



FY 2021-22 Budget Hearings

**Day 1 – Budget Policies and
Updates**

Presentation Overview

- FY 2021-22 Fiscal Policies
- Notes on Recommended budget items
- Proposition 4 Appropriations Limit
- American Rescue Plan Overview
- Strategic Plan Update
- Boards and Commissions – Potential Stipends
- Tribal Funding Update
- Board Inquiry Request Overview



Financial Policies



Board Approved Financial Policies

<https://sonomacounty.ca.gov/CAO/Public-Reports/Budget-Reports/Financial-Policies-for-FY-2020-2021/>

Basic Fiscal Principles

Balanced Budget and Fiscal Discipline

- Budget must be balanced per state code
- In FY 2017-18 Budget Adoption, board set objective of structurally balanced budget
- Achieved in FY 2018-19
- FY 2021-22 Recommended Budget is balanced without anticipated year-end savings



Financial Policies – Recommended Changes

<https://sonomacounty.ca.gov/CAO/Public-Reports/Budget-Reports/Financial-Policies-for-FY-2020-2021/>

- Hiring Freeze:
 - As directed in April Workshops, Hiring Freeze is not in effect in FY 2021-22.
- Proposition 172
 - Clarify that board may direct funding to Probation when funding for Fire Services hits 8%
- Deferred Maintenance
 - Extend the time period for funding deferred maintenance
- Other Miscellaneous Cleanups



Recommended Budget Fiscal Year 2021-22



Recommended Budget And Proposition 4 Limit

Sonoma County California



Measure O Implementation

(See also: Tab 5, BIR- 118)

| Expenditure Plan Category / Programs | Category % of Total Funding | Recommended Program Funding | Remaining Funding |
|---|-----------------------------|-----------------------------|---------------------|
| Behavioral Health Facilities | 22% | \$3,076,250 | \$2,423,750 |
| Emergency Psychiatric / Crisis Services | 44% | \$7,425,480 | \$3,574,520 |
| Mental Health & Substance Use Disorder Outpatient Services | 18% | \$2,695,000 | \$1,805,000 |
| Behavioral Health Homeless / Care Coordination | 14% | - | \$3,500,000 |
| Transitional & Permanent Supportive Housing | 2% | - | \$500,000 |
| Total | 100% | \$13,196,730 | \$11,803,270 |



Transient Occupancy Tax

- Policy Approved April 16, 2019
- Funding distributed according to approved policy
- Due to uncertainty around Tourism Industry Recovery, funding expectations remain reduced



