



San Bernardino County

Legislation Text

File #: 3502, Agenda Item #: 65

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS OF THE
COUNTY OF SAN BERNARDINO
BOARD GOVERNED COUNTY SERVICE AREAS
SAN BERNARDINO COUNTY FLOOD CONTROL DISTRICT
AND RECORD OF ACTION**

**REPORT/RECOMMENDATION TO THE BOARD OF DIRECTORS
OF THE BIG BEAR VALLEY RECREATION AND PARK DISTRICT
BLOOMINGTON RECREATION AND PARK DISTRICT
COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY (CoIDA)
IN-HOME SUPPORTIVE SERVICES PUBLIC AUTHORITY
INLAND COUNTIES EMERGENCY MEDICAL AGENCY
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT
AND RECORD OF ACTION**

January 5, 2021

FROM

LEONARD X. HERNANDEZ, Chief Executive Officer, County Administrative Office

SUBJECT

2020-21 First Quarter Budget Report and Personnel Actions

RECOMMENDATION(S)

1. Acting as the governing body of the County of San Bernardino, Board Governed County Service Areas, San Bernardino County Flood Control District, Big Bear Valley Recreation and Park District, Bloomington Recreation and Park District, County Industrial Development Authority, In-Home Support Services Public Authority, Inland Counties Emergency Medical Agency, and the San Bernardino County Fire Protection District:
 - a. Accept each entity's First Quarter Budget Report (Report) for fiscal year 2020-21.
2. Acting as the governing body of the County of San Bernardino, Board Governed County Services Areas, San Bernardino County Flood Control District, Big Bear Valley Recreation and Park District, Bloomington Recreation and Park District, Inland Counties Emergency Medical Agency, and the San Bernardino County Fire Protection District:
 - a. Approve the budget adjustments as listed in each entity's Report and authorize the Auditor-Controller/Treasurer/Tax Collector to post appropriation, revenue, reserves, and use of net position as detailed in the Quarterly Budget Adjustments section of each entity's Report, allowing for minor technical changes limited to available budget within the budget unit (Four votes required).
3. Acting as the governing body of the County of San Bernardino, Board Governed County Service Areas, San Bernardino County Flood Control District, Big Bear Valley Recreation and Park District, Inland Counties Emergency Medical Agency, and the San Bernardino County Fire Protection District:

- a. Authorize the purchase of previously unbudgeted fixed assets, as detailed under each entity's Fixed Asset Detail Recommended Adjustments section of the Report.
4. Acting as the governing body of the County of San Bernardino, Board Governed County Service Areas, San Bernardino County Fire Protection District, San Bernardino County Flood Control District, and the Big Bear Valley Recreation and Park District:
 - a. Approve the 2020-21 budgeted staffing changes as listed in each entity's Budgeted Staffing and Personnel Action Section of the Report.
 - b. Approve the following classification actions described in each entity's Budgeted Staffing Section of the Report:
 - i. Reclassify positions (Attachment A - Pages 80-84, Attachment B - Page 12, and Attachment C - Page 12).
 - ii. Add new positions (Attachment A - Pages 65-79, Attachment B - Page 11 and Attachment C - Pages 10-11).
 - iii. Establish the classifications and salaries for the new classifications (Attachment A - Page 85 and Attachment C - Page 13), as a Minute Order Amendment to the Salary Ordinance.
 - iv. Approve indicated Equity Adjustments for existing classifications (Attachment A - Page 85).
 - v. Approve indicated Technical Title Changes for existing classifications (Attachment A - Page 86).
 - vi. Approve deleted classifications (Attachment A - Page 85 and Attachment B - Page 13).
 - vii. Approve Bargaining Unit/Group Change for existing classifications (Attachment A - Page 87 and Attachment C - Page 13).
 - viii. Direct the Clerk of the Board to amend the County Conflict of Interest Code List of Designated Employees to include the new classifications as detailed on (Attachment A - Page 85 and Attachment C - Page 13).
5. Approve the following recommendations to Ordinance 1904, by adding nine position numbers to the Unclassified Service:
 - a. Consider proposed ordinance related to Ordinance 1904, adding the following position numbers to the Unclassified Service:
 - i. Assistant Director of Public Works (Position No. 53173)
 - ii. Chief Communications Officer (Position No. 53125)
 - iii. Chief Public Works Engineer (Position Nos. 00239, 03645, 10389, 53161, and 85125)
 - iv. Human Resources Deputy Director (Position Nos. 53122 and 53123)
 - b. Make alterations, if necessary to proposed ordinance;
 - c. Approve introduction of proposed ordinance; and
 - d. Read title only of proposed ordinance; waive reading of the entire text and **SCHEDULE FOR FINAL ADOPTION ON TUESDAY, JANUARY 26, 2021** on the Consent Calendar.

