

ATTACHMENT 2

**FY2021-22 Recommended Budget
THE GENERAL FUND BUDGET**

The County’s FY2021-22 Recommended General Fund Budget totals \$3,146,541,870 in appropriations. This is an increase of \$57,980,527 compared to the FY2020-21 Adopted Budget. A more detailed comparison of the FY2021-22 Recommended Budget and the FY2020-21 Adopted Budget is shown below.

General Fund			
FY2020-21 ADOPTED - FY2021-22 RECOMMENDED			
	FY2020-21 Adopted	FY2021-22 Recommended	Difference
Resources			
Beginning Available Balance	\$ 161,609,233	\$ 172,000,000	\$ 10,390,767
Reserve Cancellation	\$ 8,384,625		\$ (8,384,625)
Discretionary Revenue & Reimbursements	\$ 688,536,767	\$ 726,216,689	\$ 37,679,922
Semi-discretionary Reimbursements	\$ 721,528,591	\$ 801,808,410	\$ 80,279,819
Other Reimbursements	\$ 300,775,168	\$ 298,746,452	\$ (2,028,716)
Departmental Revenue*	\$ 1,254,461,333	\$ 1,167,995,013	\$ (86,466,320)
Total Revenue & Reimbursements	\$ 2,965,301,859	\$ 2,994,766,564	\$ 29,464,705
Total Resources	\$ 3,135,295,717	\$ 3,166,766,564	\$ 31,470,847
			\$ -
Requirements			
Contingency	\$ 1,000,000	\$ 6,000,000	\$ 5,000,000
Other Net County Cost	\$ 855,796,251	\$ 871,991,995	\$ 16,195,744
Total Net County Cost	\$ 856,796,251	\$ 877,991,995	\$ 21,195,744
Other Appropriations	\$ 2,231,765,092	\$ 2,268,549,875	\$ 36,784,783
Total Appropriations	\$ 3,088,561,343	\$ 3,146,541,870	\$ 57,980,527
Provision for Reserves	\$ 46,734,374	\$ 20,224,694	\$ (26,509,680)
Total Requirements	\$ 3,135,295,717	\$ 3,166,766,564	\$ 31,470,847
*In FY2020-21 includes \$62.5 million in Coronavirus Relief Fund (CRF) revenue.			

Fund Balance and Reserves

The General Fund's estimated FY2020-21 ending fund balance, which becomes the estimated beginning balance for FY2021-22 totals \$231,368,831. This includes \$59.4 million in reserves, consisting of \$10.9 million in restricted reserves, primarily \$10.7 million in Teeter reserves, and \$48.5 million in discretionary reserves, including \$32.4 million in the Reserve for Cash Flow, \$10.9 million in General Reserves and \$4.7 million in the Audit Report Payback/Litigation Settlement Reserve. The estimated Available (unobligated) balance is \$172 million, which is \$10.4 million (6.4%) higher than the FY2020-21 Adopted Budget beginning Available Balance.

The estimated FY 2021-22 beginning Available Balance was calculated using the FY2019-20 actual ending balance and second quarter estimates of FY 2020-21 General Fund revenues and expenditures, with a positive adjustment to mitigate the generally conservative nature of those estimates. The projected increase in Available fund balance is the result of a number of factors in FY2020-21, including:

- Higher than anticipated salary savings.
- Increased discretionary revenue and reimbursements, particularly a \$20 million increase in Sales and Use Tax revenue due to over-estimating the negative impact of the COVID-19 pandemic on sales tax revenue for both FY2019-20 and FY2020-21 when the FY2020-21 Budget was prepared. This includes approximately \$14.4 million in one-time prior year sales tax revenue and \$5.6 million in additional sales tax revenue estimated to be received in FY2020-21.
- A mid-year budget adjustment, transferring-in to the General Fund approximately \$69 million in non-CalWORKs Semi-discretionary (Realignment and Proposition 172) reimbursements due to the receipt of additional Semi-discretionary revenue in FY2019-20 and FY2020-21. This includes approximately \$51.3 million in one-time prior year revenue and \$38 million in revenue estimated to be received in FY2020-21.
- Reduced contract or other costs in some departments (like Health Services, Conflict Criminal Defender and Child, Family and Adult Services) due, in part, to the impact of COVID-19 on demand for services.
- Reduced caseloads and costs in most assistance categories in the Human Assistance – Aid Payments budget, most likely also due, at least in part, to the impact of COVID-19.

The Recommended Budget includes the following reserve adjustments:

- A \$10,224,694 increase in General Reserves. This would restore the General Reserve reductions made in FY2019-20 and FY2020-21, and bring General Fund Reserves back up to the FY2018-19 level of \$21.2 million.
- A \$10,000,000 increase in the Reserve for Audit Report Payback/Future Litigation Costs. This will begin to accumulate funds for likely significant judgments or settlements in a number of cases, such as the Hardesty lawsuit.

