BOARD OF SUPERVISORS AGENDA LETTER

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:

Department Names:	County Executive Office (CEO)
Department No:	012
For Agenda Of:	April 15,17, & 19, 2019
Placement:	Departmental
Estimated Tme:	3 days
Continued Item:	No
If Yes, date from:	
Vote Required:	Majority

TO: Board of Supervisors

FROM: Department Directors Mona Miyasato, County Executive Officer

Contact Info: Jeff Frapwell, Assistant CEO, Budget & Research

SUBJECT: Fiscal Year 2019-20 Budget Development Workshops

Recommended Actions:

It is recommended that the Board of Supervisors:

a) Hold budget workshops on April 15, 17, and 19, 2019, to receive presentations on the Fiscal Year 2019-20 Budget;

b) Provide direction, if any, regarding items to be addressed or included in the CEO's Recommended Budget, scheduled for release in May and Board adoption scheduled for June 11 and 13, 2019.

c) Provide direction, if any, regarding Special Issues or other items; and

d) Determine pursuant to CEQA Guidelines 15378(b)(4) that the above actions are not a project subject to CEQA review, because it is a government fiscal activity that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

Summary:

Fiscal Year 2019-20 will be a milestone year, with the culmination of major initiatives that have been in the making for over a decade. The preliminary FY 2019-20 budget also marks the first time since FY 2007-08 that service level reductions are not proposed by any County department. This is all positive news, resulting from years of prioritizing key projects, careful planning, managing resources, preparing for the future, and no new natural disasters in this past year. There has also been continued, modest growth in local revenues, and a healthy State budget with a surplus. In addition, net pension costs are slightly *decreasing* next year as a result of pension cost sharing agreements the County negotiated with our labor unions last year to reduce uncertainty of future increases.

While all positive indicators, unmet needs continue, such as required investments in the County's facilities, roads, public safety communications system, and core Countywide technology infrastructure. Some departments are also seeking additional staff to perform at improved levels of service or to address unmet community needs. Also, caution is warranted, as a future recession may be nigh, bringing a potential slowdown to local, state and federal revenues. Our five-year forecast included a slowdown in FY 2020-21, with resulting revenue declines. Staff has been cognizant of those estimates in preparing this year's preliminary budget.

Purpose of the Budget Workshops

Budget workshops are held one month before the release of the Recommended Budget and two months before Budget Hearings to provide the Board an opportunity to review and discuss departments' preliminary budgets and special issues, receive public input on these items, and provide the CEO direction on policy issues or specific items for consideration prior to completion of the final Recommended Budget.

At the workshops, department directors will provide presentations on their budgets, significant issues impacting their operations, accomplishments, goals for the upcoming fiscal year, budget expansion requests, and updates on their Renew '22 initiatives. The County Executive Office, in conjunction with the Auditor-Controller's Office, has completed the review of submitted department budgets and revenue estimates, which remain subject to change until the tax roll is completed and the State budget is adopted.

The workshops also provide an opportunity for the Board to receive information and provide direction to staff, as appropriate, on particular policy issues that affect department budgets. This year, the workshops include five special issue reports:

1. Assisted Outpatient Treatment (AOT) Update (Monday, included in Behavioral Wellness presentation)
2. Mental Health Diversion Efforts (Monday, following Behavioral Wellness presentation)
3. Northern Branch Jail Operating Fund Update (Wednesday, following Sheriff presentation)
4. County Efforts to Address Homelessness (Wednesday, following Community Services presentation)
5. Library Update (Wednesday, following Homelessness presentation)

The materials provided at the workshop are not intended to be inclusive of the entire Recommended Budget, which will be finalized with all financial schedules and department detail pages and released in May. Budget Hearings are scheduled to be held on June 11 and 13, 2019. At those hearings, staff will present and review the Recommended Budget for the Board's consideration, amendment, and adoption.

