost of administrative services;
- \$8,000 for CSA 20 to cover the increased costs of street sweeping and maintenance services; and
- \$6,200 for CSA 23 to cover the increased costs of street sweeping and maintenance services.

County Service Area		Estimated Revenue			Appropriations/Expenditures		
Fund	County Service Area	FY 2020-2021 Adopted Final Budget	Recommended Mid-Year Budget Adjustment	Recommended Mid-Year Budget	FY 2020-2021 Adopted Final Budget	Recommended Mid-Year Budget Adjustment	Recommended Mid-Year Budget
1810	County Service Area No. 7 - Modesto Auto Center	\$1,985	\$0	\$1,985	\$5,395	\$1,350	\$6,745
1813	County Service Area No. 10 - Salida PW	\$161,211	\$0	\$161,211	\$161,212	\$35,500	\$196,712
1816	County Service Area No. 10 - Salida Admin	\$5,000	\$0	\$5,000	\$5,000	\$1,860	\$6,860
1818	County Service Area No. 11 - Gilbert	\$0	\$0	\$0	\$1,575	\$250	\$1,825
1827	County Service Area No. 20 - Summit Corp	\$12,369	\$0	\$12,369	\$13,595	\$8,000	\$21,595
1830	County Service Area No. 23 - Hillsborough Shutz	\$3,325	\$0	\$3,325	\$10,285	\$6,200	\$16,485
Total		\$183,890	\$0	\$183,890	\$197,062	\$53,160	\$250,222

The changes requested bring the previously approved engineers reports, budget schedule and the projects' development and maintenance plans in line with the CSA's budgets.

The total budgeted amount for all the CSAs in Midyear Budget 2020-2021 is \$1,117,621. The Midyear Budget is funded by \$717,758 in revenue and \$399,863 in fund balance.

Lighting and/or Landscape Districts

A net increase of appropriations of \$4,410 is requested to the following:

- \$2,660 for the replacement of a light pole that is eroded and rusted in the Mancini Lighting District.
- \$1,750 for maintenance services in the district.

Lighting and Lighting Maintenance Districts		Estimated Revenue			Appropriations/Expenditures		
Fund	Lighting and Lighting Maintenance District	FY 2020-2021 Adopted Final Budget	Recommended Mid-Year Budget Adjustment	Recommended Mid-Year Budget	FY 2020-2021 Adopted Final Budget	Recommended Mid-Year Budget Adjustment	Recommended Mid-Year Budget
1863	Mancini Lighting District	\$7,490	\$0	\$7,490	\$8,894	\$4,410	\$13,304
Total		\$7,490	\$0	\$7,490	\$8,894	\$4,410	\$13,304

The total budgeted amount for all Lighting and/or Landscape Districts in Midyear Budget 2020-2021 is \$735,395. The Midyear Budget is funded by \$569,658 in revenue and \$165,737 in fund balance.

Two-Year Objectives

Supporting Strong and Safe Neighborhoods
Supporting Community Health
Developing a Healthy Economy
Promoting First-Rate Learning
Delivering Efficient Public Services
Delivering Community Infrastructure

Performance Visioning



Introduction

Performance Visioning in Stanislaus County is driven by the overriding question,

“What does success look like?”

A tiered approach provides the framework from which departments develop and build their two-year budgets (see diagram at right):

- *Board of Supervisors Priorities* are those focus areas deemed critical to County operations and the provision of quality programs and services to the entire community; these priorities provide structure and form the segments that make up the County budget document.
- *Community Indicators* are priority-wide measures relevant to Board priority areas that are not reliant on any one department to affect positive change or outcomes.
- *Department Success Measures* are the specific indicators that represent departmental progress toward success; these measures have been vetted through collaborative workshops to ensure alignment with assigned Board priorities.
- This support structure directs staff to develop *Department Goals/Objectives* and *Personal Objectives* that are aligned with their mission, “move the needle” on success measures, and support Board priorities.



Typically established as part of the Proposed Budget process in Year One of the two-year budget cycle, department objectives guide department efforts throughout the budget period and tie directly to accomplishments reported out annually. Due to the reprioritization of critical functions and activities required to manage the local COVID-19 pandemic response, the identification of department two-year objectives has been delayed until now. For the first time, these objectives are being introduced in the 2020-2021 Midyear Financial Report.

Departments have already begun working towards accomplishing these objectives and will report out on Year One progress in the 2021-2022 Final Budget, with a final reporting on two-year accomplishments in the 2022-2023 Final Budget.

