



COUNTY of VENTURA

COUNTY EXECUTIVE OFFICE
SEVET JOHNSON, PsyD
County Executive Officer

December 13, 2022

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

Mike Pettit
Assistant County Executive Officer

Kaye Mand
County Chief Financial Officer

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

SUBJECT: Receive and File First Quarter Budget Update and Approval of Fiscal Year 2022-23 Budget Adjustment Recommendations; Adoption of a Resolution Adding One Fixed-Term Position; (Recommendations 2, 3.3, 5-7 Require 4/5ths Vote)

RECOMMENDATION:

1. Receive and file the Fiscal Year 2022-2023 First Quarter Budget Update;
2. Approve recommendations 1-3 and 5-7 as set forth in this letter and authorize the Auditor-Controller's Office to process the accounting transactions necessary to revise appropriations and revenue, and adjust fund balances (4/5ths vote required for Recommendations 2, 3.3, 5-7)
3. Adopt the attached resolution (Exhibit 2) establishing one (1) new fixed-term position effective December 25, 2022 through September 30, 2023, as detailed in Recommendation 4.

INTRODUCTION:

On June 20, 2022, your Board adopted the County of Ventura budget for the current Fiscal Year (FY) 2022-2023. Following is a summary of the adopted budget:

\$2.695 billion	Total County appropriations
\$1.290 billion	Total General Fund appropriations
\$1.290 billion	Total General Fund estimated revenues
10,179	Total County full-time equivalent position allocations
5,436	Total General Fund full-time equivalent position allocations

As is common during the year, several events occurred that require budgetary adjustments. The following recommended actions require necessary accounting transactions to properly account for those events.

The impacts include a reduction of \$463,272 in the General Fund – Fund Balance-Assigned to Program Mitigation account.

GENERAL FUND

County Executive Office

Recommendation #1:

It is recommended that your Board direct the County Executive Office (CEO) to submit the AB 1869 Backfill Allocation Spending Report for FY 2022 (Exhibit 1) to the Director of Finance, the Legislative Analyst's Office, and the Joint Legislative Budget Committee, as required by Assembly Bill (AB) 143 with the enactment of AB 1869.

Fiscal/Mandates Impact:

No additional fiscal impacts associated with this item.

Discussion for Recommendation #1:

As reported to your Board in March 2022, the passing of AB 1869 in July 2021 by the State Legislature eliminated criminal fees and fines counties were authorized to impose. In recognition of the fiscal impacts to local governments, AB 1869 set aside \$65 million annually for 5 years to partially backfill counties for lost revenue. The supplemental bill, AB 143, outlined the backfill allocation and reporting requirements. One of the reporting requirements of AB 143 is that the County must submit a report (Exhibit 1) by January 2023 to the aforementioned State entities outlining how the FY 2021-22 allocation of \$1,494,115 was spent.

As reflected in the report, \$300,000 of the backfill was disbursed to the Public Defender's Office to cover the costs associated with providing legal representation to clients in criminal cases. The remaining \$1,194,115 in backfill was disbursed to the Probation Agency for the supervision of probation clients, as well as for vendor costs for the Reporting & Resource Center where probation clients attend courses, such as substance abuse treatment and moral reconnection therapy, in hope of reducing client recidivism.

The \$1,494,115 County backfill allocation still leaves an ongoing annual deficit of approximately \$3-\$4 million for the County's mandated programs.

County Executive Office-Sustainability – Division 1010, Unit 1021 and Special Accounts and Contributions – Division 1050

Recommendation #2:

It is recommended that your Board authorize the Auditor-Controller's Office to process the accounting transactions necessary to revise appropriations as follows (requires 4/5ths vote):

INCREASE	1010-1021	Services and Supplies	\$	45,000
DECREASE	DIV 1050	Services and Supplies	\$	45,000

Fiscal/Mandates Impact:

Mandatory:	No
Source of Funding:	General Fund
Funding Match Required:	No
Impact on Other Departments:	None

Division 1010

Summary of Revenues and Costs:

	<u>FY 2022-23</u>	<u>FY 2023-24</u>
Revenue:	\$ 0	\$ 0
Costs:		
Direct	\$ 45,000	\$ 0
Indirect-Agency/Dept.	0	0
Indirect-County CAP	0	0
Total Costs	\$ 45,000	\$ 0
Net Costs:	\$ 45,000	\$ 0
Recovered Indirect Costs:	\$ 0	\$ 0

FY 2022-23 Budget Projection for County Executive Office – Division 1010				
	Adopted Budget	Adjusted Budget	Projected Actual	Estimated Savings/(Deficit)
Appropriations	\$ 30,380,814	\$ 50,521,751	\$ 50,521,751	\$ 0
Revenue	\$ 14,755,016	\$ 27,568,266	\$ 27,568,266	\$ 0
Net Cost	\$ 15,625,798	\$ 22,953,485	\$ 22,953,485	\$ 0

