

# 2025 First Quarter Financial Report

July - September 2024

Board of Supervisors  
Mani Grewal, Chairman  
Buck Condit  
Vito Chiesa  
Terry Withrow  
Channcce Condit

Submitted by  
Jody Hayes  
Chief Executive Officer



## Table of Contents

|  |    |
|--|----|
| Introduction.....                                  | 4  |
| Background – 2025 Adopted Budget .....             | 4  |
| Legal Budget as of September 30, 2024 .....        | 6  |
| 2025 First Quarter Financial Report Overview ..... | 7  |
| Discretionary Revenue .....                        | 9  |
| <br>Supporting a Strong and Safe Community .....   | 11 |
| Priority Overview .....                            | 12 |
| Departmental Revenue .....                         | 13 |
| Departmental Expenditures .....                    | 14 |
| District Attorney .....                            | 15 |
| Grand Jury .....                                   | 20 |
| Office of Emergency Services .....                 | 20 |
| Probation .....                                    | 21 |
| Public Defender .....                              | 26 |
| Sheriff .....                                      | 27 |
| <br>Supporting a Healthy Community .....           | 37 |
| Priority Overview .....                            | 38 |
| Departmental Revenue .....                         | 39 |
| Departmental Expenditures .....                    | 40 |
| Aging and Veterans Services .....                  | 41 |
| Behavioral Health and Recovery Services .....      | 43 |
| Child Support Services .....                       | 48 |
| Community Services Agency .....                    | 49 |
| Health Services Agency.....                        | 54 |
| <br>Developing a High-Performing Economy .....     | 60 |
| Priority Overview .....                            | 61 |
| Departmental Revenue .....                         | 62 |
| Departmental Expenditures .....                    | 63 |
| Agricultural Commissioner .....                    | 64 |
| UC Cooperative Extension .....                     | 65 |
| Workforce Development .....                        | 66 |
| <br>Promoting Lifelong Learning .....              | 68 |
| Priority Overview .....                            | 69 |
| Departmental Revenue .....                         | 70 |
| Departmental Expenditures .....                    | 71 |
| Library.....                                       | 72 |
| <br>Delivering Efficient Public Services.....      | 74 |
| Priority Overview .....                            | 75 |
| Departmental Revenue .....                         | 76 |
| Departmental Expenditures .....                    | 77 |

|  |     |
|--|-----|
| Assessor .....                                 | 78  |
| Auditor-Controller .....                       | 79  |
| Board of Supervisors .....                     | 81  |
| Chief Executive Office - Administration.....   | 81  |
| Chief Executive Office – Human Relations ..... | 82  |
| Clerk-Recorder.....                            | 82  |
| County Counsel.....                            | 84  |
| County Operations .....                        | 85  |
| General Services Agency .....                  | 97  |
| Information Technology Central .....           | 102 |
| Treasurer-Tax Collector .....                  | 104 |
| Enhancing Community Infrastructure .....       | 106 |
| Priority Overview.....                         | 107 |
| Departmental Revenue .....                     | 108 |
| Departmental Expenditures .....                | 109 |
| Environmental Resources.....                   | 110 |
| Parks and Recreation.....                      | 116 |
| Planning and Community Development .....       | 119 |
| Public Works.....                              | 122 |
| Technical Adjustments .....                    | 125 |
| First Quarter Financial Report Conclusion..... | 125 |
| Budget Schedule.....                           | 126 |

## Introduction

This is the Stanislaus County 2025 First Quarter Financial Report, submitted by the Chief Executive Officer for the period of July 1, 2024, to September 30, 2024. It has been prepared to inform the Board of Supervisors, County leadership, and the general public of the County's fiscal status as of September 30, 2024, the end of the first quarter. The report provides background and updates on the County's 2025 Adopted Budget for Fiscal Year 2025, including summaries and trend analyses on revenue and expenditures for County programs and services organized by Board of Supervisors' priority area. It also highlights any recommended adjustments to County budgets and staffing since the adoption of the 2025 Adopted Budget in September 2024 for approval by the Board of Supervisors.

New this year, the 2025 First Quarter Financial Report includes the Annual Report on Results for Fiscal Years 2021-2024. Previously included in the Adopted Budget book under the two-year budget model and last presented in the 2022 Adopted Budget, this section presents multi-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior-year actuals to the prior-year Legal Budget as of June 30, 2024. Additionally, each non-General Fund department includes a table displaying four years' history of actual fund balance and/or retained earnings as of the beginning of each fiscal year by budget unit. Both sections include brief analyses on the historical data and explain trends, variances, and changes experienced over time.

## Background – 2025 Adopted Budget

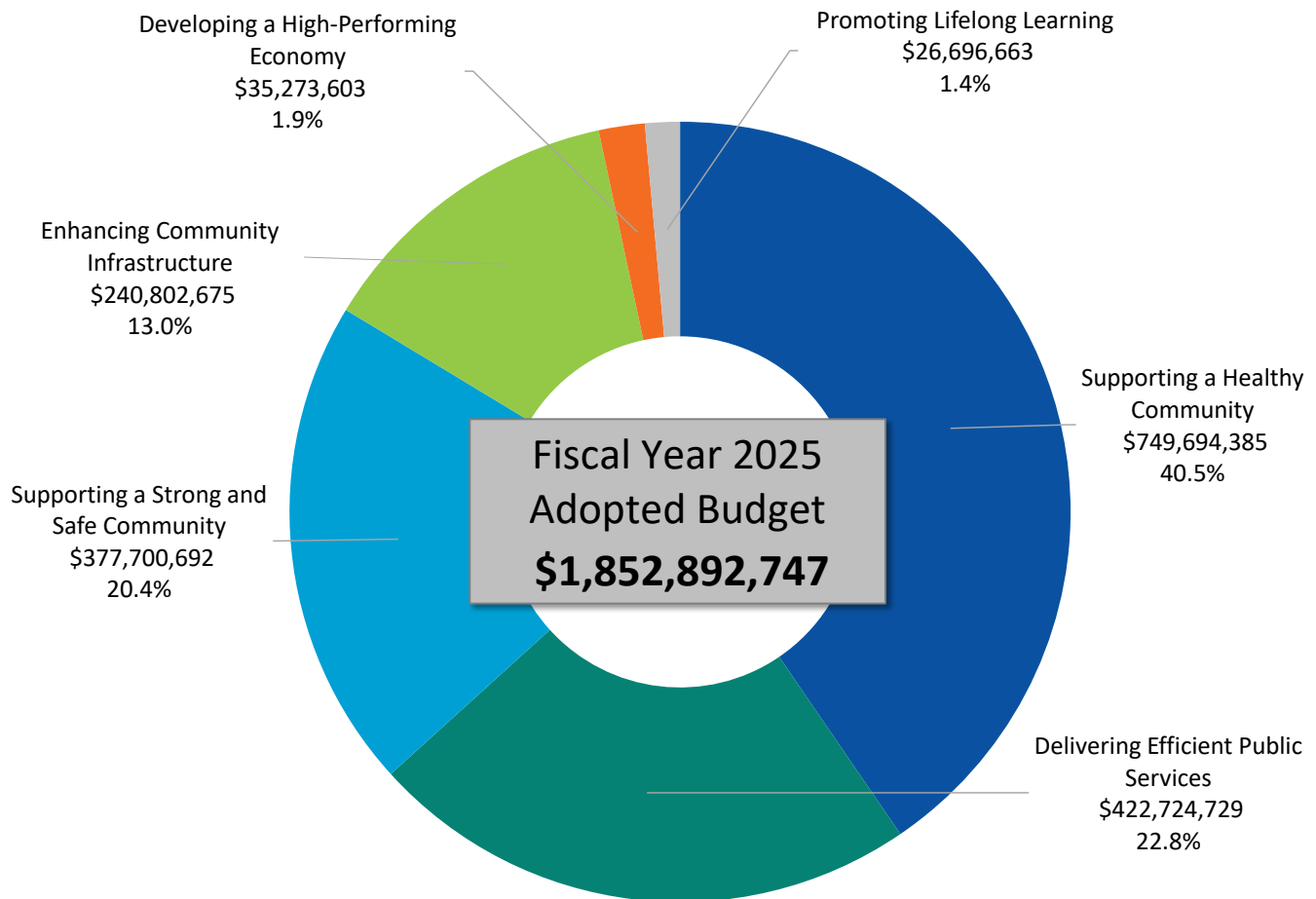
The 2025 Adopted Budget was approved by the Board of Supervisors on September 17, 2024. The Adopted Budget totaled \$1.85 billion for all funds, representing an increase of \$127.3 million, or 7.4%, over the prior fiscal year and was balanced using a combination of \$1.69 billion in estimated revenue and the use of \$162.7 million in fund balance and retained earnings.

The 2025 Adopted Budget was developed with a primary focus on supporting existing service levels across the organization. This included support for services previously authorized by the Board of Supervisors, the re-appropriation of costs from the prior fiscal year for multi-year projects approved in the past, and standard cost-of-doing-business increases. In addition, \$14.9 million in increased services and staffing were supported in the 2025 Adopted Budget.

The 2025 Adopted Budget included funding to support 4,926 allocated full-time positions. This represents an increase of 60 positions over that supported by the 2024 Adopted Budget.

The County budget is developed and displayed consistent with the Board of Supervisors' priorities. The following chart is organized by these priorities and reflects the total spending authority approved by the Board of Supervisors in the 2025 Adopted Budget.

### 2025 Adopted Budget by Board Priority



Consistent with standard accounting practices, the County's budget is divided into separate financial entities known as "funds." These fund types are used to segregate financial resources and demonstrate legal compliance. The following table reflects the total 2025 Adopted Budget spending authority, also referred to as budgeted appropriations, identified by the applicable governmental or business-type fund. These are provided alongside the 2024 Adopted Budget for comparison purposes.

### Comparison of 2025 Adopted Budget by Fund Type

| Budget by Fund Type    | 2024<br>Adopted<br>Budget | 2025<br>Adopted<br>Budget | \$ Variance<br>2025 Adopted to<br>2024 Adopted | % Variance<br>2025 Adopted to<br>2024 Adopted |
|------------------------|---------------------------|---------------------------|--|---|
| General Fund           | \$ 503,706,722            | \$ 543,525,122            | \$ 39,818,400                                  | 7.9%  |
| Special Revenue Fund   | 982,660,925               | 1,021,630,977             | 38,970,052                                     | 4.0%  |
| Capital Projects Fund  | 3,149,251                 | 33,440,461                | 30,291,210                                     | 961.9%  |
| Enterprise Fund        | 76,619,569                | 77,365,143                | 745,574  | 1.0%  |
| Internal Service Fund  | 159,449,752               | 176,931,044               | 17,481,292                                     | 11.0%   |
| <b>Total All Funds</b> | <b>\$ 1,725,586,219</b>   | <b>\$ 1,852,892,747</b>   | <b>\$ 127,306,528</b>                          | <b>7.4%</b>                                   |

The following table identifies the 2025 Adopted Budget alongside the respective funding sources required to balance, organized by fund type. The budget is balanced using contributions from the County General Fund which is commonly referred to as Net County Cost.

#### 2025 Adopted Budget Funding by Source Type

| Fund Type              | 2025<br>Adopted<br>Budget | Funding Sources        |                              |                              |                           |   |
|------------------------|---------------------------|------------------------|------------------------------|------------------------------|---------------------------|---|
|                        |                           | Department<br>Revenue* | Departmental<br>Fund Balance | General Fund<br>Fund Balance | Discretionary<br>Revenue* | General Fund<br>Contribution to<br>Other Funds* |
| General Fund           | \$ 543,525,122            | \$ 160,992,090         | \$ -                         | \$ 72,186,652                | \$ 310,346,380            | \$ -  |
| Special Revenue        | 1,021,630,977             | 935,264,104            | 58,920,929                   |                              |                           | 27,445,944                                      |
| Capital Projects       | 33,440,461                | 16,429,000             | 1,211,461                    |                              |                           | 15,800,000                                      |
| Enterprise             | 77,365,143                | 51,359,044             | 24,506,099                   |                              |                           | 1,500,000                                       |
| Internal Service       | 176,931,044               | 171,011,781            | 5,919,263                    |                              |                           | -   |
| <b>Total All Funds</b> | <b>\$1,852,892,747</b>    | <b>\$1,335,056,019</b> | <b>\$ 90,557,752</b>         | <b>\$ 72,186,652</b>         | <b>\$ 310,346,380</b>     | <b>\$ 44,745,944</b>                            |

\*Total Revenue \$ 1,690,148,343

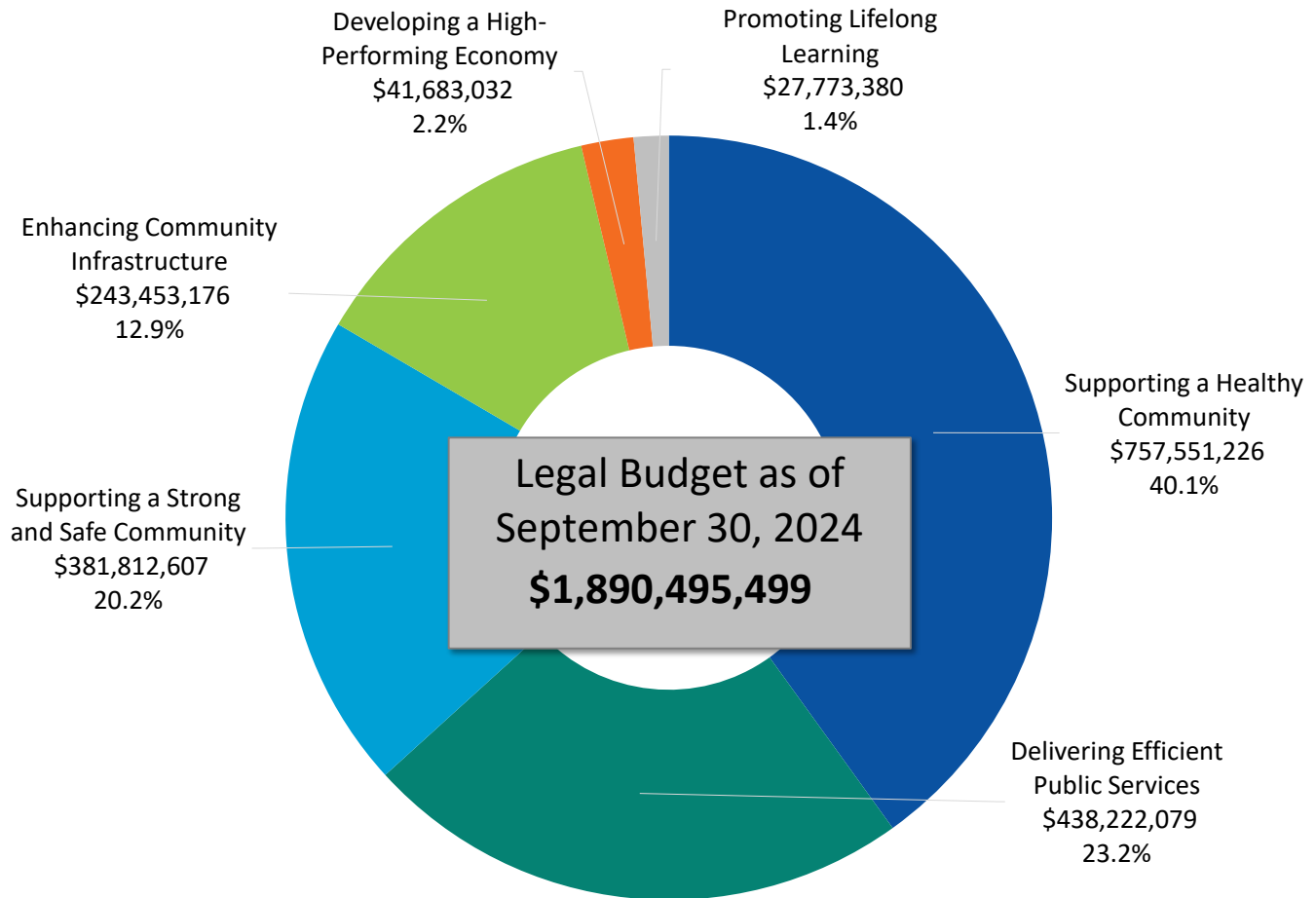
Total General Fund Contribution is \$382,533,032, net of Accounting Transactions.

General Fund budgets are supported by \$161 million in departmental revenue and \$382.5 million in General Fund Contributions, which consist of \$310.3 million in estimated Discretionary Revenue and \$72.2 million in a combination of assigned and unassigned fund balance. Those General Fund Contributions in support of other fund types are provided as either mandated County Match or contributions provided at the discretion of the Board of Supervisors and are shown here as allocations of Net County Cost for transparency and to identify the true impact to the County General Fund. However, for financial statement reporting, these contributions are reflected in accordance with generally accepted accounting principles (GAAP) as Department Revenue.

#### Legal Budget as of September 30, 2024

The Adopted Budget is modified throughout the fiscal year to meet the evolving needs and activities of the County and its departments. Adjustments include those approved through agenda items presented to the Board of Supervisors outside the formal budget process. Additionally, the budget may be revised during quarterly financial reporting cycles, based on updated projections and changing requirements. Together, the Adopted Budget and these adjustments create the Legal Budget, which is defined at a specific point in time. As of September 30, 2024, the legal budget totaled \$1.89 billion.

### Legal Budget as of September 30, 2024, by Board Priority



### 2025 First Quarter Financial Report Overview

The primary focus of the First Quarter Financial Report is to provide an update on the status of the County budget, correct any errors or omissions that may have occurred in the Adopted Budget process, and make any necessary adjustments resulting from State Budget actions or shifts in economic conditions. Current revenue and expenditure patterns are also reviewed to ensure that budgets are on track to end the year in a positive fiscal position and are also compared to those of prior fiscal years to identify any changes in trends.

The recommended adjustments included in the 2025 First Quarter Financial Report total a decrease in appropriations of \$18,448 resulting in a First Quarter Budget of \$1.89 billion. The decrease is offset by an increase in revenue of \$186,032, an increase in the use of departmental fund balance/retained earnings of \$245,847, and a decrease of \$450,327 in the use of Net County Cost.

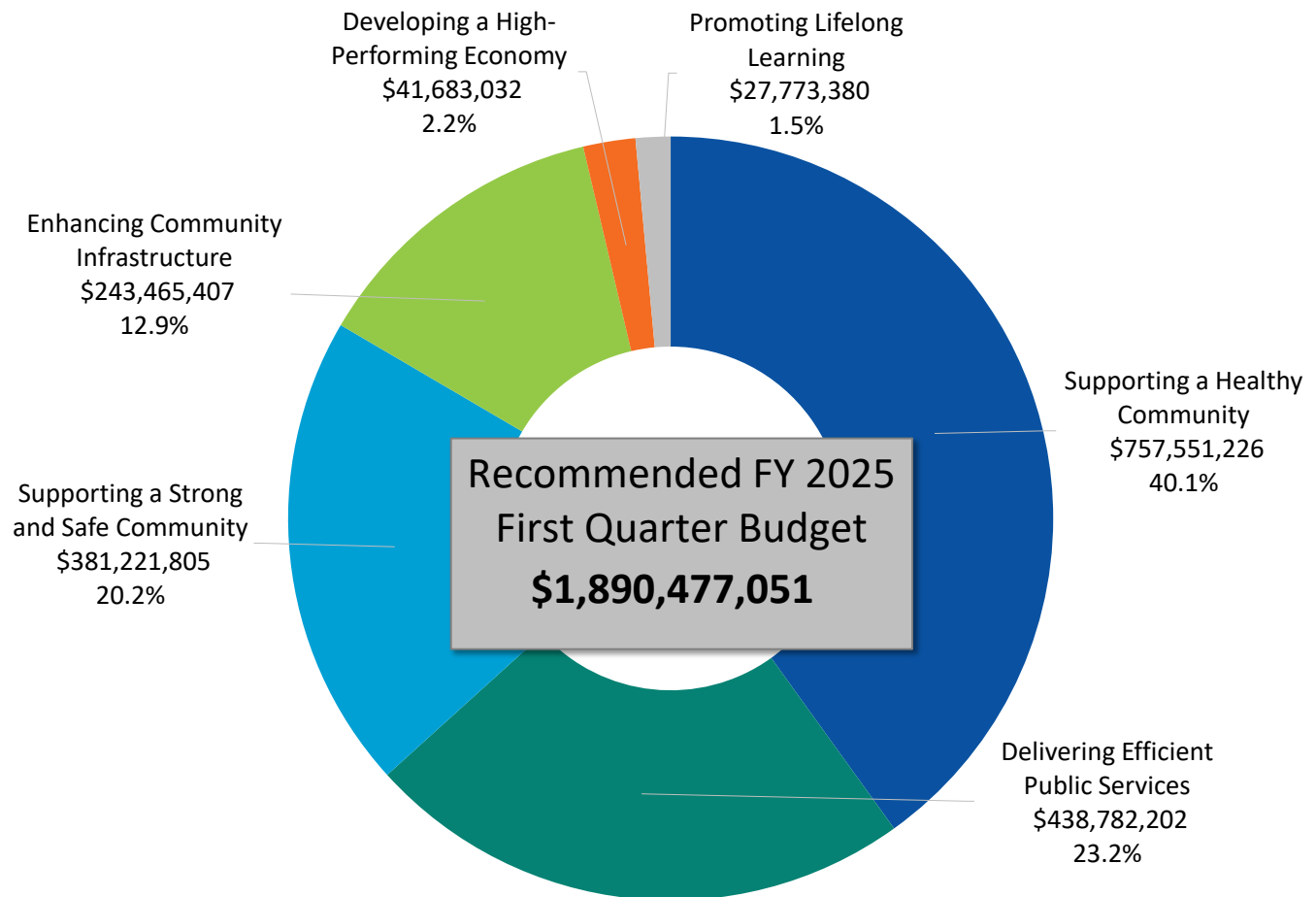
The following table shows how the 2025 First Quarter Budget was developed, beginning with the Adopted Budget, and includes the incorporation of prior year appropriations and separate Board-approved adjustments that comprise the Legal Budget as of September 30, 2024, along with the recommended adjustments at first quarter, displayed by fund type.

Immediately following is a chart depicting the recommended 2025 First Quarter Budget, displayed by Board priority area.

### Development of the First Quarter Budget Recommendations

| Fund Type              | 2025<br>Adopted<br>Budget | Legal Budget<br>as of<br>9/30/2024 | Recommended<br>2025<br>First Quarter<br>Adjustments | Recommended<br>2025<br>First Quarter<br>Budget |
|------------------------|---------------------------|------------------------------------|---|--|
| General Fund           | \$ 543,525,122            | \$ 549,251,504                     | \$ (650,499)  | \$ 548,601,005                                 |
| Special Revenue        | 1,021,630,977             | 1,047,020,349                      | -   | 1,047,020,349                                  |
| Capital Projects       | 33,440,461                | 33,440,461                         | -   | 33,440,461                                     |
| Enterprise             | 77,365,143                | 79,893,865                         | 632,051   | 80,525,916                                     |
| Internal Service       | 176,931,044               | 180,889,320                        | -   | 180,889,320                                    |
| <b>Total All Funds</b> | <b>\$ 1,852,892,747</b>   | <b>\$ 1,890,495,499</b>            | <b>\$ (18,448)</b>                                  | <b>\$ 1,890,477,051</b>                        |

### 2025 Recommended First Quarter Budget Expenditures by Board Priority



### Summary of Fund Balance by Fund Type

The 2025 Adopted Budget document reported a total beginning fund balance of \$777.7 million. Since that time, post-closing adjustments totaling \$4 million have been posted for all funds, which resulted in a revised beginning fund balance of \$773.7 million. Post-closing adjustments have long been a component of the County's year-end process and continue until the Annual Comprehensive Financial Report is complete.



The following table illustrates the beginning fund balances on July 1, 2024, for the various fund types, as well as the projected year-end balances adjusted for the recommendations contained in this report.

| Fund Type              | Beginning Fund Balance on 7/1/24* | Legal Budget Revenue on 9/30/2024 | Legal Budget Appropriations on 9/30/2024 | First Quarter Recommended Use of Fund Balance | Projected Fund Balance 6/30/2025 |
|------------------------|-----------------------------------|-----------------------------------|--|---|----------------------------------|
| General Fund           | \$ 247,038,657                    | \$ 471,738,230                    | \$ 549,251,504                           | \$ (450,327)                                  | \$ 169,975,710                   |
| Special Revenue        | 391,663,450                       | 976,523,920                       | 1,047,020,349                            | -   | \$ 321,167,021                   |
| Capital Projects       | 5,255,142                         | 32,229,000                        | 33,440,461                               | -   | \$ 4,043,681                     |
| Enterprise             | 104,667,261                       | 52,859,044                        | 79,893,865                               | 245,847                                       | \$ 77,386,593                    |
| Internal Service       | 25,043,684                        | 172,348,902                       | 180,889,320                              | -   | \$ 16,503,266                    |
| <b>Total All Funds</b> | <b>\$ 773,668,194</b>             | <b>\$ 1,705,699,096</b>           | <b>\$ 1,890,495,499</b>                  | <b>\$ (204,480)</b>                           | <b>\$ 589,076,271</b>            |

*\*The beginning fund balance of \$773,668,194 reflects a decrease of \$4,057,736 compared to the \$777,725,930 reported in the 2025 Adopted Budget document (page 61). The difference is due to post-closing journal entries made by the Auditor-Controller's office as part of the Fiscal Year 2024 year-end close process. The Auditor-Controller's office continues to work through the close and will report the final numbers once the financial audit is complete.*

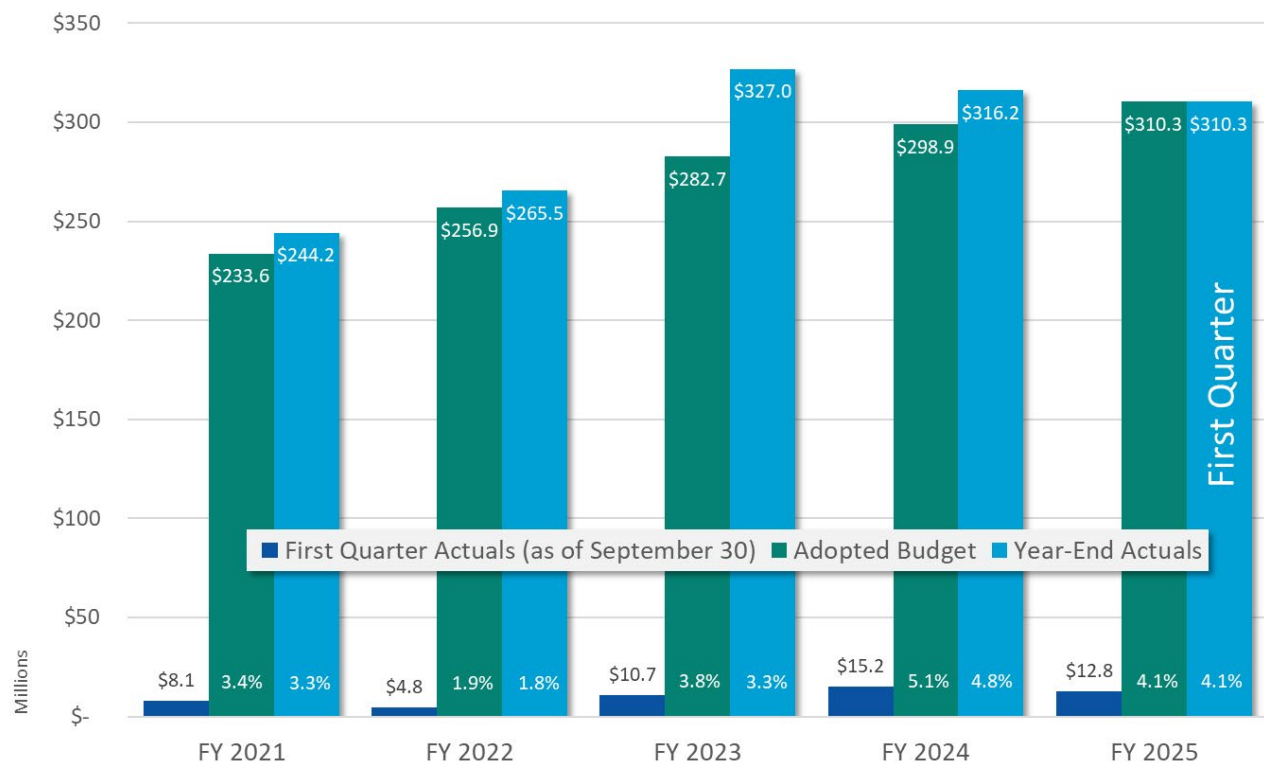
### Discretionary Revenue

As of September 30, 2024, approximately \$12.8 million in Discretionary Revenue has been collected, representing 4.1% of the \$310.3 million projected in the 2025 Adopted Budget. Over the past four years Discretionary Revenue collected by the end of the first quarter has varied between 1.9% and 5.1% of the Adopted Budget and from 1.8% and 4.8% of actual year-end totals. Fiscal Year 2025 first quarter Discretionary Revenue falls within these historical ranges.

The following chart provides a five-year comparison of first quarter performance, including data for the current year. It illustrates revenue receipts for the first three months of each fiscal year, alongside the Adopted Budget and year-end actuals from the previous four years, noting estimates included in the First Quarter Budget for the current year. For Fiscal Year 2025, first quarter estimates are being held at the Adopted Budget level. Continuous evaluation of revenue streams along with higher than anticipated Fiscal Year 2024 year-end actual receipts indicate a possible increase of approximately \$1.8 million compared to the 2025 Adopted Budget. This additional revenue will be considered along with updates to other Discretionary Revenue categories in midyear analysis for possible inclusion in the budget at that time.

Discretionary Revenue will be closely monitored, making adjustments as necessary in future budget cycles.

### Discretionary Revenue Five-Year Historical Chart



# SUPPORTING A STRONG AND SAFE COMMUNITY



District Attorney

Grand Jury

Office of Emergency Services

Probation

Public Defender

Sheriff

## Supporting a Strong and Safe Community

---

### Priority Overview

Ensuring a safe community and protecting the safety of the residents of Stanislaus County continues to be a top priority of the Board of Supervisors. The departments within this priority area focus on the safety of our neighborhoods and strengthening our communities. The impact of gangs, drugs, and vagrancy directly contributes to the decline of the physical, economic, and social health of the County. Robust partnerships within the organization, local municipalities, and community-based organizations throughout the region can maintain effective public safety programs and the ability to respond to emergencies on behalf of our community.

Departments assigned to the Board of Supervisors' priority area of *Supporting a Strong and Safe Community* include the District Attorney, Grand Jury, Office of Emergency Services, Probation, Public Defender, and Sheriff. The revenue used to pay for these services comes primarily from local taxes such as property tax and sales tax, fees, franchises, charges for services, and a variety of other discretionary revenue sources. Public Safety Sales Tax (Proposition 172) revenue is also used to partially fund the District Attorney, Probation, and Sheriff's Department budgets. These departments also receive dedicated funds for specific grant-funded programs.

Recommendations contained in this report will decrease appropriations by \$590,802, revenue by \$140,475, and Net County Cost by \$450,327 for departments *Supporting a Strong and Safe Community*. Most of these adjustments are detailed in Technical Adjustments at the back of the report.

Overall, most departments within the priority of *Supporting a Strong and Safe Community* are on track to end the year within budget and in a positive fiscal position.

The Sheriff's Office has identified that salary projections currently exceed budgeted authority for the year. The Department will work with the Chief Executive Office to perform additional analysis through the midyear review process and bring forward any necessary requests for adjustment at a future budget cycle.

## Departmental Revenue

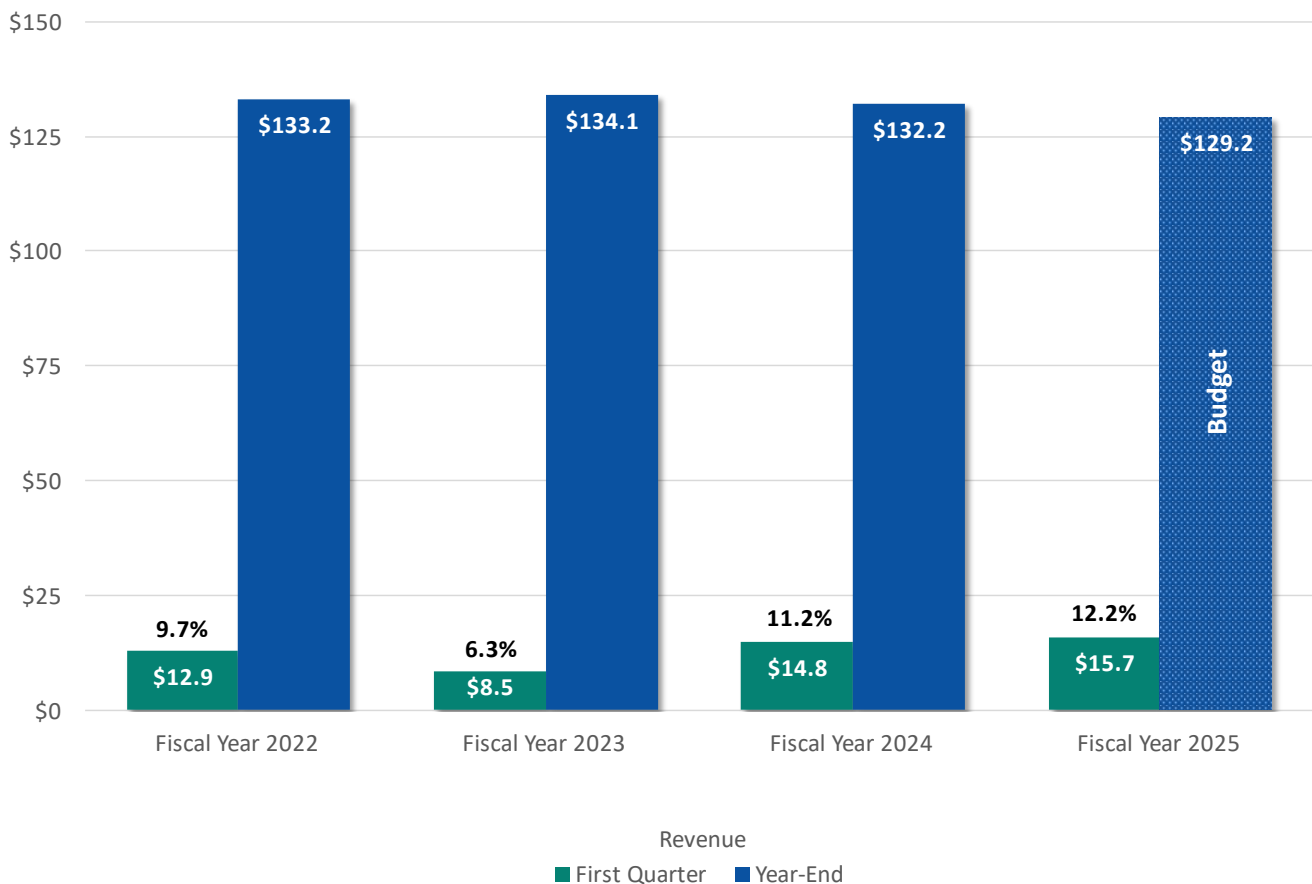
For the departmental budgets *Supporting a Strong and Safe Community*, as of September 30, 2024, actual revenue collected totaled \$15.7 million, which represents 12.2% of the estimated annual revenue. This is above the historical range when compared to the first quarter point of the prior three years when collections ranged from 6.3% to 11.2% of the final revenue receipts.

Revenue to date is higher than prior year actuals primarily due to District Attorney grant revenue accruals in Fiscal Years 2024 and 2025, along with Sheriff Jail Based Competency Treatment (JBCT) revenue that was not posted in the prior year. Conversely, the current-year budget does not include prior-year one-time Community Corrections Partnership projects and is further impacted by reductions in State funding, resulting in a budget that is \$3 million less than prior-year actuals. Combined, these factors contribute to a higher-than-historical revenue percentage.

Of note, factors associated with implementing the County's Enterprise Resource Planning (ERP) system affected receipts through the first quarter of Fiscal Year 2023. A consistent source of revenue for this priority, Realignment Revenue, did not post by first quarter due to the timing of conversion between financial management systems, which contributed to the low figure in that year. Additionally, in preparation for integration, County Operations, Capital Projects, and Integrated Criminal Justice Information System funds traditionally categorized within this Board priority were moved to the *Delivering Efficient Public Services* priority with the 2023 Adopted Budget.

### Supporting a Strong and Safe Community Four-Year Revenue Comparison

In Millions



## Departmental Expenditures

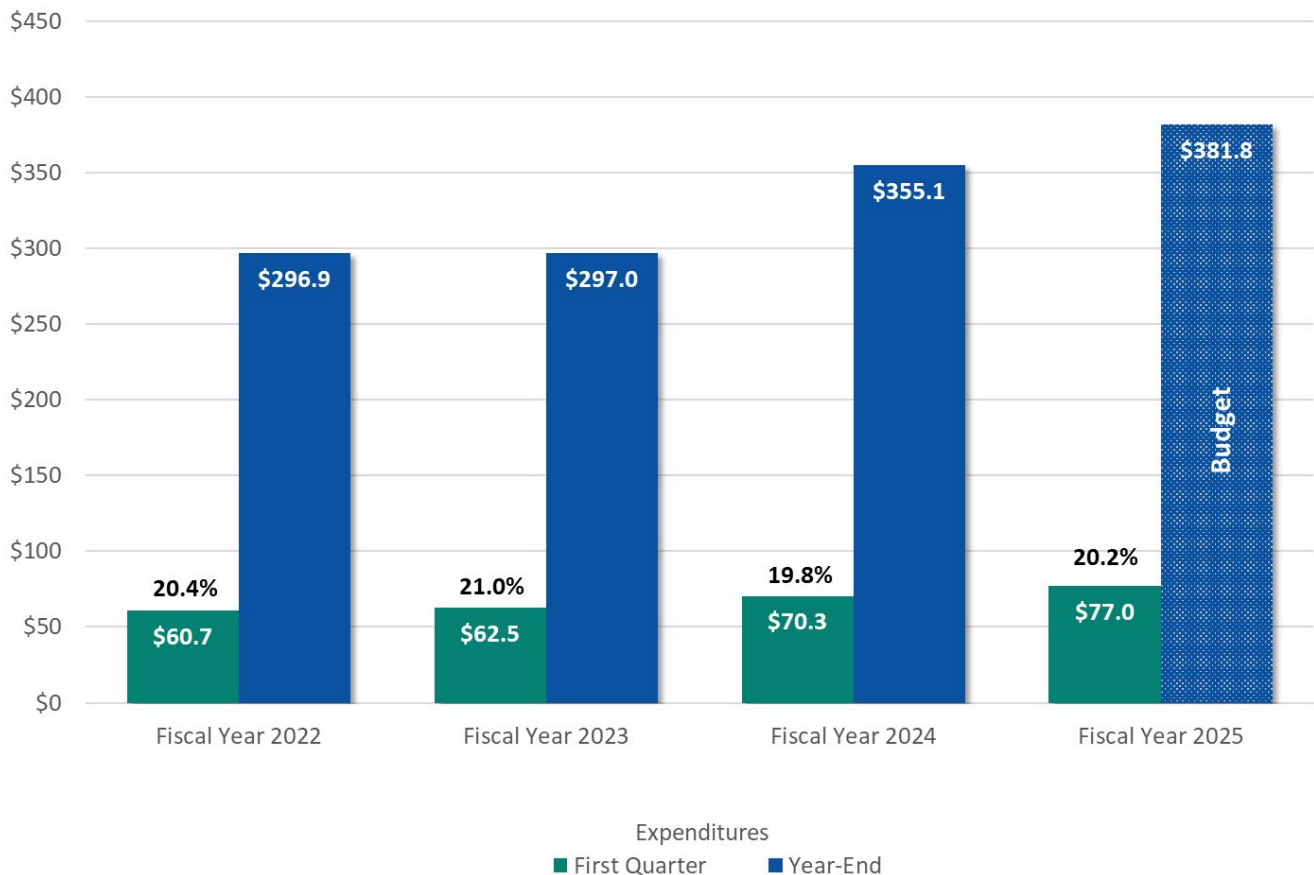
As of September 30, 2024, expenditures totaled \$77 million, representing 20.2% of budgeted appropriations. This year-to-date percentage is within the historical range when compared to the first quarter point of the prior three years when expenditures ranged from 19.8% to 21% of the final actual expenditures.

Several budget units (Criminal Justice Facilities Fund, Courthouse Construction Fund, County Court Funding, DOJ Drug and Alcohol, Prop 69 – DNA Identification, and Integrated Criminal Justice Information System) were transferred out of this priority area and into *Delivering Efficient Public Services* in the 2023 Adopted Budget. These budgets accounted for \$2.1 million of the first quarter actuals posted in Fiscal Year 2022 and \$7.8 million of the final year-end actuals for that year.

Significant investments were made in Fiscal Years 2023 and 2024 in the Local Community Corrections budget in Probation, which allocates the 2011 Realignment funds supporting the Community Corrections Partnership (CCP) plan, which are reflected in multiple budgets within this priority, effectively doubling the expenditures and widening the gap in overall expenditures between Fiscal Years 2023 and 2024.

### Supporting a Strong and Safe Community Four-Year Expenditures Comparison

In Millions



## District Attorney

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History                              | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>District Attorney (DA) Criminal Division</b> |                    |                    |                    |                    |                         |                      |
| 0100 DA00001 General Fund                       |                    |                    |                    |                    |                         |                      |
| Total Revenue                                   | \$2,358,037        | \$2,179,886        | \$2,620,325        | \$2,693,272        | \$2,434,987             | 110.61%              |
| Use of Fund Balance                             | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                                     | \$20,665,447       | \$22,631,828       | \$24,940,247       | \$28,481,440       | \$29,214,935            | 97.49%               |
| Net County Cost                                 | \$18,307,410       | \$20,451,942       | \$22,319,922       | \$25,788,169       | \$26,779,948            | 96.30%               |

Costs have increased over the last four years, due to the Department successfully reducing its vacancy rate, implementing the County's Employee Recruitment and Retention Strategy, and normal cost of doing business. The department saw a slight decrease in revenue in Fiscal Year 2022 due to reduced revenue transferred from the Consumer Fraud Prosecution Program. A subsequent increase in revenue in Fiscal Years 2023 and 2024 was primarily attributed to State realignment funds and reimbursements for witness relocation and mandated costs.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DA Arson Task Force</b>        |                    |                    |                    |                    |                         |                      |
| 1761 DA00004 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$44,490           | \$33,591           | \$49,337           | \$30,476           | \$64,509                | 47.24%               |
| Use of Fund Balance               | \$31               | (\$3,808)          | \$0                | \$427              | \$0                     | 0.00%                |
| Gross Costs                       | \$44,521           | \$29,782           | \$49,337           | \$30,903           | \$64,509                | 47.90%               |
| Net County Cost                   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Costs in this budget have remained relatively steady over the four years, with increased expenses in Fiscal Years 2021 and 2023 related to one-time software and equipment purchases. Revenue in this budget is based on the reimbursement of actual costs.

| Multi-Year History  | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DA Criminal Division Asset Forfeiture (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 1771 DA00008 Special Revenue Fund                           |                    |                    |                    |                    |                         |                      |
| Total Revenue   | \$166,898          | \$105,881          | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance   | (\$156,679)        | (\$49,491)         | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs   | \$10,219           | \$56,389           | \$0                | \$0                | \$0                     | 0.00%                |
| Net County Cost   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Revenue in this budget is volatile and not budgeted, as it represents assets of convicted criminals that have been forfeited. Costs are also variable and dependent on fund balance. The budget was moved to the Special Operations budget with the implementation of the County's Enterprise Resource Planning (ERP) system in October 2022.

| Multi-Year History                          | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DA Elder Abuse Advocacy and Outreach</b> |                    |                    |                    |                    |                         |                      |
| 1706 DA00005 Special Revenue Fund           |                    |                    |                    |                    |                         |                      |
| Total Revenue                               | \$158,967          | \$136,093          | \$228,522          | \$155,529          | \$215,956               | 72.02%               |
| Use of Fund Balance                         | \$1,745            | (\$163)            | (\$4,376)          | \$6,136            | \$19,251                | 31.87%               |
| Gross Costs                                 | \$160,712          | \$135,930          | \$224,146          | \$161,665          | \$235,207               | 68.73%               |
| Net County Cost                             | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The budget represents grant activity, with costs and revenue dependent on grant resources. Costs and revenue in Fiscal Year 2023 were higher than usual due to an increase in the award and the timing of some expenses and claims compared to other years.

| Multi-Year History                         | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DA Enforce Consumer Protection Laws</b> |                    |                    |                    |                    |                         |                      |
| 177A DA00003 Special Revenue Fund          |                    |                    |                    |                    |                         |                      |
| Total Revenue                              | \$498,265          | \$155,365          | \$60,345           | \$3,528            | \$27,639                | 12.76%               |
| Use of Fund Balance                        | (\$112,800)        | \$0                | \$97,300           | \$39,611           | \$15,500                | 255.56%              |
| Gross Costs                                | \$385,465          | \$155,365          | \$157,645          | \$43,139           | \$43,139                | 100.00%              |
| Net County Cost                            | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Costs in this budget represent the transfer out of revenue and fund balance to the Criminal Division budget and vary on the available revenue and fund balance. Revenue in the budget varies from year to year and is based on the collection of fines, settlements, and reimbursements from the prosecution of consumer fraud criminal and civil cases.

| Multi-Year History                 | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DA Federal Asset Forfeiture</b> |                    |                    |                    |                    |                         |                      |
| 1707 DA00006 Special Revenue Fund  |                    |                    |                    |                    |                         |                      |
| Total Revenue                      | (\$0)              | (\$6)              | \$9                | \$3                | \$0                     | 0.00%                |
| Use of Fund Balance                | \$0                | \$6                | (\$9)              | \$155              | \$158                   | 98.04%               |
| Gross Costs                        | \$0                | \$0                | \$0                | \$158              | \$158                   | 100.00%              |
| Net County Cost                    | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Revenue in this budget is volatile and not budgeted, as it represents assets of convicted criminals that have been forfeited. Costs are also variable and dependent on fund balance. Costs in Fiscal Year 2024 represent the Department's effort to spend down fund balance.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DA Special Operations</b>      |                    |                    |                    |                    |                         |                      |
| 1712 DA00002 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$184,914          | \$207,480          | \$2,751,039        | \$1,113,236        | \$1,931,049             | 57.65%               |
| Use of Fund Balance               | \$13,902           | (\$4,502)          | (\$726,761)        | \$866,856          | \$542,285               | 159.85%              |
| Gross Costs                       | \$266,331          | \$271,413          | \$2,422,604        | \$2,344,626        | \$2,871,468             | 81.65%               |
| Net County Cost                   | \$67,515           | \$68,435           | \$398,326          | \$364,534          | \$398,134               | 91.56%               |



In Fiscal Years 2021 and 2022, this budget unit only contained the budget for the Violence Against Women Program (Fund 1704). Auto Insurance Fraud Prosecution, Criminal Division Asset Forfeiture, Real Estate Fraud, and Victim Services Program were moved into the budget, and it was renamed to Special Operations with the implementation of the County's ERP system in October 2022. Organized Retail Theft was added in Fiscal Year 2024.