Performance outcomes foster continuous improvement and inform decision makers on how to best utilize County resources for the betterment of the community, moving from measuring what was done to how well it was done in an effort to determine whether anyone is better off.





Supporting Strong and Safe Neighborhoods for Individuals and Families to Thrive

District Attorney

Priority	<i>Supporting strong and safe neighborhoods for individuals and families to thrive</i>	
Mission Statement	The employees of the Stanislaus County District Attorney, in partnership with the Community we serve, are dedicated to justice, the pursuit of truth, protection of the innocent, and the prevention of crime through the vigorous, professional and ethical prosecution of those who violate the law	
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results	
Success Measures	Percent of cases reviewed within 30 days of Case Intake	Percent of new victims contacted within 10 calendar days of receipt of victim information
Two-Year Objectives	<i>Streamline</i> the eDiscovery process by continuing to submit jail calls, field interviews and evidence photos provided by the Department's Bureau of Investigations into Evidence.com	
	<i>Improve</i> virtual private network (VPN) security by requiring Two-Factor Authentication to log into the Department's network, enabling compliance with the Criminal Justice Information System (CJIS) which is required by the Federal Bureau of Investigations	
	<i>Transfer</i> applications and data into Microsoft Azure Cloud to reduce cost, improve security, and allow access to the data securely from anywhere	
	<i>Partner</i> with the Stanislaus Family Justice Center (SFJC) to continue to support crime victims residing in the County by providing a Victim Advocate and Criminal Investigator to be located on-site at the SFJC	

Probation

Priority	<i>Supporting strong and safe neighborhoods for individuals and families to thrive</i>
Mission Statement	As an integral part of the criminal justice system, Probation protects our community by: Promoting responsible behavior and offender accountability; Providing objective information and recommendations to the Superior Courts; Operating safe and secure juvenile facilities and programs; and Partnering with the community to provide direct services to offenders, families and victims
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results
Success Measures	Reduce post-release recidivism of individuals exiting probation supervision
Two-Year Objectives	Reduce recidivism in juvenile offenders who complete programming in or out of custody
	Partner with local education institutions to get the youth under department supervision into higher or continued education prior to their dismissal
	Develop the Youth Assessment Center services through continued partnerships with Family Resource Centers
	Contract with local community-based organizations to assist with long-term programming for the youth committed to Juvenile Hall as part of SB 823 (Department of Juvenile Justice Realignment) to rehabilitate youth, provide a successful transition to the community, and ultimately reduce recidivism and crime
	Reduce recidivism in adult offenders who complete programming at the Day Reporting Center

Public Defender

Priority	<i>Supporting strong and safe neighborhoods for individuals and families to thrive</i>	
Mission Statement	To ensure and promote justice, reduce recidivism, and provide zealous advocacy through client-centered high quality legal representation that protects the liberty and constitutional rights of indigent persons accused of crimes	
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results	
Success Measures	New and opened files per year over the last five fiscal years	Number of expungement requests filed per year for the last five years
Two-Year Objectives	Expand the Department's postconviction relief program, enabling County residents to improve their housing and employment opportunities	
	Transition from a "paper-heavy" to a "paper-light" office, improving efficiency and reducing cost to the taxpayers	
	Develop holistic defense model of representation with the hiring of two caseworkers and embedding of a Behavioral Health and Recover Services Mental Health clinician, to expand sentencing options, facilitate diversion, and enhance rehabilitative success for clients	
	Expand the investigation unit to achieve parity with the District Attorney's office and to come into compliance with American Bar Association guidelines and standards, with the addition of administrative support and the hiring of at least three additional special investigators, subject to Board of Supervisors' approval or the procurement of external funding	
	Redirect Department resources from representation of indigent litigants in dependency, family court, and child support matters toward murder cases (50+ active) and backlog of other criminal matters resulting from diminished court operations during the COVID-19 pandemic	

Sheriff

Priority	<i>Supporting strong and safe neighborhoods for individuals and families to thrive</i>	
Mission Statement	Protecting our communities by building trust, reducing crime, and promoting safety through enforcement, prevention and education	
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results	
Success Measures	Deputy Sheriff Staffing and Response Time	Average Length of Jail Stay
Two-Year Objectives	Complete the Needs Assessment and Master Plan for activation of Phase III of the Adult Detention Expansion Facility and Phase II of the REACT Facility	
	Negotiate a new Court Security agreement with the Stanislaus County Superior Court to align expenditures with revenue while still ensuring public safety	
	Complete the Technology Innovation and Implementation Plan for upgrades for detention, patrol, records, criminal investigations and fire prevention services	