Positive and Stable Outlook for FY 2019-20

As the County approaches FY 2019-20, our fiscal position is stable, with revenues expected to meet current operational needs and no anticipated service level reductions. State, federal, and local revenues are expected to be sufficient to accommodate the current level of service, with some modest service expansions to meet mandates or critical needs next fiscal year.

In November, staff presented the Five-Year Forecast report, which projected a slight surplus in FY 2019-20 in the General Fund and included impacts of an economic softening beginning in FY 2020-21. Funding was allocated for pre-workshop expansions as described below.

Budget development for FY 2019-20 is based on the following:

- **Revenues are expected to continue moderate growth in FY 2019-20.** Discretionary revenue sources, including property taxes, sales taxes, and transient occupancy taxes, have largely recovered from the impacts of the Thomas Fire and debris flow in winter 2017-2018, and new revenues—from cannabis taxes as well as the recent opening of the Miramar Beach Hotel and full reopening of San Ysidro Ranch, which was damaged in the debris flow—will boost available funds. State and federal funds for ongoing services are anticipated to improve slightly. One exception is in Public Health, where health realignment funding of $2.1 million is a risk in the Governor's initial January budget; the County continues to work with our delegation and the State Department of Finance on this issue.
- **Service level reductions have been avoided** for the upcoming fiscal year as a result of adequate revenue and efficiencies in the departments.
- **Net pension costs are slightly reduced,** as higher employee cost sharing was negotiated and implemented in FY 2018-19, generating cost savings to the County in the upcoming fiscal year, and relieving budgetary pressure on some department budgets.
- **Cannabis tax revenue** is expected to meet budgeted levels, and is assumed to reach $5.6 million next year, which allows full support for enforcement operations as well as one-time funding for certain Board-identified items.
- **A few pre-workshop expansions** were granted to meet mandates, address potential regulatory issues, and address critical organizational needs. These include the following items:
    - **Warming Centers (Community Services Department):** An additional $30,000 in ongoing funding was allocated towards Warming Centers, which brings the total budget for this service to $80,000. Based on an increasing number of shelter activations experienced over the last few years, a higher level of County contribution toward this important "safety net" service appears warranted.

      The additional funding will also allow Warming Center staff to collaborate with the Coordinated Entry System team and collect basic personal data of participants for reporting. This is valuable to the overall system of care, particularly considering that the Warming Centers appear to serve a population that other shelter and housing providers do not. This data and linking to the Coordinated Entry System will assist in establishing eligibility and assessment for housing.
    - **Recruitment Services (Human Resources):** Two recruiter positions—at a total cost of $278,900—were added to the Employment and Workforce Planning Division. These positions are necessary to meet the current need that exists across the organization for timely and robust recruitments. Human Resources is now challenged to meet department needs for timely recruitments, with an increase of 94 recruitments over the last year—representing a 55% increase. The County's vacancy rate is increasing annually and the existing recruitment staffing level is unable to replace employees at the rate employees are leaving the County's employment.

      Another significant issue that impacts the ability to quickly recruit talent is the increasingly tight labor market. According to the UCSB Economic Forecast, the unemployment rate is 3.8% in Santa Barbara County and 4.2% statewide, resulting in a very competitive market, especially for positions requiring special skills or licensure. The additional recruitment staffing will allow Human Resources to be more responsive to operating departments' needs for increasing numbers of recruitments that can be conducted simultaneously,

thereby reducing the time it takes to fill critical vacancies, as well as to conduct more outreach to attract talent in the competitive labor market.

- **IT Support (Public Defender):** One Computer Systems Specialist position—at a cost of $110,800—was added to the Public Defender's Office. The department has minimal central administrative staffing, with one regular full-time IT support position and a Chief Financial and Administrative Officer who concurrently serves as IT Manager. The IT function is responsible for servicing all voice and data services including telephones, voicemail, computers, and data servers. Business needs have changed, particularly as the department has gone paperless, and the entire IT infrastructure of the department needs to be rebuilt. The tools available and applications employed by staff have increased significantly over the past few years, including mandatory web applications for e-filing and e-discovery, video conferencing with clients from remote locations, and the increasing complexity of discovery information such as body cameras, cell phone extracts, financial information, and numerous surveillance systems.

