

COUNTY OF SANTA BARBARA

BUDGET WORKSHOP

FY 2020-21



ONE COUNTY. ONE FUTURE.

Purpose of Budget Workshop

- Provide overview of preliminary County budget, potential impacts of COVID-19 pandemic, and process in months ahead
- Summarize departments' budgets, major work efforts, and potential areas for changes
- Receive public input
- Provide direction to the CEO on policy issues or specific items prior to completion of the Recommended Budget

Setting the Context for the FY 2020-21 Preliminary Budget

Revenue and Expenditure Trends

Cannabis Tax Revenues, Deferred Maintenance Funding, and Update of Fiscal Issues Report

Functional Groups Overview

Special Issues

- Library Services
- Planning & Development Long Range Planning Work Program – Follow-up

Looking Forward

Agenda

Setting the **Context**

FY 2020-21 PRELIMINARY BUDGET

Evolving Economic Outlook

COVID-19 introduces negative shock to the economy and many unknowns

- Prior to the COVID-19 pandemic, the California economy was projected to continue growing at a modest pace through FY 2020-21¹
- Emergence of COVID-19 and efforts to control its spread has led to a sharp drop in economic activity and volatility in financial markets
- Consumer spending, which makes up about 70% of the overall U.S. economy, is expected to decline² as is consumer confidence in the months ahead³
- Many unknowns related to COVID-19 yield a wide range of potential outcomes

¹ California Legislative Analyst's Office, November 20, 2019

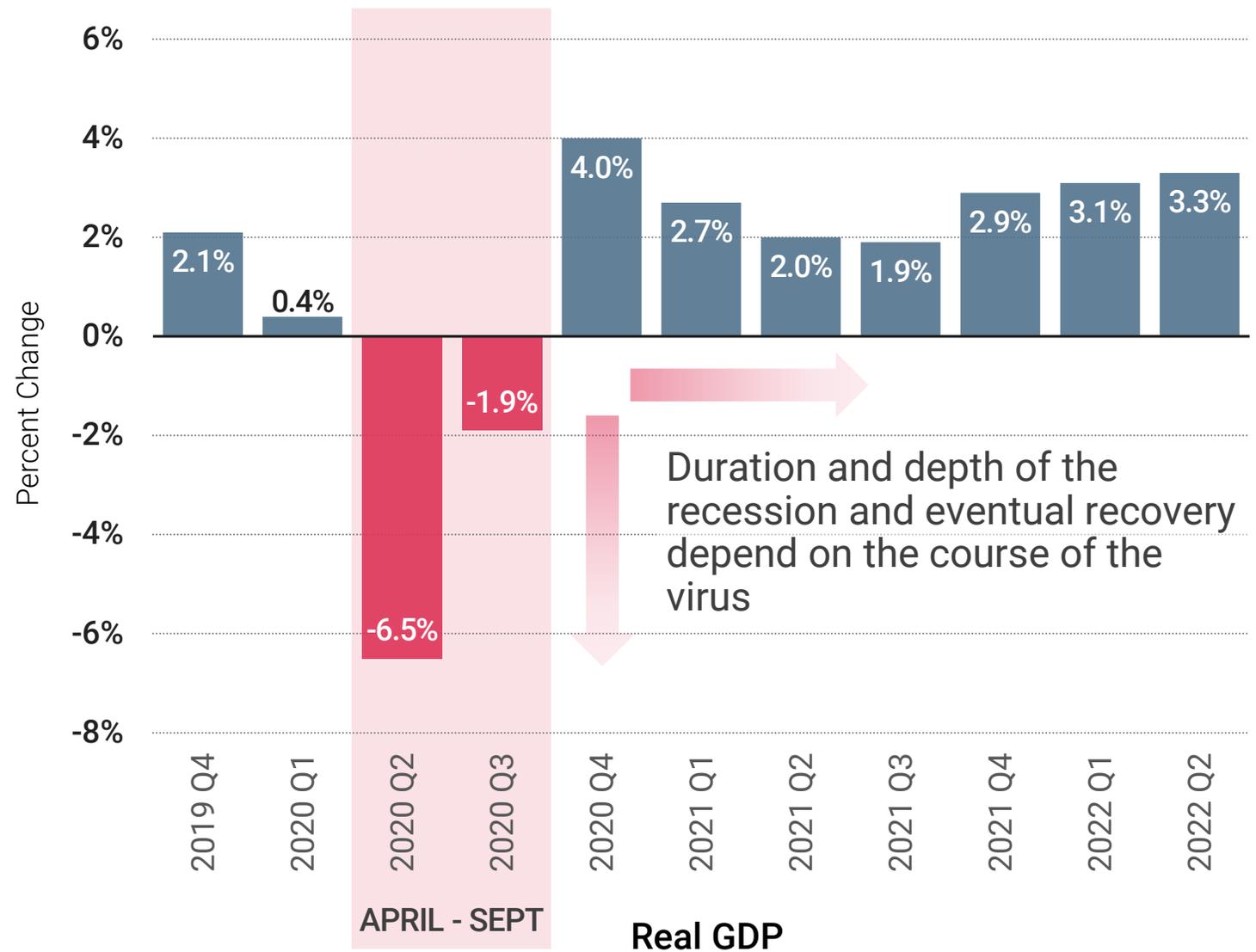
² McKinsey & Company, March 2020

³ Federal Reserve Bank of San Francisco, April 2, 2020

Evolving Economic Outlook

Forecasts largely depend on the trajectory of the COVID-19 pandemic

- UCLA Anderson Forecast predicts a recession will last through the end of September and a full recovery in 2022
- California may be more impacted due to its exposure to tourism and trans-Pacific transportation

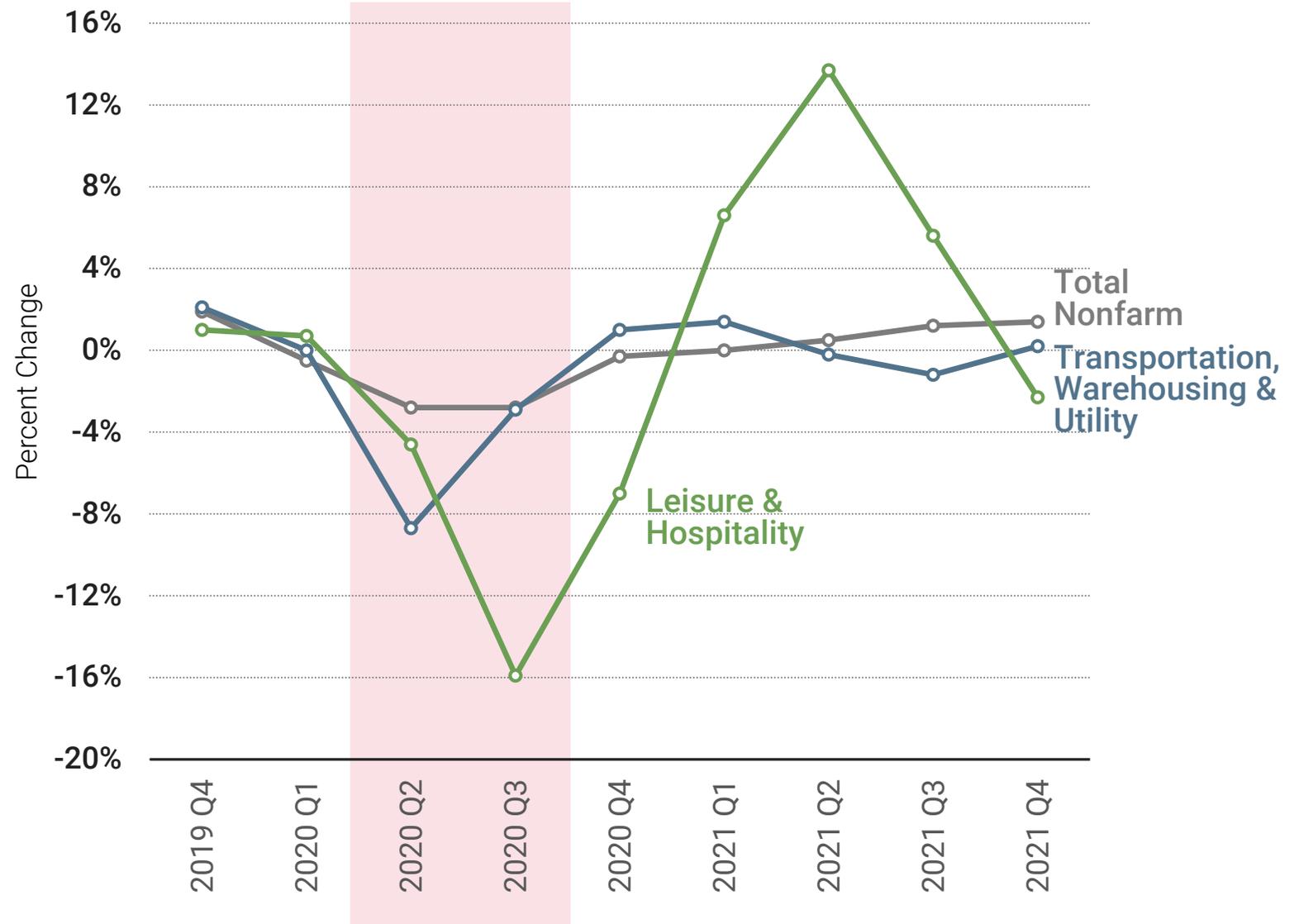


Source: UCLA Anderson Forecast, March 16, 2020

Evolving Economic Outlook

California may bear a heavy share of an economic contraction

- California is expected to lose more than 280K payroll jobs by April 2021
- One-third of jobs lost will be in the leisure and hospitality and transportation and warehousing sectors

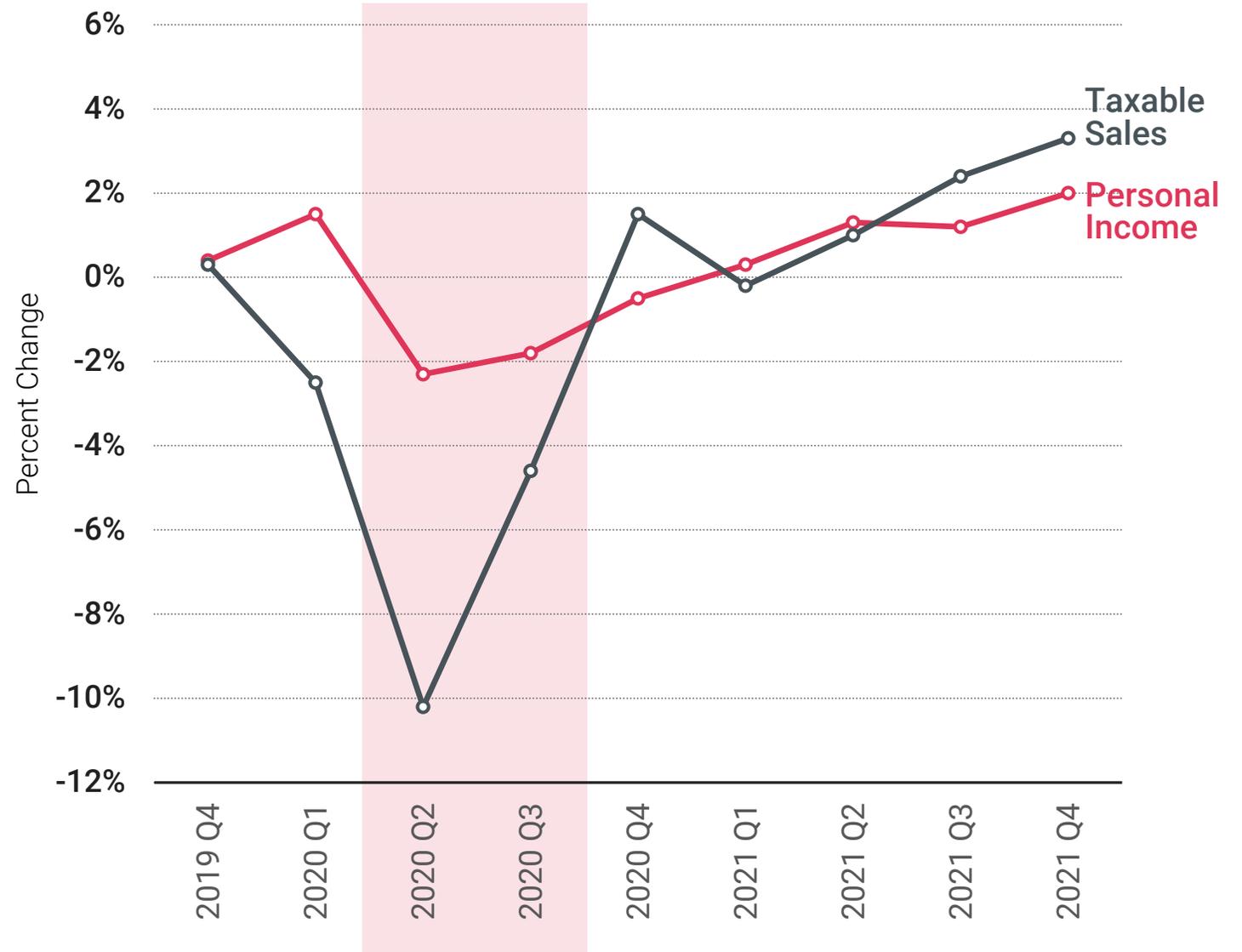


Source: UCLA Anderson Forecast, March 16, 2020

Evolving Economic Outlook

California may bear a heavy share of an economic contraction

- Personal income and taxable sales generally expected to see negative growth in 2020
- Declines in personal income and taxable sales will have implications for County revenues



Source: UCLA Anderson Forecast, March 16, 2020

COVID-19 Pandemic Impacts

Extent of the impacts to the local economy and County revenues are uncertain

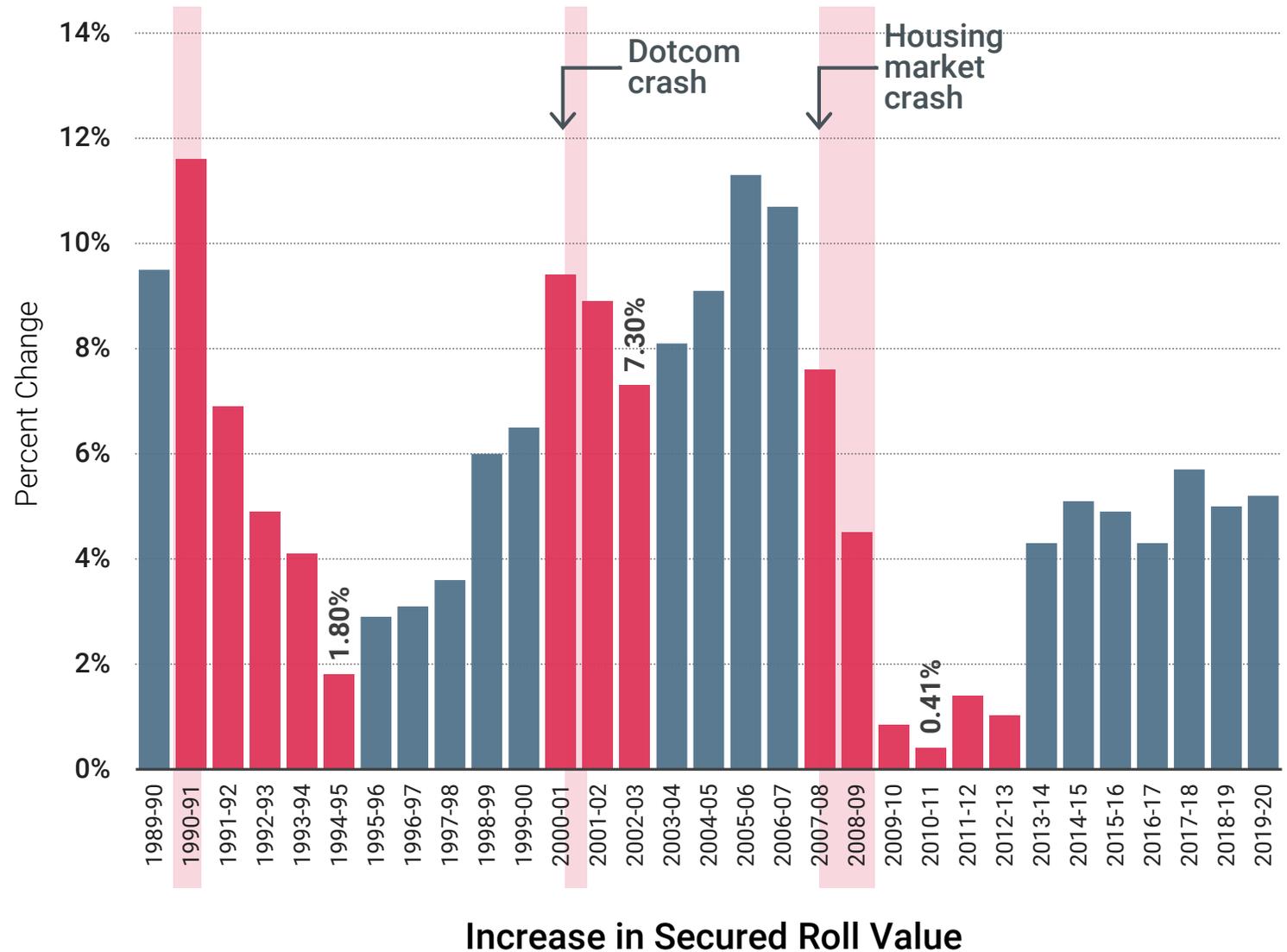


- Economically-driven revenues will be susceptible to losses due to decreased tourism and retail activity
 - Transient occupancy tax
 - Sales tax (local portion as well as Realignment and Proposition 172 public safety revenues)
 - Gas tax
- Other revenues at risk of decline
 - Interest income
 - Department-specific revenues (e.g., reimbursement-driven, fee-based)
- Cannabis tax revenues not expected to decline

