SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

ITEM: 3.2
(ID # 11287)
MEETING DATE:
Tuesday, November 19, 2019

FROM : EXECUTIVE OFFICE:

SUBJECT: EXECUTIVE OFFICE: Receive and File Fiscal Year 2019/2020 First Quarter Budget Report; Approval of the recommendations and associated budget adjustments, All Districts. [$43,436,350 - 34% General Fund and 66% Department Budgets] (4/5 Vote Required)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file the FY 19/20 first quarter budget report;
2. Approve the recommendations and direct the Auditor-Controller to make the budget adjustments contained in Attachment A;
3. Approve Resolution No. 440-9130 amending Ordinance 440 as contained in Attachment B;
4. Approve the revised multi-year budget schedule contained in Attachment C;
5. Approve the budget policies contained in Attachment D.

ACTION:Policy

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Hewitt and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended and Resolution No. 440-9130 is adopted as recommended.

Ayes:	Jeffries, Spiegel, Washington, Perez and Hewitt
Nays:	None
Absent:	None
Date:	November 19, 2019
xc:	EO

Kecia R. Harper
Clerk of the Board
By: _____
Deputy

SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	$43,436,350	$	$43,436,350	$
NET COUNTY COST	$14,866,015	$	$14,866,015	$
SOURCE OF FUNDS: 34% General Fund and 66% Department Budgets			**Budget Adjustment:**	Yes
			For Fiscal Year:	19/20

C.E.O. RECOMMENDATION: **APPROVE**

Misley Wang
Misley Wang, Supervising Accountant 11/12/2019

Frankie Z. Ezzat
Frankie Z. Ezzat, Chief Deputy County Executive Officer 11/12/2019

Don R. Kent, Assistant CEO-County Finance Officer 11/13/2019

Brenda Diederichs
Brenda Diederichs, Assistant CEO / Human Resources Director 11/12/2019

COUNTY OF RIVERSIDE

STATE OF CALIFORNIA

FISCAL YEAR 2019/20

FIRST QUARTER BUDGET REPORT

Prepared by

George A. Johnson

County Executive Officer

COUNTY OF RIVERSIDE
EXECUTIVE OFFICE

GEORGE A. JOHNSON
COUNTY EXECUTIVE OFFICER

LISA BRANDL
CHIEF OPERATING OFFICER

DON KENT
ASSISTANT COUNTY EXECUTIVE OFFICER
COUNTY FINANCE OFFICER

November 19, 2019

Honorable Board of Supervisors
County of Riverside
Robert T. Andersen Administrative Center
4080 Lemon Street, 5th Floor
Riverside, CA 92501-3651

SUBJECT: Fiscal Year 19/20 First Quarter Budget Report

Board members:

As we close out the first quarter of Fiscal Year (FY) 19/20, I continue to express sincere thanks to our county leadership and all of our departments for providing high-quality services in all we do, serving some of the most in-need populations in our county and providing some of the most in-need services to our residents. All of our departments strive for excellence and continue to unify efforts around the county's vision to improve the safety, health and wellbeing of Riverside County's growing population.

As we continue our fiscal planning efforts to maintain achieving fiscal stability, we cannot lose sight of the fact that anticipated expenditures for priority programs and services outpace expected revenue increases on the horizon that project five years of fiscal planning. We must recognize some significant contributing factors that will increase our currently budgeted expenditures in FY 19/20.

While the county successfully reached agreement with the United Domestic Workers that increased Net County Cost (NCC) by $4 million, current negotiations with other labor groups remain. As we move forward in these negotiations, the costs to the county's General Fund remains unknown at this time. The county remains committed to supporting our current employees, as well as effective recruitment and retention efforts among all county departments. Additionally, pension obligations will continue to grow and place financial strain on the county into the foreseeable future and through the early 2030s.

Other fiscal priorities include the John J. Benoit Detention Center that will soon open and significantly increase our jail capacity. However, it also comes at a cost that must be planned for in a strategic manner, including providing necessary medical care and behavioral health services for inmates.

To further manage the budget in FY 19/20, we recommend adjustments to some departments to achieve critical service levels. While this budget report recommends some

restorations to previously targeted cuts, we must continue to remember that we have coming increases to costs and exercise caution in these restorations.

At this juncture, I recommend adjustments to the Department of Animal Services, the District Attorney's Office, the Department of Public Social Services, Human Resources and the Sheriff. The draw on the contingency fund is $14.9 million which takes the balance to $2.7 million. The contingency fund is an annual line item in each fiscal year's budget to cover urgent expenditures for mission-critical items. Expenditures from the contingency fund are determined at the discretion of the Board of Supervisors.

Lastly, the county was recently honored with the Distinguished Budget Presentation Award for the FY 18/19 Adopted Budget. Evaluated by the Government Finance Officers Association (GFOA), the county's budget documents received either a proficient or outstanding evaluation in 25 key areas – including policy, financial planning, operations guidance and communications. This is the fourth year in a row the county received the award. New this year, the county received extra acclaim for including performance measures in the budget documents.

IT IS RECOMMENDED that the Board of Supervisors:

Receive and file the FY 19/20 First Quarter Budget Report.

Respectfully,

George A. Johnson
County Executive Officer

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ATTACHMENT D BUDGET POLICIES

EXECUTIVE SUMMARY

The county continues to plan for anticipated expenditures of priority programs and services to outpace expected revenue increases projecting through the next five years of fiscal planning. Significant factors are expected to increase expenditures in FY 19/20, including outstanding labor agreements with some of the county's largest employee unions as well as capital improvement investments to public safety and healthcare.

For labor costs, the county successfully reached agreement with the United Domestic Workers (UDW) that increased Net County Cost (NCC) by $4 million. Current negotiations with other labor groups remain – the costs of which to the county's General Fund remain currently unknown. The county remains committed to supporting our current employees, as well as effective recruitment and retention efforts among all county departments. Additionally, pension obligations will continue to grow and place financial strain on the county into the foreseeable future and through the early 2030s.

Community investments in public safety include the John J. Benoit Detention Center that will soon open and significantly increase our jail capacity. Similarly, the county made a significant community investment to healthcare in the RUHS Medical Office Building. This additional location will provide an increase in the RUHS-Medical Center's capacity for daily surgeries and office visits.

A total of $14.9 million in adjustments are recommended to the FY 19/20 budget to provide necessary service levels to certain departments. These requests include: $3.2 million to the Department of Animal Services to restore a portion of their NCC from the previous cut, $1.8 million to the District Attorney's Office for necessary projects and upgrade of technological infrastructure as well hiring staff and training needs, $7.2 million to the Department of Public Social Services of which $4 million is for the UDW agreement, and $3.2 million to begin a 2-year effort to decrease social workers caseload and bolster staffing, $985,000 to the Sheriff Department for the purchase of a helicopter, and $1.8 million to Human Resources for a technology upgrade. These total adjustments will draw down the Contingency Fund from $17.6 million to $2.7 million. See the Use of General Fund Ap-propriations for Contingency table on page 7.

First quarter projections for general fund discretionary revenues indicate a potential increase of approximately $4.8 million in property tax mostly attributed to higher than anticipated assessed valuation.

The Executive Office is also monitoring the trends in other revenues and will evaluate the discretionary revenue projections and adjust as necessary in the midyear report.

In developing the FY 19/20 budget, the county employed strong fiscal discipline to balance service needs against projected revenue.

MULTI-YEAR BUDGET OUTLOOK

Discretionary Revenue Projections

While growth in assessed valuation continues to improve from an assumed 5 percent to 5.86 percent, growth in sales and use tax and Prop. 172 public safety sales tax continues to be moderate. Overall, projected discretionary revenue estimates are up $4.8 million, summarized at right. Highlights of the county's key general-purpose revenues are noted below.

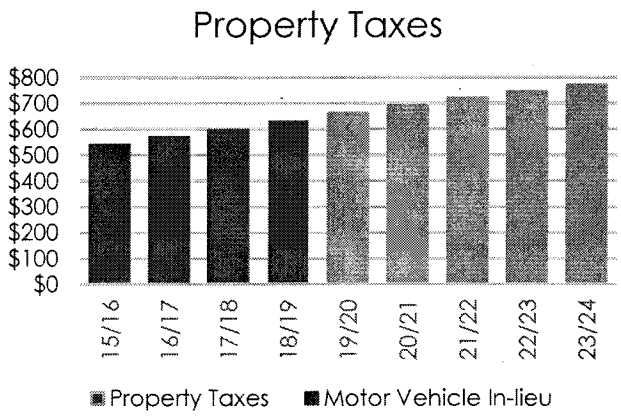
General Fund
Projected Discretionary Revenue
(in millions)

	Budget Estimate	Current Quarter Estimate	Variance
Property Taxes	$390.6	$393.8	$3.1
Motor Vehicle In Lieu	271.9	272.9	1.0
RDA Residual Assets	9.3	9.3	-
Tax Loss Reserve Overflow	16.0	16.0	-
Fines and Penalties	19.1	19.1	-
Sales & Use Taxes	31.3	31.3	-
Tobacco Tax	10.0	10.0	-
Documentary Transfer Tax	16.0	16.3	0.3
Franchise Fees	7.0	7.0	-
Mitigation Fees	0.1	0.1	-
Interest Earnings	18.0	18.0	-
Misc. Federal and State	4.4	4.6	0.1
Federal In-Lieu	3.4	3.4	-
Rebates & Refunds	5.2	5.2	-
Realignment	8.9	8.9	-
Other (Prior Year & Misc.)	17.8	18.0	0.2
Operating Transfers In	8.5	8.5	-
Total	$837.6	$842.4	$4.8
Prop. 172 Public Safety Sales Tax	190.3	193.8	3.4
	$1,027.9	$1,036.2	$8.3

In the budget, the Executive Office presented an updated long-term outlook on general-purpose revenue that was moderately cautious in the out-years. This was based on the historic probability of an economic slowdown at some point within our planning horizon. Both Beacon Economics and HdL Companies forsee a stable economy in the next few quarters, however the ongoing trade war could disrupt that. The Executive Office continues to model a long-term outlook with a more graduated approach, cooling the growth rate of key revenues. Barring unforeseeable events, we continue to anticipate a blended growth rate around 3.5 percent for the next few years.

Property Taxes

Property tax revenue, and motor vehicle fee revenue received in-lieu of property taxes, were both budgeted based on a forecasted 5 percent growth in assessed values. The FY 19/20 projected 5.86 percent assessed value growth prompted an increase in revenue projected for the current year. Due to uncertainty over the long-term, the Executive Office still assumes a graduated step-down in the growth



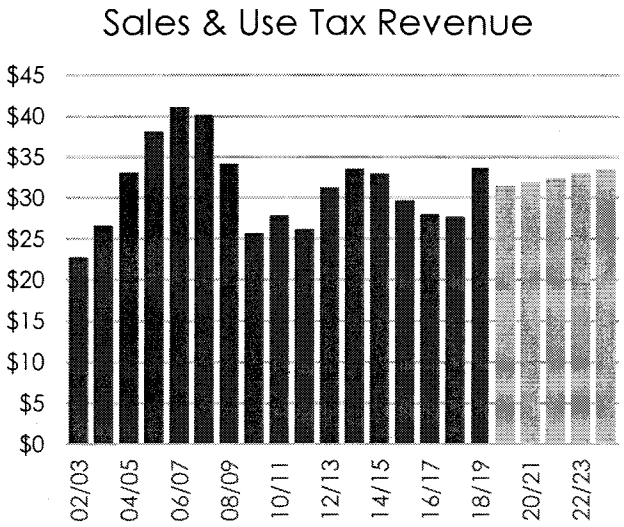
rate over the next several years. In addition, residual assets distributed from former redevelopment agencies fluctuates as they are liquidated and are anticipated to decline over time as those agencies wind down.