Supporting community health including physical, mental, emotional and spiritual health

Aging and Veterans Services

Priority	<i>Supporting community health, including physical, mental, emotional and spiritual health</i>	
Mission Statement	<i>To help seniors and veterans obtain the services and benefits they need to live secure, healthy and independent lives</i>	
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results	
Success Measures	New Clients Served	Benefit Claim Outcomes
Two-Year Objectives	<i>Establish</i> a social media presence to increase outreach efforts to seniors, caregivers and veterans, informing them about the Department of Aging and Veterans Services and measure the increase in subscribers	
	<i>Increase</i> the number of homeless and underserved Veterans who are connected to various Veterans Administration housing programs by 20% by providing housing services and short-term case management in collaboration with local law enforcement and the Homeless Access Center	
	<i>Connect</i> seniors to housing assistance programs and provide short-term case management for those seniors with special needs to maintain independence	
	<i>Develop</i> a Home Match/Home Share program in Stanislaus County to match home owners with seniors in need of affordable housing, working in collaboration with the Commission on Aging	

Behavioral Health and Recovery Services

Priority	<i>Supporting community health, including physical, mental, emotional and spiritual health</i>
Mission Statement	In partnership with the community, the mission of Behavioral Health and Recovery Services is to provide and manage effective prevention and behavioral health services that promote the community's capacity to achieve wellness, resilience, and recovery outcomes
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results
Success Measures	Adult and Children transition to Full Service Partnerships Programs
Two-Year Objectives	Finalize the Department-wide organizational review, which may involve a plan for restructuring and will include the identification of increased efficiencies to ensure the sustainability of programs and services into the future while prioritizing the provision of core services
	Implement the Core Treatment Model framework identified as a key component in the delivery of quality behavioral health care to the community
	Align prevention and early intervention, Medi-Cal managed care, and private health plan services as part of the Core Treatment Model, thereby establishing a continuum of care

Child Support Services

Priority	<i>Supporting community health, including physical, mental, emotional and spiritual health</i>
Mission Statement	To promote the well-being of children by locating parents, establishing parentage, and obtaining and enforcing orders while providing the excellent level of service our customers deserve
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results
Success Measures	Collection and distribution of Child Support payments
Two-Year Objectives	Maintain collection and distribution of \$59 million of child support to families
	Collect 67% of current court-ordered support
	Continue to obtain support orders on 96.4% of cases

Community Services Agency

Priority	<i>Supporting community health, including physical, mental, emotional and spiritual health</i>		
Mission Statement	The Community Services Agency serves our community by protecting children and adults and assisting families towards independence and self-sufficiency. The vision of the Department is for Safe, Healthy, and Thriving Communities		
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results		
Success Measures	Youth in Foster Care who transition to a permanent family home	Individuals and families that transition to permanent housing through the receipt of temporary transition housing support	Individuals and families attaining self-sufficiency through job training, employment, and disability benefit management due to an increase in income
Two-Year Objectives	<p>Decrease and maintain the percent of children who are victims of abuse or neglect and who experience a recurrence of abuse and neglect within the following 12 months to 9.1% or less; for comparison, 12.2% of youth had a recurrence of maltreatment in Fiscal Year 2018-2019</p> <p>Increase the percentage of youth who transition to permanency through reunification, adoption, or guardianship within 12 months of entering Foster Care to at least 40.5%; for comparison, 32.6% transitioned to permanency within 12 months in Fiscal Year 2018-2019</p> <p>Increase the number of General Assistance, CalFresh, and CalWORKS individuals and families attaining self-sufficiency by 10% in Fiscal Year 2020-2021 and Fiscal Year 2021-2022 through the disability benefit advocacy program, job training, housing services, and employment services</p> <p>Address at least 40% of the priority one items related to customer and employee safety based on the Countywide Americans with Disabilities (ADA) assessment by the end of Fiscal Year 2021-2022</p> <p>Increase the number of homeless or at-risk of homeless individuals attaining housing by 5% in Fiscal Year 2020-2021 and Fiscal Year 2021-2022 through use of the regional coordinated entry system</p>		