The following table summarizes the General Fund’s reserve status reflected in the Recommended Budget.

FY2021-22 Recommended Budget			
GENERAL FUND RESERVE STATUS			
Reserved For:	FY2020-21 Ending	FY2021-22 Recommended	Change
Tax Loss Teeter	\$ 7,063,444	\$ 7,063,444	\$ -
Teeter Delinquencies	\$ 746,318	\$ 746,318	\$ -
Loan Buyout (Teeter Plan)	\$ 2,958,601	\$ 2,958,601	\$ -
River Delta Fire District Loan	\$ 25,000	\$ 25,000	\$ -
Health for All Loan	\$ 104,730	\$ 104,730	\$ -
Sub-total: Restricted Reserves	\$ 10,898,093	\$ 10,898,093	\$ -
General Reserves	\$ 10,937,339	\$ 21,162,033	\$ 10,224,694
Cash Flow	\$ 32,421,527	\$ 32,421,527	\$ -
Imprest Cash	\$ 290,955	\$ 290,955	\$ -
Audit Report Payback/Litigation Settlement	\$ 4,720,917	\$ 14,720,917	\$ 10,000,000
Special Deposits Travel	\$ 100,000	\$ 100,000	\$ -
Sub-total: Discretionary Reserves	\$ 48,470,738	\$ 68,695,432	\$ 20,224,694
Total Reserves	\$ 59,368,831	\$ 79,593,525	\$ 20,224,694

Discretionary Revenue and Reimbursements

The Recommended Budget includes approximately \$37.7 million (5.4%) more in discretionary revenue and reimbursements than the FY2020-21 Adopted Budget. This is the net result of increases and decreases in a number of revenue sources as shown in the following table:

FY2021-22 Recommended Budget			
DISCRETIONARY REVENUE AND REIMBURSEMENTS			
	FY2020-21 Adopted	FY2021-22 Recommended	Difference
Property Tax - Secured/VLF in Lieu	\$ 471,972,373	\$ 492,131,952	\$ 20,159,579
Property Tax - Supplemental	\$ 5,225,102	\$ 5,560,231	\$ 335,129
Other Property Tax	\$ 17,632,233	\$ 18,824,831	\$ 1,192,598
Total Property Tax	\$ 494,829,708	\$ 516,517,014	\$ 21,687,306
Sales and Use Tax	\$ 86,439,170	\$ 98,471,000	\$ 12,031,830
Utility User Tax	\$ 19,100,000	\$ 20,500,000	\$ 1,400,000
Transient Occupancy Tax	\$ 2,549,000	\$ 4,030,000	\$ 1,481,000
Property Transfer Tax	\$ 13,000,000	\$ 13,000,000	
Other Revenue	\$ 61,478,012	\$ 62,242,583	\$ 764,571
Total Revenue	\$ 677,395,890	\$ 714,760,597	\$ 37,364,707
Teeter	\$ 10,204,873	\$ 11,456,092	\$ 1,251,219
SWA	\$ 936,004		\$ (936,004)
Other Reimbursements			
Total Reimbursements	\$ 11,140,877	\$ 11,456,092	\$ 315,215
Total	\$ 688,536,767	\$ 726,216,689	\$ 37,679,922

Major contributors to the \$37.7 million increase in discretionary revenue and reimbursements compared to the FY2020-21 Adopted Budget include:

- A \$20.2 million (4.3%) increase in Secured and Vehicle License Fee (VLF) In-Lieu property tax revenue due to increases in assessed value on secured property. This includes increases due to new construction and sale of property with higher value in the FY2020-21 fiscal year, increases due to the restoration in values of properties that were in “decline-in-value” (Proposition 8) status and increases due to the statutory assessed value cost of living adjustment (COLA) for most properties. For FY2021-22, the statutory COLA is 1.036%, compared to a 2% COLA for FY2020-21.
- A \$12 million (13.9%) increase in Sales and Use Tax revenue, due partly to the expected impact of the on-going economic recovery from the COVID – 19 pandemic and partly to the fact that the sales tax revenue number in the FY2020-21 Adopted Budget reflected an over-estimation of the negative impact of the pandemic. The most recent estimate is that actual sales tax revenue received in FY2020-21 will come in approximately \$5.6 million higher than budgeted.