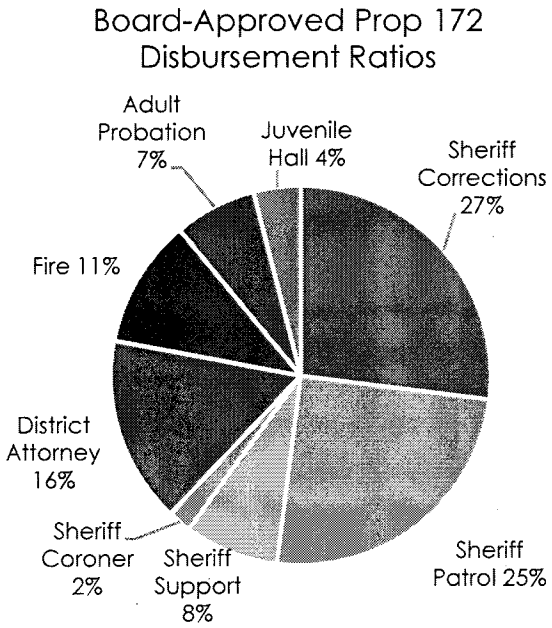
Sales and Use Taxes

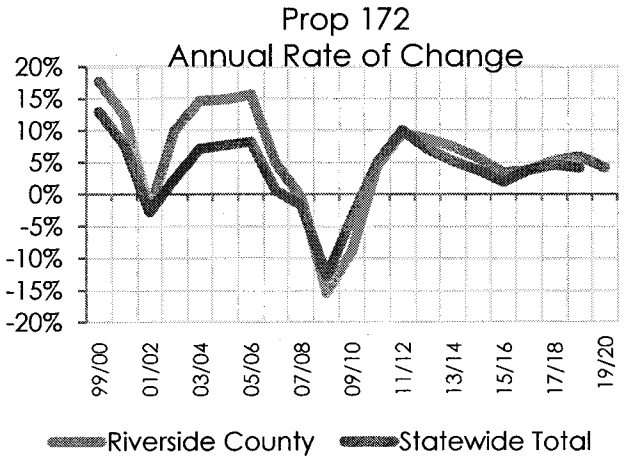
In the last quarter, the county's economically adjusted quarterly sales and use tax allocations increased 4 percent on a year-over-year basis. This is due to continued increases, although slight, in business and industry, restaurants and hotels, consumer goods and autos and transportation. HdL Companies' projections reflect a softened trend in taxable sales, with a modest 1.8 percent growth rate over the next several years.

Prop. 172 Public Safety Sales Tax

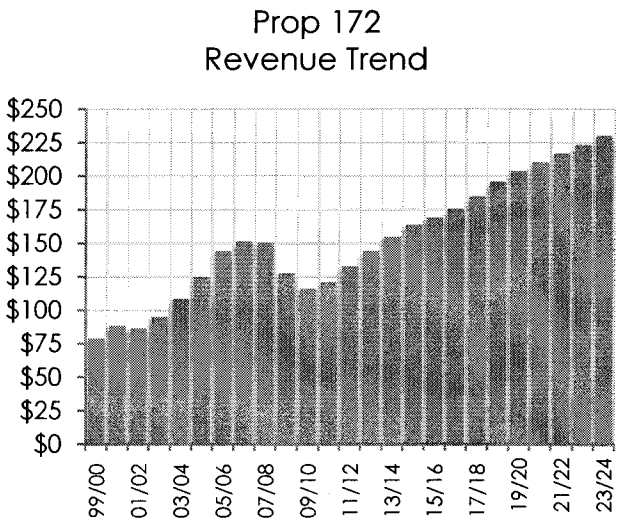
The county's Prop. 172 public safety sales tax revenue is affected both by changes in the overall statewide pool of revenue as well as changes in the county's pro rata share of that pool relative to other participants. During the Great Recession, the statewide pool of Prop. 172 revenue shrank, and then grew again as economic activity in the state's major metropolitan centers rebounded. As other counties emerged from the recession more rapidly, their allocation factors grew, causing the allocation factors of lagging counties such as Riverside to shrink. Consequently, while Riverside enjoyed double-digit growth in Prop. 172 revenue for several years, that growth rate slowed substantially in recent years. HdL Companies currently projects growth to decline slightly next year. If this revenue continues to grow beyond







the previously agreed upon allocation of $190 million, adjustments to the disbursement ratios will need to be evaluated.



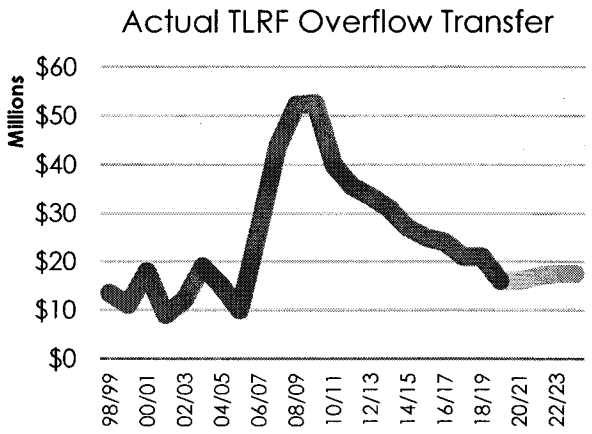
Interest Earnings

The Treasurer's estimate for FY 19/20 county general fund interest earnings remains at $18 million, and incorporates first quarter interest earnings results. The estimate includes factors such as general fund balances in the Treasurer's Pooled Investment Fund (TPIF), and current and projected levels of interest rates.

The Federal Open Market Committee (FOMC) voted to cut the U.S. Federal Reserve (FED) funds rate target range by a quarter of a percent on July 31st and September 18th meetings, for a total reduction of 50 basis points, lowering the target range to 1.75 percent to 2.00 percent. In the announcement of both decisions the FED cited the need to support the economy due to declining business fixed investment and exports, as a result of a global economic slowdown, trade disputes and other global developments. Strong and rising household spending is keeping the US from joining the global economic slowdown.

The FOMC rate cuts mark a start to a rate cut cycle that is difficult to predict the frequency and extent of the reduction to FED funds. It is not expected that the FOMC will have to be as aggressive in cutting rates as it was in the previous cycle. The FOMC remains data dependent for monetary policy decisions.

Depending upon the timing of additional decreases to the FED funds rate during the fiscal year, general fund earnings will be impacted. Due to the weighted average maturity profile of the TPIF, FY 19/20 earnings estimates remain unchanged at this time. FED monetary policy strongly influences short term interest rate levels. With this policy shift, risk to the earnings estimate increases substantially. The Treasurer will closely monitor earnings estimates and will provide updates accordingly.



Teeter Tax Losses Reserve Fund (TLRF) Overflow

Under the California Teeter plan, the county advances to participating agencies property tax allocations based on enrolled assessed valuation. In return,

the county retains the actual taxes received, plus penalties and interest on delinquent taxes. The TLRF captures revenues and expenditures associated with the program. Revenue exceeding financing costs and the necessary tax loss reserve is discretionary revenue released to the general fund annually. The annual release is in accordance with the revenue and taxation code, and consistent with prudent risk management. For FY 18/19, the TLRF transfer was $21 million, and the forecast for FY 19/20 is $16 million.

FY 19/20 Budget Cycle

Budget Policies

At first quarter, the Executive Office recommends budget policies for the following budget cycle. The full set of guidance is listed in Attachment D, including:

- Rollover ongoing FY 18/19 net county cost allocations, with adjustments as necessary for limited upcoming obligations.
- Eliminating limited one-time allocations made in FY 18/19.
- No cost of living adjustments beyond current contracts.
- Departments absorbing any increases in fixed costs for pension obligations, insurance, and internal services.
- Apply one-time revenues toward rebuilding reserves or mission critical one-time costs.
- Assume departmental revenue shortfalls will not be backfilled with discretionary revenue.
- Recognize and use departmental revenues in the fiscal year received, unless otherwise legally restricted, to ensure departmental resources are maximized and discretionary general fund support is minimized. This includes full cost recovery for services provided under contracts with other jurisdictions.

Long-Range Budget Schedule

Following are key dates, which remain subject to change as necessary and appropriate:

- **January 16, 2020:** Recommended Budget FY 20/21 kickoff
- **June 15 thru June 16, 2020** (as necessary): Presentation of the FY 20/21

  Recommended Budget, opening of budget hearings, and approval of the budget; and,
- **June 23, 2020**: Approval of any amendments to the budget and formal adoption of the budget.

These dates have been coordinated to work with the Board's approved 2020 meeting calendar.

CURRENT BUDGET STATUS

APPROPRIATIONS FOR CONTINGENCY

Contingency covers urgent, unforeseeable events such as revenue shortfalls, unanticipated expenditures, uncorrectable budget overruns and mission-critical issues at the Board's discretion. The adopted budget appropriated $17.6 million for contingency. This report contains a decrease of $14.9 million at this time, for a total net decrease to date of $17.2 million, taking the contingency level to $2.8 million, as summarized in the table below.

Use of General Fund Appropriations for Contingency

		Cost Adjustment	Revenue Adjustment	Total Adjustment	Balance Available
Recommended Budget Balance:					**$ 20,000,000**
Adjustments:					
7/1/2019	Cooperative Extension	562,064		(562,064)	
7/1/2019	Code Enforcement	500,000		(500,000)	
7/1/2019	Economic Development Agency	1,300,000		(1,300,000)	
		2,362,064	-	(2,362,064)	
Adopted Budget Balance:					**17,637,936**
Actions recommended in this report:					
Q1 Rec. 4	Human Resources	1,753,151		(1,753,151)	
Q1 Rec. 8	District Attorney	1,800,000		(1,800,000)	
Q1 Rec. 14	Sheriff - Helicopter	985,000		(985,000)	
Q1 Rec. 20	DPSS-UDW MOU	4,000,000		(4,000,000)	
Q1 Rec. 21	DPSS-Child Support Services	3,177,864		(3,177,864)	
Q1 Rec. 25&26	Animal Services	3,150,000		(3,150,000)	
		14,866,015	-	(14,866,015)	
	Total adjustments to Contingency =	17,228,079	-	(17,228,079)	
				Contingency balance upon approval of this report =	**2,771,921**

FINANCE & GOVERNMENT SERVICES

Executive Office

As of March 2019, a new county wide accounting method was introduced to record adjustments involving appropriation for contingency for financial reporting. However, further analysis shown that using the new method will affect the analysis and tracking of net county cost allocations. Therefore, entries posted under the new method need to be reversed in order to properly track changes to net county cost related to utilizing the general fund contingency throughout the year.

Recommendation 1: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments decreasing estimated revenue for Cooperative Extension and adjust Appropriations for Contingency by $562,064, as follows:*

Decrease estimated revenue:		
10000-6300100000-790600	Contribution from other county funds	$562,064
Anticipated use of unassigned fund balance:		
10000-6300100000-370100	Unassigned fund balance	562,064
Decrease appropriations:		
10000-1109000000-551100	Contribution to other funds	562,064
Anticipated increase of unassigned fund balance:		
10000-1109000000-370100	Unassigned fund balance	562,064

Recommendation 2: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments decreasing estimated revenue for Code Enforcement and adjust Appropriations for Contingency by $500,000, as follows:*

Decrease estimated revenue:		
10000-3140100000-790600	Contribution from other county funds	$500,000
Anticipated use of unassigned fund balance:		
10000-3140100000-370100	Unassigned fund balance	500,000
Decrease appropriations:		
10000-1109000000-551100	Contribution to other funds	500,000
Anticipated increase of unassigned fund balance:		
10000-1109000000-370100	Unassigned fund balance	500,000

Recommendation 3: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for Contributions to other Funds and adjust Appropriations for Contingency by $1,300,000, as follows:*

Increase appropriations:		
10000-1101000000-551100	Contribution to other funds	$1,300,000

Anticipated use of unassigned fund balance:

10000-1101000000-370100	Unassigned fund balance	1,300,000

Decrease appropriations:

10000-1109000000-551100	Contribution to other funds	1,300,000

Anticipated increase of unassigned fund balance:

10000-1109000000-370100	Unassigned fund balance	1,300,000

A budget adjustment is needed to allow the general fund to transfer funds to Human Resources in order to pay debt service payments.

Recommendation 4: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for Contributions to other Funds and adjust Appropriations for Contingency by $1,753,151, as follows:*

Increase appropriations:

10000-1101000000-551100	Contribution to other funds	$1,753,151

Anticipated use of unassigned fund balance:

10000-1101000000-370100	Unassigned fund balance	1,753,151

Decrease appropriations:

10000-1109000000-581000	Appropriation for contingencies	1,753,151

Anticipated increase of unassigned fund balance:

10000-1109000000-370100	Unassigned fund balance	1,753,151

PUBLIC SAFETY

Emergency Management Department

Emergency Management Department (EMD) expenditures are currently within budgeted projections. The Department has identified additional available carryforward federal grant funds and requests to adjust budgets accordingly. These grant funds are used to enhance the safety and security of the whole community by leading efforts to mitigate, prepare for, respond to, and recover from emergencies and disasters.