Spending and revenue related to Victim of Crimes Act (VOCA) grants saw reductions in Fiscal Year 2024; Criminal Division Asset Forfeiture fund balance was spent down in Fiscal Years 2023 and 2024; and Real Estate Fraud saw reduced revenue causing an increase in Net County Cost, covered with savings from the Criminal Division, coupled with normal increases in costs associated with the cost of doing business.

| Multi-Year History                         | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DA Stanislaus Family Justice Center</b> |                    |                    |                    |                    |                         |                      |
| 1699 DA00012 Special Revenue Fund          |                    |                    |                    |                    |                         |                      |
| Total Revenue                              | \$0                | \$0                | \$156,584          | \$192,088          | \$300,000               | 64.03%               |
| Use of Fund Balance                        | \$0                | \$0                | (\$69,577)         | \$62,717           | \$0                     | 0.00%                |
| Gross Costs                                | \$0                | \$0                | \$87,007           | \$254,805          | \$300,000               | 84.93%               |
| Net County Cost                            | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

This budget was transferred from County Operations to the District Attorney with the 2023 Midyear Financial Report. Revenue in the budget represents claims made against the grant, which correlates with the costs incurred in the budget. The trend shows the timing variance between when costs were incurred and when revenue was received each year.

| Multi-Year History  | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DA Unserved/Underserved Victim Advocacy and Outreach Program</b> |                    |                    |                    |                    |                         |                      |
| 1686 DA00010 Special Revenue Fund                                   |                    |                    |                    |                    |                         |                      |
| Total Revenue   | \$120,857          | \$168,856          | \$153,796          | \$151,226          | \$183,512               | 82.41%               |
| Use of Fund Balance   | \$21,247           | \$5,575            | \$1,666            | (\$575)            | \$0                     | 0.00%                |
| Gross Costs   | \$142,104          | \$174,431          | \$155,462          | \$150,651          | \$183,512               | 82.09%               |
| Net County Cost   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The budget represents grant activity, with costs and revenue dependent on grant resources. Costs and revenue in Fiscal Year 2022 were higher than usual due to an increase in staff time attributed to the grant and training costs for the assigned advocates.

| Multi-Year History                            | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DA Auto Insurance Fraud (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 1714 0023214 Special Revenue Fund             |                    |                    |                    |                    |                         |                      |
| Total Revenue                                 | \$191,498          | \$200,920          | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance                           | (\$4,293)          | (\$4,025)          | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                                   | \$187,205          | \$196,895          | \$0                | \$0                | \$0                     | 0.00%                |
| Net County Cost                               | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The budget was moved to the Special Operations budget with the implementation of the County's ERP system in October 2022. The budget represents grant activity, with costs and revenue dependent on grant resources. The budget was trending up in the last two years prior to moving into the Special Operations budget.

| Multi-Year History                               | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DA Victim Services Program (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 1714 0023214 Special Revenue Fund                |                    |                    |                    |                    |                         |                      |
| Total Revenue                                    | \$858,579          | \$936,539          | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance                              | \$36,370           | (\$0)              | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                                      | \$894,949          | \$936,539          | \$0                | \$0                | \$0                     | 0.00%                |
| Net County Cost                                  | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The budget was moved to the Special Operations budget with the implementation of the County's ERP system in October 2022. The budget represents grant activity, with costs and revenue dependent on grant resources. The budget was trending up in the last two years prior to moving into the Special Operations budget.

| Multi-Year History                                      | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DA County Victim Services Program (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 1714 0023215 Special Revenue Fund                       |                    |                    |                    |                    |                         |                      |
| Total Revenue   | \$334,624          | \$238,629          | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance                                     | (\$90,252)         | \$25,249           | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs   | \$244,372          | \$263,878          | \$0                | \$0                | \$0                     | 0.00%                |
| Net County Cost   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The budget was moved to the Special Operations budget with the implementation of the County's ERP system in October 2022. The budget represents grant activity, with costs and revenue dependent on grant resources. The budget was trending up in the last two years prior to moving into the Special Operations budget.

| Multi-Year History   | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DA Victim Compensation And Government Claims (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 1710 0023220 Special Revenue Fund                                  |                    |                    |                    |                    |                         |                      |
| Total Revenue  | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance  | \$0                | \$91               | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs  | \$0                | \$91               | \$0                | \$0                | \$0                     | 0.00%                |
| Net County Cost  | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

This grant ended in June 2019. In Fiscal Year 2022, a fund balance of \$91 was recognized. Reimbursable costs were moved into the budget to offset the fund balance and close out the budget.

| Multi-Year History                                     | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DA Real Estate Fraud Prosecution (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 1776 0023276 Special Revenue Fund                      |                    |                    |                    |                    |                         |                      |
| Total Revenue  | \$324,406          | \$242,606          | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance                                    | (\$16,754)         | \$37,224           | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs  | \$378,879          | \$417,811          | \$0                | \$0                | \$0                     | 0.00%                |
| Net County Cost  | \$71,227           | \$137,981          | \$0                | \$0                | \$0                     | 0.00%                |

The budget was moved to the Special Operations budget with the implementation of the County's ERP system in October 2022. The budget was trending up in the last two years prior to moving into the Special Operations budget.

Net County Cost increased as the Department used savings from the Criminal Division budget to offset revenue shortfalls associated with a decline in fees collected on certain real estate recorded documents.

### Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.

| Multi-Year History   | July 1, 2021     | July 1, 2022     | July 1, 2023       | July 1, 2024     |
|--|------------------|------------------|--------------------|------------------|
| DA Arson Task Force  | \$145            | \$3,954          | \$3,954            | \$3,527          |
| DA Elder Abuse Program                                       | 17,419           | 17,582           | 21,958             | 15,822           |
| DA Enforce Consumer Protection Laws                          | 112,800          | 112,800          | 15,500             | (24,111)         |
| DA Federal Asset Forfeiture                                  | 154              | 148              | 157                | 2                |
| DA Special Operations  | 356,071          | 351,525          | 1,078,286          | 211,429          |
| DA Stanislaus Family Justice Center                          | 0                | 0                | 69,577             | 6,860            |
| DA Unserved/Underserved Victim Advocacy and Outreach Program | 4,070            | (1,505)          | (3,171)            | (2,596)          |
| <b>Total Fund Balance</b>                                    | <b>\$490,659</b> | <b>\$484,504</b> | <b>\$1,186,260</b> | <b>\$210,933</b> |

Note: Table only reflects non-general fund units

The **Arson Task Force** fund balance is tied to the receipt of additional reimbursement of claims over actual expenditures. The Department will offset the balance during Fiscal Year 2025.

The **Elder Abuse Program** fund balance has increased due to the timing of costs claimed for reimbursement from the granting agency. The fund balance was spent down in the prior year and will be offset in Fiscal Year 2025.

The **Enforce Consumer Protection Laws** negative fund balance is due to a year-end entry posting revenue incorrectly. Correcting entries will be made during Fiscal Year 2025. This budget transfers all fund balance and revenue to the Criminal Division budget, and the balances each year represent balances not transferred in the prior year due to timing.

The **Federal Asset Forfeiture** fund balance will be offset with costs related to asset forfeiture during Fiscal Year 2025. Fund balance increases are a result of unanticipated revenue from assets of convicted criminals that have been forfeited, creating timing issues in spending the fund balance.

The **Special Operations** fund balance fluctuates due to the timing of costs claimed for reimbursement from granting agencies. Accrual issues contributed to the spike in fund balance as of July 1, 2023, which were addressed in Fiscal Year 2024. The Department will make necessary adjustments to correct the fund balances in Fiscal Year 2025.

The **Stanislaus Family Justice Center** fund balance is tied to expenditures not accrued for Fiscal Year 2024. The fund balance will be offset when the invoices are paid in Fiscal Year 2025.

The **Unserved/Underserved Victim Advocacy and Outreach Program** fund balance has increased due to the timing of costs claimed for reimbursement from the granting agency. The fund balance will be offset in Fiscal Year 2025.

### First Quarter Issues and Recommendations

A technical adjustment related to cannabis funding for the Department is noted in Technical Adjustments at the end of this report.

**Staffing Recommendation:** A request for a salary adjustment of the Chief Criminal Investigator classification was submitted by the Department and recommended for a study in the 2025 Proposed Budget. The study has been completed, concluding with a recommendation of a 3% salary adjustment.

## Grand Jury

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following table identifies four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History        | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Grand Jury</b>         |                    |                    |                    |                    |                         |                      |
| 0100 GJ00001 General Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue             | \$0                | \$70               | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance       | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs               | \$110,663          | \$142,650          | \$152,140          | \$179,854          | \$197,988               | 90.84%               |
| Net County Cost           | \$110,663          | \$142,580          | \$152,140          | \$179,854          | \$197,988               | 90.84%               |

Expenditures have generally been increasing as the cost of doing business continues to increase steadily. Juror mileage expenses decreased in Fiscal Year 2021 due to jurors meeting remotely during the COVID-19 pandemic but began increasing in Fiscal Year 2022 as in-person meetings resumed. In Fiscal Year 2024, the Grand Jury also saw an increase in equipment costs from the purchase of laptops for the jurors.

## Office of Emergency Services

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

The Office of Emergency Services was established as a standalone department, instead of a division of the Sheriff's Office, with the 2025 Adopted Budget. As all prior year actuals were incurred within the Sheriff's Office, the trend for those years are reflected in the Sheriff's Office section of this report.

#### Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.

| Multi-Year History             | July 1, 2021 | July 1, 2022 | July 1, 2023 | July 1, 2024       |
|--------------------------------|--------------|--------------|--------------|--------------------|
| OES County Fire Service        | \$0          | \$0          | \$0          | \$2,279,783        |
| OES Emergency Medical Services | 0            | 0            | 0            | 4,401,260          |
| OES Grants                     | 0            | 0            | 0            | 1,903,587          |
| OES Homeland Security Grants   | 0            | 0            | 0            | (18,186)           |
| OES Water Resources            | 0            | 0            | 0            | (2,209)            |
| <b>Total Fund Balance</b>      | <b>\$0</b>   | <b>\$0</b>   | <b>\$0</b>   | <b>\$8,564,235</b> |

Note: Table only reflects non-general fund units

The fund balance for each of these budgets was transferred from the Sheriff's Office with the 2025 Adopted Budget due to the creation of the Office of Emergency Services as a standalone department. Historical data for comparison is shown in the Sheriff's Office Fund Balance Trends.

**OES County Fire Service** fund is utilized to support fire protection services identified as critical to the fire agencies in cities and unincorporated areas in Stanislaus County.

**OES Emergency Medical Services** fund is designated for use in support of the County's Local Emergency Medical Services.

**OES Grants** fund is identified as one-time State funding specifically used to upgrade emergency communications and infrastructure within Stanislaus County and expected to be spent by the end of Fiscal Year 2025.

**OES Homeland Security Grants** are individual, multi-year grants that support local efforts to prevent terrorism and other catastrophic events. The negative fund balance is due to timing of costs claimed for reimbursement from the granting agency.

**OES Water Resources** fund was established for the development of a County flood emergency plan. The negative fund balance is due to interest allocation charges. The department will make the appropriate adjustment to clear out the fund balance and close the fund in the current year.

## Probation

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History               | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Probation Administration</b>  |                    |                    |                    |                    |                         |                      |
| <b>0100 PROB001 General Fund</b> |                    |                    |                    |                    |                         |                      |
| Total Revenue                    | \$640,939          | \$640,819          | \$646,075          | \$645,234          | \$667,916               | 96.60%               |
| Use of Fund Balance              | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                      | \$3,917,561        | \$4,150,795        | \$4,016,774        | \$4,437,355        | \$4,974,782             | 89.20%               |
| Net County Cost                  | \$3,276,622        | \$3,509,976        | \$3,370,698        | \$3,792,122        | \$4,306,866             | 88.05%               |

The trend in Administration has been a gradual increase due to the cost of doing business in salaries, benefits, services and supplies, and Cost Allocation Plan (CAP) charges. Actual expenditures were approximately \$500,000

less than projected in Fiscal Year 2024 due to the Division of Juvenile Justice (DJJ) closing and redirecting youth back to their home counties.

| Multi-Year History                                      | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Probation Community Corrections Partnership Plan</b> |                    |                    |                    |                    |                         |                      |
| 0100 PROB003 General Fund                               |                    |                    |                    |                    |                         |                      |
| Total Revenue   | \$4,166,113        | \$5,174,022        | \$6,198,199        | \$8,010,233        | \$7,548,508             | 106.12%              |
| Use of Fund Balance                                     | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs   | \$4,170,518        | \$5,383,773        | \$6,198,199        | \$8,010,233        | \$9,083,805             | 88.18%               |
| Net County Cost   | \$4,405            | \$209,750          | \$0                | \$0                | \$1,535,297             | 0.00%                |

This budget reflects Probation's portion of Local Community Corrections funding. Costs continue to trend lower than projected as a result of the Department's vacancy rate and resulting salary savings. Fiscal Year 2024 saw an increase of \$1.5 million in expenditures for a remodel project that rolled forward from Fiscal Year 2023. In Fiscal Year 2021, a post-close entry was made to reverse out Federal Emergency Management Agency (FEMA) revenue, generating a Net County Cost for the budget. In Fiscal Year 2022, the Department did receive \$29,550 in Net County Cost for COVID One-Time Recovery Payments for full-time County employees required to report to work between April 2020 and June 2021. The Department will continue to research the Net County Cost of Fiscal Year 2022 and will adjust as needed in the current fiscal year.

| Multi-Year History                                      | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Probation Corrections Performance Incentive Fund</b> |                    |                    |                    |                    |                         |                      |
| 1688 PROB007 Special Revenue Fund                       |                    |                    |                    |                    |                         |                      |
| Total Revenue   | \$2,045,706        | \$1,372,487        | \$1,913,782        | \$1,916,095        | \$1,332,228             | 143.83%              |
| Use of Fund Balance                                     | (\$777,073)        | \$461,183          | (\$20,471)         | \$295,255          | \$1,929,408             | 15.30%               |
| Gross Costs   | \$1,268,633        | \$1,837,300        | \$1,893,311        | \$2,211,350        | \$3,261,636             | 67.80%               |
| Net County Cost   | \$0                | \$3,630            | \$0                | \$0                | \$0                     | 0.00%                |

The trend has been a gradual increase in costs due to the cost of doing business. Actual expenditures were less than projected in Fiscal Year 2024 due to the reduction in contracts and IT equipment that was not purchased. In Fiscal Year 2022, the Department did receive Net County Cost for COVID One-Time Recovery Payments for full-time County employees required to report to work between April 2020 and June 2021.

| Multi-Year History                                 | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Probation Criminalistics Lab (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 1737 0026280 Special Revenue Fund                  |                    |                    |                    |                    |                         |                      |
| Total Revenue                                      | (\$175,017)        | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance                                | \$175,017          | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs  | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Net County Cost                                    | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The budget previously contained revenue associated with court fees that should have been distributed to the State. This was identified and corrected in Fiscal Year 2021. The budget has since been closed.

| Multi-Year History              | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Probation Field Services</b> |                    |                    |                    |                    |                         |                      |
| 0100 PROB002 General Fund       |                    |                    |                    |                    |                         |                      |
| Total Revenue                   | \$1,807,313        | \$924,479          | \$1,921,884        | \$1,619,076        | \$2,710,197             | 59.74%               |
| Use of Fund Balance             | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                     | \$12,764,398       | \$15,179,599       | \$14,565,908       | \$15,351,394       | \$19,704,953            | 77.91%               |
| Net County Cost                 | \$10,957,084       | \$14,255,119       | \$12,644,024       | \$13,732,319       | \$16,994,756            | 80.80%               |

The trend in Field Services has been a gradual increase due to the cost of doing business in salaries, benefits, services and supplies, and allocated charges. Expenditures continue to trend lower than budgeted as a result of the Department's vacancy rate, resulting in salary savings. The Department finished Fiscal Year 2024 with 26 vacancies in this budget unit, resulting in salary savings of \$2.5 million. In addition, \$1.3 million budgeted for vehicle purchases were rolled into Fiscal Year 2025 due to the delay in manufacturing. Revenue for Fiscal Year 2024 trended lower than projected as a result of Pre-Trial activities ramping up slower than anticipated. The Department also saw a reduction in Title IV-E revenue, as noted in the 2025 Proposed Budget.

| Multi-Year History                      | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Probation Institutional Services</b> |                    |                    |                    |                    |                         |                      |
| 0100 PROB010 General Fund               |                    |                    |                    |                    |                         |                      |
| Total Revenue                           | \$1,603,471        | \$1,663,888        | \$1,936,458        | \$2,062,559        | \$2,348,956             | 87.81%               |
| Use of Fund Balance                     | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                             | \$8,139,595        | \$9,011,794        | \$8,385,250        | \$9,277,350        | \$9,650,948             | 96.13%               |
| Net County Cost                         | \$6,536,123        | \$7,347,905        | \$6,448,792        | \$7,214,791        | \$7,301,992             | 98.81%               |

The trend in Institutions has been a gradual increase due to the cost of doing business in salaries, benefits, services and supplies, and Cost Allocation Plan (CAP) charges, specifically in overtime, jail medical, and maintenance costs. Revenue in Fiscal Year 2024 trended lower than projected as a result of the California Advancing and Innovating Medi-Cal-Providing Access and Transforming Health (CalAIM-PATH) tasks taking longer than anticipated, moving PATH revenue to Deferred Revenue.

| Multi-Year History                            | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Probation Juvenile Commitment Facility</b> |                    |                    |                    |                    |                         |                      |
| 0100 PROB009 General Fund                     |                    |                    |                    |                    |                         |                      |
| Total Revenue                                 | \$1,831,286        | \$1,700,442        | \$1,522,487        | \$1,419,987        | \$1,754,493             | 80.93%               |
| Use of Fund Balance                           | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                                   | \$2,492,931        | \$2,479,677        | \$2,740,980        | \$2,854,334        | \$3,315,727             | 86.08%               |
| Net County Cost                               | \$661,645          | \$779,235          | \$1,218,492        | \$1,434,347        | \$1,561,234             | 91.87%               |

The trend in the Juvenile Commitment Facility is a gradual increase due to the cost of doing business. Expenditures trended lower than budgeted as a result of the Department's vacancy rate, resulting in salary savings. Revenue in Fiscal Year 2024 trended lower than anticipated for operating transfers in due to the number of vacancies in this budget unit.



| Multi-Year History                                     | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Probation Juvenile Justice Crime Prevention Act</b> |                    |                    |                    |                    |                         |                      |
| 1798 PROB004 Special Revenue Fund                      |                    |                    |                    |                    |                         |                      |
| Total Revenue  | \$2,383,907        | \$2,216,911        | \$2,802,620        | \$2,841,527        | \$2,802,620             | 101.39%              |
| Use of Fund Balance                                    | (\$529,287)        | (\$242,966)        | (\$784,003)        | (\$741,699)        | \$132,560               | -559.52%             |
| Gross Costs  | \$1,854,621        | \$1,987,558        | \$2,018,617        | \$2,099,828        | \$2,935,180             | 71.54%               |
| Net County Cost  | \$0                | \$13,613           | \$0                | \$0                | \$0                     | 0.00%                |

Expenditures are gradually trending up as the Department continues to ramp up programming for in-custody and out-of-custody youth after COVID-19 restrictions were lifted. Expenditures in Fiscal Year 2024 trended lower than budgeted due to eight vacancies, resulting in approximately \$700,000 in salary savings. In Fiscal Year 2022, the Department did receive Net County Cost for COVID One-Time Recovery Payments for full-time County employees required to report to work between April 2020 and June 2021.

| Multi-Year History  | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Probation Juvenile Justice Realignment Block Grant</b> |                    |                    |                    |                    |                         |                      |
| 1601 PROB005 Special Revenue Fund                         |                    |                    |                    |                    |                         |                      |
| Total Revenue   | \$0                | \$564,129          | \$3,721,880        | \$4,139,274        | \$2,774,736             | 149.18%              |
| Use of Fund Balance                                       | \$0                | (\$187,472)        | (\$3,125,814)      | \$118,091          | \$2,623,611             | 4.50%                |
| Gross Costs   | \$0                | \$376,657          | \$596,066          | \$4,257,365        | \$5,398,347             | 78.86%               |
| Net County Cost   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

This funding was established in Fiscal Year 2022, resulting from the closure of the Division of Juvenile Justice (DJJ) by the State. The trend is a gradual increase in services and supplies as the Department continues to ramp up programming. Expenditures in Fiscal Year 2024 showed a significant increase in costs over Fiscal Year 2023 due to the move of \$3.5 million to Capital Projects for the upgrade of the Juvenile Hall security system.

| Multi-Year History                           | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Probation Local Community Corrections</b> |                    |                    |                    |                    |                         |                      |
| 1679 PROB008 Special Revenue Fund            |                    |                    |                    |                    |                         |                      |
| Total Revenue                                | \$21,733,062       | \$27,936,974       | \$34,817,939       | \$32,475,888       | \$30,477,090            | 106.56%              |
| Use of Fund Balance                          | (\$15,573)         | (\$6,559,687)      | (\$5,983,370)      | \$224,619          | \$11,083,010            | 2.03%                |
| Gross Costs                                  | \$21,717,489       | \$21,377,287       | \$28,834,569       | \$32,700,508       | \$41,560,100            | 78.68%               |
| Net County Cost                              | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The Local Community Corrections fund is funded with 2011 Realignment revenue from Statewide sales tax. Gross Costs are budgeted and documented in the annual 5-Year Plan. Invoicing from departments and contracts has shown an increase since Fiscal Year 2021. This budget unit typically spends 80-85% of budgeted expenditures.



| Multi-Year History                 | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Probation Ward Welfare Fund</b> |                    |                    |                    |                    |                         |                      |
| 1765 PROB011 Special Revenue Fund  |                    |                    |                    |                    |                         |                      |
| Total Revenue                      | \$29,784           | \$12,358           | \$160              | \$0                | \$1,200                 | 0.00%                |
| Use of Fund Balance                | \$12,270           | \$37,668           | \$13,324           | \$8,357            | \$81,200                | 10.29%               |
| Gross Costs                        | \$42,054           | \$50,027           | \$13,484           | \$8,357            | \$82,400                | 10.14%               |
| Net County Cost                    | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

In 2022, Senate Bill 1008 was passed, requiring all youth be afforded telephone access at no charge to them or their family, thus eliminating the revenue for this fund. The Department is working to develop a plan to spend down the existing fund balance.

| Multi-Year History                             | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Probation Youthful Offender Block Grant</b> |                    |                    |                    |                    |                         |                      |
| 1698 PROB006 Special Revenue Fund              |                    |                    |                    |                    |                         |                      |
| Total Revenue                                  | \$1,944,048        | \$3,039,225        | \$3,331,507        | \$3,112,811        | \$2,623,440             | 118.65%              |
| Use of Fund Balance                            | \$519,277          | (\$509,345)        | (\$657,290)        | \$1,139,087        | \$2,487,624             | 45.79%               |
| Gross Costs                                    | \$2,463,325        | \$2,544,402        | \$2,674,217        | \$4,251,898        | \$5,111,064             | 83.19%               |
| Net County Cost                                | \$0                | \$14,521           | \$0                | \$0                | \$0                     | 0.00%                |

The trend in Youthful Offender Block Grant is a gradual increase due to the cost of doing business. Fiscal Year 2024 showed an additional increase in costs over Fiscal Year 2023 due to the move of \$1.5 million to Capital Projects to offset costs for the upgrade of the Juvenile Hall security system. In Fiscal Year 2022, the Department did receive Net County Cost for COVID One-Time Recovery Payments for full-time County employees required to report to work between April 2020 and June 2021.

#### Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.

| Multi-Year History                                 | July 1, 2021        | July 1, 2022        | July 1, 2023        | July 1, 2024        |
|--|---------------------|---------------------|---------------------|---------------------|
| Probation Corrections Performance Incentive Act    | \$4,119,599         | \$3,658,416         | \$3,678,887         | \$3,383,632         |
| Probation Juvenile Justice Realignment Block Grant | 0                   | 187,472             | 3,313,286           | 3,195,194           |
| Probation Juvenile Justice Crime Prevention Act    | 4,654,419           | 4,897,385           | 5,681,389           | 6,423,087           |
| Probation Local Community Corrections              | 19,562,268          | 26,121,955          | 32,105,325          | 31,880,705          |
| Probation Ward Welfare Fund                        | 318,701             | 281,032             | 267,709             | 259,352             |
| Probation Youthful Offender Block Grant            | 3,872,419           | 4,381,764           | 5,039,054           | 3,899,967           |
| <b>Total Fund Balance</b>                          | <b>\$32,527,405</b> | <b>\$39,528,024</b> | <b>\$50,085,649</b> | <b>\$49,041,939</b> |

Note: Table only reflects non-general fund units

**Corrections Performance Incentive Act** fund balance has shown a gradual decrease over the last four years. The Department's plan to spend down fund balance has been slowed by the Department's high vacancy rate.

**Juvenile Justice Realignment Block Grant** is a new funding stream and has maintained a consistent fund balance for the last two years. The Department is currently working to implement several new programs for this increasing population which will be reflected in the July 1, 2025 fund balance.

**Juvenile Justice Crime Prevention Act** fund balance has increased each of the last four years. The Department continues to increase programming available for out-of-custody youth to spend down fund balance. However, this budget is currently holding a 53% vacancy rate, resulting in significant salary savings.

**Local Community Corrections** fund balance has increased significantly over the last four years. The Community Corrections Partnership (CCP) Executive Committee has developed a plan that will spend down existing fund balance over the next five years.

**Ward Welfare** fund balance has shown a gradual decrease over the last four years resulting from new legislation eliminating any new funding for this budget unit. The Department is developing a plan to spend down the existing fund balance and close this fund.

**Youthful Offender Block Grant** has maintained a relatively consistent fund balance over the last four years. New programs and services continue to be implemented but this budget has also seen an elevated vacancy rate. Recent recruitment efforts have helped reduce the number of vacant positions which will be reflected in the July 1, 2025 fund balance. The Department transferred \$1.5 million of existing fund balance to Capital Projects to help offset the cost of the Juvenile Hall security upgrade in Fiscal Year 2024.

#### First Quarter Issues and Recommendations

**Long-Standing Vacancies** – The Department has maintained a high-vacancy rate in the Deputy Probation Officer I/II classification for several years. In recognition of this, it is recommended to delete four Deputy Probation Officer I/II positions. A decrease in appropriations and Net County Cost of \$450,327 in the Department’s Field Services budget is recommended to align the budget with this change in the Department’s staffing allocation.

| Recommended Budget Adjustment |            |                    |                                       |  |  |
|-------------------------------|------------|--------------------|---------------------------------------|--|--|
| Budget Unit Name              | Revenue    | Appropriations     | Fund Balance/<br>Retained<br>Earnings | Net County Cost/<br>General Fund<br>Contribution | Description  |
| Probation - Field Services    | \$0        | (\$450,327)        | \$0                                   | (\$450,327)                                      | Decrease appropriations and Net County Cost due to the deletion of four Deputy Probation Officer I/II positions. |
| <b>Total</b>                  | <b>\$0</b> | <b>(\$450,327)</b> | <b>\$0</b>                            | <b>(\$450,327)</b>                               |  |

#### Recommendation:

It is recommended to decrease appropriations and Net County Cost by \$450,327.

**Staffing Recommendation:** It is recommended to delete four long-term vacant block-budgeted Deputy Probation Officer I/II positions.

## Public Defender

#### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

## Budget Performance

| Multi-Year History        | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Public Defender</b>    |                    |                    |                    |                    |                         |                      |
| 0100 PD00001 General Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue             | \$1,063,567        | \$1,388,242        | \$2,759,182        | \$3,079,238        | \$5,588,928             | 55.10%               |
| Use of Fund Balance       | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs               | \$8,848,285        | \$8,739,757        | \$9,842,105        | \$11,866,971       | \$15,518,491            | 76.47%               |
| Net County Cost           | \$7,784,718        | \$7,351,515        | \$7,082,923        | \$8,787,733        | \$9,929,563             | 88.50%               |

The department experienced an increase in vacancies in Fiscal Year 2022, followed by a decrease in Fiscal Years 2023 and 2024, alongside a rise in grant expenditures over the past two years. Revenues have also increased due to growing grant funding. The Fiscal Year 2024 budget included anticipated grant expenditures and revenues that did not materialize, which is reflected in the percentage of budget used. The increase in actuals from Fiscal Year 2023 to Fiscal Year 2024 is primarily due to the decrease in the Department's vacancy rate.

| Multi-Year History                      | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Public Defender Indigent Defense</b> |                    |                    |                    |                    |                         |                      |
| 0100 PD00002 General Fund               |                    |                    |                    |                    |                         |                      |
| Total Revenue                           | \$90,000           | \$90,000           | \$90,000           | \$117,118          | \$119,997               | 97.60%               |
| Use of Fund Balance                     | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                             | \$3,164,597        | \$4,393,711        | \$2,874,061        | \$2,909,538        | \$3,265,101             | 89.11%               |
| Net County Cost                         | \$3,074,597        | \$4,303,711        | \$2,784,061        | \$2,792,420        | \$3,145,104             | 88.79%               |

Before Fiscal Year 2023, the Public Defender contracted out for services where an ethical conflict existed for the Department to represent a client. The increase from Fiscal Year 2021 to Fiscal Year 2022 demonstrates the significant increases experienced in this model. In Fiscal Year 2023, the Public Defender established the Alternate Defender's Office and experienced substantial savings compared to the previous model. Revenue reflects a shift in new Community Corrections Partnership revenue associated with the rehabilitation program manager approved by the Board of Supervisors on October 3, 2023 (Board Resolution 2023-0504).

## Sheriff

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

## Budget Performance

| Multi-Year History            | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Sheriff Administration</b> |                    |                    |                    |                    |                         |                      |
| 0100 SO00008 General Fund     |                    |                    |                    |                    |                         |                      |
| Total Revenue                 | \$1,147,312        | \$3,593,912        | \$859,349          | \$1,044,458        | \$1,122,089             | 93.08%               |
| Use of Fund Balance           | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                   | \$12,873,955       | \$14,518,607       | \$16,577,094       | \$17,952,637       | \$18,125,478            | 99.05%               |
| Net County Cost               | \$11,726,643       | \$10,924,695       | \$15,717,745       | \$16,908,180       | \$17,003,389            | 99.44%               |

The Sheriff Administration budget has had a steady increase in costs due to rising expenses in salaries and benefits, services and supplies, and overhead. Revenue spiked in Fiscal Year 2022 due to relief funding received for the COVID-19 pandemic. Additionally, revenue from Civil Services, such as eviction notices and earnings withholdings, are slowly returning to pre-pandemic levels.

| Multi-Year History                                      | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Sheriff Adult Detention Expansion (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 0100 SO00015 General Fund                               |                    |                    |                    |                    |                         |                      |
| Total Revenue   | \$7,668,703        | \$6,864,407        | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance                                     | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs   | \$20,365,151       | \$19,618,472       | (\$25,472,017)     | \$0                | \$0                     | 0.00%                |
| Net County Cost   | \$12,696,449       | \$12,754,065       | (\$25,472,017)     | \$0                | \$0                     | 0.00%                |

For Fiscal Years 2021 and 2022, Net County Cost has remained relatively level. The revenue and cost decreases are attributed mainly to a one-time Community Corrections Partnership (CCP) funded video storage system upgrade project. In Fiscal Year 2023, the Adult Detention Expansion (ADE) budget was combined with the Detention budget. To properly end-date the ADE budget, a technical adjustment was needed to bring the cash balance in the cost center to zero.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Sheriff CAL ID Program</b>     |                    |                    |                    |                    |                         |                      |
| 1703 SO00017 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$514,632          | \$464,060          | \$575,697          | \$538,695          | \$558,874               | 96.39%               |
| Use of Fund Balance               | (\$60,088)         | (\$239,510)        | (\$127,331)        | (\$55,316)         | \$678,701               | -8.15%               |
| Gross Costs                       | \$454,544          | \$225,800          | \$448,366          | \$483,379          | \$1,237,575             | 39.06%               |
| Net County Cost                   | \$0                | \$1,250            | \$0                | \$0                | \$0                     | 0.00%                |

The Sheriff Cal ID fund has carried a consistent fund balance that has increased over time. The fund balance is being used for a major project that began in Fiscal Year 2017 to update Live Scan machines and BlueCheck devices that are used by law enforcement agencies throughout the County. The project has experienced multiple delays due to vendor changes and lengthy contract negotiations. In Fiscal Year 2024, the Department entered into a contract with a new vendor and hopes to complete the upgrade project in Fiscal Year 2025. In Fiscal Year 2022, the Department did receive Net County Cost for COVID One-Time Recovery Payments for full-time County employees required to report to work between April 2020 and June 2021.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Sheriff CAL-MMET</b>           |                    |                    |                    |                    |                         |                      |
| 1780 SO00022 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$732,716          | \$734,569          | \$780,087          | \$773,267          | \$705,490               | 109.61%              |
| Use of Fund Balance               | \$55,174           | (\$256,301)        | (\$243,304)        | (\$188,078)        | \$161,700               | -116.31%             |
| Gross Costs                       | \$787,890          | \$480,144          | \$536,783          | \$585,189          | \$867,190               | 67.48%               |
| Net County Cost                   | \$0                | \$1,875            | \$0                | \$0                | \$0                     | 0.00%                |

For Fiscal Year 2021, the Sheriff Cal-MMET fund was fully staffed. Since then, staffing vacancies have contributed to actual costs materializing less than projected. The revenue received through 2011 Realignment has remained consistent. The total fund balance has increased year over year because of the steady revenue stream and lower-than-projected costs. In Fiscal Year 2022, the Department did receive Net County Cost for COVID One-Time Recovery Payments for full-time County employees required to report to work between April 2020 and June 2021.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Sheriff Civil Process Fee</b>  |                    |                    |                    |                    |                         |                      |
| 1768 SO00020 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$122,810          | \$132,223          | \$166,205          | \$159,998          | \$189,843               | 84.28%               |
| Use of Fund Balance               | \$160,341          | (\$41,369)         | (\$24,582)         | \$887,200          | \$955,361               | 92.87%               |
| Gross Costs                       | \$283,151          | \$90,854           | \$141,623          | \$1,047,198        | \$1,145,204             | 91.44%               |
| Net County Cost                   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Revenue for the Sheriff Civil Process Fee fund is slowly returning to pre-pandemic levels. Civil services were greatly affected during the COVID-19 pandemic. Gross Costs for the fund have varied over the years based on needs; for Fiscal Year 2021, replacement vehicles were purchased to support Civil's fleet, there were no special departmental expenses in Fiscal Year 2022, and in Fiscal Years 2023 and 2024 Gross Costs include operating transfers to General Services Agency (GSA)-managed capital projects to support the relocation of the Civil Unit from their current location at 801 11th Street in Modesto to the Sheriff's Office Coroner's Facility located at 917 Oakdale Road in Modesto. The goal of the project is to centralize the command structure of Civil, Coroner, Public Administrator, and the Sheriff's Team of Active Retired Seniors (STARS) functions. Centralizing all three divisions will allow the Sheriff to share certain staff responsibilities, create greater accountability, and achieve cost savings through staff efficiencies. GSA contributed \$1.1 million toward the project.

| Multi-Year History             | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Sheriff Contract Cities</b> |                    |                    |                    |                    |                         |                      |
| 0100 SO00010 General Fund      |                    |                    |                    |                    |                         |                      |
| Total Revenue                  | \$12,524,871       | \$13,862,267       | \$15,247,579       | \$16,484,611       | \$17,292,813            | 95.33%               |
| Use of Fund Balance            | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                    | \$12,524,871       | \$13,934,883       | \$15,247,713       | \$16,484,611       | \$17,296,383            | 95.31%               |
| Net County Cost                | \$0                | \$72,616           | \$135              | \$0                | \$3,570                 | 0.00%                |

The Sheriff Contract Cities budget has had a steady increase in costs due to rising expenses in salaries and benefits, services and supplies, and overhead. There is usually no General Fund Contribution for this budget as the cities of Riverbank, Patterson, Waterford, and Hughson contract for law enforcement services with the Sheriff's Office. In Fiscal Year 2022, the Department did receive Net County Cost for COVID One-Time Recovery Payments for full-time County employees required to report to work between April 2020 and June 2021. A stale dated check, made

payable to an employee for per diem reimbursement, was reissued in Fiscal Year 2023. Due to timing of fiscal year-end close, the expense was not captured in month-end reports and was not billed to the City for reimbursement. An adjustment will be made in Fiscal Year 2025 to recoup the \$135 cost to the County.

| Multi-Year History                                     | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Sheriff County Fire Service Fund (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 1725 SO00003 Special Revenue Fund                      |                    |                    |                    |                    |                         |                      |
| Total Revenue  | \$2,185,686        | \$2,160,937        | \$2,305,849        | \$2,422,418        | \$2,009,092             | 120.57%              |
| Use of Fund Balance                                    | (\$326,218)        | (\$143,173)        | \$150,883          | \$823,102          | \$1,838,314             | 44.77%               |
| Gross Costs  | \$2,072,456        | \$2,239,865        | \$2,669,720        | \$3,458,508        | \$4,060,394             | 85.18%               |
| Net County Cost  | \$212,988          | \$222,101          | \$212,988          | \$212,988          | \$212,988               | 100.00%              |

The Less than County Wide (LTCW) Tax continues to exceed expectations growing with property value, funding services that include Fire Prevention, Fire Investigation Unit (FIU), training, communication and administration functions for Countywide Fire Departments governed by the Fire Authority Joint Powers Authority. For Fiscal Year 2024, Gross Costs included several one-time expenses totaling approximately \$800,000 for training and equipment.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Sheriff Court Security</b>     |                    |                    |                    |                    |                         |                      |
| 176C SO00012 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$7,208,340        | \$6,035,015        | \$5,985,695        | \$6,379,408        | \$6,384,020             | 99.93%               |
| Use of Fund Balance               | (\$1,332,019)      | \$136,731          | \$842,865          | \$809,420          | \$900,231               | 89.91%               |
| Gross Costs                       | \$6,155,448        | \$6,586,595        | \$7,288,637        | \$7,646,239        | \$7,742,686             | 98.75%               |
| Net County Cost                   | \$279,127          | \$414,849          | \$460,077          | \$457,412          | \$458,435               | 99.78%               |

The Sheriff Court Security budget has had a steady increase in costs due to rising expenses in salaries and benefits, services and supplies, and overhead. Total Revenue has remained relatively level, with the exception of Fiscal Year 2021, when additional revenue was received from the State of California due to Realignment Backfill in the amount of \$1.8 million. Overall, revenue received from the State is not sufficient to support existing service levels, which have been mandated by the Court. The fund balance has been depleted and the Department is working with staff from the Chief Executive Office to address the shortfall.

| Multi-Year History        | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Sheriff Detention</b>  |                    |                    |                    |                    |                         |                      |
| 0100 SO00011 General Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue             | \$20,500,072       | \$12,827,472       | \$23,660,285       | \$25,661,014       | \$23,992,215            | 106.96%              |
| Use of Fund Balance       | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs               | \$61,766,219       | \$66,180,199       | \$97,303,713       | \$102,166,969      | \$105,248,980           | 97.07%               |
| Net County Cost           | \$41,266,147       | \$53,352,727       | \$73,643,427       | \$76,505,955       | \$81,256,765            | 94.15%               |

The Sheriff Detention budget has had a steady increase in costs due to rising expenses in salaries and benefits, services and supplies, and overhead. Revenue spiked in Fiscal Year 2021 due to COVID-19 CARES Act Coronavirus Relief Funds Presumptive Eligibility revenue, making Fiscal Year 2022 revenue appear low. In Fiscal Year 2023, the Adult Detention Expansion budget was combined with the Detention budget.

| Multi-Year History                     | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Sheriff Driver Training Program</b> |                    |                    |                    |                    |                         |                      |
| 1769 SO00021 Special Revenue Fund      |                    |                    |                    |                    |                         |                      |
| Total Revenue                          | \$275,373          | \$231,480          | \$271,502          | \$303,560          | \$295,610               | 102.69%              |
| Use of Fund Balance                    | (\$50,331)         | (\$22,450)         | (\$25,418)         | (\$64,330)         | \$109,397               | -58.80%              |
| Gross Costs                            | \$225,042          | \$209,030          | \$246,084          | \$239,230          | \$405,007               | 59.07%               |
| Net County Cost                        | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The Sheriff Driver Training Program's total revenue and Gross Costs have stayed consistent over the past several years. For Fiscal Year 2024, the fund budgeted to complete various projects including adding fencing, collision avoidance lights, and training signs for use during Emergency Vehicle Operations Courses (EVOC); however, they were unable to complete all the projects during the fiscal year, which resulted in actual costs coming in significantly less than that budgeted.

| Multi-Year History                      | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Sheriff Federal Asset Forfeiture</b> |                    |                    |                    |                    |                         |                      |
| 176A SO00014 Special Revenue Fund       |                    |                    |                    |                    |                         |                      |
| Total Revenue                           | (\$1,275)          | (\$9,895)          | \$12,266           | \$88               | \$0                     | 0.00%                |
| Use of Fund Balance                     | \$9,902            | \$9,895            | (\$12,266)         | (\$88)             | \$0                     | 0.00%                |
| Gross Costs                             | \$8,626            | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Net County Cost                         | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The Sheriff Federal Asset Forfeiture fund was set up due to changes in the asset forfeiture guidelines that moved these funds from Trust Funds to Special Revenue Funds. This fund is used on an 'as needed' basis for revenue received and allowable expenditures per the Equitable Sharing guidelines issued by the U.S. Departments of Justice and Treasury.

| Multi-Year History                            | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Sheriff Jail Commissary/Inmate Welfare</b> |                    |                    |                    |                    |                         |                      |
| 4081 SO00016 Enterprise Fund                  |                    |                    |                    |                    |                         |                      |
| Total Revenue                                 | \$2,438,721        | \$2,068,696        | \$2,111,224        | \$2,183,549        | \$2,022,585             | 107.96%              |
| Use of Fund Balance                           | \$270,384          | \$91,038           | \$307,326          | \$322,847          | \$704,672               | 45.82%               |
| Gross Costs                                   | \$2,709,105        | \$2,164,610        | \$2,418,551        | \$2,506,396        | \$2,727,257             | 91.90%               |
| Net County Cost                               | \$0                | \$4,875            | \$0                | \$0                | \$0                     | 0.00%                |

In August 2021, the California Public Utilities Commission (CPUC), imposed a per-minute cap of seven cents (\$0.07) for intrastate debit, prepaid calls, and collect calls for all incarcerated person calling services (IPCS) operating within California. The actions taken by the Commission significantly reduced revenues deposited in the Sheriff Inmate Welfare fund. Gross Costs have increased over the years due to the normal costs of doing business. The budget for the Inmate Welfare fund will continue to be evaluated by the Department to ensure it aligns with actuals that can be supported by the revenue earned and any available fund balance. In Fiscal Year 2022, the Department did receive Net County Cost for COVID One-Time Recovery Payments for full-time County employees required to report to work between April 2020 and June 2021.



