



COUNTY of VENTURA
COUNTY EXECUTIVE OFFICE

Sevet Johnson, PsyD
County Executive Officer

Mike Pettit
Assistant County Executive Officer

Kaye Mand
County Chief Financial Officer

Shawn Atin
Assistant County Executive
Officer/
Human Resources Director
Labor Relations

March 14, 2023

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, CA 93009

SUBJECT: Approval of American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds (SLFRF) Budget Adjustment Recommendations in the Amount of \$104,165,000 Associated with the List of Previously Approved ARPA Projects and the County's Revised Funding and Reporting Strategy (Recommendations #1 and #2 Require 4/5ths vote)

RECOMMENDATIONS:

1. Authorize the Auditor Controller to process the accounting transactions necessary to establish unanticipated revenue and adjust fund balance as associated with the utilization of the ARPA SLFRF as Provision of Government Services (requires 4/5ths vote):

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|--------------------------------------|----------|-----------------------------|---------------|
| INCREASE | 2100 DAO | Intergovernmental Revenue | \$27,880,400 |
| INCREASE | 2200 PDO | Intergovernmental Revenue | \$10,426,915 |
| INCREASE | 2500 SHF | Intergovernmental Revenue | \$17,546,545 |
| INCREASE | 2550 SHF | Intergovernmental Revenue | \$37,846,260 |
| INCREASE | 2600 VCP | Intergovernmental Revenue | \$10,464,880 |
| INCREASE | G001 | General Fund – Fund Balance | \$104,165,000 |
| Assigned to Fiscal Recovery Projects | | | |

2. Authorize the Auditor Controller to process the accounting transactions necessary to establish appropriations adjust fund balance to provide funding for approved Fiscal Recovery Projects (requires 4/5ths vote):

General Fund

| | | | |
|----------|----------|--|--------------|
| INCREASE | 1010 CEO | Computer Software (4701) | \$500,000 |
| INCREASE | 1050 CEO | Services and Supplies | \$13,500,000 |
| INCREASE | 1050 CEO | Other Charges | \$5,150,000 |
| INCREASE | 1050 CEO | Other Financing Uses | \$25,000,000 |
| INCREASE | 1060 CEO | Building and Improvements (4111) | \$250,000 |
| INCREASE | 1060 CEO | East County CSU/PHF (4244) | \$7,000,000 |
| INCREASE | 1060 CEO | Public Safety – Emergency Preparation Facility (4245) | \$6,000,000 |

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|----------|----------|---|---------------|
| INCREASE | 1060 CEO | Lewis Road Campus (4246) | \$5,000,000 |
| INCREASE | 1060 CEO | Animal Resource Center (4247) | \$10,000,000 |
| INCREASE | 1060 CEO | Oxnard Family Justice Center (4248) | \$5,000,000 |
| INCREASE | 1060 CEO | Nyeland Acres Comm Center / Saticoy Park (4249) | \$10,000,000 |
| INCREASE | 1060 CEO | Ojai Valley Trail Improv (4250) | \$3,125,000 |
| INCREASE | 1060 CEO | Jose Flores Passive Park (4251) | \$1,000,000 |
| INCREASE | 3400 HSA | Services and Supplies | \$4,500,000 |
| DECREASE | 1060 CEO | Intergovernmental Revenue (9352) | \$4,500,000 |
| DECREASE | 3100 HCA | Intergovernmental Revenue (9259) | \$3,000,000 |
| INCREASE | G001 | General Fund – Fund Balance Assigned to Program Mitigation | \$640,000 |
| DECREASE | G001 | General Fund – Fund Balance Assigned to Fiscal Recovery Projects | \$104,165,000 |

Non General Fund

Fund: C030

| | | | |
|----------|----------|---|--------------|
| INCREASE | 2020 VCJ | VC Integrated Justice Info System Project (4722) | \$20,000,000 |
| INCREASE | 2020 VCJ | Other Financing Sources | \$20,000,000 |

Fund: S110

| | | | |
|----------|----------|-------------------------|-------------|
| INCREASE | 3450 HSA | Other Charges | \$1,500,000 |
| INCREASE | 3450 HSA | Other Financing Sources | \$1,500,000 |

Fund: E500

| | | | |
|----------|----------|-------------------------|-------------|
| INCREASE | 3300 HCA | Equipment (4601) | \$3,500,000 |
| INCREASE | 3300 HCA | Other Financing Sources | \$3,500,000 |

DISCUSSION:

On November 16, 2021, your Board was presented a report by the County Executive Office (CEO) on the County's preliminary Funding Plan and priorities for the approximately \$164.3M in direct State and Local Fiscal Recovery Fund (SLFRF) funding the County expected to receive through the American Rescue Plan Act (ARPA). The November 2021 update followed a previous report to your Board on October 5, 2021 that discussed the approximately \$392M in federal, state, and local funds that had been expended by the County to date on COVID-19 response and recovery, as well as information and background on ARPA and the SLFRF.

On April 26, 2022, your Board authorized the CEO to reserve \$65.3M in SLFRF funds for various additional future projects. Taking together the approximately \$7.4M in SLFRF funding approved for projects by your Board prior to the April recommendation, and the total \$65.3M in SLFRF funding from the April recommendation, this left approximately \$91.6M of the County's total \$164.3M SLFRF allocation remaining to consider for funding additional programs and projects.

On October 11, 2022, your Board approved the Funding Plan for the County's entire \$164.3M SLFRF allocation, reserving SLFRF funds for approximately 40 projects and programs. Staff was also directed to provide semi-annual updates to your Board on the status of the projects. On December 13, 2022, your Board approved the reporting and expenditure of SLFRF funds in the form of Provision of Government Services as defined by Treasury and used towards General Fund costs, which would in provide the funding in the General Fund for the previously approved list of 40 projects.

The recommendations before your Board today authorize the needed accounting transactions to recognize SLFRF funds as used for Provision of Government Services as well as the required budget adjustments to allow County departments to begin the work to start these projects. Specifically, these recommendations allow staff to bring in approximately \$104,165,000 in SLFRF revenues currently held in Trust to the General Fund and, in parallel, provide approximately \$104,165,000 in appropriations for a subset of the approved projects with that available surplus General Fund funding. The specific list of projects and the appropriations being requested for those projects are detailed in Exhibit 1.

These steps create the funding mechanism necessary for the list of previously approved projects to be directly funded by the General Fund. In the coming months, staff from the CEO will return to your Board to recommend bringing in the remaining amount of SLFRF funds from Trust to the General Fund, in addition to recommending appropriations for the remaining projects from the October 11, 2022 list. This administrative convenience afforded by your Board will allow County departments and project champions to complete the process of formulating the final and ultimate scope and structure for the projects. As those steps are completed, staff leading the various projects will return to your Board for final project approvals including agreements, scope, design, budget, potential environmental reviews, and timeline.

The Auditor-Controller's Office and County Counsel have reviewed this letter. If you have any questions concerning this item please contact Mike Kumazawa at (805) 477-7232.

Sincerely,



Scott Powers
Senior Deputy Executive Officer



Sevet Johnson, PsyD
County Executive Officer