Property Tax Revenue Trends

Mild losses possible in future years

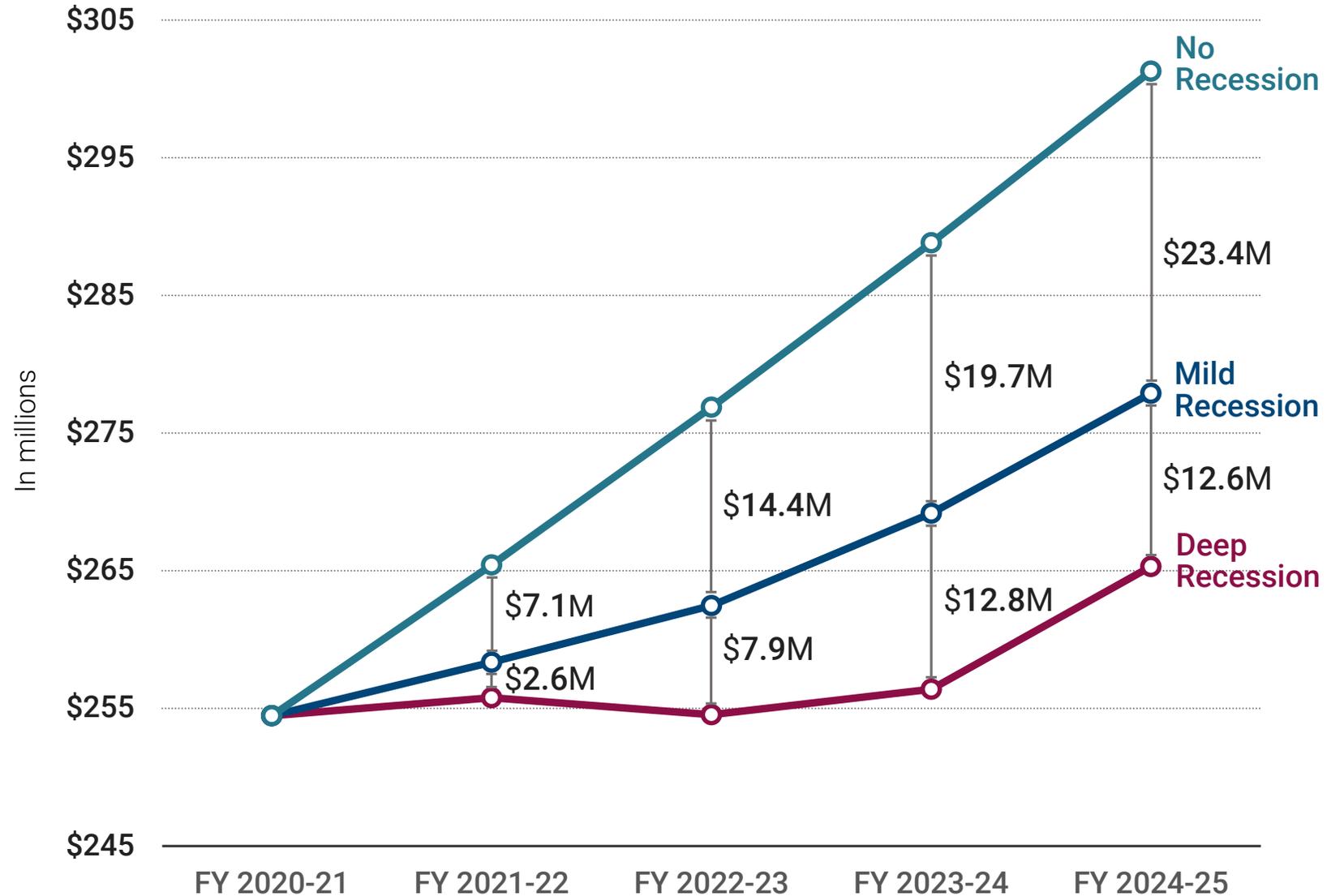
- Annual growth rates declined in the years following the official end of recent recessions
- Growth averaged less than 1% immediately following the Great Recession
- Property tax revenues may see mild losses in future years due to reassessments of commercial properties with revenue-based appraisals



Sources: Santa Barbara County Assessor's Division, September 2019
Business Cycle Dating Committee, National Bureau of Economic Research

November 2019 Discretionary Revenue Scenarios

Five-Year Forecast
presented 3 revenue
scenarios in the event
of a recession in
FY 2021-22



Preliminary Budget Strategy

Ensuring continuity of government and reducing impacts to our community and employees

- Continue essential services needed for response and recovery
- **Maintain status quo budgets for departments to the extent possible**
 - Return this fall for mid-fiscal year reductions if required
 - Departments will evaluate mandated, essential services versus non-essential services
 - Utilize KPMG assessments
- **Set aside available funds on hand now into reserves to help mitigate impacts next year**
- **Use available one-time funds to backfill potential revenue losses to minimize impacts to core services**
- **Defer major initiatives**
- **Refrain from granting budget expansions at this time**

Board Commitments Over the Last Decade

Board committed to funding major initiatives and liabilities over the last 10 years



- 2011** Northern Branch Jail operations funding plan begins
- 2012** Fire Tax Shift begins
- 2012** Workers Compensation Program funding plan begins (completed 2018)
- 2012** Retiree health plans begin closing; funding plan formalized
- 2014** 18% Deferred Maintenance policy begins
- 2016** Strategic Reserve fully funded (fell below target in 2017 and 2018)
- 2020** Strategic Reserve funded at target of \$39.5M

Looking Ahead

Uncertainty as we approach FY 2020-21



- Fiscal pressures stemming from the COVID-19 pandemic and response and economic impacts
 - Revenue losses due to decreased economic activity
 - Direct and indirect cost impacts related to response activities
 - Direct cost impacts related to the increased demand for human services and safety net services
- Recommended Budget presented in June may not have full information about what is to come
- Federal and/or State partial backfill is possible but unknown
- Return to the Board with mid-fiscal year budget adjustments and potential service level reductions if necessary with a focus on continuing essential response and recovery services

Key Challenges & Emerging Issues

COVID-19 pandemic adds to the challenges facing the County in FY 2020-21

- **COVID-19 response and recovery**
 - Public health response likely to continue into FY 2020-21
 - Changes in ways we serve the community and ensuring continuity of government
 - Preparation for transition from response to recovery
- **Existing challenges**
 - Recruitment, retention, and succession planning
 - Changing State and federal mandates and regulations
 - Growing need for updated technology infrastructure
 - Deferred maintenance
 - Diverting mentally ill individuals from the criminal justice system
 - Homelessness

Impacts of a recession on major discretionary revenues forecasted but COVID-19 pandemic presents an unprecedented challenge

Continue to adhere to responsible fiscal practices to buffer the County's finances

- Use one-time funds for one-time uses
- Allocate cannabis tax revenue, after enforcement costs, to one-time uses only or to support core services in the event of a revenue shortfall
- Set aside funding for highest priority initiatives
- Continue implementing efficiencies and process improvements and enabling our employees to optimize operations and innovate

Position the County for long-term success through our ongoing transformation efforts – no longer a “may” but a “must”

Preparing for an **Uncertain Future**
LOOKING BEYOND FY 2020-21



PRELIMINARY BUDGET OVERVIEW



BUDGET WORKSHOP
FY 2020-21

2019

NOVEMBER
Five-Year Forecast &
Significant Fiscal Issues

2020

DECEMBER
Budget Development
Priorities

MARCH 12
County declares local
health emergency and
local emergency

APRIL
Budget Workshops

JUNE
Budget Hearings

MAY
Recommended Budget
Released

MARCH 19
Governor issues stay at home order

MARCH 4
Governor proclaims state of
emergency due to threat of COVID-19

Budget Development

FY 2020-21

FY 2020-21 Preliminary Budget

Developed within the
framework of uncertainty

- Built with revenue and cost uncertainties at the forefront, though before the COVID-19 public health emergency
- No commitment of ongoing discretionary revenues to new or expanded services
- Not reflective of estimated impacts of COVID-19 pandemic on revenues and expenditures
- Focus on continuing essential services for response and recovery
- Continues the Board's funding commitments for the NBJ Operating Plan, 18% deferred maintenance plan, Fire Tax Shift and fully funding the Strategic Reserve
- Status quo budgets

Budget Strategies

Need for caution grows as we face impacts from the COVID-19 pandemic

- **Already incorporated in Preliminary Budget**
 - Build up reserves using funds we already have on hand (FY 2018-19 residual funds)
 - No pre-workshop budget expansions granted
- **Incorporate in Recommended Budget**
 - Work with departments to make COVID-19 related adjustments to account for the losses of departmental-specific revenues or significant response costs
 - Use cannabis tax revenue toward backfilling losses in Prop 172 and 1991 and 2011 Realignment revenues
- **Implement after budget adoption**
 - Prepare for potential mid-year service level reductions
 - Departments analyze mandated essential services versus non-essential services

COVID-19 Fiscal Impacts

Revenues

- Economically-driven revenues are susceptible to losses this year and next
 - Sales Tax
 - Transient Occupancy Tax
 - Proposition 172 Local Public Safety Sales Tax
 - 1991 and 2011 Realignment
 - Gas Tax
 - Unsecured property tax revenues
 - Interest income
- Mental Health Services Act (MHSA) revenues
- Department-specific revenues such as fees and charges for services (i.e. permit fees, camping fees)

COVID-19 Fiscal Impacts Strategies

- Growth in cannabis revenue will be used toward backfilling loss of discretionary, Realignment, and Proposition 172 revenues
- Prudent use of Strategic Reserve and Contingencies may be required as short-term solution to mitigate some potential service level reductions
- Continue to aggressively seek federal and State financial assistance
- Develop budget reduction contingency plans with departments should mid-year budget reductions be required
- Refresh budget forecast model to reflect current economic uncertainty

COVID-19 Fiscal Impacts Costs

- **Response activities**
 - Emergency Operations Center operations
 - Temporary shelter and accommodations
 - Joint Information Center and communication activities
 - Procurement of medical and personal protective equipment for health care providers, first responders, and others
 - Alternative care and medical beds
- **Potential increased demand for County-provided services and other costs**
 - Medical-related services
 - Human services/safety net services
 - Costs associated with assisting the public and accommodating social distancing in the delivery of services



Revenue Trends

Changes to Operating Revenues

FY 2019-20 Adopted to FY 2020-21 Preliminary

▲ **5.2%**

Total Operating
Revenues

▲ **0.3%**

General Fund
Operating Revenues

▲ **10.2%**

Discretionary
General Revenues

▲ **5.1%**

Property Tax
Revenues
(Current Secured)