The department requests an adjustment to their general fund budget, which will allow the department to purchase two Duty Officer vehicles, two trailers to transport amateur radio equipment and two trailers for Community Emergency Response Team (CERT) supplies. This recommendation does not affect the department's net county cost.

Recommendation 5: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the Emergency Management Department by $589,425, as follows:*

Increase estimated revenue:

10000-2000100000-767220	Federal - other operating grants	$589,425

Increase appropriations:		
10000-2000100000-527180	Operational supplies	401,425
10000-2000100000-546380	Vehicles other	188,000
	Total	589,425

The department also requests an adjustment to the Public Health Emergency Preparedness budget, which will allow the department to add one Senior GIS Specialist to develop maps to aid in planning and strategically develop mass care operations including point of dispensing sites for medical countermeasure operations. This recommendation does not affect the department's net county cost.

Recommendation 6: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the Emergency Management Department by $111,491, as follows:*

Increase estimated revenue:		
21800-2000100000-767220	Federal - other operating grants	$111,491
Increase appropriations:		
21800-2000100000-510040	Regular salaries	76,212
21800-2000100000-518100	Budgeted benefits	35,279
	Total	111,491

Fire

The Fire Department reports that it is currently on track to meet budget targets for FY 19/20. The department requests a budget adjustment related to grant balances rolled over from the previous fiscal year, and which is necessary to complete the grant purchases. These grants, totaling $1.6 million, include the FY 2019 California Department of Forestry and Fire Protection Fire Prevention Grant for Fire Prevention Education Program with a balance of $399,000 approved by the Board of Supervisors on June 4, 2019 (agenda item 3.13); FY 2019 California Department of Forestry and Fire Protection Fire Prevention Grant for the Spring Crest Defensible Fuel Break Project with a balance of $855,000 approved by the Board of Supervisors on June 4, 2019 (agenda item 3.14); FY 2019 CalFire California Climate Investments Forest Health Program with a balance of $ 317,000 approved by the Board of Supervisors on May 7, 2019 (agenda item 3.18).

Recommendation 7: *That the Board approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for Fire Protection by $1,571,000, as follows:*

Increase estimated revenue:		
10000-2700200000-767220	Federal - other operating grants	$1,571,000
Increase appropriations:		
10000-2700200000-527780	Special program expense	1,571,000

Law Office of the Public Defender

The Law Office of the Public Defender is currently on target with budget. The department continues to be under a hiring freeze with the exception of critically needed positions. In this fiscal year's budget, the department is upgrading laptops and software to be on track with current technology.

Office of District Attorney

The District Attorney's Office (DAO) is committed to working collaboratively with the Board of Supervisors and the Executive Office to end the fiscal year with a balanced budget. As part of the DAO commitment to fiscal responsibility, the office remains dedicated in maintaining several proven approaches which will ultimately reduce the deficit from its current level. Some significant areas where the Department anticipates further savings are:

- Elimination/delay of non-critical employee backfills despite significant attrition;
- Limitation of discretionary employee buy-downs;
- Limitation of non-grant funded and non-reimbursable external travel and training;
- Limitation of private mileage reimbursements;
- Delay in the purchase of cost significant, non-grant funded equipment;
- Increase efficiency through self-funded technology upgrades and modernized deployment of the workforce

As of the end of the first quarter, the DAO has reduced a projected FY 19/20 deficit by 62 percent, from $4.7 million to $1.8 million. This number also represents the amount of savings realized by the department at the end of FY 18/19. However, those savings were the result of the delay in necessary projects and hiring. Consequently, the DAO requests that these important efforts be funded in the current fiscal year. Specifically, the department is seeking increased revenue to fund the following public safety priorities:

- Digital Evidence Management System ($700,000)
- Upgrade of Technological Infrastructure ($370,000)
- Risk Mitigation, including use of force and de-escalation training, ethics training, trauma informed prosecution and policing training ($300,000)
- Hiring two additional Deputy District Attorney's to address unfunded legal mandate challenges and training needs as a direct result of SB1437, SB393 and SB1421, among others ($430,000)

With this requested adjustment, the DAO will be in position to eliminate the projected deficit for the current fiscal year.

The DAO continues to meet regularly with the Executive Office to share issues of concern to the public safety and to ensure fiscal transparency. The Department is committed to providing outstanding prosecutorial, investigative and victim services, while we continue internally to explore and implement feasible cost saving measures that will not compromise public safety.

Recommendation 8: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for the District Attorney and decreasing Appropriation for Contingency by $1,800,000, as follows:*

Decrease appropriations:		
10000-1109000000-581000	Appropriation for contingencies	$1,800,000
Anticipated increase of unassigned fund balance:		
10000-1109000000-370100	Unassigned fund balance	1,800,000
Increase appropriations:		
10000-2200100000-510040	Regular salaries	430,000
10000-2200100000-523640	Computer equipment - non fixed asset	370,000
10000-2200100000-525440	Professional services	350,000
10000-2200100000-527840	Training - education/tuition	300,000
10000-2200100000-546080	Equipment - computer	250,000
10000-2200100000-546280	Capitalized software	100,000
	Total	1,800,000
Anticipated use of unassigned fund balance:		
10000-2200100000-370100	Unassigned fund balance	1,800,000

Recommendation 9: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments decreasing appropriations and adjusting estimated revenue for the District Attorney by $71,528, as follows:*

Decrease estimated revenue:		
10000-2200100000-755240	CA – urban auto fraud grant	$111,441
10000-2200100000-755460	CA – DA auto insurance fraud	79,960
10000-2200100000-755650	CA – disability healthcare fraud	160,758
	Total	352,159
Increase estimated revenue:		
10000-2200100000-755360	CA – workers comp insurance fraud	111,186
10000-2200100000-767450	Fed - Ofc traffic safety grants	169,445
	Total	280,631
Decrease appropriations:		
10000-2200100000-510040	Regular salaries	44,652
10000-2200100000-518100	Budgeted benefits	23,157
10000-2200100000-523640	Computer equipment - non fixed asset	3,719
	Total	71,528

Probation Department

The Probation Department is projecting that, overall, expenditures will be within appropriations and net county cost (NCC) targets at year end.

During the first quarter, the department continued its efforts to meet service demands

while operating with limited or reduced resources. Through the integration and implementation of the Lean Transformation, the department continues to create efficiency, eliminate waste and deliver greater value to its customers and stakeholders. The department will continue to monitor the budget and report any concerns to the Executive Office.

The department is requesting a Contracts and Grants Analyst position to be added to the budget. The addition of this position will satisfy multiple needs the department is facing. The department is looking to expand its capacity to pursue outside funding. Current staffing levels limit the department's ability to create and submit grant applications. The addition of this position will allow for dedicated staff time for this endeavor. Also, with the impact on existing staffs' time due to the recent implementation of RivcoPro, this additional position will help pick up the resulting workload overflow.

The department is also requesting a budget adjustment of $250,000 for the unexpected payouts for staff that have retired or are projected to retire this fiscal year. There is no additional net county cost associated with the request due to sufficient salary savings within the Institutional Services budget unit.

Recommendation 10: *That the Board of Supervisors 1) approve amending Ordinance 440 to add one (1) Contracts and Grants Analyst and 2) approve and direct the Auditor-Controller to make budget adjustments to appropriations for the Probation Department by $57,917, as follows:*

Decrease appropriations:		
10000-2600100000-510040	Regular salaries	$57,917
Anticipated increase of unassigned fund balance:		
10000-2600100000-370100	Unassigned fund balance	57,917
Increase appropriations:		
10000-2600700000-510040	Regular salaries	37,917
10000-2600700000-518100	Budgeted benefits	20,000
	Total	57,917
Anticipated use of unassigned fund balance:		
10000-2600700000-370100	Unassigned fund balance	57,917

Recommendation 11: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments to appropriations for the Probation Department by $250,000, as follows:*

Decrease appropriations:		
10000-2600100000-510040	Regular salaries	$250,000
Anticipated increase of unassigned fund balance:		
10000-2600100000-370100	Unassigned fund balance	250,000
Increase appropriations:		
10000-2600700000-510200	Payoff permanent - seasonal	250,000

Anticipated use of unassigned fund balance:

10000-2600700000-370100	Unassigned fund balance	250,000

Recommendation 12: *That the Board of Supervisors approve and direct he Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the Probation Department by $13,461, as follows:*

Increase estimated revenue:

10000-2600100000-767280	Fed - federal revenue	$13,461

Increase appropriations:

10000-2600100000-510040	Regular salaries	13,461

Sheriff's Department

The Sheriff's Department is projecting a balanced budget, barring any unforeseen emergencies and/or public safety concerns. Staffing levels across the department remain a major concern for the Sheriff. The department has begun a major effort to increase the number of uniformed personnel, including the opening of the first ever Correctional academy in the Coachella Valley at the College of the Desert. The hiring is targeted to backfill staff losses due to attrition, hiring for the John J. Benoit Detention Center (JJBDC), and restoring unincorporated patrol staffing to appropriate levels across the county. Overtime will continue to trend higher until staffing numbers normalize.

The department is actively examining other areas to improve departmental efficiencies and reduce internal costs. Further, the department is in the process of implementing several policies and procedures to decrease the department's civil liabilities and the costly litigation that is associated with it. The Sheriff's Department is actively working with the Risk Management Steering Committee to streamline internal processes to achieve this goal.

The department, in collaboration with the District Attorney's Office, was awarded a grant from the Department of Justice for the purchase of body worn cameras (BWC). As a result, the Sheriff's Department will receive approximately $1.7 million – which is the second largest grant award the department has ever received. The potential impact of this funding is significant, allowing the department to increase the use BWC digital footage to enhance officer and community safety, while promoting mutual trust and civility between deputies and the public. The Sheriff has made a public commitment to strengthening transparency and legitimacy in departmental operations, and this grant award will assist in meeting that commitment.

The department is requesting a budget transfer to support the RIDE program, which provides transportation to inmates after their release from the Cois Byrd Detention Center in Southwest Riverside County. The continuance of this program would maintain the safety of the community and $100,000 would fully support the cost of the program for the fiscal year.

The department is also requesting a budget transfer to support this year's payment on a newly purchased helicopter. The Board of Supervisors approved the purchase and agreed to provide the Sheriff's Department with the funds necessary to make the finance payments. The payment for the current fiscal year is $985,000.

Recommendation 13: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for the Sheriff's Department by $100,000, as follows:*

Decrease appropriations:		
10000-1103900000-536200	Contribution to non-county agency	$100,000
Increase appropriations:		
10000-1103900000-551100	Contribution to other funds	100,000
Increase estimated revenue:		
10000-2500400000-790600	Contribution from other county funds	100,000
Increase appropriations:		
10000-2500400000-527780	Special program expense	100,000

Recommendation 14: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the Sheriff's Department by $985,000, as follows:*

Decrease appropriations:		
10000-1109000000-581000	Appropriation for contingencies	$985,000
Anticipated increase of unassigned fund balance:		
10000-1109000000-370100	Unassigned fund balance	985,000
Increase appropriations:		
10000-1101000000-551100	Contribution to other funds	985,000
Anticipated use of unassigned fund balance:		
10000-1101000000-370100	Unassigned fund balance	985,000
Increase estimated revenue:		
10000-2500300000-790600	Contribution from other county funds	985,000
Increase appropriations:		
10000-2500300000-532600	Capital lease - purchase principal	985,000

HEALTH & HOSPITAL SERVICES

Riverside University Health System

The Riverside University Health System (RUHS) is on a path to becoming an integrated healthcare system centered on improving access and quality by providing the right care, at the right time, in the right setting and driving for the lowest cost. Key initiatives like the

medical office building (MOB), new community health clinics, and integration of behavioral health and primary health care will provide the necessary infrastructure to ensure the long-term success of RUHS. These initiatives will take some time to fully mature, but once complete will provide expanded capacity and fill system care needs that will allow patient needs to be cared for at the lowest possible level of care.