- A \$1.5 million (58.1%) increase in Transient Occupancy Tax (TOT) revenue, also due partly to the expected impact of the economic recovery and partly to the over-estimation of the negative impact of the pandemic on TOT revenue in the FY2020-21 Adopted Budget. The most recent estimate is that the actual TOT revenue received in FY2020-21 will come in approximately \$508,000 (14%) higher than budgeted. Although the Recommended Budget's estimated TOT revenue – at \$4 million – represents a significant increase over the FY2020-21 Adopted level, it is still lower than the FY2019-20 Adopted Budget level of \$6.8 million.
- The elimination of \$936,000 in Solid Waste Authority (SWA) reimbursements. SWA will dissolve effective July 1, 2021, and thus SWA reimbursements as such will end. More significantly, all commercial revenue will be needed to fund solid waste programs in FY 2021-22 and likely in future fiscal years rather than be available for transfer to the General Fund. The reasons for this include the decision to expand the universal lifeline credit for solid waste fees, increased expenditures related to domestic encampment clean-up activities and increased costs associated with implementing SB 1383.

It should be noted that all of these numbers are estimates and actual discretionary revenue will likely be different than these amounts.

Semi-discretionary Reimbursements

The FY2020-21 Adopted General Fund Budget included \$721,828,591 in Semi-discretionary (Realignment and Proposition 172) reimbursements from the Realignment and Proposition 172 Restricted Funds. The Recommended Budget includes \$801,808,410 in Semi-discretionary reimbursements, an increase of \$79,979,819 (11.1%) compared to the amount in the FY2020-21 Adopted Budget. The increase is due to projected increases in both FY2020-21 and FY2021-22 statewide sales tax and VLF revenue (which funds Realignment and Proposition 172) compared to the amount assumed in the FY2020-21 Adopted Budget. And this, in turn, is due partly to the expected impact of the on-going economic recovery from the COVID – 19 pandemic and partly to the fact that the sales tax revenue number in the FY2020-21 Adopted Budget reflected an over-estimation of the negative impact of the pandemic.

The following table summarizes the amount of Semi-discretionary reimbursements to General Fund departments included in the FY2021-22 Recommended Budget.

FY2021-22 Recommended Budget			
SEMI-DISCRETIONARY REIMBURSEMENTS			
	FY2020-21 Adopted Budget	FY2021-22 Recommended Budget	Difference
Enhancing Law Enforcement Activities	\$ 20,790,703	\$ 21,857,930	\$ 1,067,227
Law Enforcement Services	\$ 83,653,019	\$ 94,825,041	\$ 11,172,022
Behavioral Health Services	\$ 61,503,250	\$ 69,953,586	\$ 8,450,336
Protective Services	\$ 113,503,955	\$ 136,252,779	\$ 22,748,824
Total 2011 Realignment	\$ 279,450,927	\$ 322,889,336	\$ 43,438,409
			\$ -
Mental Health	\$ 49,751,559	\$ 47,946,285	\$ (1,805,274)
Public Health	\$ 15,121,375	\$ 16,710,776	\$ 1,589,401
Social Services	\$ 119,461,594	\$ 147,910,704	\$ 28,449,110
Total 1991 Realignment - Non-CalWORKs	\$ 184,334,528	\$ 212,567,765	\$ 28,233,237
CalWORKs	\$ 141,991,383	\$ 130,248,492	\$ (11,742,891)
Total 1991 Realignment	\$ 326,325,911	\$ 342,816,257	\$ 16,490,346
Proposition 172	\$ 116,051,753	\$ 136,102,817	\$ 20,051,064
Total	\$ 721,828,591	\$ 801,808,410	\$ 79,979,819
Total Non-CalWORKs Realignment	\$ 463,785,455	\$ 535,457,101	\$ 71,671,646
Total Semi-discretionary Reimbursement - Non-CalWORKs	\$ 579,837,208	\$ 671,559,918	\$ 91,722,710

The above table also shows the amount of Non-CalWORKs Semi-discretionary reimbursements included in the FY2021-22 Recommended General Fund Budget. This is the Realignment and Proposition 172 revenue that the Board has some flexibility to allocate to different programs within certain parameters. CalWORKs Realignment is provided by the State in lieu of State General Fund to cover certain CalWORKs program costs.

As can be seen, for FY2021-22 Non-CalWORKs Semi-discretionary reimbursements total \$671.6 million, a \$91.7 million (15.8%) increase compared to the FY2020-21 Adopted level.

