

# FY 2020-21

# Second Quarter Budget Update

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Board of Supervisors  
March 2, 2021



County Executive Office

# Today's Report

County's financial position as of  
December 31, 2020

- General Fund
- Special Revenue and Other Funds

# Background

- **Financial Status**

- Compares projected year-end actuals as of December 31, 2020 against the adjusted budget
- Reportable variance thresholds:

**General Fund** > **\$300K** per department

**Special Revenue and  
Other Funds** > **\$500K** per fund

- **Budget Policy**

- Departments are responsible for maintaining expenditures within Board-approved appropriations
- Board-adopted policy identifies options for departments if expenditures are projected to exceed appropriations

# General Fund

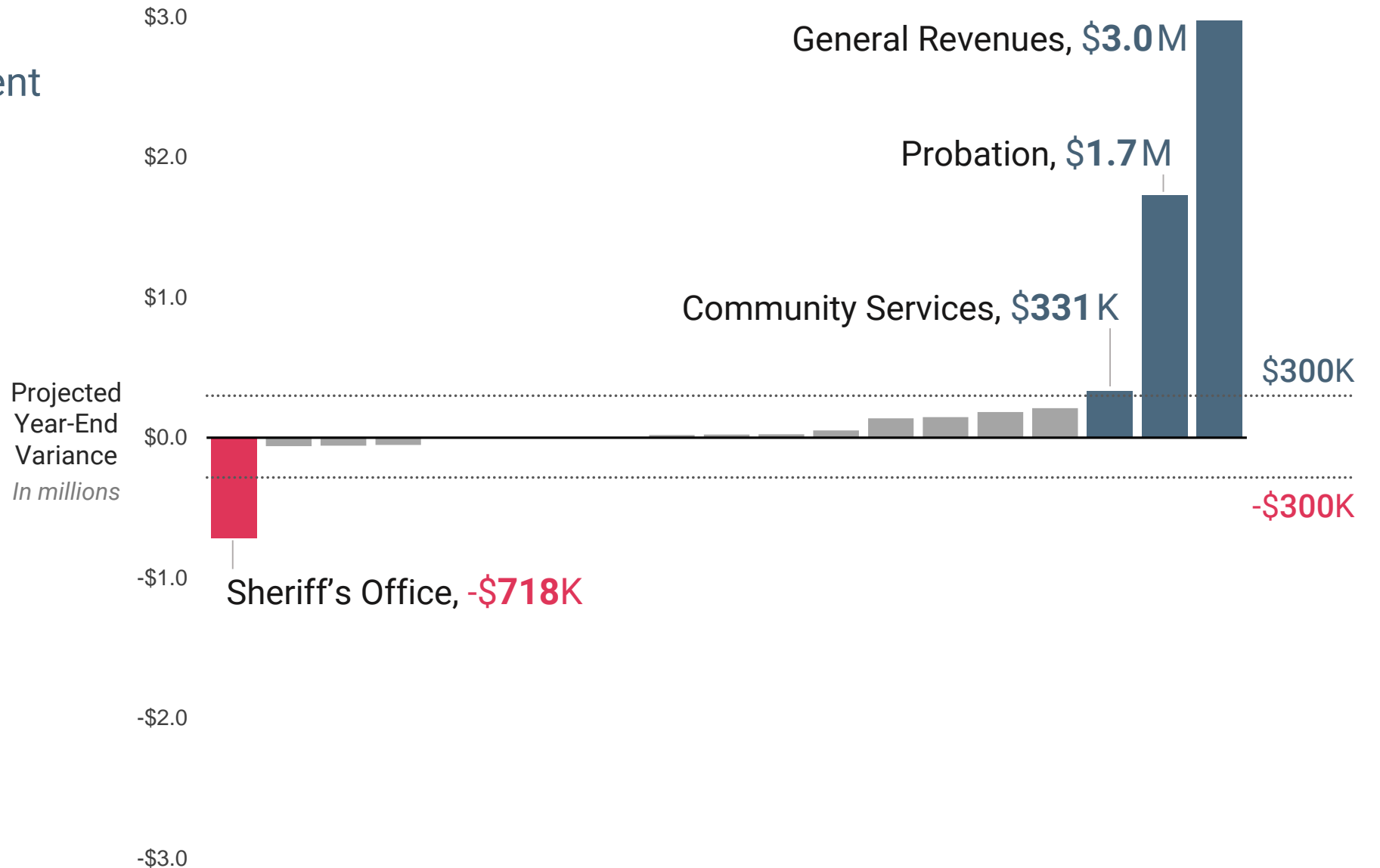
## Summary by Department

**\$4.9M**

Projected Net  
Positive Variance  
as of 12/31/2020

**4**

Reportable  
Variances



# General Fund

## Reportable Variances

### General Revenues

Projected Variance	% Budget
<b>\$3.0M</b>	<b>1%</b>

Discretionary General Revenue Summary (in thousands):			
Source	Adjusted FY 2020-21	Projected FY 2020-21	Variance Proj vs. Adjusted
Property Tax - Current Secured	\$ 147,785	\$ 151,310	\$ 3,525
Property Tax - Prior Year Unsecured Corrections	244	(670)	(914)
Sales and Use Retail State Tax	10,320	12,021	1,701