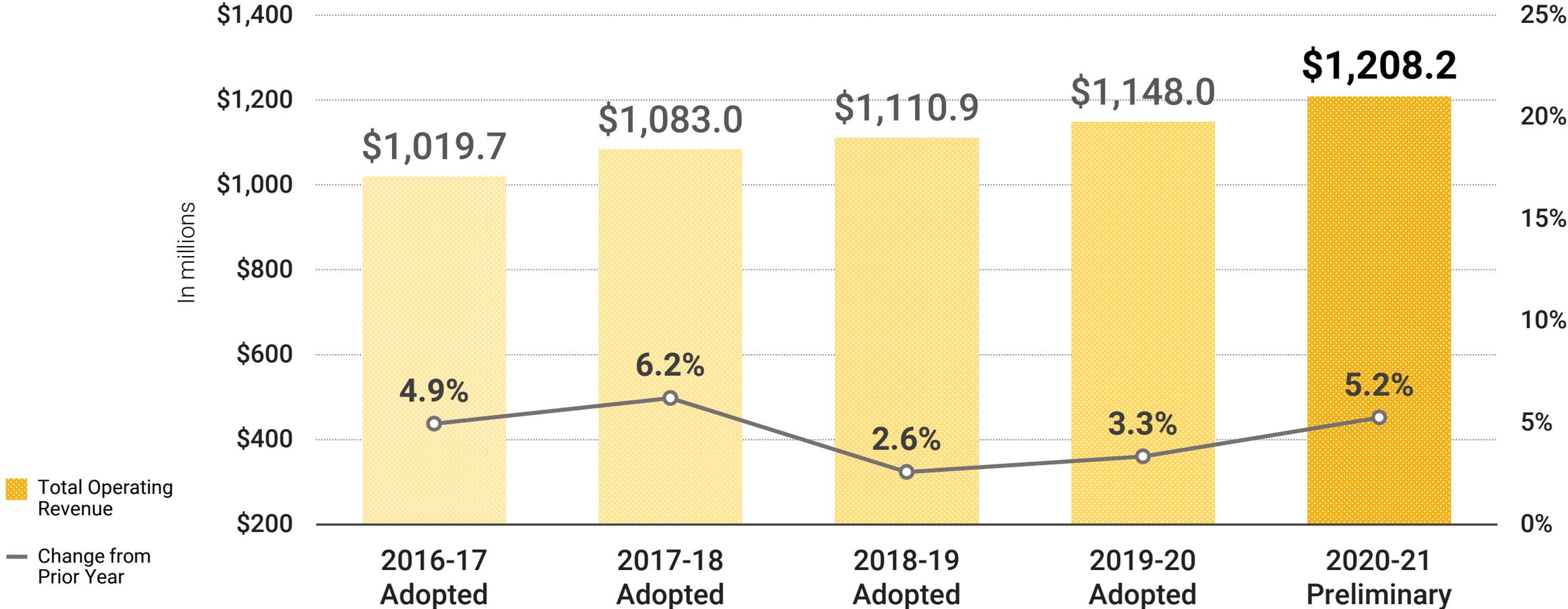
▲ **7.9%**

Transient
Occupancy Tax
Revenues

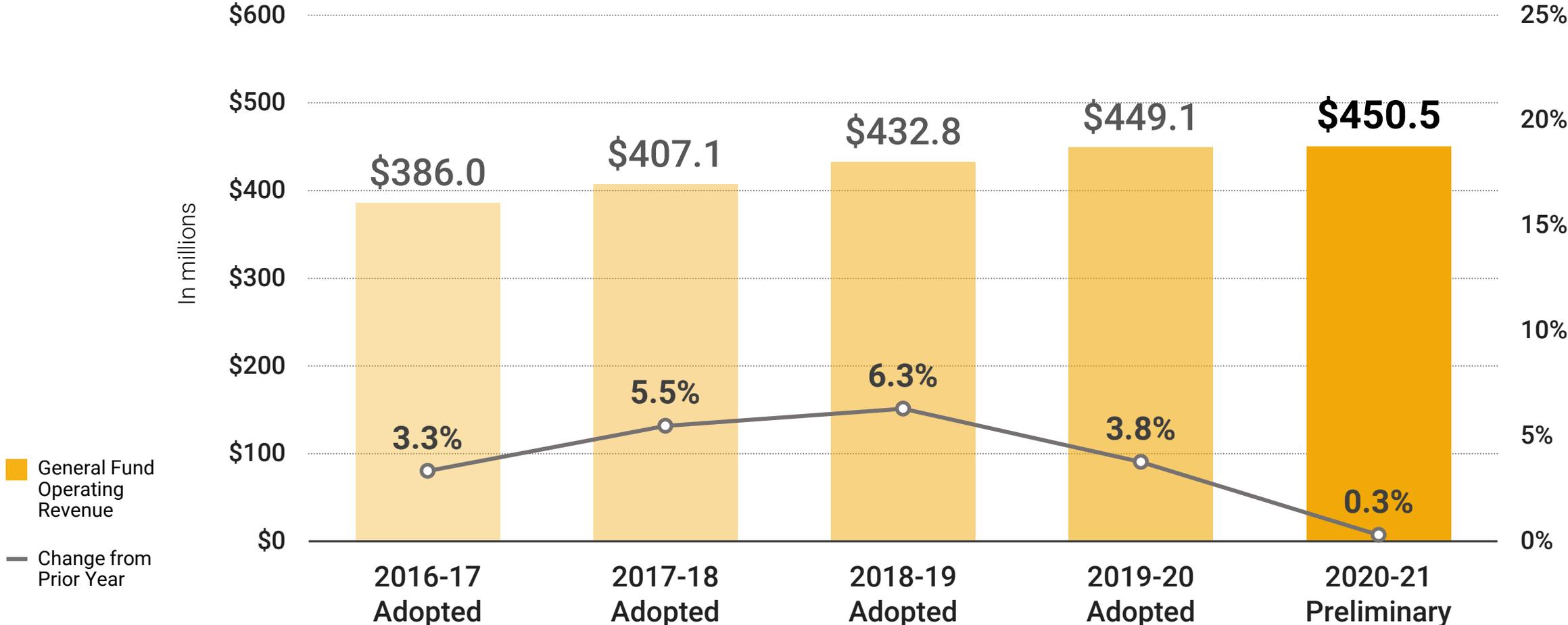
▲ **3.1%**

Sales Tax
Revenues

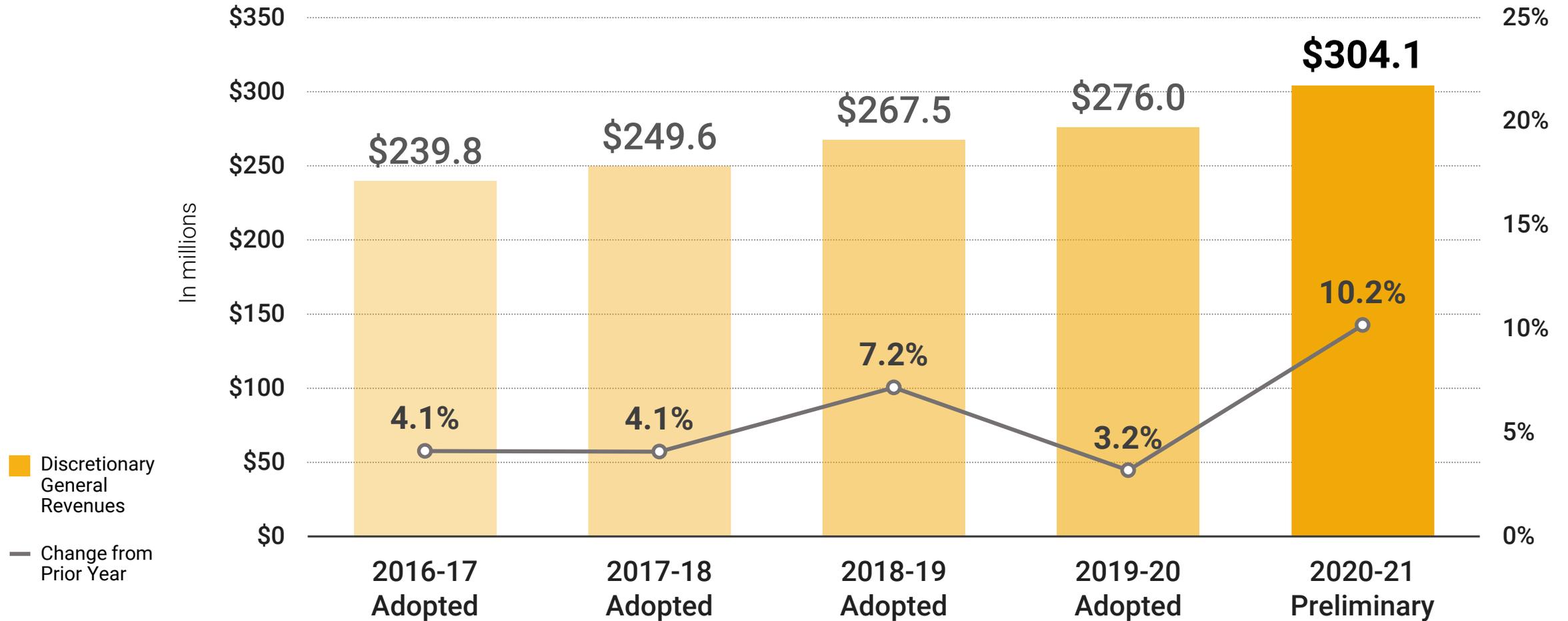
Total Operating Revenues



General Fund Operating Revenues

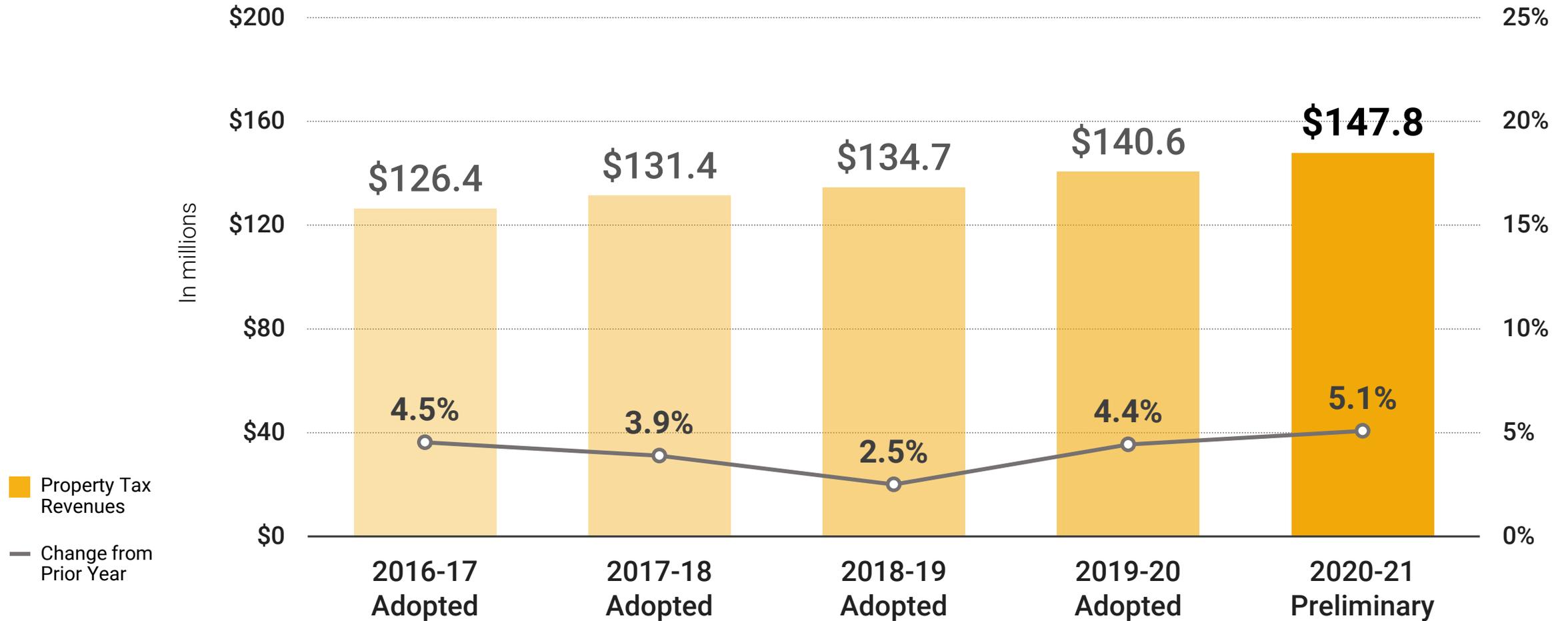


Discretionary General Revenues

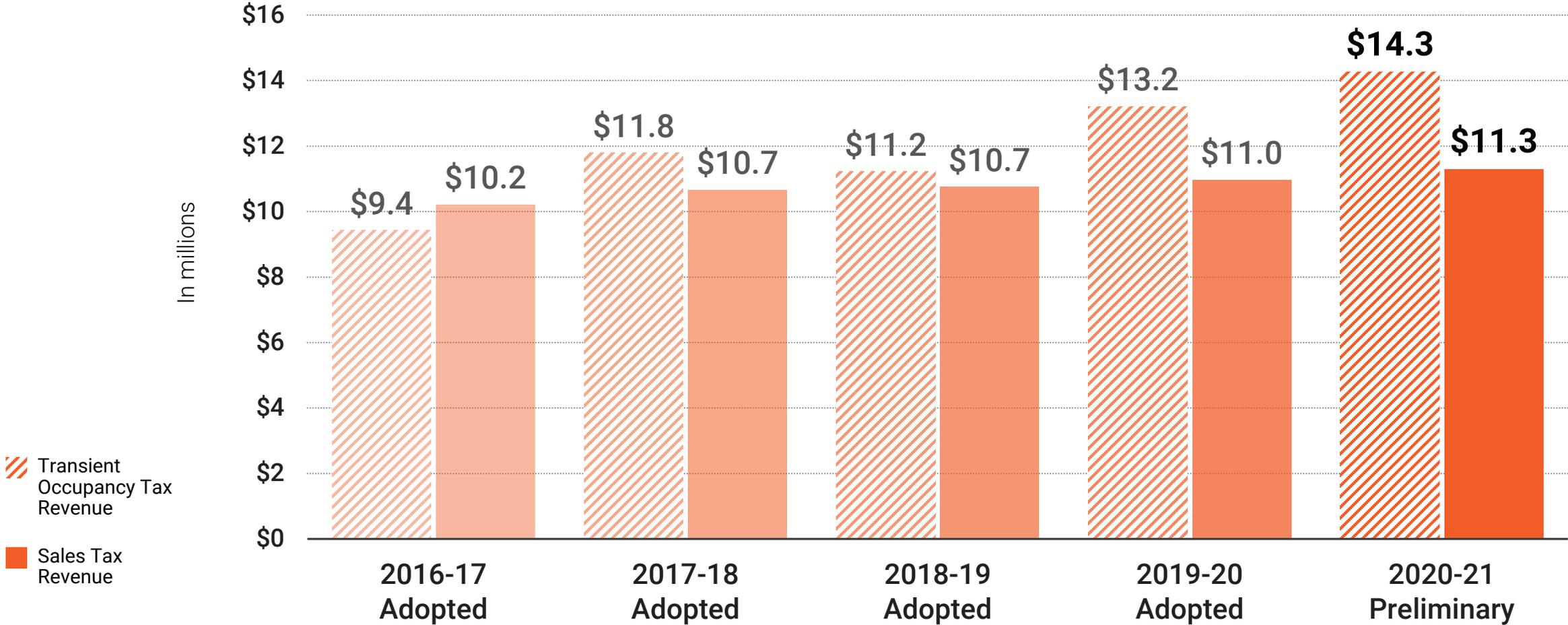


Property Tax Revenues

Current Secured



Transient Occupancy Tax & Sales Tax Revenues

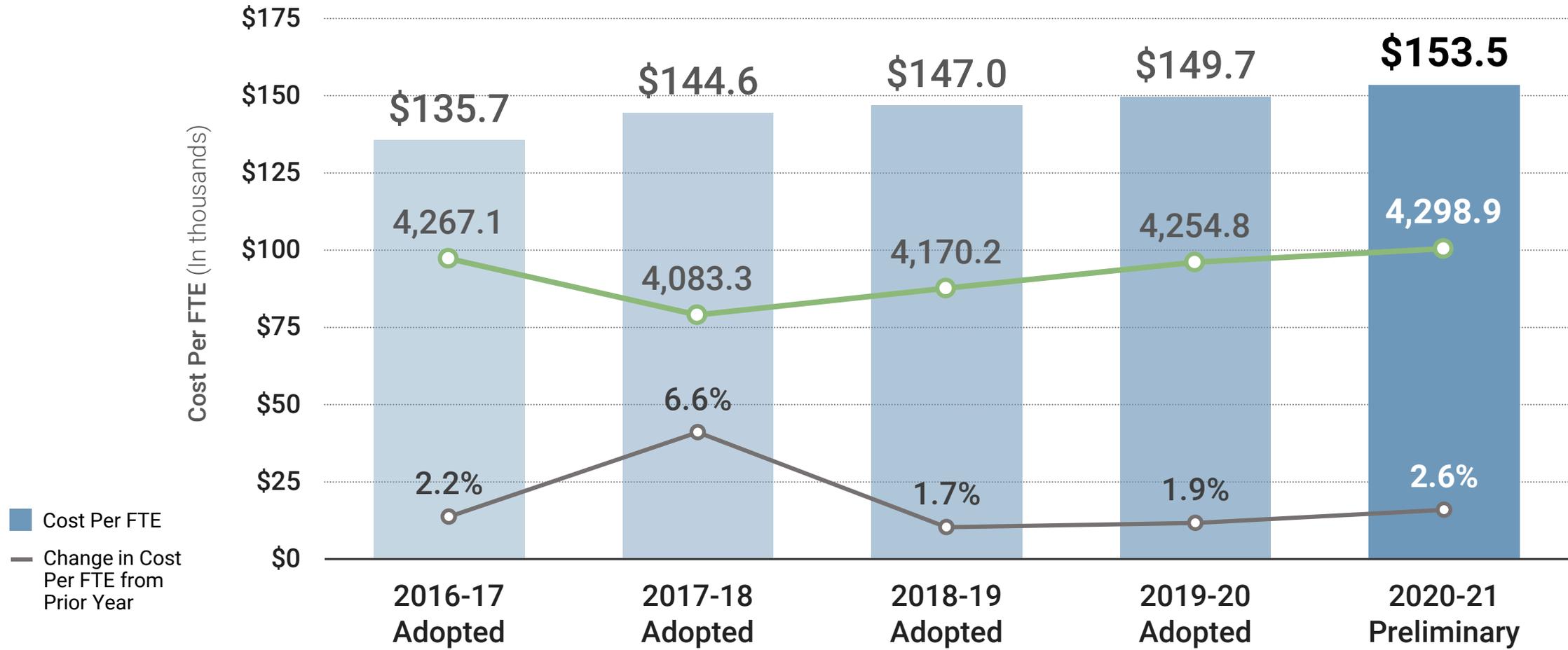




Expenditure Trends

Salaries & Employee Benefits Cost

Per Full-time Equivalent (FTE)



