



COUNTY OF HUMBOLDT

Legislation Text

File #: 22-1177, Version: 1

To: Board of Supervisors

From: County Administrative Office

Agenda Section: Departmental

SUBJECT:

Adoption of Fiscal Year (FY) 2022-23 County Budget (4/5 Vote Required)

RECOMMENDATION(S):

That the Board of Supervisors:

1. Adopt the attached resolution (Attachment A) adopting the recommended budget, as modified by the final budget adjustments, as the Adopted Budget for FY 2022-23 (4/5 vote required);
2. Approve the allocation of 1.0 full-time equivalent (FTE) Human Resources Technician I/II (salary range 397, class 699) in the Human Resource's Risk Management Internal Service Fund budget unit 3520-359;
3. Approve the allocation of 3.0 FTE Crime Analyst (salary range 434, class 1399) and 1.0 FTE IT Technician I/II (salary range 427, class 189) in the District Attorney's Measure Z budget unit 1100-295 (4/5 vote required); and
4. Approve the attached personnel allocation table (Attachment E) corresponding to the budget appropriations.

SOURCE OF FUNDING:

All county funds

DISCUSSION:

Your Board received the recommended budget for FY 2022-23 on June 28, 2022. Pursuant to County Budget Act requirements, your Board held noticed public hearings on Monday, Sept. 12, 2022, at 1:30 p.m. and 5:30 p.m. At the conclusion of the final hearing, your Board directed staff to return today for final approval of the budget. Your Board directed staff to make the following adjustments to the FY 2022-23 budget.

Additional General Fund Budget Requests Recommended by Board

\$25,000 (Board of Supervisors 1100-101) - On-going funding to increase the annual travel and mileage budget for each supervisor by \$5,000.

\$12,786 (Board of Supervisors 1100-101) - One-time additional funding for outreach, advocacy and training for newly elected District 4 Supervisor.

\$165,000 (Board of Supervisors 1100-101) - One-time additional funding for Financial Audit fees in order to catch up the county's delinquent Single Audit and Financial Statement reporting.

\$30,000 (County Administrative Office 1100-103) - One-time funding for consulting services for analysis and report on county revenues by generating location in order to support evaluation of the McKinleyville potential incorporation.

\$50,000 (County Administrative Office 1100-103) - One-time funding for legal consulting services and expertise on the offshore wind energy generating projects.

\$150,000 (County Administrative Office 1100-103) - One-time funding for consulting services to assist the county in implementing phases of the classification and compensation study completed by Koff & Associates.

\$85,000 (County Administrative Office 1100-103) - One-time funding for consulting services for assistance with updating and implementing improvements to the county's financial system - Finance Enterprise.

\$97,819 (Auditor-Controller 1100-111) - One-time funding for settlement payout of former Auditor-Controller.

\$34,000 (Auditor-Controller 1100-111) - One-time funding for training and professional development of new staff in the Auditor-Controller's office.

\$735,874 (Auditor-Controller 1100-111) - One-time funding for renovation and ADA update of Auditor-Controller's Office (Room 126).

\$439,960 (Auditor-Controller 1100-111) - One-time funding for Internal Revenue Service penalties and interest for late payroll tax payments and quarterly filing of IRS 941 reports and Schedule Bs and California Employment Development Department (EDD) late employment tax reports from January 2019 to March 2022 during the tenure of then elected Auditor-Controller Paz-Dominguez.

\$22,000 (Public Works Facilities 1100-162) - One-time funding for purchase of (4) roof-mounted ladder racks for safely moving and storing large telescoping ladders on vehicles.

\$10,980 (Public Works Facilities 1100-162) - One-time funding for janitorial equipment and supplies.

\$15,000 (Public Works Facilities 1100-162) - One-time funding for cleaning the exterior windows of the County Courthouse.

\$7,000 (Contributions-Other 1100-199) - On-going contribution to the Human Rights Commission of \$2,000 for ongoing administrative costs and \$5,000 to continue anti-Human Trafficking programs and projects.

\$5,500 (Contributions-Other 1100-199) - One-time contribution to the Orick Fire District to remove a non-functional county-owned tsunami pole and siren.