  The additional position will meet the needs of the department and allow the CFAO to focus on other critical responsibilities including budget management, daily financial transactions and tracking, personnel management, oversight of administrative staff, and redesign of the case management system. Additionally, adequate IT staffing will reduce the number of cases continued unnecessarily, thereby contributing to the efficiency of the justice system. Even with this additional IT support position, the Public Defender's Office will still have the lowest IT staffing level of all the criminal justice departments.

- **Conservatorship (Treasurer-Tax Collector & Public Defender):** Additional staffing for the Treasurer-Tax Collector's Office—one Public Administrator/Conservator II position at a cost of $121,600—and the Public Defender's Office—one extra-help Deputy Public Defender III position and the conversion of an existing part-time extra-help investigator to a full-time regular position at a total net cost of $176,700—are included in the preliminary budget to meet the demands of conservatorship services. In the Treasurer-Tax Collector's Office, a single LPS Investigator is currently responsible for all LPS investigations in North and South County and carries a caseload of 40 ongoing LPS cases, which are usually reestablished every year. The additional position dedicated to LPS conservatorship investigations will ensure this vulnerable population is effectively protected and the County fulfills our statutory requirements in a more timely manner. Due to a sharp rise in individuals found Incompetent to Stand Trial (IST), Court-ordered investigations have increased over 500% in the last five years, from six in FY 2014-15 to 40 in FY 2017-18. Santa Barbara County is one of the top 15 counties for IST per capita.

  In the Public Defender's Office, a single attorney and part-time extra-help investigator are currently assigned to these cases in both North and South County. The investigator typically visits each conservatorship client in person, one time per year, just prior to the establishment (or reestablishment) of conservatorship (LPS) or conservatorship reviews (Probate). In FY 2017-18, these visits averaged 19 per month. The current attorney caseload is 268 Probate Conservatorships, 137 LPS Conservatorships, and 72 writs. American Bar Association 2017 standards would indicate a staffing need of more than four attorneys; California 2006 standards would indicate a need for two attorneys. An additional attorney and a full-time investigator dedicated to the conservatorship caseloads would bring the department closer to ABA caseload standards and ensure effective protection for these vulnerable populations.

- **Board priorities** were discussed in February. The Board reconfirmed the County's existing top funding priorities and individual Supervisors requested other items. Those are incorporated into the preliminary budget through department work plans or expansion requests.

Major Milestones and Accomplishments

Fiscal Year 2019-2020 will be a milestone year, with the culmination of major funding initiatives that have been in the making for years. These projects are the result of the County's commitment of resources, over decades in some cases, and continued prioritization.

