

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



ITEM: 3.8
(ID # 18391)

MEETING DATE:
Tuesday, March 01, 2022

FROM : EXECUTIVE OFFICE:

SUBJECT: EXECUTIVE OFFICE: Receive and File the Fiscal Year 2021-2022 Midyear Budget Report; Approval of the recommendations and associated budget adjustments, All Districts. [\$58,292,455 - 2% General Fund, 98% Department budgets] (4/5 Vote Required)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file the Fiscal Year 2021-2022 Midyear Budget Report;
2. Approve the recommendations and direct the Auditor-Controller to make the budget adjustments contained in Attachment A;
3. Approve Resolution No. 440-9243 amending Ordinance 440 as contained in Attachment B.

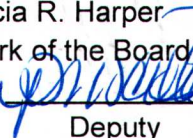
ACTION: 4/5 Vote Required, Policy


Dave Rogers, Chief Administrative Officer 2/23/2022

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Washington seconded by Supervisor Spiegel and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended and that Resolution 440-9243 is adopted as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: March 1, 2022
xc: E.O., HR

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	\$58,292,455	\$0	\$58,292,455	\$0
NET COUNTY COST	\$1,310,000	\$0	\$1,310,000	\$0
SOURCE OF FUNDS: 2% General Fund, 98% Department Budgets			Budget Adjustment: Yes	
			For Fiscal Year: 21/22	

C.E.O. RECOMMENDATION: Approve.

Heydee Koury

Heydee Koury, Sr Accountant - Auditor 2/23/2022



Jeff Van Wageningen, County Executive Officer 2/23/2022

Megan Gomez

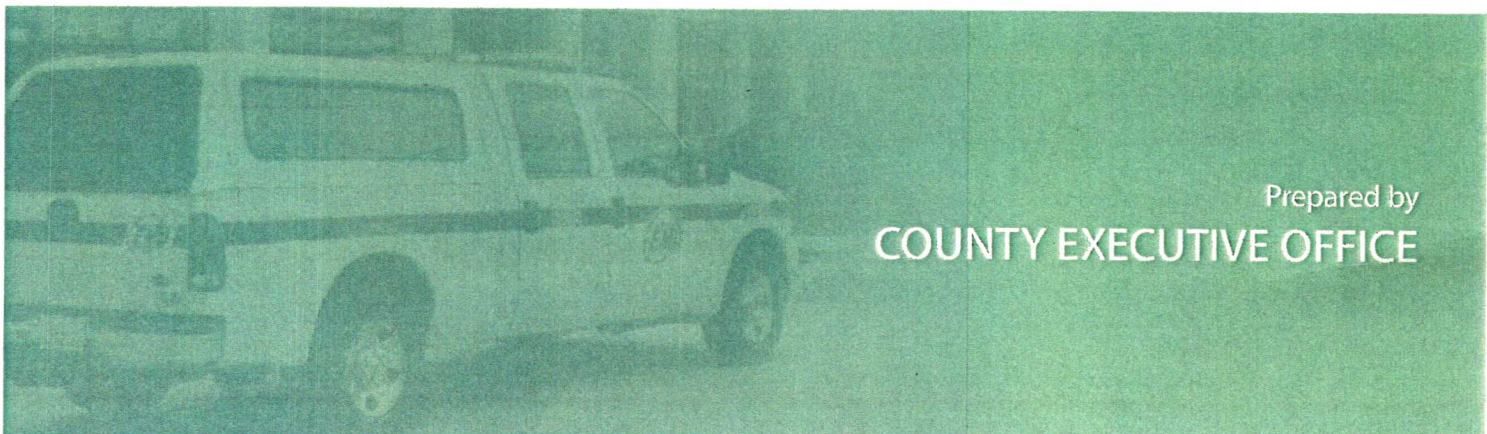
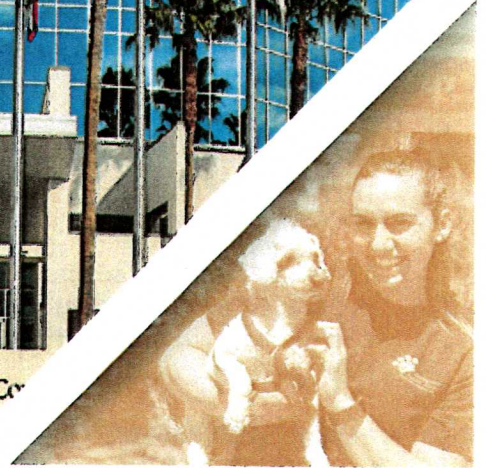
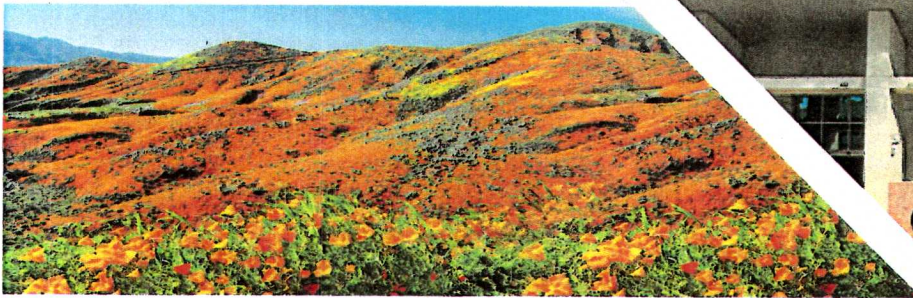
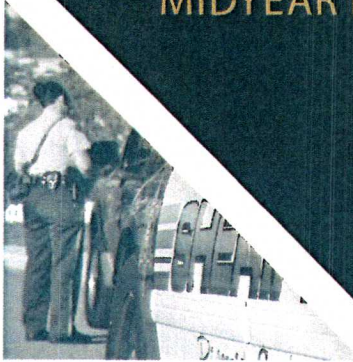
Megan Gomez, Assistant 2/23/2022



COUNTY OF RIVERSIDE

STATE OF CALIFORNIA

FISCAL YEAR
2021/2022
MIDYEAR BUDGET REPORT



Prepared by
COUNTY EXECUTIVE OFFICE



Fiscal Year 2021-2022 Midyear Report

March 1, 2022

Members of the Board of Supervisors:

At the end of the second quarter, the county's financial position remains relatively unchanged from the first quarter report. While we are showing a slight reduction in projected discretionary revenue, from \$956 million to \$954 million, our revenues are still anticipated to be significantly higher than they were at the time of the adopted budget.