Health Services Agency

Priority	<i>Supporting community health, including physical, mental, emotional and spiritual health</i>		
Mission Statement	To promote improved health and wellness through service and collaboration for all people in Stanislaus County		
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results		
Success Measures	Most Stanislaus County adults are vaccinated against COVID-19	Increased rates of controlled diabetes and of non-smoking adults	Reduced number of young people under the age of 24 who are homeless
Two-Year Objectives	Complete a best practices analysis to address COVID-19 vaccine hesitancy, particularly among disproportionately impacted populations by June 2021		
	Achieve a COVID-19 vaccination rate of residents in the lowest California Healthy Places Index (HPI) quartile that is within 5% of Stanislaus County's overall COVID-19 vaccination rate by December 2021		
	Increase the percentage of non-smoking adults in Stanislaus County from the 2019 rate of 86.9% by June 2022		
	Increase the percentage of diabetic HSA Clinic patients with well-controlled diabetes (Hemoglobin A1c less than or equal to 9) from 67% to 68% by June 2022		
	Complete the Whole Person Care grant-funded gap analysis, environmental scan, and asset mapping analysis of available housing resources and needs in Stanislaus County by December 2021		



Developing a healthy economy, building upon our strong agricultural foundation

Agricultural Commissioner

Priority	<i>Developing a healthy economy, building upon our strong agricultural foundation</i>	
Mission Statement	<i>To Support and Protect the Well-being of Agriculture, Business, and the Community</i>	
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results	
Success Measures	Number of Pest Detection traps serviced in a one-hour time period	Increase the number of Phytosanitary Certificates issued within a 30-minute time period
Two-Year Objectives	<i>Implement</i> the use of electronic time cards, transitioning away from paper time cards to the online system	
	<i>Implement</i> an online reservation system for Harvest Hall rentals where customers input their requests online, including all the necessary reservation details such as date, time, number of people, and room set up	
	<i>Implement</i> a mobile application designed to track all field-related pest detection activities (CalTrap)	

University of California Cooperative Extension

Priority	<i>Developing a healthy economy, building upon our strong agricultural foundation</i>	
Mission Statement	To develop and deliver research-based information to the people of Stanislaus County in the areas of agriculture and natural resources, 4-H youth development, and family and consumer sciences which supports the continued economic viability of the agricultural industry, a safe and reliable food supply, clean air and water, and healthy communities	
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results	
Success Measures	Educational events and consultations by Agricultural Advisors	Master Gardener Contacts and Volunteer Hours
Two-Year Objectives	Initiate planting of a “concept almond orchard of the future,” designed for novel harvest methods to substantially reduce harvest dust	
	Educate dairy farmers through a series of webinars, farm tours, articles, and videos on manure and water management practices that reduce greenhouse gas emissions, allow better management of manure nutrients on cropland, improve water use efficiency, and ultimately improve water quality	
	Investigate the effects of cover crops on mite pests and their predators in walnut orchards and educate farmers about the economic benefits of integrating cover crops in walnut production	
	Reduce water use in walnut orchards by developing protocols for irrigating based on water needs and delayed irrigation	
	Install a demonstration garden at the Ag Center that acts as an attractive, teaching landscape to promote reductions in residential water use, green waste, and pesticide usage	

Workforce Development

Priority	<i>Developing a healthy economy, building upon our strong agricultural foundation</i>	
Mission Statement	Work with businesses to determine the needs of in-demand occupations and develop a skilled workforce that strengthens businesses and contributes to the economic success of our community	
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results	
Success Measures	Job Placement and Retention	
Two-Year Objectives	Create workshops with businesses by sector to identify skill gap needs	
	Track long-term participant employment retention for all programs	
	Develop future talent through work-based learning and training activities with businesses, which will develop foundational and technical skills	



Promoting first-rate learning opportunities for all residents in support of community and individual prosperity

Library

Priority	<i>Promoting first-rate learning opportunities for all residents to advance community and individual prosperity</i>	
Mission Statement	Stanislaus County Library engages all members of the community and offers access to information, knowledge, and the tools for innovation and personal development.	
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results.	
Success Measures	Early Childhood Literacy Attendance	eResources as a % of Total Circulations
Two-Year Objectives	<i>Complete</i> construction and open the renovated and expanded Turlock Library to better serve the needs of the Turlock community	
	<i>Complete</i> construction and open the new Empire Library, adjacent to the Empire Community Park and Pool to better serve the needs of the Empire community	
	<i>Develop</i> and implement Science, Technology, Engineering and Math (STEM) programming, offering customers an opportunity to experience STEM learning, with a focus on the newly completed Modesto and Turlock Maker Spaces	
	<i>Review</i> , refresh, and relaunch Early Childhood Programming to support parents and caregivers as children's first and best teachers, in support of children starting kindergarten ready to succeed	



