



County of Santa Clara

Fiscal Year 2023-2024 Mid-Year Budget Review

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Introduction

The mid-year budget adjustment process provides an opportunity for Administration to thoroughly review expenditures and revenue through the first six months of the fiscal year and recommend to the Board true-up and corrective adjustments to align the approved budget with actual experience. The mid-year process is not intended to fund new initiatives or to get ahead of the priority setting that is incumbent to the forthcoming Fiscal Year 2024-25 budget development, but rather to make budgetary adjustments necessary to effectuate the programmatic and service levels contemplated in the Board's adopted budget for the current fiscal year. To this end, Administration has conducted a thorough review of the County's budgetary status for the first half of this current fiscal year and submits this mid-year report to highlight the current fiscal year's budgetary status, current projections for the upcoming fiscal year, and to propose necessary technical and other adjustments for the current fiscal year.

The current fiscal year, FY 2023-24, is expected to conclude with a modest positive fund balance in the General Fund. However, the hospital system enterprise funds and several individual departments will require midyear adjustments to conclude the fiscal year in balance. This report describes the financial situation for the General Fund and the healthcare system enterprise funds and recommends necessary budget adjustments. Details of the FY 2023-24 year-end balance projections for the General Fund and Santa Clara Valley Healthcare funds are described later in the report.

Revenue and expenditure projections for next fiscal year are still under development. However, for the General Fund and other funds dependent upon the General Fund, the current indication is that revenue will be approximately \$250 million less than needed to fund the current level of operations through June 30, 2025. The following fiscal year will likely present even greater fiscal challenges as the gap between costs and revenues continue to widen. For example, in FY 2025-26, the County will begin losing approximately \$20 million annually in tobacco lawsuit settlement proceeds that the County currently relies on to fund health-related operations. Also, beginning in the

summer of 2025, the County will begin making lease payments of at least \$16 million per year for the new healthcare facility at Bascom Station.

A slow housing market with elevated interest rates, recent inflation, and competition for skilled labor in a tight job market continue to be contributing factors to the structural budget deficit. The high property value and tax growth rates experienced in recent years are not expected to continue. Growth in state and federal resources to counties is likewise expected to slow as the State of California grapples with its own significant budget deficit, and the United States Congress is stalled in political stalemates with pressure to reduce federal spending. By contrast, employee wage and benefit costs for the next few years continue to grow at a rate higher than general inflation. Overall, costs are on trajectory to grow at a significantly higher rate than revenues during the next few years.

One particularly urgent threat to the County's fiscal condition is the Governor's recent proposal to seek legislative changes to how property taxes are allocated between local governments within some California counties. The impact to the County General Fund, if the Governor is successful, is an ongoing loss of approximately \$32 million per year in discretionary revenue—an amount which will grow each year with the rate of property tax growth. More information on this threat is provided later in this report in the discussion of Excess ERAF property tax allocations.

To address the structural budget deficit, where ongoing costs exceed recurring revenue, the County Executive's Office (CEO) is working with County departments and the County Executive to identify solutions, including departmental budget reductions and countywide savings strategies. Several approaches CEO and departments will explore in the months and year ahead include the following:

- Ensuring full cost recovery, where possible, and pursuing available revenue opportunities
- Redirecting resources to address highest priorities
- Identifying projects and programs that can be suspended or defunded
- Limiting purchases and contracts to only the most essential items and services

- Pursuing program and service efficiencies
- Expecting departments to explore opportunities to reduce costs identified by employees and business partners
- Limiting overall personnel costs to those that are most essential by:
 - Reevaluating the necessity for all vacant positions
 - Redeploying staff to service areas of the highest need
 - Hiring limitations

Between now and the end of this fiscal year, the County budget will require modifications to keep it an accurate record of spending authority that considers actual expenditure and revenue trends. An accurate budget is legally required, but is also a necessary resource management tool to help the Board of Supervisors and Administration operate within the County's available resources. To this end, several current fiscal year budget adjustments are recommended at this time. The recommended mid-year budget adjustments described in Appendix A of this report are generally corrective and true-up adjustments that are necessary to align the budget to actual accounting activity.

The mid-year budget report is organized into the following sections:

1. Recommended Actions
2. Status of the Fiscal Year 2024-25 Base Budget
3. Fund Balance Projections for Fiscal Year 2023-24
4. Response to Board Referrals
5. Appendices with detail on the proposed Mid-year Adjustments

Recommended Actions

The following actions relating to the FY 2023-2024 and FY 2024-2025 budgets are recommended for consideration. These actions are represented in Legislative File 24-2110:

- a) Approve Request for Appropriation Modification No. 116 - \$478,230,476 increasing and adjusting budgeted revenues and appropriations in various departments and funds to address needs and to better align the FY 2023-2024 budget with current experience.
- b) Introduce and preliminary adopt Salary Ordinance No. NS-5.24.49 amending Santa Clara County Salary Ordinance No. NS-5.24 relating to compensation of employees, adding and deleting various positions as part of the Fiscal Year 2023-2024 Mid-Year Budget Review.
- c) Receive report relating to the status of General Fund budgeted revenues and appropriations for FY 2023-2024, including an initial projection of the FY 2023-2024 fund balance, and the projected status of the FY 2024-2025 General Fund Budget.

Status of the FY 2024-25 Base Budget

Revenue and expenditure projections for Fiscal Year (FY) 2024-25 are underway and will be finalized in late March for the Recommended Budget. Projected overall costs continue to grow at a significantly higher rate than revenue, and the General Fund budgetary outlook shows a widening structural deficit when projected over multiple years. Current estimates indicate that revenue will be approximately \$250 million less than needed to fund the current level of operations. This shortfall could still grow significantly due to agreements with employee bargaining units for salary adjustments and realignments, increased costs for certain employee benefits such as pension, healthcare and other insurance, and increased rate increases from suppliers, contracted service providers, and internal service providers. As we progress through the FY 2024-25 budget development process, impactful fiscal measures will be needed to balance the budget and ensure the County can continue to provide essential services while also preparing for further financial challenges.

A slowdown of the housing market and price inflation continues to put pressure on departmental budgets. The high property value growth and resulting property tax revenue growth experienced over the past few years is not expected to continue over the next few years. Additional updates on revenue-related threats to the County

budget, including proposed changes to the calculation of Excess ERAF property tax revenues, are included in the Response to Board Referrals section of this report.

Costs are expected to grow at a faster rate than revenues during the next few years. Employee wage and benefit costs continue to grow and the cost per unit of service is growing significantly faster than revenue growth to support the County's services. Similarly, the revenue resources for operating the hospitals and clinics are not growing at a rate adequate to cover the year-over-year cost increases for payroll and other labor costs within the Health System, and additional General Fund investment of approximately \$147.7 million to the hospital and clinic system is needed next fiscal year to sustain the current level of services and operations.

It is important to recognize that the projections are for a fiscal year that will not begin for another five months and will not end for another 17 months. Projections at this early stage, particularly for revenues and employee salaries and benefits, are subject to change as we move through the process and have access to new and updated information, allowing for additional analysis of trends and forecasts. As new information is developed, the Administration will return to the Board with updates.

Countywide Salary and Benefit Assumptions

The preliminary calculation of the year-to-year growth for salaries and benefits of current staffing reflects an expected \$488 million increase from the FY 2023-24 Adopted Budget of \$4.9 billion to the FY 2024-25 base budget of \$5.4 billion—an increase of approximately 9.5%. The total base budget increase of \$488 million includes an increase of \$179 million to the General Fund, \$265.5 million to the SCVH Enterprise Fund, and \$43.5 million to all other funds.

When projecting salary and benefits costs for the coming fiscal year, OBA adjusts salary tables to reflect current bargaining unit agreements and estimates of future agreements. Benefit rates are adjusted to reflect the most current estimates from the Employee Services Agency. The largest factor contributing to the increased year-to-year cost is the net increase in wages provided to employees.

The cost of employee benefits continues to rise for health insurance, retiree health, and CalPERS. Significant cost assumptions include:

- Agreements with employee bargaining units for salary adjustments and realignments and assumptions for future agreements based on the general wage increase approved for most of the bargaining units.
- Increased cost for certain employee benefits such as pension, healthcare, retiree health, and other insurance.
- A salary savings factor of 3% is used to adjust for attrition in budgeted positions.
- The full cost of new positions added in FY 2023-24.
- Increased CalPERS pension cost by about \$73 million from FY 2023-24 to FY 2024-25. This cost increase reflects higher payroll cost, a reduction in the discount rate, and new actuarial assumptions and strategic asset allocation adopted by the CalPERS Board in November 2021. Pension actuarial calculations for FY 2023-24 rates are using a discount rate of 6.80%.
- Estimated health insurance costs for FY 2024-25 are expected to increase by \$51 million, or 10.34% from FY 2023-24. The increase assumes a substantial medical trend rate increase and a standard increase in the number of employees. These rates will be updated in March of 2024.

Countywide Non-Labor Assumptions

All FY 2023-24 one-time amounts budgeted for expenditures (e.g., capital projects, technology projects) and reserves have been removed from the FY 2024-25 base calculation.

The base budget for non-labor ongoing net expenditures is expected to result in an approximate year-to-year net increase of about \$33 million. The total base budget increase includes a net increase of approximately \$2 million to the General Fund, approximately \$12 million to the SCVH Enterprise Fund, and approximately \$19 million to all other funds. Updates to the base budget for non-labor costs include increases to services and supplies, cost plan charges, operating transfers, internal service fund charges, and debt service charges to maintain current levels of operation. Additional base adjustments for ongoing expenditures are still anticipated for updated facility lease amounts and revised charges from Internal Service Funds to departments receiving support.

Non-labor cost assumptions include rate increases from suppliers, contracted service providers, and internal service providers. No across-the-board inflationary factor is applied to non-labor expenditures in the base. Adjustments are considered on a case-by-case basis and must be associated with an ongoing, unavoidable financial obligation for services or supplies to sustain the current Board-approved level of service. Resource needs to expand an existing program or to initiate a new program are not considered in the base but would be brought to the Board for approval in the annual Recommended Budget if supported by the County Executive.

Summary of Major Revenue Assumptions

General Fund discretionary revenues (primarily property tax receipts) are projected to increase by approximately \$124 million, departmental revenues are projected to increase by approximately \$39 million, and other revenues are projected to decrease by about \$12 million. This would yield approximately \$151 million in General Fund revenue growth between the current fiscal year and the next fiscal year. SCVH revenue is expected to increase by approximately \$129 million, driven primarily by supplemental revenue, including Capitation, Enhanced Payment Program, and Outpatient Pharmacy. Revenues in other funds are projected to increase by approximately \$29 million.

Most of the County's major discretionary revenues continue to trend positively, with the major source of projected revenue growth in property tax-related revenue. However, it should be noted that the County will not be receiving approximately \$20 million in annual tobacco tax revenue starting FY 2025-26. In 2007 the County sold its future tobacco settlement revenues to finance the cost of the seismic compliance and modernization projects at SCVH starting January 1, 2026 through 2046 and could extend to 2056, or beyond should the tobacco revenue stream diminish.

The departmental revenue estimates projected for next fiscal year are preliminary, with revenue updates to be provided by the departments in March. These departmental revenues offset some of the increased expenditures assumed in the base where such revenues are primarily earned based on cost recovery.

- **Property Tax-Related Revenue:** Property tax-related revenue includes several accounts that, while calculated on separate, specific factors, are largely dependent on the assumption of assessed value roll growth. The most recent secured roll growth figures provided by the Assessor reflect growth of 3.26% as of January 1, 2024. The Assessed Valuation roll is expected to grow from January to June. Last fiscal year the secured roll growth on January 1 was 4.45% and by year-end it was 6.27%. OBA is currently projecting a 5% gross secured roll growth. OBA will continue to watch current trends and may further adjust assumptions as the forecasting process progresses.
- Regarding **excess ERAF revenue**, the Governor's Budget, released January 10, 2024, proposes statutory changes to make charter schools eligible to receive Educational Revenue Augmentation Fund (ERAF) diversion of property taxes from the County and other local governments in the Bay Area. This proposal would seek to overturn an appellate court decision that had confirmed the County's calculation methodology. The estimated loss of property taxes to the County's General Fund is approximately \$32 million per year if the Governor is successful in this endeavor to convince the Legislature to shift local property taxes to the State. There is also a separate dispute, currently being litigated, over approximately \$74.8 million of Excess ERAF property tax revenue due to continued disagreement with the State regarding the calculation of ERAF revenues as affected by the dissolution of redevelopment agencies.
- **Public Safety Sales Tax:** This revenue source is budgeted at \$280.0 million for FY 2023-24. The County's portion of the statewide Public Safety half-cent sales tax is based on its proportionate share of statewide Bradley-Burns collection in the prior year. The anticipated revenue in FY 2023-24 is about \$271.0 million, a \$9.0 million shortfall from the original estimate. The prior year's taxes came in lower than anticipated due to residual effects of the pandemic, and increased online sales that impact the sales tax calculation depending on where the retailer is located. The FY 2024-25 base budget projects receipts of approximately \$279.0 million, recognizing this shift in recorded sales and statewide allocation.
- **2012 Measure A Sales Tax Revenue:** In 2018, voters approved a permanent extension of this revenue source. FY 2022-23 actual receipts of this 1/8 cent sales tax measure were \$65.5 million. The FY 2023-24 budget for this item is \$64.0

million and the most recent forecast is \$65.6 million. The projected receipts above budget are captured in the FY 2023-24 year-end fund balance projection. The FY 2024-25 base budget projects receipts of \$66.5 million.

General Fund FY 2023-24 Year-End Fund Balance Projection

Each year at the mid-year budget review, the Administration provides the first projection of current fiscal year budget-to-actual variances in the General Fund based on actual revenues and expenditures through December 31 (Accounting Period 06, or AP06).

General Fund Financial Status Reports reflect a positive year-end fund balance based on actual experience as of AP06. When including offsets in the Special Programs budget unit, total departmental contributions to the FY 2023-24 Year-End General Fund balance available is estimated to be nearly \$45.9 million. This amount will be in addition to any contributions from unused General Fund Contingency Reserve and is first used to fund the next fiscal year's Contingency Reserve.

Overall, General Fund departments are operating within budget. The primary sources of anticipated additional fund balance are due to service and supply expenditure savings. There are also position vacancy savings contributing towards a positive ending General Fund balance. While the level of projected departmental contributions is substantial, the overall projection reflects a 2.2 percent savings in net expenditures, and 1.1 percent shortfall in revenue.

Appendix B: AP 06 Financial Status Report – General Fund provides more detailed projections by department.

Table 1: Summary of General Fund Financial Status as of December 31, 2023

	Current Modified Budget	Year-to-Date Actuals as of AP06	FY 2023-24 Projected Actuals	Projected Surplus/ (Deficit)	%
Salaries & Benefits:	2,212,059,967	1,082,978,080	2,187,163,422	24,896,545	1.1%
Other Expenditures:	2,640,290,150	1,029,956,950	2,561,925,878	78,364,272	3.0%
Subtotal Expenditures:	4,852,350,117	2,112,935,029	4,749,089,300	103,260,817	2.1%
Expenditure Reimbursement:	(493,736,121)	(204,999,335)	(485,818,590)	(7,917,531)	1.6%
Total Net Expenditures:	4,358,613,996	1,907,935,694	4,263,270,710	95,343,286	2.2%
Total Revenue:	4,663,548,429	1,128,965,561	4,614,058,323	(49,490,106)	-1.1%
Estimated FY 2023-24 Fund Balance from Department Operations				\$45,853,180	

An updated fund balance projection will be made in March based on actual expenditures and revenues through February 2024. This estimate will appear in the FY 2024-25 Recommended Budget. A projection based on actual expenditures and revenues through April 2024 will be made prior to the Budget Hearing in June of 2024.

Santa Clara Valley Healthcare FY 2023-24 Year-End Fund Balance Projection

This mid-year budget review includes a projection of the Santa Clara Valley Healthcare (SCVH) fund balance for all three of its operating funds combined, based on actual revenues and expenditures through December 31 (AP 06).

The SCVH Financial Status Report projects a deficit to fund balance of \$43 million (Table 2). This is the result of projected costs exceeding budget by \$32 million, primarily related to rising costs of labor, offset by reduced nursing registry utilization. In addition, revenues are projected to be under budget by \$11 million, related to lower-than-expected patient revenue, offset by higher-than-expected capitation and other allocation revenues.

Table 2: Summary of SCVH Enterprise Funds Financial Status as of December 31, 2023

	Current Modified Budget	Year to Date Actuals as of AP06	FY 23-24 Projected Annual	Surplus/ (Deficit)	%
Salaries & Benefits:	\$2,078,977,434	\$1,080,344,701	\$2,186,553,437	(\$107,576,003)	-5.2%
Other Expenditures:	\$1,543,501,920	\$644,613,807	\$1,462,603,905	\$80,898,015	5.2%
Subtotal Expenditures	\$3,622,479,354	\$1,724,958,508	\$3,649,157,342	(\$26,677,988)	-0.7%
Expenditure Reimbursement	(\$57,656,186)	(\$26,317,908)	(\$52,057,215)	(\$5,598,971)	9.7%
Total Net Expenditures	\$3,564,823,168	\$1,698,640,600	\$3,597,100,127	(\$32,276,959)	-0.9%
Total Revenue:	\$3,453,982,805	\$1,667,997,658	\$3,443,401,563	(\$10,581,242)	-0.3%
Estimated FY 2023-24 Fund Balance from Department Operations				(\$42,858,202)	

The recommended budget action items described in this report include increasing the General Fund investment in the hospital system by \$43 million in the current fiscal year, increasing expenditures by \$77 million, and increasing non-general fund revenue budgets by \$34 million. These mid-year budget adjustments will balance SCVH’s budget to meet current projections.