General Fund
Projected Yearend Financial Position Fiscal Year 2021-22
As of Midyear
(\$ in Millions)

	Adopted Budget	First Quarter	Second Quarter
Beginning FY 21/22, Reserves	\$ 284	\$371	\$371
Discretionary Revenue	921	\$956	954
Less: Net County Cost	974	\$974	974
Net Deficit from Operations	(53)	(18)	(20)
Ending FY21/22 Reserves	\$ 231	\$353	\$351

Although we are only at the midpoint of the current fiscal year and the outlook appears stable, we have challenges looming in the coming fiscal years. While we continue to project increased revenues, the growth is rarely enough to keep pace with the cost to maintain the status quo and the need to fund additional programs to serve and support our residents. Concurrently, we continue to prioritize increasing our general fund reserves to better prepare for whatever comes next. As we develop the Fiscal Year 2022-23 budget, we will continue to focus on prudent spending, fiscal stability, and transforming how we deliver services.

This report includes several adjustments to department budgets that will not impact the general fund. Most departments will increase their departmental revenue or use their respective reserves to balance these costs. There is, however, one adjustment that will impact general fund contingency and that is the Executive Office adjustment of \$300,300 for one additional position and costs associated with redistricting.

IT IS RECOMMENDED that the Board of Supervisors:

Receive and file the Fiscal Year 2021-2022 Midyear Report and approve the recommendations as set forth therein.

Respectfully,

Jeffrey A. Van Wagenen, Jr.
County Executive Officer

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BUDGET OUTLOOK

Discretionary Revenue Projections

Overall, projected discretionary revenue estimates are up \$32.6 million from adopted budget projections. Highlights of the county's key general purpose revenues are noted below.

In the budget, the Executive Office continues to anticipate a blended growth rate around 4 percent for the next few years.

General Fund Projected Discretionary Revenue (in millions)			
	Adopted Budget	Current Quarter Estimate	Variance
Property Taxes	\$436.2	\$436.8	\$0.6
Motor Vehicle In Lieu	302.4	305.7	3.3
RDA Residual Assets	38.7	40.0	1.3
Tax Loss Reserve Overflow	18.4	18.4	-
Fines and Penalties	15.0	15.9	0.9
Sales & Use Taxes	33.4	42.4	9.0
Tobacco Tax	11.5	11.5	-
Documentary Transfer Tax	17.2	21.9	4.6
Franchise Fees	7.0	7.0	-
Interest Earnings	2.5	3.5	1.0
Misc. State	5.0	4.8	(0.3)
Federal In-Lieu	3.5	3.9	0.4
Rebates & Refunds	1.5	6.6	5.1
Other (Prior Year & Misc.)	18.6	25.2	6.6
Operating Transfers In	10.0	10.0	-
Total	\$921.0	\$953.6	\$32.6

Prop 172 Revenue

The projected Prop 172 revenue continues to grow mostly due to online shopping strength. This trend is expected to continue through FY 22/23.

Prop 172 Projected Revenue (in millions)			
	Adopted Budget	Current Quarter Estimate	Variance
Prop. 172 Public Safety Sales Tax	232.8	257.0	24.1

Budget Outlook

Property Taxes

Property tax revenue and motor vehicle fee revenue received in-lieu of property taxes, were both budgeted based on 5 percent growth in assessed values.

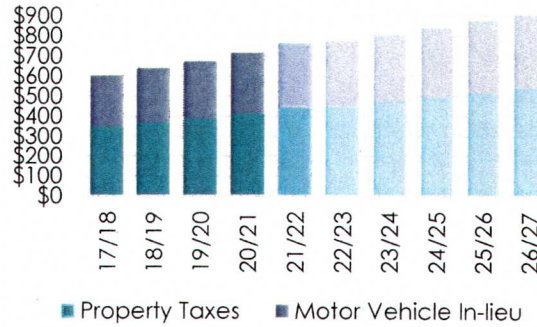
Sales and Use Taxes

In the midyear, the county's current sales and use tax projections assume an increase of \$9 million from the adopted budget. Riverside County fared better than other Southern California counties through the COVID-19 pandemic. Most sales tax categories are still strong. The projected increase is mostly due to updated pro-rata factors for the statewide sales tax pool of revenue. It is anticipated that increases will start leveling off in FY 22/23 ranging between 3 to 5 percent growth.

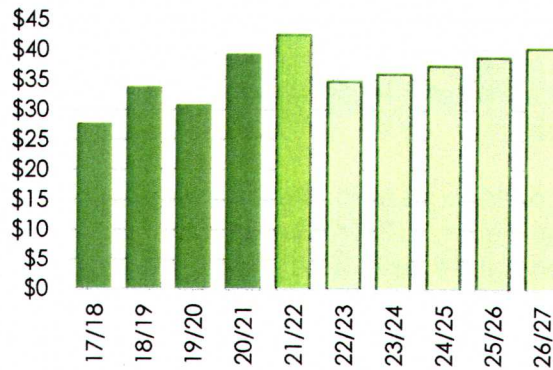
Prop. 172 Public Safety Sales Tax

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. Due to an increase in the pro rata share of the statewide pool, the county benefited greatly. For the midyear estimate, HdL Companies is projecting FY 21/22 ending revenue to be \$257 million, an increase of \$24.1 million from adopted budget projections.