Delivering efficient public services to benefit our residents and businesses

Assessor

Priority	<i>Delivering efficient public services to benefit our residents and businesses</i>
Mission Statement	To produce a fair, accurate and timely assessment roll while providing excellent customer service
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results
Success Measures	Timely process a change in ownership
Two-Year Objectives	<i>Maintain</i> time needed to complete appraisal of changes in ownership and enter new values into Megabyte Property Tax System
	<i>Continue</i> scanning paper appraisal records and business account files within the two-year budget period by using extra-help employees
	<i>Process</i> all Assessor Map changes using the geographic information system (GIS) Parcel Fabric Layer and seek funding for conversion of existing maps

Auditor-Controller

Priority	<i>Delivering efficient public services to benefit our residents and businesses</i>
Mission Statement	To provide effective fiscal monitoring, reporting, safeguarding of resources through accounting policies, procedures, systems, internal controls, legal and professional standards for the benefit of the citizens of Stanislaus County
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results
Success Measures	Customer Experience
Two-Year Objectives	<i>Continue</i> to lead the Enterprise Resource Planning (ERP) efforts and solicit proposals for a System Integrator (SI) to implement the County's financial management system of the future
	<i>Increase</i> efficiencies by assessing services and staffing levels
	<i>Provide</i> education and training to Countywide fiscal staff to standardize financial reporting practices

Chief Executive Office

Priority	<i>Delivering efficient public services to benefit our residents and businesses</i>	
Mission Statement	To guide the organization and serve the public interest, implement the Board of Supervisors' priorities, and support County departments in achieving their missions	
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results	
Success Measures	Customer Experience	Strong financial capacity to ensure sustainability of operations, balancing service delivery with healthy reserves
Two-Year Objectives	<i>Align</i> and implement the community and County organizational structure to carry out the Focus on Prevention work plan, inclusive of annual outcome reporting on key priority areas	
	<i>Lead</i> the community stakeholder process in developing, recommending, and implementing the Redistricting Plan for the County upon completion of the final 2020 Census	
	<i>Implement</i> the new Vision, Mission, Values in the County organization, adopt any operational changes needed to embed these principles in the County culture, and communicate the changes and outcomes to the community	
	<i>Partner</i> with the Auditor-Controller and IT Central to design and implement Oracle Cloud Financials with new budget modules, effective Fiscal Year 2022-2023	
	<i>Develop</i> and execute a new city/County property tax sharing agreement that incentivizes partnership on regional housing strategies and solutions	

CEO – Human Relations

Priority	<i>Delivering efficient public services to benefit our residents and businesses</i>	
Mission Statement	To guide the organization and serve the public interest, implement the Board of Supervisors’ priorities, and support County departments in achieving their missions	
	To create an environment that attracts, cultivates, and retains a world-class workforce	
Two-Year Strategies	Strategies are defined in the Department’s two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results	
Success Measures	Customer Experience	OSHA Incident Rate
Two-Year Objectives	Lead the organization with real-time HR and safety directions, training, and support while developing forms, materials, and resources for guidance throughout the pandemic emergency response and thereafter	
	Develop a workforce development program for Countywide senior leadership succession planning to ensure stability and sustainability of critical operations and services	
	Develop and implement a comprehensive recruitment and retention plan that ensures continuity of quality services and reduces the Countywide vacancy rate	

Clerk-Recorder

Priority	<i>Delivering efficient public services to benefit our residents and businesses</i>	
Mission Statement	To serve Stanislaus County by providing essential records management and election services in a fair, accessible and transparent manner	
Two-Year Strategies	Strategies are defined in the Department’s two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results	
Success Measures	Uniform District Election Law (UDEL) Election	Statewide Direct Primary Election
Two-Year Objectives	Conduct the November 2020 General Presidential Election and June 2022 Statewide Gubernatorial Election successfully by ensuring staff are fully trained using the latest equipment and informed on the latest mandates	
	Improve voter knowledge of relevant changes in election processes through education and outreach	
	Install and train staff on a new document retrieval system	