Division 1050

Summary of Revenues and Costs:

	<u>FY 2022-23</u>	<u>FY 2023-24</u>
Revenue:	\$ 0	\$ 0
Costs:		
Direct	\$ (45,000)	\$ 0
Indirect-Agency/Dept.	0	0
Indirect-County CAP	0	0
Total Costs	\$ (45,000)	\$ 0
Net Costs:	\$ (45,000)	\$ 0
Recovered Indirect Costs:	\$ 0	\$ 0

FY 2022-23 Budget Projection for Special Accounts & Contributions – Division 1050				
	Adopted Budget	Adjusted Budget	Projected Actual	Estimated Savings/(Deficit)
Appropriations	\$ 58,709,921	\$ 58,389,443	\$ 58,389,443	\$ 0
Revenue	\$ 7,335,000	\$ 7,335,000	\$ 7,335,000	\$ 0
Net Cost	\$ 51,374,921	\$ 51,054,443	\$ 51,054,443	\$ 0

Discussion for Recommendation #2:

On June 21, 2022, your Board directed the CEO to develop a plan for administering a \$45,000 micro grant program for small environmental and species support projects utilizing funding available in the FY 2022-23 Special Accounts and Contributions Budget.

On November 1, 2022, your Board approved for the CEO Sustainability Division to establish a micro grant program for schools, nonprofits, and community organizations. The micro grant program would, in accordance with your Board's direction, fund small, shovel-ready projects and activities that support wildlife habitat restoration, species conservation, environmental education and stewardship, and/or address climate change impacts.

This adjustment transfers funding from Special Accounts and Contributions to the CEO Sustainability Division where the micro grant program will be administered.

County Clerk and Recorder-Elections – Division 1920

Recommendation #3:

It is recommended that your Board:

1. Approve the use of American Rescue Plan Act (ARPA) – Local Assistance and Tribal Consistency Funds (LATCF) in an amount not to exceed, \$467,857 towards the November 8, 2022 General Election.
2. Approve the use of General Fund – Fund Balance-Assigned to Program Mitigation in an amount not to exceed \$463,272 towards the November 8, 2022 General Election.
3. Authorize the Auditor-Controller's Office to process the accounting transactions necessary to establish appropriations and revenue, and adjust fund balance (requires 4/5ths vote):

INCREASE	1920-1921	Salaries and Benefits	\$	931,129
INCREASE	1920-1921	Intergovernmental Revenue	\$	467,857
DECREASE	General Fund – Fund Balance-Assigned to Program Mitigation		\$	463,272

Fiscal/Mandates Impact:

Mandatory: No
Source of Funding: LATCF / General Fund – Fund Balance-
Assigned to Program Mitigation
Funding Match Required: No
Impact on Other Departments: None

Summary of Revenues and Costs:

	<u>FY 2022-23</u>	<u>FY 2023-24</u>
Revenue:	\$ 467,857	\$ 0
Costs:		
Direct	\$ 931,129	\$ 0
Indirect-Agency/Dept.	0	0
Indirect-County CAP	0	0
Total Costs	\$ 931,129	\$ 0
Net Costs:	\$ 463,272	\$ 0
Recovered Indirect Costs:	\$ 0	\$ 0

FY 2022-23 Budget Projection for County Clerk Recorder-Elections – Division 1920				
	Adopted Budget	Adjusted Budget	Projected Actual	Estimated Savings/(Deficit)
Appropriations	\$ 5,913,980	\$ 6,073,887	\$ 6,073,887	\$ 0
Revenue	\$ 1,530,000	\$ 1,530,000	\$ 1,530,000	\$ 0
Net Cost	\$ 4,383,980	\$ 4,543,887	\$ 4,543,887	\$ 0

Discussion for Recommendation #3:

To address the significant growth and increased complexity of elections requirements as well as the additional cost of the November 2022 General Election, additional appropriations of \$931,129 is requested. This includes increased expenditures related to Voters Choice Act implementation, printing, postage/delivery, extra help, and equipment. Increases in elections costs are normal given the State's new/expanding policies. A portion of the budget adjustment will be funded through LATCF – federal funds eligible for general government purposes. The second source of funding is from General Fund – Fund Balance-Assigned to Program Mitigation (Elections Division is currently assigned \$2.5 million for FY 2022-23). The Elections Division will work with the CEO to further review the cost impact of the November 2022 General Election and will return to your Board for additional funding, as needed.