Other Departmental Revenue and Reimbursements

When Semi-discretionary reimbursements are factored out, the Recommended General Fund Budget reflects an \$88.5 million (5.7%) decrease in departmental revenue and reimbursements compared to the FY2020-21

Adopted Budget. This is the net result of increases and decreases in different revenue and reimbursement sources in various departments, including:

- The elimination of \$62.5 million in Coronavirus Relief Fund (CRF) revenue that was included in the FY2020-21 Adopted Budget and used - directly or indirectly - to cover costs related to the response to the COVID-19 pandemic, primarily in the Health Services Department.
- The elimination of \$34.2 million in Realignment Backfill revenue that was included in the FY2020-21 Adopted Budget. This was one-time revenue provided by the State to offset what was anticipated to be a significant reduction in Realignment revenue. The money came from the State's General Fund and was not technically Realignment revenue, though the State mandated that counties use the money to fund realigned programs. Most of the funding was provided to the Sheriff, Probation, Health Services and IHSS Provider Payments budget units.
- A \$10.2 million reduction in fee revenue to various departments – including the Sheriff, Probation and Public Defender – due to the passage by the Legislature of AB 1869. This bill repealed the authority of counties to charge defendants 23 different fees for things like administering probation and mandatory supervision, processing arrests and citations and administering home detention and work release programs. The bill also repealed the authority of courts to order defendants to pay the costs of the public defender. The provisions of the bill take effect beginning July 1, 2021, and included an appropriation of \$65 million to counties to backfill revenues lost from the repeal of these fees. The State has not yet provided information on how much revenue each County will receive, so that money is not included in the Recommended Budget.
- A \$22.3 million reduction in federal and State revenue to the Human Assistance – Aid Payments Budget, due to recent and projected caseload declines in a number of programs that are partially funded by the federal and State governments.
- A \$35.9 million increase in revenue to the Human Assistance – Administration Budget, due primarily to the inclusion of \$26.7 million in State and federal funding for the continuation of the Emergency Rental Assistance Program (ERAP). This program was added to the budget during FY2020-21, so was not reflected in the FY2020-21 Adopted Budget.

Appropriations/Expenditures

As noted above, Recommended General Fund appropriations (including the Appropriation for Contingency) total \$3,146,541,870, an increase of \$57,980,527 (1.9%) compared to the FY2020-21 Adopted Budget level. This is the net result of a \$16.8 million (0.5%) decrease in Base (current staffing and services) costs, recommended Growth (funding for new or enhanced programs) of \$80.1 million and a \$5.3 million reduction in appropriations, primarily reductions due to decreased categorical revenue.

The situation is summarized in the following table.

General Fund Appropriations				
BASE, GROWTH AND PROGRAM REDUCTIONS				
	FY2020-21 Adopted Budget	FY2021-22 Recommended Budget	Difference	Percent Difference
Base Appropriations	\$ 3,088,561,343	\$ 3,071,789,730	\$ (16,771,613)	-0.5%
Program Reductions		\$ (5,342,608)	\$ (5,342,608)	
Recommended Growth		\$ 80,094,748	\$ 80,094,748	
Recommended Appropriations	\$ 3,088,561,343	\$ 3,146,541,870	\$ 57,980,527	1.9%

The primary reasons for the net \$58 million increase in General Fund appropriations include:

- The \$80.1 million in Recommended Growth. This includes a \$20 million loan to the Roads Fund to jump-start road maintenance efforts and avoid more costly future road maintenance costs, \$12 million for Health Services to begin implementation of an alternative to law enforcement response to persons with mental health issues, \$6.8 million for the Sheriff and Correctional Health Services for costs associated with implementing the requirements of the Mays consent decree, \$5.4 million for Human Assistance - Administration to fund a new Homeless Outreach and Encampment initiative, \$4.4 million for Voter Registration and Elections to cover the cost of the gubernatorial recall election, a \$2.4 million transfer to the Parks Construction Fund to begin accumulating money to cover parks capital needs and a \$1 million transfer to the Capital Construction Fund (CCF) to begin accumulating money to cover major maintenance costs at the Mather Community Campus.
- A \$34 million increase in salary and benefit costs for existing positions.

- A \$26.7 million increase in costs in the Human Assistance – Administration budget for the continuation of the Emergency Rental Assistance Program (ERAP).
- A \$31.9 million reduction in expenditures in the Health Services budget due to the termination of funding for various programs and services, including CRF revenue for various Public Health programs, Mental Health Services Act (MHSA) funding for the Building Hope and Early Intervention Grant program and State funding for the Dental Transformation Initiative.
- A \$34.5 million reduction in costs in the Human Assistance – Aid Payments budget due to a projected reduction in caseloads in a number of assistance programs.

Net County Cost/Discretionary Revenue, Semi-discretionary Reimbursement and Realignment Backfill Allocation

“Net County Cost” or “General Fund Allocation” refers to the discretionary resources allocated to different departments or programs. Discretionary resources come from the General Fund’s discretionary (non-departmental) revenues, non-departmental reimbursements and the General Fund beginning balance. Net County Cost in the Recommended Budget totals \$878 million, a \$21.2 million (2.5%) increase compared to the FY2020-21 Adopted Budget.

The Recommended allocations are summarized in the table on the following page.