Cannabis Tax	10,620	14,009	3,389
Transient Occupancy Tax	12,394	9,507	(2,887)
Property Transfer Tax	4,003	6,480	2,477
All Other Revenues	115,620	114,692	(928)
<b>Total Discretionary Revenues</b>	<b>\$ 300,986</b>	<b>\$ 307,349</b>	<b>\$ 6,363</b>
Increase to Cannabis Fund Balance	10,620	14,009	\$ 3,389
All Other Transfers	290,366	290,366	0
<b>Projected Fiscal Year End Variance</b>	<b>\$ -</b>	<b>\$ 2,974</b>	<b>\$ 2,974</b>

# General Fund

## Reportable Variances

### Community Services

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Projected Variance

% Budget

**\$331K**

**1%**

#### Unanticipated revenue

- Reservation fees for camping, RV hookups, and cabins projecting to exceed budget by \$1.2M as travel restrictions drive demand for camping park sites
- Less than anticipated revenues on group site rentals and group camping

### Probation

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**\$1.7M**

**2%**

#### Salary savings

- \$2.8M in projected savings due to staffing vacancies

#### Decreased collections

- Fines, Forfeitures, and Penalties and Charges for Services under budget by \$807K
- COVID-19 has exacerbated downward trend in collections

# General Fund

## Reportable Variances

### Sheriff's Office

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Projected Variance	% Budget
<b>-\$718K</b>	<b>0.4%</b>