County Counsel

Priority	<i>Delivering efficient public services to benefit our residents and businesses</i>
Mission Statement	To provide high quality and cost-effective legal services to our clients in a timely manner consistent with the highest ethical standards
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results.
Success Measures	Customer Experience
Two-Year Objectives	<i>Provide</i> highly competent legal advice to clients on matters related to their duties and responsibilities, aligning services to available resources to maintain fiscal stability
	<i>Implement</i> and customize a new case management system
	<i>Deliver</i> legal services to client departments efficiently and economically
	<i>Provide</i> State-mandated training on ethics for elected and appointed officials and the prevention of workplace harassment and bullying to County staff
	<i>Maximize</i> revenue and interfund reimbursements by focusing on full-cost recovery through accurate billable rates to chargeable client departments and by streamlining timekeeping tasks

General Services Agency

Priority	<i>Delivering efficient public services to benefit our residents and businesses</i>	
Mission Statement	The General Services Agency provides a wide range of internal services for our customer departments. Supporting their good works with our own – so that they may each successfully deliver for our community. Service, after all, is our middle name...	
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results	
Success Measures	Customer Experience	Negotiated Savings of Procurement Services
Two-Year Objectives	Respond to customer billing inquiries within 24 hours and resolve any billing inquiries within 10 business days	
	Deliver procurement services that provide overall value to the County efficiently, including increasing cost savings by a targeted 10% from the start of Fiscal Year 2019-2020 through the end of Fiscal Year 2020-2021, as measured by existing purchasing reporting practices	
	Complete a Countywide building, equipment and staffing analysis to evaluate whether current staffing levels are within industry standards based on County facility square footage maintained by the division	
	Close 100% of work orders in the fleet services work order system by the end of each month which will ensure timely billing of fleet services maintenance costs	
	Prioritize and coordinate the completion of \$500,000 annually in repairs to meet Americans with Disability Act (ADA) requirements for the County's 27 departments and present the results annually to the Board of Supervisors' Capital Facilities Committee	

Information Technology Central

Priority	<i>Delivering efficient public services to benefit our residents and businesses</i>	
Mission Statement	To help departments successfully implement and manage technologies that address their business challenges in a responsive, progressive and friendly way	
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results	
Success Measures	Customer Experience	Total System Down Time
Two-Year Objectives	Update the County's Information Technology Strategic Plan, informed by results of the Countywide Information Technology Assessment	
	Implement prioritized recommendations identified in the Information Technology Strategic Plan	
	Implement a standardized Countywide remote work platform	

Treasurer-Tax Collector

Priority	<i>Delivering efficient public services to benefit our residents and businesses</i>	
Mission Statement	To serve the citizens of Stanislaus County by collecting property tax and other revenues to help a variety of public agencies meet their financial goals	
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results	
Success Measures	Revenue Recovery Outstanding Fees Balance Collection	Treasury Pool Earnings Rate
Two-Year Objectives	Establish an online business licensing system in the Property Tax division to enable citizens to apply and pay for various licenses and permits	
	Complete the evaluation of proposals submitted to Stanislaus County for banking and other financial services, establish new contracts, and transition departments into new services, which may include all new bank accounts	
	Transition the tax-defaulted property tax auction to an online real estate auction website with the intent of improving sale prices and providing a larger return to parties of interest	



Delivering community infrastructure to benefit our residents and businesses

Environmental Resources

Priority	<i>Delivering community infrastructure to benefit our residents and businesses</i>	
Mission Statement	We protect our community by promoting a safe and healthy environment	
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results	
Success Measures	Timely code enforcement compliance	Maintain and exceed 50% waste diversion
Two-Year Objectives	<i>Develop</i> Groundwater Sustainability Plans for the Modesto and Turlock (East and West) Groundwater Subbasins and bring to the Board of Supervisors for consideration of approval and adoption	
	<i>Develop</i> and implement an Organics Waste Recycling Program pursuant to the mandates of SB 1383 Short-lived Climate Pollutants and a new County Ordinance including program enforcement provisions	
	<i>Complete</i> Geer Road Landfill projects required by the new Waste Discharge Requirements of the California Regional Water Quality Control Board	