NET COUNTY COST				
Fund Budget Unit - Name	FY 2020-21 Adopted Budget	FY 2021-22 Recommended Budget	Change from FY 2020-21 Adopted Budget	% Change from FY 2020-21 Adopted Budget
Elected Officials				
001A 3610000BU - Assessor	10,547,093	9,290,983	(1,256,110)	(11.9%)
001A 4050000BU - Board of Supervisors	3,883,506	3,958,100	74,594	1.9%
001A 5800000BU - District Attorney	67,841,544	71,034,503	3,192,959	4.7%
001A 7400000BU - Sheriff	316,884,999	324,339,690	7,454,691	2.4%
Subtotal - ELECTED OFFICIALS	399,157,142	408,623,276	9,466,134	2.4%
General Government				
001A 4010000BU - Clerk of the Board	1,524,881	2,071,869	546,988	35.9%
001A 4210000BU - Civil Service Commission	395,736	404,632	8,896	2.2%
001A 4660000BU - Fair Housing Services	197,352	209,074	11,722	5.9%
001A 4810000BU - County Counsel	2,535,324	2,534,962	(362)	(0.0%)
001A 5110000BU - Financing-Transfers/Reimbursement	12,705,621	27,655,172	14,949,551	117.7%
001A 5725728BU - Planning and Environmental Review	3,127,480	3,172,480	45,000	1.4%
001A 5730000BU - County Executive Cabinet	468,458	586,178	117,720	25.1%
001A 5750000BU - Criminal Justice Cabinet	0	0	0	0.0%
001A 5770000BU - Non-Departmental Costs/General Fund	32,844,560	31,881,108	(963,452)	(2.9%)
001A 5910000BU - County Executive	920,372	939,152	18,780	2.0%
001A 5920000BU - Contribution To LAFCCO	239,500	239,500	0	0.0%
001A 5970000BU - Office of Labor Relations	0	0	0	0.0%
001A 5980000BU - Appropriation For Contingency	1,000,000	6,000,000	5,000,000	500.0%
001A 7090000BU - Emergency Services	1,581,271	1,603,184	21,913	1.4%
Subtotal - GENERAL GOVERNMENT	57,540,555	77,297,311	19,756,756	34.3%
Administrative Services				
001A 3230000BU - Department Of Finance	1,249,537	1,249,537	0	0.0%
001A 3240000BU - County Clerk/Recorder	0	0	0	0.0%
001A 4410000BU - Voter Registration And Elections	9,913,585	16,237,563	6,323,978	63.8%
001A 5020000BU - Court / Non-Trial Court Operations	8,874,247	9,181,817	307,570	3.5%
001A 5040000BU - Court / County Contribution	24,468,756	24,468,756	0	0.0%
001A 5050000BU - Court Paid County Services	0	0	0	0.0%
001A 5520000BU - Dispute Resolution Program	0	0	0	0.0%
001A 5660000BU - Grand Jury	300,010	306,264	6,254	2.1%
001A 5710000BU - Data Processing-Shared Systems	10,941,616	11,493,048	551,432	5.0%
001A 5740000BU - Office of Compliance	0	0	0	0.0%
001A 5780000BU - Office of Inspector General	142,565	156,924	14,359	10.1%
001A 6050000BU - Personnel Services	0	200,000	200,000	0.0%
001A 6110000BU - Revenue Recovery	0	0	0	0.0%
Subtotal - ADMINISTRATIVE SERVICES	55,890,316	63,293,909	7,403,593	13.2%
Municipal Services				
001A 3210000BU - Agricultural Comm-Sealer Of Wts & Meas	1,295,417	1,295,417	0	0.0%
001A 3220000BU - Animal Care And Regulation	10,426,204	10,619,286	193,082	1.9%
001A 3260000BU - Wildlife Services	60,733	60,733	0	0.0%
001A 6400000BU - Regional Parks	10,055,858	10,631,167	575,309	5.7%
Subtotal - MUNICIPAL SERVICES	21,838,212	22,606,603	768,391	3.5%
Public Works And Infrastructure				
001A 5725729BU - Code Enforcement	5,782,097	4,721,502	(1,060,595)	(18.3%)
Subtotal - PUBLIC WORKS AND INFRASTRUCTURE	5,782,097	4,721,502	(1,060,595)	(18.3%)
Social Services				
001A 2820000BU - Veteran's Facility	16,452	16,452	0	0.0%
001A 3310000BU - Cooperative Extension	433,173	426,786	(6,387)	(1.5%)
001A 4522000BU - Contribution To The Law Library	11,543	11,828	285	2.5%
001A 4610000BU - Coroner	6,103,008	6,067,341	(35,667)	(0.6%)
001A 5510000BU - Conflict Criminal Defenders	10,472,892	10,472,892	0	0.0%
001A 5810000BU - Child Support Services	0	0	0	0.0%
001A 6700000BU - Probation	79,713,263	81,645,250	1,931,987	2.4%
001A 6760000BU - Care In Homes And Inst-Juv Court Wards	1,100,000	1,280,000	180,000	16.4%
001A 6910000BU - Public Defender	33,965,881	35,653,466	1,687,585	5.0%
001A 7200000BU - Health Services	41,010,052	55,110,720	14,100,668	34.4%
001A 7230000BU - Juvenile Medical Services	4,982,638	4,506,209	(476,429)	(9.6%)
001A 7250000BU - IHSS Provider Payments	0	0	0	0.0%
001A 7270000BU - Health - Medical Treatment Payments	142,254	351,383	209,129	147.0%
001A 7410000BU - Correctional Health Services	50,760,744	53,279,451	2,518,707	5.0%
001A 7800000BU - Child, Family and Adult Services	31,367,565	12,952,822	(18,414,743)	(58.7%)
001A 8100000BU - Human Assistance-Administration	29,128,815	27,565,076	(1,563,739)	(5.4%)
001A 8700000BU - Human Assistance-Aid Payments	27,379,649	12,109,718	(15,269,931)	(55.8%)
Subtotal - SOCIAL SERVICES	316,587,929	301,449,394	(15,138,535)	(4.8%)
Total General Fund Dept	856,796,251	877,991,995	21,195,744	2.5%
General Government				
001A 5700000BU - Non-Departmental Revenues/General Fund	(733,536,767)	(726,216,689)	7,320,078	(1.0%)
Subtotal - GENERAL GOVERNMENT	(733,536,767)	(726,216,689)	7,320,078	(1.0%)
TOTAL GENERAL FUND	\$123,259,484	\$151,775,306	\$28,515,822	23.1%