Response to Board Referrals

Budget Enhancements

Board members offered a broad set of suggestions at the June 27, 2023 Board of Supervisors meeting during a debrief of the prior budget development cycle. During the period between the last budget cycle and the forthcoming cycle, the Administration

developed the following Budget Enhancement Implementation Plan to follow up on the suggestions.

Budget Enhancements Implementation Plan

- A. When the Recommended Budget is compiled, the Administration will ask departments to estimate a more granular projection for how they would use their Object 1 Salaries and Benefits allocation towards departmental overtime and extra help, and how they would use their Object 2 Services and Supplies allocation towards contracted services. These departmental projections will be provided to the Board and public for improved transparency of intentions and expectations.
- B. The Office of Budget and Analysis, with support from the Office of Communications and Public Affairs, will develop videos and supplemental online information covering basic budget information to increase public accessibility of the County budget, beginning with the FY 24-25 budget cycle.
- C. When the Administration prepares updated information for the June budget hearings, it will solicit Board input on the allocation of fund savings recommended by the independent auditor and agreed upon by the Administration.

Supplemental Information Requested on October 3, 2023

Board members received a report from the Administration regarding the General Fund structural budget deficit on October 3, 2023. During the discussion, the Board requested additional information regarding Methods of Budgeting, Future Residual Funds After Redevelopment Successor Agencies Pay Obligations, FEMA Reimbursement Anticipation, an update on Revenue-related Threats to the County Budget, and initiatives that could result in significant expense reductions or additional revenue. In addition to the analysis and information below, new information, if any, will be provided in the FY 2024-25 Recommended Budget publication.

i. Methods of Budgeting

Throughout the summer of 2023, the Administration explored other methods of budgeting, such as program-based budgeting and zero-based budgeting, used by local governments in the United States, with focused research on California county practices.

The Administration studied other budget development models in use by California counties. Nearly all use incremental base budgeting as we do. However, a few have modified their incremental base budget method to incorporate some program-based budgeting features or zero-based budgeting features.

The current incremental base budget practice in use by most California counties, including the County of Santa Clara, has advantages in that it requires significantly less administrative resources in departments since departments simply focus on the cost of proposed incremental change, with much support from the centralized budget office (in the County of Santa Clara this is the Office of Budget and Analysis) for calculating the cost of current staffing and services (the base budget). In general, the primary advantage of incremental budgeting is the transparency of proposed changes to current operations and use of resources, and recognition that proposed volatility in the base creates an environment of concern of significant instability for the County workforce.

Modified program-based budgeting (PBB) has advantages in that it supports more centralized prioritization of programs and activities, but doing so comes at the expense of greater analytical and administrative burden on departments to track, plan, budget, and report costs, revenue, and data by program and activity (i.e., they may need more analytical and accounting resources).

Modified zero-based budgeting (ZBB) supports greater flexibility for departments to control costs while pursuing strategic outcomes (i.e., efficiency), but at the expense of less centralized prioritization of programs, staffing, and activities, and at the expense of greater administrative burden on departments (i.e., they may need more analytical resources) to estimate costs and revenues for various scenarios, staffing arrangements, and strategies. In modified zero-based budget organizations, department heads are given high-level targets for outcomes and spending, and delegated greater flexibility to pursue those targets. Both approaches create more uncertainty for the County workforce.

Next Steps for the Administration: As the County develops a replacement budget system, the Administration will explore how it can add some of the desirable features from modifications of PBB and ZBB, including more program information and data. Hopefully, leveraging new technology, the replacement budget system can add such features without necessitating a great increase in administrative burden to departments.

ii. Future Residual Funds After Redevelopment Successor Agencies Pay Obligations

Former redevelopment agencies were funded by a diversion of property taxes away from counties, school districts, and other local governments. Current law related to the dissolution of former redevelopment agencies requires that the residual funds, after each successor agency has paid its obligations (bonds, project costs, pass-through obligations, administrative costs, etc.), be returned to these affected taxing entities in proportion to their pro rata share of property taxes. Upon the dissolution of the successor agency, the full property tax revenues will be returned to the contributing taxing entities.

The Administration has a rough timeline and summary of the various agencies' annual obligations, outstanding debt and estimated last date of obligations. With the available information, and under the assumption that each agency pays off all obligations and/or dissolves at the estimated last obligation date, the following projections show the potential future annual increase in property tax funding that could be available to the County General Fund.

Fiscal year 2030-31: \$11,000

Fiscal year 2031-32: \$269,000

Fiscal year 2032-33: \$233,000

Fiscal year 2033-34: \$893,000

Fiscal year 2034-35: \$2,109,000

Fiscal year 2036-37: \$25,164,000

iii. FEMA Reimbursement Anticipation

The County put substantial effort into its pandemic response and many of the related costs are subject to the Federal Emergency Management Agency (FEMA) reimbursement process as well as other qualifications for supplemental federal pandemic response funding. Much of the County's \$1.33 billion in costs to respond to the pandemic have already been recovered through other revenue sources such as the CARES Act, Provider Relief Funds (PRF), American Rescue Plan Act (ARPA) and other grants.

For the remaining costs, the County is still reliant on FEMA to reimburse at the maximum amount allowed, and concerns remain about the timeliness of reimbursements. The County has submitted more than \$493 million in claims to FEMA to reimburse costs, but thus far the County has received less than \$56 million in FEMA reimbursement. The FEMA reimbursement process may include up to 13 levels of review, depending on the size and complexity of a claim (called “project”), and the County has no visibility into the timing of FEMA’s historically slow processes. For claims submitted, the County and its cost consultant receive and must respond to numerous Requests for Information (RFI) from FEMA, which also lengthens the process. Lastly, due to the nationwide nature of the COVID-19 pandemic, FEMA has been overwhelmed with requests for reimbursement, which is expected to extend their timelines for years.

Further, FEMA may not approve all projects, and of the projects that FEMA does approve, the County may not be reimbursed for the full amount of the claim. As previously reported to the Finance and Government Operations Committee (FGOC), the County, its consultant, California Office of Emergency Services (Cal OES) and FEMA have performed substantial reviews of all projects submitted to FEMA to ensure required documentation is included to support the County assertion that costs should be deemed eligible by FEMA. The County meets weekly with FEMA and Cal OES staff to assist timely review, resolution, and processing of claims but also with a goal to reduce or eliminate the number of “claw backs” at the time of audit in the future. Administration is also taking a more proactive approach by engaging with our Congressional delegation to try to address the denial of claims, speed of processing, and related concerns.

The County still does not know when FEMA will provide reimbursement to the County for approved claims. Some reimbursement could occur this fiscal year or next, but it is also possible that substantial reimbursement may not occur until well after next fiscal year, and perhaps not until the next decade due to the FEMA backlog. Regular detailed reports are provided to the Finance and Government Operations Committee, and any change in circumstance will be reported in those reports at a minimum.

iv. Revenue-related Threats to the County Budget

ERAF Calculations: The Governor’s Budget, released January 10, 2024, proposes statutory changes to make charter schools eligible to receive Educational Revenue

Augmentation Fund (ERAF) diversion of property taxes from the County and other local governments in the Bay Area, seeking to overturn an appellate decision in which the County prevailed. The estimated loss of property taxes to the County's General Fund is approximately \$32 million per year if the Governor is successful in this endeavor to convince the Legislature to shift local property taxes to the State. Even if the Legislature carries out the Governor's wishes, the intended taking of local property tax revenue violates the State Constitution, which would lead to several years of litigation. The County will work closely with its State delegation and other community partners to protect the critically important safety net, health, and public safety services reliant on this portion of the property tax allocation.

MCO Tax: The federal government approved California's application to maintain the Managed Care Organization (MCO) tax through December 31, 2026, alleviating a substantial immediate threat. However, potential changes to the MCO tax remain a threat to the County's budget in future years. While the Governor's Proposed Budget for next fiscal year seeks to maintain the MCO tax funding allocations, including dedicated funding for public health care systems, it also proposes to seek federal approval to increase the MCO tax and to use MCO tax reserve funds in the outyears to help the State solve its budget deficit. Legislative discussions also include a proposed \$150 million statewide cap on dedicated funding to public hospital systems. The Administration has concerns with how these changes could impact public health provider payments in future years.

Business Roundtable Initiative: One statewide ballot measure that will be considered by voters in November 2024 is the deceptively named "Taxpayer Protection and Government Accountability Act," sponsored by the California Business Roundtable, which is designed to disrupt state and local governments revenue development. The measure would severely restrict the ability of local governments to raise revenue by increasing voter thresholds to approve nearly every tax increase to a super majority, severely restrict local government's ability to adjust user fees and convert many fees into "taxes," and prohibit local advisory measures from being placed on the same ballot as tax increases. Further, the measure is retroactive to January 1, 2022.

v. Potential Countywide Budget Savings Strategies

The County Executive's Office is working with departments to develop options for reducing expenses and increasing revenues for future Board consideration as potential

solutions for addressing the structural deficit. In addition, there are other Countywide initiatives and targeted areas for solutions outside of departmental based solutions.

- Negotiated Vendor Discounts – Building on a successful program from 2020, where vendors were offered one- to two-year contract extensions in exchange for 10% and 15% discounts on the current base rates, this program was approved by the Board on January 23, 2024. It is hoped that negotiated rate reductions from vendors will result in significant ongoing savings to the County.
- Fees – The County has numerous fees that have not been increased in a number of years and no longer reflect cost-recovery; the failure to keep up with inflationary cost increases means that these fee-funded functions are being subsidized by the General Fund at the expense of safety-net and other critical services. The County Executive launched a Countywide fee assessment initiative to inventory and document fees across departments, to assess the cost-recovery rate, and to bring forward fee adjustments to the Board for approval. An example of this effort is the Planning Department’s fee adjustment proposal on the February 6, 2024 agenda.
- Health Insurance – The County will be issuing an RFP for health care for its Point of Service plan (currently HealthNet), and hopes to help mitigate future cost increases through this RFP process.
- IT Telephone and Software – TSS has launched a Countywide effort to identify underutilized telephones and software licenses to realize ongoing savings associated with the annual and monthly costs of maintaining such underutilized technology.

South Santa Clara County Fire Protection District Financial Update

During the Board of Supervisors Meeting on June 12, 2023 (Item #6), the Board requested that Administration report to the Board in the Fiscal Year (FY) 2023-2024 Mid-Year Budget Review regarding the finances for the South Santa Clara County Fire District, with additional detail regarding capital costs.

Like the County General Fund, the District has a structural deficit where revenue projections are less than the projected cost to maintain current staff and services. The FY 2023-24 budget included a \$1.5M one-time subsidy from the Emergency Medical Services (EMS) Trust Fund. The EMS Trust Fund balance cannot be considered an

ongoing source of subsidy. The County Administration is preparing proposals for the Board of Supervisors' consideration to address the County's budget deficit including increasing fees for service and reducing operating costs and staffing so the County can operate within its revenue. The District is undergoing a similar process, including follow up on the Board's prior direction to pursue service fees as a potential source of ongoing revenues. Further proposals will be forthcoming as part of the development of the FY 2024-25 budget.

The following are key aspects of the District's FY 2023-24 Budget:

- The fund balances at the beginning of FY 2023-24 for the District's General Fund 1574 and Special Revenue Fund 1575 were \$4.5M and \$0.6M, respectively, and included a loan balance of \$0.5M owed to the County.
- For the District's General Fund 1574 and Special Revenue Fund 1575, FY 2023-24 budgeted expenses of \$10.5M are \$1.9M higher than budgeted revenue of \$8.6M. However, the District estimates that FY 2023-24 expenses may be \$1.3M to \$1.7M lower than budgeted due to savings from contracted staffing. The District estimates that there will not be material changes to FY 2023-24 budgeted revenue.
- The FY 2023-24 \$1.5M one-time subsidy from the Emergency Medical Services Trust Fund was for the acquisition of a new Type 1 fire engine, which was anticipated to cost \$1.2M, and repairs to the Masten Fire Station in Gilroy, which were estimated to cost \$0.3M. The new Type 1 fire engine was intended to replace a 1998 reserve engine and put a 2010 primary engine (E68) into reserve status.
- The District plans on prioritizing the procurement of the new engine because an accident resulted in the complete loss of engine E68. An insurance payout of \$0.65M will partially offset the cost of the new engine. The District is evaluating engine models with the goal of placing an order and making payment by the end of FY2023-2024. By prepaying for the engine, the District expects to receive a discount and will take delivery within two years.

- In addition to replacing a fire engine and repairing the Masten station in FY 2023-24, the District has reported the need to replace or repair capital items including the following:

Item	One-Time Cost
FY2023-2024: Replace Outdated Cardiac Monitors	300,000
FY2023-2024: Replace Model Year 2010 Pickup	90,000
FY2024-2025: Replace Model Year 2003 Fire Engine	1,200,000
FY2024-2025: Replace Model Year 2000 Water Tender Vehicle	500,000
FY2024-2025: Replace Model Year 2009 Mechanic Vehicle	200,000

District Attorney Office

As part of the FY 2023-24 budget submittal process, the District Attorney’s Office (DAO) included proposals to expand the custody alternative and mental health program, expand the Sexual Assault Unit, and add funding for body-worn cameras. At its Budget Hearing meeting on June 13, 2023 (Item No. 52), the Board of Supervisors noted that these proposals were not recommended by the County Executive and requested a report at the FY 2023-24 Mid-Year budget review with an update on the status of these funding requests. At the time of this writing, the District Attorney’s Office has not resubmitted funding requests for these expansions and items due to the County’s significant structural budget deficit and is instead focusing on how the office can help reduce operating costs in a way that minimizes negative impacts to public safety services.

Office of the Sheriff Training Staffing and Compliance with Legal Mandates

During the Board of Supervisors Meeting on June 13, 2023 (Item #59), the Board requested that Administration report to the Board in the Fiscal Year (FY) 2023- 24 Mid-Year Budget Review relating to staffing in the Office of the Sheriff and compliance with all legally mandated training.

Training and Professional Development Division Overview and Staffing

The Training and Professional Development Division (“Training Unit”) in the Sheriff’s Office ensures that staff are trained in state and agency-required topics, oversees the Justice Training Center (JTC), home to the Basic Police Academy, Correctional Academy, Sheriff’s Protective Services Officer Academy, and Regional Driver Training Center, monitors and reports legislative training mandates to the California Commission on Peace Officer Standards and Training (POST) and the California Board of State and Community Corrections (BSCC) Standards and Training for Corrections (STC), coordinates the Field and Jail Training Programs, manages the Regional Firearms Training Facility, and coordinated and delivers advanced officer training and professional development opportunities.

The Training and Professional Development Division spans all the office's budget units (230, 235, and 240) and operates with a total allocation of 28 full-time staff members, which includes 19 sworn FTEs and nine professional staff FTEs. Of the sworn FTEs, 17 are allocated from the Enforcement Bureau and two from the Custody Bureau.

The Sheriff’s Office currently relies on eight loaned personnel to meet training mandates and requirements. On-loan personnel (shifted from other divisions) fill many vital roles. These on-loan roles include staffing the Correctional Academy, coordinating the Jail Training Program, coordinating Consent Decree training, and providing in-service instruction to Custody Bureau Personnel. While using on-loan staffing can be a temporary solution to address immediate training needs, it also disrupts the stability and continuity of the Sheriff’s Office budget and staffing across the organization. The fluctuating availability of on-loan staff makes planning and executing consistent, high-quality training programs difficult. Although it may be beneficial in the short term, relying on on-loan staffing as a stopgap measure can ultimately compromise the operations' efficiency, stability, and long-term success.

Regulatory and Legal Training Mandates for Sheriff Correctional Deputies and Sheriff Deputies

The Santa Clara County Sheriff’s Office currently offers two structured career paths for peace officers, differentiated by their roles and with distinct statutory training requirements.

Bureau	Code	Class Title	Authority	Training
Custody	T84	Sheriff's Correctional Deputy	PC § 830.1(c)	STC
Enforcement	U64	Deputy Sheriff	PC § 830.1(a)	POST

Deputies assigned to the Custody Bureau, operating within County Correctional Facilities, must complete the Adult Corrections Academy and Jail Training Program successfully. Additionally, they must adhere to the ongoing training standards set by the Board of State and Community Corrections (BSCC) under the Standards and Training for Corrections (STC). Sheriff's Correctional Deputy positions (T84) must complete 24 hours of specialized or refresher training each fiscal year (Cal. Code Regs. tit. 15 § 184).

Deputies serving in the Enforcement Bureau, tasked with patrol, various law enforcement duties, and overseeing Court facilities, must undergo the Basic POST Police Academy along with Court and/or Field Training Programs. They are also obligated to meet minimum training criteria determined and monitored by the California Commission on Peace Officer Standards and Training (POST). Deputy Sheriff (U64) positions are required to complete 24 hours of Continuing Professional Training (CPT) every 24 months (two calendar years), which must include 12 hours of psychomotor, 2 hours of communications, and 4 hours of use of force Perishable Skills Program (PSP) training (Cal. Code Regs. tit. 11 § 1005).

The Sheriff's Office undergoes routine audits by POST and STC to verify adherence to statutory training mandates. Recent evaluations confirmed the Office's compliance with training requirements, and the Training and Professional Development Division monitors the department's adherence to POST and STC mandates, expecting to meet all training requirements and maintain full compliance.