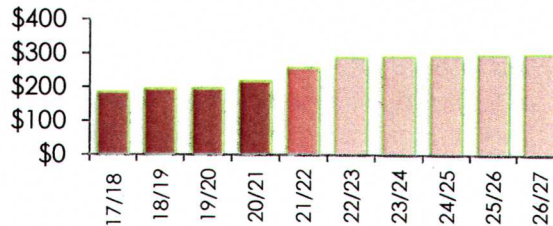
Property Taxes & Motor Vehicle In-lieu



Sales & Use Tax Revenue



Prop 172 Revenue Trend

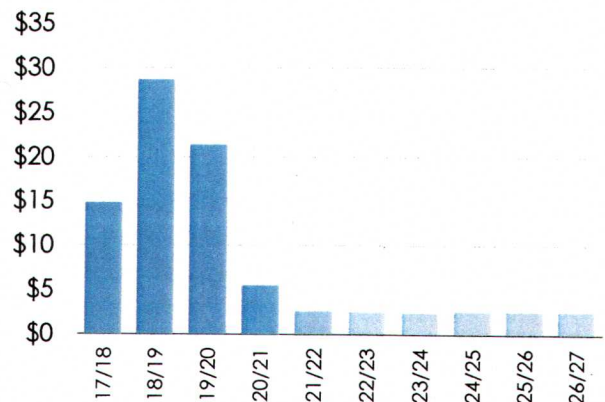


Interest Earnings

The Treasurer's estimate for FY 21/22 county general fund interest earnings increased to \$3.5 million. The midyear earnings estimate for FY 21/22 has increased by \$1 million from the adopted budget. The Treasurer-Tax Collector will closely monitor earnings estimates and will provide updates to budget staff if there are additional material changes.

The estimate update incorporates mid-year interest earning results. It also includes factors such as projected general fund balances in the Treasurer-Tax Collector's Pooled Investment Fund (TPIF), as well as current and projected levels of interest rates.

General Fund Interest Earnings



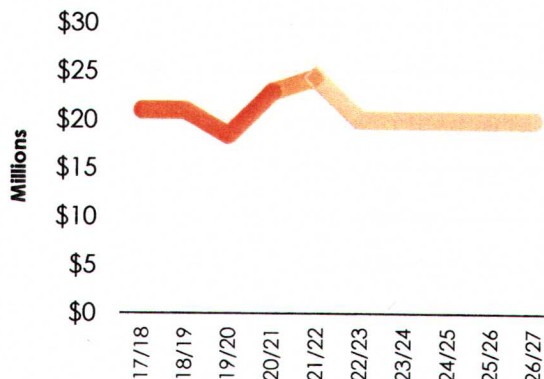
Short term interest rates are near zero and are projected to remain there until March 2022. The Federal Open Market Committee (FOMC) has voted to maintain rates at the target Federal Reserve (Fed) funds rate range of 0.00 - 0.25% in January 2022 but is anticipated to increase interest rates three times starting in March, to 0.75-1.00% by the end of 2022.

The TPIF's interest earnings rate has settled at the new low rates, and it's not projected to continue to move lower.

Teeter Tax Losses Reserve Fund (TLRF) Overflow

Under the California Teeter plan, the county advances property tax allocations to participating agencies 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

Actual TLRf Overflow Transfer



and taxation code, and consistent with prudent risk management. The TLRf revenue has remained the same from the adopted budget projections.

Budget Outlook

Long-Range Budget Schedule

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

- **March 14, 2022** - FY 22/23 Budget submittals due from departments
- **May 17, 2022** – FY 21/22 Third Quarter Budget Report
- **June 13 thru June 14, 2022 (as necessary)** - Presentation of the FY 22/23 Recommended Budget, opening of budget hearings, and approval of the budget.

These dates have been coordinated to work with the Board's approved 2022 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 \$20 million for contingency. This report contains a contingency reduction of \$300,300, for a total net reduction of \$3.3 million for the year, taking the contingency level to \$16.7 million, as summarized in the table below.

Use of General Fund Appropriations for Contingency

		Cost Adjustment	Revenue Adjust- ment	Total Adjustment	Balance Available
Adopted Budget Balance:					\$ 20,000,000
Adjustments to date:					
1st Qtr. Rec #6	HHPWS - Advance Asylum Seekers Response Program.	750,000		(750,000)	
1st Qtr. Rec #8	EO Court Facilities - Southwest Justice Center Courtroom Energy Efficient Lighting Project.	125,080		(125,080)	
1st Qtr. Rec. #16	Veterans Services - six positions & roof repairs.	432,998		(432,998)	
1st Qtr. Rec. #23	Public Defender - four IT Forensic Examiner positions.	325,686		(325,686)	
1st Qtr. Rec. #23	Public Defender - implementation of Laura's Law	331,277		(331,277)	
1st Qtr. Rec. #27	Code Enforcement - Weekend operations and eight vehicles.	770,000		(770,000)	
2/1/22 Item 3.22	Indigent Defense- increase legal services contract.	270,000		(270,000)	
	Total To Date	3,005,041	-	(3,005,041)	16,994,959
Actions recommended in this report:					
2nd Qtr. Rec. 1	Executive Office - one position and redistricting costs	300,300		(300,300)	
	2nd Quarter Report Total	300,300	-	(300,300)	
	Total adjustments to Contingency	3,305,341	-	(3,305,341)	
	Contingency Balance				<u>\$ 16,694,659</u>