As can be seen, the budget units with the largest increase in Net County Cost include:

- **Financing – Transfers/Reimbursements**, with a \$14.9 million (117.7%) increase (this budget unit includes General Fund transfers to other funds like the Roads Fund, TOT Fund, Parks Construction Fund, Capital Construction Fund).
- **Health Services**, with a \$14.1 million (34.4%) increase.
- **Sheriff**, with a \$7.5 million (2.4%) increase.
- **Voter Registration and Elections**, with a \$6.3 million (63.8%) increase.
- The **Appropriation for Contingency**, with a \$5 million (500%) increase.
- **District Attorney**, with a \$3.2 million (4.7%) increase.
- **Correctional Health Services**, with a \$2.5 million (5%) increase.
- **Probation**, with a \$1.9 million (2.4%) increase.
- **Public Defender**, with a \$1.7 million (5%) increase.

Looking at Net County Cost alone, however, does not give a complete picture of the levels of investment of local resources in programs or services because increases or decreases in Net County Cost are sometimes offset by increases or decreases in the use of Semi-discretionary reimbursements. This was especially the case in FY2020-21, where substantial anticipated reductions in Semi-discretionary reimbursements were offset for a number of departments by increased Net County Cost and by Realignment Backfill revenue from the State, and in FY2021-22, where a substantial projected increase in Semi-discretionary reimbursements is used to offset Net County Cost and the elimination of the Realignment Backfill revenue.

To give a better picture of the changes in centrally allocated resources provided to the different departments, the following table compares the allocation of all discretionary and Semi-discretionary resources, including the State's Realignment Backfill, in the FY2021-22 Recommended and FY2020-21 Adopted Budgets.