- **The Northern Branch Jail** is slated to finish construction and begin operations. The new jail has been in discussion since at least the year 2000. After two failed sales tax measures, in 2000 and 2010, the Board approved a funding plan for its operations, which began in FY 2011-12. While the State provided a majority of the funding for construction, the ongoing operating costs are the responsibility of the County General Fund, and are currently estimated at $18.8 million for the first full year of operations (FY 2020-21) with annual increases in future years. By adding incrementally higher amounts of GFC each year to a dedicated jail operating fund, we are slowly building towards the annual funding amount needed to operate the new jail. Currently, we are more than halfway towards building up sufficient ongoing funding to fully operate the new jail; the plan is expected to continue until FY 2022-23.
- **Fire Tax Shift** will reach its target of 17% of property tax revenues in FY 2019-20. This plan was approved by the Board to enhance Fire District services and address annual deficits in the District budget. The plan was approved in 2012 to shift 25% of the General Fund incremental property tax growth each year to the Fire District, until the local property tax rate for the Fire District reaches 17%. In FY 2019-20, $11.6 million of ongoing revenue is attributed to the shift (i.e., the amount above the FY 2011-12 discretionary General Fund transfer amount).
- **Tajiguas Resource Recovery Project** was approved in the current fiscal year but will remain under construction in FY 2019-20. This regional project, when completed, will meet State requirements for landfill waste diversion and represents the single largest reduction of greenhouse gas in the county.
- **Pension cost sharing** will result in a net reduction to our pension contribution costs starting in FY 2019-20. Foreseeing possible risk of future pension cost hikes, the County two years ago worked with its labor unions on pension cost sharing agreements to share the risk. While most agreements were approved in the prior fiscal year, the net reduction takes effect next year, with full impact not experienced until FY 2020-21, since the cost sharing agreement with employees was phased in over three years. The County's total pension contribution next year is $143.5 million (The gross pension rate in FY 2019-20 will be 40.02% payroll costs, which is a 0.88% increase from the current year. With the offset of the cost-sharing provisions, the rate is reduced by 1.55%, resulting in a net rate of 38.47%, or a $600,000 reduction from the current adopted budget.)
- **Major capital improvement projects** requiring General Fund support have been unfunded for several years. However, in the current year, the Board approved a list of projects for a combination of debt and one-time funding. These include improvements to the Main Jail, Cachuma Park infrastructure upgrades, Courthouse roof replacement, Calle Real campus water system replacement, renewable energy upgrades, public safety radio tower enhancements, a new South County headquarters building

for Probation, and expansion of the EOC. The CEO and GS will work together this coming year to develop a funding strategy for the large public safety radio replacement project.

Key Challenges and Emerging Issues

Every year, the County develops a balanced budget while maintaining focus on community priorities, State and federal mandates, legislative and regulatory changes, and building a strong future. Some challenges are unique to Santa Barbara County, and some are common among most local government agencies. As departments identified their key challenges, some common themes emerged, many of which were identified as such in last year's budget as well.

- **Recruitment, retention, and succession planning*:*** Human Resources is now challenged to meet department needs for timely recruitments, as described earlier, and slow recruitments are impeding the ability of departments to operate effectively. The tight labor market, high cost of housing in the county, and expected retirement of experienced workers add to the challenge. Department directors recently cited recruitment, retention and succession planning needs as their number one issue in 2019. As a result, the preliminary budget provides an early expansion prior to workshops of two HR staff to meet this this critical demand.
- **Increasing and changing State and federal mandates and regulations*:*** Legislative and regulatory changes continue to impact funding, workload, and service delivery systems. These changes are particularly prevalent among the social service and criminal justice departments. For example, Public Health faces a number of challenges, including the Governor's proposed additional redirection of $2.1 million in 1991 Realignment funding and the Governor's Executive Order that has the potential to increase net pharmaceutical costs by $2.4 million starting in January 2021. Departments continue to work closely with their respective professional organizations to mitigate impacts or prevent detrimental changes, as well as explore ways to work with CEO's office to find opportunities to meet new demands.
- **Growing need for updated technology infrastructure, security, and data storage capabilities:** In a recent survey of County department directors, 53% identified the need for the County to invest in updated technology as one of the top issues facing the County. The County is challenged to replace our core IT infrastructure to not only implement critical security protocols and network standards, but also to create the foundation to be able to implement new business applications to address changing IT demands. The ability for departments to implement new technology solutions aimed at providing more effective processes, automation, better case management, improved coordination, data sharing and information processing is hampered until we address system-wide improvements and resolve data sharing and storage deficiencies. The preliminary budget includes $2 million to establish a Technology Replacement & Investment Fund to address critical Countywide and multi-departmental IT projects. Potential projects will be vetted through the County's Executive Information Technology Council (EITC). Projects will then be ranked based on the following categories: scope of County benefit, County Technology Strategic Plan alignment, urgency, and payback period. Projects recommended for funding by the EITC during the 2019-20 fiscal year will be presented to your Board for consideration and approval along with any necessary budget revisions.
- **Deferred Maintenance*:*** Departments continue to struggle with addressing deferred maintenance for parks, roads and county facilities. In response to growing deferred maintenance needs, the Board developed a funding policy, effective in July 2015, providing a mechanism to increase ongoing funding available for maintenance projects. The policy commits 18% of unallocated discretionary general revenue growth to address maintenance needs on an annual basis, thereby increasing the ongoing funding every year that experiences growth in discretionary revenues.