District Attorney – Division 2100, Unit 2103

Recommendation #4:

It is recommended that your Board adopt the attached resolution (Exhibit 2) establishing one (1) new fixed-term position effective December 25, 2022 through September 30, 2023, as detailed below:

Position No.	Job Code	Position Title	Dept.	Unit	FTE	Compensation Frequency	Annual Range
NEW	00586	Victim Advocate III	DAO	2103	1.0	Hourly	\$44,516.57 - \$62,601.77

Fiscal Impact:

Sufficient appropriations are available within the adjusted budget to accommodate the above recommendation.

Discussion for Recommendation #4:

The District Attorney's Office (DAO) has received grant funding through the State of California's Office of Emergency Services for a host of programs designed to improve services and outcomes for victims of crime, including the Victim Witness Assistance Program. As the DAO has continued to monitor the funding levels of the grant, the DAO recently received notice that funding for the grant would continue through September 2023. Therefore, the DAO is requesting the establishment of an additional fixed term Victim Advocate III position to support the expansion of victim services in the community. There is no additional fiscal impact with this request, as the appropriations and revenues associated with the grant award have already been included in the approved FY 2022-23 budget.

Public Works Integrated Waste Management Division – Division 4040

Recommendation #5

It is recommended that your Board authorize the Auditor-Controller's Office to process the accounting transactions necessary to revise appropriations and revenue as follows (requires 4/5ths vote):

INCREASE	DIV 4040	Charges for Services	\$	182,470
INCREASE	DIV 4040	Other Charges	\$	182,470

Fiscal/Mandates Impact:

Mandatory:	No
Source of Funding:	Solid Waste Trust Fund
Funding Match Required:	No
Impact on Other Departments:	None

Summary of Revenues and Costs:

	<u>FY 2022-23</u>	<u>FY 2023-24</u>
Revenue:	\$ 182,470	\$ 0
Costs:		
Direct	\$ 182,470	\$ 0
Indirect-Agency/Dept.	0	0
Indirect-County CAP	0	0
Total Costs	\$ 182,470	\$ 0
Net Costs:	\$ 0	\$ 0
Recovered Indirect Costs:	\$ 0	\$ 0

FY 2022-23 Budget Projection for Public Works Integrated Waste Management – Division 4040				
	Adopted Budget	Adjusted Budget	Projected Actual	Estimated Savings/(Deficit)
Appropriations	\$ 3,540,148	\$ 3,968,807	\$ 3,968,807	\$ 0
Revenue	\$ 3,540,148	\$ 3,540,148	\$ 3,540,148	\$ 0
Net Cost	\$ 0	\$ 428,659	\$ 428,659	\$ 0

Discussion for Recommendation #5:

Approved by your Board in 1991, an *Agreement Providing Funds For Investigation Regarding Tierra Rejada Landfill* provided that the County of Ventura (County), Ventura Regional Sanitation District (VRSD), Rancho Simi and Simi Sanitation (collectively referred to the Tierra Rejada Consortium (Consortium)) would maintain shared responsibility for costs related to Tierra Rejada Landfill (Landfill) monitoring and maintenance and regulatory compliance, with each party paying an equal 25% share. On February 4, 2020, your Board confirmed that the County's participation in the Consortium qualifies as a plan or program required by your Board for integrated waste management for the unincorporated area of the County, pursuant to Ventura County Ordinance Code section 4775, and further determined that landfill-related activities by the County for the benefit of the unincorporated area, such as landfill maintenance, remediation, closure, monitoring and compliance efforts, as determined by the Director of the Public Works Agency's Water and Sanitation Department or his designee, also shall qualify as such a plan or program pursuant to Ventura County Ordinance Code section 4775.

On October 6, 2022, the VRSD Board of Directors, as the lead of the Consortium, approved slope and channel repairs along with hydro seeding for slope protection and stabilization at the Landfill, for a total cost of \$729,880, after heavy rains caused slope erosion and drainage issues. As the 25% cost share of \$182,470 was not included in the Division's adopted budget for FY 2022-23, funds from the Solid Waste Trust Fund qualify as a funding source for the County's 25% share of this project.

NON-GENERAL FUND

Public Works Road Fund – Fund S010, Division 4080, Unit 4081

Recommendation #6

It is recommended that your Board authorize the Auditor-Controller's Office to process the accounting transactions necessary to revise appropriations and revenue, and adjust fund balance as follows (requires 4/5ths vote):

INCREASE	4080-4081	Services and Supplies	\$	6,446,233
INCREASE	4080-4081	Intergovernmental Revenue	\$	112,725
DECREASE	Fund S010	Fund Balance – Restricted Public Ways and Facilities	\$	6,333,508

Fiscal/Mandates Impact:

Mandatory: No
Source of Funding: Road Fund Balance - Restricted Public Protection, Federal Highway Administration* and Cal Recycle Grant
Funding Match Required: No
Impact on Other Departments: None

* Federal Highway Administration – Highway Safety Improvement Program Revenue is included in the Fiscal Year 2022-23 Adopted Budget.