Cannabis Tax Revenues

Expenditures

	2019-20 Adopted	2019-20 Est. Actual	2020-21 Preliminary
Enforcement Costs			
County Executive Office	\$ 84,500	\$ 72,300	\$ 67,000
County Counsel	107,400	107,400	136,600
District Attorney	527,600	527,600	530,600
Sheriff	1,526,000	1,672,000	1,671,800
Public Health	100,000	100,000	100,000
Agricultural Commissioner	116,200	116,200	75,000
Planning & Development	354,100	354,100	393,000
Subtotal	\$ 2,815,800	\$ 2,949,600	\$ 2,974,000
Tax Collection & Program Administration			
County Executive Office	\$ 99,700	\$ 220,300	\$ 355,900
Treasurer-Tax Collector	165,000	0	124,600
General County Programs	65,000	66,700	
Subtotal	\$ 329,700	\$ 287,000	\$ 480,500

Cannabis Tax Revenues

Expenditures

P&D

Planning & Development

CSD

Community Services

CCE

Community Choice Energy

GS

General Services

DA

District Attorney

	2019-20 Adopted	2019-20 Est. Actual	2020-21 Preliminary
Other Budgeted One-Time Uses			
P&D: Long-Range Planning Projects	\$ 610,800	\$ 610,800	
Sheriff: COBAN In-Car Video	1,107,600	1,107,600	
CSD: Recreational Master Plan	350,000	350,000	
CSD: CCE Start-up Capital	219,300	219,300	
CSD: Branch Library Funding	135,000	203,500	
General County Programs Projects	335,000	316,100	
GS: Animal Services Facility and DA North County Facility	35,000	35,000	
COVID-19 Expense Set-aside			3,000,000
Discretionary Revenue Loss Backfill			7,000,000
18% Maintenance Policy			900,900
Subtotal	\$ 2,792,700	\$ 2,842,300	\$ 10,900,900
Total Expenditures	\$ 5,938,200	\$ 6,078,900	\$ 14,355,400

Cannabis Tax Revenues

Summary & Expansion Requests

DA
District Attorney

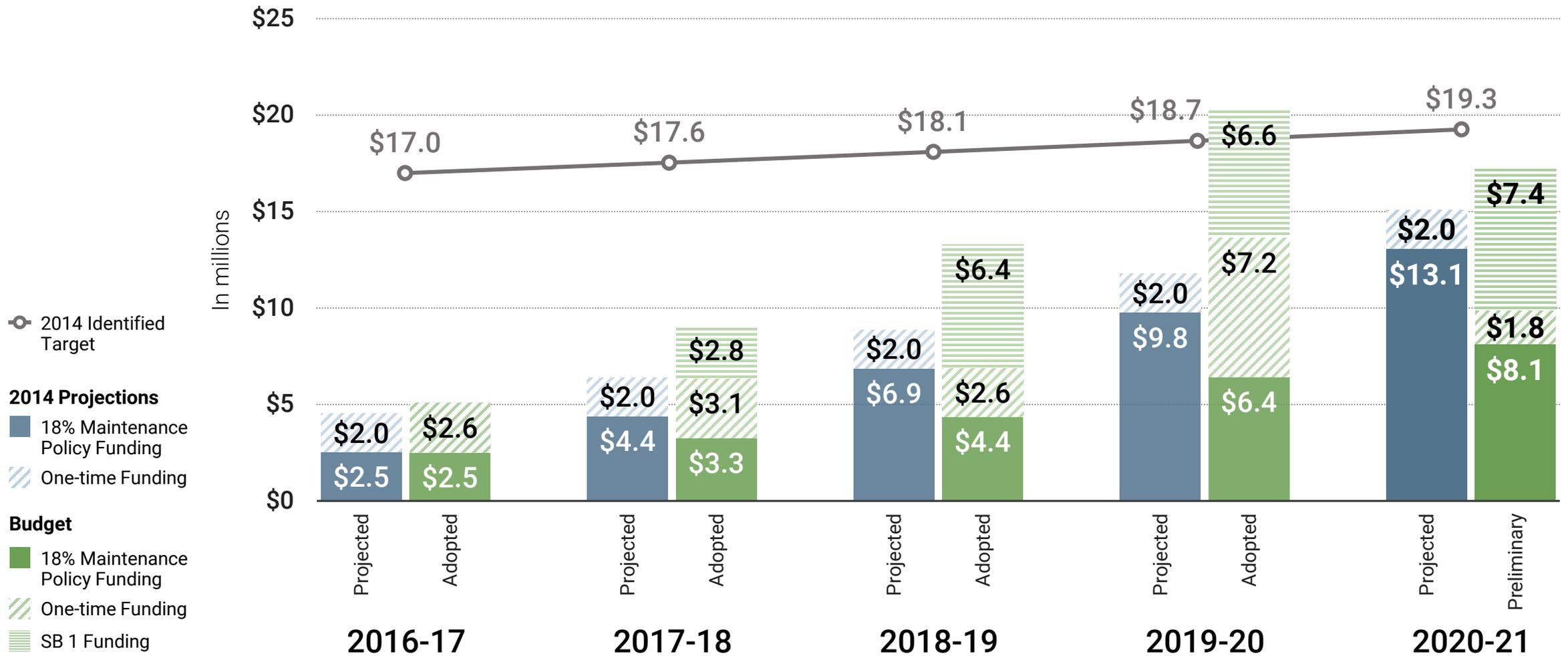
CEO
County Executive Office

TTC
Treasurer-Tax Collector-
Public Administrator

	2019-20 Adopted	2019-20 Est. Actual	2020-21 Preliminary
Summary			
Revenue Estimates	\$ 5,615,000	\$ 9,200,000	\$ 10,620,000
Prior Year Unallocated Carryover	678,700	1,722,400	4,843,500
Total Expenditures	5,938,200	6,078,900	14,355,400
Remaining Balance	\$ 355,500	\$ 4,843,500	\$ 1,108,100

Expansion Requests			
DA: Purchase truck for Cannabis Compliance Team			\$ 46,300
Sheriff: Add additional Cannabis Enforcement Team			1,500,000
CEO: Principal Analyst for Cannabis Oversight			207,500
TTC: FOP Senior for Tax Collection			128,200
Total Expansion Requests			\$ 1,882,000

18% Maintenance Policy Funding



Maintenance Funding

	Public Works	General Services	CSD-Parks	Total
General Fund Allocations				
Baseline Funding	\$ 500,000	\$ 1,300,000	\$ 500,000	\$ 2,300,000
18% Maintenance Policy	4,058,800	2,847,100	1,218,600	8,124,500
CIP Prioritized Projects				
EOC HVAC Replacement – Server Room	--	500,000	--	500,000
Sheriff Main Jail Roof Replacement	--	300,000	--	300,000
Countywide Roof Replacements	--	225,000	--	225,000
New Cuyama Sheriff Sub-station	--	750,000	--	750,000
Subtotal	\$ 4,558,800	\$ 5,922,100	\$ 1,718,600	\$ 12,199,500
Major Special Revenue Fund Allocations				
Road Maintenance & Rehab Program (SB 1)	\$ 7,369,000	\$ --	\$ --	\$ 7,369,000
Grants, TIP, TDA, Other	600,000	--	--	600,000
Subtotal	\$ 7,969,000	\$ --	\$ --	\$ 7,969,000
Total	\$ 12,527,800	\$ 5,922,100	\$ 1,718,600	\$ 20,168,500

Fiscal Issues Report Update

Addressed in Preliminary Budget

Fiscal Issue	Est. Cost	Update
Deferred Maintenance <i>Public Works</i> <i>Community Services-Parks</i> <i>General Services</i>	\$ 463 M	Preliminary budget includes <ul style="list-style-type: none"> • \$2.3M in ongoing base funding • \$8.1M in ongoing 18% maintenance policy funding • Additional funding for one-time projects will be proposed at Budget Hearings
Public Safety Communications System Replacement	\$ 45.4 M	Full funding plan will be brought to the Board at budget hearings. Majority of project will be funded through COPs. Annual debt service funds have been set aside in the preliminary budget.
Escalating Workers' Compensation Insurance Premiums	\$ 0.7 M	Included in preliminary budget
Escalating General Liability Insurance Premiums	\$ 2.2 M	Included in preliminary budget though potential additional \$1.0M impact will be built into the recommended budget as appropriate
Conversion of County Fleet to Electric Vehicles <i>General Services</i>	\$ 0.5 M	Funding was addressed mid-year FY 2019-20 per Board action. Preliminary budget includes appropriation to continue conversion.

Fiscal Issues Report Update

Submitted as Expansion Request

Fiscal Issue	Est. Cost	Update
District Attorney Legislative Impacts	\$ 0.2 M	Included in department workshop presentation as expansion request
Public Defender Legislative Impacts	\$ 0.2 M	Included in department workshop presentation as expansion request
Data Center Replacement and Redundancy <i>Sheriff</i>	\$ 1.5 M ¹ \$ 0.15 M ⁰	Submitted as expansion request
Santa Maria Substation <i>Sheriff</i>		Submitted as expansion requests through the CIP process; costs will be refined through CIP review
Santa Maria Office Space and Renovation <i>District Attorney</i>		
Santa Barbara, Lompoc, and Santa Maria Office Space <i>Public Defender</i>		

¹ One-time cost

⁰ Ongoing cost

Fiscal Issues Report Update

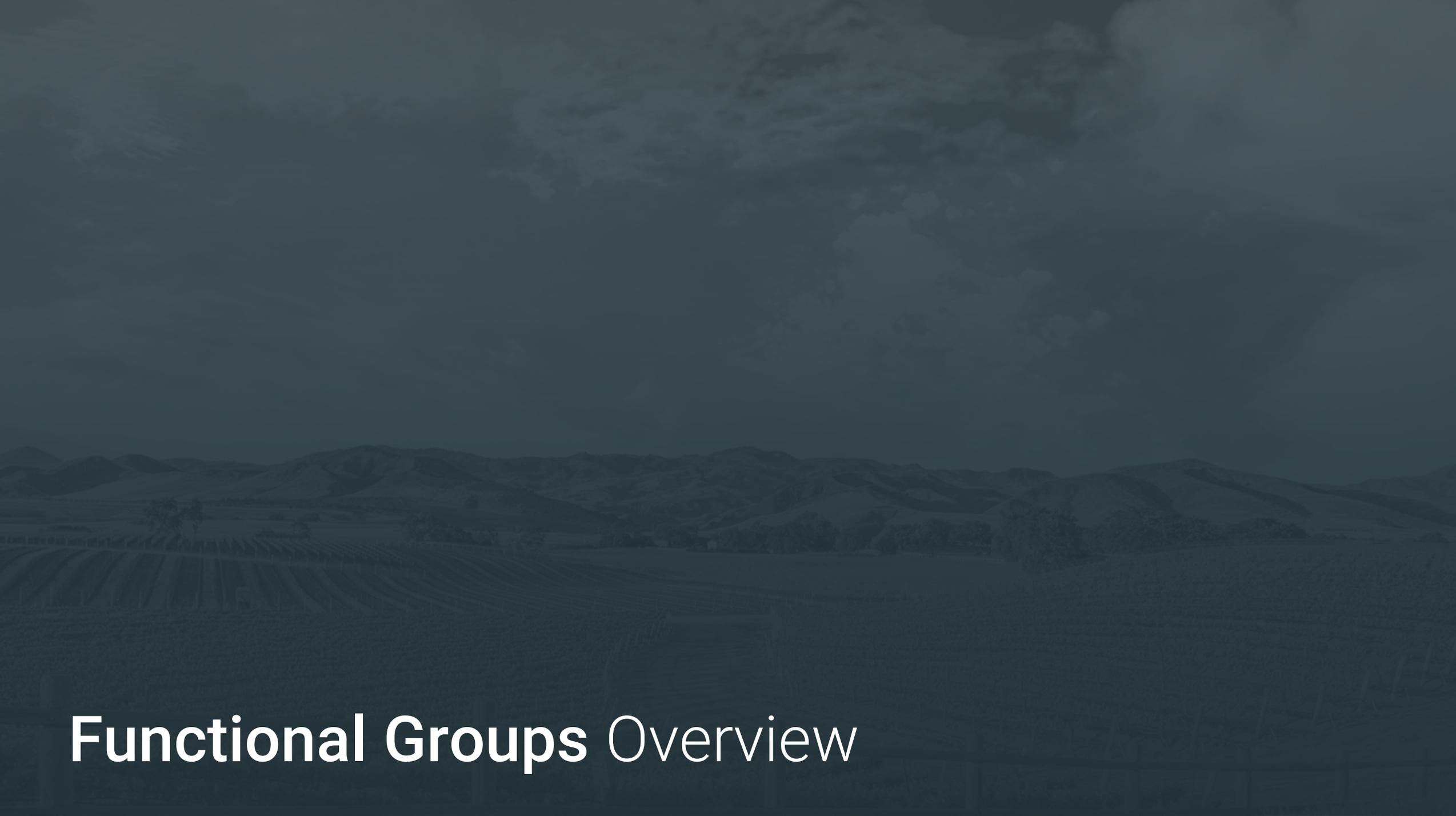
Not Included in the Preliminary Budget

Fiscal Issue	Est. Cost	Update
Records Management System <i>Sheriff</i>	\$ 0.7 M ¹ \$ 0.15 M ⁰	Department is continuing to explore funding options for this project.
Elimination of 340B Savings <i>Public Health</i>	\$ 6.0 M ^Y	Continue to monitor; Governor's January proposed budget for FY 2020-21 proposed some relief in the form of a Supplemental Payment Pool for Non-Hospital 340B Clinics.
Adult Fee Collections <i>Probation</i>	\$ 2.0 M ^Y	Continue to monitor; bill remains active.