Beyond POST and STC minimum training standards, the Santa Clara County Sheriff's Office also adheres to additional regulatory and agency-specific training mandates and

requirements stemming from the *Chavez* and *Cole* consent decrees. Furthermore, the Sheriff's Office has implemented training recommendations from the Board of Supervisors and the Blue-Ribbon Commission on Improving Custody Operations. These training requirements are also monitored frequently by the County's monitors.

The annual recurring training requirement plans for both bureaus have various mandated training topics and frequencies. Each training requirement has a unique frequency, from annual to bi-annual, biennial, or every five years. Considering these varying frequencies, the average has been calculated to help determine training capacity. It's important to emphasize that this calculation solely represents the essential, recurring training mandates. This average excludes advanced officer training, agency-specific needs such as new technologies and policies, and programs focusing on leadership, wellness, supervision, and other areas that contribute to the broader scope of the office and the professional development of its employees.

Furthermore, this overview is concentrated on the regular, cyclical training requirements each deputy must fulfill in their training cycle. It deliberately does not include one-time training mandates or special requirements. Notable examples are the Crisis Intervention Team (CIT) Training, Blue Courage, Museum of Tolerance, and other initial consent decree-related topics, which are fundamental components of our academies for newly hired staff. While these additional training aspects are essential and provided, they are not part of this analysis aimed at assessing our deputies' ongoing, routine training duties.

Bureau	Average Required Hours In-Person	Average Required Hours Online	Maximum Annual Training Hours
Custody	29	14	55
Enforcement	23	11	54

Timeline and Milestones for the FY 2024-25 Budget Process

<u>Date</u>	<u>Action</u>
February 6, 2024	FY 2023-24 Mid-Year Budget Review
March 12, 2024	Budget Process Memo considered by the Board of Supervisors
March and April, 2024	County Executive and departments finalize proposals for the Fiscal Year 2024-25 Recommended Budget
May 1, 2024	FY 2024-25 County Executive's Recommended Budget provided to the Board of Supervisors
May 13-15, 2024	Board of Supervisors' Budget Workshops
June 4, 2024	Recommendation for FY 2023-24 Budget Clean-up provided to Board of Supervisors
June 10-11, 13, 2024	Budget Hearing
June 18, 2024	Recommendation for Budget Re-appropriations provided to the Board of Supervisors

Appendix A – Modifications to the FY 2023-24 Budget

A1: FY 2022-23 Additional Available Fund Balance Recommended for use in FY 2023-24

General Fund Fiscal Impact

FY 2023-24: \$83,677,336 One-time source of funds

Of this total, \$5,512,549 is 2012 Measure A funds and \$78,164,787 is related to regular General Fund.

The FY 2023-24 Adopted Budget estimated \$324,656,865 in available General Fund balance at the end of FY 2022-23. This was comprised of \$6,981,716 in 2012 Measure A funds and \$317,675,149 in regular General Funds. The estimated available fund balance was fully allocated for various purposes in the FY 2023-24 Adopted Budget, including

the FY 2023-24 Contingency Reserve, capital program expenditures, one-time projects, and various ongoing costs in the amount of \$57,197,769. (See the FY 2023-24 Adopted Budget page 22 for detail on one-time sources and uses of funds).

The Office of Budget and Analysis and the Controller-Treasurer Department have completed a reconciliation of the final FY 2022-23 fund balance and determined that an additional \$83,677,336 in fund balance is available for appropriation in FY 2023-24. This final analysis determined that there was an additional 2012 Measure A fund balance of \$5,512,549 and regular General Fund balance of \$78,164,787. This delineation is important since 2012 Measure A funds, which are part of the General Fund, are tracked and budgeted separately from the rest of the General Fund. The surplus of 2012 Measure A fund balance of \$5,512,549 was the result of higher revenues received and less spending than had been projected. Options included in a separate legislative file describe this funding source as a one-time funding option to provide matching funds for the development of all-inclusive playgrounds, and an action described later in this report recommends creating a reserve pending additional Board direction.

Regular General Fund balance was \$78,164,787 higher than anticipated due to numerous differences between the projection used for the FY 2023-24 Adopted Budget and actual results. Following are some of the more significant variances. The Controller's Office experienced a favorable variance of about \$44.8 million primarily due to property tax, interest on deposits, and penalties on delinquent taxes revenues. The higher than anticipated fund balance was also due to departments ending the year with more savings as compared to their final FY 2023-24 projection. The larger variances include approximately \$10.1 million for the Office of the County Executive due to lower contract services cost across multiple programs, approximately \$17.5 million underspending in contract services in the Behavioral Health Services Department, and approximately \$18.2 million combined between the Office of the Sheriff and Department of Correction relating to projected deficits for overtime and increased costs for in-custody food services that were substantially changed through the year-end process (i.e., the departments received additional funding to correct the projected deficits). Corrections for rollover errors are also recommended in the midyear budget adjustments and described individually in the departmental sections later in this report.

This additional fund balance is needed to help replenish the FY 2023-24 Contingency Reserve and balance mid-year recommended budget actions. As of the January 23, 2024, Board meeting, \$9,411,129 of the Contingency Reserve had been allocated in FY 2023-24. This mid-year report includes a recommendation to replenish the Contingency Reserve to the Adopted Budget amount of \$218,587,995. The year-to-date use of this reserve is shown in detail later in this report.

Recognition of additional prior-year fund balance is a routine action for the mid-year budget review. The following table reflects the differences between initially projected General Fund ending balances and actual General Fund ending balances since FY 2009-10. There are many factors that contribute to fund balance beyond initial projections; most reflect circumstances unique to a particular year.

Table 3: Historical Adjustments to Fund Balance (\$ in millions)

Fund Balance from Fiscal Year	For Use in Fiscal Year	Assumed in Adopted Budget	Adjustment at Mid-Year	Total Fund Balance
FY 2022-23	FY 2023-24	\$324.66	\$83.68	\$408.33
FY 2021-22	FY 2022-23	\$369.94	\$88.27	\$458.21
FY 2020-21	FY 2021-22	\$446.29	\$110.68	\$556.97
FY 2019-20	FY 2020-21	\$361.70	\$47.25	\$408.95
FY 2018-19	FY 2019-20	\$376.00	\$56.10	\$432.10
FY 2017-18	FY 2018-19	\$339.53	\$7.10	\$346.63
FY 2016-17	FY 2017-18	\$405.83	\$16.50	\$422.33
FY 2015-16	FY 2016-17	\$398.43	\$65.90	\$464.33
FY 2014-15	FY 2015-16	\$299.53	\$11.67	\$311.20
FY 2013-14	FY 2014-15	\$180.90	\$35.90	\$216.80
FY 2012-13	FY 2013-14	\$205.35	\$9.40	\$214.75
FY 2011-12	FY 2012-13	\$127.60	\$26.40	\$154.00
FY 2010-11	FY 2011-12	\$99.12	\$36.30	\$135.42
FY 2009-10	FY 2010-11	\$121.66	\$3.50	\$125.16

Current fiscal year (FY 2023-24) revenue and expenditure performance will be discussed later in this report in the section relating to the status of General Fund revenues and expenditures for FY 2023-24, including an initial projection of the FY 2023-24 ending fund balance for the General Fund.

Status of All General Fund Reserves

Reserves are funds set aside for future allocation by the Board. Each reserve has a specific purpose, and its establishment or augmentation as well as its use is approved by the Board. Some reserves set aside one-time funds and others set aside ongoing funds for future use. Reserves other than the Contingency Reserve may be needed to address costs in this fiscal year. The following tables list the detail of all one-time and ongoing General Fund reserves, including the Contingency Reserve.

Table A: General Fund One-time Reserves

Reserve	Current Year Amount Available on 2/6/24	Description
Contingency Reserve	\$208,875,262 (\$218,587,995 <i>after recommended Mid-Year Action</i>)	Major one-time General Fund reserve as specified in Board Policy 4.3.
Supportive Housing	\$10,000,000	One-time reserve for supportive services in permanent supportive housing developments. This reserve relieves developers of having to create project-specific reserves for special services.
Jail Camera System	\$1,054,742	One-time reserve for jail camera system upgrade.
Reserve for Federal & State Impact - DCSS	\$1,084,288	One-time reserve for federal or State actions that have a negative financial impact on DCSS.
Reserve for Mid-Year Actions	\$12,400,000	One-time reserve for SCVH Operations. During the FY 23-24

Reserve	Current Year Amount Available on 2/6/24	Description
	<i>(\$0 after recommended Mid-Year Action)</i>	budget process, based on a recommendation from Harvey M. Rose Associates, LLC, the Board placed these funds in a reserve.
Total One-time Reserves	\$233,414,292	

Table B: General Fund Ongoing Reserves

Reserve	Ongoing Amount Available on 2/6/24	Description
Payroll Cash	\$9,007,620	Ongoing reserve with a goal to equal the cost of one payroll. In the first pay period in January payroll was \$194.1M. The balance of the Cash Reserve Fund at the end of December 2023 was \$27.6M. This is only 14.2% of the goal.
Cost of Positions Required for Pandemic Response	\$5,206,924	Ongoing reserve to fund the cost of positions required for pandemic response but are initially covered by temporary funding sources.
Retirement Benefit	\$1,300,000	Ongoing reserve for retirement benefit payments in excess of Internal Revenue Code Section 415(b) limits.
Reclassification and Realignment	\$2,152,510	Ongoing reserve for possible future job reclassifications and salary realignments.
Total Ongoing Reserve	\$17,667,054	

General Fund Contingency Reserve

FY 2023-24: \$9,411,129 One-time Cost

Board of Supervisors Policy 4.3 established the goal of setting the General Fund Contingency Reserve at 5% of General Fund revenues, net of pass-through revenue. The FY 2023-24 Adopted Budget set the Contingency Reserve at \$218,587,995. The addition of \$9,411,129 would replenish the Contingency Reserve to 5% of Adopted Budget General Fund revenue less pass-through revenue.

After July 1, 2023, the Board of Supervisors has approved several actions that relied on funding from the Contingency Reserve, as summarized in Table 4 below.

Table 4: Status of General Fund Contingency Reserve

Board Actions through January 23, 2024	Impact on Reserve
FY 2023-24 Contingency Reserve on July 1	\$218,587,995
F-85 #61: Survey Monument Preservation Trust Fund Transfer	\$54,000
F-85 #86: Correctional Peace Officers' Association Salary and Benefits Increase	(\$7,345,494)
F-85 #94: District Attorney Victim Advocate and Claims Specialist Salary and Benefits Increase	(\$169,000)
F-85 #101: Santa Clara Valley Healthcare and Custody Health Executive Salary and Benefits Increase	(\$460,000)
F-85 #103: Infrastructure and Upgrades for Registrar of Voters Ridder Park	(\$861,679)
F-85 #100: TSS Positions to Support Finance Agency	(\$234,237)
F-85 #117: Laundry Worker Salary and Benefits Increase	(\$8,264)
F-85 #125: Optometrist Salary and Benefits Increase	(\$73,806)
F-85 #124: International Federation of Professional and Technical Engineers Salary and Benefits Increase	(\$288,253)
F-85 #141: County Counsel Expansion of Olson Remcho LLP Legal Services Amendment for Levine Act Compliance	(\$100,000)
F-85 #146: Architectural and Transportation for Child Advocacy Center	(\$226,000)
Correction: December 5, 2023 Board action to reimburse General Fund from Emergency Management Performance Grant was incorrectly applied. Recommended midyear budget adjustments correct and add to the General Fund Contingency.	\$301,604

Board Actions through January 23, 2024	Impact on Reserve
Year-to-Date Use of Contingency Reserve	(\$9,411,129)
FY 2023-24 Contingency Reserve Before Midyear Actions	\$208,875,262
Replenish Contingency Reserve	\$9,411,129
FY 2023-24 Contingency Reserve After Midyear Action	\$218,587,995

The Contingency Reserve is the County’s largest unobligated reserve. The reserve is appropriated each year from prior year fund balance; therefore, unspent Contingency Reserve funds are the primary source of funding for the Contingency Reserve in the subsequent fiscal year.

Additionally, the General Fund has a total of \$18,864,164 in five outstanding loans to other funds. If those other funds are unable to repay the loans, the General Fund would need to use the Contingency Reserve to cover the cost of unpaid principal. The first of these loans is to the Airport Fund in the amount of \$3,000,000 for pavement maintenance. A repayment schedule for this loan has not yet been defined. The second loan is to the Road Fund and has a current balance of \$11,203,361. Repayment of this loan is dependent on receiving adequate Senate Bill 1 gas tax monies and federal and state emergency aid relief. The loan is to be repaid in full by December 31, 2027. The third loan is to the South Santa Clara County Fire District for the acquisition of a fire truck. The current balance of \$431,470 is scheduled to be repaid by 2030. The fourth loan is to the Airport Fund in the amount of \$1,000,000 for signage improvements at Reid-Hill View Airport. The current balance of \$429,333 is scheduled to be repaid by April 1, 2041. The fifth loan is to the Airport Fund in the amount of \$3,800,000 for the acquisition of four fuel trucks and the pavement and signage projects. This loan is scheduled to be repaid by January 1, 2052.

The Administration recommends replenishing the Contingency Reserve to the FY 2023-24 Adopted Budget amount to:

- ensure maximum financial flexibility to address unforeseen fiscal challenges or natural disasters; and
- secure a source of funding for the future fiscal year Contingency Reserve.

A2: Modifications to the FY 2023-24 Budget with Ongoing General Fund Fiscal Impact

Modifications with an ongoing fiscal impact are proposed to true-up the FY 2023-24 budget based on new information that has arisen since the adoption of the budget.

Tax and Collections

General Fund Fiscal Impact

FY 2023-24: \$25,000 Anticipated Cost

FY 2024-25: \$25,000 Anticipated Cost

This ongoing action eliminates the \$150,000 revenue estimate and \$175,000 in expenditure appropriations in the Delinquent Property Tax Fund (Fund 1474) so the fund can be closed. This action also decreases General Fund reimbursement estimates by \$175,000 related to the expenses in Fund 1474. General Fund will directly recognize \$150,000 in revenue estimate related to this activity.

Office of the District Attorney

General Fund Fiscal Impact

FY 2023-24: \$0 Anticipated Savings

FY 2024-25: \$10,000 Anticipated Savings

Assembly Bill 145-Public Safety Trailer Bill, related to Implementing Provisions for the County Resentencing Pilot Program, supports and evaluates a collaborative approach to exercising prosecutorial resentencing discretion. The pilot program covers the period from 10/1/21 to 1/20/25. The Office of the District Attorney was one of several counties in the State that received an award under the terms of the program and received an advance payment of \$1,410,000 on 10/26/21. On 1/10/22, the Board of Supervisors approved a request to add one term-limited Attorney II position and one term-limited Paralegal position. Administration projects the AB 145 cost will be \$642,000 in Services and Supplies and Reimbursement. However, the current budget is \$480,000 for Services

and Supplies and \$48,000 for Reimbursement. The Office of the District Attorney requests to increase the Services and Supplies and Reimbursement budgets accordingly. Also, per the Board of State and Community Corrections (BSCC) Grant Administration Guide, interest income is defined as income earned on advances of grant funds. Earned interest is project income. Interest income may only be used for allowable expenses during the grant period. The Office of the District Attorney budget has not anticipated interest income since FY 2021-22. This request will add the interest income budget of \$55,000 covering the period from FY 2021-22 to FY 2023-24 to comply with the BSCC Grant Administration Guide and balance the grant budget. This request will also add \$10,000 interest income for FY 2024-25.

Santa Clara Valley Healthcare and Social Services Agency

Establish Intra-County Budget Transfer for Deputy Public Guardian Conservator, shared with SSA

General Fund Fiscal Impact

FY 2023-24: \$87,181 Anticipated Savings

FY 2024-25: \$87,181 Anticipated Savings

This action will result in an ongoing reimbursement from Santa Clara Valley Healthcare (SCVH) to Social Services Agency (SSA) in the amount of \$87,181 to support half of one full-time Deputy Public Guardian position, approved in FY 23-24 Budget and shared between the two departments. This action also reduces Services and Supplies expenditure in SCVH by the same amount.

Controller-Treasurer and Santa Clara Valley Healthcare

Adjust SCVH Bond Service and Interest Expense

General Fund Fiscal Impact

FY 2023-24: \$7,001,290 Anticipated Savings

FY 2024-25: \$7,001,290 Anticipated Savings

This action aligns SCVH debt service payment and interest expense budget with the Controller’s Office debt service schedule. This action reduces the appropriations for budgeted bond interest expense by \$7,936,290 in SCVH, associated with the early redemption of lease revenue bond 2012 Series; decreases estimated transfers-in revenue to SCVH from Controller-Treasurer for bond-related funds (\$935,000); and reduces General Fund investment in SCVH (\$7,001,290) on an ongoing basis.

Central Fire Protection District

General Fund Fiscal Impact

FY 2023-24: \$320,966 Anticipated Cost

FY 2024-25: \$436,821 Anticipated Cost

This action is an adjustment between the Central Fire Protection District and the County Executive, Communications, Planning and Development, and Facilities and Fleet Department’s budgets to reimburse the District for increased costs of personnel services provided to support County departments. The District’s interagency estimated revenue (Fund 1524) will increase and the General Fund expenditure appropriations will have a subsequent ongoing increase.