(Presenter: Matthew Erickson, County Chief Financial Officer, 387-5423)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

The First Quarter Budget Report includes increases to total Sources of \$94.84 million, increase to total Requirements of \$176.78 million, and a net use of \$81.93 million in Contingencies/Reserves/Net Position. The General Fund portion of the requested changes includes \$67.52 million in increased Sources, \$141.75 million in increased Requirements, and a net use of \$74.23 million in General Fund Contingencies and Reserves. This includes a net use of General Fund Reserves of \$3.76 million and a use of General Fund Contingencies of \$70.95 million, as detailed later in this document.

Countywide Recommended Budget Adjustments (in millions)			
	Sources	Requirements	Change in Contingencies/ Reserves/ Net Position
County General Fund	67.52	141.75	(74.23)
County General Fund - Restricted	(1.55)	(1.55)	(0.00)
County Special Revenue Funds	12.23	17.90	(5.67)
County Internal Service and Enterprise Fund	8.37	8.39	(0.02)
Board Governed Special Districts	8.27	10.28	(2.01)
Other Agencies	-	-	-
Total Adjustments:	94.84	176.78	(81.93)

Note: Numbers may not add due to rounding.

Included in Requirements is an adjustment to Reimbursements totaling \$487,837 that was inadvertently omitted from the Budget Adjustments approved by the Board of Supervisors on July 14, 2020, Item No. 26. This change to Reimbursements completes an action that was included in the previous budget adjustment item (Attachment A - Page 1).

The Financial Impact of this item is provided in detail in each entity's attached First Quarter Budget Report as follows:

	Attachment
<u>County of San Bernardino:</u>	A
<u>Board Governed Special Districts:</u>	
Board Governed County Service Areas	B
San Bernardino County Fire Protection District	C
San Bernardino County Flood Control District	D
Big Bear Valley Recreation and Park District	E
Bloomington Recreation and Park District	F
<u>Other Agencies:</u>	
County Industrial Development Authority	G
In-Home Supportive Services	H
Inland Counties Emergency Medical Agency	I

BACKGROUND INFORMATION

The Chief Executive Officer is responsible for the preparation and administration of the County budget. Subsequent to adoption of the County Budget, adjustments are made via recommended adjustments, which are submitted by County Departments and consolidated into a comprehensive quarterly report by Finance and Administration. Quarterly budget reports are generated to provide the Board of Supervisors (Board) with the most current information on County revenues (Sources) and appropriation (Requirements) on which to base decisions.

The following report includes an overview of major recommended budgetary adjustments for all County funds

and a review of the use of General Fund contingencies and reserves. Additionally, each entity's report includes countywide quarterly performance measure updates.

Change in Available Discretionary General Funding

Final 2019-20 General Fund results of operations have been determined and provide an additional \$89.4 million of one-time fund balance. Per 2019-20 adopted budget action, adjustments to reflect final fund balance in the General Fund are made to General Fund contingencies.

Components of Change	Amount
Property Related Revenue in Excess of Estimates	12,740,082
Property Tax Admin	2,462,861
Department Results of Operations - Return of Discretionary General Funding	57,573,007
All Other	16,652,101
Total	89,428,051

The \$89.4 million in additional one-time fund balance is primarily the result of General Fund department results of operations exceeding estimates. The 2020-21 Recommended Budget, prepared in February 2020, assumed a departmental savings of approximately \$30.9 million. Departments returned \$57.6 million more than estimated, reflecting additional revenue, cancellation of encumbrances, salary savings, and conservative estimates.