\$5,000 (Contributions-Other 1100-199) - One-time contribution to the McKinleyville Municipal Advisory Committee (MMAC) for support of their work in FY 2022-23.

\$750 (Contributions-Other 1100-199) - Ongoing funding for camping fees for Native Americans at Big Lagoon during ceremonies and other events.

\$59,024 (Contributions-Other 1100-199) - One-time funding for increased costs associated with three-year "Laura's Law" project.

\$98,852 (Public Defender 1100-219) - One-time funding for insurance, Purchasing and Information Technology charges.

\$15,000 (Sheriff Operations 1100-221) - One-time contribution to supplement donation funding received to replace the roof at the Humboldt County Animal Shelter.

\$400,000 (Advance Planning 1100-282) - One-time funding for outsourcing Senior-Planner level work on McKinleyville Town Center Ordinance Environmental Impact Report (EIR) \$200,000 and Multi-Family Rezone EIR \$200,000.

\$73,000 (Economic Development 1120-275) - One-time funding for the \$73,000 matching funds required for the Economic Development Administration (EDA) Comprehensive Economic Development Strategy (CEDS) funding.

\$15,000 (UC Cooperative Extension (1100-632) - One-time funding to offset the University of California reduction in 4-H staff support.

In addition to the additional General Fund Requests recommended by your Board at the Budget Hearings on Sept. 12, 2022, your Board confirmed supplemental changes to the Recommended Budget based on prior Board actions since June 27, 2022. With the exception of the \$25,000 increase for recruitment of County Counsel, these changes are revenue neutral in that funding offsets the expenditure. The dollar value of those changes is summarized below and detailed in Attachment C.

Expenditure		
Fund	Changes	Revenue Changes
1100	\$ 671,353	\$ 671,353
1175	\$ 147,130	\$ 147,130
TOTAL	\$ 818,483	\$ 818,483

Your Board considered requests from the Arcata Vets and Fortuna Vets for assistance with increasing utilities and operating costs. Instead of individually evaluating these two requests, your Board directed staff to develop a consistent recommendation that would encompass all the Veteran Facilities and return to the Board with a future agenda item.

Personnel Adjustments by Board

Allocate 1.0 FTE Human Resources Technician I/II (Risk Management 3520-359)

Allocate 3.0 FTE Crime Analyst and 1.0 FTE IT Technician I/II (District Attorney Measure Z 1100-295)

All personnel adjustments have been included in the Personnel Allocation Table (Attachment E).

Measure Z

The only additional Measure Z application proposed for funding since the Budget Hearings on Sept. 12, 2022, is the District Attorney’s request, which is prorated for the remaining portion of FY 2022-23.

\$273,508 (Measure Z - District Attorney 1100-295) - Ongoing funding for application #24 to fund 3.0 FTE Crime Analysts and 1.0 FTE IT Technician I/II in the District Attorney’s Office to address the increased volume of digital evidence required to be processed for each criminal case.

To fund this on-going Measure Z request and stay within the confines of available Measure Z funding, staff recommends reducing the one-time Measure Z funding for road repairs by \$160,000 and eliminating the \$140,000 proposed from Measure Z to cover the cost increase of brush removal equipment and instead fund the \$300,000 with available American Recovery Plan Act (ARPA) funding.

A list of funded projects is set forth below.