Department	FY24	FY25	Comment
County Executive - Office of Emergency Management	64,089	90,791	To increase staffing costs for a Deputy Director and Director that the District provides.
Communications Department	-102,109	-110,000	To decrease staffing costs related to management of a Computer Aided Dispatch (CAD) project
Communications Department	-	28,405	To increase staffing costs for a Deputy Director and Director that the District provides.

Department of Planning and Development	303,000	361,000	To increase staffing and services cost for the County Fire Marshal Office.
Facilities Department	55,986	66,625	To increase the cost for Fire Marshal and Hazardous Materials services.

Office of Supporting Housing

Decrease the Ongoing Revenue Estimate

General Fund Fiscal Impact

FY 2023-24: \$709,312 Anticipated Cost

FY 2024-25: \$709,312 Anticipated Cost

This action is a correction that will decrease the ongoing estimated revenue by \$709,312. This will align estimated revenues for the current year with what the department is expected to receive.

Recognize Revenues and Expenditures from Social Services Agency for Housing Contracts

General Fund Fiscal Impact

FY 2023-24: \$294,031 Anticipated Savings

FY 2024-25: \$51,000 Anticipated Savings

This action recognizes an increase in expenditure appropriations of \$4,959,813 and an increase in estimated revenue of \$5,253,844 in FY 2023-24. It also recognizes a decrease in expenditure appropriations by \$607,442 and a decrease in estimated revenues by \$556,442 in FY 2024-25. This a transfer from grant revenue that is recognized in the Social Services Agency then transferred to the Office of Supportive Housing and is related to contract services to provide homeless prevention-related housing services and supportive housing services to homeless families to eligible CalWORKs

Employment Services families. This will also provide interim and permanent housing support to clients who are homeless and have a disability that potentially qualifies them for Supplemental Security Income benefits.

Office of the County Counsel

General Fund Fiscal Impact

FY 2023-24: \$95,000 Anticipated Savings

FY 2024-25: \$95,000 Anticipated Savings

Recognize ongoing revenue as part of the Transfer of the Office of the Mediation and Ombudsman from the Office of the County Executive to the Office of the County Counsel

This ongoing action recognizes estimated revenue, in the amount of \$95,000, as part of the transfer of the Office of the Mediation and Ombudsman from the Office of the County Executive to the Office of the County Counsel.

Office of the Sheriff / Department of Correction

Software Support and Maintenance

General Fund Fiscal Impact

FY 2023-24: \$66,944 Anticipated Cost

FY 2024-25: \$82,016 Anticipated Cost

This action will result in a total increase of \$66,944 in expenditure appropriations in the Office of the Sheriff and Department of Correction in FY 2023-24 and will increase ongoing expenditure appropriations by \$82,016 in FY 2024-25 the Office of the Sheriff and Department of Correction to support various software applications that support daily operations.

Solution for Secure VPN Access

General Fund Fiscal Impact

FY 2023-24: \$30,586 Anticipated Cost

FY 2024-25: \$30,586 Anticipated Cost

This action will result in an increase of ongoing expenditure appropriations in the Office of the Sheriff and Department of Correction, by a total of \$30,586, for the licensing costs of a digital identity and privileged access management solution that satisfies compliance with FBI CJIS Security and NIST 800-53 publications.

Annual Maintenance of Servers

General Fund Fiscal Impact

FY 2023-24: \$76,412 Anticipated Cost

FY 2024-25: \$76,412 Anticipated Cost

This action will result in an increase of ongoing expenditure appropriations in the Office of the Sheriff and Department of Correction, by a total of \$76,412, for the maintenance of Dell servers that provide computing and storage resources to the department. Annual maintenance will minimize the occurrence of system outages and the impact of unforeseen hardware complications.

Procurement of badge and cap pieces

General Fund Fiscal Impact

FY 2023-24: \$30,000 Anticipated Cost

FY 2024-25: \$30,000 Anticipated Cost

This action will result in an increase of ongoing expenditure appropriations by \$30,000 in the Office of the Sheriff to purchase badges and hat pins to new hires, promotions, and retirements for sworn personnel. Badge numbers are not reused if an employee is separated.

Replacement Motorola radios and related maintenance for the Law Enforcement Bureau

General Fund Fiscal Impact

FY 2023-24: \$2,100,000 Anticipated Cost

FY 2024-25: \$100,000 Anticipated Cost

This action will result in a one-time increase of \$2,100,000 in expenditure appropriations in the Office of the Sheriff to purchase replacement radios, batteries, and accessories to support daily patrol operations and functions. This action will also result in an ongoing increase of expenditure appropriations, totaling \$100,000 beginning in FY 2024-25, in the Office of the Sheriff for the maintenance, repairs, and battery replacements for the newly acquired radios.

Law Enforcement Learning Management System

General Fund Fiscal Impact

FY 2023-24: \$52,000 Anticipated Cost

FY 2024-25: \$52,000 Anticipated Cost

This action will result in an ongoing increase of \$52,000 in expenditure appropriations in the Office of the Sheriff for Lexipol's PoliceOne Academy software suite, which is a cloud-based Learning Management System (LMS) focused on online law enforcement-specific training content. Training content includes STC (Custody) and POST (Enforcement) certified training, wellness education, and leadership development.

Automated External Defibrillator annual maintenance

General Fund Fiscal Impact

FY 2023-24: \$20,000 Anticipated Cost

FY 2024-25: \$20,000 Anticipated Cost

This action will result in an ongoing increase of \$20,000 in expenditure appropriations in the Office of the Sheriff to support the annual maintenance of Automated External Defibrillators (AEDs). This action will help ensure AEDs are in optimal condition, enhancing emergency response effectiveness.

Annual support for Mobile Wellness Application

General Fund Fiscal Impact

FY 2023-24: \$50,000 Anticipated Cost

FY 2024-25: \$50,000 Anticipated Cost

This action will result in an ongoing increase of \$50,000 in expenditure appropriations in the Office of the Sheriff for an application that provides the Sheriff's Office personnel with critical mental health information for sworn staff. The wellness services available through a mobile device helps to ensure staff are prepared to carry out their duties.

Dash Cam and Radio Equipment for Patrol Vehicles

General Fund Fiscal Impact

FY 2023-24: \$220,904 Anticipated Cost

FY 2024-25: \$40,000 Anticipated Cost

On October 6, 2020, the Board of Supervisors approved the funding of \$1.9 million to purchase 32 new, replacement patrol vehicles for the Sheriff's Office. However, that allocation did not include safety equipment or radio communication for the vehicles. This action will result in a one-time increase of \$220,904 in expenditure appropriations in the Office of the Sheriff to equip patrol vehicles with mobile video audio recording (dash cam) and radio equipment. This action will also result in an ongoing increase of \$40,000 in expenditure appropriations beginning in FY 2024-25 in the Office of the Sheriff for annual maintenance of this equipment. Dash cams and radio communication are critical equipment during patrols and responses to emergency calls for service.

Sheriff's Protective Service Officer (SPSO) Positions

General Fund Fiscal Impact

FY 2023-24: \$106,644 Anticipated Cost

FY 2024-25: \$242,842 Anticipated Cost

In FY 2022-23, the County established a new classification of Sheriff's Protective Services Officers (SPSO) and a new division within the Sheriff's Office to oversee security positions throughout the County organization, with the goal of improving the safety and security of employees and visitors at County facilities. The Sheriff's Office currently has funding for 12 SPSO positions. This action will result in funding an

additional 14 SPSO positions, with an increase of \$106,644 in expenditure appropriations in FY 2023-24, and an ongoing increase of \$242,842 in expenditure appropriations beginning in FY 2024-25. It also decreases funding for vacant Protective Services Officer that will be replaced by the SPSO positions.

Sheriff's Protective Service Officers' Management Positions and Equipment

General Fund Fiscal Impact

FY 2023-24: \$1,983,616 Anticipated Cost

FY 2024-25: \$812,126 Anticipated Cost

This action will result in a \$1,983,616 increase in expenditure appropriation in FY 2023-24 and a \$812,126 increase in ongoing expenditure appropriations in FY 2024-25 in the Sheriff's Office Protective Services Division to provide funding for two Sheriff Sergeants and the purchase of safety and operational equipment. Previously in FY 2022-23, two Sheriff's Sergeants positions were added to the Sheriff's Office as unfunded, while the Division was in the process of becoming established. The Division is currently operational and requires additional staff and resources to support the incoming SPSO positions.

A3: Modifications to the FY 2023-24 Budget with One-time General Fund Fiscal Impact

Modifications for one-time funding of projects or additional resources for limited duration are proposed to true-up the budget based on new information that has arisen since the adoption of the budget. The actions discussed below include budgetary corrections necessary due to errors, omissions, and revised estimates.

Office of the County Executive

Increase Expenditure Appropriations Related to Differentials for Service Employees International Union, Local 521 (SEIU 521) Represented Classifications

General Fund Fiscal Impact

FY 2023-24: \$965,893 Anticipated Cost

This action will increase the salaries and benefits expenditure appropriations by \$523,279 in the Public Defender's Office, \$248,272 in the Department of Correction, and \$194,342 in the Medical Examiner-Coroner. On June 6, 2023 (Item No. 44), the Board approved an approximately ten percent differential for specified employee classifications represented by the SEIU 521, when assigned to perform investigatory or administrative duties. This action is needed to align the expenditure appropriations with the salary ordinance, as approved by the Board.

Increase One-time Expenditure Appropriations in Diversion and Reentry Services

General Fund Fiscal Impact

FY 2023-24: \$1,270,000 Anticipated Cost

This action will increase one-time expenditure appropriations in Diversion and Reentry Services by \$2,519,000 and increase the transfer in of AB 109 funds to the General Fund one-time by \$1,249,000. This action resolves three issues: First, it restores \$519,000 in expenditure appropriations for Reentry's social enterprise contracts that were unsuccessfully rolled over from FY 2022-23; second, it adds \$2,000,000 in additional one-time funding for Reentry's contracts with service providers; lastly, it balances AB 109 revenues with expenditures in the Diversion, Prevention, and Reentry cost center in the Criminal Justice Systemwide Costs budget unit. Since the Diversion, Prevention, and Reentry cost center already had \$1,270,000 more revenues budgeted than expenditure appropriations before this adjustment, revenue estimates only need to be increased by \$1,249,000 to balance the \$2,519,000 in new expenditure appropriations in this cost center. Consequently, balancing this cost center will result in a \$1,270,000 impact to the General Fund.

FY 2023-24 General Liability Insurance Program Refund

General Fund Fiscal Impact

FY 2023-24: \$999,637 Anticipated Cost

The FY 2023-2024 Adopted Budget set aside \$4,909,724 in one-time General Fund savings in Special Programs in anticipation of potential general liability insurance savings. This action reverses the set aside in Special Programs by adding back \$4,909,724 in one-time expenditure appropriations to the General Fund and reduces General Liability Insurance program revenue in the Liability and Property Insurance Fund by \$5,745,800 one-time, which will refund an equivalent amount to General Fund and non-General Fund departments. Of that \$5,745,800 refund, \$3,912,087 will be refunded to General Fund departments, \$997,639 will be refunded to the Enterprise Fund, and \$836,074 to other non-General Fund departments. Due to the discrepancy between the \$4,909,724 General Fund set aside in the FY 2023-2024 Adopted Budget and the actual amount that will be refunded to General Fund departments, there will be a \$999,637 impact to the General Fund. This impact is equivalent to the refund provided to the Enterprise Fund, which receives General Fund investments. While this refund will not result in a cash flow issue in the current year, the most recent actuarial report shows the General Liability program experienced adverse loss development in the past year, so the refund will need to be recouped in the future.

Office of the District Attorney

Human Trafficking Grant

General Fund Fiscal Impact

FY 2023-24: \$56,618 Anticipated Cost

The U. S. Department of Justice Office for Victims of Crime (OVC) in October 2021 awarded the Enhanced Collaborative Model Task Force Grant for our Office to Combat Human Trafficking.

During the budget rollover process, part of Intra-County (IC) reimbursement was rolled over. This correction will increase the IC reimbursement by \$56,618 to align the IC expenditure and the IC Reimbursement.

South County Youth Task Force (SCYTF)

General Fund Fiscal Impact

FY 2023-24: \$104,000 Anticipated Cost

In the FY 2023-24 Budget, the Board approved a request to increase the one-time \$145,000 budget to the General Fund for SCYTF and reimbursed by Fund 238. Currently, Fund 0238's Transfer Out budget is \$249,000. This correction will reduce the Transfer Out budget by \$104,000 to true-up the budget to \$145,000.

Realignment Trust Fund 414

General Fund Fiscal Impact

FY 2023-24: \$110,000 Anticipated Savings

The Office of the District Attorney anticipates expenditures will exceed the current Transfer Out budget by \$110,000 due to an insufficient budget in Fund 0414. This correction will increase the Transfer Out in Fund 0414 and Transfer In in the General Fund budgets to cover the shortage.

Custody Health Services

General Fund Fiscal Impact

FY 2023-24: \$2,400,000 Anticipated Cost

This one-time action increases Custody Health Services expenditure appropriations by \$2,400,000 for overtime costs primarily related to vacancy coverage within the Adult Psychiatric Unit.

Emergency Medical Services

General Fund Fiscal Impact

FY 2023-24: \$22,033 Anticipated Cost

This one-time action decreases \$182,033 of estimated revenue from SB12/Maddy Funds and increases \$160,000 of reimbursement grant funding from the Office of Emergency Management State Homeland Security Grant Program. The grant will reimburse Emergency Medical Services (EMS) All Hazards position.

This action will also result in a one-time \$259,000 increase in expenditures appropriations in the EMS Trust Fund (Fund 363). Within the adjustment, \$350,000 is re-appropriated funding for the Santa Clara County Fire Chiefs Hardware and Software for Patient Care Data and Terrorism and Active Shooter Preparedness. The funding was approved in FY22-23 but not completed in FY22-23 due to delays with providers/stakeholders. This is partially offset by a reduction of \$91,000 related to a \$100,000 decrease from the Emergency Ambulance Service Delivery Options Study and a \$9,000 increase for the County's Automatic External Defibrillators initiative for maintenance costs on school campuses.

Social Services Agency

Increase revenue estimate and expenditure appropriation related to a Technology Refresh for the Department of Employment and Benefits Services

General Fund Fiscal Impact

FY 2023-24: \$108,000

This one-time action increases the expenditure appropriation by \$1,500,000 and revenue estimate by \$1,392,000 for the Technology Refresh for the Department of Employment and Benefits Services. The expenditure will pass-through SSA as an Intra-County charge from the department of Technology Services and Solutions (TSS). The funding allocation will be used to purchase laptops (with docking stations, keyboards/ mice, carrying cases), mini PCs, monitors, and deployment services to support the staff of the Department of Employment and Benefit Services (DEBS).

Increase revenue estimate and expenditure appropriations related to CalWORKs

General Fund Fiscal Impact

FY 2023-24: \$444,361 Anticipated Cost

This one-time action increases expenditure appropriations by \$15,645,597 and increases estimated revenue by \$15,201,236. The one-time General Fund costs of \$444,361 accounts for the county's mandated share. This action acknowledges the 10% increase in the CalWORKs and CAPI Maximum Family Grant (MFG) and Maximum Aid Payment (MAP) due to SB 80 (CFL 23/24-06).

Increase revenue estimate and expenditure appropriations related to the General Assistance Program

General Fund Fiscal Impact

FY 2023-24: \$3,556,401 Anticipated Cost

This one-time action increases expenditures appropriations by \$3,556,401 for the General Assistance Program to allow the County to keep up with the increased need for services that benefit one of our most vulnerable populations: adults with no dependent children who have no other means of support and are mainly unhoused.

County Communications

General Fund Fiscal Impact

FY 2023-24: \$368,512 Anticipated Savings

This one-time action increases reimbursement revenue estimates for County Communications related to adjustments to dispatch services provided to the Department of Parks and Recreation and the Central Fire Protection District. This action also results in expenditure appropriation increases of \$46,524 in the Parks Operating Fund and \$321,988 in the Central Fire Operating Fund related to anticipated increases in dispatch service costs for the current fiscal year.

Department of Planning and Development

General Fund Fiscal Impact

FY 2023-24: \$376,499 Anticipated Savings

This action will recognize \$376,499 in anticipated reimbursement for the Regional Early Action Planning (REAP) and State Grant under Local Early Action Planning (“LEAP”) grant. This is for preparing sections of the administrative Draft Environmental Impact Report (DEIR) for the Housing Element update and associated rezonings and for technical assistance, preparation and adoption of planning documents, and process

improvements to accelerate housing production and facilitate compliance to implement the sixth cycle of the regional housing needs assessment.

County ARPA Fund 0407

General Fund Fiscal Impact

FY 2023-24: \$29,764,298 Anticipated Savings

This action will recognize \$29,764,298 in revenue from the American Rescue Plan Act (ARPA) and transfer the same amount from ARPA Fund to General Fund for cost reimbursements related to pandemic response. Included in the reimbursements are \$9.8 million for Valley Health Center in Morgan Hill (formerly DePaul Health Center) facility improvements, \$15.5 million for HVAC and ventilation projects, and generator replacement in County healthcare facilities, \$1.9 million for public health costs regarding wastewater testing for COVID-19, and \$2.3 million for prior Housing Support project costs of purchasing groceries for households that were quarantined at home and non-congregate shelter project. The action will help to preserve General Fund funding for other one-time needs and allows for the work to be completed well in advance of the ARPA deadline.