¹ One-time cost

⁰ Ongoing cost

^Y Cost per year



Functional Groups Overview

Public Safety

Court Special Services

District Attorney

Fire

Probation

Public Defender

Sheriff

Key Challenges & Emerging Issues

Public Safety

- COVID-19 impacts
- Legislative changes and criminal justice reform
- Information technology needs
- Recruitment, retention, and succession planning
- Ensure city law enforcement agreements fully recover the cost of providing service

FY 2020-21 Objectives

Public Safety

- Streamline discovery exchange
- Pre-arraignment review and representation
- Public-private partnerships
- Recruit and retain staff
- Finalize the design and begin construction of the Regional Fire Communications Facility
- Open Northern Branch Jail Facility

Budget Overview

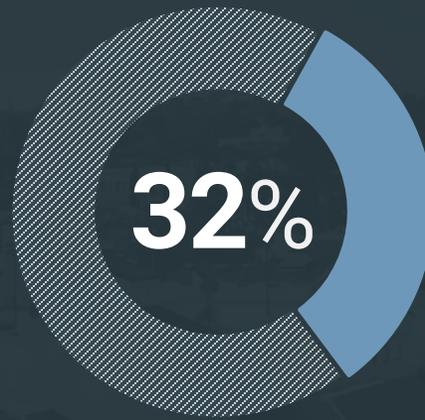
Public Safety

General Fund
Contribution



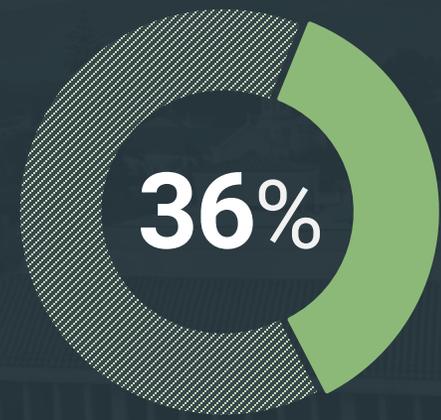
\$142.1 M

Operating
Expenditures



\$374.0 M

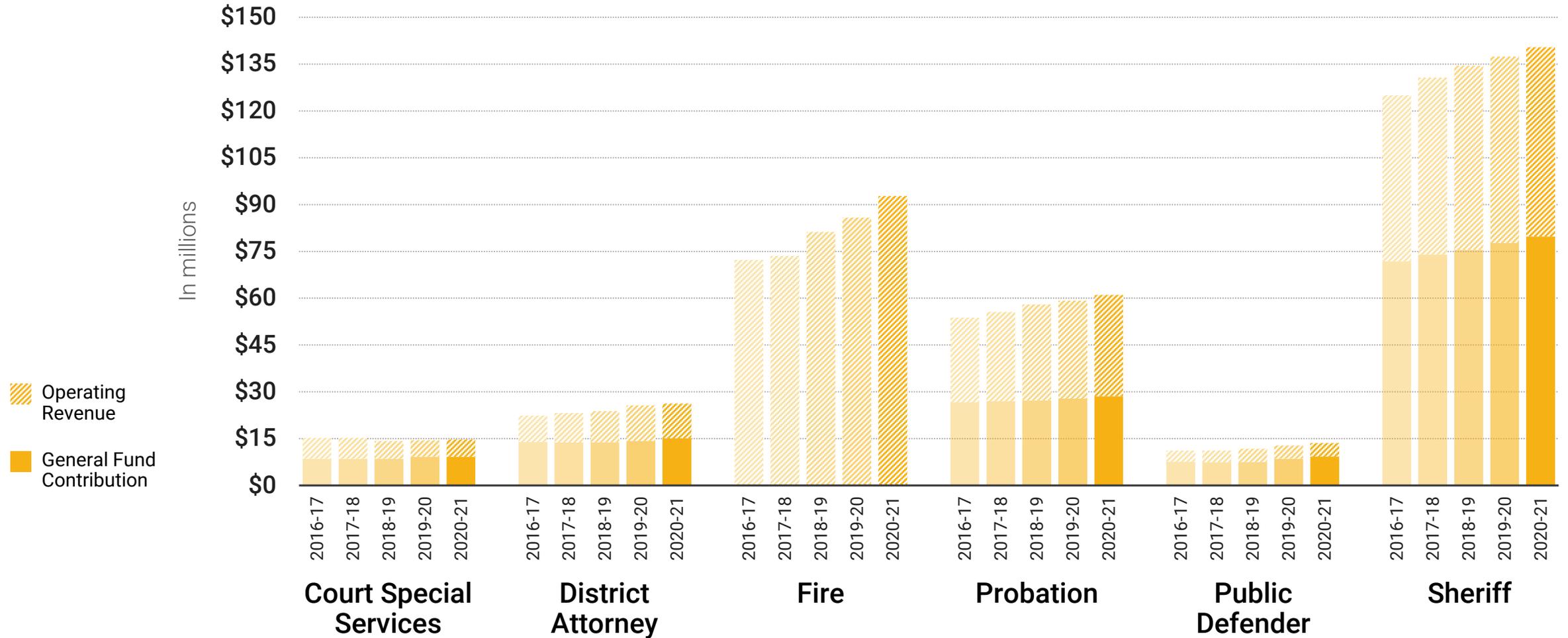
Full-time
Equivalents



1,560.3

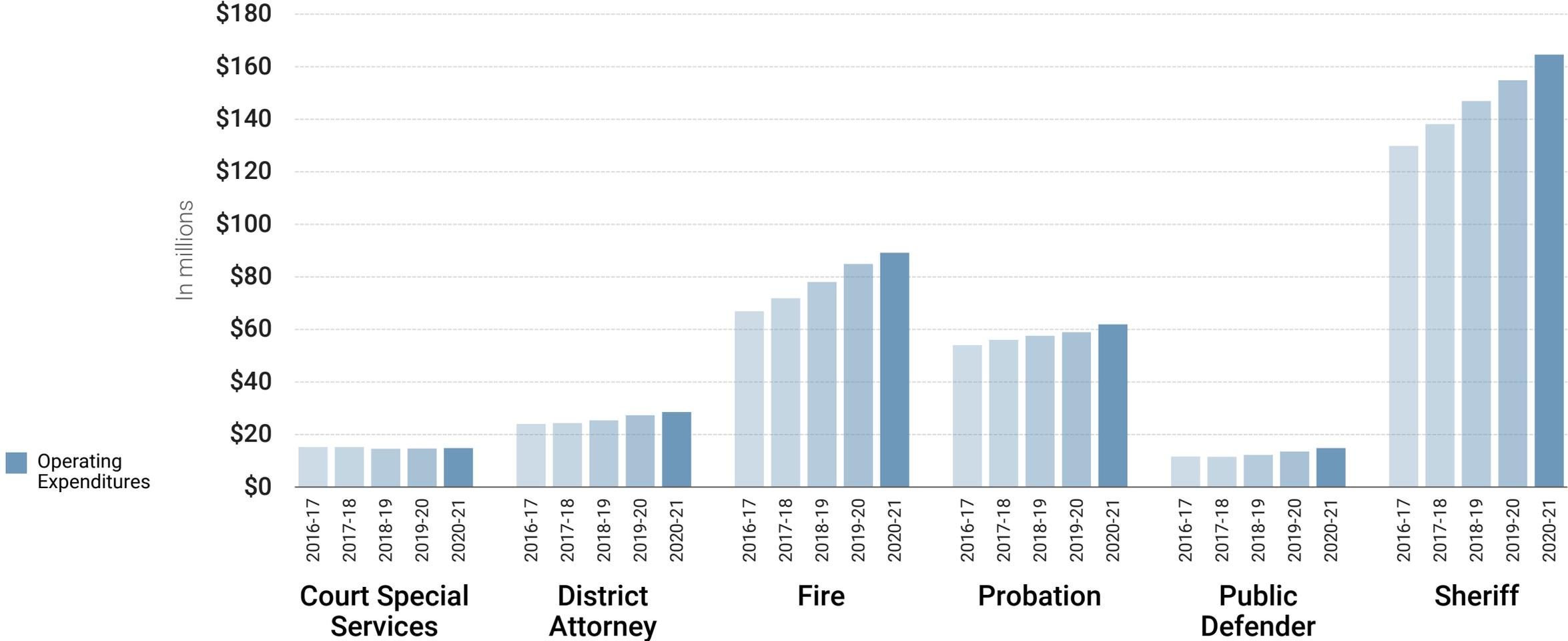
Operating Revenue and GFC

5-Year Trend by Department



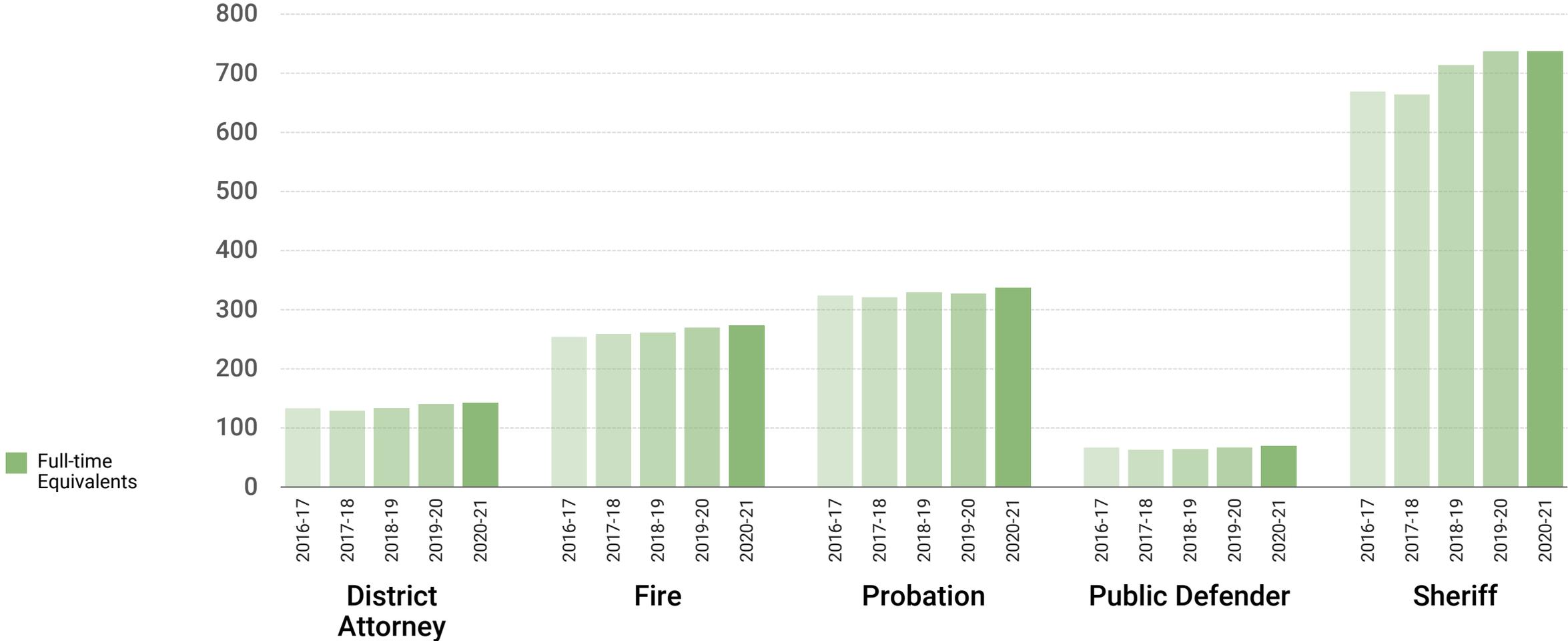
Operating Expenditures

5-Year Trend by Department



Staffing

5-Year Trend by Department



Service Level Reductions

Description	FTE	Reduction Amount	Restoration Amount
Probation			
Reduce Deputy Probation Officer position funded through SB 678, the California Community Corrections Performance Incentives Act of 2009, due to insufficient funding	1.0	\$ 127,158	
Sheriff			
Felony Fugitive Senior Deputy	1.0	\$ 207,880	\$ 207,880
Alternative Sentencing Custody Sergeant	1.0	\$ 190,867	\$ 190,867
Isla Vista CRD Senior Deputy	1.0	\$ 181,793	\$ 181,793
Total Sheriff	3.0	\$ 580,540	\$ 580,540

CRD
Community Resource Deputy

Expansion Requests

General Fund Contribution

Description	FTE	Ongoing	One-Time
District Attorney			
Add LOP Senior positions to work as lead discovery clerks	2.0	\$ 223,400	
Add Deputy District Attorney III position and part-time LOP Senior position to establish a Post-Conviction Litigation Unit	1.5	\$ 236,900	
Total District Attorney	3.5	\$ 460,300	
Public Defender			
Convert EXH LOP positions to regular positions	4.0	\$ 156,800	
Add EXH forensic litigation technician		\$ 69,000	

LOP
Legal Office Professional

EXH
Extra Help

Expansion Requests

General Fund Contribution

DPD
Deputy Public Defender

EXH
Extra Help

LOP
Legal Office Professional

Description	FTE	Ongoing	One-Time
Public Defender (Continued)			
Misdemeanor Caseload	2.0	\$ 194,000	
<ul style="list-style-type: none"> • Convert 2 EXH DPD I positions to regular positions • Add EXH DPD I position 			
Add EXH DPD V and EXH LOP II positions to handle post-conviction cases			\$ 205,000
Add 4 full-time intern positions to assist with conversion to a paperless office			\$ 120,000
Expand funding available for expert and other evaluation costs associated with capital case litigation			\$ 150,000
Total Public Defender	6.0	\$ 419,800	\$ 475,000

Expansion Requests

General Fund Contribution

Description	FTE	Ongoing	One-Time
Sheriff			
Custody Deputies	24.0	\$ 2,934,900	
Law Enforcement Deputies	11.0	\$ 1,655,700	
Data Center Replacement		\$ 150,000	\$ 1,500,000
Data Systems Analyst	1.0	\$ 150,000	
Dispatch Governance Group		\$ 100,000	
Chief Deputy Sheriff	1.0	\$ 360,000	
Body Worn Cameras		\$ 290,200	\$ 100,000
Total Sheriff	37.0	\$ 5,640,800	\$ 1,600,000

Expansion Requests

Use of Cannabis Tax Revenue

Description	FTE	Ongoing	One-Time
District Attorney			
Purchase full-sized truck for Cannabis Compliance Team		\$ 5,000	\$ 41,300
Sheriff			
Add an additional Cannabis Enforcement Team	6.0	\$ 1,200,000	\$ 300,000
<ul style="list-style-type: none">• 1 Sergeant• 4 Detectives• 1 AOP			

AOP

Administrative Office Professional

Health & Human Services

Behavioral Wellness

Child Support Services

First 5 Santa Barbara County

Public Health

Social Services

Key Challenges & Emerging Issues

Health & Human Services

- Operational and fiscal impacts due to the sustained response to COVID-19
- Risks to funding streams due to legislative changes and economic outlook
- Expanded eligibility for services and its impacts
- Medi-Cal Healthier California for All implementation
- Succession planning

FY 2020-21 Objectives

Health & Human Services

- Universal intake process pilot
- Interagency collaboration to increase outreach efforts and address impacts of legislative changes
- Expanded homeless sheltering and housing assistance
- Technology replacement and enhancement
- Implementation of a local Assisted Outpatient Treatment (AOT) program with a more assertive proactive model including co-response