It is anticipated that $6.4 million in ongoing General Fund revenues will be available to be dedicated to deferred maintenance per the 18% formula in FY 2019-20, reflecting growth of $2 million from the current $4.4 million ongoing level. In addition to this improved level of ongoing revenues available to meet this need, the preliminary budget allocates $7.2 million in one-time General Fund resources to address key deferred infrastructure replacement projects. Despite the annual growth anticipated in funding, the backlog of deferred maintenance projects countywide remains in the $400 million range, leaving a very significant gap between allocated funding and current need.

- **Diverting mentally ill individuals from the criminal justice system:** Efforts have been underway for several years to increase diversion of those with mental illness from the justice system, which affects many departments and partner agencies, and contributes to high costs in the social service and criminal justice systems. County diversion efforts at the departmental level are many: Behavioral Wellness runs the Justice Alliance Program as well as a crisis co-response team (CRT) collaboration with Sheriff; the District Attorney operates a Misdemeanor Diversion Program, the Public Defender has a Pre-Arraignment Unit and has adopted the holistic defense model; Probation, District Attorney, and Public Defender participate in the Collaborative Courts; Sheriff offers crisis intervention training (CIT) to law enforcement officers and implementation of a jail-based competency treatment program is pending. Several collaborative efforts are also underway, including a Public Safety Working Group and IST Workgroup, and planning for a new Felony Mental Health Diversion program (funded by an AB 1810 grant) as well as potential Proposition 47 grant funding to support a sobering center, crisis hub, and countywide co-response program. These initiatives are discussed in more detail in the special issue presentation on this topic.
- **Addressing Homelessness:** Several County departments have been involved in providing services to prevent, address, mitigate or house homeless individuals. The Governor has proposed several new funding sources to help local communities address this issue. This past year, the County began an internal department group (Homeless Inter-Agency Planning Council) to develop a coordinated work plan and Countywide effort. The work plan will be discussed at the workshops with a discussion of future efforts.

Fiscal Issues Update

The Five-Year Forecast Report presented in November 2018, and updated in February 2019, identified a number of fiscal issues that will need to be addressed in the coming years. Some of these issues have been addressed through preliminary budget allocations, some appear as expansion requests, and others are part of larger Countywide initiatives. The table below outlines the issues, the estimated costs, and gives an update on if, and how, they is addressed in the preliminary FY 2019-20 budget.

Fiscal Issues Update

Fiscal Issue	Estimated Cost	Budget Workshop Update
Addressed in Preliminary Budget		
Deferred Maintenance	$438 million	Preliminary budget includes:
		- $2.3 million in ongoing base funding
		- $6.4 million in ongoing 18% maintenance policy funding
		- $7.2 million in one-time Capital Projects funding
Solar Projects	$4.8 million	Funding sources include:
		- $2.4 million in CEC 1% loan
		- $0.8 million in 0% on bill financing
		- $1.6 million included in preliminary budget
Countywide Cloud-Based Website	$0.5 million	Preliminary budget includes $0.5 million in one-time funding
Technology Replacement & Investment Fund	$2 million	Preliminary budget includes $2 million in ongoing funding
Main Jail Renovations	Under review	Project to be included in the proposed COP issuance in FY 2019-20
Public Safety Communications System Replacement	$48.7 million	- CEO/GS to develop funding strategy for $48.7 million in estimated costs
		- Preliminary budget includes $2 million set aside to begin to address portion of the project that will not otherwise be able to be funded through debt financing
Submitted as Expansion Request		
Jail Control Room Consolidation	$1.35 million	Submitted as expansion request
Sheriff Data Center Replacement	$1.34 million	Submitted as expansion request
Sheriff COBAN MDC Replacement	$1.1 million	Submitted as expansion request
Not Included in Preliminary Budget		
Hazard Mitigation Grant Program (Local Match)	$10.4-$11.6 million	Will be addressed from Flood and Transportation funds as actual cost information is available