Providing the right care, at the right time, in the right setting is better for the patient, better for the quality of care, and better from a fiscal perspective. It helps preserve our highest levels of intensive and inpatient care for those patients in greatest need, and provides the outpatient capacity to expand preventative care, helping keep more people well and out of more costly inpatient care. This philosophy is in line with healthcare industry best practices, and RUHS is in a strong position for an integrated county health system comprised of the Medical Center, Federally Qualified Health Centers, Behavioral Health, and Public Health, which together can provide coordinated access to care from preventive to the most intensive levels.

While implementing a forward-looking strategic plan, RUHS must also manage the challenges and volatility of today, including rising operating and pension costs, as well as reimbursement shortfalls for ambulatory care clinic rates, inmate health, and behavioral health care.

Medical Center

The Riverside University Health System – Medical Center (RUHS – MC) is projecting to end the year within budget targets. The Medical and Surgical Center is scheduled to open in the spring. This project is a key strategic initiative to enhance access to health care services and improve patient outcomes while providing mandated care at the lowest possible cost. The opening will be managed closely to ensure a successful operationalization. Other budget risks include volatility of state and federal funding, particularly the incentive program revenues, RUHS will continue to keep the Executive Office updated on these key issues.

County Federally Qualified Health Center Clinics

The RUHS - Federally Qualified Health Center (FQHC) is projecting a year-end budget shortfall of approximately $7.4 million.

This projected shortfall is the result of decade-old clinic reimbursement rates that have seen rising labor, pension, and operating costs threaten financial viability. Few triggering events allow clinics the opportunity to reset rates; opening a new site and integrating behavioral healthcare provide such resetting opportunities. The infrequency of these opportunities requires strategic planning and precise implementation to maximize the rate-setting event and secure reimbursement rates more reflective of current labor and operating costs.

This process does not allow a quick fix; but a multi-phased plan to optimize operations, trigger rate resetting, and maximize new rates is underway. Optimization requires adherence to strict provider productivity requirements and staffing standardization of important

support positions. The planned triggering of rate resetting has been underway for some time. New facilities in Corona, Moreno Valley, Jurupa, and Perris have worked their way through planning, design, construction, and are now open.

Now that the rate-setting periods have begun, continuation and monitoring of optimization efforts will be critical as operations expand and integration of behavioral health and specialty care occurs. Adherence to strict state cost reporting, an intensive audit, and final rate negotiation will complete the process.

This multi-year plan will ultimately improve care and operating results, but the timing of revenue receipts and cash flow will continue to remain a challenge due to the length of the process and delays in settlement payments by the state. RUHS is working closely with the Executive Office to address the operating shortfall and will continue to provide updates in the quarterly budget reports.

Behavioral Health Detention and Correctional Health

Behavioral Health Detention and Correctional Health are expected to remain within allocated NCC as RUHS continues to explore opportunities for efficiencies allowing the departments to meet inmate health care service level requirements with lower than anticipated expenditures.

Department of Public Health

Public Health, California Children's Services, and Community Action Partnership programs are tracking on budget. In Public Health, a budget adjustment is requested for the following: increased funding of $61,320 for the Loving Support Breastfeeding program, increased funding of $55,000 for HIV testing services, and funding reduction of $126,491 for Family Planning Information & Education grant that was not renewed. The department is also requesting one full size van for lease from Fleet Services. The van will be used for warehouse support services and the cost will be absorbed by the department.

Recommendation 15: *That the Board of Supervisors approve and direct the Auditor Controller to make the budget adjustments for Public Health by $10,171, as follows:*

Increase appropriations:		
10000-4200100000-510420	Overtime	$16,320
10000-4200100000-510500	Standby pay	45,000
10000-4200100000-525440	Professional services	55,000
	Total	116,320
Increase estimated revenue:		
10000-4200100000-762020	Fed - SB 910 MAA MAC	55,000
10000-4200100000-781360	Other miscellaneous revenue	61,320
	Total	116,320
Decrease appropriations:		
10000- 4200100000-510040	Regular salaries	72,473
10000- 4200100000-510520	Bilingual pay	1,246

10000-4200100000-518100	Budgeted benefits	34,816
10000-4200100000-520230	Cellular phone	1,176
10000-4200100000-521640	Maintenance - software	954
10000-4200100000-523620	Books/publications	500
10000-4200100000-523660	Computer supplies	154
10000-4200100000-523700	Office supplies	1,427
10000-4200100000-523760	Postage - mailing	300
10000-4200100000-523800	Printing/binding	2,048
10000-4200100000-525220	Pre-employment services	408
10000-4200100000-525440	Professional services	1,834
10000-4200100000-527780	Special program expense	3,175
10000-4200100000-527840	Training - education/tuition	300
10000-4200100000-528140	Conference/registration fees	300
10000-4200100000-528900	Air transportation	1,952
10000-4200100000-528920	Car pool expense	250
10000-4200100000-528960	Lodging	1,195
10000-4200100000-528980	Meals	426
10000-4200100000-529000	Miscellaneous travel expense	120
10000-4200100000-529040	Private mileage reimbursement	1,237
10000-4200100000-529060	Public service transportation	200
	Total	126,491

Decrease estimated revenue:

10000-4200100000-762040	Federal - health grants	126,491

The Tobacco Prop. 56 and Local Oral Health Plan programs under special revenue funds did not spend out their prior year budget and request a budget adjustment of $1,020,005 to rollover these funds. Both programs started later than anticipated resulting in unspent funds.

Recommendation 16: *That the Board of Supervisors approve and direct the Auditor Controller to make the budget adjustments increasing appropriations and estimated revenue for Public Health by $1,020,005, as follows:*

Increase appropriations:

21840-4200100000-510040	Regular salaries	$178,385
21840-4200100000-518100	Budgeted benefits	90,676
21840-4200100000-510330	TAP salaries	50,000
21840-4200100000-510240	Per diem salaries	50,000
21840-4200100000-523640	Computer equipment - non fixed asset	20,000
21840-4200100000-523680	Office equipment non fixed assets	70,000
21840-4200100000-522860	Medical - dental supplies	40,000
21840-4200100000-526420	Advertising	175,000
21840-4200100000-526700	Rent - lease buildings	15,000
21840-4200100000-529540	Utilities	2,000
21840-4200100000-523700	Office supplies	22,000
21840-4200100000-523800	Printing/binding	9,000
21840-4200100000-523840	Computer equipment - software	3,000
21840-4200100000-524500	Administrative support - direct	46,544

21840-4200100000-525440	Professional services	136,000
21840-4200100000-528140	Conference/registration fees	3,500
21840-4200100000-528900	Air transportation	2,400
21840-4200100000-528960	Lodging	2,200
21840-4200100000-528980	Meals	1,000
21840-4200100000-529060	Public service transportation	800
21840-4200100000-528920	Car pool expense	1,250
21840-4200100000-529040	Private mileage reimbursement	1,250
21840-4200100000-523620	Books/publications	50,000
21840-4200100000-527180	Operational supplies	50,000
	Total	1,020,005

Increase estimated revenue:

21840-4200100000-754020	CA – prop 56 tobacco act 2016	1,020,005

Department of Public Health – Community Action Partnership

Community Action Partnership requests approval to purchase two utility truck beds with a total cost of $25,000. The purchase would increase efficiency and safety for the In-House Energy team which provides heating, ventilation, and air-conditioning services to Riverside County residents through the Weatherization program. The Department will absorb the additional cost for the capital purchase.

Recommendation 17: *That the Board of Supervisors approve and direct the Auditor Controller to make the budget adjustments for Community Action Partnership by $25,000, as follows:*

Decrease appropriations:

21050-5200200000-536240	Other contract agencies	$25,000

Increase appropriations:

21050-5200200000-546380	Vehicles other	25,000

Community Action Partnership received additional federal funding of $27,428 for the Volunteer Income Tax Assistance program (VITA) and is requesting a budget adjustment for the funding increase.

Recommendation 18: *That the Board of Supervisors approve and direct the Auditor Controller to make the budget adjustments increasing appropriations and estimated revenue for Community Action Partnership by $27,428, as follows:*

Increase appropriations:

21050-5200300000-510320	Temporary salaries	$12,000
21050-5200300000-523660	Computer supplies	10,428
21050-5200300000-525500	Salary/benefit reimbursement	5,000
	Total	27,428

Increase estimated revenue:

21050-5200300000-767220	Fed - other operating grants	27,428

Department of Public Health – California Children's Services (CCS)

California Children's Services (CCS) received additional State funding totaling $840,881. The department requests a budget adjustment for the funding increase and approval to add four positions (2 – RN Vs, 1 – Physician IV, and 1 – Social Services Practitioner III) to assist with the higher caseload demand.

Recommendation 19: *That the Board of Supervisors approve and direct the Auditor Controller to make the budget adjustments increasing appropriations and estimated revenue for California Children's Services by $840,881 as follows:*

Increase appropriations:		
10000-4200200000-510040	Regular salaries	$471,577
10000-4200200000-518100	Budgeted benefits	218,387
10000-4200200000-524500	Administrative support - direct	150,917
	Total	840,881
Increase estimated revenue:		
10000-4200200000-751680	CA - state grant revenue	840,881

Department of Behavioral Health

Behavioral Health programs are expected to remain within allocated NCC.

HUMAN SERVICES

Department of Social Services

On October 8, 2019 (agenda item 3.20), the Board of Supervisors approved the Memorandum of Understanding (MOU) between the Riverside County In-Home Supportive Services (IHSS) Public Authority and United Domestic Workers Union (UDW) for an increase in IHSS individual provider wages and county contribution for provider health benefits. The MOU includes a $0.25 wage supplement over the State's minimum wage in the current fiscal year, and an additional $0.25 wage supplement in FY 20/21. The MOU also includes a net contribution of an additional $0.25 per hour for provider health benefits, currently administered by UDW. The County's share of costs for both the increased wage supplement and health benefit costs will be added to its Maintenance of Effort on a permanent basis going forward. The department requests $4 million to cover increased costs associated with the MOU for the current fiscal year; this will garner $9.7 million in federal and state participation toward provider health care benefits.

Recommendation 20: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for the Department of Public Social Services by $13,700,000, and decreasing Appropriations for Contingency by $4,000,000, as follows:*

Decrease appropriations:		
10000-1109000000-581000	Appropriations for contingencies	$4,000,000

Anticipated increase of unassigned fund balance:

10000-1109000000-370100	Unassigned fund balance	4,000,000
Increase appropriations:		
10000-5100200000-530440	Client services	13,700,000
Increase estimated revenue:		
10000-5100200000-761000	Federal - public assistance programs	6,200,000
10000-5100200000-750700	CA - public assistance programs	3,500,000
	Total	9,700,000
Anticipated use of unassigned fund balance:		
10000-5100200000-370100	Unassigned fund balance	4,000,000

Department of Child Support Services

Pursuant to Welfare and Institutions Code, the Department of Public Social Services (DPSS) has an obligation to operate a child welfare services program that ensures the safety and welfare of children and encourages continuity of a family unit. In an effort to decrease social worker caseloads and improve operations, the Children's Services Division of DPSS requests $3,177,864 to begin a two-year process to increase staffing to enhance service levels. Included in this requested amount is an allocation for addition of three legal counsel at the Office of County Counsel for ongoing legal support.

Recommendation 21: *That the Board of Supervisors 1) approve amending Ordinance No. 440 to add two hundred eighty-three (283) Social Services Practitioner III positions and forty-seven (47) Social Services Supervisor II positions; and 2) approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for the Department of Public Social Services by $26,482,194, and decreasing Appropriations for Contingency by $3,177,864, as follows:*

Decrease appropriations:		
10000-1109000000-581000	Appropriation for contingencies	$3,177,864
Anticipated increase of unassigned fund balance:		
10000-1109000000-370100	Unassigned fund balance	3,177,864
Increase appropriations:		
10000-5100100000-510040	Regular salaries	16,758,238
10000-5100100000-515040	Flex benefit plan	8,697,326
10000-5100100000-524700	County counsel	1,026,630
	Total	26,482,194
Increase estimated revenue:		
10000-5100100000-760000	Fed - public assistance admin	11,640,852
10000-5100100000-750300	CA - public assistance admin	11,663,478
	Total	23,304,330
Anticipated use of unassigned fund balance:		
10000-5100100000-370100	Unassigned fund balance	3,177,864

Office on Aging

The department requests a budget adjustment to reflect an increase in available funds based on Amendment #1 of Standard Agreement No. MS-1920-24, between the department and the California Department of Aging, for a baseline adjustment to funding. This budget adjustment also reflects a decrease in revenues from local grants and Memorandums of Understanding.