Net County Cost and Semi-Discretionary Resources, Realignment Backfill*				
*Realignment Backfill of \$34,173,970 was one-time in the FY 2020-21 Adopted Budget				
Fund Budget Unit - Name	FY 2020-21 Adopted Budget*	FY 2021-22 Recommended Budget	Change from FY 2020-21 Adopted Budget	% Change from FY 2020-21 Adopted Budget
Elected Officials				
001A 3610000BU - Assessor	10,547,093	9,290,983	(1,256,110)	(11.9%)
001A 4050000BU - Board of Supervisors	3,883,506	3,958,100	74,594	1.9%
001A 5800000BU - District Attorney	83,170,620	88,859,575	5,688,955	6.8%
001A 7400000BU - Sheriff	467,560,772	491,217,999	23,657,227	5.1%
Subtotal - ELECTED OFFICIALS	565,161,991	593,326,657	28,164,666	5.0%
General Government				
001A 4010000BU - Clerk of the Board	1,524,881	2,071,869	546,988	35.9%
001A 4210000BU - Civil Service Commission	395,736	404,632	8,896	2.2%
001A 4660000BU - Fair Housing Services	197,352	209,074	11,722	5.9%
001A 4810000BU - County Counsel	2,535,324	2,534,962	(362)	(0.0%)
001A 5110000BU - Financing-Transfers/Reimbursement	12,705,621	27,655,172	14,949,551	117.7%
001A 5725728BU - Planning and Environmental Review	3,127,480	3,172,480	45,000	1.4%
001A 5730000BU - County Executive Cabinet	468,458	586,178	117,720	25.1%
001A 5750000BU - Criminal Justice Cabinet	0	0	0	0.0%
001A 5770000BU - Non-Departmental Costs/General Fund	32,844,560	31,881,108	(963,452)	(2.9%)
001A 5910000BU - County Executive	920,372	939,152	18,780	2.0%
001A 5920000BU - Contribution To LAFCO	239,500	239,500	0	0.0%
001A 5970000BU - Office of Labor Relations	0	0	0	0.0%
001A 5980000BU - Appropriation For Contingency	1,000,000	6,000,000	5,000,000	500.0%
001A 7090000BU - Emergency Services	1,581,271	1,603,184	21,913	1.4%
Subtotal - GENERAL GOVERNMENT	57,540,555	77,297,311	19,756,756	34.3%
Administrative Services				
001A 3230000BU - Department Of Finance	1,249,537	1,249,537	0	0.0%
001A 3240000BU - County Clerk/Recorder	0	0	0	0.0%
001A 4410000BU - Voter Registration And Elections	9,913,585	16,237,563	6,323,978	63.8%
001A 5020000BU - Court / Non-Trial Court Operations	8,874,247	9,181,817	307,570	3.5%
001A 5040000BU - Court / County Contribution	24,468,756	24,468,756	0	0.0%
001A 5050000BU - Court Paid County Services	0	0	0	0.0%
001A 5520000BU - Dispute Resolution Program	0	0	0	0.0%
001A 5660000BU - Grand Jury	300,010	306,264	6,254	2.1%
001A 5710000BU - Data Processing-Shared Systems	10,941,616	11,493,048	551,432	5.0%
001A 5740000BU - Office of Compliance	0	0	0	0.0%
001A 5780000BU - Office of Inspector General	142,565	156,924	14,359	10.1%
001A 6050000BU - Personnel Services	0	200,000	200,000	0.0%
001A 6110000BU - Revenue Recovery	0	0	0	0.0%
Subtotal - ADMINISTRATIVE SERVICES	55,890,316	63,293,909	7,403,593	13.2%
Municipal Services				
001A 3210000BU - Agricultural Comm-Sealer Of Wts & Meas	1,295,417	1,295,417	0	0.0%
001A 3220000BU - Animal Care And Regulation	10,426,204	10,619,286	193,082	1.9%
001A 3260000BU - Wildlife Services	60,733	60,733	0	0.0%
001A 6400000BU - Regional Parks	10,055,858	10,631,167	575,309	5.7%
Subtotal - MUNICIPAL SERVICES	21,838,212	22,606,603	768,391	3.5%
Public Works And Infrastructure				
001A 5725729BU - Code Enforcement	5,782,097	4,721,502	(1,060,595)	(18.3%)
Subtotal - PUBLIC WORKS AND INFRASTRUCTURE	5,782,097	4,721,502	(1,060,595)	(18.3%)
Social Services				
001A 2820000BU - Veteran's Facility	16,452	16,452	0	0.0%
001A 3310000BU - Cooperative Extension	433,173	426,786	(6,387)	(1.5%)
001A 4522000BU - Contribution To The Law Library	11,543	11,828	285	2.5%
001A 4610000BU - Coroner	6,103,008	6,067,341	(35,667)	(0.6%)
001A 5510000BU - Conflict Criminal Defenders	10,472,892	10,472,892	0	0.0%
001A 5810000BU - Child Support Services	0	0	0	0.0%
001A 6700000BU - Probation	134,667,287	143,640,689	8,973,402	6.7%
001A 6760000BU - Care In Homes And Inst-Juv Court Wards	1,100,000	1,280,000	180,000	16.4%
001A 6910000BU - Public Defender	34,625,631	36,449,824	1,824,193	5.3%
001A 7200000BU - Health Services	170,912,062	183,288,036	12,375,974	7.2%
001A 7230000BU - Juvenile Medical Services	6,097,603	5,580,716	(516,887)	(8.5%)
001A 7250000BU - IHSS Provider Payments	85,159,047	88,565,409	3,406,362	4.0%
001A 7270000BU - Health - Medical Treatment Payments	2,557,918	2,491,350	(66,568)	(2.6%)
001A 7410000BU - Correctional Health Services	60,552,561	63,527,741	2,975,180	4.9%
001A 7800000BU - Child, Family and Adult Services	102,761,270	101,776,492	(984,778)	(1.0%)
001A 8100000BU - Human Assistance-Administration	44,090,455	39,935,432	(4,155,023)	(9.4%)
001A 8700000BU - Human Assistance-Aid Payments	246,724,738	234,524,978	(12,199,760)	(4.9%)
Subtotal - SOCIAL SERVICES	906,285,640	918,055,966	11,770,326	1.3%
Total General Fund Dept	1,612,498,811	1,679,301,948	66,803,137	4.1%