Department Expansion Requests

Departments have submitted requests for budget expansions totaling $9.7 million in ongoing funding and $9 million in one-time funds, with an increase in staffing of 34.8 FTE. These requests will be discussed in detail in department presentations and summarized in Tab 3 of the budget workshop binder.

Summary of Funding Requests for Expansions

#	Description	FTE	Ongoing GFC	One-Time GFC	Non-GFC
	County Executive Office				
1	1.0 FTE Management Analyst	1.0	$ 125,000	$ -	$ -
	Clerk Recorder-Assessor				
2	Return postage for Vote-by-Mail ballots	-	-	82,000	-
3	Establishment & operations of three new satellite elections offices	-	-	75,000	-
4	Costs of increased voter registrations resulting from Motor Voter legislation	-	85,000	-	-
	Community Services				
5	County Branch Libraries (9) structural imbalance	-	TBD	-	-
6	CCE Start-up Capital Balance	-	-	750,000	-
7	Regional Climate Action Planning & Coordination	-	-	324,000	-
8	Countywide Recreational Master Plan	-	-	350,000	-
	General Services				
9	Physical Security Specialist	1.0	-	-	144,000
10	Add 1.0 FTE Real Property Agent	1.0	126,000	-	-
	Human Resources				
11	Add Department Business Specialist to Recruiting	1.0	125,000	-	-
12	Add Financial Office Professional to Administration	1.0	67,500	-	-
	Probation				
13	Transfer Pretrial Assessments from Courts Special Services and add two Deputy Probation Officers to meet existing Pretrial Supervision caseload needs (assuming program transfer in January 2020, $589k in Courts GFC may be available to offset a portion of the $624.7k GFC cost of this expansion; staff is still reviewing)	11.0	624,700	-	44,000
	Public Defender				
14	Increase Misdemeanor Attorney staffing by one regular DPD I position and 1 extra help DPD I	1.0	234,200	-	-
15	Continue FSA Social Worker Program in FY 2019-20	-	-	110,000	-
	Public Works				
16	Local share of 2019 storm-related damage costs	-	-	1,318,000	-
17	Maintenance funding to maintain current PCI of 57	-	5,490,700	-	-
18	Local share of Thomas Fire and debris flow costs	-	-	1,120,000	-
	Sheriff				
19	Jail Control Room Consolidation	-	135,000	1,350,000	-
20	Custody Deputies	13.8	1,473,300	-	-
21	Behavioral Science Unit Manager	1.0	160,000	-	-
22	Data Systems Analyst	1.0	141,100	-	-
23	COBAN MDC Replacement	-	185,000	1,107,600	-
24	Records Management System Upgrade	-	-	582,000	-
25	Dispatch Governance Group Funding	-	100,000	-	-
26	Chief Deputy Sheriff - Administration	1.0	351,700	-	-
27	Body-Worn Cameras & 1.0 FTE Computer Systems Spec.	1.0	133,400	514,400	-
28	Data Center Replacement	-	133,500	1,335,000	-
	Total	**34.8**	**$ 9,691,100**	**$ 9,018,000**	**$ 188,000**

Looking Backward, Forward, and Renew '22

The FY 2019-20 Budget will mark 10 years since the end of the Great Recession. In looking back, not just 10 years, but 20 years, it is clear that the County has made significant progress, but is not immune to, and in fact is greatly impacted by, the business cycle and changes to the local, state and federal economies.