Santa Clara Valley Healthcare (SCVH)

Adjust SCVH budgeted expenditures to reflect projections-to-date

General Fund Fiscal Impact

FY 2023-24: \$42,858,202 Anticipated Cost

This action adjusts estimated revenues and appropriation for expenditures in SCVH to reflect projected year-end amounts. This action increases appropriation for expenditures by \$76,658,202 in SCVH, increases estimated revenue by \$33,800,000, and increases General Fund investment in SCVH by \$42,858,202 on a one-time basis. The adjustments are summarized in the following table:

	Payroll	Services & Supplies	Revenue	Net Adjustment to GF Investment in SCVH
SCVH-Valley Medical Center (Fund 60)	\$65,658,202	\$22,700,000	(\$40,500,000)	\$128,858,202
SCVH-O'Connor (Fund 62)	-	(\$10,200,000)	\$57,700,000	(\$67,900,000)
SCVH-St. Louise (Fund 63)	-	(\$1,500,000)	\$16,600,000	(\$18,100,000)
Total	\$65,658,202	\$11,000,000	\$33,800,000	\$42,858,202

[Special Programs and Reserves](#)

Recognize Use of Reserve for Mid-Year Actions

General Fund Fiscal Impact

FY 2023-24: \$12,400,000 Anticipated Cost

This action recognizes the use of the \$12,400,000 Reserve for Mid-Year Actions set aside during the June Budget Hearing on the Recommended Budget. The reserve was set aside by the Board based on a recommendation by the Harvey M. Rose Associates, LCC (Management Auditor) to reduce appropriation in the Santa Clara Valley Healthcare enterprise funds for services and supplies, to provide an opportunity at this midyear review to study enterprise fund costs in the first six months of the fiscal year to determine if the \$12,400,000 is necessary to be returned to support hospital operations.

Since the enterprise is on track to require approximately \$42.9 million in supplemental General Fund investment, Administration recommends use of the Reserve for Mid-Year Actions to partially mitigate the adjustment.

Office of Supportive Housing

Recognize Revenues and Expenditures Housing and Homelessness Incentive Program

General Fund Fiscal Impact

FY 2023-24: \$135,000 Anticipated Savings

This action recognizes an increase in expenditure appropriations of \$13,934,815 and an increase in estimated revenues of \$14,069,815 for the Housing and Homelessness Incentive Program (HHIP). This is for the continuum of services focusing on homelessness prevention, interim housing, rapid re-housing, and permanent supportive housing.

Restate the Homeless and Runaway Youth Shelter Grant Budget

General Fund Fiscal Impact

FY 2023-24: \$407,907 Anticipated Cost

This action corrects recommended expenditure appropriations in the amount of \$407,907. The budget reappropriation was missed in prior years' rollover requests by the department and needs to be corrected to reflect OSH continued support for the Homeless and Runaway Youth Shelter Grant Program supporting the acquisition, creation or expansion of emergency shelter and transitional housing for homeless minors and young adults.

Silicon Valley Community Foundation Grant

General Fund Fiscal Impact

FY 2023-24: \$114,456 Anticipated Savings

This action recognizes estimate revenue in the amount of \$114,456 relating to the Silicon Valley Community Foundation grant to align the County budget with the current fiscal year's funding.

Correction of FY 2022-23 Rollover

General Fund Fiscal Impact

FY 2023-24: \$2,241,370 Anticipated Cost

This action decreases estimated revenue and expenditure appropriations by \$600,726 and \$265,847, respectively, and increases expenditures appropriations in the amount of \$1,374,797. This adjustment includes a correction to rollover items, such as a grant from the Santa Clara County Housing Authority to administer the Emergency Housing Voucher (EHV) program that was unintentionally omitted from the FY 2022-23 rollover request.

Consumer and Environmental Protection Agency

Increase Expenditure Appropriations in Integrated Waste Management Program for Expenses related to the Request for Proposals for Waste Hauling

General Fund Fiscal Impact

FY 2023-24: \$21,428 Anticipated Savings

This action will increase the transfer amount from the Unincorporated Area Waste Management Fund to the General Fund by \$207,838 and increase one-time expenditure appropriations for services and supplies within the Integrated Waste Management Program by \$186,410, resulting in a total savings of \$21,428 in the General Fund. This action is necessary to cover the increased expenditures required to complete the Request For Proposal to procure contract vendors to perform solid waste collection and processing services in Unincorporated Santa Clara County.

Expenditure Appropriations in General Fund to Cover Contract Administration

General Fund Fiscal Impact

FY 2023-24: \$12,169 Anticipated Savings

This action will increase estimated revenues in the Unincorporated Area Waste Management Fund by \$68,162 one-time and increase the transfer amount from Fund 0458 to the General Fund by an equivalent amount. The action will also increase one-time expenditure appropriations for services and supplies within the Integrated Waste Management Program by \$55,993, resulting in a total savings of \$12,169 in the General Fund. This action is necessary to fully reimburse the General Fund for all expenditures incurred administering the Integrated Waste Management Program.

Reimburse the General Fund for Prior Year Overhead Charges

General Fund Fiscal Impact

FY 2023-24: \$28,452 Anticipated Savings

This action will increase expenditure appropriations for services and supplies within the Weed Abatement Fund one-time by \$28,452 and increase the expenditure reimbursement to the General Fund by an equivalent amount. This action is necessary to reimburse the General Fund for staff time spent supporting the Weed Abatement Program in FY 2022-23.

Office of the Sheriff / Department of Correction

Psychological examination costs for concealed carry weapon licenses

General Fund Fiscal Impact

FY 2023-24: \$201,000 Anticipated Cost

This action will result in a one-time increase of \$201,000 in expenditure appropriations in the Office of the Sheriff for the psychological examination costs associated with concealed carry weapon license applicants.

Overtime in the Law Enforcement Bureau

General Fund Fiscal Impact

FY 2023-24: \$6,700,000 Anticipated Cost

This action will result in a one-time increase of \$6,700,000 in expenditure appropriations for salaries and benefits in the Office of the Sheriff to support overtime compensation in the Law Enforcement Bureau.

Mobile Device Computers for Patrol Vehicles

General Fund Fiscal Impact

FY 2023-24: \$1,750,000 Anticipated Cost

This action will result in a one-time increase of \$1,750,000 in expenditure appropriations in the Office of the Sheriff to purchase 350 replacement mobile device computers for patrol vehicles. The department currently utilizes mobile device computers that were acquired four years ago, using Windows 10 platform. However, the current devices need to be upgraded to transition towards Windows 11 to comply with County policy.

Network core switches and related services

General Fund Fiscal Impact

FY 2023-24: \$417,294 Anticipated Cost

This action will result in a total one-time increase of \$417,294 in expenditure appropriations in the Office of the Sheriff and in the Department of Correction to purchase two Cisco 9600 network core switches and related services as the current core switches have reached end of life. The core switches help ensure network security, intrusion detection, and connectivity for Sheriff's headquarters and substations. They also facilitate communication within the Sheriff's Office and interface with other law enforcement agencies.

Lead contamination testing at Range

General Fund Fiscal Impact

FY 2023-24: \$6,680 Anticipated Cost

This action will result in a one-time increase of \$6,680 in expenditure appropriations for lead contamination testing at the Sheriff's Office Range. Occupational Safety and Environmental Compliance (OSEC) recently conducted a site inspection at the Sheriff's Range and have concerns of hazardous waste, and a consultant firm will collect samples, provide laboratory reports and analytical results with recommendations as applicable.

Overtime in the Custody Bureau

General Fund Fiscal Impact

FY 2023-24: \$7,500,000 Anticipated Cost

This action will result in a one-time increase of \$7,500,000 in expenditure appropriations for salaries and benefits in the Department of Correction to support overtime compensation in the Custody Bureau for operations.

Overtime in Custody Bureau for required training

General Fund Fiscal Impact

FY 2023-24: \$1,834,822 Anticipated Cost

This action will result in a one-time increase of \$1,834,822 in expenditure appropriations for salaries and benefits for in the Department of Correction to support overtime compensation in the Custody Bureau for the purposes of training, due to staffing constraints. The Custody Bureau has a statutory requirement for each Custody Deputy (of all ranks) to complete 24 hours of Standards and Training for Corrections training each fiscal year. In addition, best practices and consent decree training requirements mandate in-person training on an ongoing and recurring schedule.

Custody Bureau supervision training for Use of Force

General Fund Fiscal Impact

FY 2023-24: \$145,541 Anticipated Cost

This action will result in a one-time increase of \$130,541 in expenditure appropriations for salaries and benefits for overtime and a one-time increase of \$15,000 in expenditure appropriations for training services in the Department of Correction. In accordance with the *Chavez* consent decree, it's mandatory for all Custody staff and supervisors to undergo 16 hours of Use of Force Investigation training. This action provides an allocation of 16 hours of overtime for all Custody Sergeants and Lieutenants and resources for outside instructors and tuition costs to ensure compliance with these training requirements.

Americans with Disabilities Act (ADA) Compliance and Grievance Tracking System

General Fund Fiscal Impact

FY 2023-24: \$74,358 Anticipated Cost

This action will result in a one-time increase of \$74,358 in expenditure appropriations in the Department of Correction for enhancements to the ADA tracking system. All grievances for the adult jail facilities are tracked by Sheriff's personnel via the ADA Compliance and Grievance Tracking System (ACeS). This enhancement will separate Custody Health related grievances onto its own module including all screens and reports.

Food Services for in-custody operations

General Fund Fiscal Impact

FY 2023-24: \$3,250,000 Anticipated Cost

This action will result in a one-time increase of \$3,250,000 in expenditure appropriations in the Department of Correction Food Services Division to provide meals to jail inmates. Rising food costs have increased the cost to provide meals, and additional resources are necessary to support jail operations and inmate needs.

Technology Services and Solutions

Technology Services and Solutions Intra-County General Fund Charges

General Fund Fiscal Impact

FY 2023-24: \$350,600 Anticipated Savings

This one-time action makes budgetary adjustments relating to Intra-County charges for Information Technology services in various General Fund departments. The Technology Services and Solutions Department assesses and monitors services utilization provided to various departments and adjusts their respective budgetary appropriations based on demand. It includes the following services:

Telecommunication, Wireless Voice & Data Services, Postage, Printing, Information Technology, and Enterprise Licensing Agreements. This action results in a net General Fund expenditure appropriation savings across impacted departments, and decreases reimbursement in Technology Services and Solutions (Information Services – Fund 74).

Mail Services Equipment Replacement

General Fund Fiscal Impact

FY 2023-24: \$80,000 Anticipated Cost

This one-time action will result in an increase of \$80,000 for expenditure appropriations in the Technology Services and Solutions Department to replace three IS-5000 machines for Mail Operations which are approaching end of useful life.

Facilities and Fleet

Facilities Property Management Lease Adjustments

General Fund Fiscal Impact

FY 2023-24: \$1,746,000 Anticipated Savings

This action will adjust several facility lease budgets, including the following:

- Social Services Agency for a net decrease of \$2,168,000.
- Office of County Counsel for a net increase of \$607,000.
- Behavioral Health Services Department for a net decrease of \$117,000.
- County's Lease Reserve in the amount of \$68,000.
- Santa Clara Valley Medical Center for a zero net impact.
- Office of the District Attorney for a zero net impact.
- Department of Child Support Services for a zero net impact.

Custodial Cleaning Services at Main Jail North and Elmwood Correctional Facility

General Fund Fiscal Impact

FY 2023-24: \$6,200,000 Anticipated Cost

This action will increase expenditure appropriations in the amount of \$6,200,000 to fund a contract amendment with Quality Cleaning Professionals. The scope of their work is being expanded to include Main Jail North and Elmwood Correctional Facility.

Remove General Fund Set Aside Savings Fleet Bulk Fuel

General Fund Fiscal Impact

FY 2023-24: \$3,000,000 Anticipated Cost

This action will remove \$3,000,000 in General Fund cost savings in the Special Program budget added as a placeholder in the FY 2023-24 Adopted Budget for savings related to Bulk Fuel purchases. The Fleet Department has already realized these savings in the FY 2023-24 budget, and previously adjusted rates to countywide departments.

Adolescent Psychiatric Facility

General Fund Fiscal Impact

FY 2023-24: \$17,676,805 Anticipated Cost

This action updates funding for the Behavioral Health Services Center/Adolescent Psychiatric Facility in three aspects. First, this action includes a one-time increase of estimated revenues and expenditure appropriation in the amount of \$110,607 to Capital Project 263-CP19008 “Construct New Adolescent Psychiatric Fac.”. The County was awarded \$80,110,607 through Rounds 3 and 4 of the State’s Behavioral Health Continuum Infrastructure Program to partially fund the construction of the Behavioral Health Services Center. Of that amount, \$80,000,000 was appropriated to the Capital Improvement Program through the FY 2023-24 budget process in anticipation of the awards. This adjustment adds \$110,607 to that capital project so the budget reflects the grant award. Second, there is a one-time General Fund contribution and expenditure appropriation in the amount of \$17,676,805 to Capital Project 263-CP19008 for furniture, fixtures, and equipment (FFE), project activation, and public art. There may be a need for additional funds for FFE in FY 2024-25; however, Administration is currently evaluating the need in preparation of the FY 2024-25 Recommended Budget. Third, there is a one-time capital budget transfer in the amount of \$15,000,000 from 263-CP17006 “VMC Emergency Department Improvements” to Capital Project 263-CP19008 as additional funds will support a shift to the scope of work for timely improvements to support the Behavioral Health Services Center/Adolescent Psychiatric Facility project. Shifting \$15,000,000 from Capital Project 263-CP17006 utilities relocation work to the Capital Project 263-CP19008 will allow timely achievement of the facility bridge connection to the emergency department.

Special Program and Reserves

Conservatorship Law Reform (Senate Bill 43)

General Fund Fiscal Impact

FY 2023-24: \$10,000,000 Anticipated Cost

This one-time action establishes a general fund reserve of \$10,000,000 for the implementation and potential mental health services expansion of California Senate Bill 43.

California Senate Bill (SB) 43 Budget Act of 2024 broadens the definition of "gravely disabled" and may increase demands on county mental health resources. The County will need to ensure responsible implementation and meet service demand while protecting individual rights and data.

2012 Measure A Sales Tax Reserve

General Fund Fiscal Impact

FY 2023-24: \$5,512,549 Anticipated Cost

This one-time action establishes a 2012 Measure A Sales Tax reserve of \$5,512,549 from unused 2012 Measure A Sales Tax received in Fiscal Year 2022-23. This reserve can be strategically directed towards one-time projects that make a significant impact. In the past, the Board has allocated such prior fiscal year savings towards hospital emergency room improvements and all-inclusive playground development. Separate tracking of 2012 Measure A sales tax receipts ensures transparency and facilitates planning for 2012 Measure A-funded projects.

A4: Modifications to the FY 2023-24 Budget with No Net General Fund Fiscal Impact

Modifications with no net fiscal impact to the General Fund include adjustments that correct expenditure and revenue estimates or reorganize appropriations to align more accurately with actual accounting activity. All increased expenditure appropriations

recommended for Non-General Fund departments that are not matched by increased revenue estimates are offset by available fund balances in the specific funds.

Supervisory District Two

This one-time action transfers \$26,000 in anticipated salary and benefit savings to services and supplies relating to consultant services in Supervisory District Two.

Supervisory District Three

Supervisory District Three has received donations in the amount of \$35,000 from various entities. These donations support events sponsored by Supervisory District Three, such as Day on the Bay. This action will increase the appropriation for these events and document the revenue source as donations.

Controller-Treasurer

Transfer Accounting Positions from the Office of the County Executive

This ongoing action transfers 1.0 FTE filled Accountant I position and 1.0 FTE filled Senior Accountant position from the Office of the County Executive to the Controller-Treasurer Department. These two positions support COVID-19 reimbursement recovery activities, which are now overseen by the Finance Agency Director. This action results in no-net fiscal impact to the General Fund, but results in better administrative oversight and job duty alignment.

Transfer Campus Security Services Budget to the Clerk-Recorder's Office

This ongoing action transfers the \$155,000 expenditure budget for Tasman campus security services from the Controller-Treasurer Department to the Clerk-Recorder's Office to align expenditure budget with the department administering related services.

Office of the County Counsel

Transfer Remaining Budget of Office of Mediation and Ombudsman from Office of the County Executive to Office of the County Counsel

This ongoing action reduces reimbursement in the Office of the County Executive and increases reimbursement in the Office of the County Counsel, in the amount of \$327,769, with no net impact to the Social Services Agency.

Transfer One-time Funds within Budget Unit to Costs of Relocation

This action transfers \$300,000 of salary and benefits budgetary savings to increase the budget for services and supplies within the Office of the County Counsel relating to the relocation of staff to 70 West Hedding, East Wing, administrative campus.

[Office of the District Attorney](#)

DNA21 Grant

The U.S. Department of Justice, Office of Justice Programs (OJP) awarded the DNA Grant to The Office of the District Attorney. The grant enhances capacity and reduces backlogs associated with unanalyzed DNA samples and other biological evidence from crime scenes, especially in sexual assaults and murder cases.

These grant resources ensure timely analysis of these samples, resulting in faster entry of DNA profiles into the Combined DNA Index System (CODIS) and enhancing the chances that potential crime victims will be spared the violence of repeat offenders. The Forensic DNA Capacity Enhancement for Backlog Reduction funds are used by existing crime laboratories that conduct DNA analysis to meet timeline targets and reduce backlogged testing. All qualifying forensic DNA casework samples analyzed using funds obtained through this grant are included in the CODIS national databank.