Current Status

SUMMARY OF BUDGET ADJUSTMENT RECOMMENDATIONS

Budget Adjustments				
Rec. No.	Departments	Adjustment Description	General Fund/NCC	
1	Executive Office	Addition of one position and redistricting costs.	\$	300,300
Budget Adjustments				
Rec. No.	Departments	Adjustment Description	Increase in Estimated Departmental Revenues	Estimated Use of Fund Balance
2*	EO-Cabazon Community	Higher than anticipated sales tax projections for Cabazon CRA Infrastructure fund.	40,000	
3	EO-DA Fees	Additional appropriations for Developer Agreement (DA) funded projects.		452,000
4	EO-DIF	To provide additional appropriations for Development Impact Fee (DIF) funded projects previously approved by the Board of Supervisors.		15,000,000
5	EO-Health & Juvenile Services	Transfer of tax increments to Regional Access Project Fund.	200,000	
6	EO-Infrastructure Financing Auth	Increasing appropriations for cost associated with 2021A and 2021B Lease Revenue Bonds Refunding.	25,107,100	
7*	EO-Mead Valley	Higher than anticipated sales tax projections for Mead Valley Infrastructure Fund.	50,000	
8	EO-Redevelopment Pass-through	Increase in contributions to other funds as a result of higher revenues for Casa Blanca Redevelopment project.	15,000	
9*	EO-Wine Country Community	Higher than anticipated sales tax projections for Wine Country Fund.	45,000	
10	Office on Aging	Addition of four new positions and program costs funded with state and federal funds.	1,151,998	
11	Veterans Services	Purchase of copiers and an adjustment to increase Prop 63 grant revenue.	124,420	
12	Human Resources	Increase Workers Compensation due to claims trending higher.		10,000,000
13	Facilities Management	Increase pass-thru cost for non-capital projects, reimbursable by various departments.	960,000	
14	Purchasing and Fleet Services	Purchase of sixteen vehicles with departments to reimburse.	345,187	
15	Information Technology	Increase in software costs.	700,000	

Current Status

16	CSA 85	Increase in water rates.	36,000
17	District Attorney	Grant awards from Department of Insurance and Cal Office of Emergency Services.	275,000
18*	Probation	Transfers between Budgetary Units. No impact.	N/A
20*	Animal Services	Transfer between budgetary units. No impact.	N/A
21	Parks	Expansion of museum exhibit (\$15,750) and tree trimming budget increase (\$10,000).	15,750 10,000
22	Parks	Increase in appropriations for capital projects: Lake Skinner, Santa Ana River Trail and Hidden Valley.	2,500,000
23	TLMA - Building and Safety	Increase professional services for contracted building inspectors, plan checkers and counter permitting technicians.	1,400,000
* All Recommendations increase appropriations except for Recommendations 2, 7, 9, 18 and 20.			
<i>All budget adjustment recommendations are shown in attachment A and all position requests are shown in attachment B, both following the department summaries.</i>			
Position Requests			
Rec. No.	Departments	Positions	
10	Office On Aging	1	13865 – Office Assistant II
		1	74114 – Administrative Services Assistant
		2	79810 - Social Services Practitioner III
	Total	4	
Vehicle Requests			
Rec. No.	Departments	Request	
14	Purchasing and Fleet Services	Requests 8 vehicles for RCIT	
19	Sheriff	Requests 50 vehicles	
24	TLMA - Transportation	Request to finance a Line Striper	

FINANCE & GOVERNMENT SERVICES

Executive Office

The Executive Office is requesting an increase in net county cost (NCC) of \$300,300. This will partially fund a new Principal Policy Analyst position (\$140,000 for the remainder of FY 21/22) and fund \$160,300 for the redistricting of the supervisorial boundaries which include professional services, advertising, and legal services costs. The redistricting project is a one-time cost; the additional position will be an on-going expense.

Recommendation 1: *That the Board of Supervisors approve and direct the Auditor Controller to make budget adjustments increasing appropriations by \$300,300 for the Executive Office and decreasing appropriations for Appropriations for Contingency - General by \$300,300.*

Executive Office – Cabazon Community

Agenda Item 3-7B, dated November 19, 2013, established the Cabazon Community Revitalization Act effective January 1, 2014, for the exclusive purpose of directing twenty five percent of sales and use tax revenue generated from the expansion of the factory outlets in Cabazon this revenue is to be used toward augmenting impacts generated from the outlets such as infrastructure and public safety services in and around the Cabazon community. The Executive Office requests a budget adjustment to increase estimated revenue.

Recommendation 2: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing estimated revenue for the Cabazon Community Revitalization Act Infrastructure Fund by \$40,000.*

Executive Office - Developer Agreement Fees

Developer Agreements are legal contracts between the county and a developer pursuant to Government Code section 65864 et seq. Unless otherwise provided by the terms of the development agreement, the applicable rules, regulations, ordinances, and policies that govern the development project are those that are in force at the time of the execution of the agreement.

Developer Agreement (DA) Fees are no longer collected. The Executive Office requests a budget adjustment to increase appropriations for the various projects funded by DA fees as authorized by the Board of Supervisors.

Recommendation 3: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for the Developers Agreement Fee funds by \$452,000.*

Executive Office - Development Impact Fees

Development Impact Fees (DIF) are only charged to and collected from new development in unincorporated Riverside County, based on projects or facilities approved in the DIF Capital

Improvement Plan. The Executive Office requests a budget adjustment to increase appropriations for the various projects authorized by the Board of Supervisors.

Recommendation 4: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for the Development Impact Fee funds by \$15,000,000.*

Executive Office – Health and Juvenile Services

Per the cooperative agreement with the County of Riverside and the former Palm Desert Re-development Agency renewed on December 8, 2020 (Agenda Item No. 3.44), the Regional Access Project is funded by state tax increment. Executive Office requests a budget adjustment to transfer the tax increment to the appropriate budget for distribution of the funds to the Regional Access Project.

Recommendation 5: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the Health and Juvenile Services Fund by \$200,000.*

Executive Office - Infrastructure Financing Authority

The Riverside County Infrastructure Financing Authority was created through the joint powers agreement dated September 15, 2015, between the County of Riverside and the Riverside County Flood Control and Water Conservation District. The purpose of the agreement is to establish an agency for, and with the purpose of issuing bonds, notes or other evidence of indebtedness or certificates of participation in leases or other agreements to finance or re-finance public capital improvements, among others.

On September 14, 2021, the Board of Supervisors approved the issuance of the Riverside County Infrastructure Financing Authority Lease Revenue Refunding Bonds, Series 2021A and Series 2021B (Federally Taxable). Resulting from proceeds of the bonds, a budget adjustment of \$25 million is needed to establish the budget for additional transfers to the escrow agent, and the cost associated with terminating the variable rate swap agreement on the County of Riverside Asset Leasing Corporation, Series 2008A Southwest Justice Center variable rate demand leasehold revenue refunding bonds.