As can be seen, the amount of discretionary and Semi-discretionary resources (including State Realignment Backfill) allocated to departments in the Recommended Budget is approximately \$66.8 million (4.1%) higher than the FY2020-21 Adopted Budget level. The budget units with the largest increases include:

- The **Sheriff**, with a \$23.7 million (5.1%) increase, including \$4.5 million in Growth (mostly related to complying with the Mays consent decree), salary and benefit cost increases for existing staff and funding to offset a \$5.8 million reduction in fee revenue due to AB 1869.
- **Financing – Transfers/Reimbursements**, with a \$14.9 million (117.7%) increase, including \$23.4 million in Growth (transfers to the Roads, Capital Construction – for Mather Community Campus capital needs - and Parks Construction Funds), partially offset by the elimination of an \$8 million transfer to the Capital Construction Fund for the Correctional Health and Mental Health Services Facility project cancelled by the Board.
- **Health Services**, with a \$12.4 million (7.2%) increase, including Growth of \$8.4 million and salary and benefit cost increases for existing staff, partially offset by a \$5.9 million reduction in one-time expenditures related to the COVID-19 pandemic included in the FY2020-21 Adopted Budget and funded with Net County Cost made available by using Coronavirus Relief Fund revenue to offset the salary and benefit costs of existing public safety employees.
- **Probation**, with a \$9 million (6.7%) increase, due to a variety of budget changes, including: \$3 million in Growth funding to continue the Monitored Pre-trial Release program with a reduction in State funding, salary and benefit cost increases for existing positions, partially offset by the net result of a \$2.2 million decrease in salary savings and a \$3 million reduction in salary and benefit costs due to the elimination of 22 vacant positions (some of which are restored as part of a State-funded Growth request), a \$3.1 million reduction in fee revenue as a result of AB 1869 and a net \$1.9 million reduction in Title IV-E Foster Care and certain other revenue.
- **Voter Registration and Elections**, with a \$6.3 million increase, including \$4.4 in Growth related to the gubernatorial recall election, salary and benefit costs for existing staff and reduced revenue partly due to the fact that 2022 gubernatorial primary election will have fewer

local contests on the ballot that are responsible for paying a share of elections administration than the 2020 general election and partly due to the Department having received one-time State and federal funding in FY2020-21 as reimbursement for costs incurred in previous years.

- **District Attorney**, with a \$5.7 million (6.8%) increase, due primarily to salary and benefit cost increases for existing staff, including a \$3.2 million reduction in budgeted salary savings reflecting what the Department believes is a more sustainable salary savings level, and a \$1.3 million increase in Net County Cost for three Community Prosecutors that were previously funded by a reimbursement from the Code Enforcement budget (that budget reflects an equivalent reduction in Net County Cost).
- **Appropriation for Contingency**, with a \$5 million increase, bringing the total operating contingency to \$6 million (0.2% of General Fund appropriations). Collective bargaining agreements with all 30 labor unions that represent County employees expire on June 30, 2021. The County is currently negotiating new agreements with those unions. The Recommended Budget includes funding for a 1% cost of living adjustment (COLA) for all employees, but it appears that many agreements will include COLAs in the 2% range. Every 1% increase in salaries increases Net County Cost by approximately \$6 million.
- **IHSS Provider Payments**, with a \$3.4 million (4%) increase, due primarily to the statutorily mandated 4% increase in the County Maintenance of Effort (MOE) requirement.
- **Correctional Health Services**, with a \$3 million (4.9%) increase, including \$2.9 million in Growth (related to the Mays consent decree obligations) and salary and benefit cost increases for existing staff.

Budget Units with the largest decreases in Net County Cost, Semi-discretionary reimbursements and Realignment Backfill include:

- **Human Assistance – Aid Payments**, with a \$12.2 million (4.9%) decrease, due to a projected decline in assistance caseloads.
- **Human Assistance – Administration**, with a \$4.2 million (9.4%) decrease, due primarily to a \$6.4 million shift in CalWORKs funding from CalWORKs Realignment to the State General Fund, the elimination of \$2.1 million in one-time Net County Cost provided in FY2020-21 for the COVID-19 homeless response, partly offset by \$5.5 million in Growth.