During the budget rollover process, the revenue and the expenditure budget were rolled over incorrectly for this grant.

Crime Lab's Window Replacement

In FY 2023-24, there have been several new vandalism incidents at the Crime Laboratory. This request will increase the revenue and expenditure budget appropriation by \$80,166 in FY23-24 in order to cover the costs for these incidents.

Probation

Juvenile Justice-related Data pertaining to the Division of Juvenile Justice Realignment funds are allocated by the State Controller according to a schedule provided by the Department of Finance developed in collaboration with the Chief Probation Officers of California. The data submission is required to include the following, broken down by gender, age, and race or ethnicity:

- (a) Number of youth and their commitment offense or offenses, if known, who are under the county's supervision that are committed to a secure youth treatment facility, including youth committed to secure youth treatment facilities in another county.
- (b) The number of individual youth in the county who were adjudicated for an offense under subdivision (b) of Section 707 of the Welfare and Institutions Code or Section 290.008 of the Penal Code.
- (c) Number of youth, including their commitment offense or offenses, if known, transferred from a secure youth treatment facility to a less restrictive program.
- (d) Number of youth for whom a hearing to transfer jurisdiction to an adult criminal court was held, and number of youth whose jurisdiction was transferred to adult criminal court.

In order to support the work necessary to meet this data requirement, the Probation Department is requesting \$96,545 from this funding, which is commensurate to the allocation for the County of Santa Clara. Funding will be used to secure data tools that will assist in automating the current manual data processing of Secure Youth Treatment Facility client/family/stakeholder questionnaires/surveys.

Department of Planning and Development

Increases Services and Supplies expenditure appropriations by a reduction in Salaries and Benefits

This one-time action increases the services and supplies expenditure appropriations in the amount of \$703,218, offset by a reduction in the salaries and benefits budget to fund contracts relating to legal and consulting services, and inspection, project management,

translation services, and related needs. This will also fund the increase in the cost of the Fire Marshal services contract.

Increases Services and Supplies expenditure appropriations by a reduction in the Information Technology Enhancement Fee Fund

This one-time action increases the expenditure appropriations in services and supplies. It decreases the committed Information Technology Enhancement Fee (ITEF) fund balance by \$35,000 to cover the cost of upgrading our GIS Software from ArcGIS Online to ArcGIS Enterprise.

Consumer and Environmental Agency

Increase Transfer from Unincorporated Area Waste Management Fund to Cover Increased Benefit Costs

This action will increase expenditure appropriations for salaries and benefits by \$54,417 in the Integrated Waste Management Program to cover benefit costs that are projected to exceed budget. This action will also increase the transfer from the Unincorporated Waste Management Fund to the General Fund by \$54,417 to ensure that there is no net impact to the General Fund.

Implement Local Assistance Grant for SB1383

The Board of Supervisors accepted the Local Assistance Grant on November 15, 2022, to monitor mandatory solid waste services, procure recycled organic waste products, and facilitate edible food recovery. Unspent funds were placed in the Unincorporated Area Waste Management Fund. This action will increase expenditure appropriations in the General Fund by \$85,864 and increase the transfer from Unincorporated Area Waste Management Fund by an equivalent amount to implement the FY 23 Local Assistance Grant for SB 1383.

Increase Expenditures for Weed Abatement Parcel Work

This action will increase expenditure appropriations for services and supplies within the Weed Abatement Fund one-time by \$30,000. The Weed Abatement Program's contract with the County's vendor for parcel work expires on February 29, 2024. The

contract will be renewed for a year with approval of the Procurement Department, and this action will allow the department to continue to schedule parcel work through the end of the fiscal year. Increased FY 2023-24 expenditures will be recovered in FY 2024-25 through Weed Abatement fees.

Vector Control District

This action increases ongoing estimated revenues in the Vector Control District Fund by \$159,864. The district is funded by two benefit assessments: a fixed, per-parcel amount and a parcel amount that has an annual allowable increase based on the consumer price index (CPI) and capped at 3%. The revenue derived from these assessments has increased due to an increased number of parcels and an increase in the CPI.

Increase Revenues and Expenditures in the Household Hazardous Waste Program Related to Waste Collection Services

On March 22, 2022, the Board of Supervisors approved a contract for household hazardous waste services and waste collection events. This action updates the Household Hazardous Waste Program's budget to match the contract's annual maximum financial obligation by increasing ongoing estimated revenues and expenditure appropriations by \$529,174.

Transfer Household Hazardous Waste Program Budget to Fund 0049

This action transfers \$154,570 of appropriations for salaries and benefits and \$4,000 for services and supplies from the Environmental Health Fund to the Household Hazardous Waste Fund. This action will complete the move of CEPA's Household Hazardous Waste program out of the Environmental Health Fund and into its own fund, thereby allowing CEPA to become independent of the Department of Environmental Health, which was reorganized under the Public Health Department in FY 2021-22.

Recycling and Waste Reduction Division

This action increases expenditure appropriations for the Recycling and Waste Reduction Fund by \$767,163 one-time to accurately align with the FY 2023-24 Budget approved by the Recycling and Waste Reduction Commission.

Adjust CEPA Administrative Overhead Billings to CEPA Programs and Special Funds

The Consumer and Environmental Protection Agency (CEPA) consists of programs spread across two departments and multiple special funds. The agency's administrative unit is housed in the General Fund, and the non-General Fund programs reimburse a portion of that unit's expenses. This action will increase expenditure appropriations for salaries and benefits in CEPA's administrative unit by \$157,674 one-time to cover benefit costs that are projected to exceed budget. This action will also increase transfers to the General Fund from Vector Control by \$85,934, Weed Abatement by \$5,568, and the Household Hazardous Waste program by \$66,172. There is no net impact to the General Fund as a result of this action.

Public Health Department

Workforce Development Supplemental Grant

This one-time action will decrease estimated revenues and appropriation for expenditures by \$2,046,109 within various Public Health Department programs to align with the grant budget in Fiscal Year 2023-24.

Adjustments Relating to Grants from Bay Area Medication Assisted Treatment and Center for AIDS Research

This one-time action will increase estimated revenues and appropriation for expenditures by \$53,518 and \$33,000 respectively for carryover from Fiscal Year 2022-23.

Adjustments to IntraCounty Appropriations Between Various Public Health Department Programs

This ongoing action will decrease the intracounty reimbursement appropriation for expenditures between the Public Health Lab and AIDS Administration programs. In addition, a \$220,600 increase to the ongoing IC reimbursement between Public Health Lab and STD Clinic will align with actual trends and the program's projections.

Adjustments to IntraCounty Appropriations between Public Health Department Programs

This ongoing action will decrease the intracounty reimbursement appropriation for expenditures by \$191,000 between the Public Health Pharmacy and STD Clinic to align with actual trends and the program's projections.

Housing Plus Project

This ongoing action will increase appropriations for expenditures by \$425,000 through funding from the Ryan White Part B Grant. The intracounty reimbursement relationship with the Office of Supportive Housing was removed in Fiscal Year 2022-23, however the expense was not added back to Public Health Department. This action will correct the appropriation for expenditures to align with the approved grant budget.

Preparedness Grants

This one-time action will increase estimated revenues and appropriation for expenditures by \$686,210 for carryover from Fiscal Year 2022-23.

Adjustments to Medical Marijuana and Vital Records Programs

This ongoing action will decrease Medical Marijuana estimated revenues and appropriation for expenditures by \$10,550. The Vital Records program estimated revenues and appropriation for expenditures will increase by \$312,441. These adjustments are needed to align with the actual revenue trend.

Safe Routes to School Program

This one-time action will increase estimated revenues and appropriation for expenditures by \$236,010 to align with the Valley Transportation Authority Measure B allocation of \$429,706 for Fiscal Year 2023-24.

COVID-19 Health Disparities CE Grant

This one-time action will decrease estimated revenues and appropriation for expenditures by \$62,660 to align with the COVID-19 Health Disparities CE remaining grant balance of \$1,510,440.

Public Health Tobacco Grant

This one-time action will increase estimated revenues and appropriation for expenditures by \$777,722 to align with the Prop 56 and 99, voter initiatives to increase tobacco and cigarette tax, grant budget of \$1,739,794 for FY 2023-24.

Future of Public Health (FoPH) Grant

This ongoing action will reduce the intracounty reimbursement revenue and appropriation for expenditures by \$6,673,647 to align with the FoPH grant allocation.

First 5 Home Visiting Grant

This one-time action will decrease estimated revenues and appropriation for expenditures by \$100,000 to align with the First 5 Home Visiting grant reduction for Fiscal Year 2023-24.

Health Care Program for Children in Foster Care Grant

This one-time action will decrease estimated revenues and appropriation for expenditures by \$100,000 to align with the Health Care Program for Children in Foster Care grant reduction for Fiscal Year 2023-24.

Adjust Revenues and Expenditures Relating to the California Home Visiting Program Grant

This ongoing action will increase estimated revenues and expenditure appropriations by \$813,178 to align with the California Home Visiting Program allocation of 1,022,802 for the periods of Fiscal Years 2023-24 through 2027-28.

Adjustments to IntraCounty reimbursements Related to the Epidemiology and Laboratory Capacity (ELC) Grant

This one-time action will decrease the intracounty reimbursement to County Counsel and Technology Services and Solutions by \$100,000 and \$774,000 respectively. These reductions of intracounty reimbursements are needed due to the expiration of the ELC Grant at the end of FY 2023-24.

CalWORKs Home Visiting Program

This ongoing action will increase the estimated intracounty reimbursement revenues and appropriation for expenditures by \$333,854 to align with increase of interagency agreement with Social Services Agency for CalWORKs Home Visiting Program budget of \$1,508,070 for FY 2023-24 and FY 2024-25.

Custody Health Services

The California Department of Health Care Services, under its federal funding for the State Opioid Response, has provided grant funds to assist with the screening, assessment, advocacy, discharge planning, and linkage to community services for patients referred to, and treated through, the Medication-Assisted Treatment (MAT) program.

This one-time action increases Custody Health Service estimated revenue and expenditure appropriations by \$135,000 for the MAT grant.

Behavioral Health Services Department

Adjustments Relating to California Advancing and Innovating Medi-Cal (CalAIM) Behavioral Health Quality Improvement Program (BHQIP)

This one-time action will increase estimated revenues and appropriation for expenditures by \$631,592.

Adjustments Relating to Community Care Expansion (CCE) Preservation Program

This one-time action will increase estimated revenues and appropriation for expenditures by \$2,009,663 to recognize twenty five percent of CCE's award advance disbursement.

Youth Opioid Response Grant

This one-time action will increase estimated revenues and appropriation for expenditures by \$317,459 in order to recognize Round 3 of the Youth Opioid Response grant.

Adjustments Related to Mental Health Services Act (MHSA)-Innovation (INN) Component

This ongoing action will decrease estimated revenues and appropriation for expenditures by \$308,551 for MHSA INN 10 funded by MHSA Innovation Trust Fund. The program has ended, and the cost center will be closed once appropriation has been removed.

Various MHSA Trust Fund transfers

This one-time action will adjust various MHSA Trust Fund transfers to align actual costs with the associated MHSA program. The associated actions result in no net impact to the General Fund.

Tenant Improvements at 650 S. Bascom Avenue

This one-time action will increase appropriation for expenditures by \$1,931,907. The tenant improvement tasks at the Adult Residential Treatment (ART) facility at 650 S. Bascom Avenue are funded by MHSA but was omitted from the Fiscal Year 2022-23 Rollover process.

Behavioral Health Treatment Services

This ongoing action will increase appropriation for expenditures by \$12,422,516 for the following services: Inpatient psychiatric services, Sub-acute care facilities, and Short-term mental health residential facilities, as approved by the Public Health Crisis DOA. The increase of appropriation for expenditure is funded by 2011 Realignment.

Fremont Hospital Beds

This ongoing action will increase appropriation for expenditure for the use of 8 dedicated beds at Fremont Hospital by \$3,347,070. The increase of appropriation for expenditure is funded by 2011 Realignment.

Adjustments to 2011 Realignment transfers

This one-time action will correct Transfer In entries that erroneously used an inaccurate General Ledger Account during the Fiscal Year (FY) 2023-24 Recommended Budget for 2011 Realignment.

Opioid Prevention Activities

This one-time action will increase appropriation for expenditures by \$2,446,000 in Fiscal Year 2023-24 and increase appropriation for expenditures by \$3,329,000 on an ongoing basis for Opioid prevention programs as approved by the Board of Supervisors on September 12, 2023 (Item No. 14). Opioid settlement trust funds will be drawn down to support the following activities:

Harm Reduction: Expand distribution of naloxone kits, fentanyl test strips, and training. The increase of appropriation for expenditures is \$716,000 in FY 2023-24, and \$716,000 ongoing.

Treatment Services: Partner with schools to expand outpatient substance use treatment services, including medication assisted treatment, for youth and young adults with a focus on opioid use disorders. The increase of appropriation for expenditures is \$1,000,000 in FY 2023-24 and \$1,513,000 ongoing.

Treatment Services: Expand Youth Substance Use Disorder Residential Services, inclusive of residential services for youth with opioid use disorders, by increasing the number of treatment slots available for youth needing this level of care. The increase of appropriation for expenditures is \$730,000 in FY 2023-24 and 1,100,000 ongoing.

Cross Departmental Adjustments with the Office of Supportive Housing (OSH)

The first one-time action will decrease the appropriation for expenditures by \$3,999,270 for 2012 Measure A contracts. This action will align the appropriation for expenditures with the correct department.

The second one-time action will decrease the appropriation for expenditures by \$732,998 for services and supplies and intracounty reimbursements with OSH, as funded by 2011 Realignment. This action will align the appropriation for expenditures with the correct department.

Social Services Agency

Increase revenue estimate and expenditure budget for the Department of Employment and Benefit Services (DEBS)

This one-time action increases the revenue estimate and expenditures appropriation by \$4,159,000 allowing DEBS to utilize employee overtime to process Medi-Cal redeterminations timely and comply with federal and states laws regarding redetermination processing. Medi-Cal redeterminations were paused during the COVID-19 epidemic and were reinstated in 2023. The staff overtime expenditures will be claimed to Medi-Cal with no impact on the County General Fund.

Increase revenue estimate and expenditure budget in the Refugee Program

This one-time action increases the revenue estimate and expenditure appropriation by \$2,044,606 relating to funding received from Afghan Services to Older Refugees and the

Additional Ukraine Supplemental Appropriations Act to support Ukraine Refugees. The adjustments will reflect the updated funding allocation for FY 2023-24.

Increase revenue estimate and expenditure budget for the Housing and Community Development (HCD) Grant

This one-time action increases the revenue estimate and expenditure appropriation by \$270,753 relating to the grant funding received from the State of California Department of Housing and Community Development to provide services to young adults in the Transitional Housing Program. The adjustments will reflect the updated funding allocation for FY 2023-24.

Transfer 2011 Realignment Reserves to Services and Supplies to Support the Welcoming Center

This one-time action transfers expenditure budget from reserves to services and supplies in the amount of \$4,493,492 to fund the Welcoming Center contract with Seneca Family of Agencies.

Increase revenue estimate and expenditure budget for the Family First Prevention Services Act (FFPSA) Part IV Wraparound Aftercare Services

This ongoing action increases the revenue estimate and expenditure appropriation by \$93,717 relating to the FFPSA Wraparound Aftercare program to provide, arrange for, or ensure the provisions of at least six months of post-discharge aftercare services to children discharged from a placement in a Short-Term Residential Therapeutic Program or from out-of-state residential facility to a family-based setting.

Increase revenue estimate and expenditure appropriations related to the Transitional Housing Program Plus

This one-time action increases the revenue estimate and expenditure appropriation by \$9,841,334 relating to the Transitional Housing Program (THP) Supplemental payment to clients. The THP-Plus Program offers services to emancipated youths who are single or young parents by providing housing and supportive services for up to 36 cumulative months. The program offers independent living opportunities to allow the eligible youth to gain the skills and experience needed to achieve self-sufficiency. The adjustments will reflect the updated funding allocation for FY 2023-24.

Increase revenue estimate and expenditure appropriations related to Cash Assistance Program for Immigrants (CAPI), and Refugee Cash Assistance (RCA) Programs

This action will increase the one-time revenue estimate and expenditure appropriation by \$ 2,313,220 relating to CAPI Maximum Family Grant (MFG) and Maximum Aid Payment (MAP) and Refugees Program Services, due to increase in number of cases in CalWORKs, CAPI, and RCA Programs in recent years. The adjustments will reflect the updated funding allocation for FY 2023-24.

Department of Roads and Airports

This action will increase appropriation for expenditures in the Road Fund 0023 by \$350,000 for emergency sewer line repairs at 101 Skyport Drive. The increase will be offset with a fund balance transfer of \$350,000 from Road Fund 0023.

Valley Health Plan

Augment Revenue and Expenses for Member Medical Services

Increase Valley Health Plan revenue by \$219,288,833 and health plan service reimbursement by \$199,673,526, resulting from increased rates and memberships for various VHP commercial and government program product lines. This augmentation results in net savings of \$19,615,307 and includes ongoing revenue of \$150,532,156 and a one-time retroactive capitation program payment of \$68,756,677.

Reappropriate Silver Creek Project Reimbursement

Increase reimbursement to the Capital Fund by \$5,681,358 to support planning and construction costs associated with the Silver Creek project. In the FY 2022-23 rollover process, \$5,681,358 from the unutilized budget for the Silver Creek project's planning and construction was reallocated to the Capital Fund. However, no reimbursement budget was reallocated between the VHP and the Capital Fund.