Property related revenue exceeded budget by \$12.7 million in 2019-20 primarily due to additional residual revenue related to the former redevelopment agencies (\$12.3 million) and Property Tax Admin revenue (\$2.5 million). \$16.7 million in additional revenue categorized as "Other" reflects the cancellation of prior year encumbrances and changes to other fund balance reservations.

This additional funding is placed in contingencies, and is not allocated for any specific purpose until Board direction is given. Recommendations for uses of General Fund contingencies are found in the Discretionary General Funding Section of this First Quarter Budget Report.

Major Recommended Budgetary Adjustments

The following includes a discussion of the more significant changes for which budget adjustments are requested.

Introduction

A number of factors contribute to the need for departments to request quarterly budget adjustments throughout the fiscal year. As an administrative arm of the State, the County is frequently required to make programmatic adjustments in order to maintain compliance with applicable federal and state law. Additionally, the County is continually seeking ways to use its own discretionary sources of funding to maximize services to the public, which often requires the implementation of projects and programs outside of the normal budget process. Furthermore, the County receives notification throughout the year of additional funds made available from grants for a variety of County projects and programs. Finally, unforeseen costs sometimes arise that require immediate attention that cannot wait for the budget cycle.

These factors have resulted in the following notable County adjustments, which are included in the 2020-21 First Quarter Budget Report:

Child Support Services - \$7.6 million Decrease in Requirements and Sources

Child Support Services is requesting a decrease in Requirements and Sources of \$7.6 million as a result of its annual allocation being decreased by the State to reduce costs to mitigate budget impacts from the Coronavirus.

- Salaries and benefits will decrease by \$2.7 million as the result of the deletion of 36 vacant positions. Services and Supplies will decrease by \$3.5 million to reduce expenditures for software and subscriptions, inventoriable equipment, and professional services. Equipment purchases will decrease by \$837,327 to eliminate the purchase of conference call equipment. Transfers will decrease by \$396,000 as a result of a reduced need for overhead costs due to 36 deleted positions. The travel and training budget will be decreased by \$163,406 to eliminate all nonessential travel and training.

Office of Homeless Services - \$4.0 million Increase in Requirements and Sources

The Office of Homeless Services is requesting an increase in Requirements and Sources of \$4.0 million.

- \$2.9 million of this increase will fund Homeless Housing, Assistance and Prevention (HHAP) services to individuals experiencing homelessness in the county. This increase is recommended to be funded by a \$3.1 million grant from the State of California Homeless Coordinating and Financing Council, approved by the Board on May 19, 2020 (Item No. 36).
- \$793,951 of this increase will fund the California Emergency Solutions and Housing (CESH) program which provides services to assist individuals who are experiencing or are at risk of homelessness. This increase is recommended to be funded by an \$835,737 grant from the State of California Department of Housing and Community Development, approved by the Board on March 10, 2020 (Item No. 25).

Arrowhead Regional Medical Center (ARMC) - \$8.3 million Increase in Requirements and Sources

The Arrowhead Regional Medical Center is requesting an increase in Requirements and Sources of \$8.3 million primarily for:

- \$1.2 million of this increase will fund the implementation of SAP. ARMC is currently utilizing both SAP and Meditech to support financial reporting. The additional \$1.2 million will allow ARMC to fully transition to SAP and reduce inefficiencies and redundancies by eliminating the use of Meditech.
- \$7.8 million of this increase will fund various CIP projects including the installation of a reverse osmosis system (\$0.7 million) and a chain link fence (\$1.6 million), and other minor CIP projects (\$4.3 million). This also funds the implementation of Phase II of the Electronic Health Record System (\$1.2 million).
- \$0.3 million of this increase will fund contract support staff, purchase of equipment and staff training for the CalMedForce program. This program will allow for training of primary and emergency physicians in California for graduate medical education at ARMC in Obstetrics and Gynecology and Emergency Medicine Residency Programs.