Recommendation 22: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments adjusting appropriations and estimated revenue for the Office on Aging by $200,880, as follows:*

Increase estimated revenue:		
21450-5300100000-751200	CA - health programs	$132,829
21450-5300100000-774500	Health services	3,205
21450-5300100000-767140	Federal - miscellaneous reimbursement	192,047
21450-5300100000-778010	Interfund - CDBG	5,000
	Total	333,081
Increase appropriations:		
21450-5300100000-510040	Regular salaries	319,081
21450-5300100000-527780	Special program expense	14,000
	Total	333,081
Decrease estimated revenue:		
21450-5300100000-778200	Interfund – miscellaneous	132,201
Decrease appropriations:		
21450-5300100000-526700	Rent - lease buildings	130,357
21450-5300100000-529040	Private mileage reimbursement	1,844
	Total	132,201

PUBLIC WORKS

Transportation & Land Management Agency

The budget adjustment will decrease appropriations within Transportation Land Management Agency's Southwest Road and Bridge Benefit District Fund 31610. This budget adjustment is due to the reimbursement received from the Riverside County Transportation Commission for the Clinton Keith Road Project that occurred in FY 19/20.

Recommendation 23: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments decreasing appropriations for the Southwest Road and Bridge District by $3,807,392, as follows:*

Decrease appropriations:		
31610-3130500000-537280	Interfund expense-misc. project expense	$3,807,392
Anticipated increase of assigned fund balance:		
31610-3130500000-350200	AFB for construction/capital projects	3,807,392

Flood Control and Water Conservation District

The budget adjustment will increase revenue within the Flood Control and Water Conservation District's (District) Fund 40660 from the District's unrestricted net assets. The adjustment is necessary to accommodate the District's GASB 68 Pension Obligation. The District is expecting to receive an additional revenue of $166,441 through the deposit-based fees for the review of the plan check and floodplain cases.

Recommendation 24: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing estimated revenue for the Subdivision Operation in the amount of $166,441, as follows:*

Increase estimated revenue:		
40660-947140-771930	Deposit based fee draws	$166,441
Anticipated increase of unrestricted net assets:		
40660-947140-380100	Unrestricted net assets	166,441

ECONOMIC & COMMUNITY DEVELOPMENT

Department of Animal Services

The Department of Animal Services FY 19/20 budget was planned with the anticipation of the new rates being approved within the second quarter. Based on the adjusted timeline for the new proposed rates, the department is anticipating a decrease in revenue. Increases for contract cities are expected to go into effect sometime in the third quarter due to the 30- and 60-day notifications that are required for contract city rate changes. Due to prudent analysis, the department projects that a net county cost adjustment of $3 million and future rate increases will help alleviate the departments shortage for the remainder of the fiscal year. The department will continue with cost containment and developing a project costing system that should help to identify where they fall short in charges. In addition, the department will continue to research grants and funding partnerships. Animal Services is committed to working collaboratively to end the fiscal year within budget.

Recommendation 25: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments decreasing estimated revenue for the Department of Animal Services and decreasing Appropriations for Contingency by $3,000,000, as follows:*

Anticipated use of unassigned fund balance:		
10000-4200600000-370100	Unassigned fund balance	$3,000,000
Decrease estimated revenue:		
10000-4200600000-720000	County animal licenses	652,602
10000-4200600000-773230	City licenses – service charge	231,176
10000-4200600000-773220	City billings – field services	1,296,311
10000-4200600000-773210	City billings – animal shelter services	819,911
	Total	3,000,000

Decrease appropriations:		
10000-1109000000-581000	Appropriations for contingencies	3,000,000
Anticipated increase of unassigned fund balance:		
10000-1109000000-370100	Unassigned fund balance	3,000,000

Riverside County Animal Services has an aging fleet that is in desperate need of replacement. The County of San Bernardino is offering ten Animal Services trucks that are in good condition and should be in service another four to five years. Animal Services with the cooperation of Fleet Services were able to negotiate the price to $15,000 per vehicle. This exact same model in new condition costs $85,000. The ten vehicles will effectively reduce the number of vehicles that have to be replaced. Currently the department has four vehicles that are out of commission awaiting parts that are in shorty supply throughout the country. It is estimated that some of the needed parts may take six to nine months to receive, since they are no longer manufactured on a regular basis. Animal Services is requesting a budget adjustment to allow for the purchase of the vehicles without seeking competitive bids.

Recommendation 26: *That the Board of Supervisors approve and direct the Auditor Controller to make budget adjustments increasing appropriations for the Department of Animal Services and decreasing Appropriations for Contingency by $150,000, as follows:*

Anticipated use of unassigned fund balance:		
10000-4200600000-370100	Unassigned fund balance	$150,000
Increase appropriations:		
10000- 4200600000-528920	Car pool expense	100,000
10000- 4200600000-521500	Maintenance of motor vehicles	50,000
	Total	150,000
Decrease appropriations:		
10000-1109000000-581000	Appropriation for contingencies	150,000
Anticipated increase of unassigned fund balance:		
10000-1109000000-370100	Unassigned fund balance	150,000

EDA Adminstrative Division

The department requests a budget adjustment of $60,000 to increase appropriations for carpool expense for an unanticipated cash purchase of a vehicle and reimbursement for a human resources position totaling $65,000 that was budgeted in another budget unit.

Recommendation 27: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the EDA Administration Division by $125,000, as follows:*

Increase appropriations:		
21100-1900100000-528920	Car pool expense	$60,000
21100-1900100000-537180	Interfund - salary reimbursement	65,000
	Total	125,000

Increase estimated revenue:		
21100-1900100000-778220	Interfund-office expense	60,000
21100-1900100000-778330	Interfund - salary reimbursement	65,000
	Total	125,000

Economic Development Program

The Economic Development Program requests a budget adjustment of $120,000 to increase appropriations for additional public outreach through the provision of sponsorships for various county functions, and to fund a portion of the Deputy Director position who oversees these programs totaling $100,000.

In addition, the department requests an increase in appropriations to fund the renovation and relocation of the ExCite office and business centers totaling $1.3 million. The ExCite Incubator expansion will facilitate economic development and the growth of tech companies in Riverside County by providing additional office and co-working space, as well as larger conference space, for small and startup tech companies. ExCite provides mentorship, training, startup support, and access to capital. ExCite companies have created 105 jobs and stimulated $933,000 in investment to date.

Available fund balance will offset the budget adjustments.

Recommendation 28: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations the EDA Economic Development Program by $1,510,000, as follows:*

Increase appropriations:		
21100-1901000000-523130	Memberships - other	$ 120,000
21100-1901000000-528500	Project cost expense	1,290,000
21100-1901000000-537180	Interfund - salary reimbursement	100,000
	Total	1,510,000

Anticipated use of assigned fund balance:		
21100-1901000000-350100	AFB for program money	1,510,000

Real Estate Services Division

The department requests a budget adjustment to increase appropriations as a result of Corona, Jurupa, Perris, and Riverside clinic leases commencing sooner than expected. In addition, the debt service on the RCIT facility will now be paid from this budget as of July 1, 2019. Fees for rental of buildings and leasing services will offset the adjustment.

Recommendation 29: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the Real Estate Division by $8,682,263, as follows:*

Increase appropriations:		
47220-7200400000-526700	Rent - lease buildings	$8,682,263

Increase estimated revenue:

47220-7200400000-741460	Rental of buildings	3,048,055
47220-7200400000-777330	Leasing services	5,634,208
	Total	8,682,263

County Free Library

The department requests a budget adjustment increasing appropriations in several categories, for a total increase of $3,099,310. An increase in appropriations of $42,014 in salaries and benefits will fund a Development Specialist I to support library operations.

On July 23, 2019, Item 3.24, the Board of Supervisors approved development of three new libraries in the communities of French Valley, Menifee, and Desert Hot Springs through a Public-Private Partnership (P3) with a developer. The agreement with the developer states that the County Library Fund will pay for the furniture, fixtures and equipment (FFE) outside of the developer's financing. The department requests a budget adjustment increasing appropriations by $425,848 for the FFE expenditures.

The department requests an increase of appropriations of $87,690 for a new point-of-sale (POS) system for utilization at all library branches, and an increase of appropriations of $269,394 for security guard services for new and existing branches.

The department also requests a budget adjustment increasing appropriations by $83,690 for additional landscaping needs and the Nuview Library. In addition, the ongoing capital projects at the Woodcrest, Canyon Lake, Nuview, Sun City, and the proposed Menifee, French Valley, and Desert Hot Springs Libraries require a budget adjustment increasing appropriations by $2,190,674.

Restricted program money will offset the aforementioned budget adjustments.

Recommendation 30: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for County Free Library by $3,099,310, as follows:*

Increase appropriations:

21200-1900700000-510040	Regular salaries	$27,650
21200-1900700000-518100	Budgeted benefits	14,364
21200-1900700000-523680	Office equipment non fixed assets	425,848
21200-1900700000-523840	Computer equipment - software	87,690
21200-1900700000-525320	Security guard services	269,394
21200-1900700000-537080	Interfund expense - miscellaneous	83,690
21200-1900700000-537320	Interfund expense - improvements building	2,190,674
	Total	3,099,310

Anticipated use of restricted fund balance:

21200-1900700000-321101	Restricted program money	3,099,310

County Service Area

The department requests a budget adjustment decreasing appropriations and estimated revenue as a result of this CSA being dissolved per LAFCO. The fund balances were

cleared in FY 18/19 and the fund became inactive in late September.

Recommendation 31: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments decreasing appropriations and estimated revenue for CSA 41, as follows:*

Decrease estimated revenue:		
23425-904101-700020	Prop tax current secured	$4,896
23425-904101-740020	Interest-invested funds	5,423
23425-904101-790500	Operating transfer-in	1
	Total	10,320
Decrease appropriations:		
23425-904101-522610	Road maintenance supplies	900
23425-904101-537160	Interfund expense-road maint grading	131,984
23425-904101-546160	Equipment-other	50
23425-904101-551100	Contribution to other funds	50
	Total	132,984
Anticipated increase of restricted fund balance:		
23425-904101-321101	Restricted program money	122,664

The department requests a budget adjustment decreasing appropriations and increasing restricted fund balance as a result of energy savings. The streetlights are in the process of converting to LED lights resulting in savings.

Recommendation 32: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments decreasing appropriations for CSA 135 by $1,050, as follows:*

Decrease appropriations:		
24450-913501-537240	Interfund expense-utilities	$1,050
Anticipated increase of restricted fund balance:		
24450-913501-321101	Restricted program money	1,050

The department requests a budget adjustment decreasing appropriations and increasing restricted fund balance due to lower expenditures than anticipated. Last fiscal year, emergency road repairs were completed for roads damaged during the last severe rain storms. Remaining road improvements will be completed over a 3-year plan.

Recommendation 33: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments decreasing appropriations for CSA 149 by $177,417, as follows:*

Decrease appropriations:		
24600-914901-537160	Interfund expense-road maintenance grading	$177,417

Anticipated increase of restricted fund balance:

24600-914901-321101	Restricted program money	177,417

The department requests a budget adjustment for CSA 85. The request is to cover one-time expenses for wiring repairs to the lights for the skate park, basketball courts, and streetlights at Cabazon Park.

Recommendation 34: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for CSA 85 by $20,000, as follows:*

Increase appropriations:		
23850-908501-522320	Maintenance - grounds	$20,000
Anticipated use of restricted fund balance:		
23850-908501-321101	Restricted program money	20,000

INTERNAL SUPPORT

Human Resources

A budget adjustment is needed to the Human Resources budget to reflect the amount necessary to make payments on a technology upgrade.