| Multi-Year History                      | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Sheriff Justice Assistance Grant</b> |                    |                    |                    |                    |                         |                      |
| 1799 SO00018 Special Revenue Fund       |                    |                    |                    |                    |                         |                      |
| Total Revenue                           | \$323,788          | \$176,833          | \$132,470          | \$230,924          | \$577,676               | 39.97%               |
| Use of Fund Balance                     | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                             | \$323,789          | \$176,833          | \$132,470          | \$230,924          | \$577,676               | 39.97%               |
| Net County Cost                         | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The Sheriff Justice Assistance Grant (JAG) fund has accounted for two different Byrne JAG grants the Department has received. The Department continues to spend the prior year grants. Multiple grant years are awarded and spent at various times as needed so there is no consistency in the Gross Costs and Total Revenue.

| Multi-Year History   | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Sheriff OES Emergency Medical Services (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 4082 SO00006 Enterprise Fund                                 |                    |                    |                    |                    |                         |                      |
| Total Revenue  | \$0                | \$563,707          | \$5,049,588        | \$1,681,172        | \$1,264,066             | 133.00%              |
| Use of Fund Balance  | \$0                | (\$213,789)        | (\$3,810,354)      | (\$326,217)        | \$532,241               | -61.29%              |
| Gross Costs  | \$0                | \$349,918          | \$1,239,234        | \$1,354,954        | \$1,796,307             | 75.43%               |
| Net County Cost  | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

In Fiscal Year 2022, the County began the process of transitioning from a five-member Joint Powers Authority (JPA) to a single-county EMS agency. In Fiscal Year 2023, the Department received the funds from the previous JPA that were being held in trust by the Auditor-Controller's Office as revenue. Gross Costs have remained relatively consistent since the fund's inception in 2023. Staffing vacancies have contributed to actual costs materializing lower than projected.

| Multi-Year History                       | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Sheriff OES Grants (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 1666 SO00002 Special Revenue Fund        |                    |                    |                    |                    |                         |                      |
| Total Revenue                            | \$207,772          | \$10,766           | \$219,326          | \$52,791           | \$0                     | 0.00%                |
| Use of Fund Balance                      | \$2,769,601        | \$1,432,587        | (\$1,367)          | \$118,650          | \$1,740,862             | 6.82%                |
| Gross Costs                              | \$2,977,373        | \$1,443,353        | \$217,959          | \$171,441          | \$1,740,862             | 9.85%                |
| Net County Cost                          | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The Sheriff OES Grants fund accounts for two different funding sources. In 2020, the Office of Emergency Services received funding from the State for Fire Communications and Public Safety Power Shutoff Resiliency and these funds are expected to be spent by the end of Fiscal Year 2025.

| Multi-Year History   | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Sheriff OES Homeland Security Grants (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 1670 SO00004 Special Revenue Fund                          |                    |                    |                    |                    |                         |                      |
| Total Revenue  | \$566,246          | \$686,807          | \$445,855          | \$787,317          | \$1,253,465             | 62.81%               |
| Use of Fund Balance  | \$191,825          | (\$229,361)        | \$1                | \$18,185           | \$0                     | 0.00%                |
| Gross Costs  | \$758,070          | \$457,446          | \$445,855          | \$805,503          | \$1,253,465             | 64.26%               |
| Net County Cost  | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |



The Sheriff OES Homeland Security Grants fund represents individual multi-year grants that provide for Standardized Emergency Management System (SEMS), National Incident Management System (NIMS), Incident Command System (ICS), HazMat and Fire training; emergency operations planning assistance to our Operational Area partners as well as communications equipment to enhance clear communication and interoperability. All unspent funds are rolled forward until spent or the end of the grant period.

| Multi-Year History                                       | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Sheriff OES Water Resources Grants (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 1660 SO00005 Special Revenue Fund                        |                    |                    |                    |                    |                         |                      |
| Total Revenue  | \$41,504           | \$15,567           | (\$791)            | (\$58)             | \$0                     | 0.00%                |
| Use of Fund Balance                                      | \$1,599            | (\$15,567)         | \$791              | \$58               | \$0                     | 0.00%                |
| Gross Costs  | \$43,102           | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Net County Cost  | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The Sheriff OES Water Resources Grant was a grant awarded in 2016 for the development of a County flood emergency plan. Funds were fully expended in Fiscal Year 2021 and the final 10% retention revenue was received in Fiscal Year 2022. A technical adjustment will be posted in Fiscal Year 2025 to close out the fund.

| Multi-Year History   | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Sheriff Office of Emergency Services (OES) Fire Warden (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 0100 SO00001 General Fund  |                    |                    |                    |                    |                         |                      |
| Total Revenue  | \$2,333,458        | \$736,675          | \$454,775          | \$401,608          | \$628,292               | 63.92%               |
| Use of Fund Balance  | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs  | \$4,624,308        | \$2,543,819        | \$3,137,418        | \$2,912,249        | \$3,467,962             | 83.98%               |
| Net County Cost  | \$2,290,850        | \$1,807,145        | \$2,682,643        | \$2,510,641        | \$2,839,670             | 88.41%               |

The Sheriff OES/Fire Warden Gross Costs and revenue increased due to the activation of the Emergency Operations Center (EOC) for the COVID-19 pandemic. Over the last four years, revenues and expenditures have returned to pre-pandemic levels, with additional Community Corrections Partnership (CCP) funding for emergency medical technicians (EMTs).

| Multi-Year History        | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Sheriff Operations</b> |                    |                    |                    |                    |                         |                      |
| 0100 SO00009 General Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue             | \$14,257,775       | \$25,120,120       | \$6,636,726        | \$6,951,412        | \$6,693,284             | 103.86%              |
| Use of Fund Balance       | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs               | \$47,584,357       | \$54,311,410       | \$60,953,991       | \$64,649,367       | \$66,486,457            | 97.24%               |
| Net County Cost           | \$33,326,582       | \$29,191,290       | \$54,317,265       | \$57,697,955       | \$59,793,173            | 96.50%               |

The Sheriff Operations budget has had a steady increase in costs due to rising expenses in salaries and benefits, services and supplies, and overhead. Revenue spiked in Fiscal Years 2021 and 2022 due to COVID-19 funding received for the emergency.

| Multi-Year History                        | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Sheriff Special Investigation Unit</b> |                    |                    |                    |                    |                         |                      |
| 176A SO00013 Special Revenue Fund         |                    |                    |                    |                    |                         |                      |
| Total Revenue                             | \$84,737           | \$2,679            | \$1,653            | \$2,332            | \$0                     | 0.00%                |
| Use of Fund Balance                       | \$21,995           | \$144,387          | \$137,916          | \$92,961           | \$96,023                | 96.81%               |
| Gross Costs                               | \$106,731          | \$147,066          | \$139,568          | \$95,294           | \$96,023                | 99.24%               |
| Net County Cost                           | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The Sheriff Special Investigations Unit Federal Asset Forfeiture fund was set up due to changes in the asset forfeiture guidelines that moved these funds from Trust Funds to Special Revenue Funds. This fund is used, on an as needed basis, for revenue received and allowable expenditures per the Equitable Sharing guidelines issued by the U.S. Departments of Justice and Treasury.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Sheriff Vehicle Theft Unit</b> |                    |                    |                    |                    |                         |                      |
| 1715 SO00019 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$515,145          | \$517,608          | \$507,494          | \$504,453          | \$518,969               | 97.20%               |
| Use of Fund Balance               | \$75,506           | \$74,480           | (\$13,216)         | (\$70,455)         | \$128,915               | -54.65%              |
| Gross Costs                       | \$590,652          | \$593,213          | \$494,278          | \$433,998          | \$647,884               | 66.99%               |
| Net County Cost                   | \$0                | \$1,125            | \$0                | \$0                | \$0                     | 0.00%                |

The Sheriff Vehicle Theft Unit fund revenue has remained consistent over the last several years. Beginning in Fiscal Year 2023, staffing vacancies have contributed to actual costs materializing less than projected. In Fiscal Year 2022, the Department did receive Net County Cost for COVID One-Time Recovery Payments for full-time County employees required to report to work between April 2020 and June 2021.

#### Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.

| Multi-Year History                     | July 1, 2021        | July 1, 2022        | July 1, 2023        | July 1, 2024       |
|--|---------------------|---------------------|---------------------|--------------------|
| Sheriff Cal ID Program                 | \$883,606           | \$1,123,116         | \$1,250,446         | \$1,305,762        |
| Sheriff Cal-MMET                       | 208,758             | 465,059             | 708,363             | 896,441            |
| Sheriff Civil Process Fee              | 1,025,730           | 1,067,100           | 1,091,681           | 204,482            |
| Sheriff Court Security                 | 1,974,569           | 1,837,837           | 994,972             | 185,552            |
| Sheriff Driver Training Program        | 165,028             | 187,478             | 212,896             | 277,227            |
| Sheriff Jail Commissary/Inmate Welfare | 1,632,732           | 1,541,693           | 1,205,538           | 882,691            |
| Sheriff Justice Assistance Grants      | 0                   | 0                   | 0                   | 0                  |
| Sheriff OES County Fire Service        | 3,110,595           | 3,253,768           | 3,102,885           | 0                  |
| Sheriff OES Emergency Medical Services | 0                   | 270,154             | 4,075,043           | 0                  |
| Sheriff OES Grants                     | 3,453,457           | 2,020,871           | 2,022,238           | 0                  |
| Sheriff OES Homeland Security Grants   | (229,361)           | 0                   | (1)                 | 0                  |
| Sheriff OES Water Resources            | (16,928)            | (1,360)             | (2,151)             | 0                  |
| Sheriff Special Investigation Unit     | 409,472             | 255,190             | 129,540             | 36,667             |
| Sheriff Vehicle Theft Unit             | 252,872             | 178,392             | 191,608             | 262,063            |
| <b>Total Fund Balance</b>              | <b>\$12,870,532</b> | <b>\$12,199,297</b> | <b>\$14,983,060</b> | <b>\$4,050,886</b> |

Note: Table only reflects non-general fund units

**Cal ID Program's** fund balance has increased over time. Beginning in Fiscal Year 2017, a major phased project of updating Livescan and BlueCheck devices began. The project experienced extensive delays due to issues with the vendor and extended contract negotiations. In 2024, the Department entered into an agreement with a new vendor and anticipates that most of the fund balance will be exhausted by the end of Fiscal Year 2025.

**Cal-MMET's** fund balance had a steady increase due to staffing shortages in Fiscal Years 2022 through 2024. The total fund balance has increased year over year because of the steady revenue stream and lower costs than projected.

**Civil Process Fee** fund balance is being utilized to support the relocation of the Civil Unit from their current location at 801 11th Street in Modesto to the Sheriff's Office Coroner's Facility located at 921 Oakdale Road in Modesto. The total budget transferred to the General Services Agency (GSA) Capital Project fund was approximately \$100,000 in Fiscal Year 2023 and \$1 million in Fiscal Year 2024.

**Court Security** revenue received from the State is not sufficient to support existing service levels, which have been mandated by the Court. The fund balance has been depleted and the Department is working with staff from the Chief Executive Office to address the shortfall.

**Driver Training Program** has maintained a consistent fund balance throughout the past several years. It is the Department's intent to utilize the fund balance for on-going safety and deferred maintenance projects for the Emergency Vehicle Operations Course.

**Jail Commissary/Inmate Welfare** has had a decrease in fund balance over the past several years. Legislative changes related to calling services implemented in Fiscal Year 2022 significantly reduced revenues for the Sheriff's Inmate Welfare Fund. As Gross Costs continue to increase and revenue decreases, the Department will continue to monitor the budget and service levels provided to ensure they align with available funding.

**Justice Assistance Grant's** fund does not retain a balance because expenses are reimbursed as they are incurred; therefore, no fund balance is accumulated.

**OES County Fire Service** fund has had a consistent fund balance throughout the past several years. The Fire Authority will continue to spend down the fund balance to help fund special operations and training for use for fire agencies within the County. OES County Fire Service fund balance was transferred from the Sheriff's Office with the 2025 Adopted Budget due to the creation of the Office of Emergency Services as a standalone department.

**OES Emergency Medical Services (EMS)** fund was established in Fiscal Year 2022 and fully funded in Fiscal Year 2023 when the previous Mountain Valley Emergency Medical Services Agency JPA funds were transferred to the Department from the fiduciary fund held at the Auditor Controller's Office. Most of the fund balance is funded with non-compliance penalties paid by 911 system ambulances and is used to fund enhancements to Stanislaus County's 911 EMS System. OES Emergency Medical Services fund balance was transferred from the Sheriff's Office with the 2025 Adopted Budget due to the creation of the Office of Emergency Services as a standalone department.

**OES Grants** fund balance was established with funding received from the State of California in Fiscal Year 2020. OES Grants fund balance was transferred from the Sheriff's Office with the 2025 Adopted Budget due to the creation of the Office of Emergency Services as a standalone department.

**OES Homeland Security Grants** fund balance varies over the years due to the timing of cash received, accounts payables, and receivables during the reimbursable grant periods and when the funds are awarded. OES Homeland Security Grants fund balance was transferred from the Sheriff's Office with the 2025 Adopted Budget due to the creation of the Office of Emergency Services as a standalone department.

**OES Water Resources Grant** fund balance varies over the years due to the timing of cash received, accounts payables and receivables during the reimbursable grant period. OES Water Resources fund balance was transferred from the Sheriff's Office with the 2025 Adopted Budget due to the creation of the Office of Emergency Services as a standalone department.

**Special Investigation Unit** contains the Sheriff's Federal Asset Forfeiture fund, which was established in Fiscal Year 2019 due to changes in Federal asset forfeiture guidelines. This fund holds the United States Department of Justice and Treasury equitable sharing funds received by the Department and is used for special projects and allowable expenditures at the Sheriff's Office and Stanislaus Special Investigations Unit (SIU).

**Vehicle Theft Unit's** fund balance has increased over the last few years due to staffing vacancies in the program. The Department intends to fill the allocated position in Fiscal Year 2025.

### **First Quarter Issues and Recommendations**

A technical adjustment related to cannabis funding for the Department is noted in Technical Adjustments at the end of this report.

**Staffing Recommendation:** A request to study one block-budgeted Manager I/II was submitted by the Department and recommended for a study in the 2024 Third Quarter Financial Report. The study has been completed, concluding with a recommendation to reclassify the position to Manager III to oversee the Fiscal division and serve as the fiscal manager for the Department. Additionally, it is recommended to study the request to create a new classification of Law Enforcement Special Projects Coordinator.

# SUPPORTING A HEALTHY COMMUNITY



Aging and Veterans Services  
Behavioral Health and Recovery Services  
Child Support Services  
Community Services Agency  
Health Services Agency

## Supporting a Healthy Community

---

### Priority Overview

*Supporting a Healthy Community* is vital to the quality of life for our residents. Protecting and promoting the physical health and safety of our residents includes the prevention of disease, disability, and death. Protecting emotional safety focuses on social problems like homelessness, incarceration, and fragmented families with financial and emotional needs. Resources dedicated to prevention allow services to reach a broader population.

The departments assigned to this priority area include Aging and Veterans Services, Behavioral Health and Recovery Services, Child Support Services, Community Services Agency, and Health Services Agency. The major funding sources for the programs and services provided by these departments include Federal and State funding, along with County local discretionary funds, where required, to match other governmental funding in support of these programs.

Recommendations contained in this report do not result in any budget adjustments for departments *Supporting a Healthy Community*.

Overall, departments within the priority *Supporting a Healthy Community* are on track to end the year within budget and in a positive fiscal position.

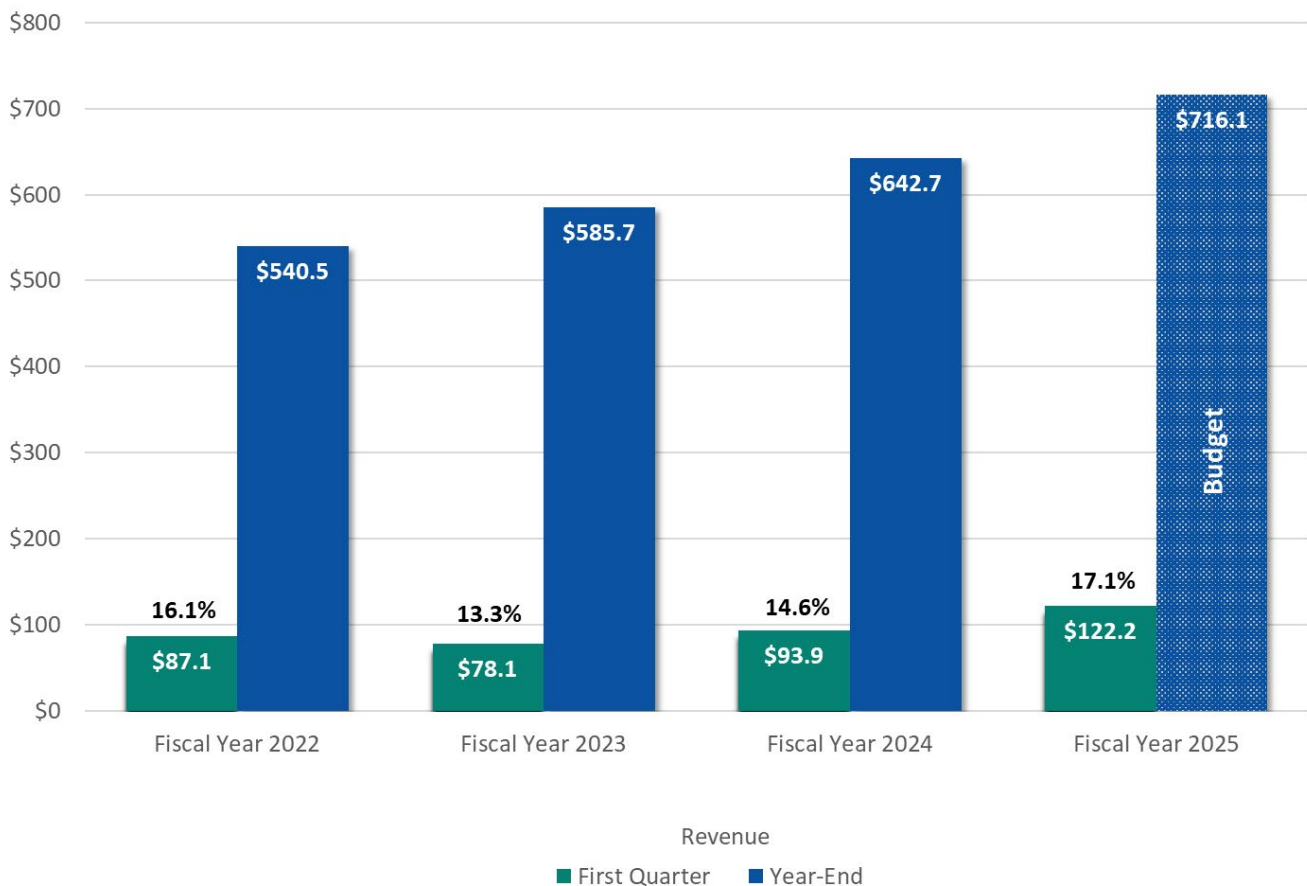
## Departmental Revenue

For department budgets representing the priority *Supporting a Healthy Community*, actual revenue received as of September 30, 2024, totaled \$122.2 million, which is 17.1% of the estimated annual revenue. This ratio is above historical trends when comparing to revenue received in the first quarter of the previous three years which ranged from 13.3% to 16.1% of year-end actual totals.

Revenue has increased by an average of 10% annually between Fiscal Years 2022 and 2025 for this priority area, primarily due to various new programs, mandated initiatives, and historical levels of State funding for Behavioral Health and Recovery Services (BHRS). Fiscal Year 2025 budgeted revenue increased by \$73.4 million and actual revenue received to date increased by \$28.3 million relative to last fiscal year. Federal, State, and grant revenue received in BHRS increased by \$22.4 million to support the Behavioral Health Bridge Housing program, Mobile Crisis services, Community, Assistance, Recovery and Empowerment (CARE) Court, California Advancing and Innovating Medi-Cal (CalAIM) and associated payment reform. In addition, the Community Services Agency revenues increased by \$7.7 million to support the CalWORKs, Foster Care Assistance, and Public Economic Assistance programs.

### Supporting a Healthy Community Four-Year Revenue Comparison

In Millions





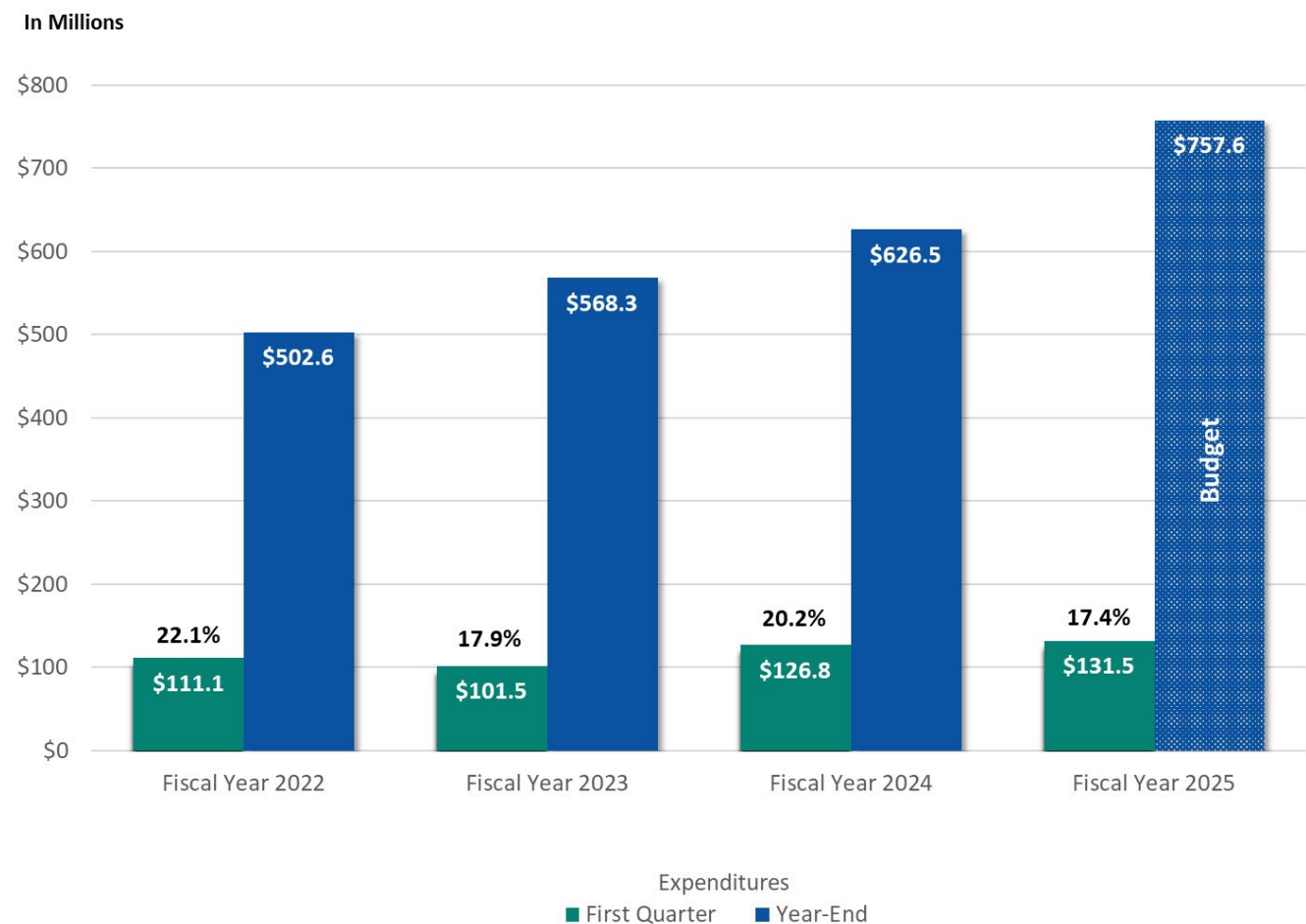
## Departmental Expenditures

As of September 30, 2024, expenditures in this priority area totaled \$131.5 million, representing 17.4% of budgeted appropriations. This ratio is slightly below the range when comparing to expenditures in the first quarter of the previous three years which ranged from 17.9% to 22.1% of year-end actual totals.

Expenditures have increased by an average of 15% annually between Fiscal Years 2022 and 2025 for this priority area primarily due to various new programs, mandated initiatives, and historical State funding levels for Behavioral Health and Recovery Services (BHRS).

Fiscal Year 2025 budgeted expenditures increased by \$131.1 million and actual expenditures year to date increased by \$4.7 million over Fiscal Year 2024 primarily due to expenditures in BHRS and the Community Services Agency as detailed in the revenue section. Fiscal year-to-date CalWORKs and Foster Care assistance expenses increased by \$2.8 million and Public Economic Assistance increased by \$2.5 million over last fiscal year.

### Supporting a Healthy Community Four-Year Expenditures Comparison





## Aging and Veterans Services

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History  | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Aging and Veterans Services (AVS) Area Agency on Aging</b> |                    |                    |                    |                    |                         |                      |
| 1051 AVS0001 Special Revenue Fund                             |                    |                    |                    |                    |                         |                      |
| Total Revenue   | \$4,886,222        | \$4,553,563        | \$6,251,344        | \$7,130,889        | \$8,891,636             | 80.20%               |
| Use of Fund Balance   | (\$309,571)        | (\$200,909)        | (\$396,707)        | \$177,741          | \$1,114,696             | 15.95%               |
| Gross Costs   | \$4,988,938        | \$4,902,086        | \$6,397,698        | \$7,851,691        | \$10,549,393            | 74.43%               |
| Net County Cost   | \$412,287          | \$549,433          | \$543,061          | \$543,061          | \$543,061               | 100.00%              |

Revenue has increased 46% between Fiscal Years 2021 and 2024 due to one-time funding that can be used across multiple fiscal years. This includes one-time American Rescue Plan Act funding in the amount of \$1.5 million, funding ends September 30, 2025, approximately \$1 million of one-time Older Adults' Recovery and Resilience (OARR) - Home and Community Based Services funding and approximately \$800,000 in Senior Nutrition Infrastructure funding that ended September 30, 2024. The Department also received the Program to Encourage Active Rewarding Lives (PEARLS) grant that is approximately \$1.9 million over 3 years, from Fiscal Year 2024 through Fiscal Year 2026.

Gross Costs have increased 57% between Fiscal Year 2021 and 2024 primarily due to increased program and contract expenses related to the increased one-time funding detailed above. Salaries have also increased due to new positions that have been added and cost of living adjustments. Cost Allocation Plan (CAP) charges have also continued to increase.

| Multi-Year History                    | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>AVS Stanislaus Veterans Center</b> |                    |                    |                    |                    |                         |                      |
| 0100 AVS0004 General Fund             |                    |                    |                    |                    |                         |                      |
| Total Revenue                         | \$0                | \$0                | \$1,216,504        | \$434,872          | \$434,822               | 100.01%              |
| Use of Fund Balance                   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                           | \$0                | \$0                | \$1,062,968        | \$1,079,147        | \$1,148,259             | 93.98%               |
| Net County Cost                       | \$0                | \$0                | (\$153,535)        | \$644,275          | \$713,437               | 90.31%               |

In Fiscal Year 2023, the fund type for the Stanislaus Veterans Center was changed from a Special Revenue Fund budget unit (AVS0003) to a General Fund budget unit (AVS0004), resulting in the discontinuance of the Special Revenue budget unit. The Special Revenue fund held a fund balance due to the transfer of \$1.1 million in proceeds from the sale of the Medical Arts Building as detailed in the 2017 Adopted Budget. The Auditor's Office made a technical adjustment transferring the Special Revenue fund balance as of June 30, 2023, in the amount of \$773,658, into the General Fund budget unit increasing revenue and reducing Net County Cost by \$773,658 in Fiscal Year 2023 as seen in the chart above and in the financial statements.

The Department did not appropriate or use the \$773,658 and at the end of Fiscal Year 2023 a General Fund assignment totaling \$773,658 was established, which represents the Special Revenue fund balance as of June 30, 2023, prior to the fund type being changed to General Fund. The General Fund assignment is currently being used to fund lease costs in the amount of \$116,473 per year.

Expenses have continued to increase between 2021 (see AVS0003) and 2024 primarily due to the addition of one new Staff Services Coordinator position to operate the Veterans Center, cost-of-living adjustments, the Employee Choice Bonus Plan, and an increase in Cost Allocation Plan charges. In Fiscal Year 2022, costs included a mental health services contract that was transferred to the Veterans Services fund in Fiscal Year 2023; only costs associated with running the Veterans Center are currently included in this budget unit.

| Multi-Year History                                   | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>AVS Stanislaus Veterans Center (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 1665 AVS0003 Special Revenue Fund                    |                    |                    |                    |                    |                         |                      |
| Total Revenue  | \$430,101          | \$452,025          | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance                                  | \$102,644          | \$141,752          | \$773,658          | \$0                | \$0                     | 0.00%                |
| Gross Costs  | \$828,438          | \$919,140          | \$773,658          | \$0                | \$0                     | 0.00%                |
| Net County Cost                                      | \$295,693          | \$325,363          | \$0                | \$0                | \$0                     | 0.00%                |

In Fiscal Year 2023, the fund type for the Stanislaus Veterans Center was changed from a Special Revenue budget unit (AVS0003) to a General Fund budget unit (AVS0004), resulting in the discontinuance of the Special Revenue Fund budget unit.

| Multi-Year History           | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>AVS Veterans Services</b> |                    |                    |                    |                    |                         |                      |
| 0100 AVS0002 General Fund    |                    |                    |                    |                    |                         |                      |
| Total Revenue                | \$43,001           | \$266,444          | \$356,680          | \$344,160          | \$310,572               | 110.81%              |
| Use of Fund Balance          | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                  | \$823,479          | \$890,126          | \$1,109,802        | \$1,235,872        | \$1,282,283             | 96.38%               |
| Net County Cost              | \$780,478          | \$623,682          | \$753,122          | \$891,712          | \$971,711               | 91.77%               |

Revenue has fluctuated slightly year over year. In Fiscal Year 2021, there was a year-end technical adjustment establishing a receivable that reduced revenue by \$154,856 resulting in increased Net County Cost. Staff from Aging and Veterans Services, Auditor-Controller, and the Chief Executive Office evaluated the circumstances leading to the technical adjustment and the Department has since resumed its previous process of recognizing revenue when received and has eliminated the creation of a receivable for subvention revenue due to the extensive time delay in receiving the funding which is outside the standard practice for setting up a receivable.

The expenses from Fiscal Year 2022 to Fiscal Year 2023 went up approximately 34% primarily due to one new Social Worker III position and the transfer of the mental health services contract out of the Stanislaus Veterans Center into the Veterans Services General Fund budget in Fiscal Year 2023. One new Veterans Services Representative position was also added in Fiscal Year 2024 (the employee started in January 2024). The increase in costs each year has been primarily due to salary cost-of-living adjustments, the Employee Choice Bonus Plan, and an increase in Cost Allocation Plan charges.

## Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.

| Multi-Year History  | July 1, 2021       | July 1, 2022       | July 1, 2023       | July 1, 2024       |
|---|--------------------|--------------------|--------------------|--------------------|
| AVS Area Agency On Aging  | \$1,886,868        | \$2,087,848        | \$2,484,555        | \$2,306,814        |
| AVS Stanislaus Veterans Center - Special Revenue (Discontinued) | 915,409            | 773,658            | 0                  | 0                  |
| <b>Total Fund Balance</b>                                       | <b>\$2,802,278</b> | <b>\$2,861,506</b> | <b>\$2,484,555</b> | <b>\$2,306,814</b> |

Note: Table only reflects non-general fund units

**Area Agency on Aging** - The Department's restricted fund balance has grown from Fiscal Year 2022 to Fiscal Year 2024 due to advances of one-time funding that have rolled forward and can be used over multiple fiscal years. There was a decrease of approximately \$100,000 in fund balance from July 1, 2023, to July 1, 2024, to fund administrative salaries, equipment, and overhead costs. Increased Cost Allocation Plan charges have also required the use of fund balance. Due to the end of the one-time funding for American Rescue Plan Act, Older Adults' Recovery and Resilience (OARR) - Home and Community Based Services, and Senior Nutrition Infrastructure which has supported administrative costs, it is anticipated that the use of fund balance for administrative salaries and overhead expenses will continue to increase in future fiscal years.

**Stanislaus Veterans Center** - In Fiscal Year 2023, the fund type for the Stanislaus Veterans Center was changed from a Special Revenue budget unit (AVS0003) to a General Fund budget unit (AVS0004) resulting in the discontinuance of the Special Revenue budget unit. The Special Revenue fund held a fund balance due to the transfer of \$1.1 million in proceeds from the sale of the Medical Arts Building as detailed in the 2017 Adopted Budget. The remaining Special Revenue fund balance as of June 30, 2023, was \$773,658. At the end of Fiscal Year 2023, a General Fund assignment totaling \$773,658 was established and is currently being used to fund lease costs in the amount of \$116,473, which includes the original annual allocation of \$100,000 in Medical Art Building proceeds and \$16,473 for additional leased space that became available when MOVE Stanislaus vacated the building (Board Resolution 2022-0573).

## First Quarter Issues and Recommendations

**Staffing Recommendation:** A request to reclassify one Social Worker III was submitted by the Department and recommended for a study in the 2025 Proposed Budget. The study has been completed, concluding with a recommendation to reclassify this position to a block-budgeted Mental Health Clinician I/II.

## Behavioral Health and Recovery Services

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

## Budget Performance

| Multi-Year History                                    | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Behavioral Health and Recovery Services (BHRS)</b> |                    |                    |                    |                    |                         |                      |
| 1501 BHRS001 Special Revenue Fund                     |                    |                    |                    |                    |                         |                      |
| Total Revenue   | \$50,845,706       | \$56,026,314       | \$62,917,469       | \$62,190,994       | \$80,578,895            | 77.18%               |
| Use of Fund Balance                                   | (\$1,041,478)      | (\$15,992,074)     | (\$19,219,642)     | (\$5,179,865)      | (\$266,721)             | 1942.05%             |
| Gross Costs   | \$54,135,622       | \$42,405,128       | \$44,345,009       | \$57,658,311       | \$80,959,356            | 71.22%               |
| Net County Cost                                       | \$4,331,394        | \$2,370,888        | \$647,182          | \$647,182          | \$647,182               | 100.00%              |

In Fiscal Year 2022, Behavioral Health and Recovery Services (BHRS) implemented its Strategic Plan (Board Resolution 2021-0136) to reorganize operations and focus resources to provide critical treatment services. This, combined with the closure of several contracted programs, reduced overall costs and Net County Cost in this fund. BHRS received more Realignment base and growth revenue than anticipated, which has contributed to fund balance. In Fiscal Year 2023, BHRS continued executing the Strategic Plan and began new grant funded programs resulting in increased revenue and expenses and a reduced need for Net County Cost in this fund.

In Fiscal Year 2024, California Advancing and Innovating Medi-Cal (CalAIM) Payment Reform changed the method to claim Medi-Cal revenue from the previous Medi-Cal Federal Financial Participation (FFP) payment methodology to a Fee for Service revenue model. Medi-Cal revenue increased due to these changes; however, this was offset by a decrease in Realignment Growth revenue making revenue relatively flat compared to Fiscal Year 2023. Salaries and Benefits costs increased as 35 net positions were filled. BHRS also began planning for the One-Stop-Shop for supportive services located at 800 Scenic Dr., which resulted in moving administrative staff and programs to new office locations, increasing rent costs, as well as increased maintenance and equipment costs (Board Resolution 2023-0040). In addition, several new mandated services were fully implemented in Fiscal Year 2024 such as Community Assistance, Recovery and Empowerment (CARE) Court, Collaborative Court, and 24/7 Mobile Crisis. Cost Allocation Plan charges also increased by approximately \$770,000 in Fiscal Year 2024 compared to the prior fiscal year.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>BHRS Managed Care</b>          |                    |                    |                    |                    |                         |                      |
| 1504 BHRS002 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$14,935,214       | \$14,159,732       | \$14,209,408       | \$18,100,163       | \$15,690,637            | 115.36%              |
| Use of Fund Balance               | \$0                | \$20,719           | (\$21,211)         | (\$2,409,922)      | (\$350)                 | 688844.23%           |
| Gross Costs                       | \$14,935,214       | \$14,180,451       | \$14,188,197       | \$15,690,241       | \$15,690,287            | 100.00%              |
| Net County Cost                   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Managed Care Gross Costs have remained relatively steady with only a 5% increase between Fiscal Years 2021 and 2024. This consistency is due to effective managing and monitoring of in-patient hospital utilization and the increase in available alternative options to hospitalization. The increase in Fiscal Year 2024 actual revenue is due to the conversion from the previous Medi-Cal Federal Financial Participation (FFP) payment methodology to a Fee for Service revenue model. This new revenue methodology is still in an early phase of implementation, and it is yet to be seen how the revenue will trend long term.

| Multi-Year History                     | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>BHRS Mental Health Services Act</b> |                    |                    |                    |                    |                         |                      |
| 1507 BHRS006 Special Revenue Fund      |                    |                    |                    |                    |                         |                      |
| Total Revenue                          | \$48,539,177       | \$53,453,077       | \$45,748,639       | \$75,018,212       | \$75,067,647            | 99.93%               |
| Use of Fund Balance                    | (\$7,419,467)      | (\$4,467,509)      | \$18,387,421       | (\$3,508,037)      | \$11,491,738            | -30.53%              |
| Gross Costs                            | \$41,119,710       | \$49,029,858       | \$64,136,061       | \$71,510,175       | \$86,559,385            | 82.61%               |
| Net County Cost                        | \$0                | \$44,289           | \$0                | \$0                | \$0                     | 0.00%                |

Mental Health Services Act (MHSA) Gross Costs have increased by 74% between Fiscal Years 2021 and 2024 to program historical levels of State funding, reflecting BHRS's commitment to expanding programs, contracts, and community engagement in response to the growing demand for essential behavioral and mental health services. In Fiscal Year 2022, the Department did receive Net County Cost for COVID One-Time Recovery Payments for full-time County employees required to report to work between April 2020 and June 2021.

Proposition 63 established a State personal income tax surcharge of 1% on taxpayers with annual taxable incomes of more than \$1 million to fund the MHSA. In Fiscal Year 2023, there were significant flooding and natural disasters that impacted California that year. This resulted in extended tax deadlines, delaying revenue receipts resulting in a substantial use of fund balance. In contrast, Fiscal Year 2024 saw a notable rebound in revenue, largely due to the State implementing its largest annual adjustments for MHSA revenue to address the previous year's shortfalls. Additionally, the Department underwent a Medi-Cal Federal Financial Participation (FFP) payment reform in Fiscal Year 2024, transitioning from a Cost Reimbursement model to a Fee for Service approach. While this change is still in its early stages, it is expected to enhance FFP revenue over time.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>BHRS Public Guardian</b>       |                    |                    |                    |                    |                         |                      |
| 1503 BHRS004 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$263,154          | \$169,106          | \$435,022          | \$411,293          | \$155,476               | 264.54%              |
| Use of Fund Balance               | \$111,408          | (\$472,296)        | (\$347,449)        | \$7,414            | \$373,769               | 1.98%                |
| Gross Costs                       | \$2,344,287        | \$3,334,280        | \$3,705,717        | \$3,859,125        | \$4,147,390             | 93.05%               |
| Net County Cost                   | \$1,969,725        | \$3,637,470        | \$3,618,144        | \$3,440,418        | \$3,618,145             | 95.09%               |

Public Guardian programs have expanded since Fiscal Year 2021 and Gross Costs have increased by 65% between Fiscal Years 2021 and 2024. This growth is primarily due to staffing costs associated with equity, cost-of-living, and ongoing operational cost increases. The number of individuals placed on conservatorship within Stanislaus County also continues to increase. The increase in revenue in Fiscal Years 2023 and 2024 was due to a delay in processing estates from prior years, bringing them current, and is not expected to trend upward.

| Multi-Year History                     | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>BHRS Stanislaus Recovery Center</b> |                    |                    |                    |                    |                         |                      |
| 1505 BHRS005 Special Revenue Fund      |                    |                    |                    |                    |                         |                      |
| Total Revenue                          | \$3,915,684        | \$5,555,328        | \$8,870,876        | \$6,889,684        | \$7,543,020             | 91.34%               |
| Use of Fund Balance                    | \$0                | (\$876,288)        | (\$1,682,064)      | (\$501,144)        | \$6,646                 | -7540.15%            |
| Gross Costs                            | \$3,915,684        | \$4,686,089        | \$7,188,812        | \$6,388,540        | \$7,549,666             | 84.62%               |
| Net County Cost                        | \$0                | \$7,050            | \$0                | \$0                | \$0                     | 0.00%                |

Over the past four years, Stanislaus Recovery Center (SRC) has experienced an overall increase of 63% in Gross Costs and 76% in Total Revenue. There was a notable increase in Gross Costs and Total Revenues in Fiscal Years

2021 through 2023, followed by a marked decline in Fiscal Year 2024. This fluctuation can be attributed to Drug Medi-Cal Organized Delivery System's (DMC-ODS) strategic decision to assign a greater number of clients at lower levels of care to contracted providers, accounted for in the Substance Use Disorder (SUD) budget, thereby allowing the County-operated facility to focus on individuals requiring a higher-level intensity of care as well as greater flexibility for timely placement of individuals requiring Withdrawal Management services. This contributed to the increase in Gross Costs and Total Revenues in the SUD budget in addition to the SRC budget.

The overall increase in costs and corresponding revenue in the SRC budget over the past four years can be attributed to the substantial expansion of SUD services under the DMC-ODS, alongside rising operational costs. Additionally, the Department underwent a Medi-Cal Federal Financial Participation (FFP) payment reform in Fiscal Year 2024, transitioning from a Cost Reimbursement model to a Fee for Service approach. While this change is still in its early stages, it is expected to enhance FFP revenue over time. In Fiscal Year 2022, the Department did receive Net County Cost for COVID One-Time Recovery Payments for full-time County employees required to report to work between April 2020 and June 2021.

| Multi-Year History                 | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>BHRS Substance Use Disorder</b> |                    |                    |                    |                    |                         |                      |
| 1502 BHRS003 Special Revenue Fund  |                    |                    |                    |                    |                         |                      |
| Total Revenue                      | \$14,463,029       | \$18,786,594       | \$21,980,040       | \$29,061,743       | \$31,853,261            | 91.24%               |
| Use of Fund Balance                | \$2,529,647        | (\$149,334)        | \$694,170          | (\$2,544,007)      | (\$27,374)              | 9293.49%             |
| Gross Costs                        | \$16,992,676       | \$18,651,630       | \$22,674,210       | \$26,517,736       | \$31,825,887            | 83.32%               |
| Net County Cost                    | \$0                | \$14,370           | \$0                | \$0                | \$0                     | 0.00%                |

Over the past four years, the Substance Use Disorder (SUD) budget has experienced an overall increase of 56% in Gross Costs and 101% increase in Total Revenue. The increase in costs and corresponding revenue can be attributed to the substantial expansion of SUD services under the Drug Medi-Cal Organized Delivery System (DMC-ODS), alongside rising operational costs. Additionally, the Department initiated a reform of the Medi-Cal Federal Financial Participation (FFP) payment structure in Fiscal Year 2024, shifting from a Cost Reimbursement model to a Fee-for-Service framework. Although this transition is in its early stages, it is anticipated to enhance FFP revenue over time.

Over the past four years, the DMC-ODS has conducted numerous prior-year audits, reconciliations, and cost report settlements for preceding fiscal years, culminating in a substantial prior year revenue adjustment in Fiscal Year 2023 that utilized a significant portion of the fund balance. The Department processed a Fiscal Year 2024 year-end post-close entry to recognize the final Realignment revenue allocation and a transfer of available fund balance in Behavioral Health and Recovery Services budget (fund 1501) to the SUD budget (fund 1502) to offset the prior-year revenue adjustment mentioned previously. In Fiscal Year 2022 the Department did receive Net County Cost for COVID One-Time Recovery Payments for full-time County employees required to report to work between April 2020 and June 2021.

#### Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.



| Multi-Year History                             | July 1, 2021        | July 1, 2022        | July 1, 2023        | July 1, 2024        |
|--|---------------------|---------------------|---------------------|---------------------|
| Behavioral Health and Recovery Services (BHRS) | \$5,143,860         | \$21,135,933        | \$40,355,575        | \$45,535,440        |
| BHRS Managed Care                              | 0                   | (20,719)            | 492                 | 2,410,414           |
| BHRS Prop 63                                   | 32,010,017          | 36,477,526          | 18,090,105          | 21,598,142          |
| BHRS Public Guardian                           | 401,934             | 874,231             | 1,221,680           | 1,214,266           |
| BHRS Stanislaus Recovery Center                | 628,090             | 1,504,378           | 3,186,442           | 3,687,586           |
| BHRS Substance Use Disorder                    | 896,851             | 1,046,184           | (5,517,125)         | (2,973,118)         |
| <b>Total Fund Balance</b>                      | <b>\$39,080,752</b> | <b>\$61,017,534</b> | <b>\$57,337,168</b> | <b>\$71,472,729</b> |

Note: Table only reflects non-general fund units

**Behavioral Health and Recovery Services (BHRS)** fund balance has continued to increase over the last four years. In Fiscal Year 2022, BHRS received more Realignment revenue than anticipated. This, combined with the impact of the Strategic Plan (Board Resolution 2021-0136), which reduced costs and created positive net revenue less expenditures, increased fund balance. In Fiscal Year 2023, BHRS received more Realignment revenue than anticipated, recognized \$2 million in new grants, and received \$1.8 million more from the Mental Health Block Grant when compared to the previous year, contributing to fund balance. In addition, there were challenges with filling vacant positions resulting in salary savings which also increased fund balance. The Department has identified \$20.6 million in post-close entries that need to be processed to clear negative balances and account for Intergovernmental Revenue transfers to the State that will reduce the available fund balance to \$24.9 million as of July 1, 2024.