These adjustments are recommended to be funded with additional revenue earned from the Managed Care Program (\$8.0 million) and the Graduate Medical Education grant of \$300,000. ARMC is also requesting a net increase of 21 positions funded with salary savings and deletions for this fiscal year.

Big Bear Valley Recreation and Park District - \$1.8 million Increase in Requirements, \$42,000 Increase in Sources, and \$1.7 million Use of Available Reserves

Requirements are increasing by \$1.8 million primarily due to repayment of a \$1.5 million loan, plus interest, received from County Service Area 70 (Countywide) to help fund construction costs of the Big Bear Alpine Zoo Relocation Project (Project). The Board approved this loan on May 24, 2016 (Item No. 197). The Project is completed and the new zoo opened to the public on November 5, 2020. The new site expands the zoo's

rehabilitation capabilities and offers state of the art animal exhibits. Also, the increase includes \$42,000 for swimming pool repairs (\$30,000) and window replacements (\$12,000).

The increase in Requirements is funded by the use of Available Reserves (\$1.7 million) and an Operating Transfer In from the District's Operating Fund (\$42,000).

Bloomington Recreation and Park District - \$3.0 million Increase in Requirements and Sources

Requirements are increasing by \$3.0 million for costs of the Ayala Park Relocation Project in Bloomington (Project). When completed, the Project will offer more recreational amenities for local residents to enjoy, provide a healthier/safer park environment for visitors, and contribute to the revitalization of the community of Bloomington. Sources are increasing by an offsetting \$3.0 million for loan proceeds from the County General Fund to help fund the Project. This loan was approved by the Board on December 10, 2019 (Item No. 53).

Community Development and Housing (CDH) - \$2.8 million Increase in Requirements and Sources

The department requests an increase of \$2.8 million to utilize previously approved grant funding to support regional coordination and provide immediate assistance to people experiencing homelessness in the region. On May 19, 2020 (Item No. 36), the Board accepted and approved the County's portion of the Homeless Housing, Assistance and Prevention Program (HHAP) funding, where the department stated necessary appropriation and revenue adjustments would be requested in a future quarterly report. The grant term is for five years and commenced after execution by the State of California. These increases will be funded by an increase to Sources of \$2.8 million, which reflects HHAP funding from State Grants from the State of California Homeless Coordinating and Finance Council.

San Bernardino County Fire Protection District (County Fire) - \$2.4 million Increase in Requirements, \$971,645 Increase in Sources, and \$1.4 million Use of Available Reserves

County Fire is requesting an increase in Requirements of \$2.4 million primarily for:

- Various capital improvement projects to upgrade department facilities (\$995,000).
- Acquisition of Personal Protective Equipment (PPE) in response to the COVID-19 pandemic (\$697,073).
- Needed vehicle purchases and replacements (\$544,000).

The \$2.4 million increase in Requirements is funded by the use of Available Reserves (\$1.4 million) and an increase in Sources (\$971,645) primarily from the following:

- FY 2020 Assistance to Firefighters Grant - COVID-19 Supplemental funding for acquisition of the PPE (\$697,073). This grant was accepted by the Board on July 28, 2020 (Item No. 64).
- Receipt of CARES Act allocation to purchase a trailer for County Fire's Incident Management Team (\$158,000). This allocation was approved by the Board on May 19, 2020 (Item No. 103).

Public Health - \$34.1 million Increase in Requirements, \$34.0 million Increase in Sources, and \$72,577 in Discretionary General Funding

The Department of Public Health has incurred substantial expenses in responding to the COVID-19 Pandemic; these expenses were not anticipated when the current budget was being developed in the winter and spring of 2020. Most notable among these costs are \$16.9 million for services and supplies (primarily for staffing agency labor and medical/COVID-19 testing supplies) and \$16.7 million for payroll expenses in support of the Pandemic response. Approximately \$400,000 of unanticipated spending on other items also supported the Pandemic response.