Recommendation 35: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments decreasing appropriations and estimated revenue for the HCM Technology fund by $1,159,827, as follows:*

Decrease estimated revenue:		
46140-1131500000-790600	Contribution from other county funds	$1,159,827
Decrease appropriations:		
46140-1131500000-525810	RCIT departmental applications	399,921
46140-1131500000-532660	Capital leases-other	759,906
	Total	1,159,827

Purchasing & Fleet Services

Purchasing Services is requesting two additional procurement positions to support procurement activities. One position is for Riverside University Health Systems (RUHS) and one position is for the District Attorney (DA). RUHS already has two assigned procurement staff, however, a third is needed due to the volume, complexity and cost for goods and services above the authority of buyers in RUHS. RUHS does not require a budget adjustment at this time for the cost of this position. The District Attorney currently has a funded Buyer II position which will be replaced with a Procurement Contract Specialist who will be able to provide a higher level of procurement support for the department. The DA has reported that they will absorb the difference in the two positions and do not require a budget adjustment. Purchasing will be reimbursed fully by the RUHS and the DA. Approval to add these positions and a budget adjustment is requested to account for the additional positions.

Recommendation 36: *That the Board of Supervisors 1) approve amending Ordinance No. 440 to add two (2) Contract Procurement Specialist (PCS) position as indicated in Attachment B; and 2) approve and direct the Auditor-Controller to make the budget adjustments increasing appropriations and estimated revenue for Purchasing Services by $192,614, as follows:*

Increase estimated revenue:		
10000-7300100000-777520	Reimbursement for services	$192,614
Increase appropriations:		
10000-7300100000-510040	Regular salaries	102,200
10000-7300100000-518100	Budgeted benefits	50,126
10000-7300100000-524500	Administrative support-direct	40,288
	Total	192,614

Fleet Services requests authorization to purchase twenty-two (22) vehicles for, Riverside University Health Systems (RUHS) (2), Agricultural Commissioner (4), Animal Services (10), Emergency Management Department (EMD) (5) and Purchasing and Fleet Services - Supply Services (1). Per RUHS, both vehicles are replacement vehicles. The Agricultural Commissioner informed Fleet Services that two are net new vehicles, with the remaining two replacement vehicles. Department of Animal Services is purchasing used vehicles and they will be replacement vehicles. EMD is requesting two new vehicles and three replacement vehicles. The box truck for Supply Services is a replacement vehicle. Fleet Services does not require a budget adjustment at this time. RUHS, Agricultural Commissioner, Animal Services, EMD and Supply Services will reimburse Fleet Services for the purchase costs and will request a budget adjustment if needed.

Recommendation 37: *That the Board of Supervisors 1) approve and authorize the purchase of twenty-two (22) vehicles.*

Supply Services requests a revision to the FY19/20 Five-Year Capital Equipment Needs/Reserve Plan in the amount of $347,000 and a budget adjustment in FY19/20. This request is to roll-over the previously approved projects and equipment that were approved by the Board (Item 3.37 of 2/6/18 and Item 3.28 of 5/7/2019) and began last fiscal year. Equipment purchases have been made and projects initiated. Payments will be made this fiscal year; therefore, the appropriation for these items needs to be rolled-over into this fiscal year. The projects and equipment previously approved include: replacement of a box truck ($75,713); replacement forklift ($36,615); roof at Cabazon ($195,000); and, a software/server project (approximately $39,672). No additional projects or equipment purchases are planned this fiscal year.

Recommendation 38: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustment increasing appropriations for Supply Services by $347,000, as follows:*

Increase appropriations:		
45700-7300400000-522310	Maintenance – building and improvement	$195,000

45700-7300400000-525440	Professional services	39,672
45700-7300400000-528920	Car pool expense	75,713
45700-7300400000-546200	Equipment - shop and yard	36,615
	Total	347,000

Anticipated use of unrestricted net assets:

45700-7300400000-380100	Unrestricted net assets	347,000

Riverside County Information Technology

The Riverside County Information Technology department (RCIT), RCIT – Geographical Information Systems (GIS) and RCIT – Public Safety Enterprise Communications (PSEC) report that they will not exceed budgeted targets for FY 19/20. RCIT and PSEC requests a budget adjustment for the transfer of eight positions from PSEC to RCIT. The eight positions report to the Business Administration Services (BAS), and RCIT is consolidating all BAS positions to the RCIT budget unit in order to streamline their business process. These positions will continue to perform services for PSEC and PSEC will reimburse RCIT for the cost of these positions.

Recommendation 39: *That the Board of Supervisors 1) approve amending Ordinance No. 440 to delete eight positions for Public Safety Enterprise Communications and add eight positions for Information Technology as indicated in Attachment B; and 2) approve and direct the Auditor-Controller to make the budget adjustments to appropriations and estimated revenues in the Information Technology and Public Safety Enterprise Communications funds by $418,695, as follows:*

Increase appropriations:

45520-7400600000-525440	Professional services	$418,695

Decrease appropriations:

45520-7400600000-510040	Regular salaries	276,525
45520-7400600000-518100	Budgeted benefits	142,170
	Total	418,695

Increase estimated revenue:

45500-7400100000-770840	RCIT pass - thru support	418,695

Increase appropriations:

45500-7400100000-510040	Regular salaries	276,525
45500-7400100000-518100	Budgeted benefits	142,170
	Total	418,695

Attachment A Summary of Recommendations

For convenience, this section repeats the recommendations contained in the main report. There is no new information in Attachment A.

Recommendation 1: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments decreasing estimated revenue for Cooperative Extension and adjust Appropriations for Contingency by $562,064, as follows:*

Decrease estimated revenue:		
10000-6300100000-790600	Contribution from other county funds	$562,064
Anticipated use of unassigned fund balance:		
10000-6300100000-370100	Unassigned fund balance	562,064
Decrease appropriations:		
10000-1109000000-551100	Contribution to other funds	562,064
Anticipated increase of unassigned fund balance:		
10000-1109000000-370100	Unassigned fund balance	562,064

Recommendation 2: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments decreasing estimated revenue for Code Enforcement and adjust Appropriations for Contingency by $500,000, as follows:*

Decrease estimated revenue:		
10000-3140100000-790600	Contribution from other county funds	$500,000
Anticipated use of unassigned fund balance:		
10000-3140100000-370100	Unassigned fund balance	500,000
Decrease appropriations:		
10000-1109000000-551100	Contribution to other funds	500,000
Anticipated increase of unassigned fund balance:		
10000-1109000000-370100	Unassigned fund balance	500,000

Recommendation 3: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for Contributions to other Funds and adjust Appropriations for Contingency by $1,300,000, as follows:*

Increase appropriations:		
10000-1101000000-551100	Contribution to other funds	$1,300,000
Anticipated use of unassigned fund balance:		
10000-1101000000-370100	Unassigned fund balance	1,300,000
Decrease appropriations:		
10000-1109000000-551100	Contribution to other funds	1,300,000

Attachment A

Anticipated increase of unassigned fund balance:

10000-1109000000-370100	Unassigned fund balance	1,300,000

A budget adjustment is needed to allow the general fund to transfer funds to Human Resources in order to pay debt service payments.

Recommendation 4: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for Contributions to other Funds and adjust Appropriations for Contingency by $1,753,151, as follows:*

Increase appropriations:

10000-1101000000-551100	Contribution to other funds	$1,753,151

Anticipated use of unassigned fund balance:

10000-1101000000-370100	Unassigned fund balance	1,753,151

Decrease appropriations:

10000-1109000000-581000	Appropriation for contingencies	1,753,151

Anticipated increase of unassigned fund balance:

10000-1109000000-370100	Unassigned fund balance	1,753,151

Recommendation 5: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the Emergency Management Department by $589,425, as follows:*

Increase estimated revenue:

10000-2000100000-767220	Federal - other operating grants	$589,425

Increase appropriations:

10000-2000100000-527180	Operational supplies	401,425
10000-2000100000-546380	Vehicles other	188,000
	Total	589,425

Recommendation 6: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the Emergency Management Department by $111,491, as follows:*

Increase estimated revenue:

21800-2000100000-767220	Federal - other operating grants	$111,491

Increase appropriations:

21800-2000100000-510040	Regular salaries	76,212
21800-2000100000-518100	Budgeted benefits	35,279
	Total	111,491

Recommendation 7: *That the Board approve and direct the Auditor-Controller to make*

budget adjustments increasing appropriations and estimated revenue for Fire Protection by $1,571,000, as follows:

Increase estimated revenue:		
10000-2700200000-767220	Federal - other operating grants	$1,571,000
Increase appropriations:		
10000-2700200000-527780	Special program expense	1,571,000

Recommendation 8: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for the District Attorney and decreasing Appropriation for Contingency by $1,800,000, as follows:*

Decrease appropriations:		
10000-1109000000-581000	Appropriation for contingencies	$1,800,000
Anticipated increase of unassigned fund balance:		
10000-1109000000-370100	Unassigned fund balance	1,800,000
Increase appropriations:		
10000-2200100000-510040	Regular salaries	430,000
10000-2200100000-523640	Computer equipment - non fixed asset	370,000
10000-2200100000-525440	Professional services	350,000
10000-2200100000-527840	Training - education/tuition	300,000
10000-2200100000-546080	Equipment - computer	250,000
10000-2200100000-546280	Capitalized software	100,000
	Total	1,800,000
Anticipated use of unassigned fund balance:		
10000-2200100000-370100	Unassigned fund balance	1,800,000

Recommendation 9: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments decreasing appropriations and adjusting estimated revenue for the District Attorney by $71,528, as follows:*

Decrease estimated revenue:		
10000-2200100000-755240	CA – urban auto fraud grant	$111,441
10000-2200100000-755460	CA – DA auto insurance fraud	79,960
10000-2200100000-755650	CA – disability healthcare fraud	160,758
	Total	352,159
Increase estimated revenue:		
10000-2200100000-755360	CA – workers comp insurance fraud	111,186
10000-2200100000-767450	Fed - Ofc traffic safety grants	169,445
	Total	280,631
Decrease appropriations:		
10000-2200100000-510040	Regular salaries	44,652
10000-2200100000-518100	Budgeted benefits	23,157

10000-2200100000-523640	Computer equipment - non fixed asset	3,719
	Total	71,528

Recommendation 10: *That the Board of Supervisors 1) approve amending Ordinance 440 to add one (1) Contracts and Grants Analyst and 2) approve and direct the Auditor-Controller to make budget adjustments to appropriations for the Probation Department by $57,917, as follows:*

Decrease appropriations:		
10000-2600100000-510040	Regular salaries	$57,917
Anticipated increase of unassigned fund balance:		
10000-2600100000-370100	Unassigned fund balance	57,917
Increase appropriations:		
10000-2600700000-510040	Regular salaries	37,917
10000-2600700000-518100	Budgeted benefits	20,000
	Total	57,917
Anticipated use of unassigned fund balance:		
10000-2600700000-370100	Unassigned fund balance	57,917

Recommendation 11: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments to appropriations for the Probation Department by $250,000, as follows:*

Decrease appropriations:		
10000-2600100000-510040	Regular salaries	$250,000
Anticipated increase of unassigned fund balance:		
10000-2600100000-370100	Unassigned fund balance	250,000
Increase appropriations:		
10000-2600700000-510200	Payoff permanent - seasonal	250,000
Anticipated use of unassigned fund balance:		
10000-2600700000-370100	Unassigned fund balance	250,000

Recommendation 12: *That the Board of Supervisors approve and direct he Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the Probation Department by $13,461, as follows:*

Increase estimated revenue:		
10000-2600100000-767280	Fed - federal revenue	$13,461
Increase appropriations:		
10000-2600100000-510040	Regular salaries	13,461

Recommendation 13: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for the Sheriff's*

Department by $100,000, as follows:

Decrease appropriations:		
10000-1103900000-536200	Contribution to non-county agency	$100,000
Increase appropriations:		
10000-1103900000-551100	Contribution to other funds	100,000
Increase estimated revenue:		
10000-2500400000-790600	Contribution from other county funds	100,000
Increase appropriations:		
10000-2500400000-527780	Special program expense	100,000

Recommendation 14: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the Sheriff's Department by $985,000, as follows:*

Decrease appropriations:		
10000-1109000000-581000	Appropriation for contingencies	$985,000
Anticipated increase of unassigned fund balance:		
10000-1109000000-370100	Unassigned fund balance	985,000
Increase appropriations:		
10000-1101000000-551100	Contribution to other funds	985,000
Anticipated use of unassigned fund balance:		
10000-1101000000-370100	Unassigned fund balance	985,000
Increase estimated revenue:		
10000-2500300000-790600	Contribution from other county funds	985,000
Increase appropriations:		
10000-2500300000-532600	Capital lease - purchase principal	985,000