Budget Overview

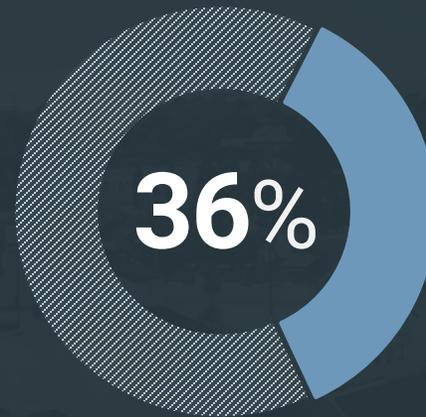
Health & Human Services

General Fund
Contribution



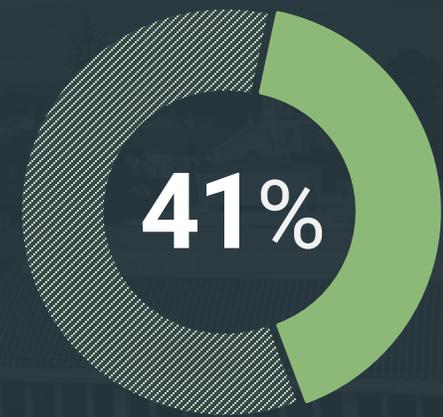
\$24.4M

Operating
Expenditures



\$419.0M

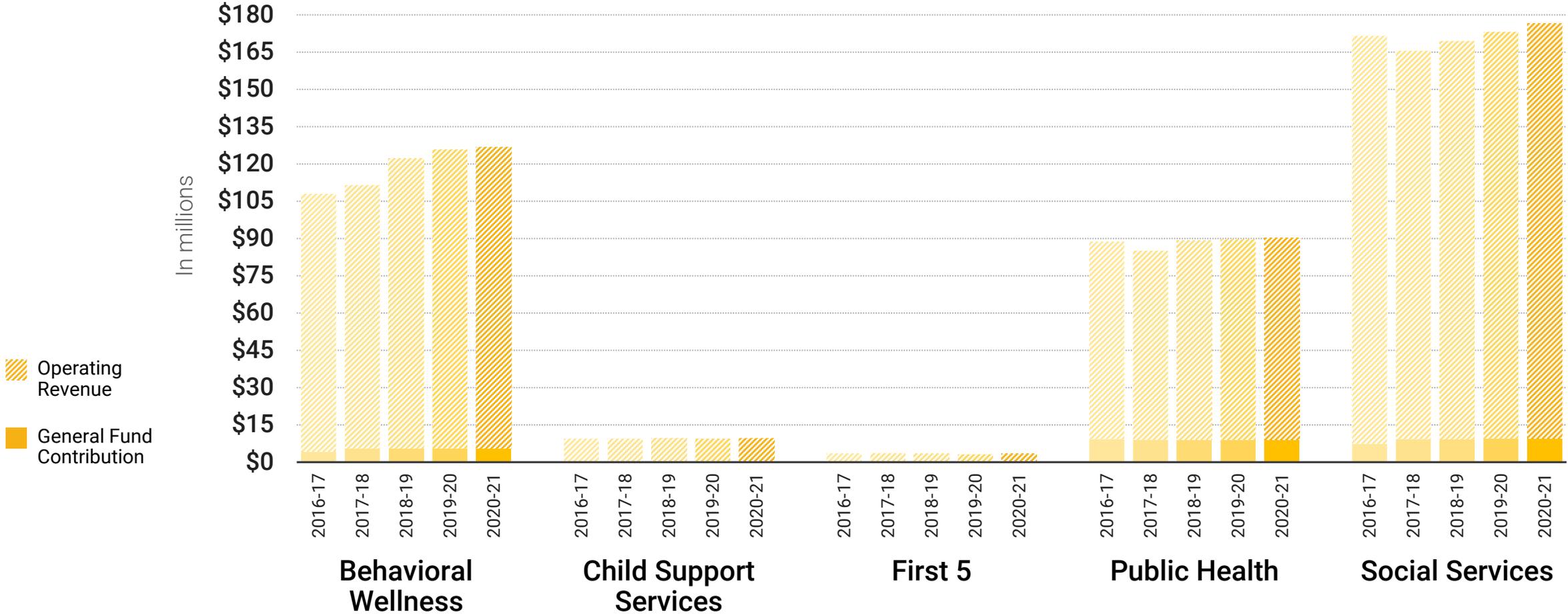
Full-time
Equivalents



1,761.1

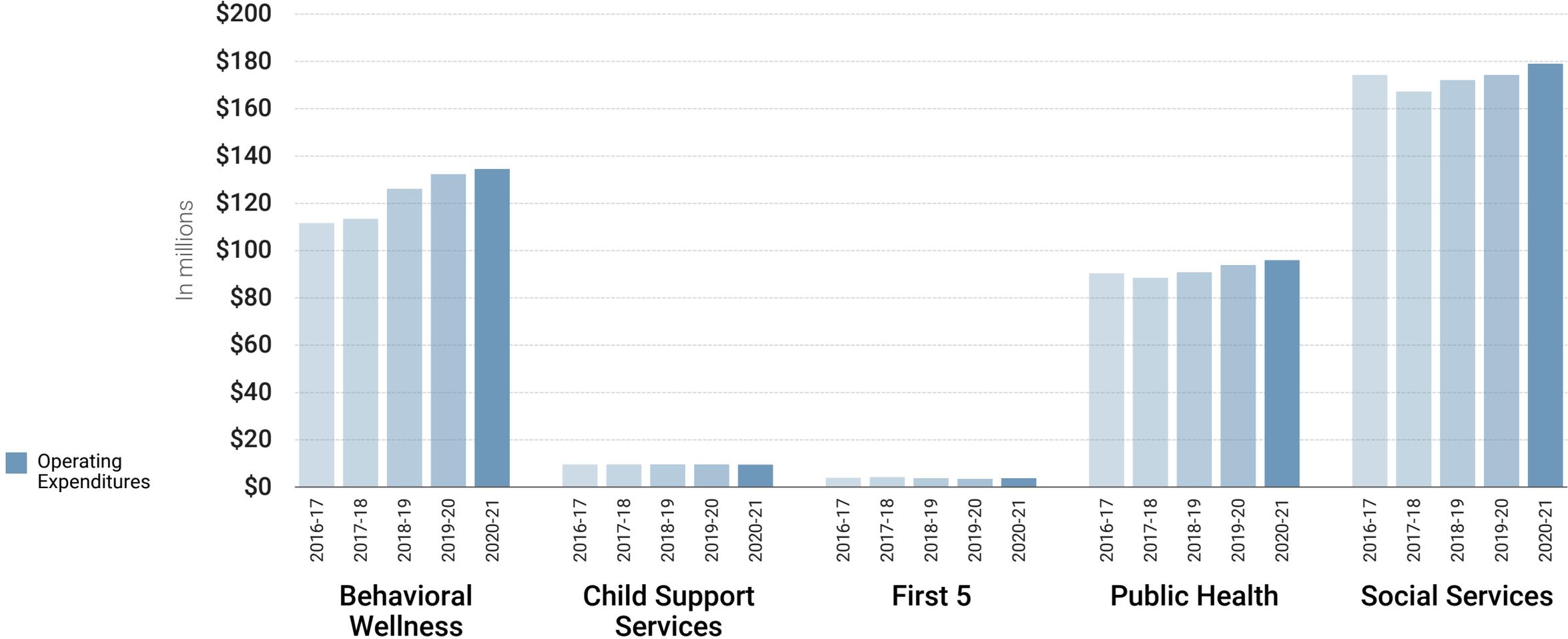
Operating Revenue and GFC

5-Year Trend by Department



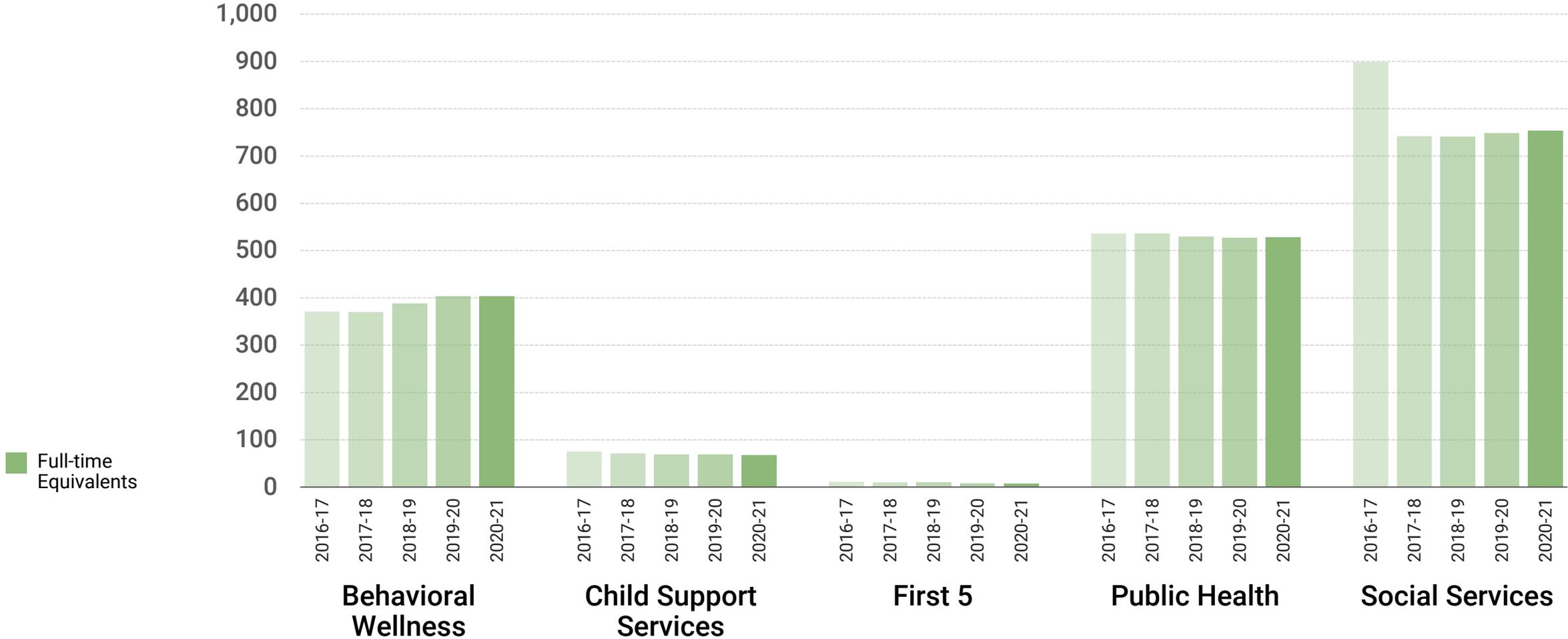
Operating Expenditures

5-Year Trend by Department



Staffing

5-Year Trend by Department



Expansion Requests

General Fund Contribution

Description	FTE	Ongoing	One-Time
Public Health			
Add 2 Animal Welfare Specialist positions	2.0	\$ 151,500	\$ 5,100
Convert part-time contract Chief Veterinarian to full-time regular position	0.5	\$ 87,800	\$ 2,200
Total Public Health	2.5	\$ 239,300	\$ 7,300

Community Resources & Public Facilities

Agricultural Commissioner/
Weights & Measures

Community Services

Planning & Development

Public Works

Key Challenges & Emerging Issues

Community Resources & Public Facilities

- Cannabis permitting, enforcement, and compliance programs
- New State-mandated programs
- Recruitment, retention, training, and succession planning
- COVID-19
- Deferred maintenance backlog
- Collaboratively addressing homelessness
- Implementation of new technology to enhance customer services and increase safety for staff and the public

FY 2020-21 Objectives

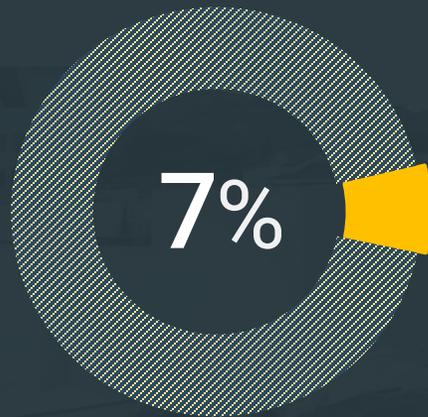
Community Resources & Public Facilities

- Identify emerging leaders and support employee growth and development
- Migrate departmental forms online
- Management team participation in County's Leadership Certificate Program
- Continue management succession planning efforts
- Continue to strengthen internal financial controls and add professional-level staff