These unanticipated expenditures are funded by two revenue sources: \$25.7 million of CARES Act revenue for spending in support of the COVID-19 Pandemic response through the end of 2020. An Epidemiology and Laboratory Capacity for Prevention and Control of Emerging Infectious Diseases (ELC) grant is intended to support expansion of contact tracing and laboratory capabilities; \$8.3 million of ELC grant revenue will support the targeted expenditure categories through June 30, 2021.

Preschool Services - \$2.3 million increase in Requirements and Sources

Preschool Services received \$1.2 million in Federal Supplemental Quality Improvement funding to improve the quality of classroom instruction. With this funding, the department will improve school site safety and security (\$670,400), acquire instructional supplies and laptop computers to facilitate distance learning (\$392,372), and invest in creating an environment sensitive to the emotional impact of the COVID-19 pandemic (\$183,400).

Preschool Services received \$1.0 million in Cost of Living Adjustment funding to allow for inflationary impacts on department expenses. The department is able to accommodate these inflationary impacts within its existing budget. This additional funding will be allocated to projects managed by the Project Management Division (PMD) (\$509,000), office furnishings (\$258,532), school site improvements not managed by PMD (\$120,000), instructional equipment (\$53,000) and supplies (\$37,738), and a replacement work truck (\$70,000).

In response to the COVID-19 Pandemic, Preschool Services is committing \$267,000 of existing funding for storage equipment, which will be used to store furnishings and equipment removed from school sites to conform with social distancing guidelines. This is offset by reduced spending on student meals; such spending is lower than expected due to the extended closure of school sites.

Lastly, Preschool Services is transferring an additional \$136,000 to PMD to manage projects that previously were anticipated to be managed by department staff.

Probation - \$4.2 million Increase in Requirements, \$4.1 million Increase in Sources, and \$130,083 in Discretionary General Funding

Probation is requesting to increase Requirements by \$4.2 million primarily to fund increases in Operating Transfers Out (\$4.0 million) for the following Capital Improvements: High Desert Property Acquisition (\$3.0 million); High Desert Juvenile Detention & Assessment Center (HDJAC) Floor Repair (\$24,300); HDJAC A/C install (\$47,400); HDJAC dishwasher install (\$25,503); Training Center A/C install (\$632,000); Central Valley Juvenile Detention Center Rekey project (\$51,735); and Barstow Probation Building Improvements (\$226,804). In addition, the department is requesting to increase Requirements by \$0.1 million for various Equipment. These increases are recommended to be funded by a combination of the Department's current and previously unbudgeted revenues, including Public Safety Realignment and Proposition 172.

Lastly, it is recommended that Requirements be increased by \$130,083 to reflect the use of the County's Earned Leave Reserve to fund the Discretionary Funding portion of costs incurred for departmental staff who have separated from County employment in the first quarter of 2020-21.

Department of Public Works - Transportation - \$5.0 million Increase in Requirements, \$0.3 million increase in Sources, and \$4.7 million Use of Available Reserves

Transportation is requesting to increase Requirements by \$5.0 million. The increase is primarily to fund one-time costs for various projects, including the Ludlow Road and Bernard Drive road projects in the North Desert subarea (\$1.2 million), and San Bernardino Mountains subarea (\$0.9 million). Additionally, there is an increase for one-time costs of Equipment (\$0.6 million), including a modular building, carports and upgrades to the Big Bear Maintenance Yard; and an increase for additional maintenance charges (\$2.0 million) from Fleet Management. These increases are recommended to be funded by the Use of Available Reserves. Lastly, there

is an increase in Salaries and Benefits (\$0.3 million) for the addition of a new Chief Public Works Engineer position, which will be funded with an increase in Operating Transfers In from the Special Districts Department.