Recommendation 6: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the 2021 A&B Infrastructure Financing Authority Lease Revenue Refunding by \$25,107,100.*

Executive Office – Mead Valley Community

The Mead Valley Community Revitalization fund was created on April 18, 2015 (Agenda Item 3-1), for the purpose of directing sales and use tax revenue growth primarily generated from the development of the commercial corridor west of Interstate 215, bounded by Nandina Avenue on the north and Nuevo Road on the south, within the 2015 boundaries of the Mead Valley Municipal Advisory Committee. A budget adjustment is requested to increase estimated revenue and committed fund balance for the Mead Valley Community Revitalization

Current Status

Fund as a result of higher than anticipated revenue in the first half of FY 21/22.

Recommendation 7: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing estimated revenue for the Mead Valley Infrastructure Fund by \$50,000.*

Executive Office – Redevelopment Pass-Through

The County of Riverside has a redevelopment pass-through agreement with the City of Riverside pertaining to the city's Casa Blanca Redevelopment project area that stipulates revenue allocated to the county must be deposited into a special fund dedicated to operations of the neighborhood clinic in the city's Casa Blanca area. Revenue is projected to exceed the amount budgeted and a budget adjustment is requested to increase estimated revenue.

Recommendation 8: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue to the Casa Blanca Clinic Operations Fund by \$15,000.*

Executive Office – Wine Country Community

The Wine Country Community Revitalization Fund was created on September 9, 2014 (Agenda Item 3-6), for the purpose of building infrastructure per the approved Wine Country Plan. The requested budget adjustment will increase estimated revenue and committed fund balance for the Wine Country Community Revitalization Fund because of higher than anticipated revenue in the first half of FY 21/22.

Recommendation 9: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing estimated revenue for the Wine Country Infrastructure Fund by \$45,000.*

HUMAN SERVICES

Office On Aging

Riverside County Office on Aging (RCOoA) requests a budget adjustment of \$1.2 million due to increases in state and federal funding from the Area Plan Amendment #2 - Consolidated Appropriations Act and Elder Justice Title XX, the Multipurpose Services for Senior Program (MSSP) and Retired Senior Volunteer Program (RSVP). This will result in an amended annual budget of \$23 million. Resources needed to support direct service expansion and additional administrative needs related to these funds are four (4) new RCOoA positions. The department continues to enhance efficient operations and exercise sound fiscal management. At this time, the department projects it is within FY 21/22 budget targets.

Recommendation 10: *That the Board of Supervisors 1) approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the Office on Aging Fund by \$1,151,998, and 2) approve amending Ordinance 440 to add four (4) new positions for Office on Aging.*

Veterans' Services

Veterans' Services requests a budget adjustment to increase appropriations by \$30,000 to purchase and replace copiers at three offices. The copiers are at end of life and will be purchased using subfund for enhanced services and outreach. A second adjustment is for the Prop. 63 grant administered by CalVet in the amount of \$94,420 to provide mental health related services to student veterans and their family members.

Recommendation 11: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the Veterans' Services by \$124,420.*

INTERNAL SERVICES

Human Resources

At midyear, Workers Compensation claims cost are trending higher than anticipated at an average of \$2.5 million per month, whereas the initial budget was built using average of \$2 million per month. With the recent surge in COVID-19 related Worker's Compensation claims, the average is likely to be even higher in the coming months. As a result, a budget adjustment is requested to ensure adequate appropriations. Existing fund balance held in reserve for this purpose will cover the increased expenditures.

Recommendation 12: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustment increasing appropriations for the Workers Compensation Fund by \$10,000,000.*

Facilities Management

Facilities Management Project Management Office requests a budget adjustment to cover pass-through expenses related to several large non-capital projects. These costs will be offset with revenue from RUHS, DPSS, TLMA, Probation, IT, Fire and Library department budgets.

Recommendation 13: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the Facilities Management Project Management Office by \$960,000.*

Purchasing and Fleet Services

Purchasing and Fleet Services requests a budget adjustment to purchase 16 vehicles in total due to requests from the following departments: TLMA Code Enforcement (8) and RCIT (8). Fleet Services requests authorization to purchase eight vehicles for RCIT from the Board of Supervisors as they have an immediate need for the use of vehicles and have sufficient appropriations to make these purchases. On January 25, 2022, the Board of Supervisors approved item 3.58 authorizing TLMA Code Enforcement to purchase eight vehicles. The Fleet Services budget adjustment for this item is included in this report.

Current Status

Recommendation 14: *That the Board of Supervisors 1) approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the Fleet Services Fund by \$345,187 and 2) approve and authorize the purchase of eight vehicles.*

Riverside County Information Technology

In the FY 21/22 Adopted Budget the department was requested to decrease its' software appropriation by \$1.9 million from the previous fiscal year. RCIT has received unbudgeted Microsoft Licensing revenue of \$700,000 and is requesting to apply it to the partial restoration of its' software budget.

Recommendation 15: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for Information Technology Fund by \$700,000.*

OFFICE OF ECONOMIC DEVELOPMENT

County Service Area

CSA 85 covers the Cabazon area, and requires an increase in appropriations to address costs associated with increased Cabazon Water District rates, as rates recently doubled from \$.03/unit to \$.06/unit. Savings due to less than expected security guard service and grounds maintenance costs will assist in offsetting this cost; however, use of fund balance in the amount of \$36,000 will be necessary to address the remainder. This adjustment will cover water costs through year-end.

Recommendation 16: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for CSA 085 Cabazon Lighting by \$36,000.*

PUBLIC SAFETY

District Attorney

The California Department of Insurance and California State Office of Emergency Services have each notified the department of increased award amounts for FY 21/22. Due to these increases the department is requesting a budget adjustment allowing the department to improve service levels.

Recommendation 17: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the District Attorney department by \$275,000.*

Probation

The Probation Department is projecting that, overall, expenditures will be within appropriations and net county cost targets at year end. During the second quarter, the department continued its efforts to meet service demands while operating with limited or reduced resources.