Delete vacant positions

Delete 15.0 vacant FTE positions in various VHP programs. This action results in FY 2023-24 savings of \$1,202,787 and ongoing savings of \$3,201,290. Deleted positions are

currently vacant and part of VHP's strategic plan to reduce personnel costs by reprioritize staffing levels within VHP programs.

Santa Clara Valley Healthcare (SCVH)

Transfer of payroll budget between funds in SCVH

This action transfers appropriation for payroll expenditures between SCVH funds to align with the movement of 40 positions between funds. This action will result in a one-time increase of \$294,989 in the expenditure appropriation in Santa Clara Valley Medical Center (SCVH-Valley Medical Center, Fund 60), a one-time decrease of \$503,241 in the expenditure appropriation for O'Connor Hospital (SCVH-O'Connor, Fund 62), and a one-time increase of \$208,251 in the expenditure appropriation for Saint Louise Regional Hospital (SCVH-St. Louse, Fund 63). Rebalancing of General Fund investment in SCVH between funds required by this action will be proposed as part of FY 2023-24 Year-end Clean-up.

Accept donation of equipment from Valley Health Foundation to SCVH

This action increases estimated revenues and appropriation for expenditures on a one-time basis by \$758,567 in SCVH to recognize 16 donations of medical equipment donated from Valley Health Foundation to SCVH between FY 2021-22 through FY 2023-24. This action also documents the equipment as fixed assets.

Reduce corporate cost allocation between SCVH and Public Health Department

This one-time action reduces the corporate cost allocation appropriation for TSS services previously passed through SCVH to the Public Health Department (PHD) and increases the cost recovery appropriation for services provided by SCVH to PHD to align budget with actuals. This action increases the expenditure transfer from PHD to SCVH by \$625,093, reduces intracounty reimbursement from Public Health to SCVH by \$2,606,635, and increases General Fund investment in SCVH by \$1,981,532 on a one-time basis, for an overall net zero impact to the General Fund and SCVH.

Reduce corporate cost allocation between SCVH and Custody Health Services

This one-time action reduces the corporate cost allocation appropriation for Department of Technology Services and Solutions (TSS) services previously passed through SCVH to Custody Health Services (CHS) and increases the cost recovery appropriation for services provided by SCVH to CHS to align budget with actuals. This action increases the expenditure transfer from CHS to SCVH by \$73,124, reduces intracounty reimbursement from CHS to SCVH by \$1,939,606, and increases GF investment in SCVH by \$1,866,482 on a one-time basis, for an overall net zero impact to the General Fund and SCVH.

Reduce corporate cost allocation between SCVH and Behavioral Health Services Department

This one-time action reduces the corporate cost allocation appropriation for TSS services previously passed through SCVH to Behavioral Health Services Department (BHSD) and increases the cost recovery appropriation for services provided by SCVH to BHSD to align budget with actuals. This action increases the expenditure transfer from BHSD to SCVH by \$5,156,794, reduces intracounty reimbursement from BHSD to SCVH by \$10,521,587, and increases GF investment in SCVH by \$5,364,793 on a one-time basis, for an overall net zero impact to the General Fund and SCVH.

[County COVID-19 Fund 0409](#)

This action removes an expenditure appropriation in the amount of \$127,560 related to Fleet Department internal service fund charges. The COVID-19 Fund was established as a temporary fund for use during the initial years of the pandemic response to pay for pandemic response costs that did not have other funding sources or were expected to be reimbursed by FEMA in an unknown future year. The Board periodically transferred discretionary resources from the General Fund into the COVID-19 Fund to provide fast and robust pandemic response. This action is needed to finalize the closure of COVID-19 Fund.

[Office of Supportive Housing](#)

California Emergency Solutions and Housing (CESH) program Budget Adjustment

This action recognizes estimated revenues and expenditure appropriations in the amount of \$1,174,888 for FY 2023-24 and reduces revenue and expenditures by \$132,000 for FY 2024-25. This action is to recognize the remaining grant balance for the California Emergency Solutions and Housing (CESH) program in FY 2023-24 and remove the grant from next FY's budget.

City Revenue Agreements

This action recognizes estimated revenue and expenditure appropriations in the amount of \$780,103 for FY 2023-24 from various cities including the City of Milpitas, Mountain View, and San José. These revenue agreements would support the Homeless Engagement and Access Team (HEAT), safe parking, and centralized shelter hotline services. For FY 2024-25, this action recognizes \$738,000 from the City of Mountain View, and San José for safe parking, and centralized shelter hotline services. The recommended amounts are offset by decreasing the revenue from the City of San José for the Housing for Homeless Veterans program which was discontinued in FY 2023-24.

SCCHA Revenue Agreement for Interim Housing

This action decreases estimated revenue and expenditure appropriations in the amount of \$2,722,300 for FY 2023-24 and recognizes ongoing revenue and expenditures in the amount of \$1,551,250. In 2020, OSH entered a 5-year agreement with Santa Clara County Housing Authority (SCCHA) to provide interim housing services to eligible prospective Section 8 Project-based voucher holders referred by SCCHA. The budget for this revenue agreement was originally appropriated as one-time but should have been entered into the budget recommendation as ongoing.

Remove Court funding for Reentry Shelter from the Budget

This action is an adjustment that decreases estimated revenue and appropriation for expenditures by \$172,966 for FY 2023-24 and FY 2024-25. The agreement with the Superior Court of Santa Clara County to provide transitional housing beds ended on June 30, 2021. There have been no associated revenue or expenditures for this program since July 1, 2021, so this action will remove the ongoing budget.

Emergency Rental Assistance

This is a technical adjustment to decrease the estimated revenue and expenditure appropriations for the Emergency Rental Assistance (ERA) program that ended

December 2022. This program has provided outreach and education to the community about emergency rental assistance resources and tenant rights. This action will reduce the balance of Fund 0048 by \$4,649,428.

Recognize 3rd Year Permanent Local Housing Allocation Program Revenue

This action increases estimated revenue and expenditure appropriations by \$2,781,214 for FY 2023-24 to recognize a Permanent Local Housing Allocation Program (PLHA) for the Year 3 award. This program assists in addressing the unmet housing needs in the county, and action will be taken within Fund 0323 – Permanent Local Housing Allocation.

Relocation Funds from the Seller for Bella Vista

This action recognizes estimated revenue and expenditure appropriations in the amount of \$198,200 relating to the relocation funds disbursed by the seller for the acquisition of the Bella Vista Inn related to the Homekey Program. This action will be within Fund 0329 – Home Key Grant Fund.

Recognizes Revenues and Expenditures for the 231 Grant Ave Project

This action recognizes estimated revenue and expenditure appropriations in the amount of \$2,400,000 received from four of five school districts to be disbursed to the developer for the construction of the project. The school districts include Palo Alto Unified School District, Mountain View Whisman School District, Los Altos School District, Mountain View Los Altos High School District, and Foothill DeAnza Community College which have committed to providing funding to the educator workforce housing project at 231 Grant Avenue in Palo Alto. This action will be within Fund 0196 – RDA Set Aside Housing Fund.

Laon Agreement for Bridge Loan

This action recognizes estimated revenue and expenditure appropriations in the amount of \$20,121,663 relating to the repayment of a portion of the original Bridge Loan and accrued interest of which \$4,404,033 will be used for reimbursement to the borrower under the new Permanent Loan and the remaining \$15,717,630 will be used to support other affordable and supportive housing developments. This action will be within Fund 0196 – RDA Set Aside Housing Fund.

Adjustment for Audit Fee

This action decreases ongoing expenditure appropriations in the amount of \$100,000 in the 2016 Measure A Bond Fund (F0048). An ongoing expenditure appropriation of \$100,000 for annual audit and advisory services was established when the fund was created in FY 2017-18. However, other budget allocations within F0048 have been adequate to fund this cost, thus this appropriation is no longer needed.

Adjustment to Correct FY 2022-23 Rollovers in Special Revenue Funds

This action is an adjustment to correct FY 2022-23 budget rollovers (reappropriations of unused one-time allocations) in special revenue funds administered by the Office of Supportive Housing. This adjustment includes decreasing the expenditure appropriations in Fund 0048 by \$63 million to correct an overstated projection from FY 2022-23; increasing the expenditure appropriation in Fund 0196 by \$18.7 million for Intellectual or Developmental Disabilities (I/DD) Housing that was insufficiently rolled over; and several other incomplete budget rollovers identified in special revenue funds.

Office of the Sheriff

Transfer from the Federal Forfeited Property Trust Fund (0427) to the Office of the Sheriff

This action will result in a one-time transfer of \$104,784 from the Federal Forfeited Property Trust Fund to the Office of the Sheriff and will increase expenditure appropriations and estimated revenue in the department by the same amount, for the purchase of various equipment to support departmental operations.

Transfer from the Civil Assessment Trust Fund (0403) to the Office of the Sheriff

This action will result in a one-time transfer of \$72,423 from the Civil Assessment Trust Fund to the Office of the Sheriff and will increase expenditure appropriations and estimated revenue in the department by the same amount, supporting civil process software.

Transfer salary savings for security services for court security

This action will result in a one-time transfer of \$1,000,000 from salaries and benefits appropriations to services and supplies appropriations within the Sheriff's Office to support court security services provided by a vendor.

Transfer positions to support Sheriff's Protective Service Officers

This action will result in a transfer of one Executive Assistant I position and one Office Specialist III position from the Santa Clara Valley Healthcare to the Office of the Sheriff to provide adequate resources to support the Protective Services Division.

Office of the County Executive

Implement Silicon Valley Clean Energy Grant

This action will increase expenditure appropriations and estimated revenues one-time by \$10,000 to recognize a grant received by the Office of Sustainability from Silicon Valley Clean Energy to support the electrification of new buildings and the installation of electric vehicle infrastructure.

Bay Area Regional Network (BayRen) Grant Adjustment

This action is a one-time increase of \$170,034 in services and supplies expenditure appropriations, offset by a one-time \$170,034 reimbursement. This adjustment will facilitate tracking and reporting expenses related to the Office of Sustainability's BayRen grant, which supports various energy efficiency programs.

Implement Justice Assistance Grant

This action is a one-time increase in expenditure appropriations and estimated revenues by \$262,592 to recognize a grant received from the City of San Jose to support various criminal justice initiatives. The grant will be used to conduct training and workshops for the Juvenile Justice Gender Response Collaborative.

Winter Security Patrol

This action is an ongoing adjustment to reallocate \$60,000 from Special Programs to the Office of the County Executive to support winter security patrols at County facilities and parking lots.

Vendor Outreach Program Adjustment

This action is an ongoing adjustment to reallocate \$10,000 in expenditure appropriations for services and supplies from the Procurement Department to the Office of Countywide Contracting Management (OCCM). This reallocation will allow OCCM to expand vendor outreach, thereby fostering a diverse vendor community and

developing new resources in collaboration with the Procurement Department, enhancing data access and transparency.

Enhance Support for Diversion and Reentry Services' (DRS) Expanded Service Model

On August 30, 2022, the Board of Supervisors approved DRS' expansion of services to support jail diversion and justice system initiatives. This action supports DRS' expansion in the current year with a one-time reallocation of \$97,000 in expenditure appropriations from salaries and benefits to service and supplies to cover unanticipated costs. In FY 2024-25 and ongoing, this action will increase DRS' services and supplies expenditure appropriations by \$165,000 and increase the transfer in of AB 109 funds by an equivalent amount to provide for increased custodial service, security, and mileage reimbursements for DRS outreach initiatives.

Local Agency Formation Commission (LAFCO)

This action adjusts the budget for LAFCO by \$55,880 in estimated revenue and \$74,819 in expenditure appropriations to accurately align with the FY 2023-2024 Budget approved by the Commission.

Workers Compensation Fund

This action increases ongoing expenditure appropriations in the Workers' Compensation Internal Service Fund by \$3,710,336. The actual costs of workers compensation' claims have exceeded budget for disability payments in recent years, and this increase will provide for the ability to address these claims without risking an over expenditure of services and supplies budget in the Workers' Compensation Internal Service Fund. This increase in expenditure appropriations does not impact benefit rates charged to departments, which are based on actual costs, not budgeted expenditures.

Move Grant Savings from Special Programs to the Contingency Reserve

On December 5, 2023, the Board of Supervisors approved a budget adjustment to reimburse the County General Fund by \$301,604 one-time due to savings related to the Office of Emergency Management's Emergency Management Performance Grant (EMPG). The savings were intended to be applied to the General Fund Contingency

Reserve but were incorrectly added to the Special Programs budget unit. This action reallocates the \$301,604 in savings from Special Programs to the General Fund Contingency Reserve.

Central Fire Protection District

Technical Adjustment for Salary and Benefits Cost

This action corrects an omission and will increase ongoing expenditure appropriations in the Central Fire District (Fund 1524) relating to the addition of 3.0 Fire Captains approved by the Board on June 12, 2023, as part of the FY 2023-24 adopted budget.

Technology Services and Solutions

Technology Services and Solutions Intra-County Non-General Fund Charges

This one-time action makes budgetary adjustments relating to Intra-County charges for Information Technology services in various Non-General Fund departments, including the following:

- Local Agency Formation Commission (Fund 19) for a zero net impact.
- Roads Department (Fund 23) for a zero net impact.
- County Recorder (Fund 26) for a net impact in an amount of \$230,773.
- Consumer and Environmental Protection Agency (Vector Control District – Fund 28) for a net impact in an amount of \$52,000.
- Consumer and Environmental Protection Agency (Environmental Health - Fund 30) for a zero net impact.
- Consumer and Environmental Protection Agency (Weed Abatement - Fund 31) for a net impact in an amount of \$10,000.
- Parks and Recreation Department (County Park Charter Fund – Fund 39) for a zero net impact.
- Consumer and Environmental Protection Agency (Household Hazardous - Fund 49) for a net impact in an amount \$30,000.
- Santa Clara Valley Medical Center Hospitals and Clinics (Fund 60) for a zero net impact.
- O'Connor Hospital (Fund 62) for a zero net impact.

- St. Louise Hospital (Fund 63) for a zero net impact.
- Technology Services and Solutions (Information Services – Fund 74) for a net impact in an amount of \$537,000.
- Risk Management Department (Liability Insurance - Fund 75) for a net impact in an amount of \$10,000.
- Technology Services and Solutions (Printing Services - Fund 77) for a net impact in an amount of \$313,392.
- County Recorder (Recorder Electronic Record - Fund 120) for a net impact in an amount of \$230,773.
- Department of Child Support Services (Fund 193) for a zero net impact.
- Valley Health Plan (Fund 380) for a net impact in an amount of \$770,000.

Technology Services and Solutions Equipment Replacement

This action will result in a one-time expenditure appropriation increase of \$300,000 to the Technology Services and Solutions (Printing Services - Fund 77) to purchase a new fold/insert machine to replace the DS-200 insert machine.

Technology Services and Solutions FY 2022-23 Intra-County Rollovers

This one-time adjustment will increase Intra-County revenue estimates in the amount of \$2,917,561 for Social Services Agency for the FY 2022-23 open Purchase Order (PO) Rollover. The Technology Services and Solutions (TSS) FY 2022-23 PO Rollover includes the Application POs rollover and the Tech Refresh for the Division of Family and Children Services rollover. Since the expenditure for this PO was rolled over in FY 2022-23, this adjustment corrects the issue of the revenue not being rolled over.

Salaries and Benefits for Overtime and Temporary Staffing

This one-time action will result in an increase of \$2,500,000 for salaries and employee benefits expenditure appropriations and a one-time decrease of \$2,500,000 for services and supplies expenditure appropriations to support overtime and temporary employees in Technology Services and Solutions (Information Services – Fund 74).

Print and Maintenance Services

This one-time action will result in an increase of \$200,000 for expenditure and reimbursement appropriations in the Technology Services and Solutions (Printing Services - Fund 77) due to increased print service demand from Valley Health Plan for supplies and printer maintenance. This action also increases expenditure appropriation for services in the Valley Health Plan (Fund 0380).

Mailing and Postage Services

This one-time action will result in an increase of \$650,000 for expenditure and reimbursement appropriations in Valley Health Plan (Fund 0380) for increased mailing and postage services.

Salary Increase from Labor Agreements

This one-time action will result in an increase of salaries and benefits expenditure appropriation in the amount of \$13,392 for Technology Services and Solutions (Printing Services - Fund 77) and \$1,084,748 for Technology Services and Solutions (Information Services – Fund 74). This action also reverses the transfer in/out of \$361,858 and replaces it with an intra-county internal service fund charge of \$361,858. This action aligns the expenditure appropriations of TSS with the various salary ordinance amendments approved by the Board on August 29, 2023 to implement labor agreements. This requested appropriation modification represents the estimated additional costs beyond what was included as salaries and benefits appropriations in the FY 2023-24 Adopted Budget.

Facilities and Fleet

Recognize Capital Project Fund 50 Adjustments

- A. One-time adjustment returning \$2,100,000 from Capital Fund 50 to a restricted fund. In FY 2022-23, the Capital Budget included planned uses of Youthful Offender Block Grant funding for juvenile custody facilities improvements, such as a new outdoor sports field at James Ranch. However, due to insufficient funding in the restricted fund to both sustain services and build the facilities, the Probation Department requests and the Administration recommends closing capital project 263-CP24023 “Probation Facilities Improvements” and returning

the funds to the Juvenile Justice Realignment Subaccount Trust Fund so they are available to help sustain operations next fiscal year.