Recommendation 15: *That the Board of Supervisors approve and direct the Auditor Controller to make the budget adjustments for Public Health by $10,171, as follows:*

Increase appropriations:		
10000-4200100000-510420	Overtime	$16,320
10000-4200100000-510500	Standby pay	45,000
10000-4200100000-525440	Professional services	55,000
	Total	116,320
Increase estimated revenue:		
10000-4200100000-762020	Fed - SB 910 MAA MAC	55,000
10000-4200100000-781360	Other miscellaneous revenue	61,320
	Total	116,320

Attachment A

Decrease appropriations:

10000- 4200100000-510040	Regular salaries	72,473
10000- 4200100000-510520	Bilingual pay	1,246
10000-4200100000-518100	Budgeted benefits	34,816
10000-4200100000-520230	Cellular phone	1,176
10000-4200100000-521640	Maintenance - software	954
10000-4200100000-523620	Books/publications	500
10000-4200100000-523660	Computer supplies	154
10000-4200100000-523700	Office supplies	1,427
10000-4200100000-523760	Postage - mailing	300
10000-4200100000-523800	Printing/binding	2,048
10000-4200100000-525220	Pre-employment services	408
10000-4200100000-525440	Professional services	1,834
10000-4200100000-527780	Special program expense	3,175
10000-4200100000-527840	Training - education/tuition	300
10000-4200100000-528140	Conference/registration fees	300
10000-4200100000-528900	Air transportation	1,952
10000-4200100000-528920	Car pool expense	250
10000-4200100000-528960	Lodging	1,195
10000-4200100000-528980	Meals	426
10000-4200100000-529000	Miscellaneous travel expense	120
10000-4200100000-529040	Private mileage reimbursement	1,237
10000-4200100000-529060	Public service transportation	200
	Total	126,491

Decrease estimated revenue:

10000-4200100000-762040	Federal - health grants	126,491

Recommendation 16: *That the Board of Supervisors approve and direct the Auditor Controller to make the budget adjustments increasing appropriations and estimated revenue for Public Health by $1,020,005, as follows:*

Increase appropriations:

21840-4200100000-510040	Regular salaries	$178,385
21840-4200100000-518100	Budgeted benefits	90,676
21840-4200100000-510330	TAP salaries	50,000
21840-4200100000-510240	Per diem salaries	50,000
21840-4200100000-523640	Computer equipment - non fixed asset	20,000
21840-4200100000-523680	Office equipment non fixed assets	70,000
21840-4200100000-522860	Medical - dental supplies	40,000
21840-4200100000-526420	Advertising	175,000
21840-4200100000-526700	Rent - lease buildings	15,000
21840-4200100000-529540	Utilities	2,000
21840-4200100000-523700	Office supplies	22,000
21840-4200100000-523800	Printing/binding	9,000
21840-4200100000-523840	Computer equipment - software	3,000
21840-4200100000-524500	Administrative support - direct	46,544
21840-4200100000-525440	Professional services	136,000
21840-4200100000-528140	Conference/registration fees	3,500

21840-4200100000-528900	Air transportation	2,400
21840-4200100000-528960	Lodging	2,200
21840-4200100000-528980	Meals	1,000
21840-4200100000-529060	Public service transportation	800
21840-4200100000-528920	Car pool expense	1,250
21840-4200100000-529040	Private mileage reimbursement	1,250
21840-4200100000-523620	Books/publications	50,000
21840-4200100000-527180	Operational supplies	50,000
	Total	1,020,005

Increase estimated revenue:

21840-4200100000-754020	CA – prop 56 tobacco act 2016	1,020,005

Recommendation 17: *That the Board of Supervisors approve and direct the Auditor Controller to make the budget adjustments for Community Action Partnership by $25,000, as follows:*

Decrease appropriations:

21050-5200200000-536240	Other contract agencies	$25,000

Increase appropriations:

21050-5200200000-546380	Vehicles other	25,000

Recommendation 18: *That the Board of Supervisors approve and direct the Auditor Controller to make the budget adjustments increasing appropriations and estimated revenue for Community Action Partnership by $27,428, as follows:*

Increase appropriations:

21050-5200300000-510320	Temporary salaries	$12,000
21050-5200300000-523660	Computer supplies	10,428
21050-5200300000-525500	Salary/benefit reimbursement	5,000
	Total	27,428

Increase estimated revenue:

21050-5200300000-767220	Fed - other operating grants	27,428

Recommendation 19: *That the Board of Supervisors approve and direct the Auditor Controller to make the budget adjustments increasing appropriations and estimated revenue for California Children's Services by $840,881 as follows:*

Increase appropriations:

10000-4200200000-510040	Regular salaries	$471,577
10000-4200200000-518100	Budgeted benefits	218,387
10000-4200200000-524500	Administrative support - direct	150,917
	Total	840,881

Increase estimated revenue:

10000-4200200000-751680	CA - state grant revenue	840,881

Recommendation 20: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for the Department of Public Social Services by $13,700,000, and decreasing Appropriations for Contingency by $4,000,000, as follows:*

Decrease appropriations:		
10000-1109000000-581000	Appropriations for contingencies	$4,000,000
Anticipated increase of unassigned fund balance:		
10000-1109000000-370100	Unassigned fund balance	4,000,000
Increase appropriations:		
10000-5100200000-530440	Client services	13,700,000
Increase estimated revenue:		
10000-5100200000-761000	Federal - public assistance programs	6,200,000
10000-5100200000-750700	CA - public assistance programs	3,500,000
	Total	9,700,000
Anticipated use of unassigned fund balance:		
10000-5100200000-370100	Unassigned fund balance	4,000,000

Recommendation 21: *That the Board of Supervisors 1) approve amending Ordinance No. 440 to add two hundred eighty-three (283) Social Services Practitioner III positions and forty-seven (47) Social Services Supervisor II positions; and 2) approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for the Department of Public Social Services by $26,482,194, and decreasing Appropriations for Contingency by $3,177,864, as follows:*

Decrease appropriations:		
10000-1109000000-581000	Appropriation for contingencies	$3,177,864
Anticipated increase of unassigned fund balance:		
10000-1109000000-370100	Unassigned fund balance	3,177,864
Increase appropriations:		
10000-5100100000-510040	Regular salaries	16,758,238
10000-5100100000-515040	Flex benefit plan	8,697,326
10000-5100100000-524700	County counsel	1,026,630
	Total	26,482,194
Increase estimated revenue:		
10000-5100100000-760000	Fed - public assistance admin	11,640,852
10000-5100100000-750300	CA - public assistance admin	11,663,478
	Total	23,304,330

Anticipated use of unassigned fund balance:

10000-5100100000-370100	Unassigned fund balance	3,177,864

Recommendation 22: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments adjusting appropriations and estimated revenue for the Office on Aging by $200,880, as follows:*

Increase estimated revenue:

21450-5300100000-751200	CA - health programs	$132,829
21450-5300100000-774500	Health services	3,205
21450-5300100000-767140	Federal - miscellaneous reimbursement	192,047
21450-5300100000-778010	Interfund - CDBG	5,000
	Total	333,081

Increase appropriations:

21450-5300100000-510040	Regular salaries	319,081
21450-5300100000-527780	Special program expense	14,000
	Total	333,081

Decrease estimated revenue:

21450-5300100000-778200	Interfund – miscellaneous	132,201

Decrease appropriations:

21450-5300100000-526700	Rent - lease buildings	130,357
21450-5300100000-529040	Private mileage reimbursement	1,844
	Total	132,201

Recommendation 23: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments decreasing appropriations for the Southwest Road and Bridge District by $3,807,392, as follows:*

Decrease appropriations:

31610-3130500000-537280	Interfund expense-misc. project expense	$3,807,392

Anticipated increase of assigned fund balance:

31610-3130500000-350200	AFB for construction/capital projects	3,807,392

Recommendation 24: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing estimated revenue for the Subdivision Operation in the amount of $166,441, as follows:*

Increase estimated revenue:

40660-947140-771930	Deposit based fee draws	$166,441

Anticipated increase of unrestricted net assets:

40660-947140-380100	Unrestricted net assets	166,441

Attachment A

Recommendation 25: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments decreasing estimated revenue for the Department of Animal Services and decreasing Appropriations for Contingency by $3,000,000, as follows:*

Anticipated use of unassigned fund balance:		
10000-4200600000-370100	Unassigned fund balance	$3,000,000
Decrease estimated revenue:		
10000-4200600000-720000	County animal licenses	652,602
10000-4200600000-773230	City licenses – service charge	231,176
10000-4200600000-773220	City billings – field services	1,296,311
10000-4200600000-773210	City billings – animal shelter services	819,911
	Total	3,000,000
Decrease appropriations:		
10000-1109000000-581000	Appropriations for contingencies	3,000,000
Anticipated increase of unassigned fund balance:		
10000-1109000000-370100	Unassigned fund balance	3,000,000

Recommendation 26: *That the Board of Supervisors approve and direct the Auditor Controller to make budget adjustments increasing appropriations for the Department of Animal Services and decreasing Appropriations for Contingency by $150,000, as follows:*

Anticipated use of unassigned fund balance:		
10000-4200600000-370100	Unassigned fund balance	$150,000
Increase appropriations:		
10000- 4200600000-528920	Car pool expense	100,000
10000- 4200600000-521500	Maintenance of motor vehicles	50,000
	Total	150,000
Decrease appropriations:		
10000-1109000000-581000	Appropriation for contingencies	150,000
Anticipated increase of unassigned fund balance:		
10000-1109000000-370100	Unassigned fund balance	150,000

Recommendation 27: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the EDA Administration Division by $125,000, as follows:*

Increase appropriations:		
21100-1900100000-528920	Car pool expense	$60,000
21100-1900100000-537180	Interfund - salary reimbursement	65,000
	Total	125,000
Increase estimated revenue:		
21100-1900100000-778220	Interfund-office expense	60,000
21100-1900100000-778330	Interfund - salary reimbursement	65,000

	Total	125,000

Recommendation 28: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations the EDA Economic Development Program by $1,510,000, as follows:*

Increase appropriations:		
21100-1901000000-523130	Memberships - other	$ 120,000
21100-1901000000-528500	Project cost expense	1,290,000
21100-1901000000-537180	Interfund - salary reimbursement	100,000
	Total	1,510,000
Anticipated use of assigned fund balance:		
21100-1901000000-350100	AFB for program money	1,510,000

Recommendation 29: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the Real Estate Division by $8,682,263, as follows:*

Increase appropriations:		
47220-7200400000-526700	Rent - lease buildings	$8,682,263
Increase estimated revenue:		
47220-7200400000-741460	Rental of buildings	3,048,055
47220-7200400000-777330	Leasing services	5,634,208
	Total	8,682,263

Recommendation 30: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for County Free Library by $3,099,310, as follows:*

Increase appropriations:		
21200-1900700000-510040	Regular salaries	$27,650
21200-1900700000-518100	Budgeted benefits	14,364
21200-1900700000-523680	Office equipment non fixed assets	425,848
21200-1900700000-523840	Computer equipment - software	87,690
21200-1900700000-525320	Security guard services	269,394
21200-1900700000-537080	Interfund expense - miscellaneous	83,690
21200-1900700000-537320	Interfund expense - improvements building	2,190,674
	Total	3,099,310
Anticipated use of restricted fund balance:		
21200-1900700000-321101	Restricted program money	3,099,310

Recommendation 31: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments decreasing appropriations and estimated revenue*

for CSA 41, as follows:

Decrease estimated revenue:

23425-904101-700020	Prop tax current secured	$4,896
23425-904101-740020	Interest-invested funds	5,423
23425-904101-790500	Operating transfer-in	1
	Total	10,320

Decrease appropriations:

23425-904101-522610	Road maintenance supplies	900
23425-904101-537160	Interfund expense-road maint grading	131,984
23425-904101-546160	Equipment-other	50
23425-904101-551100	Contribution to other funds	50
	Total	132,984

Anticipated increase of restricted fund balance:

23425-904101-321101	Restricted program money	122,664

Recommendation 32: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments decreasing appropriations for CSA 135 by $1,050, as follows:*

Decrease appropriations:

24450-913501-537240	Interfund expense-utilities	$1,050

Anticipated increase of restricted fund balance:

24450-913501-321101	Restricted program money	1,050

The department requests a budget adjustment decreasing appropriations and increasing restricted fund balance due to lower expenditures than anticipated. Last fiscal year, emergency road repairs were completed for roads damaged during the last severe rain storms. Remaining road improvements will be completed over a 3-year plan.