**Managed Care** is balanced each fiscal year through a post-close journal entry. Any surplus or deficit is balanced with the Behavioral Health and Recover Services budget. Managed Care does not carry a fund balance. The Department will process a post-close entry for Fiscal Year 2024 that will reduce fund balance by \$2.4 million.

**Mental Health Services Act (Prop 63)** fund balance trended upwards between Fiscal Years 2021 and 2022 as the COVID-19 pandemic slowed down the Department's ability to implement strategic initiatives and programs. The use of \$18.4 million in fund balance between July 1, 2022, and July 1, 2023, is attributed to a significant decline in revenue due to the flooding and natural disasters that impacted California that year. This resulted in extended tax deadlines, delaying revenue receipts and resulting in a substantial use of fund balance. Fund balance is projected to start declining as the Department's strategic initiatives and programs continue to ramp up.

**Public Guardian** has seen an incremental growth in fund balance for several years due to salary savings. Salary savings have been used to cover overages in operating expenses, which have consistently grown. Retention of staff in Fiscal Year 2023 has had a positive impact on program operations but resulted in less salary savings, leaving fund balance relatively stable between Fiscal Years 2023 and 2024. In Fiscal Year 2024, the Chief Executive Office requested a return of unspent General Fund Match to ensure fund balance is not being built on General Fund contributions.

**Stanislaus Recovery Center** has demonstrated consistent growth in its fund balance between Fiscal Years 2021 and 2023, with a more modest increase for Fiscal Year 2024 due to the Drug Medi-Cal Organized Delivery System's (DMC-ODS) strategic decision to shift clients requiring a lower level of care to contracted providers to focus on individuals requiring higher levels of care at the County-operated Stanislaus Recovery Center. In Fiscal Year 2024, the Department implemented a reform of the Medi-Cal Federal Financial Participation (FFP) payment structure, shifting from a Cost Reimbursement model to a Fee-for-Service approach. Although this transition is still in its early stages, it is expected to bolster FFP revenue and could increase fund balance over time.

**Substance Use Disorder** experienced an increase in fund balance between Fiscal Years 2021 and 2022; however, a significant deficit emerged in Fiscal Year 2023. This deficit resulted from multiple prior-year audits, reconciliations,



and cost report settlements, culminating in a substantial prior year revenue adjustment for Fiscal Year 2023 that consumed a significant portion of the fund balance. This adjustment was recorded in December 2023, affecting both the Fiscal Year 2023 ending fund balance and the Fiscal Year 2024 beginning fund balance. The Department is currently preparing a year-end post-close entry for Fiscal Year 2024 to recognize the final Realignment revenue allocation and facilitate a transfer of available fund balance from the Behavioral Health and Recovery Services budget (fund 1501) to the SUD budget (fund 1502), aimed at offsetting the prior year revenue adjustment. In Fiscal Year 2024, the Department implemented a reform of the Medi-Cal Federal Financial Participation (FFP) payment structure, transitioning from a cost reimbursement model to a Fee-for-Service approach. While this transition is still in its preliminary stages, it is expected to enhance FFP revenue and, could increase fund balance over time. Once the prior period adjustment is completed, this fund will end in a positive position.

## Child Support Services

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Child Support Services</b>     |                    |                    |                    |                    |                         |                      |
| 1071 DCSS001 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$14,857,382       | \$14,311,139       | \$15,018,057       | \$15,815,906       | \$17,433,543            | 90.72%               |
| Use of Fund Balance               | \$186,539          | \$178,223          | \$471,803          | \$224,695          | (\$14,774)              | -1520.92%            |
| Gross Costs                       | \$15,043,920       | \$14,661,851       | \$15,489,860       | \$16,040,601       | \$17,418,769            | 92.09%               |
| Net County Cost                   | \$0                | \$172,490          | \$0                | \$0                | \$0                     | 0.00%                |

The Department is 100% Federal and State funded. The Department's funding allocation has remained relatively flat, increasing by a total of 6% between Fiscal Years 2021 and 2024. In Fiscal Year 2022, the Department did receive Net County Cost for COVID One-Time Recovery Payments for full-time County employees required to report to work between April 2020 and June 2021.

In Fiscal Year 2021, the Department's budget decreased when compared to the prior fiscal year due to the State's allocation reduction; therefore, the Department increased the number of positions held vacant to balance the budget. In Fiscal Year 2023, the Department received a funding increase from the State, which was used to restore funding to vacant positions, fund the Employee Choice Bonus Plan, an employee retention and recruitment strategy deployed Countywide, fund increased costs to Cost Allocation Plan charges, and fund the addition of three new positions. Fiscal Year's 2024 funding was equivalent to that received in Fiscal Year 2023.

#### Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.

| Multi-Year History        | July 1, 2021     | July 1, 2022     | July 1, 2023       | July 1, 2024       |
|---------------------------|------------------|------------------|--------------------|--------------------|
| Child Support Services    | \$510,068        | \$331,845        | (\$139,958)        | (\$364,653)        |
| <b>Total Fund Balance</b> | <b>\$510,068</b> | <b>\$331,845</b> | <b>(\$139,958)</b> | <b>(\$364,653)</b> |

Note: Table only reflects non-general fund units

The Department typically operates a balanced budget where Gross Costs are funded by Revenue without the need to use fund balance. Due to under claiming of personnel expenses, the Department has been utilizing fund balance to balance the budget since 2021. The under claiming of personnel expenses is due to changes resulting from the financial management system upgrade and staff turnover. The Department is currently analyzing previous year claims with the assistance of the Auditor's Office and State Department of Child Support Services to reclaim costs from Fiscal Year 2022 to current. Once the analysis is concluded the Department will have an accurate estimate of the reimbursement and anticipates a positive fund balance.

The negative fund balance starting July 1, 2024, is due in part to the underclaiming issue described above and due to a timing issue related to expenditure claims for reimbursement of program costs. The Department receives an advance of 1/12th of the total annual Federal and State allocation monthly. On a quarterly basis, the total expenditures are compared to the total advances for that quarter and are adjusted for any prior quarter true-up savings or deficits. The Department anticipates a full reimbursement every September, which will increase the fund balance.

### First Quarter Issues and Recommendations

**Long-Standing Vacancies** – The Department has maintained a high-vacancy rate for several years. In recognition of this, it is recommended to delete four vacant positions as detailed below. These positions were not included in the 2025 Adopted Budget, so no additional budget adjustment is needed at first quarter.

**Staffing Recommendation:** It is recommended to delete four vacant positions as follows: one Account Clerk III in order to fund the Pure Storage Flash Array IT storage upgrade, one block-budgeted Legal Clerk I/II/III in order to fund a Cisco Secure Firewall upgrade, one block-budgeted Child Support Specialist I/II and one Child Support Supervisor to offset the decrease in administrative funding from the State.

## Community Services Agency

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History  | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Community Services Agency (CSA) Program Services and Support</b> |                    |                    |                    |                    |                         |                      |
| <b>1631 CSA0001 Special Revenue Fund</b>                            |                    |                    |                    |                    |                         |                      |
| Total Revenue   | \$155,290,674      | \$146,222,291      | \$162,487,464      | \$164,923,655      | \$184,986,359           | 89.15%               |
| Use of Fund Balance   | (\$5,703,124)      | (\$5,417,265)      | (\$8,342,523)      | (\$98,765)         | \$4,264,179             | -2.32%               |
| Gross Costs   | \$152,250,969      | \$144,591,268      | \$156,586,413      | \$167,488,309      | \$191,913,957           | 87.27%               |
| Net County Cost   | \$2,663,419        | \$3,786,242        | \$2,441,472        | \$2,663,419        | \$2,663,419             | 100.00%              |

In Fiscal Year 2022, expenditures and revenues were decreased as a result of recommendations from external auditors in the treatment of Consortium-IV (C-IV) project expenses and funding. Consortium-IV (C-IV) was a joint powers association formed by member counties for implementation and maintenance of a mandated Statewide automated welfare system. Prior to the recommendation from external auditors, Community Services Agency (CSA) was recognizing associated Federal and State expenditures and corresponding revenue for the C-IV project, not just Stanislaus County's share of the project. For Fiscal Year 2024, Gross Costs have significantly increased compared to Fiscal Year 2023, mainly due to higher salary and benefits costs, efforts by the Department to decrease the vacancy rate and increases to the County's Cost Allocation Plan charges. Net County Cost has remained stable as Federal, State, and Realignment revenues have been sufficient to limit County exposure.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>CSA County Children Fund</b>   |                    |                    |                    |                    |                         |                      |
| 1637 CSA0005 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$180,263          | \$162,796          | \$129,080          | \$121,964          | \$183,816               | 66.35%               |
| Use of Fund Balance               | (\$22,239)         | (\$8,980)          | \$24,736           | \$31,516           | \$9,920                 | 317.70%              |
| Gross Costs                       | \$158,023          | \$153,816          | \$153,816          | \$153,480          | \$193,736               | 79.22%               |
| Net County Cost                   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Stanislaus County's Children Fund has experienced a steady decrease in total birth certificate revenue. In Fiscal Years 2021 and 2022, the division benefitted from the collection of additional birth certificate revenue due to the COVID-19 pandemic; however, revenues have slowly returned to a steady decrease through Fiscal Year 2024. The Child Abuse Prevention Council (CAPC) has elected to use fund balance to develop, support, and coordinate efforts and community awareness to prevent child abuse, as birth certificate revenue has decreased in the past two fiscal years. Gross Costs have remained relatively flat between Fiscal Years 2021 and 2024.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>CSA General Assistance</b>     |                    |                    |                    |                    |                         |                      |
| 1633 CSA0004 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$104,151          | \$190,555          | \$308,074          | \$211,065          | \$175,049               | 120.57%              |
| Use of Fund Balance               | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                       | \$1,128,233        | \$1,307,723        | \$1,431,080        | \$1,856,647        | \$2,056,751             | 90.27%               |
| Net County Cost                   | \$1,024,081        | \$1,117,167        | \$1,123,006        | \$1,645,581        | \$1,881,702             | 87.45%               |

Increases in Gross Costs between Fiscal Years 2021 and 2024 is primarily due to an increase in both caseload and average grant amounts disbursed for the General Assistance (GA) Adult program and GA Foster Care program. General Assistance recipients receive Cost of Living Adjustments (COLA) in their general assistance payments that are in alignment with legislated changes in the CalWORKs program, one fiscal year in arrears. General Assistance continues to be an increasing need in the community with an overall cost increase of 65% over the past four fiscal years.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>CSA Housing and Homeless</b>   |                    |                    |                    |                    |                         |                      |
| 1639 CSA0002 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$4,250,622        | \$6,642,394        | \$8,245,238        | \$9,683,238        | \$11,127,504            | 87.02%               |
| Use of Fund Balance               | \$3,831,408        | (\$2,434,044)      | (\$422,445)        | \$607,852          | \$5,109,343             | 11.90%               |
| Gross Costs                       | \$8,082,030        | \$4,208,350        | \$7,822,793        | \$10,414,396       | \$16,360,154            | 63.66%               |
| Net County Cost                   | \$0                | \$0                | \$0                | \$123,307          | \$123,307               | 100.00%              |

Expenditures vary year-to-year based on the timing of funds received and how spending plans are developed and implemented by the Department and the Stanislaus Community System of Care (CSOC). In Fiscal Year 2021, COVID-related expenditures were funded with several Federal and State funds; however, the expenditures that were claimed to the Federal Emergency Management Agency (FEMA) utilized fund balance as reimbursement for those costs are still in process. During Fiscal Year 2022, costs decreased as COVID-funded programs were phased out. Expenditures in Fiscal Years 2023 and 2024 increased significantly due to the spend down of early rounds of Housing, Homeless Assistance and Prevention (HHAP) funding, unprecedented allocation increases for the Housing Support Program (HSP) and the Housing Disability Advocacy Program (HDAP) and additional Emergency Solutions Grant (ESG) one-time funding to support the Homeless Management Information System (HMIS). In Fiscal Year 2023, a General Fund assignment of \$123,307 was provided to support shelter operations per Board Resolution 2024-0342; the General Fund assignment was a result of Adam Gray Homelessness funding from Fiscal Year 2018 (Assembly Bill 97).

| Multi-Year History   | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>CSA In-Home Supportive Services (IHSS) Provider Wages</b> |                    |                    |                    |                    |                         |                      |
| 1642 CSA0008 Special Revenue Fund                            |                    |                    |                    |                    |                         |                      |
| Total Revenue  | \$12,095,106       | \$11,750,554       | \$11,599,675       | \$13,244,616       | \$13,373,247            | 99.04%               |
| Use of Fund Balance  | \$0                | (\$23,475)         | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs  | \$15,570,279       | \$16,220,891       | \$17,070,183       | \$18,715,124       | \$18,843,755            | 99.32%               |
| Net County Cost  | \$3,475,173        | \$4,493,813        | \$5,470,508        | \$5,470,508        | \$5,470,508             | 100.00%              |

Average Provider Wages increased by the annual 4% In-Home Supportive Services (IHSS) Maintenance of Effort (MOE) inflation factor. There was a 10% increase in actual expenditures between Fiscal Years 2023 and 2024 due to the 4% inflation factor and a wage supplement increases of \$0.75 per paid provider hour, effective May 1, 2023, negotiated by the United Domestic Workers of America (UDWA). Revenue, including Federal 1991 Realignment revenue increased to cover program costs.

| Multi-Year History                              | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>CSA IHSS Public Authority Administration</b> |                    |                    |                    |                    |                         |                      |
| 1640 CSA0006 Special Revenue Fund               |                    |                    |                    |                    |                         |                      |
| Total Revenue                                   | \$813,333          | \$823,090          | \$906,787          | \$892,969          | \$1,026,326             | 87.01%               |
| Use of Fund Balance                             | \$0                | \$0                | \$0                | (\$0)              | \$0                     | 0.00%                |
| Gross Costs                                     | \$813,333          | \$823,090          | \$906,787          | \$892,969          | \$1,026,326             | 87.01%               |
| Net County Cost                                 | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Public Authority Administration costs and revenue have increased by 10% between Fiscal Years 2021 and 2024 primarily due to increases to the IHSS Administrative allocation of funding to support salaries and overhead costs as IHSS caseloads increase.

| Multi-Year History                        | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>CSA IHSS Public Authority Benefits</b> |                    |                    |                    |                    |                         |                      |
| 1641 CSA0007 Special Revenue Fund         |                    |                    |                    |                    |                         |                      |
| Total Revenue                             | \$778,147          | \$769,479          | \$840,958          | \$1,479,805        | \$2,320,298             | 63.78%               |
| Use of Fund Balance                       | \$0                | \$0                | \$0                | \$0                | (\$103,862)             | 0.00%                |
| Gross Costs                               | \$876,075          | \$867,802          | \$939,281          | \$1,578,128        | \$2,314,759             | 68.18%               |
| Net County Cost                           | \$97,928           | \$98,323           | \$98,323           | \$98,323           | \$98,323                | 100.00%              |

Average Public Authority Benefits have increased by the annual 4% IHSS MOE inflation factor. There is a 68% increase in actual expenditures between Fiscal Years 2023 and 2024 due to the 4% inflation factor and provider insurance premium increasing from \$0.10 to \$0.21 per paid provider hour, effective May 1, 2023, negotiated by the United Domestic Workers of America (UDWA).

| Multi-Year History                    | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>CSA Public Economic Assistance</b> |                    |                    |                    |                    |                         |                      |
| 1632 CSA0003 Special Revenue Fund     |                    |                    |                    |                    |                         |                      |
| Total Revenue                         | \$99,685,995       | \$102,393,432      | \$122,025,816      | \$133,749,084      | \$140,264,611           | 95.35%               |
| Use of Fund Balance                   | \$2,509,330        | \$193,415          | (\$1,612,540)      | \$207,535          | \$0                     | 0.00%                |
| Gross Costs                           | \$105,923,220      | \$103,979,743      | \$122,128,860      | \$136,875,821      | \$143,492,507           | 95.39%               |
| Net County Cost                       | \$3,727,896        | \$1,392,896        | \$1,715,585        | \$2,919,202        | \$3,227,896             | 90.44%               |

Increases in actual expenditures between Fiscal Years 2021 and 2024 can be attributed to an increase in both caseload and average amount per grant disbursed for the two major programs, Foster Care and CalWORKs. Public Economic Assistance continues to be an increasing need in the community with an overall cost increase of 29.22% over the past four fiscal years.

| Multi-Year History                                       | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>CSA Homeless Emergency Aid Program (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 1638 CSA0010 Special Revenue Fund                        |                    |                    |                    |                    |                         |                      |
| Total Revenue  | (\$15,788)         | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance                                      | \$1,447,020        | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs  | \$1,431,232        | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Net County Cost  | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

This fund was used to administer the Statewide Homeless Emergency Aid Program (HEAP). The program ended and this fund closed as of June 30, 2021.

### Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.

| Multi-Year History                     | July 1, 2021        | July 1, 2022        | July 1, 2023        | July 1, 2024        |
|--|---------------------|---------------------|---------------------|---------------------|
| CSA Services and Support               | \$18,814,467        | \$24,231,431        | \$32,573,954        | \$32,672,720        |
| CSA County Children Fund               | 253,297             | 262,277             | 237,541             | 206,025             |
| CSA General Assistance                 | 0                   | 0                   | 0                   | 0                   |
| CSA Homeless And Housing               | 1,244,742           | 3,679,087           | 4,101,532           | 3,493,680           |
| CSA In-Home Supportive Services (IHSS) |                     |                     |                     |                     |
| Provider Wages                         | 0                   | 23,475              | 23,475              | 23,475              |
| CSA IHSS PA Administration             | 0                   | 0                   | 0                   | 0                   |
| CSA IHSS PA Benefits                   | 0                   | 0                   | 0                   | 0                   |
| CSA Public Economic Assistance         | 2,544,432           | 2,351,017           | 3,963,557           | 3,756,022           |
| <b>Total Fund Balance</b>              | <b>\$22,856,938</b> | <b>\$30,547,287</b> | <b>\$40,900,060</b> | <b>\$40,151,923</b> |

Note: Table only reflects non-general fund units

**CSA Program Services and Support** – In Fiscal Year 2019, after consultation with the Auditor-Controller and Clifton Larsen Allen, the County’s external auditors, CSA made a change to accounting practice, consistent with Governmental Accounting Standards Board (GASB) Statement No. 33, and began to recognize certain revenue as earned and included in fund balance, rather than held in a deferred revenue account, resulting in a significant increase in fund balance starting with Fiscal Year 2019 and moving forward. Increases in fund balance for Fiscal Year 2022 and 2023 were driven by Realignment revenue growth payments and redirection of surplus revenues from other legal budget units into Program Services and Support. In Fiscal Year 2024, the increase in fund balance was marginal as Gross Costs have increased while Realignment revenues have become more constrained.

**CSA County Children Fund** – Since Fiscal Year 2021, the fund balance used, on average, has been \$12,000 per year. In the last fiscal year alone, \$31,516 was used. The Child Abuse Prevention Council (CAPC) has been strategically spending down the fund balance based on declining birth certificate revenue between Fiscal years 2022 and 2024.

**CSA General Assistance** – This fund has consistently maintained a zero-fund balance over the past four years because revenue allocated to this fund is based on actual expenses incurred.

**CSA Housing and Homeless** – The fund balance represents various funding streams that have expiration dates across multiple years but can be spent any time during that period. Fund balance for Fiscal years 2021 and 2022, represent unspent State Homeless Housing, Assistance and Prevention (HHAP) Rounds 1 and 2 funding. However, in Fiscal Year 2021 fund balance was used to cover COVID related costs that are still pending reimbursement from the Federal Emergency Management Agency (FEMA). The balance grew in Fiscal Year 2023, as HHAP Round 2 funds remained, and CSA received HHAP Round 3 funds. Fund balance decreased by approximately \$600,000 in Fiscal Year 2024 as contracts utilizing HHAP funding were awarded and Rounds 2 and 3 were expended.

**CSA IHSS Provider Wages** – The fund balance of \$23,475 is a result of a departmental error and will be corrected in October 2024.

**CSA IHSS PA Administration** – This fund has consistently maintained a zero-fund balance over the past four years because revenue allocated to this fund is based on actual expenses incurred.

**CSA IHSS PA Benefits** – This fund has consistently maintained a zero-fund balance over the past four years because revenue allocated to this fund is based on actual expenses incurred.

**CSA Public Economic Assistance** – In Fiscal Year 2019, after consultation with the Auditor-Controller and Clifton Larsen Allen, the County’s external auditors, CSA made a change to accounting practice, consistent with Governmental Accounting Standards Board (GASB) Statement No. 33, and began to recognize certain revenue as



earned and included in fund balance, rather than held in a deferred revenue account resulting in a significant increase in fund balance starting with Fiscal Year 2019 and moving forward. Fund balance has increased by 48% between Fiscal Year 2021 and 2024 due to 2011 Realignment Revenue coming in higher than anticipated. Fund balance is earmarked towards the State share of assistance payments and revenue does not reflect the usage of assistance benefits.

### First Quarter Issues and Recommendations

**Staffing Recommendation:** During the 2021 labor negotiations, the Stanislaus County Employees Association (SCEA), American Federation of State, County and Municipal Employees (AFSCME), Local #10 requested a classification study of the Family Services Specialist (FSS) IV positions assigned to Policy/CalSAWs and Training. Additionally, a study of the FSS IV positions assigned to the Fair Hearings, Quality Control, and Welfare to Work was requested by the Department. The studies have been completed, concluding with a recommendation to reclassify the FSS IV positions assigned to Fair Hearings, Quality Control, and Policy/CalSAWs to Staff Services Analyst and the Family Services Supervisor positions assigned to Fair Hearings, Quality Control, and Policy/CalSAWs to Staff Services Coordinator.

## Health Services Agency

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History                                 | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Health Services Agency (HSA) Administration</b> |                    |                    |                    |                    |                         |                      |
| 1401 HSA0003 Special Revenue Fund                  |                    |                    |                    |                    |                         |                      |
| Total Revenue                                      | \$6,221,832        | \$16,308,845       | \$6,670,428        | \$7,144,984        | \$8,888,334             | 80.39%               |
| Use of Fund Balance                                | (\$1,198,212)      | (\$7,855,707)      | \$5,616,031        | \$2,279,290        | \$2,659,718             | 85.70%               |
| Gross Costs  | \$5,023,621        | \$8,524,701        | \$12,286,458       | \$9,424,274        | \$11,548,052            | 81.61%               |
| Net County Cost                                    | \$0                | \$71,563           | \$0                | \$0                | \$0                     | 0.00%                |

The Health Services Agency (HSA) Administration fund provides internal support to all divisions within HSA. Net costs incurred in the Administration Fund are primarily funded via monthly interfund allocations to the Clinic and Ancillary Services and Public Health funds.

Increases in total revenue and fund balance through Fiscal Year 2022 are primarily due to the receipt of State donated inventory to assist with the COVID-19 pandemic response efforts. Inventory items are expensed as they are issued or used, resulting in greater Gross Costs and increases to use of fund balance in Fiscal Years 2023 and 2024. The receipt of the California Advancing and Innovating Medi-Cal (CalAIM) Providing Access and Transforming Health (PATH) Capacity and Infrastructure Transition, Expansion, and Development (CITED) funding also contributed to increased revenue and costs in Fiscal Year 2023 and 2024.

In Fiscal Year 2022, the Department did receive Net County Cost for COVID Recovery One-Time Payments for full-time County employees required to report to work between April 2020 and June 2021.



| Multi-Year History                        | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>HSA Clinics and Ancillary Services</b> |                    |                    |                    |                    |                         |                      |
| 4051 HSA0008 Enterprise Fund              |                    |                    |                    |                    |                         |                      |
| Total Revenue                             | \$39,982,451       | \$29,549,343       | \$39,374,621       | \$40,014,648       | \$41,827,517            | 95.67%               |
| Use of Fund Balance                       | (\$8,025,026)      | (\$224,590)        | (\$5,836,014)      | (\$3,599,890)      | \$953,510               | -377.54%             |
| Gross Costs                               | \$33,744,029       | \$29,324,753       | \$35,456,472       | \$37,914,758       | \$44,281,027            | 85.62%               |
| Net County Cost                           | \$1,786,603        | \$0                | \$1,917,865        | \$1,500,000        | \$1,500,000             | 100.00%              |

Revenues received in the HSA Clinics and Ancillary Services fund have remained relatively consistent over this range except for Fiscal Year 2022, in which the Intergovernmental Revenue (IGT) Voluntary Rate Range Program (VRRP) transitioned from a fiscal year to a calendar year, resulting in only six months' of IGT revenue being captured during this bridge period. While clinic visit volume gradually decreased between Fiscal Years 2021 and 2024, the receipt of other revenue sources such as the American Rescue Plan Act funding for Federally Qualified Health Center Look-Alikes contributed to this fund during this same time. Fiscal Year 2022 also contains a noticeable decrease in Gross Costs due to Governmental Accounting Standards Board (GASB) Statements No. 68 (Pension) and 87 (Leases) adjustments posted by the Auditor-Controller. The cost of doing business continues to rise due to increases for employee salaries and benefits and goods and services necessary to provide primary clinic care.

| Multi-Year History   | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>HSA Emergency Medical Services (EMS) Discretionary Fund</b> |                    |                    |                    |                    |                         |                      |
| 1429 HSA0001 Special Revenue Fund                              |                    |                    |                    |                    |                         |                      |
| Total Revenue  | \$70,243           | \$57,001           | \$71,276           | \$74,628           | \$82,400                | 90.57%               |
| Use of Fund Balance  | (\$3,926)          | \$17,474           | (\$15,546)         | \$514              | \$52,836                | 0.97%                |
| Gross Costs  | \$101,609          | \$95,475           | \$55,730           | \$75,143           | \$135,236               | 55.56%               |
| Net County Cost  | \$35,293           | \$21,000           | \$0                | \$0                | \$0                     | 0.00%                |

Revenues received under the Emergency Medical Services (EMS) Discretionary Fund are primarily used to support the newly created Stanislaus County Emergency Medical Services Agency (EMSA), per Board Resolution 2022-0056. In Fiscal Years 2021 and 2022, this fund required Net County Cost to issue contractual payments to Mountain Valley Emergency Medical Services, which previously operated as the local EMS agency, due to insufficient fund balance and collections. Gross Costs decreased in Fiscal Years 2023 and 2024 due to the elimination of the contract with Mountain Valley EMS and new arrangements to support the Stanislaus County EMSA. Total revenue derived from court fines/fees per Health and Safety Code (HSC) Section 1797.98a have remained consistent between Fiscal Years 2021 and 2024.

| Multi-Year History                             | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>HSA Indigent Health Care Program (IHCP)</b> |                    |                    |                    |                    |                         |                      |
| 1404 HSA0007 Special Revenue Fund              |                    |                    |                    |                    |                         |                      |
| Total Revenue                                  | \$318,009          | \$194,009          | \$260,907          | \$36,787           | \$110,210               | 33.38%               |
| Use of Fund Balance                            | (\$223,816)        | (\$111,044)        | (\$144,086)        | \$29,244           | \$169,434               | 17.26%               |
| Gross Costs                                    | \$94,192           | \$82,966           | \$116,821          | \$66,031           | \$279,644               | 23.61%               |
| Net County Cost                                | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Revenues under the Indigent Health Care Program (IHCP) fund consists of collections posted by the Stanislaus County Revenue Recovery division of the Treasurer-Tax Collector's Office. Similarly, costs consist of Cost Allocation Plan (CAP) charges related to the cost of collections from Revenue Recovery. Revenues collected have exceeded

allocated costs for all years except for Fiscal Year 2024, in which there was a significant decline due to fewer collections from Revenue Recovery and a correction of prior period revenues posted by the Auditor-Controller. Allocated costs from Revenue Recovery also declined in Fiscal Year 2024 due to fewer collections.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>HSA IHCP EMS Hospitals</b>     |                    |                    |                    |                    |                         |                      |
| 1434 HSA0005 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$153,124          | \$134,600          | \$201,839          | \$194,922          | \$173,040               | 112.65%              |
| Use of Fund Balance               | (\$137,187)        | (\$7,651)          | (\$73,015)         | (\$194,712)        | \$238,363               | -81.69%              |
| Gross Costs                       | \$15,937           | \$126,949          | \$128,824          | \$210              | \$411,403               | 0.05%                |
| Net County Cost                   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The IHCP Emergency Medical Services (EMS) Hospital fund has experienced an overall growth in revenue from the collection of court fines and fees from Revenue Recovery per HSC 1797.98a. Costs are primarily related to hospital payments for uncompensated emergency medical care, which continue to fluctuate due to timing issues in obtaining agreements and invoices with local hospitals. The Department strives to keep the fund balance at allowable levels per HSC requirements.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>HSA EMS Physicians</b>         |                    |                    |                    |                    |                         |                      |
| 1435 HSA0006 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$290,719          | \$256,836          | \$314,143          | \$323,410          | \$306,425               | 105.54%              |
| Use of Fund Balance               | (\$113,661)        | \$119,666          | (\$45,054)         | (\$121,005)        | \$30,853                | -392.20%             |
| Gross Costs                       | \$177,058          | \$376,502          | \$269,089          | \$202,405          | \$337,278               | 60.01%               |
| Net County Cost                   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The HSA EMS Physicians fund has experienced an overall growth in revenue from the collection of court fines and fees from Revenue Recovery per HSC Section 1797.98a. Costs are primarily due to payments for uncompensated emergency physician services, which continue to fluctuate due to timing issues in receiving invoices for payment. The Department strives to keep the fund balance at allowable levels per HSC requirements.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>HSA Public Health</b>          |                    |                    |                    |                    |                         |                      |
| 1402 HSA0004 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$37,869,331       | \$33,732,112       | \$34,091,321       | \$34,828,326       | \$39,478,600            | 88.22%               |
| Use of Fund Balance               | (\$1,964,410)      | \$1,680,588        | (\$4,706,798)      | (\$2,594,251)      | \$1,782,013             | -145.58%             |
| Gross Costs                       | \$39,415,724       | \$39,124,677       | \$32,895,326       | \$35,744,877       | \$44,771,416            | 79.84%               |
| Net County Cost                   | \$3,510,803        | \$3,711,976        | \$3,510,803        | \$3,510,803        | \$3,510,803             | 100.00%              |

The HSA Public Health Fund has experienced an overall decrease in revenue due to the expiration and decreased utilization of various COVID-19 funding sources. Gross Costs are noticeably higher in Fiscal Years 2021 and 2022 due to increases in services and supplies necessary to support the COVID-19 pandemic response efforts. In addition, approximately \$1.8 million was transferred to the General Services Agency to support the HSA/Public Health facility capital project in Fiscal Year 2022.

The fund experienced an overall increase in both revenues and costs in Fiscal Year 2024 due to the utilization of the new Future of Public Health (FoPH) funding including carryover FoPH funding from Fiscal Year 2023 that was

also rolled over and utilized in Fiscal Year 2024. A decrease in the Public Health staffing vacancy rate also contributed to the overall increase in costs during Fiscal Year 2024.

| Multi-Year History                                   | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>HSA Public Health Vital and Health Statistics</b> |                    |                    |                    |                    |                         |                      |
| 1428 HSA0002 Special Revenue Fund                    |                    |                    |                    |                    |                         |                      |
| Total Revenue  | \$79,323           | \$88,755           | \$90,931           | \$84,591           | \$82,400                | 102.66%              |
| Use of Fund Balance                                  | (\$70,315)         | (\$69,522)         | (\$73,384)         | (\$48,105)         | \$21,860                | -220.06%             |
| Gross Costs  | \$9,008            | \$19,232           | \$17,547           | \$36,486           | \$104,260               | 35.00%               |
| Net County Cost                                      | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The HSA Public Health Vital and Health Statistics fund has experienced an overall growth in revenue between Fiscal Years 2021 and 2024 due to the issuance of birth/death certifications, burial permits, and other filings. Total costs have also increased during this time due to qualifying expenditures that support and enhance Department operations.

### Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.

| Multi-Year History                                      | July 1, 2021        | July 1, 2022        | July 1, 2023        | July 1, 2024        |
|---|---------------------|---------------------|---------------------|---------------------|
| Health Services Agency (HSA) Administration             | \$1,291,159         | \$9,146,866         | \$3,530,836         | \$1,251,546         |
| HSA Clinics and Ancillary Services                      | 32,275,795          | 34,996,079          | 48,123,986          | 51,723,876          |
| HSA Emergency Medical Services (EMS) Discretionary Fund | 11,423              | (6,051)             | 9,496               | 8,981               |
| HSA Indigent Health Care Program (IHCP)                 | 2,328,500           | 2,439,544           | 2,583,630           | 2,554,386           |
| HSA IHCP EMS Hospitals                                  | 272,559             | 280,210             | 353,225             | 547,937             |
| HSA IHCP EMS Physicians                                 | 115,995             | (3,671)             | 41,383              | 162,387             |
| HSA Public Health                                       | 17,881,451          | 16,836,494          | 21,581,799          | 24,144,691          |
| HSA Public Health Vital and Health Statistics           | 936,236             | 1,005,758           | 1,079,142           | 1,127,247           |
| <b>Total Fund Balance</b>                               | <b>\$55,113,119</b> | <b>\$64,695,230</b> | <b>\$77,303,496</b> | <b>\$81,521,052</b> |

Note: Table only reflects non-general fund units

**HSA Administration** has experienced an initial increase and subsequent decrease in fund balance due to the recognition and use of State-donated inventory provided for the COVID-19 pandemic response. Under normal circumstances, net costs for HSA Administration are funded by interfund allocations to the Clinic and Ancillary Services and Public Health funds, resulting in no net use or addition to fund balance each year. Transactions related to donated inventory are not allocated out to other funds as it was initially recorded as donation revenue, and any costs incurred to recognize inventory issued will offset the revenue that previously closed to fund balance. Fund balance will continue to decrease over time until all State-donated inventory has been issued.

**HSA Clinics and Ancillary Services** has experienced a growth in fund balance between Fiscal Years 2021 and 2024 primarily due to Intergovernmental Transfer Revenues (IGT) derived from the Voluntary Rate Range Program (VRRP), in which the clinics receive Federal funds from the Department of Health Care Services that are passed through the Managed Care Health Plans to provide financial assistance for historically unreimbursed plan member costs. Fund balance will decrease in Fiscal Year 2024 due to a large to Governmental Accounting Standards Board (GASB) 68 pension related adjustment posted by the Auditor-Controller and other post-close adjustments which will bring fund balance to \$35.4 million.

**Emergency Medical Services (EMS) Discretionary** maintains a small fund balance due to the timing of revenues collected from court fines and fees and transfers to the local Emergency Medical Services Agency. In Fiscal Year 2022, the fund entered a negative fund balance due to a shortfall in revenues needed to cover payments to Mountain Valley Emergency Medical Services. The fund has since maintained a positive fund balance by ensuring transfers do not exceed funding that is available each year.

**Indigent Health Care Program (IHCP)** has experienced growth in fund balance due to the reduced reliance on County-funded health care for medically Indigent Adults because of the Affordable Care Act (ACA) offering subsidized medical insurance to the uninsured population. Minimal activity occurs within this fund, and impacts to fund balance are largely determined by Revenue Recovery collections and Cost Allocation Plan (CAP) charges.

**IHCP Emergency Medical Services (EMS) Hospital** has experienced growth in fund balance due to ongoing contract negotiations with local hospitals to provide reimbursement for uncompensated medical care per Health and Safety Code (HSC) Section 1797.98a. Due to contract delays, HSA has been unable to issue payments from the fund balance which continues to accumulate revenues from court fines and fees.

**IHCP Emergency Medical Services (EMS) Physicians** has experienced growth in fund balance due to the timing of revenue collections and payments for uncompensated emergency physician services. In Fiscal Year 2022, the fund entered a negative fund balance due to a shortfall in revenues needed to cover these payments. The fund has since maintained a positive fund balance by ensuring payments do not exceed funding that is available each year. In Fiscal Year 2024, increased revenue and the late receipt of invoices contributed to an overall increase in fund balance.

**HSA Public Health** has experienced growth in fund balance due to the receipt and utilization of various COVID-19 pandemic grants, the Future of Public Health (FoPH) grant, and increases in 1991 Health Realignment revenue. Additional costs incurred in prior years to respond to the COVID-19 pandemic have also decreased over time, resulting in additional County mandated match and Realignment dollars being closed into fund balance.

**Public Health Vital and Health Statistics** has experienced growth in fund balance due to revenues derived from Vital Records operations exceeding eligible qualifying expenditures incurred. Qualifying expenditures must support or enhance the Department operations and are recognized as an interfund transfer to Public Health when incurred.

### First Quarter Issues and Recommendations

**Staffing Recommendation:** During the 2022 labor negotiations, Service Employees International Union, Local 521, requested a classification study of the Community Health Worker (CHW) classification series and the Health Educator classification. The studies have been completed, concluding with a recommendation to create a new classification series for the Health Educator classification and to replace the current CHW series (I/II/III) with a two-level Nutrition Assistant classification series and a two-level CHW classification series, as follows:

- The Health Education series works closely with health education staff to perform professional program planning and development work. This series will include the Health Education Assistant, an entry level classification with a salary range of \$32.14 - \$39.07; the Health Education Specialist, a journey level classification with a salary range of \$35.35 - \$42.98; and the Health Education Coordinator, a supervisory level classification with a salary range of \$39.42 - \$47.91. It is recommended to reclassify nine Health Educator positions to Health Education Specialist and two Staff Services Coordinator positions to Health Education Coordinator.
- The new two-level CHW classifications consist of Community Health Worker and Senior Community Health Worker to assist public health professional staff in multiple programs. The Community Health Worker will be a journey level classification with a salary range of \$21.84 - \$26.54. It is recommended to reclassify six

CHW II positions to CHW. The Senior Community Health Worker will be an advanced level classification with a salary range of \$25.01 - \$30.40. It is recommended to reclassify 16 CHW III positions to Sr. CHW.

- The new block-budgeted Nutrition Assistant I/II will provide nutrition education and assistance to qualifying participants. The Nutrition Assistant I will be the entry level classification with a salary range of \$20.22 - \$24.57 and the Nutrition Assistant II will be the journey level classification with a salary range of \$21.84 - \$26.54. It is recommended to reclassify 23 CHW II positions to Nutrition Assistant II.

Additionally, a request to reclassify one Account Clerk III was submitted by the Department and recommended for a study in the 2023 Midyear Financial Report. The study has been completed, concluding with a recommendation to reclassify the position to Accounting Technician.

# DEVELOPING A HIGH-PERFORMING ECONOMY



Agricultural Commissioner  
UC Cooperative Extension  
Workforce Development



## Developing a High-Performing Economy

---

### Priority Overview

The Board of Supervisors' priority area of *Developing a High-Performing Economy* recognizes the critical role that County government can play in promoting, protecting, and sustaining our agricultural economy while providing for more diversified economic opportunities, all to strengthen our local economy and provide for a better, more stable, quality of life for our residents. Supporting job creation, providing a wide range of employment and training services, and educational resources are key aspects of *Developing a High-Performing Economy*. Departments and programs assigned to this priority area include the Agricultural Commissioner, the University of California (UC) Cooperative Extension, and Workforce Development.

Departments in this priority recognize the vital role of the County's number one industry, agriculture, which generates \$3.4 billion in value of agricultural commodities per year. Farmland conversion, air pollution mitigation, soil salinity and drainage, agricultural water supply and water quality, and preservation of the County's unique agriculture heritage are key aspects of *Developing a High-Performing Economy*. Stanislaus County is an international agri-business powerhouse. The 2023 Stanislaus County Agricultural Report notes that the total gross value of agricultural production for 2023 was \$3.4 billion, a decrease of 10% from the 2022 value.

There are various funding sources supporting departments in this priority area. The Agricultural Commissioner receives State funding for several programs and charges fees for specific services, with additional support from the General Fund. Cooperative Extension's UC advisors are funded through the UC system; however, the County provides General Fund support for staffing and operational expenses. Workforce Development receives Federal and State funds for work focused on meeting its mission.

While the agricultural industry is a significant economic driver in the County, regional economic development strategies are in place to increase economic diversity. Initiatives include job creation, business assistance and retention, demand-driven workforce readiness and innovation.

Recommendations contained in this report do not result in any budget adjustments for departments *Developing a High-Performing Economy*.

Inclusive of adjustments to reflect the appropriate revenue in Workforce Development posting by midyear, the departments within the priority *Developing a High-Performing Economy* are on track to end the year within budget and in a positive fiscal position.



## Departmental Revenue

For the departments contained in the Board of Supervisors' priority area *Developing a High-Performing Economy*, as of September 30, 2024, actual revenue was negative \$102,662, which represents -0.3% of the estimated annual revenue.

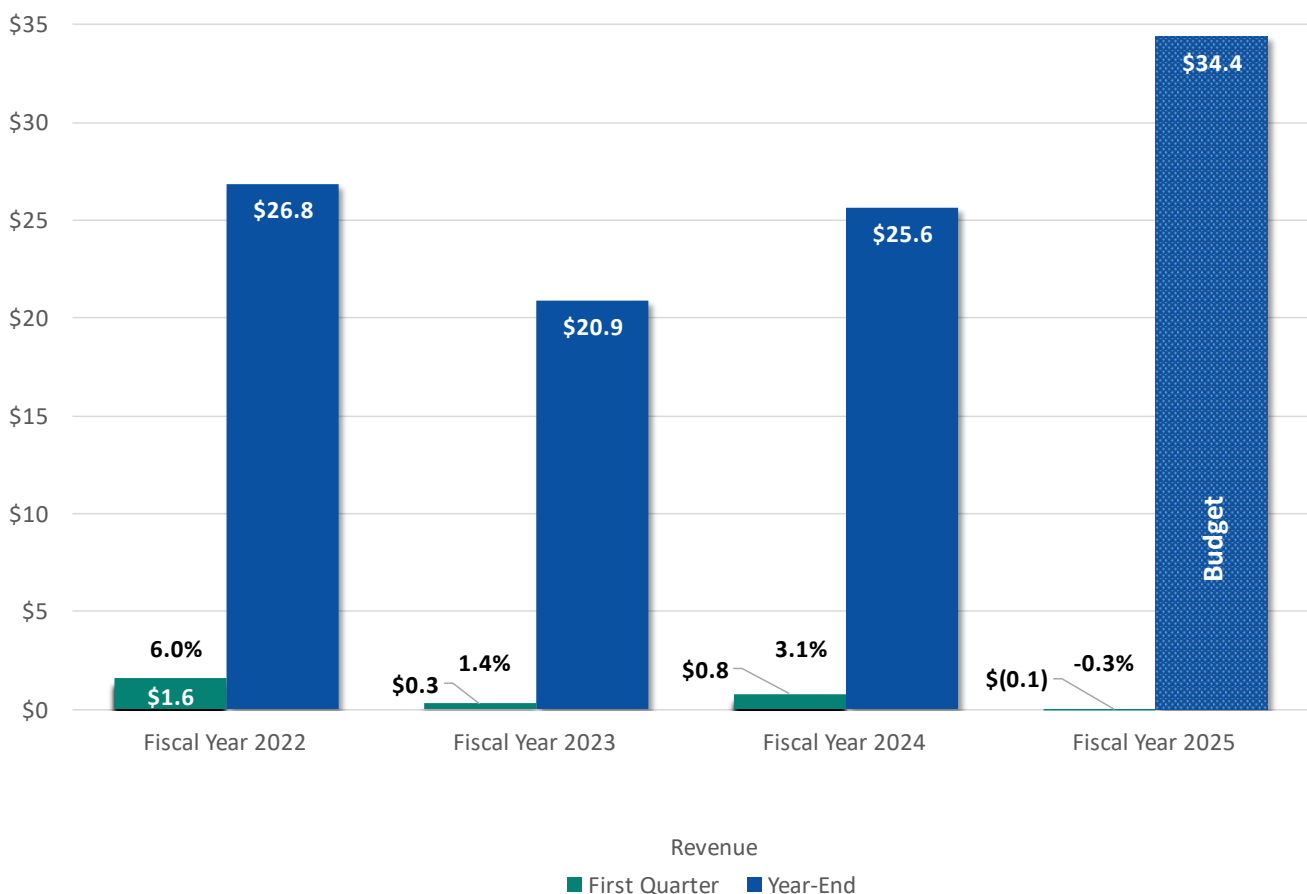
This is below the historical range when compared to the first quarter of the prior three years when collections were 1.4% to 6% of the final actual revenue. In Fiscal Year 2024, first quarter revenue represented 3.1% of the final actual revenue.