Budget Overview

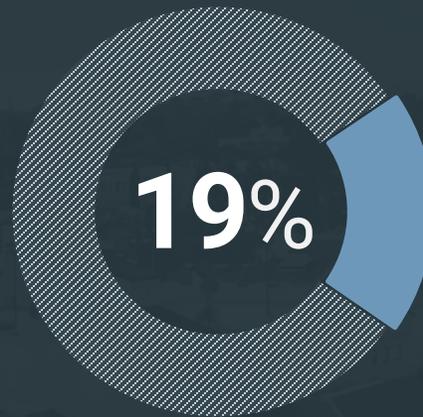
Community Resources & Public Facilities

General Fund
Contribution



\$**20.3** M

Operating
Expenditures



\$**224.6** M

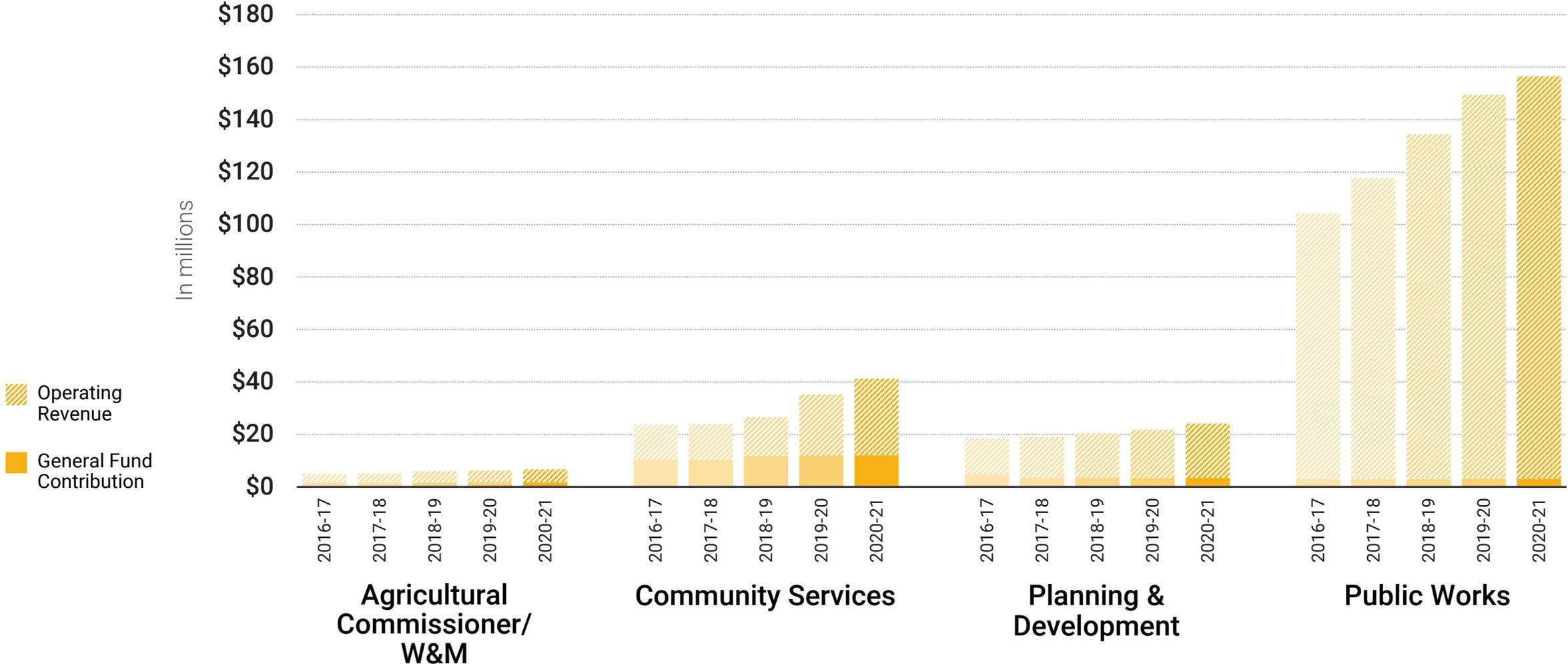
Full-time
Equivalents



522.9

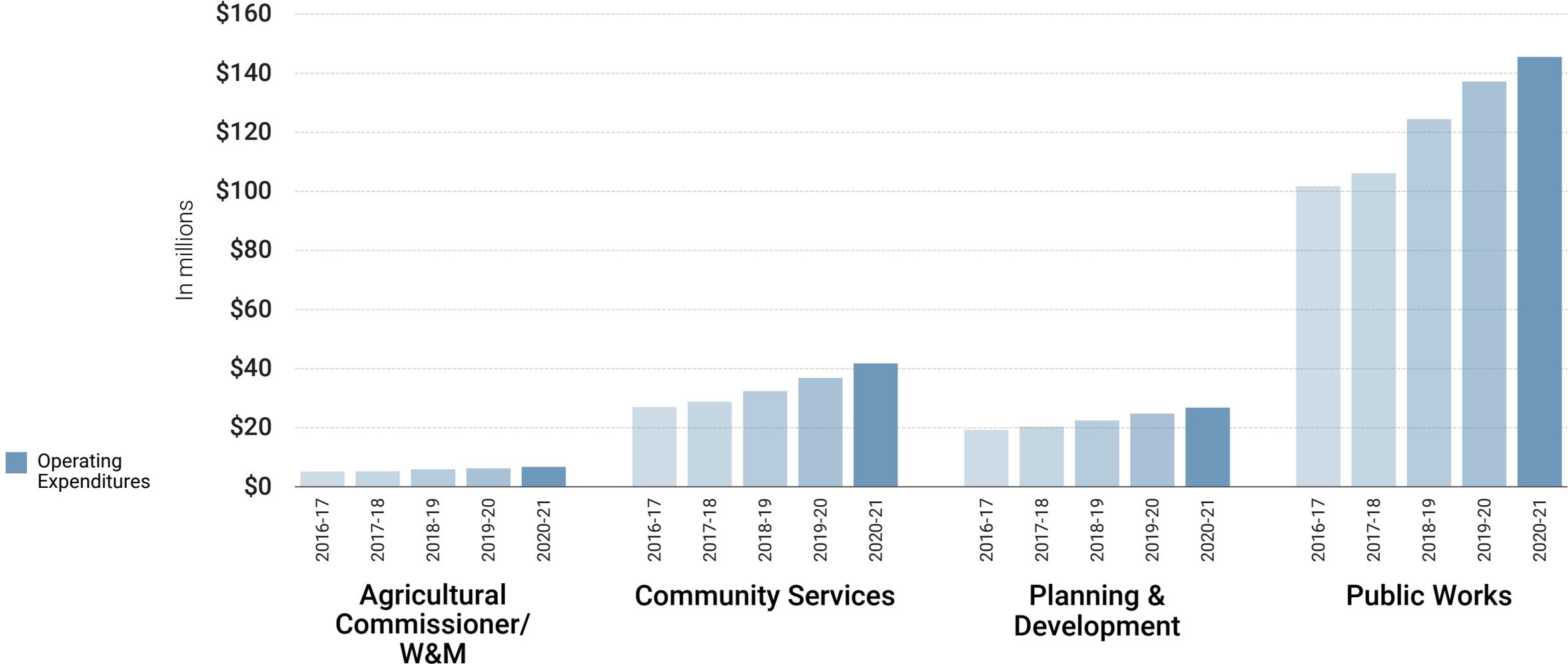
Operating Revenue and GFC

5-Year Trend by Department



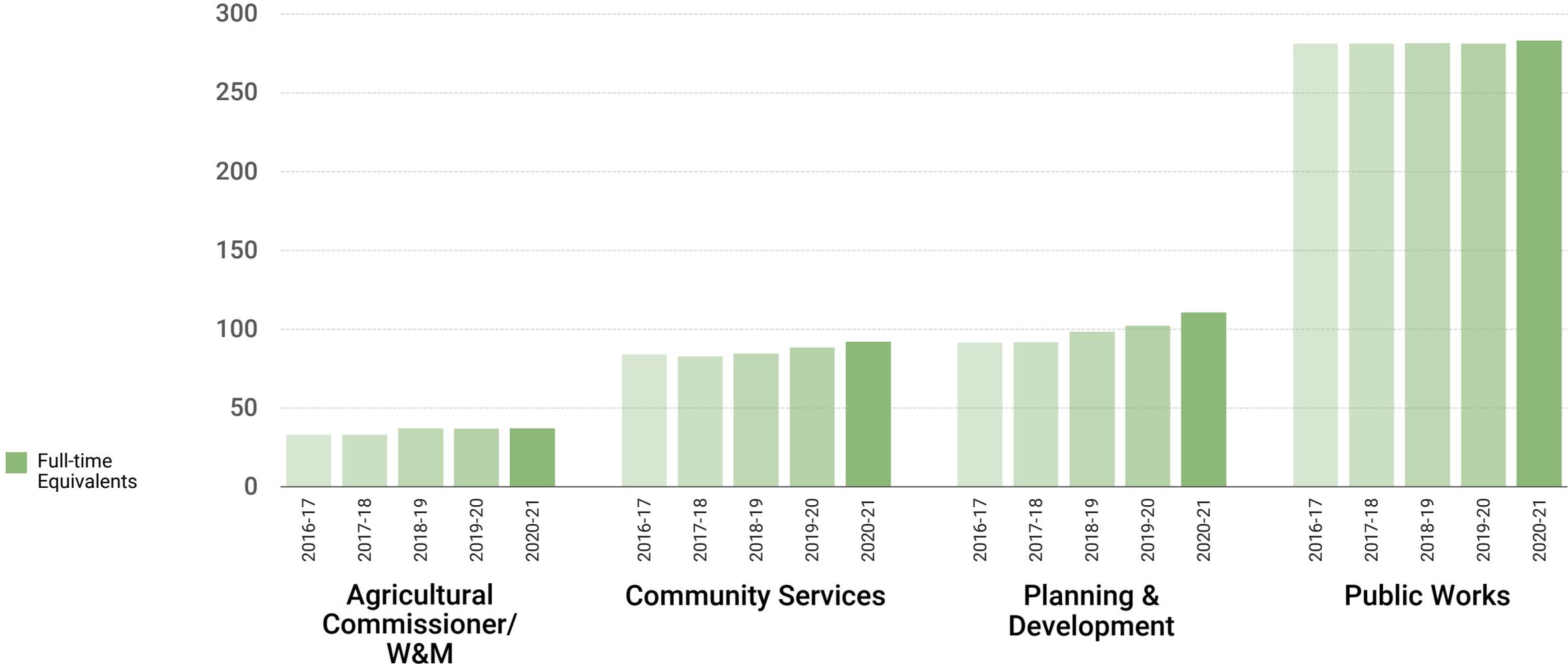
Operating Expenditures

5-Year Trend by Department



Staffing

5-Year Trend by Department



Expansion Requests

General Fund Contribution

ECAP
Energy and Climate Action Plan

DBS
Department Business Specialist

HSC
Human Services Commission

Description	FTE	Ongoing	One-Time
Community Services			
2030 ECAP Development and Implementation • Hire technical consultant • Add DBS II	1.0	\$ 165,000	\$ 428,000
Increase funding to branch libraries		\$ 1,386,000	
Add part-time Arts Communications & Outreach Coordinator (Mid and North County emphasis)	0.5	\$ 75,000	
Add LED field lighting to 2 youth sports fields at Orcutt Community Park			\$ 550,000
Parks pavement rehabilitation			\$ 1,000,000
Restore HSC capacity-building mini grants program		\$ 59,000	
Total Community Services	1.5	\$ 1,685,000	\$ 1,978,000

Expansion Requests

General Fund Contribution

Description	FTE	Ongoing	One-Time
Planning & Development			
Add Planner positions for Long Range Planning	2.0	\$ 259,550	
Public Works			
Address deferred maintenance for roads		\$ 4,180,000	

General Government & Support Services

Auditor-Controller

Clerk-Recorder-Assessor

General Services

Northern Branch Jail Project

Human Resources

Treasurer-Tax Collector-
Public Administrator

Debt Service

Budget Overview

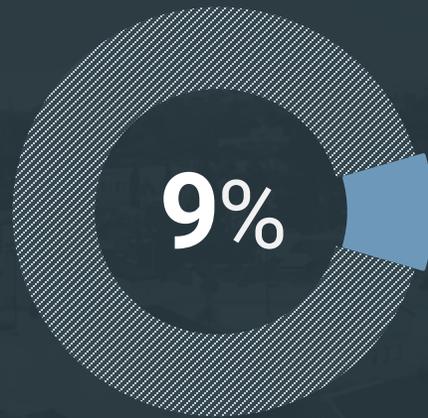
General Government & Support Services

General Fund
Contribution



\$38.3 M

Operating
Expenditures



\$105.5 M

Full-time
Equivalents



355.4

Key Challenges & Emerging Issues

General Government & Support Services

- Implementation of the Public Safety Radio Network replacement project, Countywide physical security program, and County Fleet electric vehicle initiative
- Managing, funding, and completing the growing number of capital and maintenance projects countywide
- Information technology systems assessments and support
- Employee training, development, and retention
- Legislative changes impacting elections
- Potential impacts to revenues, traditional tax payment methods, and voting due to COVID-19

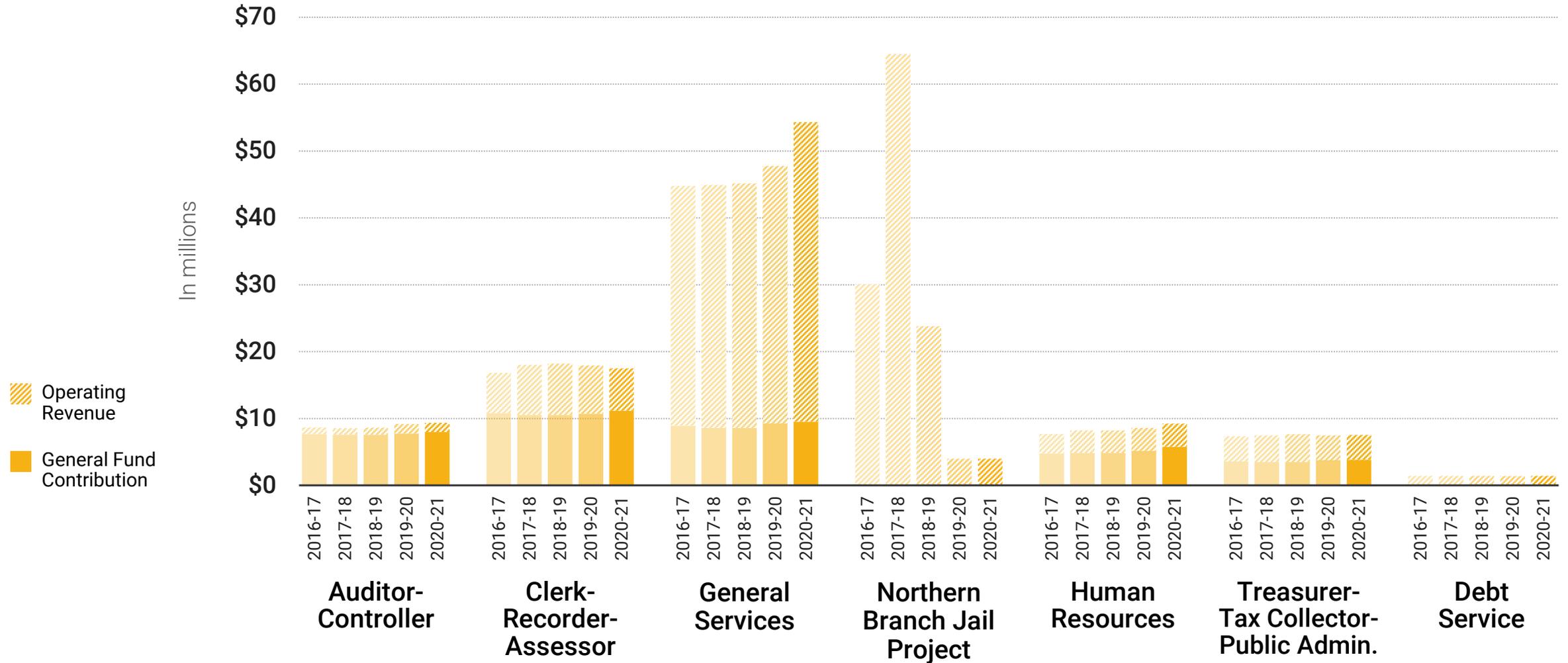
FY 2020-21 Objectives

General Government & Support Services

- Lead and participate in the Countywide business applications needs assessment (BANA)
- Migrate County email, Skype, and SharePoint services to Office 365
- Create a blueprint for the Employee Performance Appraisal system
- Conduct the Presidential General Election on November 3, 2020
- Create a master plan for energy efficiency upgrades Countywide
- Develop a Capital Assets Lifecycle Policy and Strategic Plan
- Align Facilities Maintenance and Capital Projects under one division

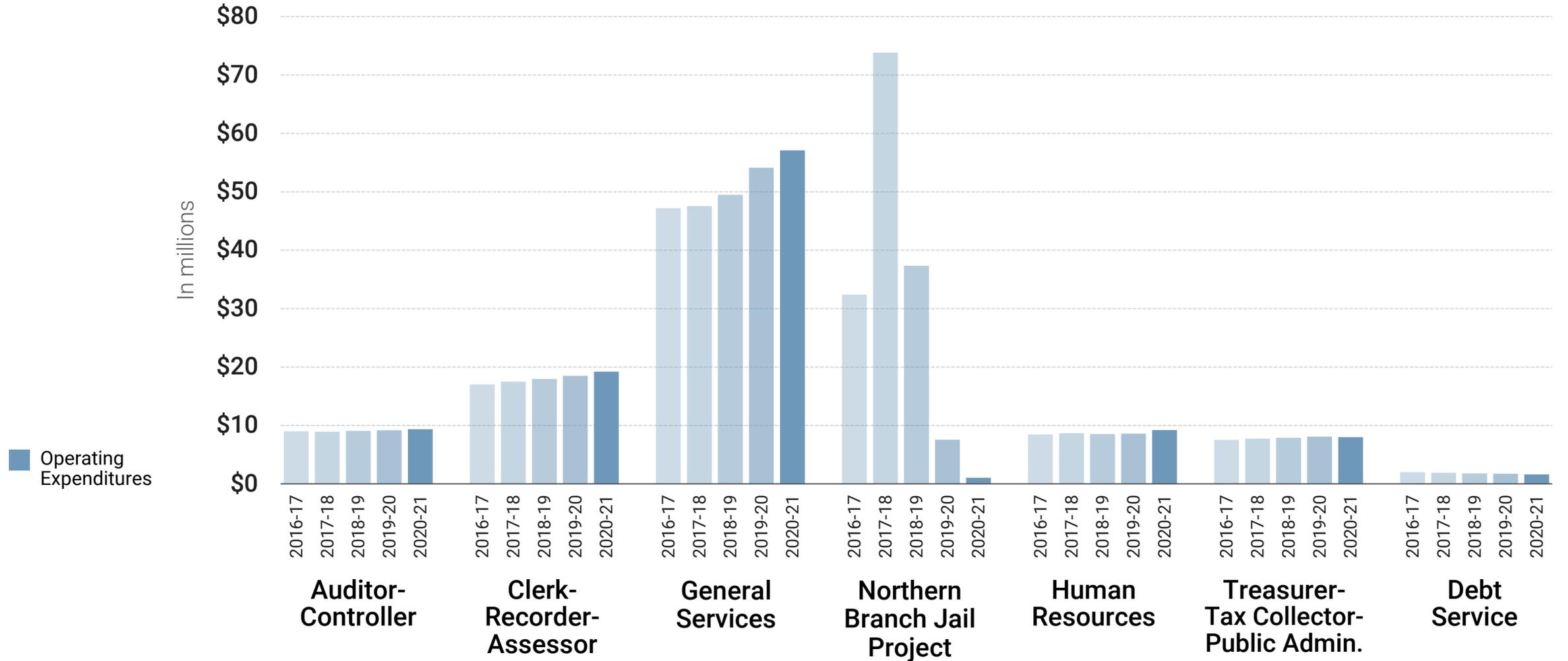
Operating Revenue and GFC

5-Year Trend by Department



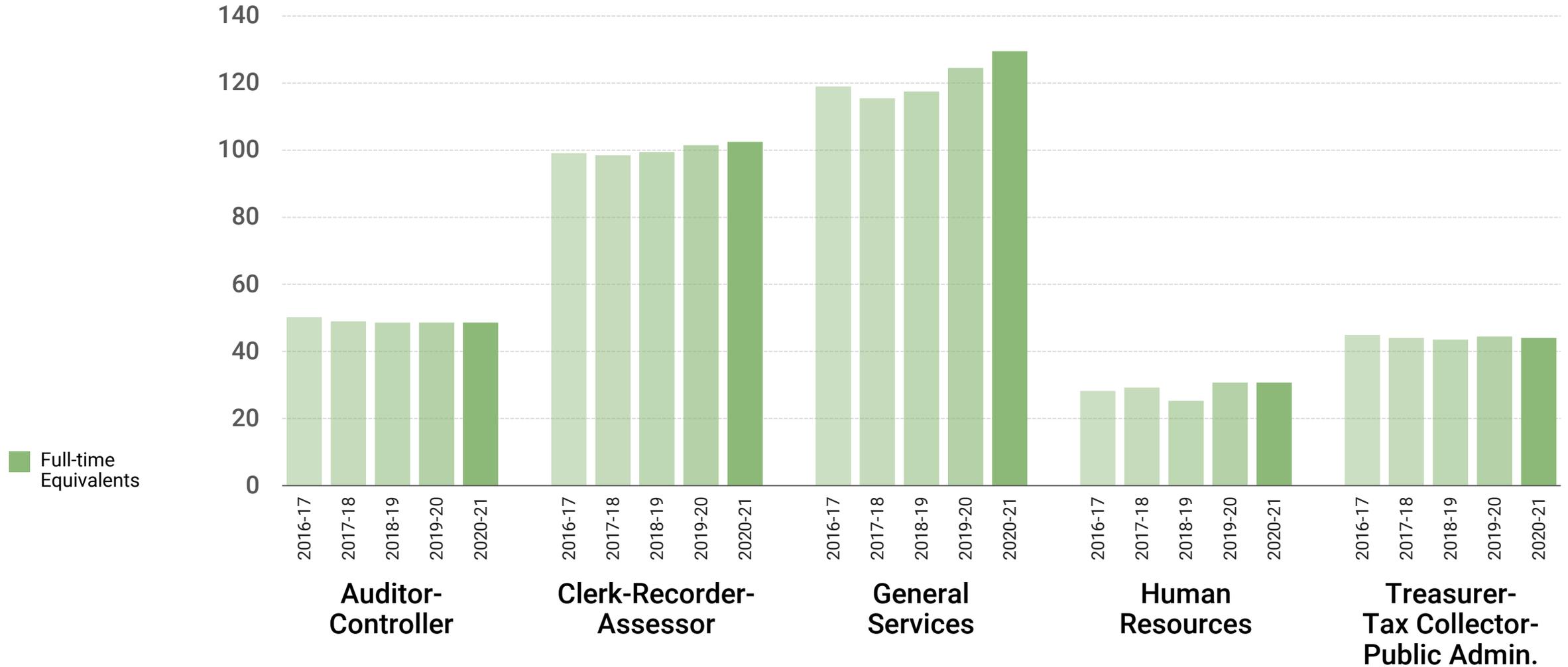
Operating Expenditures

5-Year Trend by Department



Staffing

5-Year Trend by Department



Expansion Requests

General Fund Contribution

Description	FTE	Ongoing	One-Time
Clerk-Recorder-Assessor			
Add a DBS position (entry-level programmer) to the Assessor's Information Systems team for succession planning	1.0	\$ 114,100	
General Services			
Add a contract compliance position in Purchasing for countywide contract support and centralization	1.0	\$ 140,000	
Add an HR manager position to manage all HR activities and participate in workforce planning	1.0	\$ 185,000	\$ 7,500
Total General Services	2.0	\$ 325,000	\$ 7,500