- **Twenty years ago**, in 1999, the County was fully recovering from the national recession of the early 1990s and the ensuing sluggish economy. Secured property values were back on the rise, with rates growing from a low of 1.8% in 1994-95 to 6.5% in 1999-2000. In the slowdown of the early and mid 1990s, budget cuts to popular community services had been required, with little funding for infrastructure and internal services, and no reserve for economic downturns or disasters.

  But by 1999, the County was beginning to fund its General Fund Strategic Reserve to buffer against future uncertainty, allocating $5.1 million, and provided additional funds for infrastructure maintenance. Pension costs accounted for less than 10% of payroll, and services were provided by more than 4,200 employees.

- **Ten years ago, in 2009,** the landscape had changed. The county's property value growth was less than 1% (0.84%), and while the Great Recession would officially end in June 2009, growth in the county's property values would not exceed 1.5% until 2013-14 (when it rose to over 4%). The County was discussing possibly increasing the 8.75% sales tax rate to fund operations of a new northern county jail (these costs were estimated at $13 million annually). In 2009, the Recommended Budget included cuts of $12.9 million in the General Fund and 138 positions, as pension costs rose to 39.4% of payroll. One-time funding was used as a short-lived panacea to address reductions, and the following year budget cuts continued, with the Recommended Budget closing a $72 million gap.

- **Now, ten years since the Great Recession**, the County still lives in its shadow. The economic climate has been steadily improving and revenues have been modestly increasing, as property values have grown 4%-5% annually since FY 2012-13. Yet, this is not nearly the 6%-11% witnessed before the recession. Several program areas are still operating with fewer staff than prior to the Recession, although with the new jail, and other state program expansions, the number of employees is 4,232 in the preliminary budget, which is within pre-Recession levels. There is still significant deferred maintenance, replacement, and investment needed in the County's facilities, roads, and technology infrastructure.

In the immediate future, a recession is possible but still unknown. Recent signs have showed slower growth in the economy and tightening of fiscal policy.

The County continues to follow responsible fiscal practices in an effort to buffer the County from a possible future recession, include the following:

- Ensuring use of one-time funds for one-time (not ongoing) uses
- Allocating cannabis revenue, after enforcement costs, to one-time uses only
- Increasing the Strategic Reserve funding level (projected to be $34.1 million by year-end, assuming FEMA reimbursements are received; the preliminary budget will increase to full funding of $36.4 million)
- Making investments that have ongoing returns in either savings or new revenues, such as departmental management and operational reviews
- Continuing efficiencies and process improvements

- Seeking grant opportunities and better grant coordination
- Partnering with other departments and agencies

The essence of Renew ’22 is to fortify the organization to be resilient and prepared for the next economic or natural emergency. This does not mean future reductions in budget, staff, and services will not be necessary in another recession; they may. The Renew ’22 effort, in its third year in FY 2019-20, is to ensure our County can withstand another downturn or disaster and bounce back effectively and quickly. This can be achieved through better systems and technology; improved revenues, augmented reserves, and efficient services; responsiveness to our clients and customers; and retention and attraction of quality employees. By transforming how we do our work, and constantly learning and being open to work differently, employees are equipped to thrive in the present, adapt to tomorrow, and anticipate the future.

Fiscal Impacts:

There are no fiscal impacts associated with holding the Budget Workshops. Addressing the information presented during the workshops will provide staff direction in finalizing the Fiscal Year 2019-2020 Recommended Budget for adoption at the June Budget hearings.

Attachments:

Attachment A: FY 2019-20 Budget Workshop Binder

cc:

Assistant CEOs
Department Directors
CEO Fiscal and Policy Analysts