While working to ensure revenue is accounted for in the correct fiscal period, accounting entries inadvertently moved funds from Fiscal Year 2025, assuming they were accrued for Fiscal Year 2024. This resulted in an overall negative revenue-to-date figure for this priority. Correcting entries will be made to align revenue with the appropriate fiscal year and midyear comparisons should be more closely tied to trends.

Of note, various County Operations budgets that were housed in this priority area were moved to the *Delivering Efficient Public Services* priority in Fiscal Year 2023, explaining the visual dip in that year; Fiscal Years 2023 through 2024 reflect the remaining three department budgets and their respective historical data.

### Developing a High-Performing Economy Four-Year Revenue Comparison

In Millions



## Departmental Expenditures

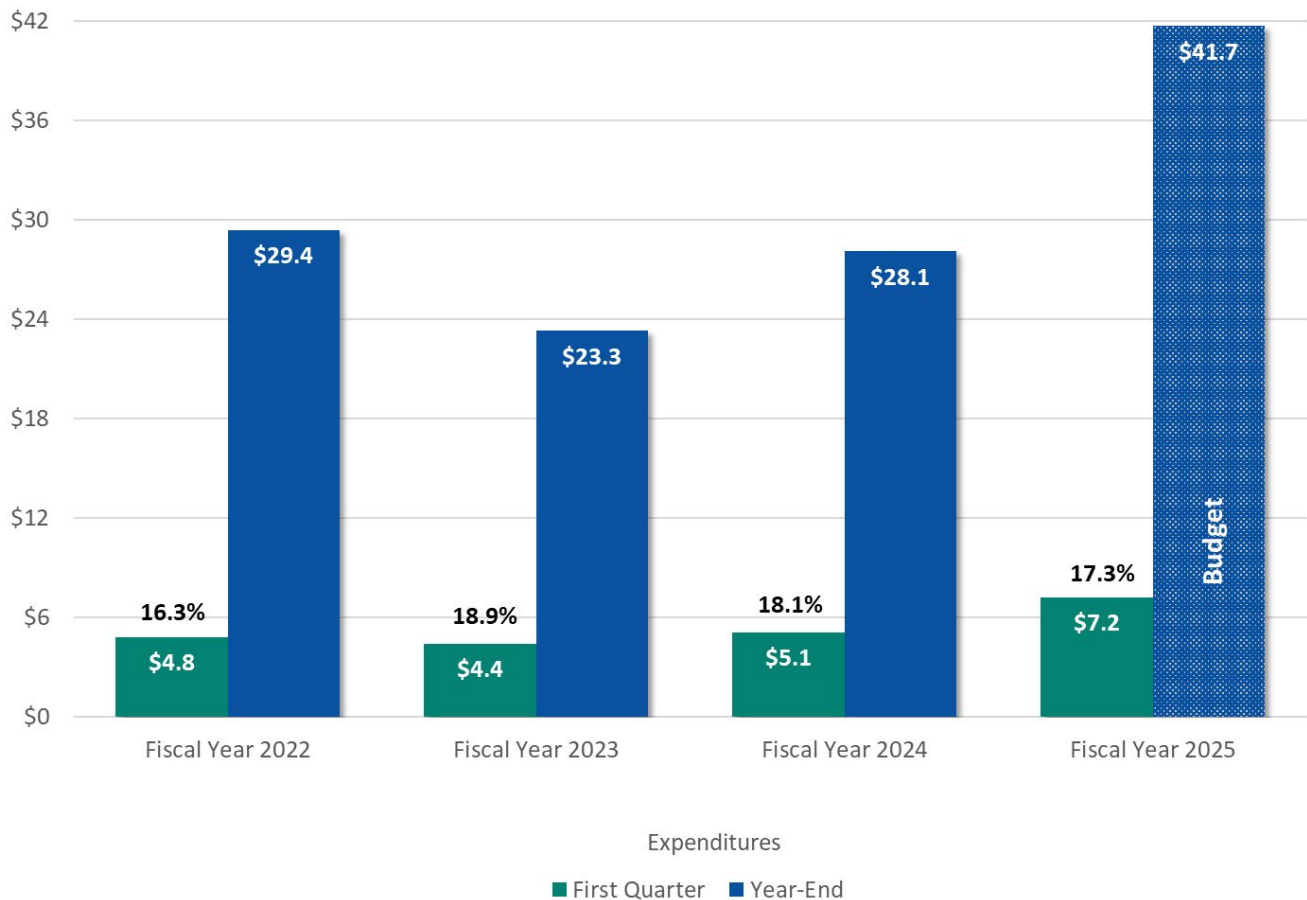
As of September 30, 2024, expenditures for this priority totaled \$7.2 million, representing 17.3% of the budgeted appropriations. Expenditures at the first quarter point of the prior three years ranged from 16.3% to 18.9% of the final actual expenditures, placing this year's ratio within the historical three-year range.

Workforce Development has budgeted additional funded activities this fiscal year, significantly increasing overall appropriations for this priority area.

As noted in the revenue section, various County Operations budgets that were housed in this priority area were moved to the *Delivering Efficient Public Services* priority in Fiscal Year 2023, explaining the visual dip in that year; Fiscal Years 2023 through 2024 reflect the remaining three department budgets and their respective historical data.

### Developing a High-Performing Four-Year Expenditures Comparison

In Millions



## Agricultural Commissioner

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following table identifies four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History               | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Agricultural Commissioner</b> |                    |                    |                    |                    |                         |                      |
| 0100 AG00001 General Fund        |                    |                    |                    |                    |                         |                      |
| Total Revenue                    | \$4,421,759        | \$4,542,989        | \$4,486,140        | \$4,785,937        | \$4,522,772             | 105.82%              |
| Use of Fund Balance              | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                      | \$5,755,419        | \$5,968,464        | \$6,550,273        | \$7,205,670        | \$7,676,441             | 93.87%               |
| Net County Cost                  | \$1,333,660        | \$1,425,475        | \$2,064,133        | \$2,419,733        | \$3,153,669             | 76.73%               |

The Agricultural Commissioner's total revenue experienced a modest increase of 8.2% from Fiscal Year 2021 to Fiscal Year 2024. Agricultural Commissioner's Gross Costs experienced a 25.2% increase from Fiscal Year 2021 to Fiscal Year 2024, necessitating an increase in the reliance on Net County Cost of 81.4% for the same period. This increase is mainly attributed to increases to costs in salaries and benefits, Cost Allocation Plan (CAP) charges, and program services that are outpacing revenue.

#### Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.

| Multi-Year History                         | July 1, 2021 | July 1, 2022 | July 1, 2023 | July 1, 2024 |
|--|--------------|--------------|--------------|--------------|
| Agricultural Commissioner Development Fees | \$878        | \$878        | \$878        | \$878        |
| <b>Total Fund Balance</b>                  | <b>\$878</b> | <b>\$878</b> | <b>\$878</b> | <b>\$878</b> |

Note: Table only reflects non-general fund units

Funds in this account were collected for development projects in the Salida area in the 1990's, which were built out, with the last deposit to this account taking place in 2002. These per dwelling fees were deposited in an Ag Development Fee account, specifically to be utilized to purchase Weights and Measures equipment. The Agricultural Commissioner is exploring options to transfer the remaining fund balance and close out this account.

## UC Cooperative Extension

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History                                    | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>University of California Cooperative Extension</b> |                    |                    |                    |                    |                         |                      |
| 0100 UC00001 General Fund                             |                    |                    |                    |                    |                         |                      |
| Total Revenue   | \$1,373            | \$4,756            | \$4,144            | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance                                   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs   | \$678,147          | \$852,049          | \$852,193          | \$844,815          | \$1,009,142             | 83.72%               |
| Net County Cost                                       | \$676,773          | \$847,293          | \$848,049          | \$844,815          | \$1,009,142             | 83.72%               |

Actual revenue from Fiscal Years 2021, 2022 and 2023 are mostly attributed to various reimbursements from the University of California for program expenses such as mileage and copy charges. There were no mileage reimbursements in Fiscal Year 2024. As of Fiscal Year 2024, copy charges are no longer entered as "revenue." Instead, charges are invoiced, and deposits are placed directly into University of California Cooperative Extension's budget. Actual costs increased from Fiscal Year 2021 to Fiscal Year 2022, largely due to a full-time employee returning from leave and the conversion of one contract employee to a full-time allocated, County position. Fiscal Year 2022 and Fiscal Year 2023 actual costs remained steady. Fiscal Year 2024 actuals deviated from the Legal Budget due to position vacancies and the restructuring of a full-time employee into a co-funded University of California Agriculture and Natural Resources position.

| Multi-Year History  | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>UC Cooperative Extension - Farm and Home Advisors Research Trust</b> |                    |                    |                    |                    |                         |                      |
| 1766 UC00002 Special Revenue Fund                                       |                    |                    |                    |                    |                         |                      |
| Total Revenue   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance   | \$1,805            | \$2,387            | \$0                | \$0                | \$5,000                 | 0.00%                |
| Gross Costs   | \$1,805            | \$2,387            | \$0                | \$0                | \$5,000                 | 0.00%                |
| Net County Cost   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The University of California (UC) Cooperative Extension Farm and Home Advisors' Research Trust Fund is funded through donations to Advisors for use in research and extension programs that promote the mission of the UC Cooperative Extension. Typically, \$5,000 is allocated per year for small purchases outside of the UC funding criteria, to support research and educational programs tailored to the needs of Stanislaus County. Some years show partial use of the allocated funding, while it is not utilized in other years. The use of this fund is often dependent on the relationship between Advisor-generated funding streams (mostly grants) and work being conducted in the County. It is common to see years without any use of funds.

#### Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.

| Multi-Year History   | July 1, 2021    | July 1, 2022    | July 1, 2023    | July 1, 2024    |
|--|-----------------|-----------------|-----------------|-----------------|
| UC Cooperative Extension - Farm and Home Advisors Research Trust | \$42,463        | \$40,076        | \$40,076        | \$40,076        |
| <b>Total Fund Balance</b>  | <b>\$42,463</b> | <b>\$40,076</b> | <b>\$40,076</b> | <b>\$40,076</b> |

Note: Table only reflects non-general fund units

The UC Cooperative Extension Farm and Home Advisors' Research Trust is funded through donations to Advisors for use in research and extension programs that promote the mission of the UC Cooperative Extension. Typically, \$5,000 is allocated per year for small purchases outside of the UC funding criteria, to support research and educational programs tailored to the needs of Stanislaus County. Fund balance decreases in some years, while it is not utilized in other years. This use is often dependent on the relationship between Advisor-generated funding streams (mostly grants) and work being conducted in the County. It is common to see years without any change in fund balance.

## Workforce Development

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Workforce Development</b>      |                    |                    |                    |                    |                         |                      |
| 1320 WD00001 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$9,247,486        | \$8,643,833        | \$10,856,976       | \$14,306,248       | \$18,957,825            | 75.46%               |
| Use of Fund Balance               | (\$405,175)        | (\$319,015)        | (\$795,868)        | (\$381,434)        | \$893,136               | -42.71%              |
| Gross Costs                       | \$8,842,311        | \$8,397,625        | \$10,061,108       | \$13,924,815       | \$19,850,961            | 70.15%               |
| Net County Cost                   | \$0                | \$72,807           | \$0                | \$0                | \$0                     | 0.00%                |

Workforce Development's budget is based on reimbursement funding. The steady increase in revenue and costs are due to multiple new grants awarded in Fiscal Years 2023 and 2024. Actual Revenues increased 54.7% from Fiscal Year 2021 to Fiscal year 2024, while actual expenditures increased 57.5% for the same period. In Fiscal Year 2022, the Department did receive Net County Cost for COVID One-Time Recovery Payments for full-time County employees required to report to work between April 2020 and June 2021.

| Multi-Year History                           | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Workforce Development Welfare to Work</b> |                    |                    |                    |                    |                         |                      |
| 1317 WD00002 Special Revenue Fund            |                    |                    |                    |                    |                         |                      |
| Total Revenue                                | \$5,768,942        | \$5,737,723        | \$5,575,625        | \$6,517,348        | \$7,814,573             | 83.40%               |
| Use of Fund Balance                          | \$0                | (\$3,349)          | \$306,491          | (\$344,784)        | \$396,715               | -86.91%              |
| Gross Costs                                  | \$5,768,942        | \$5,753,516        | \$5,882,116        | \$6,172,564        | \$8,211,288             | 75.17%               |
| Net County Cost                              | \$0                | \$19,143           | \$0                | \$0                | \$0                     | 0.00%                |

Workforce Development Welfare to Work budget is based on reimbursement funding. In Fiscal Years 2021 through 2023, a Good Cause Waiver was in effect, thus decreasing the number of clients being referred for services, leading to a reduction in costs and revenue. In Fiscal Year 2024, cost and revenue increased reflecting the end of the Good Cause Waiver and increased referrals for services. The use of fund balance in Fiscal Year 2023 was due to the identification of costs after year-end close that were subsequently charged in Fiscal Year 2024. In Fiscal Year 2022, the Department did receive Net County Cost for COVID One-Time Recovery Payments for full-time County employees required to report to work between April 2020 and June 2021.

### Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.

| Multi-Year History                    | July 1, 2021       | July 1, 2022       | July 1, 2023       | July 1, 2024       |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------|
| Workforce Development                 | \$5,623,402        | \$5,942,417        | \$6,738,285        | \$7,119,718        |
| Workforce Development Welfare To Work | 7,045              | 10,395             | (296,097)          | 48,687             |
| <b>Total Fund Balance</b>             | <b>\$5,630,447</b> | <b>\$5,952,812</b> | <b>\$6,442,188</b> | <b>\$7,168,405</b> |

Note: Table only reflects non-general fund units

**Workforce Development** has maintained a large fund balance that has steadily increased due to the availability of funds for services provided to Temporary Assistance for Needy Families (TANF) participants. The Department intends to use these funds in support of new facility projects.

**Workforce Development Welfare to Work** fund balance increased in Fiscal Year 2022 due to receipt of a lawsuit settlement. Some costs for Fiscal Year 2023 were identified after year-end close, and reimbursements weren't sought until Fiscal Year 2024, necessitating the use of Fund Balance in Fiscal Year 2023.

# PROMOTING LIFELONG LEARNING



Library



## Promoting Lifelong Learning

---

### Priority Overview

The Department that makes up the Board of Supervisors' priority *Promoting Lifelong Learning* is the Library. The Department serves members of the community and provides valuable services to local agencies and other County departments.

The Library is responsible for implementing *Promoting Lifelong Learning* opportunities for all residents to advance community and individual prosperity. The Stanislaus County Library engages members of the community and offers access to information, knowledge, and the tools for innovation and personal development. The Library offers early literacy programs for children, basic literary services to adults, workforce readiness programs, resources for veterans and their families, and outreach services beyond the physical walls of libraries, including online e-resources and community outreach activities such as home delivery service for customers who are unable to come to the Library due to advanced age, injury, or illness. The Library also offers unique services such as the Veterans Resource Center, passport application processing, and programs for job seekers.

The Library is primarily funded by a voter-approved 1/8-cent sales tax to support Library operations. The voter-approved 1/8-cent sales tax was extended for 12 years when Measure S passed in the November 7, 2017, election. In Fiscal Years 2023 and 2024, the Library budget was significantly increased each year by \$3.5 million, with the implementation of Building Community Services Investment (BCSI) General Fund support to address various needs in the library system as part of an organization-wide three-year strategic initiative totaling \$10 million for libraries. In Fiscal Year 2025, the Library will receive the final \$3 million distribution of BCSI funds. The investment supports targeted projects which will directly contribute to the local quality of life, community wellness, and strategic facility planning.

Recommendations contained in this report do not result in any budget adjustments for the department *Promoting Lifelong Learning*.

The Library is on track to end the year within budget and in a positive fiscal position.

## Departmental Revenue

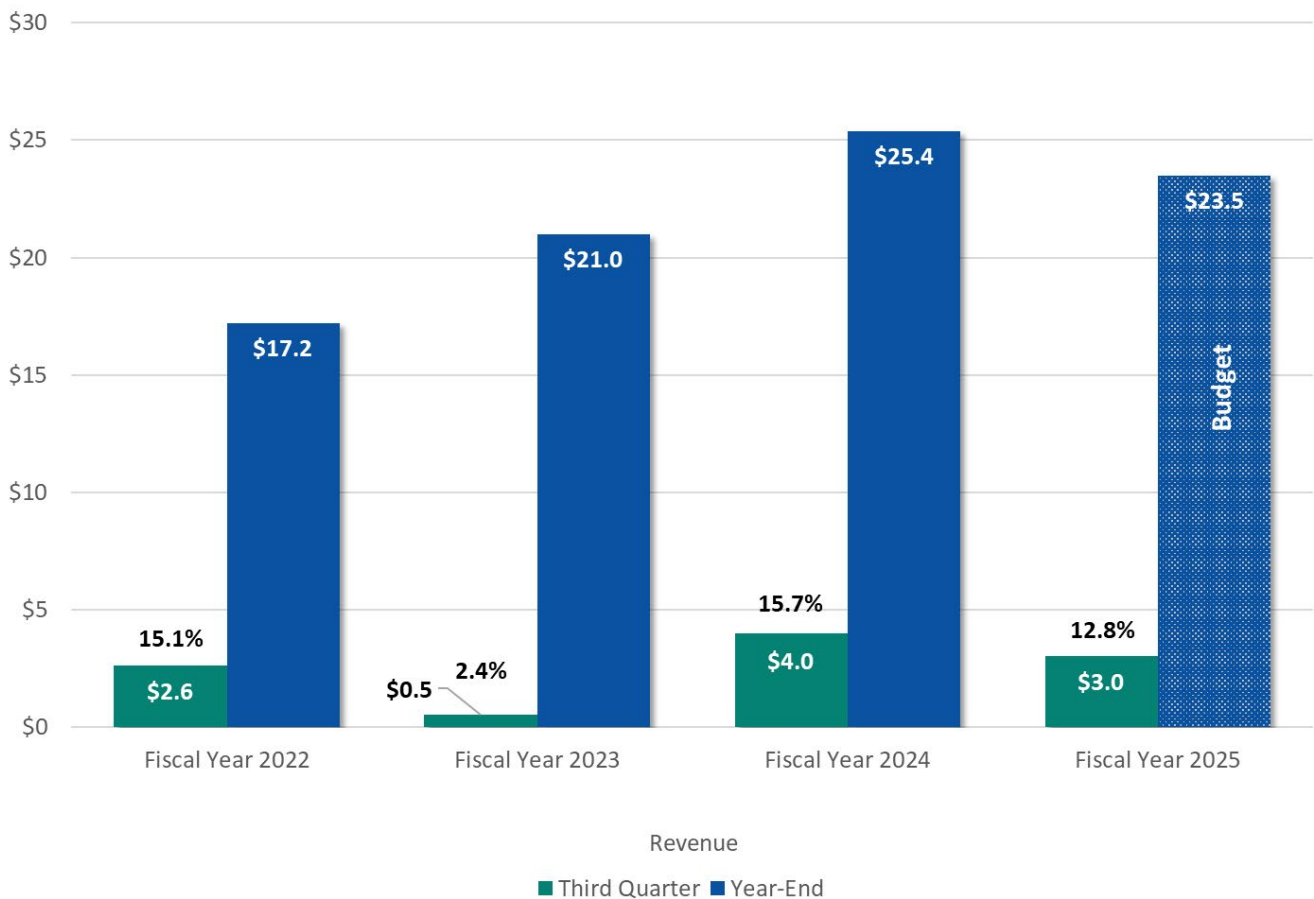
For the department budget that makes up the Board of Supervisors' priority area of *Promoting Lifelong Learning* as of September 30, 2024, actual revenue collected was \$3 million, which represents 12.8% of the estimated annual revenue. This ratio is within the historical range when compared to the first quarter of the prior three years, when collections were 2.4% to 15.7% of the final actual revenue.

Of note, first quarter revenues in Fiscal Year 2023 were far below the historical range. This was due to the impacts associated with the implementation of Oracle Cloud and resulting delays in posting first quarter tax revenue. Tax revenue postings were caught up by year end.

First quarter revenue for Fiscal Year 2025 is on track with the figures seen in Fiscal Years 2022 and 2024.

### Promoting Lifelong Learning Four-Year Revenue Comparison

In Millions



## Departmental Expenditures

As of September 30, 2024, expenditures total \$4.2 million, representing 15.1% of budgeted appropriations. Expenditures at the first quarter point of the prior three years ranged from 11% to 23% of the final actual expenditures, placing this year within the historical range.

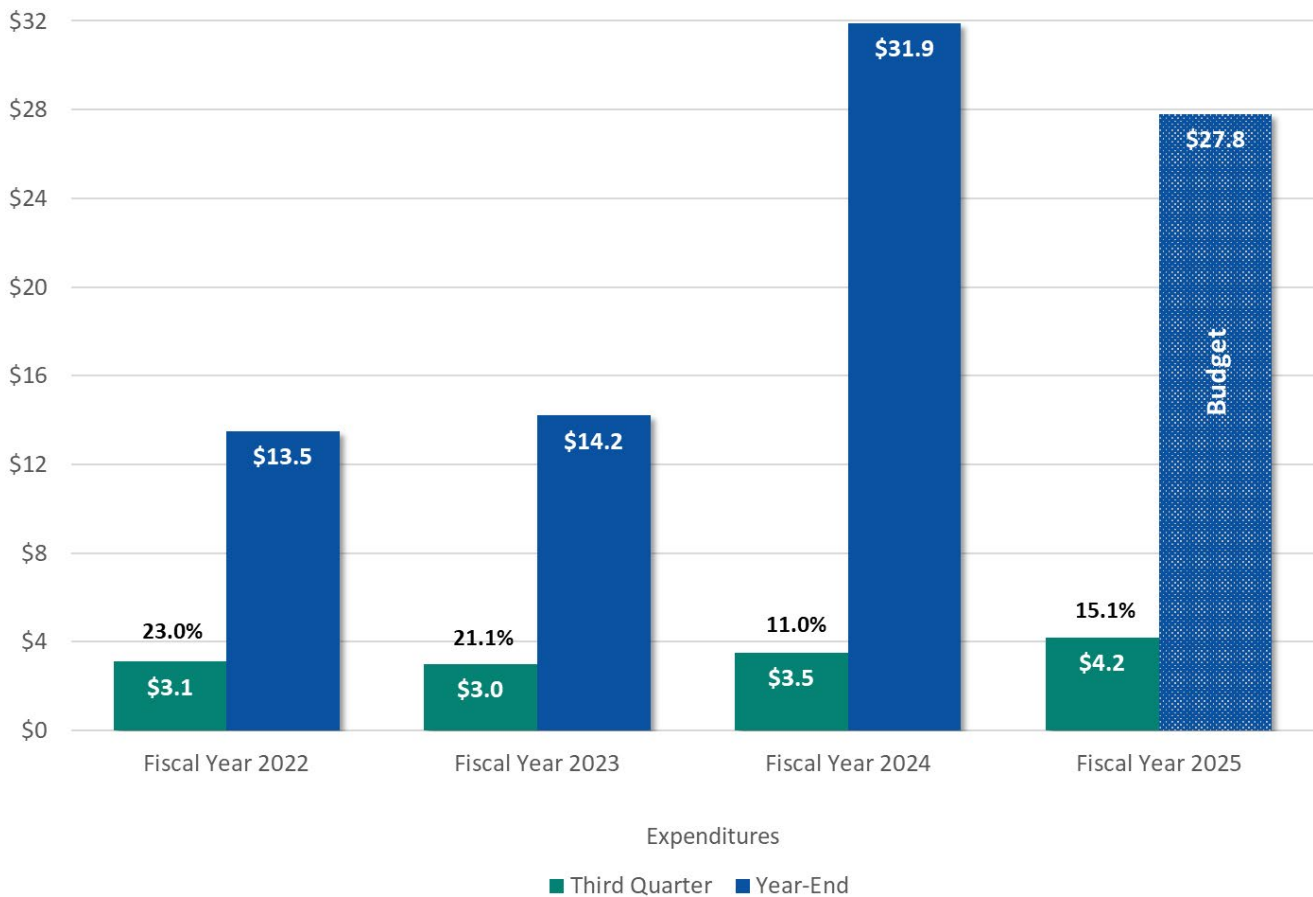
Of note, the Library increased its budget by \$17.7 million in the 2024 Adopted Budget, including \$7 million to account for years one and two Building Community Services Investment (BCSI) funding and \$4.9 million as part of the Library Building Forward Grant. The remaining \$3 million allocation of the three-year \$10 million BCSi commitment was appropriated in the 2025 Adopted Budget.

The Library has experienced an 86% increase to Cost Allocation Plan (CAP) charges from Fiscal Year 2022 to Fiscal Year 2025, with current-year estimates totaling \$3.5 million, which are attributed to increased insurance, building maintenance, and Information Technology Central costs.

Increases to budgeted costs in Fiscal Years 2024 and 2025 are partially attributed to facilities projects at the Modesto, Newman, and Riverbank library branches.

### Promoting Lifelong Learning Four-Year Expenditures Comparison

In Millions



## Library

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following table identifies four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Library</b>                    |                    |                    |                    |                    |                         |                      |
| 1651 LIB0001 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$15,215,397       | \$16,580,873       | \$16,339,680       | \$20,988,971       | \$25,453,850            | 82.46%               |
| Use of Fund Balance               | (\$3,882,408)      | (\$3,698,676)      | (\$6,722,839)      | \$6,556,107        | \$8,675,962             | 75.57%               |
| Gross Costs                       | \$11,824,799       | \$13,461,901       | \$14,233,651       | \$31,911,888       | \$38,496,622            | 82.90%               |
| Net County Cost                   | \$491,810          | \$579,704          | \$4,616,810        | \$4,366,810        | \$4,366,810             | 100.00%              |

The Library's Total Revenue increased by 9% from Fiscal Year 2021 to Fiscal Year 2022. This was due to significant increases in consumer spending during the COVID-19 pandemic, resulting in well above average Library sales tax revenues. The 28.4% increase from Fiscal Year 2023 to Fiscal Year 2024 was due to the Library receiving \$4.9 million of the \$9.9 million California State Library Building Forward Grant. The grant was approved by the Board of Supervisors (Board Resolution 2023-0565).

The Library's Gross Costs rose dramatically from Fiscal Year 2021 to Fiscal Year 2024. Increases from Fiscal Year 2021 to Fiscal Year 2023 were due to a combination of higher costs of doing business and increases in service levels post COVID-19 pandemic, with increases of 13.8% in Fiscal Year 2022 and 5.7% in Fiscal Year 2023. Costs increased by 124.2% in Fiscal Year 2024 due to one-time project costs associated with the Modesto and Salida Libraries Tenant Improvement Projects.

The Library's use of Fund Balance has shifted significantly. Fiscal Years 2021 and 2022 saw contributions to fund balance due to the high Library sales tax revenue and reduced service levels experienced during the COVID-19 pandemic. Fiscal Year 2023's contribution to fund balance is due to the high level of Library sales tax revenues and the first of two \$3.5 million installments in Building Community Services Investment (BCSI) funds, provided through an increase in Net County Cost.

The Library planned several projects based on its accumulated fund balance and other funding sources. In Fiscal Year 2024, the Library used \$6.6 million in fund balance to support the funding of the Modesto and Salida Tenant Improvement Projects.

#### Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.

| Multi-Year History        | July 1, 2021       | July 1, 2022        | July 1, 2023        | July 1, 2024        |
|---------------------------|--------------------|---------------------|---------------------|---------------------|
| Library                   | \$9,935,933        | \$13,634,609        | \$20,357,448        | \$13,801,341        |
| <b>Total Fund Balance</b> | <b>\$9,935,933</b> | <b>\$13,634,609</b> | <b>\$20,357,448</b> | <b>\$13,801,341</b> |

Note: Table only reflects non-general fund units

The Library's fund balance increased by a net amount of \$3.9 million from Fiscal Year 2021 to Fiscal Year 2024. This is due to increased sales tax revenue received during the pandemic (\$8.2 million), Building Forward Grant funding (\$4.9 million), one-time Building Community Services Investment funding (\$7 million), and a transfer to capital projects for Modesto (-\$15 million) and Salida (-\$1.2 million) Tenant Improvement Projects.

The Library planned several projects based on its accumulated fund balance and other funding sources. In Fiscal Year 2024, the Library used \$6.6 million in fund balance to support the funding of the Modesto and Salida Tenant Improvement Projects.

# DELIVERING EFFICIENT PUBLIC SERVICES



Assessor

Auditor-Controller

Board of Supervisors

Chief Executive Office

CEO-HR

Clerk-Recorder

County Counsel

County Operations

General Services Agency

Information Technology Central

Treasurer-Tax Collector

## Delivering Efficient Public Services

---

### Priority Overview

Efficiency is a critical element in the effective operation of government agencies and allows for the sustained provision of valuable services to the community. County departments provide a multitude of services to a diverse customer base and these customers expect the government to be responsive to their needs. County departments must work to understand these needs and determine how best to provide the desired services. Customer feedback is a valuable source of insight in this process and encourages departments to remain focused on continuous improvement.

Departments assigned to the Board of Supervisors' priority area of *Delivering Efficient Public Services* include the Assessor, Auditor-Controller, Board of Supervisors, Chief Executive Office, CEO – Human Relations, Clerk-Recorder, County Counsel, County Operations budgets, General Services Agency, Information Technology Central, and Treasurer-Tax Collector. These departments serve members of the community while also providing valuable services to local agencies and other County departments. The revenue used to pay for many of these services comes from local taxes such as property tax, sales tax, various fees, franchises, charges for services, and a variety of other discretionary funding sources.

Recommendations contained in this report will increase appropriations by \$560,123, revenue by \$314,276, and the use of fund balance by \$245,847 for departments *Delivering Efficient Public Services*. These adjustments are detailed in Technical Adjustments at the back of the report.

Departments within this priority are on track to end the year within budget and in a positive fiscal position.



## Departmental Revenue

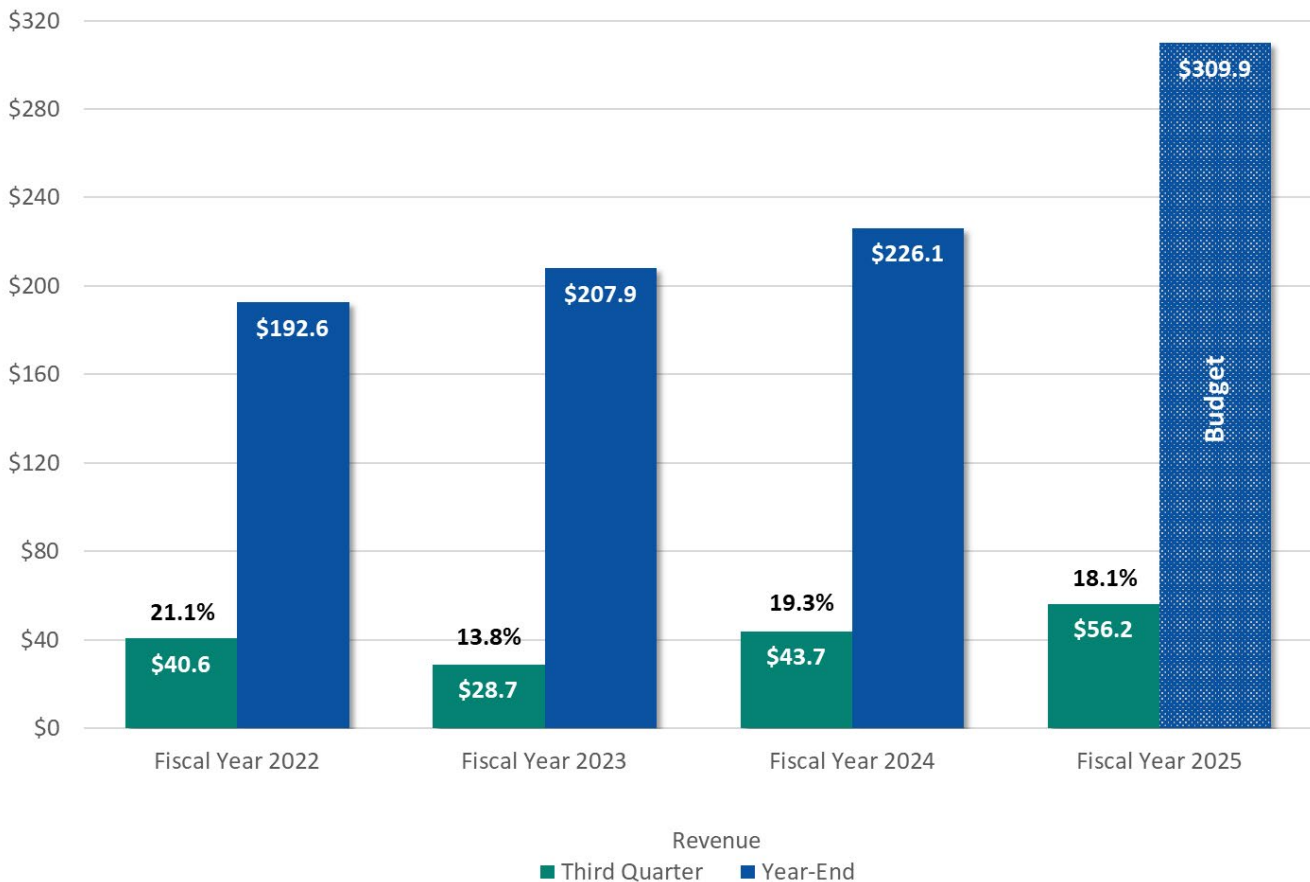
For the department budgets that make up the Board of Supervisor's *Delivering Efficient Public Services* priority area, the actual revenue collected as of September 30, 2024, totaled \$56.2 million, which represents 18.1% of the estimated annual revenue. This is within the historical range when compared to the first quarter point of the previous three years when collections ranged from 13.8% to 21.1% of the final actual revenue.

The timing of Cost Allocation Plan (CAP) charges was impacted by the implementation of the Enterprise Resource Planning (ERP) system conversion in Fiscal Year 2023. Since standard processes have resumed, Fiscal Year 2025 actual revenue is following historical patterns.

Of the \$56.2 million of Fiscal Year 2025 actual revenue to date, \$7 million is undistributed interest pooled in the Treasury-Tax Collector – Treasury budget pending allocation to departments, which in previous years was housed in a unique fund outside of the Treasury; this shift in allocation timing is ongoing.

### Delivering Efficient Public Services Four-Year Revenue Comparison

In Millions

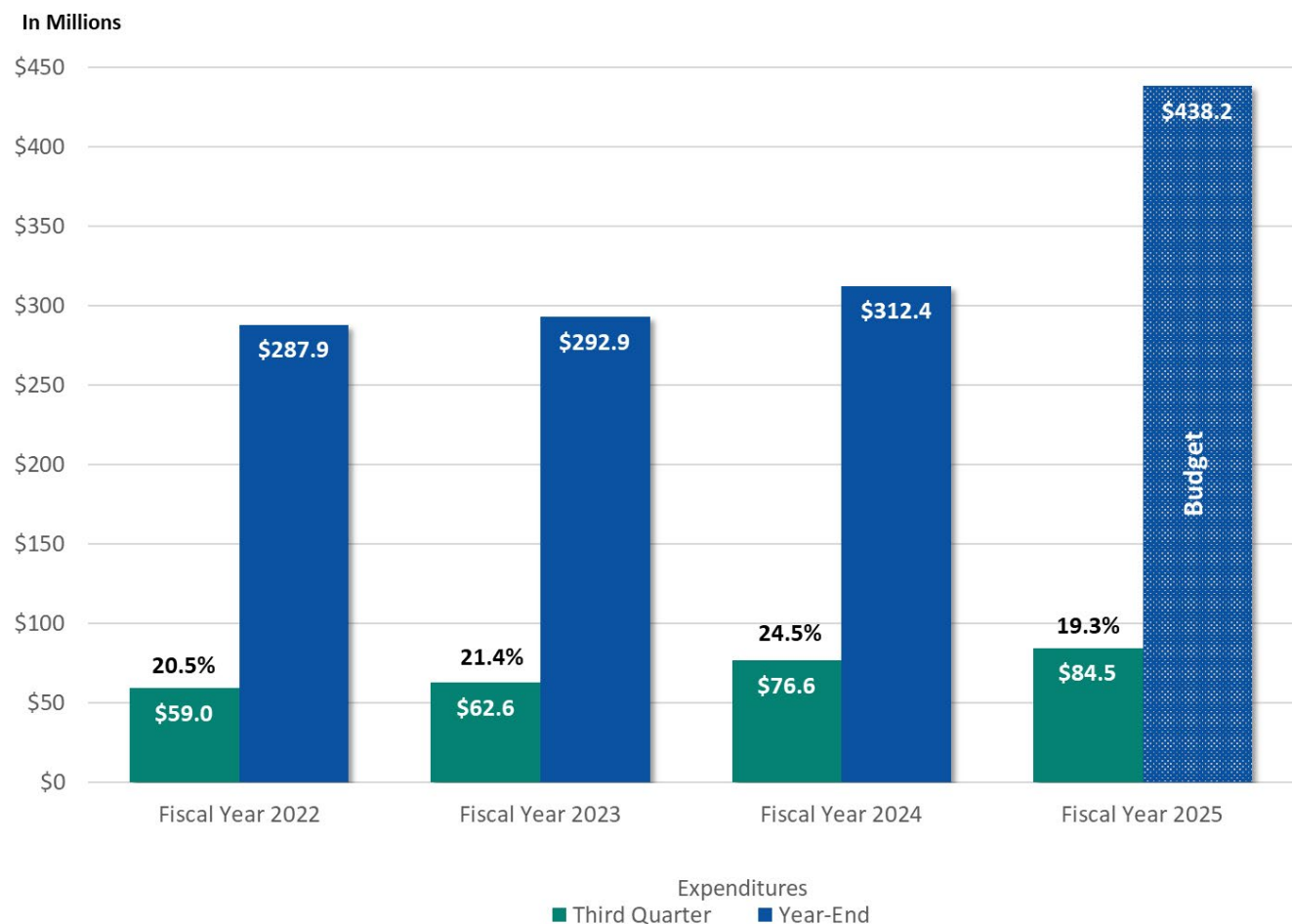


## Departmental Expenditures

As of September 30, 2024, expenditures in this Board priority area totaled \$84.5 million, representing 19.3% of appropriations budgeted for the year. Expenditures at the first quarter point of the previous three fiscal years ranged from 20.5% to 24.5% of the final actual expenditures, placing this year outside the historical range.

Expenditures have increased by \$7.9 million over the previous fiscal year. Most increases are in County Operations, including increases in the Crows Landing Industrial Business Park (CLIBP) project and County Court Funding, additional allocations through General Fund Contributions, and increased General Liability premiums. However, the Fiscal Year 2025 budget is significantly higher than prior year actuals, primarily due to a \$59.1 million increase allocated to support the CLIBP. Excluding these project expenses, the Fiscal Year 2025 budget would stand at \$379.1 million, bringing the actuals-to-budget ratio within an acceptable range of 22%.

### Delivering Efficient Public Services Four-Year Expenditures Comparison



## Assessor

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History        | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Assessor</b>           |                    |                    |                    |                    |                         |                      |
| 0100 ASR0001 General Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue             | \$1,416,365        | \$1,386,744        | \$1,669,633        | \$1,627,589        | \$1,353,071             | 120.29%              |
| Use of Fund Balance       | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs               | \$6,854,142        | \$7,959,786        | \$7,967,649        | \$9,503,865        | \$9,961,120             | 95.41%               |
| Net County Cost           | \$5,437,777        | \$6,573,042        | \$6,298,016        | \$7,876,276        | \$8,608,049             | 91.50%               |

The Department's primary revenue is generated through the Property Tax Administration Fee (PTAF) cost recovery program, which is shared with the Auditor-Controller's Office, the Clerk of the Board (Assessment Appeals Board), and the Tax Collector's Office. This fee is distributed according to each department's proportion of property tax revenue apportionment, which is closely tied to fluctuations in the real estate market.

In Fiscal Year 2021, Gross Costs were unusually low due to a high vacancy rate within the Department. Since then, vacancies have been progressively filled. The rise in Gross Costs is largely attributable to increasing expenses in IT services, salaries, and ongoing growth in the cost of living, retirement, and healthcare. In Fiscal Year 2022, the Department piloted a deed reading software using one-time funds received through Performance Visioning Carryover Savings (PVCS) of which ended after the pilot. Additionally in Fiscal Year 2024, funds allocated for the Department's counter remodel in the amount of \$442,000 were transferred to the General Services Agency's Capital Project budget. These costs are considered one-time costs and are not indicative of a long-term trend.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Assessor State Grants</b>      |                    |                    |                    |                    |                         |                      |
| 172A ASR0002 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$100,000          | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance               | (\$40,000)         | \$120,000          | \$222,500          | \$118,151          | \$118,500               | 99.71%               |
| Gross Costs                       | \$110,000          | \$120,000          | \$222,500          | \$118,151          | \$118,500               | 99.71%               |
| Net County Cost                   | \$50,000           | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The Assessor State Grants budget unit was established in Fiscal Year 2019 with a budget of \$370,000. This funding was intended to support County Assessors through the California Department of Finance's 2018 State Supplementation for County Assessor's Program, as approved by Board Resolution 2018-0433.

The State Grant was issued in three installments, with the final installment of \$100,000 provided in Fiscal Year 2021, bringing the total grant amount to \$570,000. The program required a 50% local match, resulting in a Net County Cost of \$50,000 in Fiscal Year 2021 for the final allocation year.

The revenue from this grant has been used to acquire and maintain a new valuation tool for appraising commercial and industrial properties. Although the implementation of the program was delayed due to COVID-19, it was fully operational by Fiscal Year 2023.

### Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.

| Multi-Year History        | July 1, 2021     | July 1, 2022     | July 1, 2023     | July 1, 2024     |
|---------------------------|------------------|------------------|------------------|------------------|
| Assessor State Grants     | \$635,000        | \$515,000        | \$292,500        | \$174,349        |
| <b>Total Fund Balance</b> | <b>\$635,000</b> | <b>\$515,000</b> | <b>\$292,500</b> | <b>\$174,349</b> |

Note: Table only reflects non-general fund units

Revenue from the Assessor State Grants fund was allocated for the acquisition of a new valuation tool and related costs to support the appraisal of commercial and industrial properties, leading to improved efficiencies. Although the implementation of the program was delayed due to COVID-19, it is now fully operational.

The total Assessor State Grant amounted to \$570,000, with a 50% local match of \$285,000, bringing the total funding to \$855,000. The remaining fund balance is being used to cover system completion, benchmarking, and ongoing maintenance costs.

Once the fund balance is depleted, the Assessor's office will request additional Net County Cost to continue supporting these appraisal-related expenses.

## Auditor-Controller

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

### Budget Performance

| Multi-Year History        | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Auditor-Controller</b> |                    |                    |                    |                    |                         |                      |
| 0100 AC00001 General Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue             | \$3,291,049        | \$2,788,349        | \$2,650,611        | \$3,548,822        | \$3,772,822             | 94.06%               |
| Use of Fund Balance       | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs               | \$4,783,587        | \$4,225,402        | \$4,462,840        | \$5,574,055        | \$6,262,021             | 89.01%               |
| Net County Cost           | \$1,492,538        | \$1,437,053        | \$1,812,229        | \$2,025,233        | \$2,489,199             | 81.36%               |

In the past few fiscal years, revenue has fluctuated with a significant increase in Fiscal Year 2024. Auditor-Controller's revenue is generated through its Cost Allocation Plan (CAP), where expenses such as staffing are allocated to various departments. Fluctuations in staffing levels directly impact the amount of CAP revenue the Auditor-Controller's office receives. The decrease in revenue during Fiscal Years 2022 and 2023 was primarily due to staff time being allocated to the Enterprise Resource Planning (ERP) project, resulting in reduced CAP revenue for those years.

Similarly, expenditures have risen significantly over the past two fiscal years due to salaries and benefits no longer being allocated to the ERP project. Despite staffing shortages, the Auditor-Controller's Office has incurred additional costs related to overtime, temporary agency staff, and part-time extra help.

| Multi-Year History                                     | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Auditor-Controller Enterprise Resource Planning</b> |                    |                    |                    |                    |                         |                      |
| 5401 AC00004 Internal Service Fund                     |                    |                    |                    |                    |                         |                      |
| Total Revenue  | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance                                    | (\$367,377)        | (\$3,333,994)      | \$2,885,049        | \$268,760          | \$1,480,718             | 18.15%               |
| Gross Costs  | \$262,623          | \$2,956,101        | \$2,901,135        | \$268,760          | \$1,480,718             | 18.15%               |
| Net County Cost  | \$630,000          | \$6,290,095        | \$16,086           | \$0                | \$0                     | 0.00%                |

This budget was established to implement the Oracle Cloud Financial Management System (FMS). The County successfully implemented the new FMS in October 2022 and launched the Budget Module in March 2023, supported by Net County Cost. The County continues to collaborate with its system integrator, Application Software Technologies (AST), for post-implementation services aimed at enhancing system performance, functionality, and reporting capabilities. Fund balance will be allocated to cover the remaining term of the AST contract through June 2027.

#### Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a department total for each fiscal year.

| Multi-Year History                              | July 1, 2021     | July 1, 2022       | July 1, 2023     | July 1, 2024     |
|---|------------------|--------------------|------------------|------------------|
| Auditor-Controller Enterprise Resource Planning | \$695,523        | \$4,029,516        | \$933,621        | \$664,862        |
| <b>Total Fund Balance</b>                       | <b>\$695,523</b> | <b>\$4,029,516</b> | <b>\$933,621</b> | <b>\$664,862</b> |

Note: Table only reflects non-general fund units

An Internal Service Fund (ISF) was established in the Fiscal Year 2020 Midyear Budget to track costs associated with the multi-year Enterprise Resource Planning (ERP) project.

It is not anticipated that additional funding requests will be made for this ISF, as it was created solely to track planning and implementation costs associated with the new FMS and Budget Module project. The County successfully implemented the new FMS in October 2022 and launched the Budget Module in March 2023. The County continues to collaborate with its system integrator, AST, for post-implementation services aimed at enhancing system performance, functionality, and reporting capabilities. The existing fund balance will be allocated to cover the remaining term of the AST contract through June 2027.

## Board of Supervisors

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following table identifies four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History          | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Board of Supervisors</b> |                    |                    |                    |                    |                         |                      |
| 0100 BOS0001 General Fund   |                    |                    |                    |                    |                         |                      |
| Total Revenue               | \$65,642           | \$65,558           | \$62,856           | \$63,207           | \$63,959                | 98.82%               |
| Use of Fund Balance         | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                 | \$1,295,375        | \$1,357,029        | \$1,577,202        | \$1,804,851        | \$2,242,373             | 80.49%               |
| Net County Cost             | \$1,229,733        | \$1,291,471        | \$1,514,346        | \$1,741,644        | \$2,178,414             | 79.95%               |

Revenue is steadily returning to previous fiscal year levels after taking a 4.1% decrease in Fiscal Year 2023. Costs have increased on average 11.8% annually, requiring additional Net County Cost. This is attributed to standard cost-of-doing-business increases, filling vacant positions, the return of Board travel post COVID-19, the Old Minute Books restoration project, and the cubicle remodel project.

## Chief Executive Office - Administration

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following table identifies four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History        | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>CEO Administration</b> |                    |                    |                    |                    |                         |                      |
| 0100 CEO0001 General Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue             | \$3,766,628        | \$2,974,899        | \$3,386,339        | \$3,864,941        | \$3,606,900             | 107.15%              |
| Use of Fund Balance       | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs               | \$7,715,393        | \$7,109,210        | \$7,724,719        | \$9,275,808        | \$10,416,804            | 89.05%               |
| Net County Cost           | \$3,948,764        | \$4,134,311        | \$4,338,381        | \$5,410,867        | \$6,809,904             | 79.46%               |

Costs in Fiscal Year 2021 included a transfer to Human Relations supporting a departmental reorganization and COVID-related costs that were supported with Coronavirus Relief Funds, which was discontinued in 2022. Additional decreases in 2022 occurred due to a rise in departmental vacancies and redirection of Chief Executive Office (CEO) staff to one-time projects reported in other budget units. From Fiscal Year 2022 to Fiscal Year 2024, costs steadily increased, reflecting rising expenses in salaries, benefits, supplies, and overhead. Revenue, primarily generated from service charges under the County's Cost Allocation Plan, has risen in line with these increasing costs over the past three years.

## First Quarter Issues and Recommendations

A technical adjustment related to cannabis funding for the Department is noted in Technical Adjustments at the end of this report.

## Chief Executive Office – Human Relations

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History         | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|----------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>CEO Human Relations</b> |                    |                    |                    |                    |                         |                      |
| 0100 HR00001 General Fund  |                    |                    |                    |                    |                         |                      |
| Total Revenue              | \$2,620,058        | \$3,569,183        | \$4,420,068        | \$4,937,148        | \$4,846,665             | 101.87%              |
| Use of Fund Balance        | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                | \$4,506,298        | \$5,557,505        | \$6,491,991        | \$7,454,321        | \$8,210,693             | 90.79%               |
| Net County Cost            | \$1,886,240        | \$1,988,322        | \$2,071,922        | \$2,517,173        | \$3,364,028             | 74.83%               |

Staffing increased in total by 15 over the past four years to better align staff and workload within functional units. Costs have steadily increased reflecting rising expenses in salaries, benefits, supplies, and overhead. Revenue is primarily generated from service charges under the County's Cost Allocation Plan, which has risen with these increasing costs over the past three years. Net County Cost has ranged from 41.9% of total Gross Costs to a low of 31.9% of Gross Costs as efficiencies are implemented to reduce the reliance on Net County Cost and better protect General Fund dollars.

## Clerk-Recorder

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History        | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Clerk-Recorder</b>     |                    |                    |                    |                    |                         |                      |
| 0100 CLK0001 General Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue             | \$3,703,318        | \$3,303,000        | \$2,360,231        | \$2,007,456        | \$2,052,369             | 97.81%               |
| Use of Fund Balance       | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs               | \$3,127,425        | \$3,801,346        | \$3,718,088        | \$3,735,099        | \$4,182,860             | 89.30%               |
| Net County Cost           | (\$575,893)        | \$498,346          | \$1,357,857        | \$1,727,643        | \$2,130,491             | 81.09%               |

The Clerk-Recorder budget unit has experienced a decline in total revenue from Fiscal Year 2021 to Fiscal Year 2024, dropping from \$3.7 million to approximately \$2 million. This decline reflects the impact of a depressed



housing market, which has significantly slowed real property sales and in turn property recording fees. Forecasting revenue for the Clerk-Recorder is challenging, as it is closely linked to the fluctuations in the housing market and related refinancing activities. While Gross Costs have remained relatively stable, the decline in revenue is impacting the Net County Cost necessary to cover operational expenses.

| Multi-Year History              | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Clerk-Recorder Elections</b> |                    |                    |                    |                    |                         |                      |
| 0100 CLK0002 General Fund       |                    |                    |                    |                    |                         |                      |
| Total Revenue                   | \$2,625,676        | \$2,246,090        | \$1,647,955        | \$913,321          | \$970,228               | 94.13%               |
| Use of Fund Balance             | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                     | \$5,145,561        | \$5,033,182        | \$4,833,723        | \$5,165,886        | \$6,524,485             | 79.18%               |
| Net County Cost                 | \$2,519,885        | \$2,787,092        | \$3,185,768        | \$4,252,566        | \$5,554,257             | 76.56%               |

The Clerk-Recorder Elections revenue fluctuates year to year based on the different types of election scheduled. While Gross Costs have remained relatively stable, they are influenced by the election cycle, which also affects the utilization of Net County Cost.

| Multi-Year History                  | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Clerk-Recorder Modernization</b> |                    |                    |                    |                    |                         |                      |
| 1723 CLK0004 Special Revenue Fund   |                    |                    |                    |                    |                         |                      |
| Total Revenue                       | \$1,242,904        | \$1,010,961        | \$513,296          | \$465,462          | \$500,000               | 93.09%               |
| Use of Fund Balance                 | \$115,567          | (\$199,251)        | (\$2,173)          | \$328,441          | \$841,449               | 39.03%               |
| Gross Costs                         | \$1,358,471        | \$811,709          | \$511,123          | \$793,903          | \$1,341,449             | 59.18%               |
| Net County Cost                     | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The Clerk-Recorder Modernization fund has experienced a downward trend in total revenue, decreasing from \$1.2 million in Fiscal Year 2021 to \$465,462 in Fiscal Year 2024. This decline is a result of reduced property recording fees during the housing market slowdown. Additionally, Gross Costs have varied in response to necessary software purchases aimed at modernizing division equipment.

| Multi-Year History                                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Clerk-Recorder Vital and Health Statistics</b> |                    |                    |                    |                    |                         |                      |
| 1786 CLK0005 Special Revenue Fund                 |                    |                    |                    |                    |                         |                      |
| Total Revenue                                     | \$63,719           | \$74,274           | \$79,285           | \$75,413           | \$56,650                | 133.12%              |
| Use of Fund Balance                               | \$54,963           | (\$12,863)         | (\$61,838)         | (\$16,931)         | \$7,443                 | -227.47%             |
| Gross Costs                                       | \$118,682          | \$61,411           | \$17,448           | \$58,481           | \$64,093                | 91.24%               |
| Net County Cost                                   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The Clerk-Recorder Vital and Health Statistics fund has demonstrated a consistent upward trend in total revenue, increased from \$63,719 in Fiscal Year 2021 to \$75,413 in Fiscal Year 2024. This growth is primarily due to a stable demand for certified copies of vital records. Additionally, Gross Costs have remained relatively low and stable during this period.

### Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.

| Multi-Year History                         | July 1, 2021       | July 1, 2022       | July 1, 2023       | July 1, 2024       |
|--|--------------------|--------------------|--------------------|--------------------|
| Clerk-Recorder Modernization               | \$2,274,574        | \$2,473,826        | \$2,475,998        | \$2,147,557        |
| Clerk-Recorder Vital and Health Statistics | 486,017            | 498,881            | 560,718            | 577,650            |
| <b>Total Fund Balance</b>                  | <b>\$2,760,592</b> | <b>\$2,972,706</b> | <b>\$3,036,717</b> | <b>\$2,725,207</b> |

Note: Table only reflects non-general fund units

**Clerk-Recorder Modernization** – This fund is funded by a portion of property recording fees. Recently, Stanislaus County has experienced a slowdown in real property sales due to a depressed housing market, leading to a notable decline in the Modernization fund balance. However, a recent reduction in interest rates, along with indications of further cuts, may stimulate an increase in real property transactions in upcoming fiscal years.

**Clerk-Recorder Vital and Health Statistics** – This fund is supported by a portion of certified copy fees. This fund balance has shown a consistent upward trend year over year. Given the stable demand for certified copies of vital records, it is anticipated that this positive trend will continue.

### First Quarter Issues and Recommendations

In the 2025 Proposed Budget, the Department identified a revenue shortfall of approximately \$1.1 million in the Clerk-Recorder budget due to the ongoing reduction in recording fees attributed to a slowing housing market. Multiple mitigation strategies were implemented in the 2025 Adopted Budget to address the shortfall. The remaining gap of \$280,440 required that the Department hold three Legal Clerk III positions vacant, pending deletion at first quarter.

**Staffing Recommendation:** It is recommended to delete three vacant block-budgeted Legal Clerk I/II/III positions to address property recording revenue shortfalls.

## County Counsel

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History        | FY 2021 Actuals | FY 2022 Actuals | FY 2023 Actuals | FY 2024 Actuals | FY 2024 Legal Budget | % of Legal Budget |
|---------------------------|-----------------|-----------------|-----------------|-----------------|----------------------|-------------------|
| <b>County Counsel</b>     |                 |                 |                 |                 |                      |                   |
| 0100 CC00001 General Fund |                 |                 |                 |                 |                      |                   |
| Total Revenue             | \$2,204,442     | \$2,307,046     | \$2,493,145     | \$2,799,968     | \$2,796,260          | 100.13%           |
| Use of Fund Balance       | \$0             | \$0             | \$0             | \$0             | \$0                  | 0.00%             |
| Gross Costs               | \$3,761,628     | \$4,284,154     | \$4,653,913     | \$4,826,310     | \$5,446,660          | 88.61%            |
| Net County Cost           | \$1,557,186     | \$1,977,108     | \$2,160,767     | \$2,026,341     | \$2,650,400          | 76.45%            |

The County Counsels' budget reflects a continuation of growth and performance trends observed in prior years. Gross Costs have a noticeable upward trend related to an increase in staffing positions; 18 positions in Fiscal Year 2021 to 22 positions in Fiscal Year 2024, which correspond to the growth seen in revenue that relies on charges

for services through the Cost Allocation Plan. The limited utilization of costs in Fiscal Year 2024 is attributable to an ongoing project that was not completed in that year.

### First Quarter Issues and Recommendations

A technical adjustment related to cannabis funding for the Department is noted in Technical Adjustments at the end of this report.

## County Operations

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History          | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Airport</b> |                    |                    |                    |                    |                         |                      |
| 0100 CO00006 General Fund   |                    |                    |                    |                    |                         |                      |
| Total Revenue               | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance         | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                 | \$180,000          | \$267,243          | \$0                | \$264,180          | \$264,180               | 100.00%              |
| Net County Cost             | \$180,000          | \$267,243          | \$0                | \$264,180          | \$264,180               | 100.00%              |

The Airport budget funds improvements at the Modesto City/County Airport using revenue received from aircraft taxes. The revenue received is transferred to the City of Modesto for improvements to the facility including airplane hangar maintenance, installation of fire suppression systems, and security improvements. Prior to Fiscal Year 2023, the revenue was transferred to Modesto in the same year it was received. This practice required a “true-up” after each fiscal year to ensure the amount transferred to Modesto matched the actual revenue collected. To eliminate the need to “true-up” annually, a process change was implemented in Fiscal Year 2023 to transfer the actual revenue to Modesto in the following fiscal year. Fluctuations in this budget correlate with the amount of aircraft taxes received in Discretionary Revenue.

| Multi-Year History                                  | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - American Rescue Plan Act (ARPA)</b> |                    |                    |                    |                    |                         |                      |
| 1676 CO00030 Special Revenue Fund                   |                    |                    |                    |                    |                         |                      |
| Total Revenue                                       | \$0                | \$3,348,287        | \$5,661,109        | \$10,118,070       | \$18,555,134            | 54.53%               |
| Use of Fund Balance                                 | \$0                | \$0                | \$0                | \$0                | \$237,186               | 0.00%                |
| Gross Costs   | \$0                | \$3,348,287        | \$5,661,109        | \$10,118,070       | \$18,792,320            | 53.84%               |
| Net County Cost                                     | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

ARPA projects and expenditures have been slowly ramping up since its inception in Fiscal Year 2022 and will continue to do so through December 2026, when all funds are required to be expensed.

| Multi-Year History                   | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Cannabis Program</b> |                    |                    |                    |                    |                         |                      |
| 4085 CO00028 Enterprise Fund         |                    |                    |                    |                    |                         |                      |
| Total Revenue                        | \$6,900,937        | \$3,974,723        | \$2,288,382        | \$2,271,251        | \$2,373,847             | 95.68%               |
| Use of Fund Balance                  | (\$3,213,554)      | (\$911,471)        | \$1,651,054        | \$388,941          | \$2,085,418             | 18.65%               |
| Gross Costs                          | \$3,687,383        | \$3,063,252        | \$3,939,436        | \$2,660,192        | \$4,459,265             | 59.66%               |
| Net County Cost                      | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The Cannabis Program provides oversight of community contribution programs, cannabis business activities, and program administration. Revenue stems from fees from Development Agreements between the County and permitted operators. This enterprise budget unit was established in Fiscal Year 2021, and upon establishment \$2.5 million in funding was transferred into the budget unit. Fee Revenue in Fiscal Years 2021 and 2022 totaled about \$4 million each year; however, revenue has steadily declined due to multiple factors. First, the Board of Supervisors terminated the collection of community benefit contributions for all operators and implemented a revised program. In addition, some Development Agreements have been amended, resulting in reduced fees. Finally, revenue has declined due to the nonpayment of fees.

Funds are primarily used to pay for department expenses associated with illegal cannabis enforcement. Participating departments include the Chief Executive Office, County Counsel, Department of Environmental Resources, District Attorney, Planning and Community Development, and Sheriff. Costs typically fluctuate based on the amount of staff time spent on enforcement. In addition, in Fiscal Year 2023, approximately \$750,000 in grants were awarded to local nonprofits using the accumulated community contribution fee revenue. In Fiscal Year 2024, Gross Costs represented 59.66% of Legal Budget; this is largely attributable to overestimation of the funding needed to support the Sheriff's Office. Cannabis program support to departments has been further adjusted for Fiscal Year 2025.

| Multi-Year History  | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Capital Improvement Finance Authority</b> |                    |                    |                    |                    |                         |                      |
| 0100 CO00005 General Fund                                 |                    |                    |                    |                    |                         |                      |
| Total Revenue   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance                                       | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs   | \$43,210           | \$56,132           | \$73,928           | \$6,159            | \$24,657                | 24.98%               |
| Net County Cost   | \$43,210           | \$56,132           | \$73,928           | \$6,159            | \$24,657                | 24.98%               |

This budget allocates funds for specific financial borrowing expenses associated with County financing initiatives and varies according to annual projects. The annual budget remains stable to facilitate the development of financing strategies and analysis in anticipation of any external borrowing. The low budget utilization in Fiscal Year 2024 is due to the lack of external borrowing.

| Multi-Year History                             | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Community Development Fund</b> |                    |                    |                    |                    |                         |                      |
| 0100 CO00002 General Fund                      |                    |                    |                    |                    |                         |                      |
| Total Revenue                                  | \$36,553,525       | \$1,270,678        | \$115,530          | \$67,339           | \$0                     | 0.00%                |
| Use of Fund Balance                            | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                                    | \$37,710,620       | \$2,070,864        | \$116,840          | \$337,709          | \$581,500               | 58.08%               |
| Net County Cost                                | \$1,157,096        | \$800,186          | \$1,310            | \$270,370          | \$581,500               | 46.50%               |

The Community Development Fund pays for one-time programs and projects that enhance community infrastructure or services. During the COVID-19 pandemic this budget unit was used to receive and distribute Coronavirus Relief Funds in Fiscal Years 2021 and 2022. In total, \$36.9 million of Federal revenue was received in Fiscal Year 2021 and \$1.4 million was received in Fiscal Year 2022. This revenue was used to fund the response to the COVID-19 pandemic, which included grant programs to local business and nonprofits as well as social service programs. Resuming in Fiscal Year 2023, revenue and expenditures were limited to Community Development Fund projects. Revenue is derived from interest earnings and expenditures fluctuate annually with the implementation of projects. Community Development Fund Policy requires the budget unit begin each year with \$500,000 in appropriations and maintain a minimum of \$250,000 in available appropriations. The Fiscal Year 2024 Legal Budget was adjusted up to \$581,000 to adhere to the policy. Fiscal Year 2024 actuals included \$100,000 for the Sisk Rd. at Pirrone Rd. Traffic Signal Project, \$190,000 for the Keyes Rd. at Morgan Rd. Intersection Improvement Project, and \$17,500 to support the Oakdale Rural Fire Protection District, as well as expenses for various community cleanups.

| Multi-Year History                       | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - County Court Funding</b> |                    |                    |                    |                    |                         |                      |
| 0100 CO00010 General Fund                |                    |                    |                    |                    |                         |                      |
| Total Revenue                            | \$2,544,164        | \$2,417,528        | \$2,165,933        | \$2,760,676        | \$2,582,000             | 106.92%              |
| Use of Fund Balance                      | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                              | \$5,838,409        | \$5,998,132        | \$5,920,675        | \$6,156,481        | \$6,181,779             | 99.59%               |
| Net County Cost                          | \$3,294,245        | \$3,580,604        | \$3,754,742        | \$3,395,805        | \$3,599,779             | 94.33%               |

Although many expenditures in this budget unit are fixed through mandated Memoranda of Understanding (MOU) with the State, revenues received over the fixed revenue MOU amount are required to be split evenly with the State, increasing expenditures as revenues increase. Revenue had slowed as Courts postponed hearings and offered extended payment deadlines and other types of relief during the COVID-19 pandemic but began increasing in Fiscal Year 2024.

| Multi-Year History                               | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Courthouse Construction Fund</b> |                    |                    |                    |                    |                         |                      |
| 2025 CO00026 Capital Project Fund                |                    |                    |                    |                    |                         |                      |
| Total Revenue                                    | \$216,249          | \$168,399          | \$340,446          | \$289,343          | \$260,000               | 111.29%              |
| Use of Fund Balance                              | \$548,186          | \$552,012          | \$410,274          | \$541,464          | \$570,809               | 94.86%               |
| Gross Costs                                      | \$764,436          | \$720,411          | \$750,720          | \$830,808          | \$830,809               | 100.00%              |
| Net County Cost                                  | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The budget unit has been fairly consistent in current years, with some larger variances in Fiscal Years 2022 and 2023 due to technical adjustments to Fair Market Value that understated revenues in Fiscal Year 2022 and overstated revenues in Fiscal Year 2023. Costs solely include MOU payments to the Courts for leases for civil courtrooms. Beginning in Fiscal Year 2025 and continuing through the end of the MOU in Fiscal Year 2027, Gross Costs will decrease as dictated by the MOU with the Courts.

| Multi-Year History                                   | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Criminal Justice Facilities Fund</b> |                    |                    |                    |                    |                         |                      |
| 2026 CO00027 Capital Project Fund                    |                    |                    |                    |                    |                         |                      |
| Total Revenue  | \$331,960          | \$268,957          | \$465,302          | \$424,157          | \$311,400               | 136.21%              |
| Use of Fund Balance                                  | (\$296,704)        | (\$233,701)        | (\$429,953)        | (\$387,383)        | (\$274,626)             | 141.06%              |
| Gross Costs  | \$35,256           | \$35,256           | \$35,349           | \$36,774           | \$36,774                | 100.00%              |
| Net County Cost                                      | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The budget unit has been fairly consistent in current years, with some variance in Fiscal Years 2022 and 2023 due to technical adjustments to Fair Market Value that understated revenues in Fiscal Year 2022 and overstated revenues in Fiscal Year 2023. Revenue had slowed as Courts postponed hearings and offered extended payment deadlines and other types of relief during the COVID-19 pandemic but began increasing in Fiscal Year 2024.

| Multi-Year History  | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Crows Landing Air Facility (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 0100 CO00007 General Fund                                     |                    |                    |                    |                    |                         |                      |
| Total Revenue   | \$242,169          | \$220,459          | (\$38,270)         | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs   | \$2,320,606        | \$747,861          | (\$2,560,181)      | \$0                | \$0                     | 0.00%                |
| Net County Cost   | \$2,078,437        | \$527,402          | (\$2,521,910)      | \$0                | \$0                     | 0.00%                |

This budget unit formerly funded costs associated with the development of the Crows Landing Industrial Business Park. Revenue is generated by an Agricultural Lease and the temporary use of the airfield by businesses and other organizations. The \$2.3 million of expenses in Fiscal Year 2021 is mostly driven by engineering costs for the design of Phase 1A of the park and the purchase of property for the future site of a water well. Fiscal Year 2022 expenses include engineering costs for the design of Phase 1A as well as security expenses. In Fiscal Year 2023, this legal budget unit was discontinued in favor of a capital project fund budget unit. Fiscal Year 2023 actuals include adjustments made by the Auditor-Controller's Office to close out the budget unit.

| Multi-Year History  | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Crows Landing Industrial Business Project</b> |                    |                    |                    |                    |                         |                      |
| 2210 CO00025 Capital Project Fund                             |                    |                    |                    |                    |                         |                      |
| Total Revenue   | \$0                | \$0                | \$188,487          | \$490,774          | \$1,517,595             | 32.34%               |
| Use of Fund Balance   | \$0                | \$0                | (\$2,666,728)      | \$512,837          | \$2,311,539             | 22.19%               |
| Gross Costs   | \$0                | \$0                | \$1,311,758        | \$1,003,611        | \$3,829,134             | 26.21%               |
| Net County Cost   | \$0                | \$0                | \$3,790,000        | \$0                | \$0                     | 0.00%                |

This budget unit currently funds costs associated with the development of the Crows Landing Industrial Business Park (CLIBP). As such, expenses fluctuate annually based on the progress of the project. Revenue is generated by an Agricultural Lease and the temporary use of the airfield by businesses and other organizations. As part of the establishment of the legal budget unit, approximately \$2.7 million in General Fund accumulated in prior years was transferred into the budget unit. In Fiscal Year 2023, an additional \$1 million in General Fund support was transferred to the budget unit for the drilling of a water well for the project. Fiscal Year 2023 expenses include \$883,441 for the drilling of the CLIBP Well No. 1 and nearly \$300,000 for professional services, including engineering and legal costs associated with the development of the CLIBP. Fiscal Year 2024 expenses are largely in line with Fiscal Year 2023 and include the remaining expenses related to the drilling of CLIBP Well No. 1. In Fiscal

Year 2024, Legal Budget revenue and appropriations were increased to fund rehabilitation work on the Crows Landing Community Services District Well No. 4. This project was initiated in Fiscal Year 2024; however, work and expenses for the project were not carried out until Fiscal Year 2025 resulting in year-end totals being significantly under budget.

| Multi-Year History               | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Debt Service</b> |                    |                    |                    |                    |                         |                      |
| 0100 CO00009 General Fund        |                    |                    |                    |                    |                         |                      |
| Total Revenue                    | \$2,199,471        | \$1,886,773        | \$971,656          | \$893,127          | \$1,065,000             | 83.86%               |
| Use of Fund Balance              | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                      | \$678,408          | \$621,280          | \$677,792          | \$676,523          | \$849,200               | 79.67%               |
| Net County Cost                  | (\$1,521,063)      | (\$1,265,493)      | (\$293,864)        | (\$216,604)        | (\$215,800)             | 100.37%              |

Stable revenue for this budget were generated from the amortization of expenses for facilities and projects allocated to benefiting departments. Other revenue and costs vary based on the County's level of debt. This fund includes the Heating, Ventilation, and Air Conditioning (HVAC) unit for the Community Services Facility, which was approved in Fiscal Year 2018.

| Multi-Year History                        | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Deferred Compensation</b> |                    |                    |                    |                    |                         |                      |
| 5094 CO00023 Internal Service Fund        |                    |                    |                    |                    |                         |                      |
| Total Revenue                             | \$154,187          | \$172,565          | \$10,388           | \$182,293          | \$166,557               | 109.45%              |
| Use of Fund Balance                       | (\$68,526)         | (\$74,067)         | \$111,638          | (\$64,470)         | (\$18,024)              | 357.69%              |
| Gross Costs                               | \$85,661           | \$98,498           | \$122,026          | \$117,823          | \$148,533               | 79.32%               |
| Net County Cost                           | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

From Fiscal Years 2021 to 2024, costs steadily increased reflecting fluctuations in contracts and County Cost Allocation Plan (CAP) changes related to staff salaries. Revenue generated from participant fees has also risen in line with these increasing costs over the past three years. However, actual revenue receipts for fees collected from participants came in higher than anticipated and costs did not materialize as expected, accumulating significant savings reflected in an increasing fund balance by Fiscal Year 2023. Therefore, \$150,000 was refunded out of revenue to the County's Deferred Compensation Plan participants in Fiscal Year 2023.

| Multi-Year History                 | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Dental</b>         |                    |                    |                    |                    |                         |                      |
| 5101 CO00022 Internal Service Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                      | \$3,779,905        | \$3,620,713        | \$4,085,907        | \$3,977,078        | \$4,119,666             | 96.54%               |
| Use of Fund Balance                | \$394,957          | \$185,767          | (\$324,441)        | (\$2,130)          | \$428,257               | -0.50%               |
| Gross Costs                        | \$4,174,862        | \$3,806,480        | \$3,761,467        | \$3,974,948        | \$4,547,923             | 87.40%               |
| Net County Cost                    | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The State Controller's Office (SCO) guidelines suggest retained earnings should not exceed the actuarially identified funding level referred to as the 95% confidence level for self-insurance programs. Dental rates paid by County departments and dental plan participants were increased or lowered to cover the costs for dental claims and administration while also providing for retained earnings levels that meet SCO guidelines. Dental rates were decreased in 2024 by 8% for the Dental Core Plan and 11% for the Dental Buy-up Plan to allow for a draw-down of



retained earnings, bringing the balance more in line with the amount allowed by SCO guidelines. The low budget utilization for Fiscal Year 2021 through Fiscal Year 2023 represents a decrease in utilization during the COVID-19 pandemic. Utilization post COVID has been significantly different than pre-COVID, resulting in retained earnings exceeding what is needed. Claims costs increased in Fiscal Year 2024 and are projected to continue to increase in Fiscal Year 2025.

| Multi-Year History   | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Department of Justice Drug and Alcohol</b> |                    |                    |                    |                    |                         |                      |
| 1726 CO00014 Special Revenue Fund                          |                    |                    |                    |                    |                         |                      |
| Total Revenue  | \$43,610           | \$44,345           | \$31,453           | \$70,364           | \$30,000                | 234.55%              |
| Use of Fund Balance  | \$40,589           | \$44,513           | \$58,578           | \$24,283           | \$30,000                | 80.94%               |
| Gross Costs  | \$84,199           | \$88,858           | \$90,031           | \$94,647           | \$110,000               | 86.04%               |
| Net County Cost  | \$0                | \$0                | \$0                | \$0                | \$50,000                | 0.00%                |

The budget unit has been fairly consistent in current years, with expenditures increasing slightly as the cost of drug and alcohol tests have increased. Revenue had slowed as Courts postponed hearings and offered extended payment deadlines and other types of relief during the COVID-19 pandemic, but began increasing in Fiscal Year 2024.

| Multi-Year History                            | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Economic Development Bank</b> |                    |                    |                    |                    |                         |                      |
| 0100 CO00001 General Fund                     |                    |                    |                    |                    |                         |                      |
| Total Revenue                                 | \$116              | (\$28,032)         | \$40,067           | \$19,758           | \$0                     | 0.00%                |
| Use of Fund Balance                           | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                                   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Net County Cost                               | (\$116)            | \$28,032           | (\$40,067)         | (\$19,758)         | \$0                     | 0.00%                |

The Economic Development Bank is used to fund economic and development projects in the County. No expenses have been incurred during the reporting period. Revenue is generally from interest earnings and adjustments to the fair market value of investments, which can result in the Fiscal Year 2022 negative revenue amount.

| Multi-Year History   | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Emergency Rental Assistance Program (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 1675 CO00029 Special Revenue Fund                                      |                    |                    |                    |                    |                         |                      |
| Total Revenue  | \$193,534          | \$3,221,029        | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance  | \$209,647          | (\$209,647)        | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs  | \$403,182          | \$3,011,382        | \$0                | \$0                | \$0                     | 0.00%                |
| Net County Cost  | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

This budget unit managed the Emergency Rental Assistance Program (ERAP) funding for economic relief developed to assist households that were unable to pay rent and utilities due to the COVID-19 pandemic. Nearly \$10 million in funding was accepted on February 23, 2021. Expenses were minimal in Fiscal Year 2021 as the program ramped up, with the bulk of expenditures being incurred in Fiscal Year 2022 to assist 377 eligible households. In Fiscal Year 2022, the Board of Supervisors authorized the California Department of Housing and Community Development Department to administer the program on behalf of the County.

| Multi-Year History                                     | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Focus on Prevention (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 0100 CO00003 General Fund                              |                    |                    |                    |                    |                         |                      |
| Total Revenue  | \$102,345          | \$649              | \$0                | \$0                | \$100,000               | 0.00%                |
| Use of Fund Balance                                    | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs  | \$402,740          | \$467,228          | \$675,648          | \$556,087          | \$1,132,178             | 49.12%               |
| Net County Cost  | \$300,395          | \$466,580          | \$675,648          | \$556,087          | \$1,032,178             | 53.88%               |

Over the past four years, the Focus on Prevention budget has shown fluctuations driven by program activities. During the first three years, costs increased as program activities focused on Housing, Education, and Safe Neighborhoods expanded. In Fiscal Year 2022, activities supporting strengthening families shifted to other County departments, resulting in the end of revenue from Local Innovation Realignment Funds. Costs in Fiscal Year 2024 decreased following the end of the agreement with the Stanislaus County Office of Education, leading to budget utilization of approximately 54% of the \$1 million Net County Cost contribution in the final year of the 10-year Board commitment to the Focus on Prevention Initiative.

| Multi-Year History                             | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - General Fund Contributions</b> |                    |                    |                    |                    |                         |                      |
| 0100 CO00011 General Fund                      |                    |                    |                    |                    |                         |                      |
| Total Revenue                                  | \$523              | \$1,453,788        | \$951              | \$5,273            | \$0                     | 0.00%                |
| Use of Fund Balance                            | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                                    | \$31,776,343       | \$62,234,269       | \$56,059,235       | \$39,239,386       | \$42,277,059            | 92.81%               |
| Net County Cost                                | \$31,775,820       | \$60,780,482       | \$56,058,283       | \$39,234,113       | \$42,277,059            | 92.80%               |

Costs for this budget vary according to the needs of County departments and other agencies. It primarily relies on the General Fund and typically generates minimal revenue from Vehicle Code Fines. However, in Fiscal Year 2022, General Services Agency concluded several Capital Improvement Plans (CIP), resulting in a return of \$1.5 million to the General Fund.

| Multi-Year History   | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - General Fund Match Pass Thru Vehicle License Fee</b> |                    |                    |                    |                    |                         |                      |
| 0100 CO00012 General Fund  |                    |                    |                    |                    |                         |                      |
| Total Revenue  | \$31,752,840       | \$36,829,403       | \$33,340,516       | \$34,399,973       | \$41,200,000            | 83.50%               |
| Use of Fund Balance  | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs  | \$31,752,840       | \$36,829,403       | \$32,866,824       | \$34,399,973       | \$41,200,000            | 83.50%               |
| Net County Cost  | (\$0)              | \$0                | (\$473,692)        | \$0                | \$0                     | 0.00%                |

This budget functions as a pass-through for designated health and social services programs and varies according to the collection of Vehicle License Fees (VLF) from the State. All revenue received is allocated to ensure an annual net zero impact. However, the timing of expenditures between Fiscal Years 2022 and 2023 resulted in an anomaly in Net County Cost in Fiscal Year 2023.

| Multi-Year History                    | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - General Liability</b> |                    |                    |                    |                    |                         |                      |
| 5051 CO00016 Internal Service Fund    |                    |                    |                    |                    |                         |                      |
| Total Revenue                         | \$8,107,715        | \$10,666,644       | \$15,309,366       | \$15,796,668       | \$15,898,601            | 99.36%               |
| Use of Fund Balance                   | \$720,665          | \$1,354,275        | (\$1,771,009)      | \$1,784,600        | \$2,226,542             | 80.15%               |
| Gross Costs                           | \$8,828,381        | \$12,020,919       | \$13,538,357       | \$17,581,268       | \$18,125,143            | 97.00%               |
| Net County Cost                       | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The trend for this program reflects the variances in the actual claims activities for costs up to \$250,000 per eligible claim; an excess insurance policy provides reimbursement for all allowable costs once the \$250,000 deductible has been met. Fluctuations in use of retained earnings reflect a deficit repayment plan implemented to rebuild retained earnings. In Fiscal Year 2023, actual insurance premiums the County paid were lower than had been projected during rates setting, resulting in revenue collected more than Gross Costs and contributing back to the retained earnings balance. General Liability insurance premiums have significantly increased year over year in the past four years. The revenue has also increased through rates set for the Cost Allocation Plan to fund the increases in insurance premiums and loss expense costs.

| Multi-Year History                         | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Medical Self-Insurance</b> |                    |                    |                    |                    |                         |                      |
| 5091 CO00020 Internal Service Fund         |                    |                    |                    |                    |                         |                      |
| Total Revenue                              | \$66,785,312       | \$61,503,217       | \$64,753,545       | \$74,805,040       | \$74,087,659            | 100.97%              |
| Use of Fund Balance                        | (\$10,131,062)     | \$11,588,113       | \$7,204,799        | (\$675,905)        | \$9,041,972             | -7.48%               |
| Gross Costs                                | \$56,654,250       | \$73,091,330       | \$71,958,344       | \$74,129,135       | \$83,129,631            | 89.17%               |
| Net County Cost                            | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Actual Gross Costs vary from year to year based on the number of claims processed, the timing of claim payments, and the reimbursement of large claims by the County's stop-loss carrier. In January 2022, the department strategically reduced medical rates by 10% to draw-down excess reserves. Due to an unanticipated increase in expenditures in the Medical Plan and declining reserves beyond those planned in the following year, rates were increased by 15% in January 2023 to fund those excess costs. Due to a further decline in reserves, rates were again increased by 15% in January 2024 to reduce the accelerated draw down of reserves. Gross Costs decreased in Fiscal Year 2021 affected by COVID-19 pandemic protocols. During the COVID-19 pandemic, there was a closure of medical facilities impacting non-COVID-19 office visits, inpatient visits, and surgeries. COVID-19 changed the priorities of medical and surgical procedures disrupting routine and non-emergency medical care access and delivery. In addition, low staffing levels at the medical facilities resulted in delayed billings. However, from Fiscal Years 2022 to 2024, costs steadily increased reflecting rising expenses in specialty drugs, contract increases, stop loss insurance premium increases and utilization of services.

| Multi-Year History                          | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Other Employee Benefits</b> |                    |                    |                    |                    |                         |                      |
| 5093 CO00021 Internal Service Fund          |                    |                    |                    |                    |                         |                      |
| Total Revenue                               | \$143,562          | \$150,557          | \$164,043          | \$109,464          | \$204,486               | 53.53%               |
| Use of Fund Balance                         | (\$24,654)         | (\$32,638)         | (\$37,759)         | \$24,589           | (\$68,029)              | -36.14%              |
| Gross Costs                                 | \$118,908          | \$117,919          | \$126,284          | \$134,053          | \$136,457               | 98.24%               |
| Net County Cost                             | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Other Employee Benefits contains costs and revenues for several supplemental insurances and salary costs for Employee Benefits staff. From Fiscal Years 2021 to 2024, Gross Costs steadily increased reflecting fluctuations in staffing levels and County Cost Allocation Plan (CAP) changes. Revenue is primarily generated from supplemental insurances. In Fiscal Year 2024, it was discovered that Admin Fee revenue had been incorrectly posted to this fund, therefore, a correcting entry was processed to transfer the Admin Fee revenue to the Medical Self-Insurance Fund where it belonged.

| Multi-Year History                         | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Professional Liability</b> |                    |                    |                    |                    |                         |                      |
| 5061 CO00017 Internal Service Fund         |                    |                    |                    |                    |                         |                      |
| Total Revenue                              | \$869,037          | \$991,233          | \$1,724,413        | \$1,039,755        | \$1,799,456             | 57.78%               |
| Use of Fund Balance                        | \$116,125          | (\$106,663)        | (\$642,407)        | (\$70,772)         | (\$36,911)              | 191.74%              |
| Gross Costs                                | \$985,162          | \$884,571          | \$1,082,006        | \$968,983          | \$1,762,545             | 54.98%               |
| Net County Cost                            | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Actual costs in this budget include insurance premiums, claims, and operating costs which fluctuate year-to-year based on the number of claims received. As a fully insured program, the County pays the first \$25,000 in attorney fees and any settlements, and insurance coverage pays the remainder. In Fiscal Years 2022 and 2024, charges to departments were increased to match anticipated costs for the year. Insurance premiums increased by 32% in Fiscal Year 2021 and have increased through Fiscal Year 2024.

| Multi-Year History                                  | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Prop 69 DNA Identification Fund</b> |                    |                    |                    |                    |                         |                      |
| 1777 CO00031 Special Revenue Fund                   |                    |                    |                    |                    |                         |                      |
| Total Revenue                                       | \$41,188           | \$79,812           | \$84,888           | \$79,261           | \$54,000                | 146.78%              |
| Use of Fund Balance                                 | (\$20,634)         | \$16,190           | \$6,964            | \$22,148           | \$0                     | 0.00%                |
| Gross Costs   | \$20,554           | \$96,002           | \$91,852           | \$101,410          | \$54,000                | 187.80%              |
| Net County Cost                                     | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Revenue and costs should match annually, as revenue received is distributed to Sheriff's Office and Probation. Historically there has been a difference due to the timing of revenues received and distributions being made at year end. Now that expenditures have caught up to revenues, revenues and expenditures should match in the coming years.

| Multi-Year History  | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Stanislaus Family Justice Center (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 1687 CO00013 Special Revenue Fund                                   |                    |                    |                    |                    |                         |                      |
| Total Revenue   | \$274,304          | \$208,175          | \$51,339           | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance   | (\$18,748)         | \$70,000           | (\$3,959)          | \$0                | \$0                     | 0.00%                |
| Gross Costs   | \$255,556          | \$278,175          | \$47,380           | \$0                | \$0                     | 0.00%                |
| Net County Cost   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

This budget unit transferred from County Operations to District Attorney with the Midyear Budget in Fiscal Year 2023 after the closeout of the Office of Violence Against Women grant term ended September 30, 2022. County Operations – Stanislaus Family Justice Center will no longer have any activity.

| Multi-Year History                 | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Unemployment</b>   |                    |                    |                    |                    |                         |                      |
| 5071 CO00018 Internal Service Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                      | \$540,910          | \$994,273          | \$706,083          | \$613,312          | \$596,605               | 102.80%              |
| Use of Fund Balance                | \$368,014          | (\$544,748)        | (\$124,171)        | \$33,189           | \$57,640                | 57.58%               |
| Gross Costs                        | \$908,924          | \$449,525          | \$581,913          | \$646,501          | \$654,245               | 98.82%               |
| Net County Cost                    | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Revenue consists of a fee charged per employee, per fiscal year. In fiscal Year 2021, due to the COVID-19 pandemic and closures, unemployment claims eligible for current and former County employees increased substantially resulting in the increased use of retained earnings. In Fiscal Year 2022, the fee per employee was increased from \$120 to \$150 and the budget also received a revenue transfer of \$350,000 from Coronavirus Relief funds (CRF) to cover anticipated increases in costs and to restore retained earnings. From Fiscal Year 2023 to 2024, the fee has been reduced gradually to spend down retained earnings that had grown to exceed State Controller's Office (SCO) guidelines, bringing revenue in lower than Gross Costs. From Fiscal Year 2022 to 2024, Gross Costs reflect fluctuations due to CARES Act credits included on invoices received during and after the COVID-19 pandemic.

| Multi-Year History                 | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Vision Care</b>    |                    |                    |                    |                    |                         |                      |
| 5111 CO00024 Internal Service Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                      | \$615,315          | \$607,916          | \$646,229          | \$651,592          | \$663,650               | 98.18%               |
| Use of Fund Balance                | \$24,240           | \$52,012           | (\$11,029)         | \$18,312           | \$87,620                | 20.90%               |
| Gross Costs                        | \$639,555          | \$659,928          | \$635,200          | \$669,905          | \$751,270               | 89.17%               |
| Net County Cost                    | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Vision Care insurance revenue is based on the premium rates charged to all participants. Rates are increased or lowered to cover the Gross Costs for claims and administration while also providing for retained earnings that meet State Controller's Office (SCO) guidelines. The trend in vision care costs is consistent with the ongoing increases to the cost of healthcare. Vision rates for Fiscal Year 2020 were decreased by 15% to spend down retained earnings in excess of the balance allowed by the SCO and remained the same in Fiscal Year 2021 to reduce the retained earnings balance, bringing it more in line with the SCO guidelines allowable amount. In January 2022, Vision rates were increased by 5% and remained the same through June 2024. From Fiscal Year 2022 to 2024, costs steadily increased reflecting rising utilization of vision services.

| Multi-Year History                       | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>County Ops - Workers Compensation</b> |                    |                    |                    |                    |                         |                      |
| 5081 CO00019 Internal Service Fund       |                    |                    |                    |                    |                         |                      |
| Total Revenue                            | \$4,907,530        | \$4,179,646        | \$7,579,011        | \$7,140,763        | \$6,856,886             | 104.14%              |
| Use of Fund Balance                      | \$544,790          | \$1,680,161        | (\$1,561,204)      | (\$582,928)        | \$362,708               | -160.72%             |
| Gross Costs                              | \$5,452,320        | \$5,859,807        | \$6,017,807        | \$6,557,835        | \$7,219,594             | 90.83%               |
| Net County Cost                          | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The trend for this program reflects the variances in actual claims activities and any settlements for costs up to \$500,000 per claim; a Workers' Compensation excess insurance policy provides reimbursement for all other allowable costs once the \$500,000 deductible has been met. Fluctuations in Gross Costs also include administrative costs for staff overseeing the program, a contracted third-party administrator, insurance premiums

and the Risk Management liability expense which is an accounting entry to reserve funds for future costs of existing claims in an amount determined by an annual actuarial report. Workers' Compensation revenue is made up of charges to all County departments based on the number of staff and claim history. At the beginning of the fiscal year, the amount of revenue is set to equal projected Gross Costs; if the cost of claims and program administration is higher than budgeted, retained earnings are used to cover excess costs. Costs have steadily increased from Fiscal Year 2021 to Fiscal Year 2024, and revenue primarily generated from service charges under the County's Cost Allocation Plan, has risen in line with these increasing costs over the past four years.

### Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.

| Multi-Year History  | July 1, 2021        | July 1, 2022        | July 1, 2023        | July 1, 2024        |
|---|---------------------|---------------------|---------------------|---------------------|
| County Ops - American Rescue Plan Act (ARPA)                    | \$0                 | \$0                 | \$0                 | \$0                 |
| County Ops - Cannabis Program                                   | 3,213,554           | 4,125,025           | 2,473,971           | 2,085,030           |
| County Ops - Courthouse Construction Fund                       | 2,123,953           | 1,571,941           | 1,161,668           | 620,203             |
| County Ops - Criminal Justice Facility                          | 1,430,781           | 1,664,481           | 2,094,435           | 2,481,818           |
| County Ops - Crows Landing Industrial Business Project          | 0                   | 0                   | 2,666,728           | 2,153,121           |
| County Ops - Dental Self Insurance                              | 739,430             | 553,664             | 878,104             | 880,234             |
| County Ops - Department of Justice Drug and Alcohol             | 135,275             | 90,762              | 32,184              | 7,901               |
| County Ops - Emergency Rental Assistance Program (Discontinued) | (209,647)           | 0                   | 0                   | 0                   |
| County Ops - General Liability                                  | (3,549,296)         | (4,903,571)         | (3,132,561)         | (4,917,161)         |
| County Ops - Medical Self-Insurance                             | 19,509,577          | 7,921,464           | 716,665             | 1,392,570           |
| County Ops - Other Employee Benefits                            | 84,141              | 116,779             | 154,538             | 129,949             |
| County Ops - Deferred Compensation                              | 279,980             | 354,047             | 242,409             | 306,879             |
| County Ops - Professional Liability                             | 188,932             | 295,595             | 938,002             | 1,008,774           |
| County Ops - Prop 69 DNA  | 45,302              | 29,113              | 22,148              | 0                   |
| County Ops - Stanislaus Family Justice Center (Discontinued)    | 66,041              | (3,959)             | 0                   | 0                   |
| County Ops - Unemployment                                       | (283,468)           | 261,280             | 385,451             | 352,262             |
| County Ops - Vision Care Self Insurance                         | 137,787             | 85,775              | 96,804              | 78,492              |
| County Ops - Workers' Compensation                              | 6,089,607           | 4,409,446           | 5,970,649           | 6,553,578           |
| <b>Total Fund Balance</b>                                       | <b>\$30,001,950</b> | <b>\$16,571,842</b> | <b>\$14,701,195</b> | <b>\$13,133,649</b> |

Note: Table only reflects non-general fund units

**American Rescue Plan Act (ARPA)** – This budget does not carry a fund balance.

**Cannabis Program** – Fund Balance grew by \$900,000 between Fiscal Year 2021 and Fiscal Year 2022 because fee revenue from Development Agreements exceeded enforcement costs during Fiscal Year 2021. Beginning in Fiscal Year 2022, fee revenue declined due to amendments to Development Agreements and the nonpayment of fees. The reduction in revenue was offset by the use of retained earnings.

**Courthouse Construction Fund** – The fund balance has been steadily decreasing and will continue to do so through the remainder of the County's Memorandum of Understanding (MOU) term with the Superior Court of Stanislaus County for the lease of courtrooms in the City Towers building. The MOU will expire in Fiscal Year 2027 and was designed to use all available Courthouse Construction Funds. Pursuant to Government Code 70402, the remaining fund balance will be transferred to the State Court Facilities Construction Fund upon final payment of bonded indebtedness, or the MOU with the Court in the case of Stanislaus County.



**Criminal Justice Facility** – The fund balance has been steadily increasing by about \$300,000 annually since Fiscal Year 2020 and is expected to continue to do so until new expenses are assigned to the fund. Since Fiscal Year 2020, the only expense attributed to the fund is a portion of the Law Library lease.

**Crows Landing Industrial Business Project** – The Capital Project fund was established in Fiscal Year 2023, and the fund balance reflects the amount of General Fund that was accumulated prior to that year. The decline in Fund Balance is mostly due to the use of consultants and engineering services for the project.

**Deferred Compensation** - Actual receipts for fees collected from participants have come in higher than anticipated and costs have not materialized as expected, accumulating significant retained earnings over the years. Therefore, \$150,000 was refunded out of revenue to the County's Deferred Compensation Plan participants in Fiscal Year 2023 to strategically draw-down retained earnings.

**Dental Self-Insurance** – The trend shows that retained earnings have been accumulating over the years. Utilization since the COVID-19 pandemic has been significantly different than pre-COVID-19, resulting in increasing retained earnings. In Fiscal Year 2022, costs exceeded revenue, which resulted in the use of retained earnings. In January 2024, dental rates were reduced to spend down the balance to a level that complies with State Controller's Office (SCO) guidelines.

**Department of Justice Drug and Alcohol** – The fund balance has been steadily decreasing since Fiscal Year 2018 when the County discontinued providing General Fund monies. Historically, the revenue received has not been enough to cover costs. Now that fund balance is expected to be depleted, the County has decided to reinstate a General Fund contribution to cover the deficit, up to \$61,566. The fund balance is expected to remain at zero in the coming years.

**Emergency Rental Assistance Program (Discontinued)** - This fund was established in Fiscal Year 2021. The negative Fund Balance in 2021 was due to the timing of revenue receipt on a reimbursement basis.

**General Liability** – The trend shows incremental increases in the negative retained earnings due to current and long-term liabilities booked each year from the actuarial report. The negative retained earnings of \$4.9 million as of July 1, 2024, is primarily attributed to the \$8.4 million projected current and long-term liabilities booked in Fiscal Year 2024. The balance in retained earnings without the actuarial liabilities is \$3.5 million.

**Medical Self-Insurance** – On July 2021, the retained earnings balance had increased due to the impact of the COVID-19 pandemic as rates were set with an expectation of plan utilization that did not materialize. In January 2022, medical rates were strategically reduced by 10% to bring down reserves accumulating over the prior years. Due to increasing expenditures in the Medical Plan and declining reserves in the following year, rates were increased by 15% in January 2023 to fund the annual deficit. Due to a further decline in reserves, rates were increased by 15% in January 2024 to fund that year's Gross Costs projected deficit. The retained earnings balance above that reserved for long-term liabilities is \$1.4 million as of July 1, 2024. In addition, reserves are identified for current and long-term liabilities of \$15.8 million and booked as identified in the medical plan annual actuarial report. The balance in retained earnings inclusive of reserves for the actuarial liability is \$17.2 million. Rate increases will be needed to avoid a negative retained earnings situation. A calendar year 2025 rate increase of 4.4% has been approved by the Board of Supervisors.

**Other Employee Benefits** – The trend shows an increase in retained earnings as a result of revenue surpassing costs. In Fiscal Year 2024, it was discovered that the Admin Fee revenue had been incorrectly posted to this fund, therefore, an entry for an accumulation of revenue of \$83,000 for the Admin Fee was correctly transferred to the Medical Self-Insurance Fund.



**Professional Liability** – The trend shows the gradual increase of retained earnings due to increases in departmental charges compared to actual costs. A two-year strategy to buy-down reserves was implemented on July 1, 2024, and is anticipated to bring down reserves by the end of Fiscal Year 2026.

**Prop 69 DNA** – The fund balance should always be zero, as all received revenue is distributed to Sheriff’s Office and Probation. There has historically been a fund balance due to the timing of revenues received and distributions being made at year end. Fund balance is expected to remain at zero in the coming years.

**Stanislaus Family Justice Center** – The fund balance has been transferred from County Operations to District Attorney. County Operations – Stanislaus Family Justice Center’s fund balance will remain at zero.

**Unemployment Insurance** – The trend reflects the reduction of retained earnings in July 2021, due to the substantial increase in costs during the COVID-19 pandemic emergency closures. Unemployment claims eligible for current and former County employees increased substantially resulting in the increased use of retained earnings. In Fiscal Year 2022, the fee per employee was increased from \$120 to \$150 to restore retained earnings. In addition, the budget received \$350,000 from the Coronavirus Relief Fund (CRF) to cover the projected increase in unemployment claims costs which occurred during the COVID-19 pandemic. At the end of the year, due to claim costs abated by additional CARES Act credits, retained earnings grew to exceed State Controller’s Office (SCO) guidelines. Therefore, the fee has been reduced gradually over the last two years to help bring down retained earnings to be within SCO guidelines.

**Vision Care Insurance** – The trend reflects an uptick in the balance on July 1, 2021, due to lower-than-anticipated claims primarily attributed to the COVID-19 pandemic. There was a gradual decrease in retained earnings thereafter as a result of the planned use of retained earnings to offset rates to a level that meets State Controller’s Office (SCO) guidelines.

**Workers’ Compensation Insurance** – The trend shows a fluctuation in retained earnings balances which reflect the fluctuation in Gross Costs and liability adjustments at year-end.

### First Quarter Issues and Recommendations

A technical adjustment related to cannabis funding for County Operations – Cannabis Program is noted in Technical Adjustments at the end of this report.

## General Services Agency

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

## Budget Performance

| Multi-Year History                                  | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>General Services Agency (GSA) Administration</b> |                    |                    |                    |                    |                         |                      |
| 0100 GS00001 General Fund                           |                    |                    |                    |                    |                         |                      |
| Total Revenue                                       | \$2,943,935        | \$1,471,348        | \$1,156,135        | \$1,161,518        | \$1,214,265             | 95.66%               |
| Use of Fund Balance                                 | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs   | \$5,570,908        | \$4,324,062        | (\$4,323,552)      | \$1,161,518        | \$1,214,502             | 95.64%               |
| Net County Cost                                     | \$2,626,973        | \$2,852,714        | (\$5,479,687)      | \$0                | \$237                   | 0.00%                |

In Fiscal Year 2021, a temporary COVID personal protective equipment storefront program was added to the budget which increased costs and revenues by approximately \$1.6 million and was closed by fiscal year-end. Prior to Fiscal Year 2023, Administration funded four programs: Administration, Deferred Maintenance, Capital Projects, and 10th Street Place Joint Powers Authority (JPA). Effective Fiscal Year 2023, three programs were transferred to other legal budget units leaving only the Administration program. In Fiscal Year 2023, the negative Gross Costs and negative Net County Cost resulted from accounting entries prepared by the Auditor's Office to clear cash balances in the three closed programs. Remaining costs and revenue related to the Administration program totaled \$1,156,135. Additionally, costs and revenue decreased by approximately \$201,775 due to the transfer of one position to the Chief Executive Office – Human Relations budget effective July 1, 2024. Costs and revenues increased 4.8% from Fiscal Year 2023 to Fiscal Year 2024 due to cost increases.

| Multi-Year History           | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>GSA 10th Street Place</b> |                    |                    |                    |                    |                         |                      |
| 0100 GS00007 General Fund    |                    |                    |                    |                    |                         |                      |
| Total Revenue                | \$0                | \$0                | \$952,033          | \$919,648          | \$1,059,779             | 86.78%               |
| Use of Fund Balance          | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                  | \$0                | \$0                | \$696,136          | \$741,911          | \$964,289               | 76.94%               |
| Net County Cost              | \$0                | \$0                | (\$255,896)        | (\$177,737)        | (\$95,490)              | 186.13%              |

The 10th Street Place budget unit was established in Fiscal Year 2023 and includes the operating costs of the 10th Street Place JPA facilities team and the costs and lease revenue related to the 10th Street Place first floor retail spaces. Fiscal Year 2024 appropriations increased due to budgeted improvement projects at three retail spaces and the addition of an Administrative Clerk III staff allocation that supports the 10th Street Place facilities team. Actual Fiscal Year 2024 costs were under budget due to the temporary vacancy of one position and delay of two retail space improvement projects that commenced in the subsequent fiscal year. Fiscal Year 2024 revenues were under budget due to the temporary vacancy of the allocated Administrative Clerk III position and one vacated retail space.

| Multi-Year History                     | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>GSA 12th Street Office Building</b> |                    |                    |                    |                    |                         |                      |
| 171A GS00008 Special Revenue Fund      |                    |                    |                    |                    |                         |                      |
| Total Revenue                          | \$22,730           | \$30,861           | \$33,999           | \$36,243           | \$38,974                | 92.99%               |
| Use of Fund Balance                    | \$390              | (\$1,850)          | (\$230)            | (\$232)            | \$0                     | 0.00%                |
| Gross Costs                            | \$46,583           | \$60,945           | \$68,973           | \$73,551           | \$79,605                | 92.40%               |
| Net County Cost                        | \$23,462           | \$31,934           | \$35,204           | \$37,541           | \$40,631                | 92.39%               |

The 12th Street Office Building costs, revenues, and Net County Cost have continuously increased over the years primarily due to significant increases in the cost of commercial property insurance. Revenue and Net County Cost have escalated in line with costs over the same timeframe.

| Multi-Year History                             | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>GSA 12th Street Office Building Reserve</b> |                    |                    |                    |                    |                         |                      |
| 171B GS00009 Special Revenue Fund              |                    |                    |                    |                    |                         |                      |
| Total Revenue                                  | \$3,000            | \$3,000            | \$4,000            | \$2,000            | \$0                     | 0.00%                |
| Use of Fund Balance                            | (\$6,000)          | (\$6,000)          | (\$7,000)          | (\$5,000)          | \$0                     | 0.00%                |
| Gross Costs                                    | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Net County Cost                                | \$3,000            | \$3,000            | \$3,000            | \$3,000            | \$0                     | 0.00%                |

The 12th Street Office Building Reserve receives \$6,000 in contributions from building tenants each fiscal year for capital improvements, repairs, and replacements of the 12th Street Office Building's common area. The variances noted in Fiscal Years 2023 and 2024 were due to an accounting error in Fiscal Year 2023 that was corrected in Fiscal Year 2024.

| Multi-Year History                            | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>GSA ADA Self-Evaluation (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 0100 GS00043 General Fund                     |                    |                    |                    |                    |                         |                      |
| Total Revenue                                 | \$0                | \$12,036           | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance                           | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                                   | \$564,909          | \$300,270          | (\$853,143)        | \$0                | \$0                     | 0.00%                |
| Net County Cost                               | \$564,909          | \$288,234          | (\$853,143)        | \$0                | \$0                     | 0.00%                |

The Americans with Disabilities Act (ADA) Self-Evaluation budget unit was transferred into the Capital Facilities budget unit effective Fiscal Year 2023. The negative Gross Costs noted in Fiscal Year 2023 resulted from accounting entries performed by the Auditor's Office to clear cash balances in the closed cost center.

| Multi-Year History            | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>GSA Capital Facilities</b> |                    |                    |                    |                    |                         |                      |
| 0100 GS00006 General Fund     |                    |                    |                    |                    |                         |                      |
| Total Revenue                 | \$0                | \$210,970          | \$702,863          | \$1,251,448        | \$1,455,916             | 85.96%               |
| Use of Fund Balance           | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                   | \$0                | \$0                | \$18,059,583       | \$16,193,658       | \$18,294,320            | 88.52%               |
| Net County Cost               | \$0                | (\$210,970)        | \$17,356,720       | \$14,942,210       | \$16,838,404            | 88.74%               |

The Capital Facilities budget unit was established to combine five programs of similar nature: Deferred Maintenance, Capital Projects, Plant Acquisition, County Facilities, and ADA Projects. The creation of the budget unit occurred in two steps. First, at the close of Fiscal Year 2022, two capital projects were closed, and the remaining funds were returned to contributing sources, including Deferred Maintenance and Plant Acquisition, and recorded as revenue in the new budget unit. Then, beginning in Fiscal Year 2023, the operating activities of all five programs were recorded in the new budget unit.

In Fiscal Year 2023, costs included a one-time transfer of \$2.5 million for the Restore County Properties capital project. The increase in actual revenue for Fiscal Year 2024 was a result of increased labor charges billed to capital projects and funds returned from closed capital projects. The revenue shortfall in Fiscal Year 2024 was primarily

due to staff assignment to non-billable activities, including the development and management of the Capital Improvement Plan. The actual costs incurred each fiscal year can vary significantly and is dependent upon the number of projects completed and those carried over between fiscal years.

| Multi-Year History                 | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>GSA Central Services</b>        |                    |                    |                    |                    |                         |                      |
| 5001 GS00002 Internal Service Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                      | \$1,725,659        | \$2,796,883        | \$3,180,448        | \$3,083,695        | \$3,307,759             | 93.23%               |
| Use of Fund Balance                | \$7,581            | (\$363,429)        | (\$265,318)        | (\$73,398)         | \$114,781               | -63.95%              |
| Gross Costs                        | \$1,733,239        | \$2,448,333        | \$2,915,130        | \$3,010,297        | \$3,422,540             | 87.96%               |
| Net County Cost                    | \$0                | \$14,879           | \$0                | \$0                | \$0                     | 0.00%                |

Costs for the Central Services budget unit have generally increased each year, with revenue showing a similar trend, although there was a slight decrease in revenue in Fiscal Year 2024. In Fiscal Year 2022, a one-time COVID payment funded by Net County Cost contributed to the increase, along with a \$930,000 accounting adjustment that enabled the proper reporting of mailroom postage costs and related revenue. The increase in Fiscal Year 2023 was largely driven by shifts in retirement costs due to accounting entries required by Governmental Accounting Standards Board (GASB) Statements 68 and 75, which significantly changed how governments report pension and other post-employment benefits (OPEB) liabilities, enhancing the accuracy and transparency of their financial positions and obligations. Actual costs reported in Fiscal Year 2024 were somewhat below the legal budget level, which can be attributed to the delay of a vehicle purchase which carried forward into Fiscal Year 2025, cost savings from the Cost Allocation Plan, and a temporary vacancy in a newly approved Buyer staff position.

| Multi-Year History                          | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>GSA County Facilities (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 0100 GS00042 General Fund                   |                    |                    |                    |                    |                         |                      |
| Total Revenue                               | \$537,337          | \$572,523          | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance                         | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                                 | \$1,161,005        | \$1,202,554        | (\$1,253,699)      | \$0                | \$0                     | 0.00%                |
| Net County Cost                             | \$623,668          | \$630,031          | (\$1,253,699)      | \$0                | \$0                     | 0.00%                |

The County Facilities budget unit was transferred into the Capital Facilities budget unit effective with Fiscal Year 2023. The negative Gross Costs noted in Fiscal Year 2023 resulted from accounting entries performed by the Auditor's Office to clear cash balances in the closed cost center.

| Multi-Year History                       | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>GSA Facility Maintenance Division</b> |                    |                    |                    |                    |                         |                      |
| 5170 GS00004 Internal Service Fund       |                    |                    |                    |                    |                         |                      |
| Total Revenue                            | \$7,359,813        | \$7,863,100        | \$8,898,507        | \$10,381,181       | \$10,103,948            | 102.74%              |
| Use of Fund Balance                      | (\$343,051)        | (\$428,662)        | \$17,004           | (\$617,426)        | \$804,703               | -76.73%              |
| Gross Costs                              | \$7,016,762        | \$7,434,438        | \$8,915,511        | \$9,763,755        | \$10,908,651            | 89.50%               |
| Net County Cost                          | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The Facilities Maintenance budget unit has experienced increases in costs over the past four years due to continued increases in the price of goods and services and staff labor increases. The increase in revenue is directly related to the increased costs and an increase in the staff's billable hours. Billable hours increased approximately

16% from Fiscal Year 2022 to Fiscal Year 2023 and 18% from Fiscal Year 2023 to Fiscal Year 2024. This increase in revenue also resulted in a decreased use of fund balance in Fiscal Year 2024.

| Multi-Year History                 | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>GSA Facility Utilities</b>      |                    |                    |                    |                    |                         |                      |
| 5170 GS00005 Internal Service Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                      | \$5,184,670        | \$5,410,324        | \$5,902,741        | \$5,662,746        | \$6,644,000             | 85.23%               |
| Use of Fund Balance                | \$0                | \$0                | \$0                | (\$18)             | \$0                     | 0.00%                |
| Gross Costs                        | \$5,184,670        | \$5,410,324        | \$5,902,741        | \$5,662,727        | \$6,644,000             | 85.23%               |
| Net County Cost                    | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The Facility Utilities budget unit experiences fluctuations due to price changes, usage, and weather conditions. Utility costs are expected to increase in Fiscal Year 2025 due to utilities cost increases from City of Modesto, Modesto Irrigation District, and Pacific Gas & Electric.

| Multi-Year History                 | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>GSA Fleet Services Division</b> |                    |                    |                    |                    |                         |                      |
| 5021 GS00003 Internal Service Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                      | \$3,975,296        | \$4,863,483        | \$5,566,221        | \$5,757,269        | \$6,666,856             | 86.36%               |
| Use of Fund Balance                | \$37,191           | (\$253,248)        | \$240,412          | \$160,698          | \$312,125               | 51.48%               |
| Gross Costs                        | \$4,012,487        | \$4,610,235        | \$5,806,633        | \$5,917,967        | \$6,978,981             | 84.80%               |
| Net County Cost                    | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The Fleet Services budget unit has experienced cost increases over the past four years due to continued increases in the price of fuel, vehicle parts, services, and staff labor increases. In Fiscal Year 2022, cost and revenue increases were mainly driven by higher fuel and vehicle parts prices. Fiscal Year 2023 costs rose following completion of a security project as well as accounting entries required by Governmental Accounting Standards Board (GASB) Statements 68 and 75, which significantly changed how governments report pension and other post-employment benefits (OPEB) liabilities, enhancing the accuracy and transparency of their financial positions and obligations. In Fiscal Year 2024, costs increased related to the purchase of three motor pool vehicles and an electric cart. The variance between the 2024 Legal Budget and actuals resulted from temporary vacancies in two staff allocations and savings in services and supplies.

| Multi-Year History                          | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>GSA Plant Acquisition (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 0100 GS00041 General Fund                   |                    |                    |                    |                    |                         |                      |
| Total Revenue                               | (\$115,964)        | \$1,636            | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance                         | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                                 | \$3,147,789        | \$1,745,942        | (\$5,008,058)      | \$0                | \$0                     | 0.00%                |
| Net County Cost                             | \$3,263,753        | \$1,744,305        | (\$5,008,058)      | \$0                | \$0                     | 0.00%                |

The Plant Acquisition budget unit was transferred into the Capital Facilities budget unit effective Fiscal Year 2023. The negative Gross Costs noted in Fiscal Year 2023 resulted from accounting entries performed by the Auditor's Office to clear cash balances in the closed cost center.

## Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.

| Multi-Year History                      | July 1, 2021       | July 1, 2022       | July 1, 2023       | July 1, 2024       |
|---|--------------------|--------------------|--------------------|--------------------|
| GSA 12th Street Office Building         | (\$1,622)          | \$228              | \$458              | \$690              |
| GSA 12th Street Office Building Reserve | 84,000             | 90,000             | 97,000             | 102,000            |
| GSA Central Services                    | (40,472)           | 322,957            | 813,781            | 887,179            |
| GSA Facility Maintenance Division       | 2,001,163          | 2,497,540          | 2,937,480          | 3,554,924          |
| GSA Fleet Services Division             | 1,111,258          | 1,376,197          | 719,452            | 558,755            |
| <b>Total Fund Balance</b>               | <b>\$3,154,328</b> | <b>\$4,286,923</b> | <b>\$4,568,171</b> | <b>\$5,103,548</b> |

Note: Table only reflects non-general fund units

Overall, the department's non-General Fund balance has increased by \$1.9 million, or 62%, over the past four years. This growth can be attributed to changes in the County's method of posting Governmental Accounting Standards Board (GASB) transactions, the implementation of a new Countywide financial management system, and an increase in services provided. As of July 1, 2022, fund balances within the Central Services, Facilities Maintenance, and Fleet Services budget units increased by approximately \$363,000, \$496,000, and \$265,000, respectively, largely due to accounting entries related to GASB 68 and 75.

In Fiscal Year 2023, the Department implemented Oracle Cloud. Before this implementation, capital assets and GASB 68 and 75 activity were recorded within each budget unit. After implementing Oracle, capital assets were transferred from each individual budget unit to the General Fixed Assets Fund, and GASB 68 and 75 balances were moved from the primary ledger to a secondary reporting ledger. These changes have created variances in comparable data between the fund balances of July 1, 2022, and July 1, 2023. The Fleet Services fund balance decreased in Fiscal Years 2023 and 2024 as it was used to support a security project in 2023 and to replace three motor pool vehicles and purchase an electric cart utilized by the shop in Fiscal Year 2024. By July 1, 2024, the Facilities Maintenance fund balance increased by 21%, and is directly related to an 18% rise in staff billable hours during Fiscal Year 2024.

## First Quarter Issues and Recommendations

**Staffing Recommendation:** It is recommended to reclassify one vacant block-budgeted Maintenance Engineer I/II to a Building Services Supervisor to address supervisory span of control. This will allow supervisors to conduct on-site visits and provide on-the-job oversight and training to employees.

## Information Technology Central

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

## Budget Performance

| Multi-Year History                          | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Information Technology Central (ITC)</b> |                    |                    |                    |                    |                         |                      |
| 5031 ITC0001 Internal Service Fund          |                    |                    |                    |                    |                         |                      |
| Total Revenue                               | \$14,769,036       | \$11,708,920       | \$14,348,281       | \$18,324,615       | \$17,104,350            | 107.13%              |
| Use of Fund Balance                         | (\$1,483,020)      | (\$1,646,666)      | \$1,269,259        | (\$2,165,256)      | \$1,481,489             | -146.15%             |
| Gross Costs                                 | \$13,286,016       | \$10,319,444       | \$15,617,540       | \$16,159,358       | \$18,585,839            | 86.94%               |
| Net County Cost                             | \$0                | \$257,190          | \$0                | \$0                | \$0                     | 0.00%                |

From Fiscal Year 2021 to Fiscal Year 2024, costs fluctuated due to various factors, with revenue mirroring these trends as it is derived from Cost Allocation Plan (CAP) charges. Costs decreased from Fiscal Year 2021 to Fiscal Year 2022 primarily due to the loss of COVID-19 pandemic related funding and the intentional deferral of large projects. In Fiscal Year 2023, the integration of the Integrated Criminal Justice Information System (ICJIS) and Telecommunications budgets into the main budget resulted in increased costs, alongside the addition of new positions for embedded staff assistance. In Fiscal Year 2024, costs rose compared to Fiscal Year 2023 due to increasing operational costs and the addition of the Oracle financial reporting project. Notably, Fiscal Year 2024 actual costs were below the legal budget level due to vacant positions and more cost-effective solutions, while revenue exceeded the budget largely due to deferred projects.

| Multi-Year History                       | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>ITC Communications (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 5011 0048299 Internal Service Fund       |                    |                    |                    |                    |                         |                      |
| Total Revenue                            | \$1,555,400        | \$1,613,364        | (\$755)            | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance                      | (\$140,850)        | (\$2,431)          | \$141,659          | \$57,389           | \$0                     | 0.00%                |
| Gross Costs                              | \$1,414,549        | \$1,613,592        | \$140,904          | \$57,389           | \$0                     | 0.00%                |
| Net County Cost                          | \$0                | \$2,660            | \$0                | \$0                | \$0                     | 0.00%                |

Beginning in Fiscal Year 2023, the Telecommunications Fund was absorbed into the main Information Technology Central (ITC) budget, with close-out activities continuing into Fiscal Year 2024. This change resulted in a corresponding increase in the main ITC budget starting in Fiscal Year 2023.

## Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.

| Multi-Year History                | July 1, 2021       | July 1, 2022       | July 1, 2023       | July 1, 2024       |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|
| Information Technology Central    | \$5,111,900        | \$6,814,332        | \$3,876,689        | \$6,041,945        |
| ITC Communications (Discontinued) | 678,120            | 624,785            | 549,837            | (0)                |
| <b>Total Fund Balance</b>         | <b>\$5,790,020</b> | <b>\$7,439,117</b> | <b>\$4,426,526</b> | <b>\$6,041,945</b> |

Note: Table only reflects non-general fund units

Over the past four years, the department's fund balance has fluctuated significantly due to changes in Governmental Accounting Standards Board (GASB) regulations and the implementation of a new countywide financial management system. From July 2021 to July 2022, the fund balance increased primarily due to GASB 68 and 75, which lowered salary costs and enhanced the balance. Then, between July 2022 and July 2023, the fund balance decreased as the Department implemented a planned discount to align with GASB 34 best practices,



targeting approximately 60 days of working capital. In 2023, the new financial management system resulted in the removal of capital assets from the main ledger, the transfer of GASB balances to a secondary reporting ledger, and the integration of the Integrated Criminal Justice Information System (ICJIS) and Telecommunications budgets into the main ITC budget. The sharp increase in the fund balance in July 2024 can be attributed to these changes along with project deferrals. Moving forward, the Department plans to use the fund balance to complete the deferred projects, helping the Department adhere to GASB 34 best practices for working capital.

## Treasurer-Tax Collector

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History                      | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Treasurer - Administration/Taxes</b> |                    |                    |                    |                    |                         |                      |
| 0100 TTC00001 General Fund              |                    |                    |                    |                    |                         |                      |
| Total Revenue                           | \$553,781          | \$565,292          | \$629,282          | \$631,034          | \$575,354               | 109.68%              |
| Use of Fund Balance                     | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                             | \$1,550,607        | \$1,528,215        | \$1,678,824        | \$1,966,834        | \$2,036,656             | 96.57%               |
| Net County Cost                         | \$996,825          | \$962,924          | \$1,049,542        | \$1,335,800        | \$1,461,302             | 91.41%               |

Revenues have had modest and steady increases since Fiscal Year 2021, with a significant increase due to business license revenue beginning Fiscal Year 2023. There was a small decrease in costs during Fiscal Year 2022 due to COVID-related conservative spending. Costs have steadily increased since that time, reflecting rising expenses in salaries, including the Employee Bonus Choice Plan, benefits, supplies, and expenses from the County's Cost Allocation Plan.

| Multi-Year History                  | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Treasurer - Revenue Recovery</b> |                    |                    |                    |                    |                         |                      |
| 0100 TTC00002 General Fund          |                    |                    |                    |                    |                         |                      |
| Total Revenue                       | \$1,313,532        | \$1,389,862        | \$1,730,457        | \$1,533,007        | \$1,836,261             | 83.49%               |
| Use of Fund Balance                 | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                         | \$1,238,644        | \$1,424,051        | \$1,474,118        | \$1,634,262        | \$1,839,903             | 88.82%               |
| Net County Cost                     | (\$74,888)         | \$34,189           | (\$256,339)        | \$101,255          | \$3,642                 | 2780.46%             |

Costs since Fiscal Year 2021 have steadily increased, reflecting rising expenses in salaries, including the Employee Bonus Choice Plan, benefits, supplies, and expenses from the County's Cost Allocation Plan. Costs are funded by a percentage fee of collection revenues, and therefore should correspond to expenses with minor differences due to end of year adjustments. Fiscal Year 2023 was a record-breaking collection year and required a \$131,610 rebate to clients. However, the rebate was not processed until Fiscal Year 2024. Therefore, there is a timing difference in revenue between Fiscal Years 2023 and 2024. Fiscal Year 2023 should report at \$1.6 million and Fiscal Year 2024 should report at \$1.7 million if the true-up rebate had been processed timely. This trend would represent the same upward trend shown in the division's cost analysis over the prior four years.

| Multi-Year History                   | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Treasurer - Treasury Division</b> |                    |                    |                    |                    |                         |                      |
| 0100 TTC0003 General Fund            |                    |                    |                    |                    |                         |                      |
| Total Revenue                        | \$591,034          | \$576,404          | \$748,005          | \$874,181          | \$1,016,485             | 86.00%               |
| Use of Fund Balance                  | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                          | \$571,976          | \$612,014          | \$716,318          | \$818,069          | \$1,016,485             | 80.48%               |
| Net County Cost                      | (\$19,058)         | \$35,610           | (\$31,688)         | (\$56,111)         | \$0                     | 0.00%                |

Costs since Fiscal Year 2021 have steadily increased, reflecting rising expenses in salaries, including the Employee Bonus Choice Plan, benefits, supplies, and expenses from the County's Cost Allocation Plan. Costs are funded by the Treasury Pool's investment interest earnings. Therefore, there is a corresponding trend between revenues and expenses with minor differences due to end of year adjustments.

# ENHANCING COMMUNITY INFRASTRUCTURE



Environmental Resources

Parks and Recreation

Planning and Community Development

Public Works

## Enhancing Community Infrastructure

---

### Priority Overview

The Board of Supervisors' priority area *Enhancing Community Infrastructure* is essential to the quality of life for the residents of Stanislaus County and to the maintenance and expansion of a robust economy. Water quality, effective liquid and solid waste disposal, recreational opportunities, and regional approaches to transportation circulation are critical to community infrastructure. Departments in this priority area include Environmental Resources, Parks and Recreation, Planning and Community Development, and Public Works. The major funding sources for these departments include State and Federal funding, fees and charges for services, the General Fund, special revenue grants, and a 1/2-cent local transportation sales tax commonly referred to as Measure L. In Fiscal Year 2025, key initiatives such as the Building Community Services Investment (BCSI) were continued with Parks and Recreation receiving its year-three \$3 million allocation along with \$5.1 million remaining from years one and two. BCSI provided additional General Fund support to address various needs in the community as part of an organization-wide three-year strategic initiative. This funding will continue to go toward targeted one-time investments which will directly contribute to the local quality of life, community wellness, and strategic facility planning.

Recommendations contained in this report will increase appropriations and revenue by \$12,231 for departments *Enhancing Community Infrastructure*. These adjustments are detailed in Technical Adjustments at the back of the report.

The departments within *Enhancing Community Infrastructure* are on track to end the year within budget and in a positive fiscal position.

## Departmental Revenue

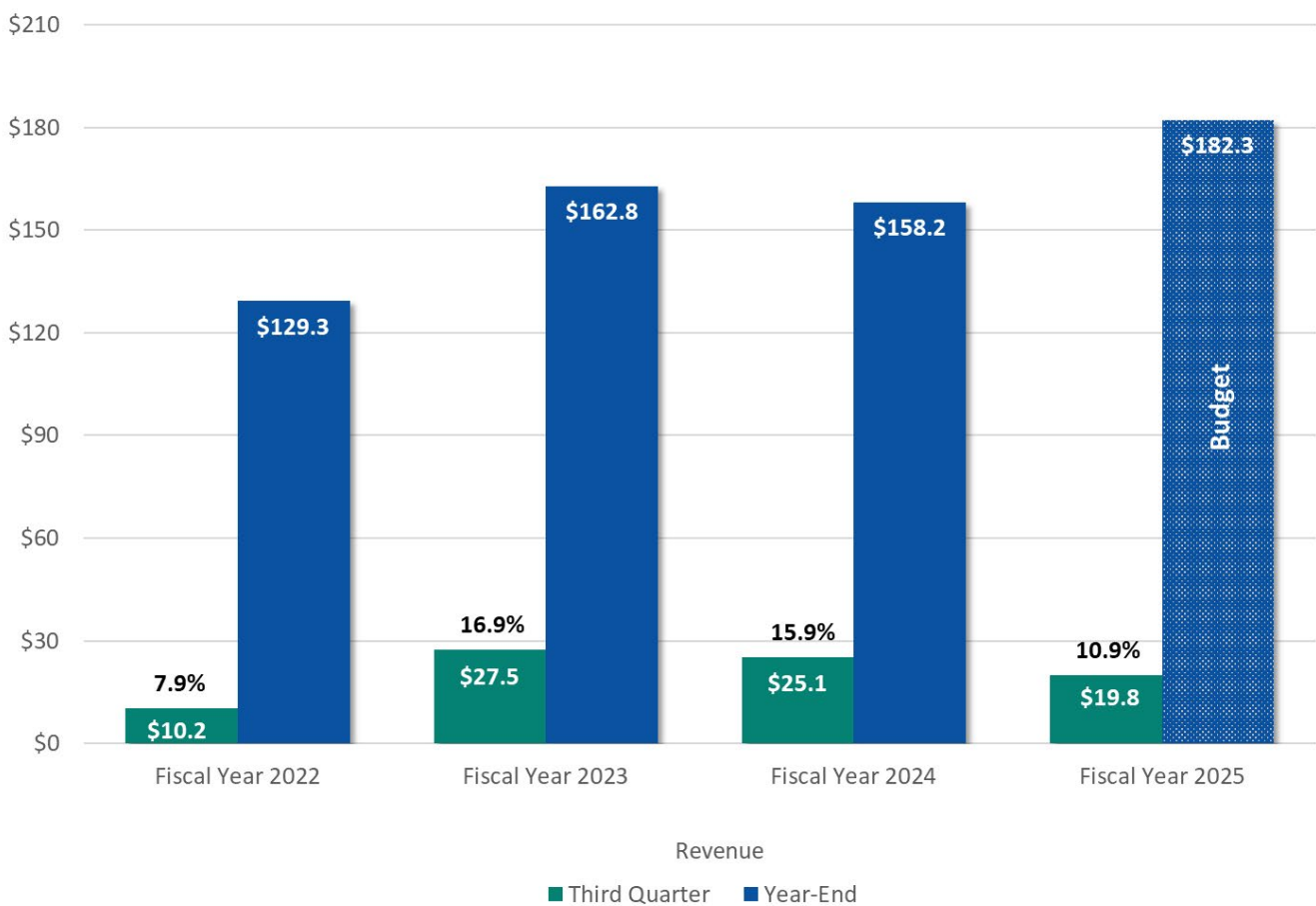
For the budgets representing the Board's priority *Enhancing Community Infrastructure* actual revenue collected as of September 30, 2024, totaled \$19.8 million, representing 10.9% of the estimated annual revenue. This is within historical range when compared to the first quarter of the prior three years when collections ranged from 7.9% to 16.9% of final actual revenue.

Budgets within this priority include revenue for various projects that impact both actual revenue collected and budgeted. Revenue collected to date in the current fiscal year is \$7.7 million less than Fiscal Year 2023 and \$5.3 million less than Fiscal Year 2024. In addition, estimated revenue is \$19.5 million to \$53 million more than in those same two years. These variances are largely due to the project-based revenue in the Public Works Road and Bridge budget. The Road and Bridge budget includes \$118 million in estimated revenue for over 90 projects. Project revenue is received on a cost-reimbursement basis and costs have not yet materialized. As projects enter the construction phase, cost reimbursement revenue should increase.

Of note, Public Works' Fiscal Year 2022 actuals were impacted by the transfer of local transit activities to a separate regional transit authority, including an accounting entry tied to the transfer of fixed assets, decreasing revenue by nearly \$10 million in the first quarter and \$27 million by year-end.

### Enhancing Community Infrastructure Four-Year Revenue Comparison

In Millions



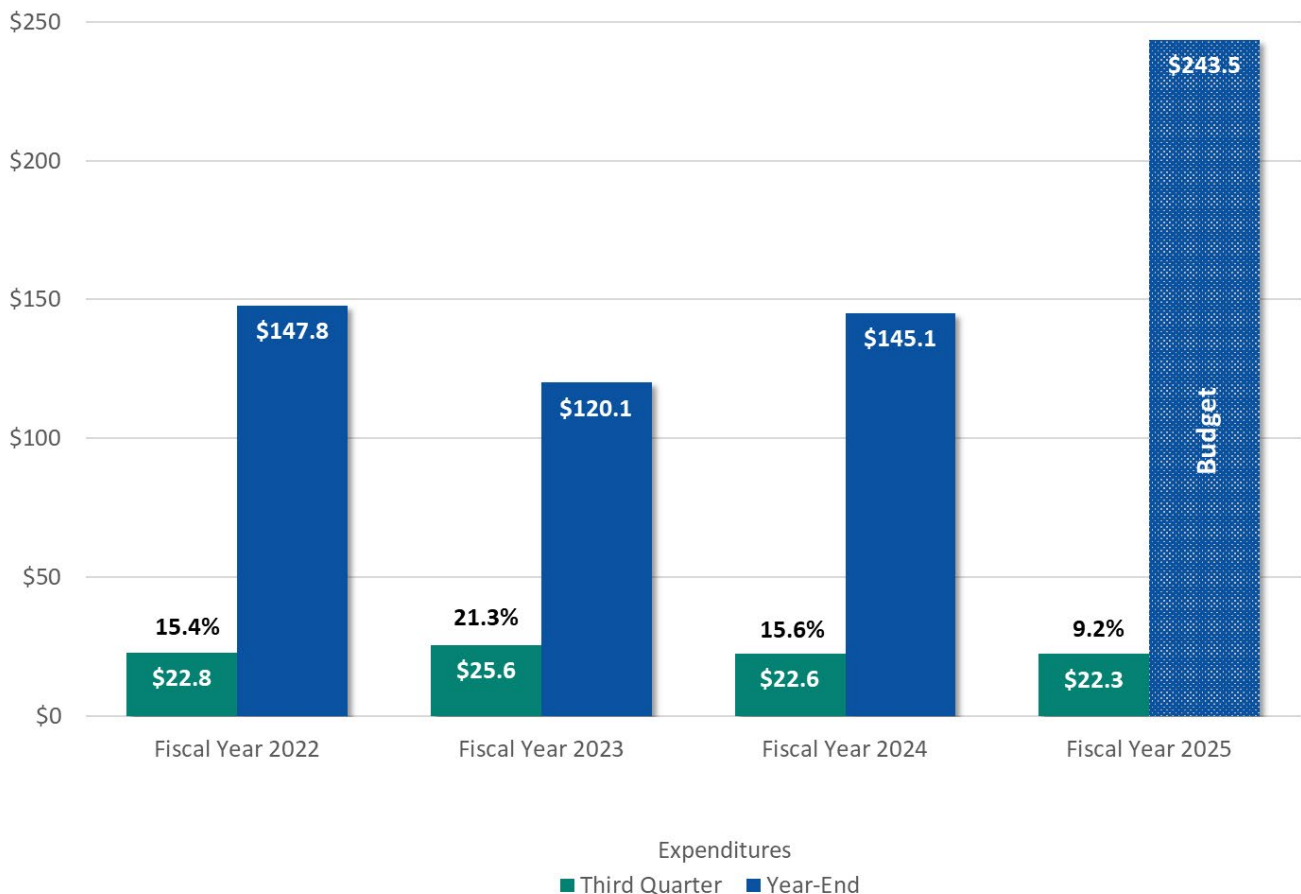
## Departmental Expenditures

As of September 30, 2024, expenditures in this priority total \$22.3 million, representing 9.2% of the budgeted appropriations. Expenditures at the first quarter of the prior three years ranged from 15.4% to 21.3% of the final actual expenditures, placing this year's expenditures below the historical range.

The shift is primarily due to the increase in overall budget compared to that realized in prior years' actual expenditures. While Fiscal Year 2025 year-to-date actual expenditures are in line with prior years, departments in this priority have budgeted for expenses associated with various projects that have not yet materialized. Environmental Resources – Fink Road Landfill has planned several large one-time expenses such as heavy equipment purchases and site improvements that have not yet occurred. Parks and Recreation's budget includes \$8.1 million of Building Community Services Investment funding and \$3.9 million in State funding for parks projects. Planning and Community Development has funded appropriations related to housing programs and the Public Works budget includes provisions for over 90 projects.

### Enhancing Community Infrastructure Four-Year Expenditures Comparison

In Millions



## Environmental Resources

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History                                 | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Department of Environmental Resources (DER)</b> |                    |                    |                    |                    |                         |                      |
| 1001 DER0001 Special Revenue Fund                  |                    |                    |                    |                    |                         |                      |
| Total Revenue                                      | \$7,188,990        | \$7,285,668        | \$9,464,813        | \$9,522,718        | \$7,509,238             | 126.81%              |
| Use of Fund Balance                                | (\$569,129)        | (\$601,598)        | (\$2,163,007)      | (\$1,329,229)      | \$2,310,802             | -57.52%              |
| Gross Costs  | \$7,589,493        | \$8,004,542        | \$7,536,190        | \$8,427,872        | \$10,054,424            | 83.82%               |
| Net County Cost                                    | \$969,632          | \$1,320,472        | \$234,384          | \$234,384          | \$234,384               | 100.00%              |

The historical fluctuations in Gross Costs from Fiscal Year 2021 to Fiscal Year 2024 can be attributed to several key factors. Increases in costs were driven by new software costs and associated implementation expenditures for the Hazardous Materials division, along with increases in Cost Allocation Plan (CAP) charges during Fiscal Year 2022. In Fiscal Year 2023, expenditures decreased due to salary and benefits savings following the removal of an Assistant Director's salary, which was transferred to the Fink Road Landfill budget, and the impact of staff vacancies. In Fiscal Year 2024, expenditures rose again as vacancies were filled, along with the significant increases in salaries and benefits, services and supplies, and CAP charges.