FY 2022-23 Measure Z Funding Allocations		
Agency	Project	Amount
Public Works	Brush & Tree Removal	\$ 1,236,000
Humboldt County Fire Chief's Association	Dispatch Fees	\$ 2,732,610
Humboldt County Sheriff's Office/Public works/CAO Repeaters Improvements	Repeaters/Radio Improvements	\$ 795,062
Kimaw Medical Center	Ambulance Service	\$ 443,435
City of Fortuna PD	School Resource Officer	\$ 203,902
Public Works	Repairs on Roads	\$ 720,000
Public Works	Hazardous Waste	\$ 80,000
Eureka Police Dept.	UPLIFT- CSET- MIST	\$ 499,000
Southern Trinity Area Rescue	STAR	\$ 158,785
City of Fortuna PD	Drug Task Force	\$ 203,902
Rio Dell Police Dept	Office Clerk	\$ 34,518
Adult Protective Services & District Attorneys Office	EVAST	\$ 5,000
Arcata Police Dept	School Resource Officer and Juvenile Diversion Officer	\$ 350,756
County Administrative Office	Indigent Defense Coordinator, Measure Z Administration	\$ 101,981
Humboldt County Sheriff's Office	Dispatch	\$ 132,337
Redwood Parks Conservancy	Lifeguard	\$ 31,460
DHHS-Behavioral Health & Humboldt County Sheriff	MIST Expansion	\$ 806,419
Yurok Tribe of the Tribal Prosecutor	Investigator	\$ 118,539
Eureka City Schools	Resource Officer	\$ 79,000
Humboldt County District Attorney	3 Crime Analysts 1 IT Technician	\$ 273,508
Total Projects Funded		\$ 9,006,214

The Measure Z applications that did not receive funding are set forth below.

Agency	Project	Amount
Planning & Building	Code Enforcement Abatements	\$435,000
Sheriff's Office – Major Crimes	DNA Processing / membership	\$10,000
Sheriff's Office – Major Crimes	3D scanner	\$90,295
City of Fortuna	K-9 officer	\$40,000
People of New Directions	Safety protective gear	\$20,000
Humboldt COAD	COAD training	\$16,600
City of Fortuna	Unmarked police vehicle	\$60,000
Sheriff's Office	Compliance/Training Officer	\$94,257
Total Projects Not Funded		\$766,152

All budgeted revenue and estimated available fund balance attributable to Measure Z has been allocated to ongoing expenditures or one-time projects.

FY 2022-23 Measure Z Funding Summary

22-23 Estimated Revenue \$ 14,383,388.0
 Other Sources Use of Fund Balance \$ 5,532,340.0
TOTAL REVENUE \$ 19,915,728.0

Ongoing Expenditures \$ 10,909,514.0
 Board Approved Allocations \$ 9,006,214.0
TOTAL EXPENDITURES \$ 19,915,728.0

American Rescue Plan Act (ARPA)

The county received two tranches of ARPA funding totaling \$26,330,552. Based on direction provided by your Board during the FY 2022-23 Budget Hearings, staff recommends and included the ARPA allocations shown below in the recommended budget for final adoption. While the funding spans two years and the spending multiple years, the total allocated expenditures and use of funds for FY 2022-23 total \$15,098,212. Funding allocated to avoid layoffs and to support pre-pandemic staffing levels accounts for \$5,158,749 of those allocations and is broken down by department below.

FY 2022-23 Staff/Layoff ARPA Allocation		
Sheriff - Operations	28 Staff Positions	\$ 3,071,219
Sheriff - Corrections	14 Staff Positions	1,314,509
Auditor-Controller	1 Accounting Systems Analyst (2/3 yr)	69,057
Assessor	1 Appraisal Technician & Extra Help	103,385
Economic Development	4.0 Staff Positions	362,790
Public Defender	1.0 Staff Position	165,950
Conflict Council	.5 Staff Position	71,839
Total Staff/Layoff ARPA		\$ 5,158,749

Please note that the Sheriff's-Operations allocation has been reduced from the prior recommended

allocation as the result of an offset to funding for the contract with the Wiyot Tribe scheduled for possible approval by your Board on Sept. 27, 2022.