Flood Control District - \$1.7 million Increase in Requirements, \$3.5 million increase in Sources, and \$1.8 million Contribution to Available Reserves

The Flood Control District is requesting to increase Requirements by \$1.7 million. The increase is primarily to fund one-time costs for the purchase of Land on the Mojave River in Zone 4 (\$1.1 million). Additionally, there is an increase for one-time costs of Equipment (\$0.1 million), for cameras to monitor flood conditions in Zone 3 as a result of reduced vegetation due to the El Dorado Fire; and an increase for additional maintenance needed in Zone 3 (\$0.5 million) due to the impacts from the El Dorado Fire. These increases are recommended to be funded by the Use of Available Reserves. Lastly, there is an increase in Operating Transfers Out by \$3.5 million for the current year bond payments, offset by a decrease in Services and Supplies (\$3.5 million) in Zone 1. There is also a corresponding increase in Sources to Operating Transfers In by \$3.5 million in the Bond Administration fund, which results in a Contribution to Available Reserves (\$3.5 million).

Sheriff/Coroner/Public Administrator - Contracts, Operations and Detentions budget units - \$7.0 million Increase in Requirements, \$1.8 million Increase in Sources, and \$5.1 million in Discretionary General Funding

The Sheriff/Coroner/Public Administrator is requesting an increase to Requirements of \$4.8 million for the West Valley Detention Center to address the Consent Decree between the Sheriff/Coroner/Public Administrator and the Prison Law Office (PLO) where the department is implementing remedial measures to increase the level of physical and mental healthcare in County detention facilities. These increases are recommended to be funded with ongoing Discretionary General Funding (\$2.4 million), one-time Discretionary General Funding (\$2.0 million) and increased Sources (\$540,000). The increased sources reflects the prior-year unused portion of the Law and Justice - Criminal Justice Facility Construction Fund.

In addition, the department is requesting an increase in Requirements of \$1.4 million primarily for one-time expenditures which include transcription services of \$861,555 funded with prior year Prop 172 revenue, an increase of \$634,795 to continue the operations of various grant and state funded programs, a net increase of \$68,895 to reflect position changes for the Coroner's division and a net decrease to contracts for patrol services of \$190,044 funded by contract cities.

Workforce Development Department (WDD) - \$510,472 Increase in Requirements and Sources

The department is requesting an increase of \$2.6 million in Other Charges to provide employment services to CalWORKs customers. This increase is funded by a Reimbursement from the Human Services - Transitional Assistant Department for the CalWORKs Youth Employment Program (CYEP) and CalWORKs Subsidized Employment Program (CSEP).

Also included is an increase of \$510,472 for Other Charges to provide services to clients affected by the COVID-19 Pandemic. This is funded by an increase in revenue from additional allotments from Workforce Innovation and Opportunity Act (WIOA) funding.

Human Services Administrative Claim - \$5.4 million Increase in Requirements and Sources

The department is requesting an increase of \$5.2 million in Staffing Expenses. The department requests a net increase of 63 positions consisting of 59 new positions within the Transitional Assistance Department and 3 new regular positions, 3 new contract positions offset by the deletion of 2 contract positions in HS Administration due to caseload, allocation increases and organizational changes in these departments. This

increase is funded with federal and state revenue.

In addition, the department requests an increase in Requirements of \$179,900 in capitalized software inadvertently omitted from the 2020-21 Adopted Budget. This increase is for various HS departments and is funded with federal revenue.

Discretionary General Funding

General Fund Contingencies represent Discretionary General Funding that remains available for immediate and future needs. In the First Quarter, the recommended adjustments result in an overall decrease to General Fund Contingencies of \$70.95 million and includes the following adjustments:

- An ongoing allocation to the **Department of Public Health** to provide ongoing support of the Animal Control Rescue Coordinator program to aid in the placement of animals housed in County shelters (\$50,000).
- A one-time allocation to the **Capital Improvement Program** to fund projects as follows:
 - County Government Center (CGC) Single Ply Roof Overlay project (\$545,060): This project will improve the roofing surface at the CGC.
 - Museum Anthropology Building Repair (\$60,000): This project is requested to repair the Anthropology Building at the museum located at 2024 Orange Tree Lane, Redlands.
 - ATC Building - IDF AC Units (\$48,627): Air Conditioning improvements at the Auditor-Controller/Treasurer/Tax Collector building will improve the cooling of onsite server rooms.
 - Funding for various Regional Parks Projects including: Glen Helen Water Slide Replacement (\$225,000), Glen Helen Helipad Repair (\$100,000), Roof Replacement and Structure Repair for Maggie's Mine - Calico (\$64,652),
- A one-time allocation to the Countywide Discretionary Fund budget unit to fund litigation settlement expenses (\$65.0 million).
- An ongoing allocation to the **Public Guardian** to fund Phase II of a plan to address excessive workload within the department. This request will fund the addition of seven (7) positions to expedite processing of fiscal, and legal paperwork, therefore improving the level of timely services provided to conservatees (\$145,367).
- A one-time allocation to **Human Resources** (\$41,369) for funding allocated to the EMACS 9.2 Upgrade Project in 2019-20 that remained unspent at year-end and is recommended to be reallocated to the department.
- A one-time allocation to the **Public Works Transportation Division** for costs associated with procuring a consultant to prepare and implement a public outreach plan for the Cucamonga Canyon Management Plan and the Lytle Creek Management Plan (\$12,457).
- A one-time allocation to **Real Estate Service - Leasing and Acquisition** to fund costs associated with the consultant agreement approved by the Board of Supervisors on April 30, 2019 (Item No. 62). This funding will allow work to continue on the development of a master development plan for the County-owned and operated Chino Airport in the City of Chino (\$250,000).
- An allocation of \$4.4 million of both one-time (\$2.0 million) and ongoing (\$2.4 million) funding to address the Consent Decree between the **Sheriff/Coroner/Public Administrator** and the Prison Law Office (PLO).
- An ongoing allocation of \$10,000 to **LAFCO** due to an increase in operating costs.
- An ongoing allocation of \$35,000 to the **Auditor-Controller/Treasurer/Tax Collector** to fund a portion of the costs associated with the addition of an Executive Secretary II position to support the Property Tax Division.

If approved, \$157.98 million in General Fund Contingencies will remain available for use (Attachment A - Page 4).

County General Fund Reserves represent Discretionary General Funding that has been set aside for specific projects and future needs, and also includes the General Purpose Reserve that is set aside for unforeseen economic downturns and extraordinary events. Changes to General Fund reserves are detailed below and in Attachment A (Pages 5-7).

- A use of the Land Use Services General Plan/Development Code Amendments Reserve (\$133,000) to fund costs in **Land Use Services** associated with implementation of the adopted Countywide Plan (October 27, 2020, Item No. 100).
- A use of the New PIMS Replacement System Reserve to fund costs in the **Assessor/Recorder/County Clerk** special revenue budget unit for the PIMS Replacement project (\$1.3 million).
- A use of the ISD Building Acquisition Reserve to fully fund the costs associated with the ISD Building project (\$1.3 million)
- A use of the Earned Leave Reserve to fund the Discretionary General Funding portion of costs incurred for departmental staff that have separated from County employment in the first quarter of 2020-21 (\$1.2 million).
- A contribution to the Permit System Upgrade Reserve that represents funds allocated in 2020-21 that are not anticipated to be needed and are recommended to be returned to the reserve and allocated at a future time (\$152,917).

All uses of and contribution to Reserves discussed above result in an overall decrease in General Fund Reserves of \$3.76 million.

Summary of Budgeted Staffing

The First Quarter Budget Report includes a net increase of 163 positions. This includes a recommended increase of 56 positions for the First Quarter, and 107 positions, which were added subsequent to the 2020-21 Adopted Budget via stand-alone board agenda items. These changes are discussed below.

First Quarter Staffing Changes

The General Fund is increasing by a net of 26 positions. Notable staffing changes within the General Fund include:

- A net increase of 63 positions (65 additions and 2 deletions) in the **Human Services Administrative Claim** due to workload increases and organizational changes in the Transitional Assistance Department and HS Administration.
- A decrease of 36 vacant positions in **Child Support Services** as a result of a decrease in the annual allocation by the State to reduce costs in order to mitigate budget impacts from the COVID-19 pandemic.
- A net decrease of 15 vacant positions (16 deletions, 1 addition) in the **Auditor-Controller/Treasurer/Tax Collector** within the Central Collections division, due to a reduction in Court and ARMC collections. In addition, efficiencies have been implemented within the department reducing the need for administrative support positions.
- Other staffing changes within the group include increases in **Assessor-Recorder-Clerk** (4), **Public Guardian** (7), **Real Estate Services** (1), **Sheriff/Coroner/Public Administrator** (5), offset by a decrease in **Probation** (3).