DBS
Department Business Specialist

Expansion Requests

General Fund Contribution

Description	FTE	Ongoing	One-Time
Human Resources			
Add a DBS position to the Administration and Operations Division to improve internal controls and increase policy and procedure oversight	1.0	\$ 115,600	
Treasurer-Tax Collector-Public Administrator			
Add an FOP Expert to lead the Treasury and Property Tax Operations at the Santa Maria location	1.0	\$ 161,500	

DBS

Department Business Specialist

FOP

Financial Office Professional

Expansion Requests

Use of Cannabis Tax Revenue

Description	FTE	Ongoing	One-Time
Treasurer-Tax Collector-Public Administrator			
Add an FOP Senior position to augment cannabis tax collection efforts	1.0	\$ 128,200	

FOP

Financial Office Professional

Policy & Executive

Board of Supervisors

County Counsel

County Executive Office

General County Programs

Key Challenges & Emerging Issues

Policy & Executive

- COVID-19
 - Coordinating response to recovery from the pandemic
 - Facilitating the continuation of County government
 - Strategic planning for Countywide revenue and expenditure impacts
 - Providing Legal Advisory Services
- Litigation of “standard” portfolios and major “non-standard” cases
- Manage the Countywide KPMG Operational and Performance Review process

FY 2020-21 Objectives

Policy & Executive

- Continue to work with the community on recovery from the COVID-19 pandemic
- Efficiently and effectively use public resources and maintain the long-term fiscal health and sustainability of our County
- Continue to support and enhance economic vitality in Santa Barbara County
- Timely legal support for COVID-19 response; 1/9 Debris Flow disaster recovery; cannabis ordinances, permitting, and enforcement; “water issues;” more Public Safety Power Shutoff improvements; and emergency ambulance RFP

Budget Overview

Policy & Executive

General Fund
Contribution



\$71.9 M

Operating
Expenditures



\$55.2 M

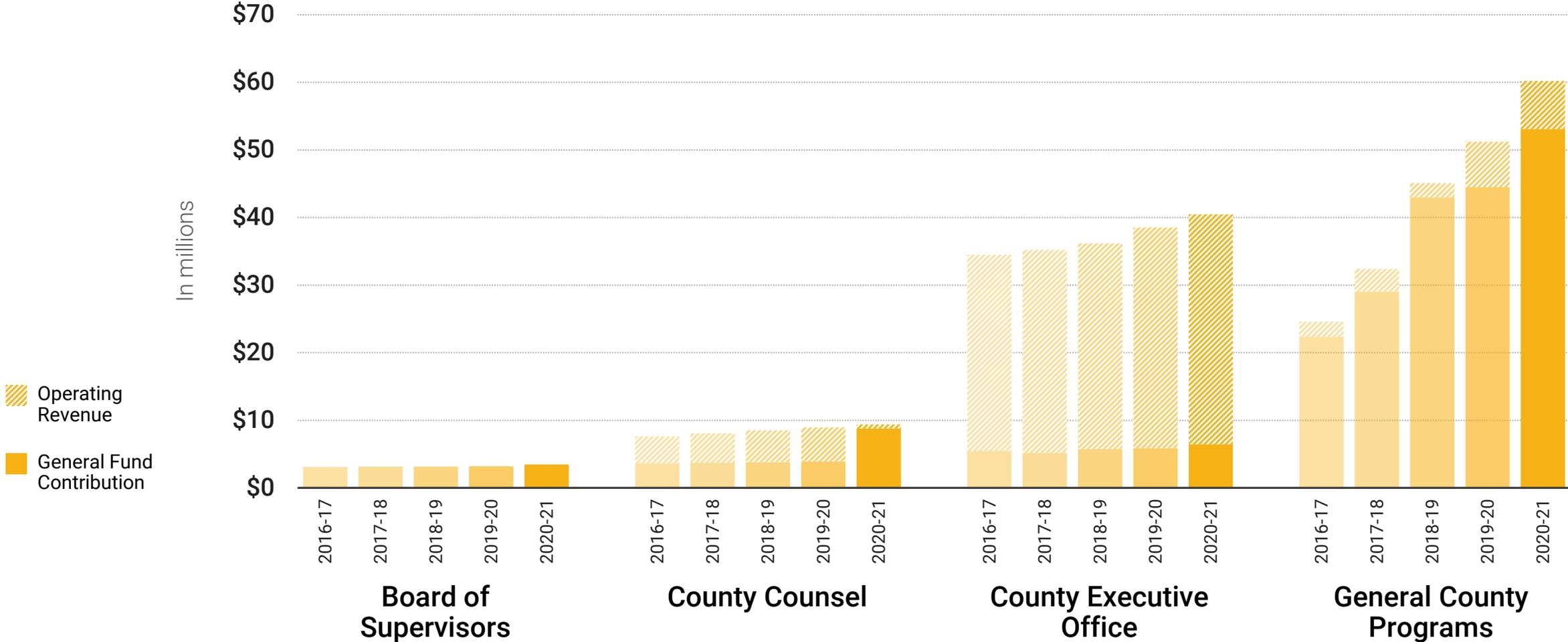
Full-time
Equivalents



99.2

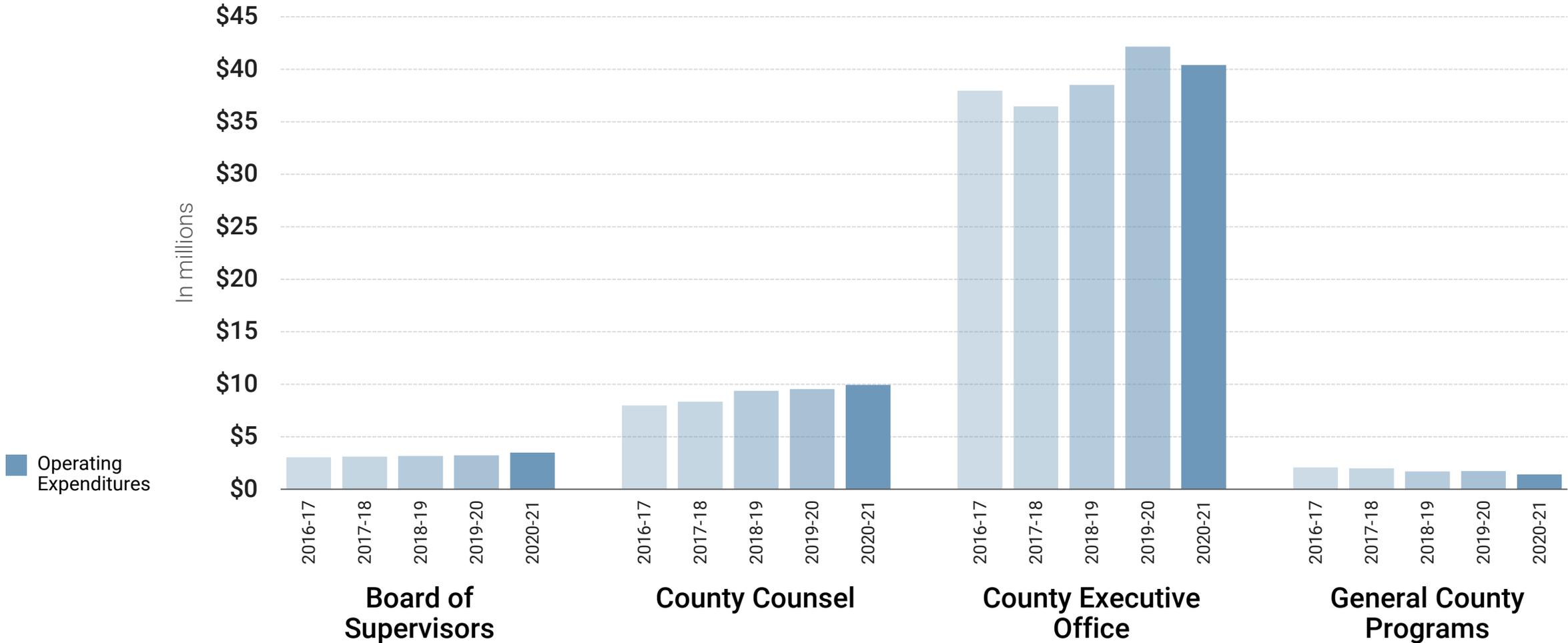
Operating Revenue and GFC

5-Year Trend by Department



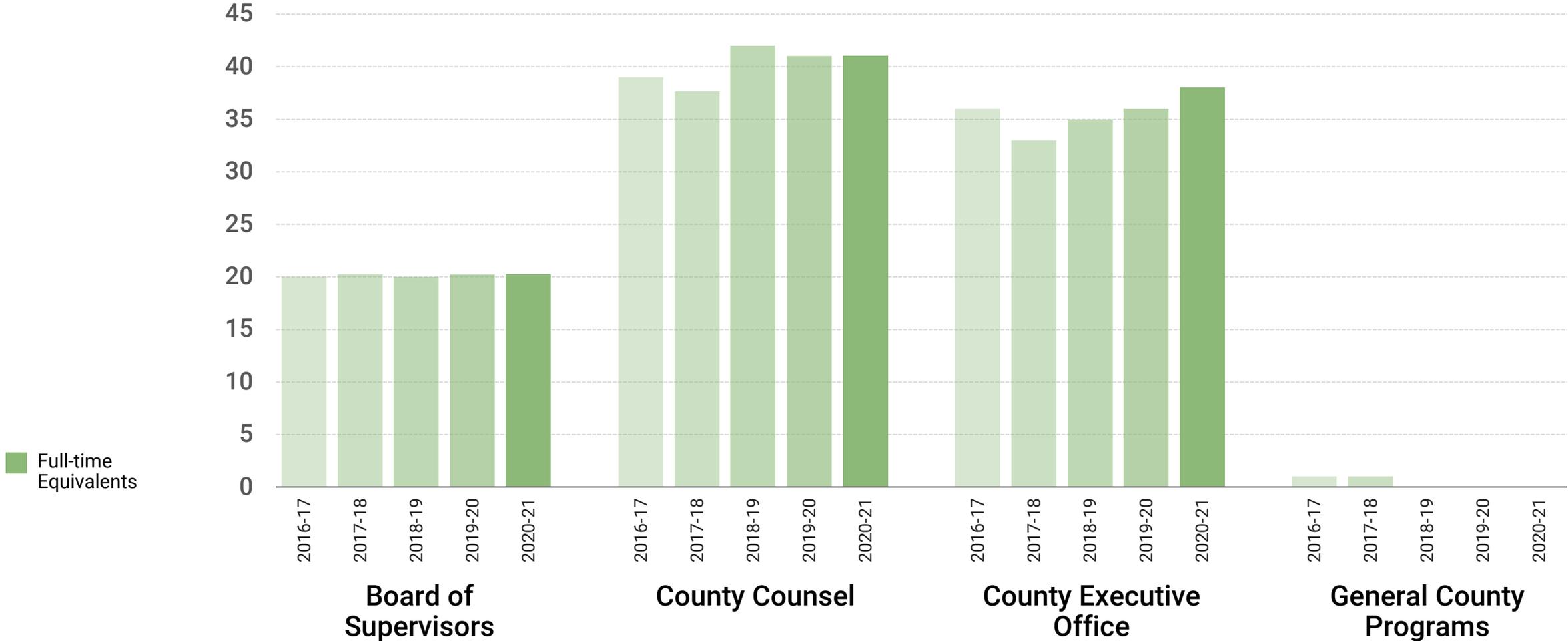
Operating Expenditures

5-Year Trend by Department



Staffing

5-Year Trend by Department



Expansion Requests

General Fund Contribution

OEM
Office of Emergency Management

OA
Operational Area

Description	FTE	Ongoing	One-Time
County Executive Office – OEM			
Engage consultant to develop Continuity of Operations/Continuity of Government Plan			\$ 200,000
Engage consultant to update OA Joint Powers Agreement and Emergency Management Ordinance			\$ 75,000
Total County Executive Office – OEM			\$ 275,000

County Counsel

Add Legal Office Professional to support managing attorneys	1.0	\$	133,800
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Expansion Requests

Use of Cannabis Tax Revenue

Description	FTE	Ongoing	One-Time
County Executive Office			
Add Principal Analyst for Cannabis oversight	1.0	\$ 207,500	



Looking **Forward**

Beyond 2020-21: Preparing for an Uncertain Future

Exercising fiscal
responsibility and making
strategic investments

- County budget outlook is subject to considerable uncertainty
- **Continue commitment to responsible fiscal practices**
 - Use one-time funds for one-time uses
 - Allocate cannabis revenue to enforcement, one-time uses, and to backfill discretionary revenue losses
 - Funds high priority initiatives, including capital needs and technology enhancements
 - Enable employees to optimize operations and reduce cost
- **Essence of Renew '22 has been to fortify our County**
 - We are now being tested
 - After the emergency, we must continue to transform

After Budget Workshop

- Continue to evaluate and adjust for COVID-19 impacts on discretionary general revenues
- Work with departments to make COVID-19 related adjustments to account for the loss of departmental-specific revenues or significant response costs
- Begin developing budget reduction contingency plans with departments should mid-year budget reductions be required
- Complete Recommended Budget; scheduled for release in May
- Budget Adoption Hearings on June 9 and 11



Special Issues

- a) Receive and file information about the Fiscal Year 2020-21 preliminary budget
- b) Provide direction, if any, regarding items to be addressed or included in the CEO's Recommended, scheduled for release in May and Board adoption scheduled for June 9 and 11, 2020
- c) Provide direction, if any, regarding Special Issues or other items
- d) Determine pursuant to CEQA Guidelines 15378(b)(4) that the above actions are not a project subject to CEQA review

Recommended **Actions**