Recommendation 33: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments decreasing appropriations for CSA 149 by $177,417, as follows:*

Decrease appropriations:

24600-914901-537160	Interfund expense-road maintenance grading	$177,417

Anticipated increase of restricted fund balance:

24600-914901-321101	Restricted program money	177,417

Recommendation 34: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for CSA 85 by $20,000, as follows:*

Increase appropriations:

23850-908501-522320	Maintenance - grounds	$20,000

Anticipated use of restricted fund balance:

23850-908501-321101	Restricted program money	20,000

Recommendation 35: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments decreasing appropriations and estimated revenue for the HCM Technology fund by $1,159,827, as follows:*

Decrease estimated revenue:

46140-1131500000-790600	Contribution from other county funds	$1,159,827

Decrease appropriations:

46140-1131500000-525810	RCIT departmental applications	399,921
46140-1131500000-532660	Capital leases-other	759,906
	Total	1,159,827

Recommendation 36: *That the Board of Supervisors 1) approve amending Ordinance No. 440 to add two (2) Contract Procurement Specialist (PCS) position as indicated in Attachment B; and 2) approve and direct the Auditor-Controller to make the budget adjustments increasing appropriations and estimated revenue for Purchasing Services by $192,614, as follows:*

Increase estimated revenue:

10000-7300100000-777520	Reimbursement for services	$192,614

Increase appropriations:

10000-7300100000-510040	Regular salaries	102,200
10000-7300100000-518100	Budgeted benefits	50,126
10000-7300100000-524500	Administrative support-direct	40,288
	Total	192,614

Recommendation 37: *That the Board of Supervisors 1) approve and authorize the purchase of twenty-two (22) vehicles.*

Recommendation 38: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustment increasing appropriations for Supply Services by $347,000, as follows:*

Increase appropriations:

45700-7300400000-522310	Maintenance – building and improvement	$195,000
45700-7300400000-525440	Professional services	39,672
45700-7300400000-528920	Car pool expense	75,713
45700-7300400000-546200	Equipment - shop and yard	36,615
	Total	347,000

Attachment A

Anticipated use of unrestricted net assets:

45700-7300400000-380100	Unrestricted net assets	347,000

Recommendation 39: *That the Board of Supervisors 1) approve amending Ordinance No. 440 to delete eight positions for Public Safety Enterprise Communications and add eight positions for Information Technology as indicated in Attachment B; and 2) approve and direct the Auditor-Controller to make the budget adjustments to appropriations and estimated revenues in the Information Technology and Public Safety Enterprise Communications funds by $418,695, as follows:*

Increase appropriations:		
45520-7400600000-525440	Professional services	$418,695
Decrease appropriations:		
45520-7400600000-510040	Regular salaries	276,525
45520-7400600000-518100	Budgeted benefits	142,170
	Total	418,695
Increase estimated revenue:		
45500-7400100000-770840	RCIT pass - thru support	418,695
Increase appropriations:		
45500-7400100000-510040	Regular salaries	276,525
45500-7400100000-518100	Budgeted benefits	142,170
	Total	418,695

RESOLUTION NO. 440-9130

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY RIVERSIDE AMENDING ORDINANCE NO. 440

BE IT RESOLVED by the Board of Supervisors of the County of Riverside, State of California, in regular session assembled on November 19, 2019, that pursuant to Section 4(a)(ii) of Ordinance No. 440, the Executive Office is authorized to make the following listed change(s), operative on the date of approval, as follows:

Job Code	+/-	Department ID	Class Title	Type
92243	+1	2000100000	Senior GIS Specialist	Regular
74293	+1	2600700000	Contracts & Grants Analyst	Regular
73804	+1	4200200000	Physician IV	Regular
74052	+2	4200200000	Registered Nurse V	Regular
79810	1	4200200000	Social Services Practitioner III	Regular
79810	+283	5100100000	Social Services Practitioner III	Regular
79812	+47	5100100000	Social Services Supervisor II	Regular
15915	+1	7400101240	Accounting Technician I	Regular
74106	+1	7400101240	Admin Services Analyst II	Regular
77413	+1	7400101240	Sr. Accountant	Regular
15820	+1	7400101250	Sr. Support Services Tech	Regular
15826	+4	7400101250	Support Services Technician	Regular
15915	-1	7400600000	Accounting Technician I	Regular
74106	-1	7400600000	Admin Services Analyst II	Regular
77413	-1	7400600000	Sr. Accountant	Regular
15820	-1	7400610000	Sr. Support Services Tech	Regular
15826	-4	7400640000	Support Services Technician	Regular

ROLL CALL:

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None

The foregoing is certified to be a true copy of a resolution duly adopted by said Board of Supervisors on the date therein set forth.
KECIA R. HARPER - Clerk of said Board
By [signature] Deputy

11.19.19 3.2

County of Riverside Executive Office
High-level Budget Schedule

	FY 18/19	FY 19/20	FY 20/21	FY 21/22
1st quarter department status reports	10/09/18	10/07/19	10/13/20	10/12/21
1st quarter report to Board (EO Execs Lead)	**11/13/18**	**11/19/19**	**11/17/20**	**11/16/21**
2nd quarter department status reports.	01/09/19	01/09/20	01/11/21	01/10/22
Budget kickoff for next budget cycle (EO Budget Team Leads/Dept budget staff attends)	01/17/19	01/16/20	01/19/21	01/13/22
ISF Rate Approval for next cycle (EO Execs Lead)	**01/29/19**	**01/14/20**	**01/12/21**	**01/11/22**
2nd quarter report to Board (EO Execs Lead)	**02/05/19**	**02/04/20**	**02/09/21**	**02/08/22**
Budget submittals due for next budget	03/11/19	03/12/20	03/15/21	03/14/22
3rd quarter department status reports	04/08/19	04/14/20	04/12/21	04/11/22
Suspend CTRs	05/01/19	05/01/20	05/01/21	05/01/22
3rd quarter report & budget preview (EO Execs Lead)	**05/14/19**	**05/12/20**	**05/11/21**	**05/17/22**
Recommended budget presented & budget hearings opened (EO Execs Lead)	**06/10/19**	**06/15/20**	**06/14/21**	**06/13/22**
Budget Adopted				
Statutory deadline by which Board must approve next recommended budget	***06/30/19***	***06/30/20***	***06/30/21***	***06/30/22***
Adjustments to next recommended budget presented (as needed) (EO Execs Lead)	**07/30/19**	**07/28/20**	**07/27/21**	**07/26/22**
Year-end clean-up adjustments due	08/05/19	08/03/20	08/09/21	08/08/22
Year-end clean-up of old year budgeted appropriations (as needed) (EO Budget Team Leads)	**08/27/19**	**08/25/20**	**08/31/21**	**08/30/22**
Next budget adopted (EO Execs Lead)	**09/24/19**	**09/29/20**	**09/28/21**	**09/27/22**
Statutory deadline by which Board must formally adopt next budget	***10/02/19***	***10/02/20***	***10/02/21***	***10/02/22***
Statutory deadline by which to file next adopted budget with Clerk of the Board and State Controller	***12/01/19***	***12/01/20***	***12/01/21***	***12/01/22***

All dates not in *italics* are tentative and subject to change.
Items in **bold** indicate Board dates.
Items underlined are statutory deadlines.

COUNTY OF RIVERSIDE
EXECUTIVE OFFICE

GEORGE A. JOHNSON
COUNTY EXECUTIVE OFFICER

LISA BRANDL
CHIEF OPERATING OFFICER

DON KENT
ASSISTANT COUNTY EXECUTIVE OFFICER
COUNTY FINANCE OFFICER

Budget Policies
November 2019

The budget will be maintained and amended, and future year budgets and long-range budget plans developed, based on the following budget policies:

1. **Strategic Objectives:** Allocation of the county's limited resources will be prioritized based on the county's overarching strategic organizational objectives.

2. **Financial Objectives:** In addition to the basic requirements for a balanced budget required by the state Budget Act, the county budget shall also strive toward meeting the following financial objectives within all of its funds:

   a. **Structural Balance:** Achieve a structurally balanced budget in which ongoing expenditures do not exceed ongoing revenues and limiting one-time resources to one-time expenditures.

   b. **Prudent Reserves:** Achieve and maintain prudent reserves and working capital in all funds as required by Board Policy B-30. Maintain general fund discretionary reserves above 25% of discretionary revenue, currently calculated at $210 million, and replenish and rebuild these reserves as soon as financial conditions allow.

   c. **Restricted fund balance and net assets:** Avoid accumulation of unexpended restricted fund balance and net assets, except where necessary for prudent reserves, working capital, or specified purposes as required by Board Policy B-30.

   d. **Committed and Assigned Fund Balance and Net Assets:** Hold commitments and assignments of fund balance or net assets only as long as necessary to provide for the purpose for which they are established, and release those no longer necessary and apply them either to other one-time uses or reserves.

3. **One-time Resources:** In line with the financial objective of achieving structural balance, one-time resources derived from unexpected or excess revenue or cost savings should be set aside to build reserves, not to backfill ongoing operations.

4. **Net Costs**

   a. **General Fund Net County Cost (NCC):** Aggregate net county costs shall be held stable until the general fund is structurally balanced and discretionary reserves are rebuilt. Ongoing discretionary funding allocated to general fund departments shall be recommended by the Executive Office; and all general fund budgets will be submitted within these net cost allocations. Budget requests exceeding NCC allocations may either be returned by the

Executive Office to department heads for adjustment or modified by the Executive Office as necessary to meet net cost allocation objectives.

b. **Net Costs in Other Funds:** The net costs of other non-general fund budget units will be kept within levels sufficient to maintain budgetary balance and sustainable levels of working capital over the long-term.

5. **Revenue Recognition:** Unless otherwise mandated or restricted, all departmental revenues shall be recognized in the year received in accordance with GASB standards.

6. **General Fund Support "Last In/First Out":** Departmental resources should be applied first, ensuring general fund support is provided only as necessary.

7. **Departmental Revenue:** Departmental revenue shortfalls will not be backfilled by the general fund. Departments should adjust their estimated revenues and appropriations accordingly for expected reductions in all outside revenue including, but not limited to, property tax, grant funds, public safety sales tax, state and federal funding.

8. **Budget Impacts:** Departments shall implement measures necessary to provide core services within allocated NCC, such as attrition, improved efficiency, or program reductions. Detailed written requests to restore cuts shall be presented separately to the Executive Office with the budget submittal. Budgets submitted with backfill assumed and incorporated into budget submittals, and that consequently exceed NCC allocations, may be returned for adjustment or modified by the Executive Office as necessary to meet the NCC allocated.

9. **Priorities in Budget Construction:** Budgets should be built prioritizing first all non-elective obligations, then mission-critical operational costs, and lastly all non-essential elective costs. So, the unavoidable basic costs of doing business, such as rent, debt service, and utilities should be budgeted first, including any anticipated increases for these expenditures. Next, budget for the operational costs of completing core missions, such as payroll, essential materials and services. Finally, budget for non-essential elective costs, such as subscriptions, memberships, and travel.

10. **Cost of Living Allowances (COLAs), Pension Obligations, and Other Labor Costs:** All departments will absorb all cost of living, pension, and other labor increases, including merit increases, cash outs of annual leave, and overtime.

11. **Vacant Positions:** With the exception of extraordinary situations handled on a case-by-case basis, unfunded vacant positions shall be deleted.

12. **Position Activity:** Deletion, addition, or exchange of positions during budget preparation and approval should be limited to prevent conflicts or discrepancies with the requested position levels on which funding decisions depend.

13. **Vehicles and other fixed assets:** Authorization for the acquisition of vehicles and other fixed assets shall only be valid for the year in which they are initially budgeted and shall expire at the end of that fiscal year. Authorized vehicles and other fixed assets for which purchase orders are not initiated by year-end shall not roll over to the subsequent fiscal year, but may be submitted for consideration for reauthorization the following fiscal year subject to availability of funding.