All other funds (including County Special Revenue, County Internal Service/Enterprise Funds, Board Governed (BG) Special Districts and Other Agencies) are increasing a net of 30 positions, which includes the following notable adjustments:

- A net increase of 21 positions in the **Arrowhead Regional Medical Center** to assist with the implementation of the Clinical Documentation Improvement Program, the expansion of the Oncology Infusion Clinic, and address workload needs in multiple divisions.

- A net increase of 17 positions in the **San Bernardino County Fire Protection District** due to workload increases in multiple divisions such as increased ambulance call volume and demand for transportation of hazardous waste materials; to improve the District's ability to increase cost recovery; to focus on ensuring facility compliance and to provide non-fire investigative activities that will allow Arson investigators to focus on arson related fires.
- Other staffing changes within the group include decreases in **Behavioral Health - Mental Services Act (1)**, **Information Services (1)**, **Department of Public Works - Solid Waste Management (1)**, **Department of Public Works - Transportation (1)**, **Flood Control District (3)**, and the **Big Bear Valley Recreation and Park District (1)**.

Mid-Quarter Staffing Changes

Staffing changes are also made during the fiscal year through separate board agenda items. However, it is through the annual budget process and the First Quarter Budget Report that these positions are added to the budget. A total of 107 positions were added through separate board agenda items subsequent to the 2020-21 Adopted Budget, of which 21 positions were added to the General Fund, and 86 positions were added to all other funds. Notably, 68 of the total positions were authorized by the Board on July 14, 2020 (Item No. 26), which were originally removed from the 2020-21 Recommended Budget due to the economic uncertainties at that time. Additionally, ARMC added 35 positions as authorized by the Board on October 27, 2020 (Item No. 44) to support the second phase of the implementation of a new Electronic Health Records system.

Summary of Budgeted Staffing Changes

	County <u>General</u>	Other <u>County</u>	BG <u>Special</u>	Other <u>Agency</u>	Total <u>Staffing</u>
Adopted Budget Staffing as of 6/30/2020	15,144	7,392	1,399	57	23,992
Total First Quarter Recommended Adjustments	47	102	14	0	163
Recommended Budgeted Staffing as of 9/30/2020	15,191	7,494	1,413	57	24,155

Performance Measure Update

First Quarter updates on progress towards achieving 2020-21 performance measures are included in each entity's attached First Quarter Budget Report in the Performance Measure Section as follows: Attachment A - Pages 88-135, Attachment B - Page 14, Attachment C - Page 14, Attachment D - Page 10, Attachment H - Page 4, and Attachment I - Page 6.

Update on CARES Act Funding

On December 27, 2020, President Trump approved the legislative package that funds the federal government and provides the next coronavirus relief package. The relief package includes an extension to the deadline to expend CARES Act Coronavirus Relief Funds. The original CARES Act legislation provided fiscal support for costs incurred through December 30, 2020. The extension included in the new federal legislation will allow recipients of Coronavirus Relief Funds to utilize the funding for costs incurred through December 31, 2021.

PROCUREMENT

N/A.

REVIEW BY OTHERS

Personnel changes in this report have been reviewed by Human Resources (Gina King, Human Resources Division Chief, 387-5571) on December 9, 2020. This item has been reviewed by County Counsel (Penny Alexander-Kelley, Chief Assistant County Counsel, 387-5545) on December 11, 2020; Auditor-Controller/Treasure/Tax Collector (Vanessa Doyle, Chief Deputy Controller, 382-3195) on December 9, 2020; Finance (Paloma Hernandez-Barker, Principal Administrative Analyst, 387-5426) on December 8, 2020; and County Finance and Administration (Robert Saldana, Deputy Executive Officer, 387-5423) on December 7, 2020.