Committed America Rescue Plan (ARPA) Act Funds Prior to 09/27/2022			
Total Revenue Received (2 Tranche) \$ 26,330,552			
Budget Unit/Department	Program/Expenditure	Amount	Category
Sheriff - Operations	28 Staff Positions to Avoid Layoffs	3,071,219	Staff/Layoff
Sheriff - Corrections	14 Staff Positions to Avoid Layoffs	1,314,509	Staff/Layoff
Sheriff - Corrections	Increase in Wellpath Jail Medical	3,456,688	COVID Response
Economic Development	Staffing Support to Avoid Layoffs	50,238	Staff/Layoff
Information Technology	Server/Equip Chiller Project	125,000	COVID Response
Local Housing Funds	Funding Match for Local Projects	1,500,000	Housing
Childcare Grants & Funding	Childcare Grants & Funding	4,856,500	COVID Response
Roads	Deficit Fund Balance Assistance	3,291,319	Revenue Replacement
Multiple Departments	COVID Response Staff	1,069,042	COVID Response
Multiple Departments	COVID Testing Supplies & Equip	462,193	COVID Response
CAO's Office	Broadband Project	1,500,000	Broadband Infrastructure
CAO's Office	HVAC Regional Facility	91,000	Revenue Replacement
CAO's Office	Workforce Coalition Assistance	70,000	COVID Response
	Committed ARPA Funds	20,857,708	
Additional ARPA Funding Appropriations 09/27/2022			
Information Technology	Additional Server/Equip Chiller Project	225,000	COVID Response
Roads	Deficit Fund Balance Assistance	3,500,000	Revenue Replacement
Roads	Funding for Remainder of MZ Request	300,000	Revenue Replacement
Multiple Departments	Staffing Support to Avoid Layoffs	722,783	Staff/Layoff
Headwaters	Administrative Cost of Program	171,029	Revenue Replacement
	Summary of Additional Requests	4,918,812	
	Total ARPA Allocated	25,776,520	
	Remainder of Unallocated ARPA	\$ 554,032	

County Budget Committee

Your Board engaged in a brief discussion regarding development of a Budget Committee consisting of two Supervisors, appropriate staff and possibly outside appointees. Staff will research and evaluate other models for a working committee to be tasked with reviewing and making recommendations on the annual budget. This will be brought back to your Board for possible future action.

FINANCIAL IMPACT:

The total county budget for adoption today is \$571,387,899. This includes \$1,376,711 in additional requests recommended for inclusion by your Board on Sept. 12, 2022 (set forth in detail at the beginning of the staff report) and \$818,483 in budget impacts of Board approved actions from June 27, 2022, to date, as set forth in Attachment C. In addition to the allocations that increased the overall budget, \$1,175,834 in one-time allocations were funded through a reduction in the contribution to Contingency Reserves causing no net increase. Budget modifications are detailed in Attachments B, C and D. Finally, the Board allocated an additional \$4,918,812 of ARPA funds as discussed in the staff

report and detailed in Attachment G. Remaining unallocated ARPA funds total \$554,032.

Pursuant to Board policy, the county's General Reserve should be equal to 10 percent of total General Fund expenditures, as averaged by the current and prior year adopted budgets, or roughly \$17.6 million. The county's current General Reserve balance is \$5.6 million. The Adopted Budget includes a contribution to reserves of \$5 million in accordance with your Board's General Reserve Policy.

General Fund contingencies were set at \$2.5 million, when the Recommended Budget was approved on Sept. 27, 2022. The contingency has been reduced by \$1,175,834 in order to fund an office renovation for the Auditor-Controller's Offices in the Courthouse and to pay penalties and interest incurred during the tenure of the prior Auditor-Controller.

Pursuant to the provisions of the County Budget Act, the State Controller has prescribed budget schedules (Attachment H and I) as required to be used in the presentation of the annual adopted county budget per Government Code (GC) §29002.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by managing our resources to ensure sustainability of services .

OTHER AGENCY INVOLVEMENT:

All county departments and agencies, as well as several community organizations that receive county funding, are affected.

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could make additional changes to the final budget or continue this item to a later meeting date. These alternatives are not recommended because the final budget as presented conforms to previous Board direction.

ATTACHMENTS:

- A. Budget Resolution
- B. Final Budget Adjustments
- C. Changes from Recommended Budget
- D. Final Budget Adjustments for Measure Z
- E. Personnel Allocation Table
- F. Fixed Asset Table
- G. Final Budget Adjustments for ARPA
- H. Budget Summary Schedules-1, 2, 3, 4, 5, 6, 7, 8, 10 and 11
- I. Budget Detail Schedule-9, on file with the Clerk of the Board

PREVIOUS ACTION/REFERRAL:

Board Order No.: E-1, H-4

Meeting of: 9/12/2022, 6/28/2022

File No.: 22-1178, 22-832