- B. One-time increase in expenditure appropriations in the amount of \$1,350,000 to Capital Project 263-CP24032 "540 Cohansey Ave, Gilroy" in Capital Fund 50, utilizing surplus funds in Capital Project 263-CP23002 "Former City Hall Demolition."
- C. One-time increase in expenditure appropriations in the amount of \$200,000 to Capital Project 263-CP23018 "VMC-Campus Wide NPC 5 Study" in Capital Fund 50 utilizing surplus funds in Capital Project 263-CP23002 "Former City Hall Demolition."
- D. One-time increase in expenditure appropriations in the amount of \$10,904,263 to Capital Project 263-CP24001 "Reimburse VHP for Silver Creek Buildings" in Capital Fund 50 utilizing funding in the general Silver Creek Campus Improvements Project. The Silver Creek Campus was originally purchased using enterprise funds from Valley Health Plan (VHP) given the anticipated use of part of that campus for a new VHP headquarters building. The County General Fund must reimburse VHP for the remaining facilities on the Silver Creek Campus, and this funding will initiate the asset transfer from VHP fund to the County General Fund over multiple years prior to their renovation for future County utilization.
- E. Increases the appropriation for project management salaries and benefits in the amount of \$219,190. A Project Manager III position was approved by the Board of Supervisors on October 4, 2022 (Salary Ordinance NS-5.23.42) in FY 2022-23. The FY 2023-24 and ongoing budget and Capital Project Fund 50 reimbursement funding were inadvertently not setup. This corrective action establishes those budgets for this position.

AP 06 Financial Status Report - General Fund

SUMMARY BY DEPARTMENT

Department Name	Projected Salaries & Benefits	Projected Other Expenses	Projected Reimbursement	Projected Revenue	Projected Total Savings/Deficit by BU
Agriculture and Environmental Mgmt	(157,865)	43,144	(64,280)	(958,764)	(1,137,765)
Assessor	4,138,908	803,730		(52,551)	4,890,087
Behavioral Health Services Department	13,907,214	67,333,360	(7,535,865)	(63,162,276)	10,542,432
Categorical Aids Payments		(13,308,087)		13,385,317	77,230
Clerk-Board of Supervisors	241,660	1,193,435	-	(2,036)	1,433,059
Communications Department	781,617	34,224	235,920	-	1,051,761
Controller-Treasurer	255,728	893,574	-	38,399,933	39,549,235
County Counsel	2,146,929	(1,125,227)	(3,750,238)	(11,954)	(2,740,490)
County Debt Service		255,000	-	-	255,000
County Executive	6,014,775	7,313,744	238,471	(1,612,262)	11,954,729
County Recorder	58,522	2,459		(8,139,379)	(8,078,398)
Criminal Justice Support		2,078,388		(12,743,119)	(10,664,732)
Custody Health Services	(3,916,348)	2,007,164		(500,000)	(2,409,184)
Department of Correction	1,734,463	(3,163,373)	(61,720)	1,011	(1,489,619)
Department of Environmental Health		210,238			210,238
Department of Planning And Development	1,293,471	(296,638)	(18,824)	1,572,383	2,550,392
Department of Tax & Collections	1,952,043	58,419	-	(1,358,000)	652,462
District Attorney Department	(1,000,000)	63,509	(345,581)	(318,419)	(1,600,491)
Emergency Medical Services	22,672	(266,116)	160,000	107,040	23,596
Employee Services Agency	357,886	369,287	119,637	(59)	846,751
Facilities Department	3,491,179	1,370,212	1,462,994	(495,678)	5,828,707
Information Services	20,448	2,068,982	650,000	(27,885)	2,711,545
In-Home Supportive Services		1,019,068		(462,209)	556,859
Med Exam-Coroner Fund 0001	880,562	118,741		34,112	1,033,415
Office of Pretrial Services	2,480,714	(114,856)	(80,000)	(333,729)	1,952,129
Office of Supportive Housing	2,467,182	(17,332,866)	772,616	14,571,705	478,637
Probation Department	349,624	3,062,873	(119,977)	(395,401)	2,897,119
Procurement	1,968,522	456,762	-	330,828	2,756,112
Public Defender	202	(7,607)	(71,119)	774,763	696,238
Public Health	6,428,263	1,575,494	1,033,663	(7,156,116)	1,881,305
Registrar of Voters	(2,682,239)	1,511,345		(3,086,705)	(4,257,599)
Risk Management	345,284	63,207	(408,491)	-	-
Sheriff's Department	(5,693,809)	(884,386)	20,000	308,625	(6,249,570)
Sheriff's Doc Contract	(7,478,810)			-	(7,478,810)
Social Services Agency	(5,512,252)	20,957,068	(154,737)	(21,491,103)	(6,201,024)
SSA-1991 Realignment				3,331,823	3,331,823
Total:	24,896,545	78,364,272	(7,917,531)	(49,490,106)	45,853,180

AP 06 Financial Status Report - General Fund

SALARY AND BENEFIT EXPENDITURES

Department Name	Current CMB	YTD Actual	Current Period Actual	Year-End Projection	Projected Total Savings/(Deficit)*
Agriculture and Environmental Mgmt	14,578,720	7,193,499	1,220,802	14,736,585	(157,865)
Assessor	45,399,099	20,900,937	3,390,603	41,260,191	4,138,908
Behavioral Health Services Department	161,000,522	73,202,702	11,772,185	147,093,308	13,907,214
Clerk-Board of Supervisors	7,893,164	3,870,108	636,154	7,651,504	241,660
Communications Department	26,228,670	12,498,426	2,126,292	25,447,053	781,617
Controller-Treasurer	19,209,949	9,403,591	1,498,098	18,954,221	255,728
County Counsel	66,651,437	30,968,398	5,083,720	64,504,508	2,146,929
County Executive	70,554,005	31,667,354	5,144,630	64,539,230	6,014,775
County Recorder	10,167,438	5,127,399	831,442	10,108,916	58,522
Custody Health Services	83,391,921	43,226,006	7,124,605	87,308,269	(3,916,348)
Department of Correction	47,946,813	20,966,129	3,426,811	46,212,350	1,734,463
Department of Environmental Health					
Department of Planning And Development	18,844,597	8,644,917	1,386,579	17,551,126	1,293,471
Department of Tax & Collections	21,981,093	9,985,362	1,570,019	20,029,050	1,952,043
District Attorney Department	161,970,501	82,314,910	13,488,572	162,970,501	(1,000,000)
Emergency Medical Services	4,899,910	2,316,888	372,421	4,877,238	22,672
Employee Services Agency	52,000,442	25,886,162	4,241,195	51,642,556	357,886
Facilities Department	61,371,034	28,341,728	4,561,077	57,879,855	3,491,179
Information Services	1,459,404	303,664	61,662	1,438,956	20,448
Med Exam-Coroner Fund 0001	8,485,738	3,684,157	604,088	7,605,176	880,562
Office of Pretrial Services	15,042,616	5,525,573	918,494	12,561,902	2,480,714
Office of Supportive Housing	16,071,662	6,356,513	1,006,452	13,604,480	2,467,182
Probation Department	193,674,608	97,232,782	16,133,404	193,324,984	349,624
Procurement	18,636,014	8,648,105	1,412,123	16,667,492	1,968,522
Public Defender	76,666,075	38,108,517	6,551,913	76,665,873	202
Public Health	120,881,436	55,212,371	8,755,039	114,453,173	6,428,263
Registrar of Voters	23,895,094	10,477,541	2,099,951	26,577,333	(2,682,239)
Risk Management	2,091,097	798,888	103,579	1,745,813	345,284
Sheriff's Department	186,128,302	90,606,848	15,151,906	183,939,201	(5,693,809)
Sheriff's Doc Contract	209,658,477	108,664,052	18,263,244	217,137,287	(7,478,810)
Social Services Agency	465,280,129	240,844,553	39,636,469	470,792,381	(5,512,252)
Total Salaries & Benefits:	2,212,059,967	1,082,978,080	178,573,530	2,179,280,512	24,896,545

*Projected Total Savings/Deficit includes projected rollover

**AP 06 Financial Status Report - General Fund
SERVICES AND SUPPLIES**

Department Name	Current CMB	YTD Actual	Current Period Actual	Year-End Projection	Projected Total Savings/(Deficit)*
Agriculture and Environmental Mgmt	8,661,879	4,110,378	479,283	8,618,735	43,144
Assessor	6,575,480	2,371,186	287,519	4,835,967	803,730
Behavioral Health Services Department	648,985,357	208,847,201	62,584,403	581,651,997	67,333,360
Categorical Aids Payments	177,435,192	74,675,020	14,516,682	190,743,279	(13,308,087)
Clerk-Board of Supervisors	17,918,707	10,919,374	888,723	15,692,272	1,193,435
Communications Department	9,662,847	5,118,991	538,186	9,628,623	34,224
Community Health Services					
Controller-Treasurer	14,262,465	4,625,295	1,195,286	13,368,891	893,574
County Counsel	21,079,374	7,704,226	1,341,578	16,636,077	(1,125,227)
County Debt Service	95,749,435	36,128,110	131,785	95,494,435	255,000
County Executive	90,984,411	21,895,709	10,314,273	83,670,667	7,313,744
County Recorder	1,716,814	976,818	92,359	1,714,355	2,459
Criminal Justice Support	52,250,892	24,950,167	10,721,205	50,172,504	2,078,388
Custody Health Services	54,323,949	26,258,819	6,190,749	52,316,785	2,007,164
Department of Correction	38,503,604	25,042,633	3,334,534	41,666,977	(3,163,373)
Department of Environmental Health	210,238	135,821	67,988		210,238
Department of Planning And Development	8,134,066	3,118,871	189,656	8,430,704	(296,638)
Department of Tax & Collections	13,953,302	5,135,039	1,012,607	13,603,391	58,419
District Attorney Department	42,399,524	19,365,974	4,116,107	39,495,003	63,509
Emergency Medical Services	3,891,094	1,274,430	318,801	4,157,210	(266,116)
Employee Services Agency	13,977,515	6,274,464	1,398,224	13,608,228	369,287
Facilities Department	272,233,001	195,386,364	12,519,080	270,862,789	1,370,212
Information Services	118,564,439	35,623,186	3,548,181	107,302,875	2,068,982
In-Home Supportive Services	280,615,826	71,844,460	12,448,062	279,596,758	1,019,068
Med Exam-Coroner Fund 0001	2,048,984	906,566	76,877	1,930,243	118,741
Office of Pretrial Services	6,979,693	3,334,257	569,951	7,094,549	(114,856)
Office of Supportive Housing	116,808,075	38,511,271	17,752,112	112,591,930	(17,332,866)
Probation Department	46,700,167	16,726,409	1,934,260	34,433,809	3,062,873
Procurement	5,356,940	3,063,993	119,138	4,900,178	456,762
Public Defender	12,382,375	6,094,238	955,929	12,389,982	(7,607)
Public Health	93,809,847	30,135,228	7,194,962	90,331,195	1,575,494
Registrar of Voters	26,336,318	6,800,561	1,311,628	24,824,973	1,511,345
Risk Management	251,937	97,209	28,657	188,730	63,207
Sheriff's Department	49,193,464	25,120,739	2,710,216	46,705,320	(884,386)
Sheriff's Doc Contract		-	-		
Social Services Agency	288,332,938	107,383,944	23,703,480	256,845,312	20,957,068
Total Services & Supplies:	2,640,290,150	1,029,956,950	204,592,480	2,495,504,743	78,364,272

**AP 06 Financial Status Report - General Fund
EXPENDITURE TRANSFERS (REIMBURSEMENTS)**

Department Name	Current CMB	YTD Actual	Current Period Actual	Year-End Projection	Projected Total (Savings)/Deficit*
Agriculture and Environmental Mgmt	(2,537,441)	543,480		(2,473,161)	(64,280)
Behavioral Health Services Department	(24,866,676)	(4,645,367)	(471,064)	(17,330,811)	(7,535,865)
Clerk-Board of Supervisors	(51,320)	(1,900)		(51,320)	-
Communications Department	(10,261,423)	(5,595,088)	(1,129,903)	(10,497,343)	235,920
Controller-Treasurer	(228,536,278)	(114,259,251)	(57,130,207)	(228,536,278)	-
County Counsel	(33,270,238)	(7,626,781)	(371)	(29,520,000)	(3,750,238)
County Debt Service	(18,611,615)			(18,611,615)	-
County Executive	(1,465,950)	(571,310)	(63,543)	(1,704,421)	238,471
Department of Correction	(435,142)	(170,396)	(77,040)	(373,422)	(61,720)
Department of Planning And Development	(120,629)	(73,439)	(6,629)	(101,805)	(18,824)
Department of Tax & Collections	(3,053,623)	(1,045,918)	(635,078)	(3,053,623)	-
District Attorney Department	(20,036,938)	(9,015,546)	(3,568,349)	(19,285,876)	(345,581)
Emergency Medical Services		9,193		(160,000)	160,000
Employee Services Agency	(12,548,678)	(4,930,699)	(1,561,588)	(12,668,315)	119,637
Facilities Department	(93,519,262)	(45,703,604)	(7,848,093)	(94,982,256)	1,462,994
Information Services	(1,751,850)	(1,102,918)	(151,760)	(2,401,850)	650,000
Office of Pretrial Services	(80,000)			-	(80,000)
Office of Supportive Housing	(20,218,429)	(4,606,119)	(3,530,575)	(20,991,045)	772,616
Probation Department	(402,610)	(141,317)	(78,869)	(282,633)	(119,977)
Procurement	(645,500)	(622,528)	(6,579)	(645,500)	-
Public Defender	(1,150,269)	(318,679)	(72,018)	(1,079,150)	(71,119)
Public Health	(10,771,538)	(4,293,650)	(57,042)	(11,805,201)	1,033,663
Risk Management	(2,327,760)			(1,919,269)	(408,491)
Sheriff's Department	(6,698,592)	(753,073)	(87,326)	(6,718,592)	20,000
Social Services Agency	(374,360)	(74,425)	(27,128)	(219,623)	(154,737)
Total Reimbursements:	(493,736,121)	(204,999,335)	(76,503,160)	(485,413,109)	(7,917,531)

**AP 06 Financial Status Report - General Fund
REVENUE COLLECTIONS**

Department Name	Current CMB	YTD Actual	Current Period Actual	Year-End Projection	Projected Total (Savings)/Deficit*
Agriculture and Environmental Mgmt	11,096,836	2,603,292	478,892	10,138,072	(958,764)
Assessor	1,694,934	25,316	4,090	706,600	(52,551)
Behavioral Health Services Department	655,948,247	83,727,360	17,678,753	592,785,971	(63,162,276)
Categorical Aids Payments	128,597,303	56,118,470	12,717,492	141,982,620	13,385,317
Clerk-Board of Supervisors	57,873	11,465	1,949	55,837	(2,036)
Communications Department	1,535,452	362,296	60,835	1,535,452	-
Controller-Treasurer	2,065,225,465	503,881,757	207,751,784	2,103,625,398	38,399,933
County Counsel	8,075,108	1,099,195	211,956	2,613,764	(11,954)
County Debt Service	5,938,787	487,295	296,229	5,938,787	-
County Executive	60,373,763	4,892,794	834,848	58,761,501	(1,612,262)
County Recorder	37,391,787	14,685,282	2,143,062	29,252,408	(8,139,379)
Criminal Justice Support	303,116,542	100,736,173	22,120,096	290,373,423	(12,743,119)
Custody Health Services	9,468,336	1,278,095		8,968,336	(500,000)
Department of Correction	4,895,244	914,733	10,436	4,896,255	1,011
Department of Planning And Development	8,826,787	2,189,699	453,896	9,759,170	1,572,383
Department of Tax & Collections	10,446,900	3,220,103	255,611	9,088,900	(1,358,000)
District Attorney Department	33,065,967	4,633,751	1,650,072	29,906,536	(318,419)
Emergency Medical Services	5,139,520	882,627	316,166	5,246,560	107,040
Employee Services Agency	2,118,875	438,635	1,769	2,118,816	(59)
Facilities Department	4,761,451	2,146,448	379,908	4,265,773	(495,678)
Information Services	13,211,152	13,129,422	8,803,743	13,183,267	(27,885)
In-Home Supportive Services	149,012,281	37,681,450	310,150	148,550,072	(462,209)
Med Exam-Coroner Fund 0001	341,367	163,757	24,506	375,479	34,112
Office of Pretrial Services	14,123,739	2,486,699		13,790,010	(333,729)
Office of Supportive Housing	54,816,164	5,017,870	2,877,142	48,845,623	14,571,705
Probation Department	75,426,063	30,318,560	10,665,832	68,931,862	(395,401)
Procurement	940,000	909,714	32,146	1,270,828	330,828
Public Defender	4,271,574	1,235,062	78,818	5,046,337	774,763
Public Health	108,112,079	9,249,394	1,223,652	98,621,334	(7,156,116)
Registrar of Voters	8,276,010	123,461	11,397	5,189,305	(3,086,705)
Risk Management				-	-
Sheriff's Department	101,590,413	33,292,123	4,591,648	91,131,460	308,625
Sheriff's Doc Contract	11,245,661	2,927,841		11,245,661	-
Social Services Agency	630,529,995	157,054,473	9,139,811	599,199,693	(21,491,103)
SSA-1991 Realignment	133,876,753	51,040,949	11,791,372	137,208,576	3,331,823
Total Revenue:	4,663,548,429	1,128,965,561	316,918,063	4,554,609,686	(49,490,106)

*Projected Total Savings/Deficit includes projected rollover