The department continues to evaluate the impacts of AB1869 on operations. The department included \$1 million in anticipated revenues within the FY 21/22 budget, however, this amount was rendered uncollectable by AB1869. Before the passage of AB1869, Probation clients were considered self-pay for certain services ordered by the court. Probation has worked closely with the courts to identify the impacted services and county's obligation to pay for court ordered services. The department is working closely with the Executive Office, County Purchasing and RUHS - Behavioral Health to address the funding issues related to Alcohol Monitoring Services, Electronic Monitoring and Global Positioning Systems due to the passage of AB1869. The county was allocated \$3.4 million in backfill funding in recognition of revenue loss connected to the elimination of fee authority. As this bill impacts multiple departments, the Board of Supervisors has the authority to determine how those funds are spent and allocated to individual county departments.

Senate Bill (SB) 129 provides funding for "the implementation and operation of ongoing court programs and practices that promote the safe, efficient, fair, and timely pretrial release of individuals booked into jail." SB129 appropriates funding of \$140 million in FY 21/22, and \$70 million in ongoing funding to the Judicial Council for distribution to the courts for these purposes. The courts are required to contract for pretrial services with their county's probation department that have primary responsibility for making arrests or prosecuting criminal offenses and provide those departments with the remainder of the funds. Probation is working closely with the courts to negotiate and identify the funding levels that the department will receive based on the current and on-going costs associated with the Pretrial Program.

The State's passing of SB823 halted the intake of youth into the Department of Juvenile Justice (DJJ) and shift responsibility for the State's DJJ function to the Riverside County Probation Department. Prior to SB823, the department budgeted cost related to the placement of youth at DJJ within its Court Placement budget unit. However, due to DJJ no longer accepting youth to its facilities, the cost of maintenance for youth will now shift from Court Placement to Institutional Services. The department is requesting budget transfer between the two budget orgs to cover the shift in operation needs, this adjustment will not impact the department's net county cost.

Recommendation 18: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for the Probation-Juvenile Hall Department by \$527,000 and decreasing appropriations for the Probation-Court Placement Care Department by \$527,000.*

Sheriff

At midyear, the Sheriff's Department is still projecting a balanced budget barring any unforeseen emergencies or a decrease in anticipated revenues. On March 9, 2021 (Item 3.22) the Department requested and received approval for vehicle financing in FY 20/21. Due to supply shortages for microchips, delivery of the vehicles was delayed to the current fiscal year. There are sufficient funds in the Sheriff's budget to cover the cost of these vehicles. The Department is requesting approval to finance 50 vehicles for a total equipment cost of \$2 million.

Current Status

Recommendation 19: *That the Board of Supervisors approve and authorize the financing of 50 vehicles.*

PUBLIC WORKS, LAND USE AND ENVIRONMENT

Animal Services

At midyear, Animal Services expanded from one budgetary unit to three. In order for Animal Services to manage budgets appropriately, the department is requesting to transfer budget from Operations to Administration. This transaction will not impact net county cost.

Recommendation 20: *That the Board approve and direct the Auditor-Controller to make budget adjustments increasing estimated revenues for the Department of Animal Services Administration department and decreasing estimated revenues for the Department of Animal Services Operations department by \$451,068.*

Regional Parks and Open Space District

The Park District is requesting an increase in appropriations for the following items: 1) California Humanities Grant of \$15,750 to expand museum exhibit called "Familia y Tradiciones: Four Generations of Change at the Jensen-Alvarado Ranch"; 2) Mayflower Tree Trimming budget increase of \$10,000 to maintain health and safety of the park and its customers; and 3) Request to transfer salaries and benefits budget of \$25,000 for the transfer of a Park Attendant from Hidden Valley Nature Center to Idyllwild Nature Center due to site needs and demand.

Recommendation 21: *That the Board of Supervisors approve and direct the Auditor Controller to make budget adjustments increasing appropriations by \$25,750 and increasing estimated revenues for the Regional Parks and Open Space District by \$15,750.*

Regional Parks and Open Space District

The Park District is requesting an increase in appropriations for capital projects that were postponed during the pandemic last fiscal year and have since resumed this year. Those projects include Lake Skinner Lift Station Replacement through DIF funding; Santa Ana River Trail Project funded by the California Coastal Conservancy grant; and Hidden Valley Restoration Project currently funded by the California Wildlife Conservancy Board.

Recommendation 22: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the Regional Parks and Open Space District by \$2,500,000.*

Building and Safety

The Building and Safety Department has seen a significant increase in professional services costs due to utilizing contract Building Inspectors, Plan Checkers and Counter Permitting Technicians to catch up with the overwhelming backlog. Consultants have also been utilized to complete the Coachella Valley Sports Arena project.

The department would like to request a budget adjustment of \$1.4 million that will allow Building and Safety to keep up with the high demand of permits being processed. This cost will be offset with increased revenues. There is no impact to net county cost.

Recommendation 23: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriation and estimated revenues for the Building and Safety Department by \$1,400,000.*

Transportation

Transportation - Equipment budgeted for a piece of equipment called a Line Striper, or "Small Striper" in FY 20/21 and it was included on Schedule 21 - Financed Fixed Asset Request.

This piece of equipment was not received in FY 20/21 but will now be received in FY 21/22. The funding for this equipment was included in the FY 21/22 Adopted Budget however, it was not included on the FY 21/22 Schedule 21 to be reapproved. Transportation is asking that this item be approved for purchase and financing in FY 21/22.

Recommendation 24: *That the Board of Supervisors approve and authorize the financing of one Line Striper.*

Attachment A Summary of Recommendations

Recommendation 1: That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations by \$300,300 for the Executive Office and decreasing appropriations for Appropriations for Contingency - General by \$300,300.