The decrease in Net County Cost funding use is largely due to the transition of the Code Enforcement Program from the Environmental Resources budget to its own stand-alone General Fund budget. The Department's revenue has continued to grow, driven by increases in franchise fees due to refuse collection rate adjustments required by Senate Bill 1383. This has contributed to the stabilization and ongoing growth of the fund balance.

| Multi-Year History                             | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DER AB 939/Source Reduction and Recycle</b> |                    |                    |                    |                    |                         |                      |
| 1004 DER0006 Special Revenue Fund              |                    |                    |                    |                    |                         |                      |
| Total Revenue                                  | \$685,892          | \$662,371          | \$730,181          | \$546,303          | \$1,016,456             | 53.75%               |
| Use of Fund Balance                            | \$9,526            | (\$44,293)         | (\$10,620)         | \$26,641           | \$0                     | 0.00%                |
| Gross Costs                                    | \$695,418          | \$618,078          | \$719,561          | \$572,944          | \$1,016,456             | 56.37%               |
| Net County Cost                                | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

AB 939 – Source Reduction and Recycling trends vary annually based on tonnage received at the Waste-to-Energy facility and the timing of reimbursements. In Fiscal Year 2024, the decrease in revenue was due to decreased tonnage at the Waste-to-Energy facility. The decrease in expenditures in Fiscal Year 2024 is due to the delayed year-end transfers and reimbursements to the City of Modesto.



| Multi-Year History                     | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DER Abandoned Vehicle Abatement</b> |                    |                    |                    |                    |                         |                      |
| 1014 DER0003 Special Revenue Fund      |                    |                    |                    |                    |                         |                      |
| Total Revenue                          | \$64,933           | \$49,060           | \$51,165           | \$26,632           | \$65,564                | 40.62%               |
| Use of Fund Balance                    | (\$13,262)         | (\$14,773)         | (\$35,405)         | (\$9,973)          | \$34,081                | -29.26%              |
| Gross Costs                            | \$51,672           | \$34,287           | \$15,760           | \$16,659           | \$99,645                | 16.72%               |
| Net County Cost                        | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Abandoned Vehicle Abatement (AVA) revenue fluctuated slightly during Fiscal Year 2021 through Fiscal Year 2023, with a significant decrease in Fiscal Year 2024. Revenue varies annually based on population and the number of vehicles abated. Fluctuating costs are primarily due to the requirement of a biennial audit that must be performed every other year along with the training of new staff and administration of the program, as needed.

| Multi-Year History                      | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DER Beverage Container Recycling</b> |                    |                    |                    |                    |                         |                      |
| 1010 DER0015 Special Revenue Fund       |                    |                    |                    |                    |                         |                      |
| Total Revenue                           | \$28,452           | \$28,566           | \$28,285           | \$28,130           | \$30,918                | 90.98%               |
| Use of Fund Balance                     | \$1,032            | (\$474)            | \$641              | \$559              | \$0                     | 0.00%                |
| Gross Costs                             | \$29,484           | \$28,092           | \$28,926           | \$28,689           | \$30,918                | 92.79%               |
| Net County Cost                         | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The trend in Beverage Container Recycling varies based on project timelines, deliverables, and State funding for the grant. The revenue received has been stable. The decrease in fund balance use in Fiscal Years 2021, 2023 and 2024 is due to the timing of the grant award being received, along with year-end transfers.

| Multi-Year History          | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DER Code Enforcement</b> |                    |                    |                    |                    |                         |                      |
| 0100 DER0012 General Fund   |                    |                    |                    |                    |                         |                      |
| Total Revenue               | \$0                | \$0                | \$186,786          | \$279,091          | \$416,223               | 67.05%               |
| Use of Fund Balance         | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                 | \$0                | \$0                | \$1,328,352        | \$1,682,293        | \$2,939,679             | 57.23%               |
| Net County Cost             | \$0                | \$0                | \$1,141,566        | \$1,403,202        | \$2,523,456             | 55.61%               |

Code Enforcement was newly established in Fiscal Year 2023; the program was previously included in the Environmental Resources main budget. The revenue has slightly increased due to the activity of violations and citations that have been issued. Expenditures have also increased due to salaries and benefits, along with Cost Allocation Plan (CAP) charges. The Fiscal Year 2024 Legal Budget included \$1 million for Code Enforcement Strategies; however, no costs were incurred during the year.

| Multi-Year History                    | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DER Code Enforcement Abatement</b> |                    |                    |                    |                    |                         |                      |
| 1016 DER0008 Special Revenue Fund     |                    |                    |                    |                    |                         |                      |
| Total Revenue                         | \$0                | \$0                | \$0                | \$10,000           | \$0                     | 0.00%                |
| Use of Fund Balance                   | \$0                | \$0                | \$0                | (\$10,000)         | \$21,733                | -46.01%              |
| Gross Costs                           | \$0                | \$0                | \$0                | \$0                | \$21,733                | 0.00%                |
| Net County Cost                       | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Code Enforcement Abatement varies annually based on the collection of revenue through court fines. Expenditures vary annually based on the need for serious and immediate public health and safety implication as determined by the committee that oversees the use of the fund.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DER Disclosure Program</b>     |                    |                    |                    |                    |                         |                      |
| 1005 DER0007 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$353,808          | \$293,400          | \$380,875          | \$236,874          | \$372,007               | 63.67%               |
| Use of Fund Balance               | \$1,191            | \$244,764          | \$57,827           | \$160,479          | \$180,445               | 88.93%               |
| Gross Costs                       | \$354,999          | \$538,165          | \$438,701          | \$397,353          | \$552,452               | 71.93%               |
| Net County Cost                   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The Disclosure Program's fluctuating revenue is based on the fees collected from businesses. The cyclical nature of expenditures is directly tied to the staff time required to administer the program, which in turn impacts the fund balance. Increased staff time has led to higher expenditures causing a corresponding increase in use of fund balance.

| Multi-Year History                   | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DER Environmental Enforcement</b> |                    |                    |                    |                    |                         |                      |
| 1009 DER0010 Special Revenue Fund    |                    |                    |                    |                    |                         |                      |
| Total Revenue                        | (\$48)             | (\$1,241)          | \$1,764            | \$796              | \$0                     | 0.00%                |
| Use of Fund Balance                  | \$5,348            | \$1,241            | (\$1,764)          | \$4,708            | \$5,759                 | 81.75%               |
| Gross Costs                          | \$5,300            | \$0                | \$0                | \$5,504            | \$5,759                 | 95.58%               |
| Net County Cost                      | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The historical trend in this fund varies annually based on whether grant funds are awarded to eligible non-profit organizations and public agencies for local law enforcement environmental efforts, and to support the benefit to the enhancement of natural resources in Stanislaus County.

| Multi-Year History            | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DER Fink Road Landfill</b> |                    |                    |                    |                    |                         |                      |
| 4021 DER0013 Enterprise Fund  |                    |                    |                    |                    |                         |                      |
| Total Revenue                 | \$10,538,622       | \$9,805,843        | \$15,999,019       | \$13,535,774       | \$9,892,606             | 136.83%              |
| Use of Fund Balance           | (\$3,064,658)      | (\$5,500,507)      | (\$6,542,891)      | (\$3,825,496)      | \$11,967,042            | -31.97%              |
| Gross Costs                   | \$7,473,964        | \$4,323,668        | \$9,456,129        | \$9,710,278        | \$21,859,648            | 44.42%               |
| Net County Cost               | \$0                | \$18,333           | \$0                | \$0                | \$0                     | 0.00%                |

The Fink Road Landfill budget varies annually based on project timelines, deliverables, the cost of doing business, the implementation of corrective action measures and related construction projects, and unforeseen fluctuations in revenue from tipping fees charged for the disposal of waste. In Fiscal Years 2021 through 2024, the expenditures increased due to the increase of salaries and benefits, purchases of heavy equipment, and project management expenses. The increased revenue in Fiscal Years 2021 through 2024 is primarily due to a combination of fee increases and increased tonnage being received at the Landfill. In Fiscal Year 2022, the Department did receive Net County Cost for COVID One-Time Recovery Payments for full-time County employees required to report to work between April 2020 and June 2021. The Fiscal Year 2024 Legal Budget included appropriations for several large purchases and site improvements at the landfill that did not occur.

| Multi-Year History            | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DER Geer Road Landfill</b> |                    |                    |                    |                    |                         |                      |
| 4031 DER0014 Enterprise Fund  |                    |                    |                    |                    |                         |                      |
| Total Revenue                 | \$3,278,174        | \$5,301,892        | \$1,562,480        | \$1,303,863        | \$3,387,324             | 38.49%               |
| Use of Fund Balance           | \$181,701          | \$602,727          | \$663,463          | \$2,034,376        | (\$85,616)              | -2376.16%            |
| Gross Costs                   | \$3,459,875        | \$5,904,619        | \$2,225,943        | \$3,338,239        | \$3,301,708             | 101.11%              |
| Net County Cost               | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Geer Road Landfill budget varies annually based on the implementation of corrective action measures required by the Regional Water Quality Control Board and related construction projects at the site which are supported by post-closure funding. Due to a change in accounting practices, the insurance proceeds that are held in the Closure Fund (4032) are now used for the Operational Fund (4031), this includes the \$4.00 per ton for ash and \$1.50 per ton for Municipal Solid Waste (MSW). With this change, the revenue has significantly declined in Fiscal Years 2023 and 2024. The significant increase in expenditures in Fiscal Year 2022 was due to additional corrective projects for regulatory compliance with the Regional Water Quality Control Board.

| Multi-Year History             | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DER Groundwater Program</b> |                    |                    |                    |                    |                         |                      |
| 0100 DER0011 General Fund      |                    |                    |                    |                    |                         |                      |
| Total Revenue                  | \$41,507           | \$65,622           | \$60,154           | \$142,923          | \$41,911                | 341.01%              |
| Use of Fund Balance            | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                    | \$1,052,186        | \$1,221,708        | \$1,407,412        | \$1,778,147        | \$2,184,861             | 81.38%               |
| Net County Cost                | \$1,010,679        | \$1,156,086        | \$1,347,258        | \$1,635,225        | \$2,142,950             | 76.31%               |

Groundwater Program revenue varies based on the number of permits that are issued or requested permits that must go through the California Environmental Quality Act (CEQA) process. Fiscal Year 2024 revenue increased due to additional reimbursement from Tuolumne County for Groundwater Sustainability Plan (GSP) review. This GSP is within the Stanislaus Tuolumne Regional Groundwater Basin Agency (STRGBA). Expenditures have increased largely due to Cost Allocation Plan (CAP) charges, specifically General Liability Insurance.

| Multi-Year History                   | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DER Household Hazardous Waste</b> |                    |                    |                    |                    |                         |                      |
| 1002 DER0004 Special Revenue Fund    |                    |                    |                    |                    |                         |                      |
| Total Revenue                        | \$725,262          | \$691,106          | \$699,759          | \$629,908          | \$993,853               | 63.38%               |
| Use of Fund Balance                  | \$121,976          | (\$2,967)          | (\$69,768)         | \$15,982           | \$86,923                | 18.39%               |
| Gross Costs                          | \$847,238          | \$688,138          | \$629,991          | \$645,890          | \$1,080,776             | 59.76%               |
| Net County Cost                      | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Household Hazardous Waste revenue fluctuates annually based on the tonnage processed at the Waste-to-Energy (WTE) facility, though the program remains stable overall. In Fiscal Year 2024, revenue declined due to a reduction in tonnage received at the WTE facility. Expenditures fluctuate based on the staff time needed to administer the program, along with costs related to services and supplies.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DER Used Oil Recycling</b>     |                    |                    |                    |                    |                         |                      |
| 1008 DER0009 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$52,587           | \$63,551           | \$66,352           | \$63,042           | \$66,331                | 95.04%               |
| Use of Fund Balance               | \$36,272           | (\$10,556)         | (\$3,188)          | \$3,289            | \$0                     | 0.00%                |
| Gross Costs                       | \$88,859           | \$52,995           | \$63,164           | \$66,331           | \$66,331                | 100.00%              |
| Net County Cost                   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The historical trend in Used Oil Recycling varies annually based on the amount of grant funds awarded, the timing of the grant funds being received, and the timing of State grant reimbursements.

| Multi-Year History                            | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DER Vehicle Registration Fee Surcharge</b> |                    |                    |                    |                    |                         |                      |
| 1003 DER0005 Special Revenue Fund             |                    |                    |                    |                    |                         |                      |
| Total Revenue                                 | \$1,030            | (\$14,762)         | \$25,365           | \$12,561           | \$4,244                 | 295.96%              |
| Use of Fund Balance                           | (\$1,030)          | \$14,762           | (\$25,365)         | (\$12,561)         | \$69,648                | -18.03%              |
| Gross Costs                                   | \$0                | \$0                | \$0                | \$0                | \$73,892                | 0.00%                |
| Net County Cost                               | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The historical trend in Vehicle Registration Fee Surcharge varies based on the interest earned on the fund, court fines fees received, and whether expenditures were necessary to cover mandated emissions upgrades or to assist with the purchase of alternative fuel vehicles. No such expenditures have been incurred in the past four years.

| Multi-Year History                      | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>DER Waste Tire Enforcement Grant</b> |                    |                    |                    |                    |                         |                      |
| 1012 DER0002 Special Revenue Fund       |                    |                    |                    |                    |                         |                      |
| Total Revenue                           | \$119,729          | \$127,150          | \$150,066          | \$185,687          | \$193,562               | 95.93%               |
| Use of Fund Balance                     | \$106,000          | (\$85,000)         | (\$1,000)          | (\$38,883)         | \$0                     | 0.00%                |
| Gross Costs                             | \$225,729          | \$42,150           | \$149,066          | \$146,804          | \$193,562               | 75.84%               |
| Net County Cost                         | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The historical trend in Waste Tire Enforcement Grant varies annually based on the amount of grant funds awarded and the timing of State grant reimbursements, which effects the use of fund balance as the need arises. The

variances represent the estimated accounts receivables and year-end transfers. The decrease experienced in Fiscal Year 2022 is due to the timing of expenditures.

### Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.

| Multi-Year History                      | July 1, 2021        | July 1, 2022        | July 1, 2023        | July 1, 2024        |
|---|---------------------|---------------------|---------------------|---------------------|
| Environmental Resources (DER)           | \$4,099,756         | \$4,701,354         | \$6,864,360         | \$8,193,589         |
| DER AB 939/Source Reduction and Recycle | 74,802              | 119,095             | 129,716             | 103,074             |
| DER Abandoned Vehicle Abatement         | 162,632             | 177,405             | 212,811             | 222,784             |
| DER Beverage Container Recycling        | 28,452              | 28,926              | 28,285              | 27,726              |
| DER Code Enforcement Abatement          | 100,107             | 100,107             | 100,107             | 110,107             |
| DER Disclosure Program                  | 462,983             | 218,399             | 160,476             | 93                  |
| DER Environmental Enforcement           | 30,568              | 29,327              | 31,091              | 26,383              |
| DER Fink Road Landfill                  | 49,243,026          | 54,743,534          | 38,992,254          | 42,817,749          |
| DER Geer Road Landfill                  | 8,025,705           | 7,422,978           | 4,853,255           | 2,818,879           |
| DER Household Hazardous Waste           | 637,715             | 640,502             | 710,270             | 694,288             |
| DER Used Oil Recycling                  | 52,588              | 63,143              | 66,331              | 63,042              |
| DER Vehicle Registration Surcharge      | 404,318             | 389,557             | 414,921             | 427,482             |
| DER Waste Tire Enforcement Grant        | -                   | 85,000              | 86,000              | 124,883             |
| <b>Total Fund Balance</b>               | <b>\$63,322,652</b> | <b>\$68,719,327</b> | <b>\$52,649,876</b> | <b>\$55,630,079</b> |

Note: Table only reflects non-general fund units

The total fund balance for the Department initially showed growth, driven by conventional spending, savings from staff vacancies, and reduced expenditures on fixed assets, services, and supplies. This growth was further supported by increases in revenue from departmental fees for services. However, over the past two fiscal years, the fund balance has decreased, largely due to rising costs in salaries and benefits, the filling of previously vacant positions, increased Cost Allocation Plan (CAP) charges, and the general rise in operating expenses.

Fund Balance declined since Fiscal Year 2022 primarily due to increased expenses including staffing costs, Fink Road Landfill (FRLF) fixed assets purchases, higher CAP charges, and significant expenditures on fixed assets and project management, particularly within the FRLF budget, which saw over \$10 million spent on heavy equipment and contracts. Additionally, the Department faces an overall increase in the cost of doing business.

Offsetting this decline is the implementation of Senate Bill 1383 (SB 1383), which mandates a new garbage collection service aimed at reducing methane emissions from landfills. In collaboration with franchise haulers, the Department introduced the organics collection and recycling program on January 1, 2022, a key component of SB 1383. This initiative has led to anticipated increases in franchise fees due to refuse collection rate adjustments, contributing to the stabilization of the fund balance. Furthermore, the Department has raised its fees three times since Fiscal Year 2021 to ensure the sustainability of its core environmental health services.

### First Quarter Issues and Recommendations

A technical adjustment related to cannabis funding for the Department is noted in Technical Adjustments at the end of this report.

**Staffing Recommendation:** A request to study one Environmental Resource Aide was submitted by the Department and recommended for a study in the 2025 Proposed Budget. The study has been completed, concluding with a recommendation to reclassify the position to Environmental Technician.

## Parks and Recreation

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Parks and Recreation (PKS)</b> |                    |                    |                    |                    |                         |                      |
| 0100 PKS0001 General Fund         |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$4,569,332        | \$5,595,338        | \$6,235,878        | \$6,229,318        | \$9,910,208             | 62.86%               |
| Use of Fund Balance               | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                       | \$7,808,224        | \$8,584,341        | \$10,771,127       | \$12,774,429       | \$22,433,871            | 56.94%               |
| Net County Cost                   | \$3,238,893        | \$2,989,004        | \$4,535,250        | \$6,545,111        | \$12,523,663            | 52.26%               |

Revenue has shown consistent year-over-year growth from Fiscal Year 2021 to 2024, except for a slight decline of about \$6,500 between Fiscal Year 2023 and 2024. This decrease was primarily due to the absence of the special event, Dirty Bird, in Fiscal Year 2024, which had generated over \$100,000 in the previous year, despite an increase in visitor revenues.

Gross costs have risen each fiscal year, driven by increasing expenses in salaries, benefits, supplies, and Cost Allocation Plan charges. In addition, as part of the Adopted Budget for 2023, the Department received the first installment of Building Community Services Investment (BCSI) funding, a \$10 million General Fund commitment to be implemented over three years for enhancements to parks. This funding has contributed to the overall increase in Gross Costs.

When compared to the legal budget, Gross Costs are significantly lower due to \$3.9 million in grant-funded project costs that have yet to be incurred. Furthermore, of the total \$7 million allocated for BCSI in Fiscal Years 2023 and 2024, approximately \$2 million has been spent, leaving around \$5 million unspent. The Department can carry forward this BCSI funding and is prioritizing projects for its allocation.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>PKS Fish and Wildlife</b>      |                    |                    |                    |                    |                         |                      |
| 1727 PKS0006 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$1,303            | \$141              | \$215              | \$150              | \$1,000                 | 14.99%               |
| Use of Fund Balance               | (\$1,303)          | (\$141)            | \$244              | (\$150)            | \$19,000                | -0.79%               |
| Gross Costs                       | \$0                | \$0                | \$459              | \$0                | \$20,000                | 0.00%                |
| Net County Cost                   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Revenue in the Fish and Wildlife fund fluctuates annually based on observed violations and the number of tickets issued. The fluctuations are immaterial. All costs within this budget require approval from the Fish and Wildlife Committee, as they are aimed at supporting environmental maintenance.

| Multi-Year History                  | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>PKS Modesto Reservoir Patrol</b> |                    |                    |                    |                    |                         |                      |
| 1728 PKS0007 Special Revenue Fund   |                    |                    |                    |                    |                         |                      |
| Total Revenue                       | \$23,000           | \$23,000           | \$23,000           | \$23,000           | \$23,000                | 100.00%              |
| Use of Fund Balance                 | \$0                | \$0                | \$0                | (\$23,000)         | \$0                     | 0.00%                |
| Gross Costs                         | \$23,000           | \$23,000           | \$23,000           | \$0                | \$23,000                | 0.00%                |
| Net County Cost                     | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Revenue remains stable from year to year and is provided by Modesto Irrigation District for enhanced services to protect water quality. In Fiscal Year 2024, the Department reported no expenses in this legal budget unit for water quality, as those costs were covered with grant funding. This resulted in an increase in fund balance.

| Multi-Year History                   | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>PKS Off Highway Vehicle (OHV)</b> |                    |                    |                    |                    |                         |                      |
| 1702 PKS0003 Special Revenue Fund    |                    |                    |                    |                    |                         |                      |
| Total Revenue                        | \$0                | \$0                | \$0                | \$1,311,131        | \$805,415               | 162.79%              |
| Use of Fund Balance                  | \$0                | \$0                | \$0                | (\$1,178,878)      | \$86,731                | -1359.24%            |
| Gross Costs                          | \$0                | \$0                | \$0                | \$132,253          | \$892,146               | 14.82%               |
| Net County Cost                      | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The Off-Highway Vehicle (OHV) Legal Budget Unit (LBU) includes both Frank Raines OHV and La Grange OHV. During the County's Enterprise Resource Planning (ERP) update, the two OHVs were unintentionally separated into different legal budget units. Starting in Fiscal Year 2024, they were consolidated back into the same LBU. For Fiscal Year 2024, the actuals from the two separate LBUs have been merged into one Off Highway Vehicle LBU.

Historically, the revenue and expenditure trends for Off-Highway Vehicles vary based on the availability of grant funds and revenue from entrance fees and special events, as well as the cyclical nature of expenditures and differing project timelines. Significant increases in costs during certain years typically stem from large equipment purchases and development projects aimed at maintaining and enhancing the off-highway vehicle park.

| Multi-Year History                         | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>PKS OHV Frank Raines (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 1702 PKS0004 Special Revenue Fund          |                    |                    |                    |                    |                         |                      |
| Total Revenue                              | \$350,834          | \$99,464           | \$172,635          | \$137              | \$0                     | 0.00%                |
| Use of Fund Balance                        | (\$173,766)        | (\$2,912)          | (\$69,781)         | \$246,322          | \$3,057                 | 8056.87%             |
| Gross Costs                                | \$177,068          | \$96,552           | \$102,854          | \$246,459          | \$3,057                 | 8061.36%             |
| Net County Cost                            | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The OHV Frank Raines budget has been moved to the Off Highway Vehicle unit; please see the explanation of multi-year activity noted above.



| Multi-Year History                      | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>PKS OHV La Grange (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 1702 PKS0005 Special Revenue Fund       |                    |                    |                    |                    |                         |                      |
| Total Revenue                           | \$184,741          | \$31,684           | \$236,948          | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance                     | (\$137,414)        | \$18,541           | (\$108,284)        | \$226,980          | \$300                   | 75659.97%            |
| Gross Costs                             | \$47,326           | \$50,226           | \$128,664          | \$226,980          | \$300                   | 75659.97%            |
| Net County Cost                         | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The OHV La Grange budget has been moved to the Off Highway Vehicle budget unit; please see the explanation of multi-year activity noted above.

| Multi-Year History  | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>PKS Regional Water Safety Training Center (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 1694 PKS0008 Special Revenue Fund                               |                    |                    |                    |                    |                         |                      |
| Total Revenue   | (\$134)            | \$92               | \$429              | \$68               | \$0                     | 0.00%                |
| Use of Fund Balance   | \$134              | (\$92)             | (\$447)            | (\$68)             | \$0                     | 0.00%                |
| Gross Costs   | \$0                | \$0                | (\$18)             | \$0                | \$0                     | 0.00%                |
| Net County Cost   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

This legal budget unit is discontinued. This budget provided for general maintenance and operation of the regional aquatic facility located at Empire Community Park. Since the facility opened, recreational and instructional swim programs have been provided through an agreement with the Stanislaus County Police Activities League. This budget is now included in the Parks and Recreation main budget. Revenue recognized in this budget is due to interest earnings.

| Multi-Year History                      | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>PKS Tuolumne River Regional Park</b> |                    |                    |                    |                    |                         |                      |
| 0100 PKS0002 General Fund               |                    |                    |                    |                    |                         |                      |
| Total Revenue                           | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance                     | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                             | \$222,607          | \$222,607          | \$311,650          | \$311,650          | \$311,650               | 100.00%              |
| Net County Cost                         | \$222,607          | \$222,607          | \$311,650          | \$311,650          | \$311,650               | 100.00%              |

The trend in Tuolumne River Regional Park (TRRP) has seen a gradual increase in operations and maintenance costs. The TRRP budget is funded through contributions agreed upon by the participating agencies through a Joint Powers Agreement. Stanislaus County's share is funded by a General Fund contribution.

#### Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.

| Multi-Year History                        | July 1, 2021       | July 1, 2022       | July 1, 2023       | July 1, 2024       |
|---|--------------------|--------------------|--------------------|--------------------|
| PKS Fish and Wildlife                     | \$59,214           | \$59,355           | \$59,111           | \$59,260           |
| PKS Modesto Reservoir Patrol              | 65,102             | 65,102             | 65,102             | 88,102             |
| PKS Off Highway Vehicle                   | 937,409            | 921,779            | 1,099,844          | 1,805,420          |
| PKS Regional Water Safety Training Center | 5,617              | 5,710              | 6,157              | 6,225              |
| <b>Total Fund Balance</b>                 | <b>\$1,067,343</b> | <b>\$1,051,946</b> | <b>\$1,230,213</b> | <b>\$1,959,008</b> |

Note: Table only reflects non-general fund units

**Fish and Wildlife** fund balance has remained steady with very minimal fluctuations based on fines collected and approved expenditures authorized by the Fish and Wildlife Committee.

**Modesto Reservoir Patrol** fund balance shows an increase for Fiscal Year 2024, attributed to a reduction in expenditures for enhanced services aimed at protecting water quality. The Department was able to cover these costs using grant funding. Revenue for this fund remains steady year after year, derived from an agreement with the Modesto Irrigation District to fund enhanced water quality protection services at Modesto Reservoir.

**Off-Highway Vehicle** fund balance has increased over the past few years, mainly due to rising grant funding, cyclical expenditures, and varying project timelines. The jump from Fiscal Year 2023 to 2024 is particularly significant because a large equipment purchase was postponed until Fiscal Year 2025. Additionally, with the consolidation of two legal budget units (LBUs) into one, Fiscal Year 2023 receivables totaling \$348,940 had to be rebooked in Fiscal Year 2024, following guidance from the Auditor's Office.

**Regional Water Safety Training Center** fund balance has remained stable over the past few years. This legal budget unit has now been closed, and the remaining fund balance has been transferred to Parks and Recreation main budget unit, which covers the operational costs for this pool.

## Planning and Community Development

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History                             | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Planning and Community Development (PL)</b> |                    |                    |                    |                    |                         |                      |
| 0100 PL00001 General Fund                      |                    |                    |                    |                    |                         |                      |
| Total Revenue                                  | \$1,234,866        | \$1,233,018        | \$1,349,078        | \$1,256,127        | \$1,341,262             | 93.65%               |
| Use of Fund Balance                            | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                                    | \$2,737,840        | \$2,940,769        | \$3,322,285        | \$3,750,166        | \$4,054,292             | 92.50%               |
| Net County Cost                                | \$1,502,974        | \$1,707,751        | \$1,973,206        | \$2,494,039        | \$2,713,030             | 91.93%               |

The Planning and Community Development Legal Budget Unit (LBU) has received consistent revenue from Fiscal Year 2021 to Fiscal Year 2024 with one exception in Fiscal Year 2023. In Fiscal Year 2023 there was an increase of around \$100,000 due to cannabis development agreements. Expenditures have increased in salaries and benefits and intercounty expenditures due to consistent cost increases over the past four fiscal years. The Services and

Supplies object level has had moderate increases from Fiscal Year 2021 through Fiscal Year 2023. In Fiscal Year 2024, expenditures increased due to increased contract costs related to the 6th Cycle Housing Element.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>PL Building Permits</b>        |                    |                    |                    |                    |                         |                      |
| 1206 PL00004 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$2,579,481        | \$2,884,353        | \$3,168,873        | \$2,655,307        | \$3,227,014             | 82.28%               |
| Use of Fund Balance               | \$11,986           | (\$283,240)        | (\$210,302)        | \$472,108          | \$461,326               | 102.34%              |
| Gross Costs                       | \$2,591,467        | \$2,618,975        | \$2,958,571        | \$3,127,415        | \$3,688,340             | 84.79%               |
| Net County Cost                   | \$0                | \$17,862           | \$0                | \$0                | \$0                     | 0.00%                |

Building Permits revenue varies based on the number and type of building permits issued during the fiscal year. Fiscal Years 2022 and 2023 were high-revenue years with a revenue decline in Fiscal Year 2024. Staffing costs and Intercounty Expenditures including Cost Allocation Plan (CAP) charges have increased significantly from Fiscal Year 2021 to Fiscal Year 2024, accounting for a \$432,262 increase. These costs have increased by 40% during that time. From Fiscal Year 2021 through 2023, Services and Supplies averaged \$155,694 annually; however, in Fiscal Year 2024 came in at \$362,794.

| Multi-Year History                     | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>PL Dangerous Building Abatement</b> |                    |                    |                    |                    |                         |                      |
| 1746 PL00005 Special Revenue Fund      |                    |                    |                    |                    |                         |                      |
| Total Revenue                          | \$19,707           | \$24,382           | \$62,532           | \$0                | \$27,583                | 0.00%                |
| Use of Fund Balance                    | (\$10,921)         | (\$11,873)         | (\$61,409)         | \$2,905            | \$23,917                | 12.14%               |
| Gross Costs                            | \$8,786            | \$12,508           | \$1,123            | \$2,905            | \$51,500                | 5.64%                |
| Net County Cost                        | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Dangerous Building Abatement revenue and expenses vary yearly based on the number of forced clean-ups of dangerous buildings in the fiscal year. During the past four fiscal years, there have been very few forced clean-ups due to property owners cleaning up the dangerous properties. Historically, during period of high real estate prices, property owners clean up properties before the County is forced to take action.

| Multi-Year History                 | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>PL General Plan Maintenance</b> |                    |                    |                    |                    |                         |                      |
| 179A PL00003 Special Revenue Fund  |                    |                    |                    |                    |                         |                      |
| Total Revenue                      | \$143,859          | \$126,846          | \$239,110          | \$228,820          | \$228,850               | 99.99%               |
| Use of Fund Balance                | (\$4,388)          | (\$68,715)         | (\$218,484)        | (\$20,440)         | \$515,033               | -3.97%               |
| Gross Costs                        | \$139,471          | \$58,131           | \$20,626           | \$208,380          | \$743,883               | 28.01%               |
| Net County Cost                    | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

General Plan Maintenance revenue has increased from Fiscal Year 2021 to Fiscal Year 2024 with some variations due to cannabis program reimbursements, interest revenue, and one-time cash transfers to cover consultant contract costs. Expenditures change each year based on staff time charges and contract costs.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>PL Housing Programs</b>        |                    |                    |                    |                    |                         |                      |
| 1292 PL00009 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$0                | \$0                | \$308,227          | \$1,373,756        | \$3,177,989             | 43.23%               |
| Use of Fund Balance               | \$0                | \$0                | (\$57,241)         | \$213,881          | \$186,964               | 114.40%              |
| Gross Costs                       | \$0                | \$0                | \$250,986          | \$1,587,637        | \$3,364,953             | 47.18%               |
| Net County Cost                   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

The Housing Programs budget had activity beginning in Fiscal Year 2023 with limited revenue and expenditures. In Fiscal Year 2024 the Housing Programs had a full year of activity resulting in higher revenue and expenditures. Revenue and expenditures should continue to rise as Housing Programs are implemented.

| Multi-Year History                | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>PL Special Revenue Grants</b>  |                    |                    |                    |                    |                         |                      |
| 1292 PL00002 Special Revenue Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                     | \$7,028,127        | \$16,707,475       | \$7,811,016        | \$10,935,351       | \$8,478,782             | 128.97%              |
| Use of Fund Balance               | \$1,124,754        | \$409,759          | \$3,283,241        | (\$4,118,604)      | \$4,929,886             | -83.54%              |
| Gross Costs                       | \$8,152,881        | \$17,117,234       | \$11,094,257       | \$6,816,747        | \$13,408,668            | 50.84%               |
| Net County Cost                   | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Revenue and expenditures in the Special Revenue Grants budget vary yearly based on available grant dollars and revenue reimbursement. During the past four fiscal years, the CARES Act grants were active in the Department causing increased expenditures and revenue from reimbursements. Going forward, revenue and expenditures should return to historical levels. Each year the Department's goal is to spend grant dollars timely within the grant parameters, providing the best value for the community, and to be reimbursed for grant spending within the fiscal year.

### Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.

| Multi-Year History              | July 1, 2021       | July 1, 2022       | July 1, 2023       | July 1, 2024       |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|
| PL Building Permits             | \$2,647,222        | \$2,930,462        | \$3,140,764        | \$2,668,656        |
| PL Dangerous Building Abatement | (32,772)           | (20,899)           | 40,511             | 37,606             |
| PL General Plan Maintenance     | 1,354,591          | 1,423,306          | 1,641,932          | 1,662,372          |
| PL Salida Planning Efforts      | 441,220            | 441,220            | 441,220            | 441,220            |
| PL Special Revenue Grants       | 3,434,276          | 3,020,985          | (205,016)          | 3,699,707          |
| <b>Total Fund Balance</b>       | <b>\$7,844,537</b> | <b>\$7,795,074</b> | <b>\$5,059,411</b> | <b>\$8,509,561</b> |

Note: Table only reflects non-general fund units

**Building Permits** - The Building Permits fund balance has increased by \$21,434 from Fiscal Year 2021 to Fiscal Year 2024. The Building Permits fund balance fluctuates based on permit revenue received during the fiscal year along with expenditures. While the fund balance has grown from Fiscal Year 2021 to Fiscal Year 2024, it has also seen marked increases in use in two out of the four years. In Fiscal Year 2025 it is anticipated that around \$1 million in fund balance will be used. The conversion to the Accela Cloud permitting system accounts for \$438,000 of that total. County Departments that use Accela will begin to be charged annually for Accela based on user count

starting in Fiscal Year 2027. The outside department charges will reimburse the Building Permits budget for the initial cost of implementing the Accela Cloud permitting system. Use of Building Permits fund balance is as also planned for the upgrade of the Department's front counter, along with covering staffing costs associated with multi-year construction projects, and equipment and furniture refresh.

**Dangerous Building Abatement** - The Dangerous Building Abatement fund balance has increased by \$70,378 from Fiscal Year 2021 to Fiscal Year 2024. This fund balance increase is due to reimbursement from property owners who had dangerous building cleanups on their properties, resulting in revenue exceeding expenditures.

Dangerous Building Abatement was provided a cash advance of \$100,000 from the General Fund pursuant to Board Resolution 98-788, approved September 29, 1998. This action funded dangerous building abatements that pose a distinct health threat to Stanislaus County residents. Through diligent cost recovery efforts and good management, the Dangerous Building Abatement budget has a positive fund balance of \$37,606.

**General Plan Maintenance** - The General Plan Maintenance fund balance has increased by \$307,781 from Fiscal Year 2021 to Fiscal Year 2024. The increase is due to revenue exceeding expenditures during the last four fiscal years and the use of one-time grant funds that have covered costs associated with the County's 6th Cycle Housing Element update. In Fiscal Year 2025, it is anticipated fund balance will be used to cover the cost of the Rincon Agreement to assist with the 6th Cycle Housing Element in the amount of \$277,295.

**Salida Planning Efforts** - The Salida Planning Efforts fund balance remains unchanged at \$441,220 from Fiscal Year 2021 to Fiscal Year 2024. During the next two fiscal years, the budget is projected to spend down \$366,220 in fund balance as part of the costs associated with preparation of the Salida Community Plan Programmatic Environment Impact Report and a Salida Incorporation Study.

**Special Revenue Grants** - The Special Revenue Grants budget has increased fund balance by \$265,431 from Fiscal Year 2021 to Fiscal Year 2024 due to increased grant reimbursements and program income.

### First Quarter Issues and Recommendations

A technical adjustment related to cannabis funding for the Department is noted in Technical Adjustments at the end of this report.

## Public Works

### Annual Report on Budget Performance: Fiscal Years 2021-2024

The following tables identify four-year historical data of actual revenue, use of fund balance, costs, and General Fund contributions by individual budget unit along with a comparison of prior year actuals to the prior year Legal Budget.

#### Budget Performance

| Multi-Year History                      | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>Public Works (PW) Administration</b> |                    |                    |                    |                    |                         |                      |
| 1201 PW00001 Special Revenue Fund       |                    |                    |                    |                    |                         |                      |
| Total Revenue                           | \$1,367,278        | \$2,009,422        | \$2,393,061        | \$2,436,553        | \$3,274,005             | 74.42%               |
| Use of Fund Balance                     | \$121,708          | (\$7,050)          | \$86,215           | (\$32,992)         | \$1,789                 | -1844.27%            |
| Gross Costs                             | \$1,488,986        | \$2,012,722        | \$17,479,277       | \$2,403,561        | \$3,275,794             | 73.37%               |
| Net County Cost                         | \$0                | \$10,350           | \$15,000,000       | \$0                | \$0                     | 0.00%                |

Gross Costs steadily increased primarily due to the addition of new staff positions to implement and support the numerous projects funded with the Building Community Infrastructure Fund (BCIF) and American Rescue Plan Act (ARPA). BCIF was implemented in Fiscal Year 2023, with \$15 million provided through Net County Cost supporting a variety of infrastructure projects. The Administration division is funded with interfund revenue, therefore as costs increase so does revenue. In Fiscal Year 2022 the Department did receive Net County Cost for COVID One-Time Recovery Payments for full-time County employees required to report to work between April 2020 and June 2021. Fiscal Year 2024 came in under budget due to savings related to staff vacancies and professional services.

| Multi-Year History                     | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>PW Local Transit (Discontinued)</b> |                    |                    |                    |                    |                         |                      |
| 4001 PW00005 Enterprise Fund           |                    |                    |                    |                    |                         |                      |
| Total Revenue                          | \$7,444,892        | (\$27,113,011)     | \$0                | \$0                | \$0                     | 0.00%                |
| Use of Fund Balance                    | \$241,980          | \$26,888,767       | \$0                | \$0                | \$0                     | 0.00%                |
| Gross Costs                            | \$7,686,872        | (\$224,244)        | \$0                | \$0                | \$0                     | 0.00%                |
| Net County Cost                        | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

Effective July 1, 2022, transit services were transferred to the newly established Stanislaus Regional Transit Authority (StanRTA). Fiscal Year 2022 actuals were impacted by an accounting entry tied to the transfer of Fixed Assets, decreasing revenue by approximately \$27 million.

| Multi-Year History                 | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>PW Morgan Shop</b>              |                    |                    |                    |                    |                         |                      |
| 5121 PW00003 Internal Service Fund |                    |                    |                    |                    |                         |                      |
| Total Revenue                      | \$4,802,678        | \$4,629,392        | \$4,781,908        | \$6,208,145        | \$5,815,015             | 106.76%              |
| Use of Fund Balance                | (\$1,169,724)      | (\$1,041,473)      | (\$669,011)        | (\$2,316,587)      | \$995,619               | -232.68%             |
| Gross Costs                        | \$3,632,954        | \$3,587,919        | \$4,112,897        | \$3,891,559        | \$6,810,634             | 57.14%               |
| Net County Cost                    | \$0                | \$0                | \$0                | \$0                | \$0                     | 0.00%                |

From Fiscal Year 2021 through Fiscal Year 2023, actual revenue averaged \$4.7 annually. Fiscal Year 2024 increased by \$1.5 million due to the transfer in of Road and Bridge funding for costs associated with the purchase of a one-man patcher. In addition, Fiscal Year 2024 saw an increase in its rental revenue. During the time period shown, Gross Costs ranged from \$3.6 million to \$3.9 million. The fluctuations in costs can be attributed to equipment purchases, which vary by fiscal year. In Fiscal Year 2024, only 57.14% of the budget was utilized; the budget included expenses for equipment and depreciations which were not realized.

| Multi-Year History                    | FY 2021<br>Actuals | FY 2022<br>Actuals | FY 2023<br>Actuals | FY 2024<br>Actuals | FY 2024<br>Legal Budget | % of Legal<br>Budget |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|----------------------|
| <b>PW Road and Bridge Maintenance</b> |                    |                    |                    |                    |                         |                      |
| 1101 PW00002 Special Revenue Fund     |                    |                    |                    |                    |                         |                      |
| Total Revenue                         | \$87,801,994       | \$96,728,415       | \$90,834,901       | \$99,183,140       | \$147,858,050           | 67.08%               |
| Use of Fund Balance                   | (\$11,462,587)     | (\$8,073,171)      | (\$15,172,374)     | (\$18,064,404)     | \$22,490,022            | -80.32%              |
| Gross Costs                           | \$76,755,706       | \$89,219,817       | \$76,170,913       | \$81,694,661       | \$170,935,072           | 47.79%               |
| Net County Cost                       | \$416,300          | \$564,573          | \$508,386          | \$575,925          | \$587,000               | 98.11%               |

Over the past few years Public Works has had over 90 projects in various stages of completion. Revenue and expenditures fluctuate annually based on the type of activity occurring for each project. In Fiscal Year 2024, the North County Corridor Phase 1 Project was in the Right-of-Way Acquisition phase. In total \$17.5 million was spent

on right-of-way acquisition in Fiscal Year 2024, which was \$10 million more than in Fiscal Year 2023. Project costs are fully reimbursed by a combination of Federal, State, and local (Measure L Sales Tax/Public Facilities Fees) revenue.

### Fund Balance Trends

The following table identifies four-year historical data of actual fund balance by individual budget unit along with a Department total for each fiscal year.

| Multi-Year History              | July 1, 2021        | July 1, 2022        | July 1, 2023        | July 1, 2024        |
|---------------------------------|---------------------|---------------------|---------------------|---------------------|
| PW Administration               | \$102,416           | \$109,466           | \$23,251            | \$56,243            |
| PW Morgan Shop                  | 14,873,802          | 15,927,275          | 4,826,920           | 7,143,507           |
| PW Road and Bridge Maintenance  | 32,719,656          | 40,792,827          | 55,965,201          | 74,029,605          |
| PW Local Transit (Discontinued) | 26,888,767          | 0                   | 0                   | 0                   |
| <b>Total Fund Balance</b>       | <b>\$74,584,641</b> | <b>\$56,829,569</b> | <b>\$60,815,372</b> | <b>\$81,229,355</b> |

Note: Table only reflects non-general fund units

**Administration** – The accumulated fund balance is due to vacant positions. The Department is projecting the fund balance to reduce as positions are filled.

**Morgan Shop** – The sharp decrease in retained earnings for Morgan Shop is attributed to net deprecation of approximately \$12 million.

**Road and Bridge Maintenance** – Fund balance increased during the time period shown due to delays in construction projects and the funding projections for future capital project funding. As projects move toward construction, fund balance will be depleted.

**Local Transit (Discontinued)** - Effective July 1, 2022, transit services were transferred to the newly established Stanislaus Regional Transit Authority (StanRTA).



## Technical Adjustments

The 2025 Adopted Budget included adjustments to various departments that receive revenue from the Cannabis Program for enforcement activities. Further adjustment is needed to ensure legal budgets accurately reflect the level of Cannabis Program funding available.

| Recommended Budget Adjustment              |                  |                  |                                    |   |  |
|--|------------------|------------------|------------------------------------|---|--|
| Budget Unit Name                           | Revenue          | Appropriations   | Fund Balance/<br>Retained Earnings | Net County Cost/<br>General Fund Contribution | Description  |
| Chief Executive Office - Administration    | (\$93,480)       | (\$93,480)       | \$0                                | \$0   | Decrease appropriations and estimated revenue to reflect Fiscal Year 2025 allocation.        |
| County Counsel                             | \$21,552         | \$21,552         | \$0                                | \$0   | Increase appropriations and estimated revenue to reflect Fiscal Year 2025 allocation.        |
| County Operations - Cannabis Program       | \$386,204        | \$632,051        | \$245,847                          | \$0   | Increase appropriations and estimated revenue to correct adjustments made at Adopted Budget. |
| District Attorney - Criminal Division      | \$31,919         | \$31,919         | \$0                                | \$0   | Increase appropriations and estimated revenue to reflect Fiscal Year 2025 allocation.        |
| Environmental Resources - Code Enforcement | \$10,220         | \$10,220         | \$0                                | \$0   | Increase appropriations and estimated revenue to reflect Fiscal Year 2025 allocation.        |
| Planning and Community Development         | \$2,011          | \$2,011          | \$0                                | \$0   | Increase appropriations and estimated revenue to reflect Fiscal Year 2025 allocation.        |
| Sheriff - Operations                       | (\$172,394)      | (\$172,394)      | \$0                                | \$0   | Decrease appropriations and estimated revenue to reflect Fiscal Year 2025 allocation.        |
| <b>Total</b>                               | <b>\$186,032</b> | <b>\$431,879</b> | <b>\$245,847</b>                   | <b>\$0</b>                                    |  |

**Recommendation:** It is recommended to increase appropriations by \$431,879, funded by \$186,032 in estimated revenue and \$245,847 in retained earnings.

## First Quarter Financial Report Conclusion

The 2025 First Quarter Financial Report shows the County budget is balanced, inclusive of updated information, and actual performance is tracking within the 2025 Legal Budget and year-end projections for most departments. County staff will continue to monitor current fiscal year budget operations and be prepared to make appropriate recommendations and changes informed by substantial analysis in the 2025 Midyear Financial Report planned for presentation to the Board of Supervisors on March 11, 2025.

Staff will continue to closely watch external factors, including the monthly cash report issued by the State Controller to monitor State inflows of revenue. If budget adjustments are required prior to the 2025 Midyear Financial Report, staff will bring appropriate and timely recommendations to the Board of Supervisors for consideration through separate Board action; however, no such urgent needs are anticipated at this time.

## Budget Schedule

The following schedule for the 2025 Midyear Financial Report is recommended:

| 2025 Midyear Financial Report              |                   |
|--|-------------------|
| Issue Staffing Instructions to Departments | November 19, 2024 |
| Issue Budget Instructions to Departments   | December 3, 2024  |
| Department Staffing Requests Due           | December 20, 2024 |
| Department Budget Requests Due             | January 3, 2025   |
| Board of Supervisors                       | March 11, 2025    |