#### COVID-19 impacts

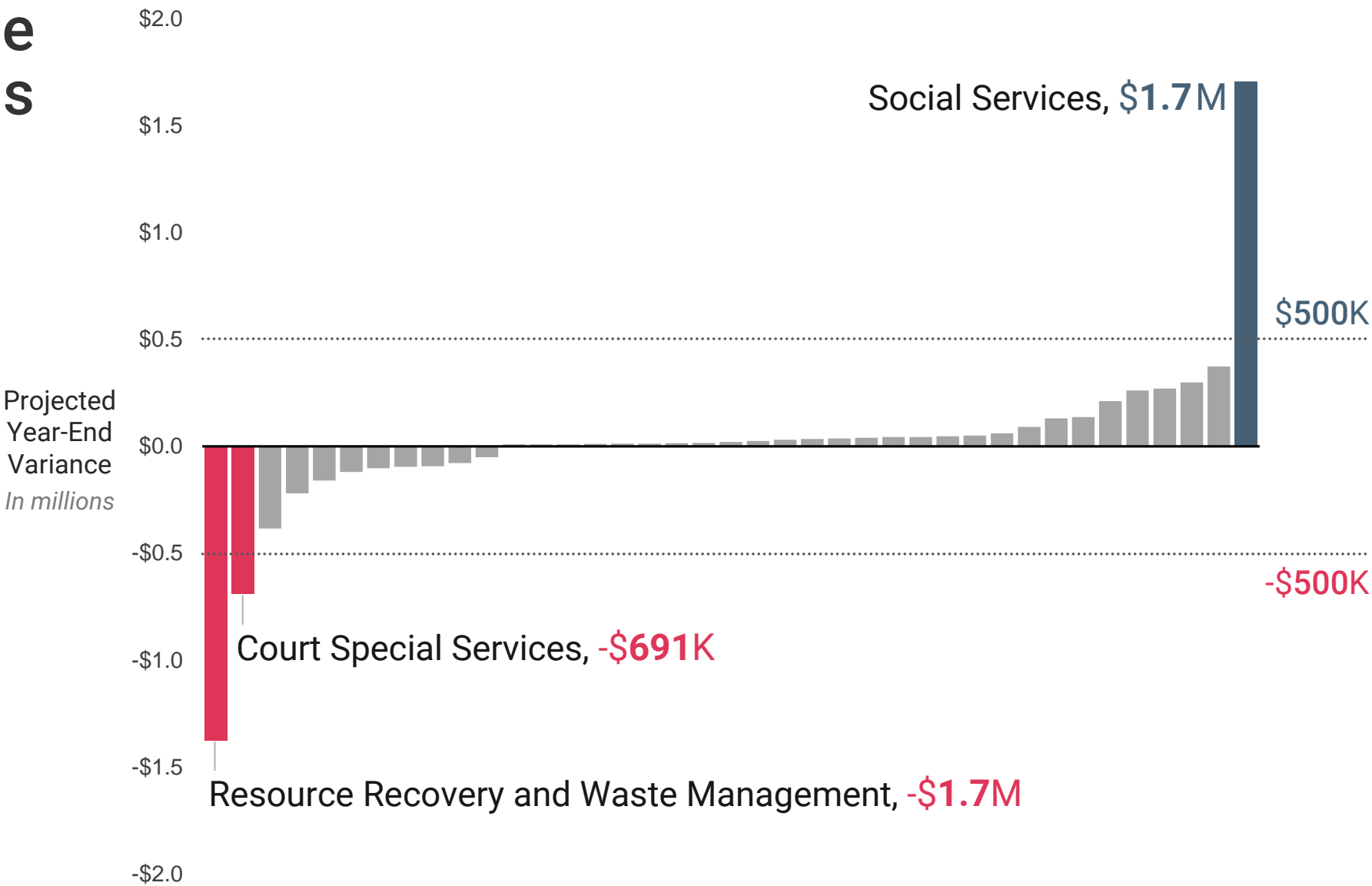
- COVID-related overtime and COVID testing for jail inmates and staff are significant drivers of negative variance
- CARES Act funding, to the extent available, may cover cost overages

#### Other factors

- Mid-year increase in general liability insurance costs have been partially offset by projected salary savings

# Special Revenue and Other Funds

## Summary by Fund



**3**  
Reportable  
Variances



# Special Revenue and Other Funds

## Reportable Variances

### Social Services

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Projected Variance	% Budget
<b>\$1.7M</b>	<b>1%</b>

#### Unanticipated revenue

- State General Fund backfill for lost realignment revenues and increased reimbursements and contributions for program costs help drive favorable variance
- Surplus funds available at year-end will be used towards local match requirements in FY 2021-22
- Apart from this projected surplus, higher-than-anticipated state revenues eliminated the need for \$10.8M in one-time backfill revenue from the General Fund

# Special Revenue and Other Funds

## Reportable Variances

### Resource Recovery and Waste Management

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Projected Variance	% Budget
<b>-\$1.7M</b>	<b>3%</b>

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#### COVID-19 impacts

- Less than anticipated revenue from fees paid on tonnage of waste delivered to the Tajiguas Landfill
- Caused by pandemic-related closure of businesses; revenues expected to recover with reopening of economy
- Year-end shortfalls will be covered by reserve balances

### Court Special Services

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<b>-\$691K</b>	<b>5%</b>
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#### COVID-19 impacts and legislative changes

- Revenues collected from Fees, Fines, Forfeitures, and Penalties reduced by 40%
- Legislative changes affect the ability to assess and collect revenues
- Year-end shortfall will need to be covered by General Fund

# Recommended Action

Receive and file the FY 2020-21 Second Quarter Budget and Financial Status Report as of December 31, 2020, showing the status of appropriations and financing for departmental budgets adopted by the Board of Supervisors