<u>Fund</u>	<u>Dept ID</u>		<u>Account</u>	<u>Amount</u>
10000	1100100000	Executive Office	510040 Regular Salaries	140,000
10000	1100100000	Executive Office	525020 Legal Services	37,300
10000	1100100000	Executive Office	525440 Professional Services	57,000
10000	1100100000	Executive Office	526420 Advertising	66,000
10000	1100100000	Executive Office	370100 Unassigned Fund Balance	(300,300)
10000	1109000000	Appropriation for Contingency-General	581000 Approp For Contingencies	(300,300)
10000	1109000000	Appropriation for Contingency-General	370100 Unassigned Fund Balance	300,300

Recommendation 2: That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing estimated revenue for the Cabazon Community Revitalization Act Infrastructure Fund by \$40,000.

<u>Fund</u>	<u>Dept ID</u>		<u>Account</u>	<u>Amount</u>
30360	1110600000	Cabazon CRA Infrastructure	790600 Contribution from Other County Funds	40,000
30360	1110600000	Cabazon CRA Infrastructure	330109 CFB-Capital Projects	40,000

Recommendation 3: That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for the Developers Agreement Fee funds by \$452,000.

<u>Fund</u>	<u>Dept ID</u>		<u>Account</u>	<u>Amount</u>
30500	1103500000	Mitigation Project Operation	551100 Contribution to Other Funds	452,000
30500	1103500000	Mitigation Project Operation	322103 Rst For Capital Project subfunds	(452,000)

Recommendation 4: That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for the Developers Impact Fee Fund by \$15,000,000.

<u>Fund</u>	<u>Dept ID</u>		<u>Account</u>	<u>Amount</u>
30500	1103700000	Devel. Impact Fees Op Org	551100 Contribution to Other Funds	15,000,000
30500	1103700000	Devel. Impact Fees Op Org	322103 Rst For Capital Project subfunds	(15,000,000)

Recommendation 5: That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the Health and Juvenile Services Fund by \$200,000.

<u>Fund</u>	<u>Dept ID</u>		<u>Account</u>	<u>Amount</u>
22430	1110200000	Health and Juvenile Services	536240 Other Contract Agencies	200,000
22430	1110200000	Health and Juvenile Services	781000 Contractual Revenue-RDV	200,000

Recommendation 6: That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustment increasing appropriations and estimated revenue for the 2021 A&B Infrastructure Financing Authority Lease Revenue Refunding Fund by \$25,107,100.

<u>Fund</u>	<u>Dept ID</u>		<u>Account</u>	<u>Amount</u>
37450	930001	Riv Co Infrastructure Fin Auth	532160 Issuance Costs	15,527,700
37450	930001	Riv Co Infrastructure Fin Auth	550100 Payment to Escrow Agent-CORAL	9,579,400
37450	930001	Riv Co Infrastructure Fin Auth	790010 Other Financing Sources	25,107,100

Recommendation 7: That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing estimated revenue for the Mead Valley Infrastructure Fund by \$50,000.

<u>Fund</u>	<u>Dept ID</u>		<u>Account</u>	<u>Amount</u>
30380	1110700000	Mead Valley Infrastructure	790600 Contribution from Other County Funds	50,000
30380	1110700000	Mead Valley Infrastructure	330109 CFB-Capital Projects	50,000

Recommendation 8: That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue to the Casa Blanca Clinic Operations Fund by \$15,000.

<u>Fund</u>	<u>Dept ID</u>		<u>Account</u>	<u>Amount</u>
22850	1110500000	Casa Blanca Clinic Operations	551100 Contribution to Other Funds	15,000
22850	1110500000	Casa Blanca Clinic Operations	781000 Contractual Revenue-RDV	15,000

Recommendation 9: That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing estimated revenue for the Wine Country Infrastructure Fund by \$45,000.

<u>Fund</u>	<u>Dept ID</u>		<u>Account</u>	<u>Amount</u>
30370	1110400000	Wine Country Infrastructure	790600 Contribution from Other County Funds	45,000
30370	1110400000	Wine Country Infrastructure	330109 CFB - Capital Projects	45,000

Recommendation 10: That the Board of Supervisors 1) approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the Office on Aging Fund by \$1,151,998 and 2) approve amending Ordinance 440 to add four new positions for Office on Aging.

<u>Fund</u>	<u>Dept ID</u>	<u>Account</u>	<u>Amount</u>
21450	5300100000	Office on Aging-Title III 510040 Regular Salaries	147,400
21450	5300100000	Office on Aging-Title III 518100 Budgeted Benefits	58,960
21450	5300100000	Office on Aging-Title III 525440 Professional Services	42,000
21450	5300100000	Office on Aging-Title III 527780 Special Program Expense	8,000
21450	5300100000	Office on Aging-Title III 536200 Contrib To Other Non-Co Agcy	895,638
21450	5300100000	Office on Aging-Title III 751200 CA-Health Programs	68,277
21450	5300100000	Office on Aging-Title III 767140 Fed-Misc Reimbursement	1,083,721

Recommendation 11: That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for Veterans Services by \$124,420.

<u>Fund</u>	<u>Dept ID</u>	<u>Account</u>	<u>Amount</u>
11176	5400100000	Veterans Services 527780 Special Program Expense	94,420
11176	5400100000	Veterans Services 546140 Equipment-Office	30,000
11176	5400100000	Veterans Services 755680 CA-Other Operating Grants	124,420

Recommendation 12: That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for the Workers Compensation Fund by \$10,000,000.

<u>Fund</u>	<u>Dept ID</u>	<u>Account</u>	<u>Amount</u>
46100	1130800000	Workers Compensation 534220 Comp Claims	10,000,000
46100	1130800000	Workers Compensation 380100 Unrestricted Net Assets	(10,000,000)

Recommendation 13: That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the Facilities Management Project Management Office by \$960,000.

<u>Fund</u>	<u>Dept ID</u>	<u>Account</u>	<u>Amount</u>
10000	7200500000	FM-Project Management Office 528500 Project Cost Expense	960,000
10000	7200500000	FM-Project Management Office 777520 Reimbursement for Services	960,000

Recommendation 14: That the Board of Supervisors 1) approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for Fleet Service Fund by \$345,187 and 2) approve and authorize the purchase of eight vehicles.