Summary of Revenues and Costs:

	<u>FY 2022-23</u>	<u>FY 2023-24</u>
Revenue:	\$ 112,725	\$ 0
Costs:		
Direct	\$ 6,446,233	\$ 0
Indirect-Agency/Dept.	0	0
Indirect-County CAP	0	0
Total Costs	\$ 6,446,233	\$ 0
Net Costs:	\$ 6,333,508	\$ 0
Recovered Indirect Costs:	\$ 0	\$ 0

FY 2022-23 Budget Projection for Public Works Road Fund – Division 4080, Unit 4081				
	Adopted Budget	Adjusted Budget	Projected Actual	Estimated Savings/(Deficit)
Appropriations	\$ 25,591,900	\$ 26,745,546	\$ 26,745,546	\$ 0
Revenue	\$ 48,426,300	\$ 48,426,300	\$ 48,426,300	\$ 0
Net Cost	\$ (22,834,400)	\$ (21,680,754)	\$ (21,680,754)	\$ 0

Discussion for Recommendation #6:

The Public Works Agency Road Fund is responsible for providing safe and efficient operation of the County's 542.98 centerline miles of road network in the unincorporated area and for coordinating other County transportation needs, including public transit, project planning, design, construction, maintenance, traffic safety and operations, as well as public transportation planning and coordination. The request for additional appropriations in budget unit 4081 is due to the contract awards of \$5,582,735 and \$863,498 for the Lockwood Valley Road West Pavement Resurfacing and the Guardrail Upgrades Project, respectively, awarded in late FY 2021-22 and not encumbered in FY 2021-22.

CSA 29 North Coast – Fund S540, Division 4130

Recommendation #7:

It is recommended that your Board authorize the Auditor-Controller's Office to process the accounting transactions necessary to revise appropriations and revenue, and adjust fund balance as follows (requires 4/5ths vote):

INCREASE	DIV 4130	Charges for Services	\$	60,300
DECREASE	DIV 4130	Services and Supplies	\$	189,175
INCREASE	FUND S540	Fund Balance – Committed Public Protection	\$	249,475

Fiscal/Mandates Impact:

Mandatory:	No
Source of Funding:	Sewer service charges are paid by the property owners of properties receiving sewer service and the sewer standby charges are paid by the property owners of vacant parcels adjacent to an existing sewer line within County Service Area No. 29
Funding Match Required:	No
Impact on Other Departments:	None

Summary of Revenues and Costs:

	<u>FY 2022-23</u>	<u>FY 2023-24</u>
Revenue:	\$ 60,300	\$ 0
Costs:		
Direct	\$ (189,175)	\$ 0
Indirect-Agency/Dept.	0	0
Indirect-County CAP	0	0
Total Costs	\$ (189,175)	\$ 0
Net Costs:	\$ (249,475)	\$ 0
Recovered Indirect Costs:	\$ 0	\$ 0

Current FY 2022-23 Budget Projection For CSA 29 North Coast — Division 4130				
	Adopted Budget	Adjusted Budget	Projected Actual	Estimated Savings/(Deficit)
Appropriations	\$ 5,309,254	\$ 5,381,408	\$ 5,381,408	\$ 0
Revenue	\$ 5,403,350	\$ 5,403,350	\$ 5,403,350	\$ 0
Net Cost	\$ (94,096)	\$ (21,942)	\$ (21,942)	\$ 0

Discussion for Recommendation #7:

The Public Works Agency Water and Sanitation Department is responsible for the administration, operation, and maintenance of the North Coast sewer collection system through County Service Area No. 29 (CSA 29). At the completion of FY 2021-22, CSA

29's actual net cost was higher than anticipated due to higher-than-expected maintenance expenses associated with the aging Septic Tank Effluent Pump (STEP) system and, when combined with previously encumbered funds, exceeds the available fund balance for FY 2022-23 operations. While the sewer fees approved by your Board on June 7, 2022 for FY 2022-23 are expected to generate an additional \$60,300 in revenue over the FY 2022-23 adopted budget, a decrease in appropriations of \$189,175 is still warranted.

The Auditor-Controller's Office and County Counsel have reviewed this letter. Should you have any questions, please feel free to contact me at (805) 654-3531.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kaye Mand".

Kaye Mand
County Chief Financial Officer

A handwritten signature in blue ink, appearing to read "Sevet Johnson".

Sevet Johnson, PsyD
County Executive Officer

Exhibit 1: AB 1869 Backfill Allocation Spending Report for FY 2022

Exhibit 2: Resolution of the Board of Supervisors Establishing One Fixed-Term Position