Parks and Recreation

Priority	Delivering community infrastructure to benefit our residents and businesses	
Mission Statement	<p style="text-align: center;">Enrich. Inspire. Experience. Create.</p> <p><i>Enrich</i> the Stanislaus County community through parks and recreation by providing recreational opportunities for all local residents. <i>Inspire</i> our residents to not only improve their overall physical and mental health and wellness but to recreate close to home. Provide the local residents with the best public recreation <i>experience</i> possible by creating events, programming, activities, and park spaces for them to maximize their enjoyment in Stanislaus County. <i>Create</i> a different kind of experience for residents when navigating local government. Working with our customers to help streamline our processes and ease of use.</p>	
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results	
Success Measures	Annual visitation to Regional Parks	Online Reservation Count
Two-Year Objectives	Integrate a new inventory software system that will streamline the maintenance and inventory processes to improve incident response with a proactive approach	
	Integrate a new online reservation system that will provide more control over the reservation process, the money collected, and customer service issues; it will also allow the Department to start selling tickets to County-hosted events and programs	
	Complete the Bonita Pool Project giving residents of Crows Landing access to a public pool which has not been available for over a decade	
	Initiate the Parks After Dark Program that will bring low-cost activities to residents at some of the County's high-risk parks with the goal of improving neighborhood and park cohesiveness, reducing vandalism, and growing the Department's community outreach	
	Expand recreational opportunities at Modesto Reservoir by offering a rental system that will include water sport equipment	

Planning and Community Development

Priority	<i>Delivering community infrastructure to benefit our residents and businesses</i>	
Mission Statement	To promote community and economic development by providing a diverse land use base focused on promoting and protecting local agriculture, enhancing community infrastructure and public services, and providing high quality, streamlined permit processing services for the benefit of all our customers	
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results	
Success Measures	Increase online permit applications	Number of days to process applications
Two-Year Objectives	Implement grant management software for online grant submittals, paperless grant reviews, and funding reimbursement requests for U.S. Department of Housing and Urban Development and State Housing and Community Development grant programs administered by the Department by June 30, 2021	
	Complete the surveying and community outreach needed for State Water Board funding of the West Modesto Sewer Infrastructure Project and submit application for funding by neighborhood if survey results reflect eligibility by December 31, 2021	
	Implement an online customer guide for building permit and land use applications to give property owners, design professionals, and developers access to comprehensive information 24/7 and to reduce phone and counter inquiries for general permitting information by June 30, 2022	
	Develop an Affordable Housing Plan/Housing Policy Framework and make available for use by property owners Accessory Dwelling Unit plans funded by State SB 2 Year One Planning Grant and State Local Early Action Planning Grant Program by June 30, 2022	

Public Works

Priority	<i>Delivering community infrastructure to benefit our residents and businesses</i>	
Mission Statement	To manage and improve infrastructure through safe and efficient use of resources and assets, for the benefit of our citizens	
Two-Year Strategies	Strategies are defined in the Department's two-year objectives, established to support progress on the success measures, with program services and annual performance outcomes monitored to affect desired results	
Success Measures	Pavement Condition Index rating	Increase StaRT Ridership
Two-Year Objectives	Resurface 150 miles of roads to facilitate the safe and efficient movement of people, goods, and services throughout Stanislaus County, benefiting residents and businesses	
	Re-stripe 750 miles of road centers and edges for the benefit and safety of residents and businesses	
	Implement efficiency opportunities in contracting, service deployment, and service integration for Stanislaus Regional Transit (StaRT)	

Midyear Financial Report Conclusion

The Midyear Financial Report shows the County budget is balanced inclusive of updated information, and actual performance is tracking well within the 2020-2021 Operating Budget and year-end projections. County staff will continue to monitor Fiscal Year 2020-2021 budget operations and be prepared to recommend any necessary and appropriate adjustments prior to yearend, informed

by continuous analysis of realized revenue and expenditures. Staff will also closely watch the monthly cash report issued by the California State Controller to monitor State inflows of revenue to ensure funding streams materialize as anticipated. Staff will return to the Board of Supervisors on May 5, 2021, to present the 2020-2021 Third Quarter Financial Report for consideration.

Budget Schedule

The following schedule for upcoming reports to the Board of Supervisors is recommended:

	2020-2021 Third Quarter Financial Report	2020-2021/2021-2022 Year 2 Proposed Budget	2020-2021/2021-2022 Year 2 Final Budget
Instructions Issued	March 5, 2021	March 5, 2021	June 18, 2021
Department Submissions Due	April 1, 2021	March 29, 2021	July 16, 2021
Board of Supervisors Hearing	May 11, 2021	June 8, 2021	September 21, 2021