<u>Fund</u>	<u>Dept ID</u>	<u>Account</u>	<u>Amount</u>
45310	7300500000	Fleet Services 532600 Finance Purchase-Principal	11,659
45310	7300500000	Fleet Services 533720 Finance Purchase-Interest	1,387
45310	7300500000	Fleet Services 546320 Vehicles-Cars/Light Trucks	332,141
45310	7300500000	Fleet Services 777620 Vehicle Cost Recovery	345,187

Recommendation 15: That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for Information Technology Fund by \$700,000.

<u>Fund</u>	<u>Dept ID</u>	<u>Account</u>	<u>Amount</u>
45500	7400101000	Office of CIO 521640 Maint-Software	700,000
45500	7400101000	Office of CIO 777520 Reimbursement For Services	700,000

Recommendation 16: That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for CSA 085 Cabazon Lighting by \$36,000.

<u>Fund</u>	<u>Dept ID</u>	<u>Account</u>	<u>Amount</u>
23850	908501	CSA 085 Cabazon Lighting 529550 Water	36,000
23850	908501	CSA 085 Cabazon Lighting 321101 Restricted Program Money	(36,000)

Recommendation 17: That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the District Attorney by \$275,000.

<u>Fund</u>	<u>Dept ID</u>		<u>Account</u>	<u>Amount</u>
10000	2200100000	District Attorney	510040 Regular Salaries	225,000
10000	2200100000	District Attorney	518100 Budgeted Benefits	100,000
10000	2200100000	District Attorney	527840 Training-Education/Tuition	25,000
10000	2200100000	District Attorney	755680 CA-Other Operating Grants	350,000
11118	2200100000	District Attorney	537180 Interfnd Exp-Salary Reimb	20,000
11118	2200100000	District Attorney	537200 Interfnd Exp-Supportive Svcs	5,000
11118	2200100000	District Attorney	755460 CA-DA Auto Ins Fraud	25,000
11158	2200100000	District Attorney	527840 Training-Education/Tuition	(5,000)
11158	2200100000	District Attorney	528920 Car Pool Expense	(4,000)
11158	2200100000	District Attorney	537200 Interfnd Exp-Supportive Svcs	(30,000)
11158	2200100000	District Attorney	537180 Interfnd Exp-Salary Reimb	(61,000)
11158	2200100000	District Attorney	755360 CA-Workers Comp Ins Fraud	(100,000)

Recommendation 18: That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations for the Probation - Juvenile Hall Department and decreasing appropriations for the Probation-Court Placement Care department by \$527,000.

<u>Fund</u>	<u>Dept ID</u>		<u>Account</u>	<u>Amount</u>
10000	2600400000	Probation-Court Placement Care	530220 Support & Care-Persons	(527,000)
10000	2600400000	Probation-Court Placement Care	370100 Unassigned Fund Balance	527,000
10000	2600100000	Probation-Juvenile Hall	525440 Professional Services	527,000
10000	2600100000	Probation-Juvenile Hall	370100 Unassigned Fund Balance	(527,000)

Recommendation 20: That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing estimated revenues for the Department of Animal Services Administration department and decreasing estimated revenues for the Department of Animal Services Operations department by \$451,068.

<u>Fund</u>	<u>Dept ID</u>		<u>Account</u>	<u>Amount</u>
10000	4200600000	DAS-Operations	777090 Collections Program	(387,231)
10000	4200600000	DAS-Operations	777880 Credit Card Fees	(63,837)
10000	4200600000	DAS-Operations	370100 Unassigned Fund Balance	(451,068)
10000	4201600000	DAS Administration	777090 Collections Program	387,231
10000	4201600000	DAS Administration	777880 Credit Card Fees	63,837
10000	4201600000	DAS Administration	370100 Unassigned Fund Balance	451,068

Recommendation 21: That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations by \$25,750 and increasing estimated revenues by \$15,750 for the Regional Parks and Open Space District.

<u>Fund</u>	<u>Dept ID</u>		<u>Account</u>	<u>Amount</u>
25400	931104	Regional Park & Open Space Dis	330100 Committed Fund Balance	(10,000)
25400	931303	Reg Parks-Jensen Alvarado Historic Ranch	522310 Maint-Building and Improvement	15,750
25400	931303	Reg Parks-Jensen Alvarado Historic Ranch	751680 CA-State Grant Revenue	15,750
25400	931305	Reg Parks-Hidden Valley Nature Center	510040 Regular Salaries	(25,000)
25400	931306	Reg Parks-Idyllwild Nature Center	510040 Regular Salaries	25,000
25400	931421	Reg Parks-Mayflower Park	521600 Maint-Service Contracts	10,000

Recommendation 22: That the Board of Supervision approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the Regional Parks and Open Space District by \$2,500,000.

<u>Fund</u>	<u>Dept ID</u>		<u>Account</u>	<u>Amount</u>
33100	931105	Park Acq & Dev, District	542120 Improvements-Infrastructure	500,000
33100	931105	Park Acq & Dev, District	754300 CA-Capital Grants and Contrib	350,000
33100	931105	Park Acq & Dev, District	781560 Contrib Fr Non-County Agencies	150,000
33120	931800	Park Acq & Dev, DIF	542120 Improvements-Infrastructure	2,000,000
33120	931800	Park Acq & Dev, DIF	790600 Contrib Fr Other County Funds	2,000,000

Recommendation 23: That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and estimated revenue for the Building and Safety Department by \$1,400,000.

<u>Fund</u>	<u>Dept ID</u>		<u>Account</u>	<u>Amount</u>
20250	3110100000	Building & Safety	525440 Professional Services	1,400,000
20250	3110100000	Building & Safety	722060 Permit-Building	500,000
20250	3110100000	Building & Safety	771930 Deposit Based Fee Draws	900,000

RESOLUTION NO. 440-9243

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 March 1, 2022, 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:

<u>Job Code</u>	<u>+/-</u>	<u>Department ID</u>	<u>Class Title</u>	<u>Type</u>
13865	+1	5300100000	Office Assistant II	Regular
74114	+1	5300100000	Administrative Services Assistant	Regular
79810	+2	5300100000	Social Services Practitioner III	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  Deputy