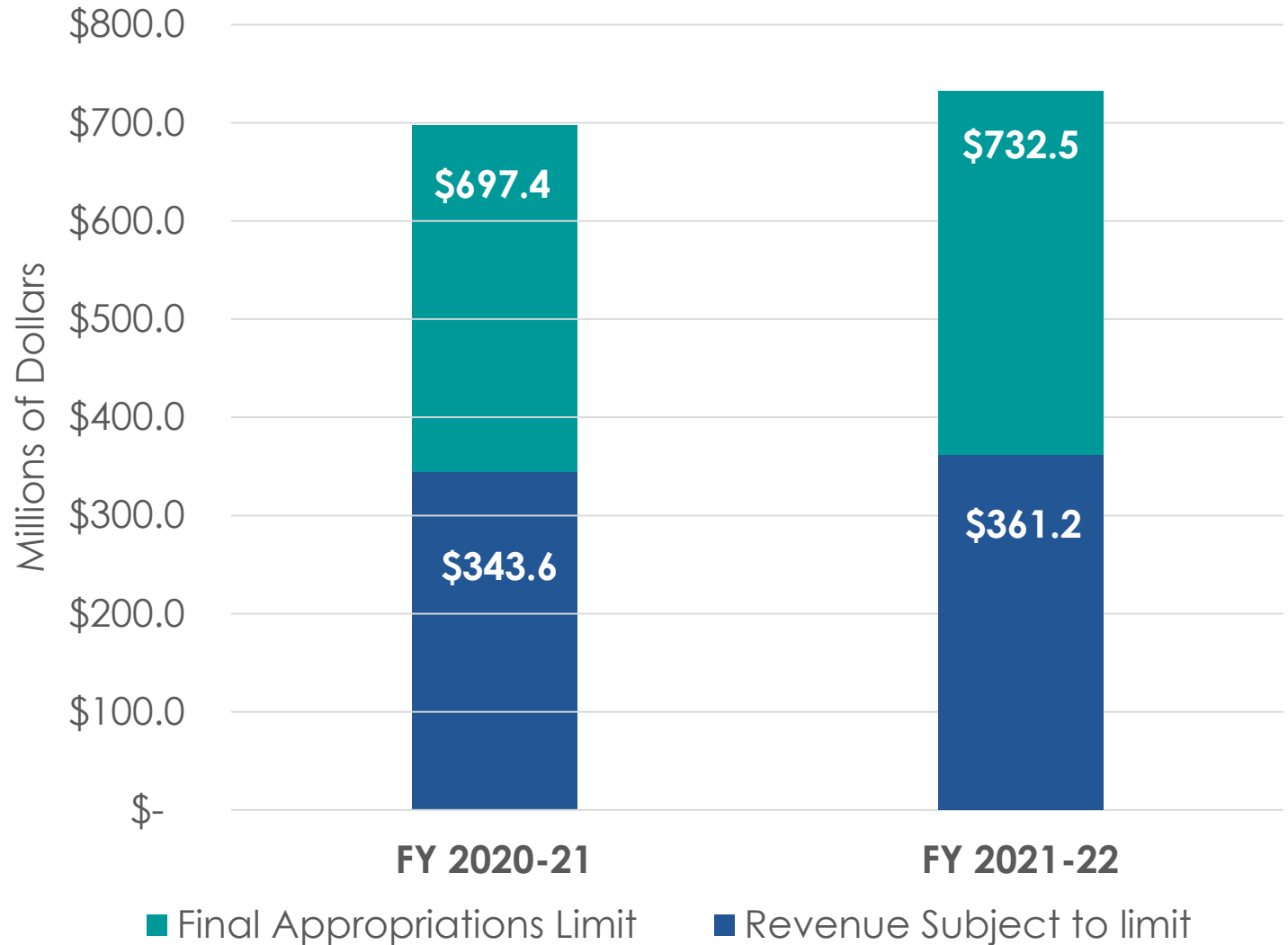
Asset Forfeiture

- Recommended budget includes \$2.4 million of asset forfeiture being proposed by the Sheriff's Office
- Funding for:
 - Radio Replacement to comply with new standards (\$1.3 million)
 - Jail Management System Replacement Project (\$1.1 million)



Proposition 4 Limit

- Appropriations Limits adopted annually
- Set limit on total appropriations of tax revenues for state and most local governments



American Rescue Plan Act



American Rescue Plan Act (ARPA)

- Provides \$96 million for Sonoma County
- Costs must be incurred by 12/31/2024
- Funding for:
 - Support public health response
 - Address negative economic impacts
 - Replace public sector revenue loss
 - Premium pay for essential workers
 - Water, sewer, and broadband infrastructure



American Rescue Plan Act Proposed Process

Three areas for distribution:

- Funding for COVID Response – allocated at Budget hearings
- Funding for strategic investments in County Departmental Services
- Funding directly to community



American Rescue Plan Act

Investments in County Departmental Services

Departments will submit proposals

August 31, 2021 Board will:

- Allocate ARPA fund to backfill revenue loss (most flexible usage)
- Hear from departments about strategic investment opportunities
- Prioritize list of department investments
 - Highest priority projects will receive more detailed analysis
- No final allocation decisions



American Rescue Plan Act

Investments in County Departmental Services

Proposed criteria for evaluating departmental proposals:

- Strategic Plan alignment (including equity lens)
- ARPA eligibility
- Timing (able to be completed by deadline)
- Support for community need based on COVID-19



American Rescue Plan Act

Direct Community Support

Program managed by Upstream Investments, in conjunction with Economic Development Board

- Addition of two term-limited staff to support, funded by ARPA
- Will consider community and business needs
- Will be guided by resources such as census, Portrait of Sonoma, EDB studies, and other data



American Rescue Plan Act

Direct Community Support

- Will leverage Upstream platform utilizing:
 - Safety Net Contracting Principles
 - Results-Based Accountability
- Funding categories based on needs assessments
- Funding categories will tie to result areas, problem indicators, and known prevention strategies
- Requests for proposals will detail intended results, proven strategies, and target population indicators



American Rescue Plan Act

Direct Community Support

September 14, 2021 Board will:

- Hear update on community proposal process including:
 - More specifics on evaluation criteria
 - Report on areas of unmet community and business needs
 - Community engagement process
- No final allocation decisions



American Rescue Plan Act

Final Allocations

November 2, 2021 Board will make allocation decisions:

- Allocate funding to specific departmental proposals
- Allocate funding to specific community and business needs
- Upstream will run grant program including solicitation, selection, and grant management

Quarterly reports on status of county and community investments



Strategic Plan



Strategic Plan Implementation – Year 1

- Board Member Pillar Liaisons
- Funding allocation for FY 2021-22 (Year 1) Projects
- CAO Policy, Grants, & Special Projects (PG&SP) Division
 - Planning and coordination
 - Monitoring, tracking, and reporting
- Strategic Plan Implementation Leads
 - Implementation Plan Development
 - Outcomes and Measures



Strategic Plan Implementation Leads



Healthy and Safe Communities

Alegria De La Cruz
Oscar Chavez
Paul Gullixson
David Koch
Marissa Montenegro
Jim Naugle
Brian Oh
Tina Rivera
Angela Struckmann
CDC



Organizational Excellence

Carol Allen
Michelle Arellano
Sherry Bevens
Peter Bruland
Christina Cramer
Jeff Deffenbaugh
Ric Giardina
Paul Gullixson
Christel Querijero
Christina Rivera



Racial Equity and Social Justice

Alegria De La Cruz
Paul Gullixson
Spencer Keyword
Sylvia Lemus
Christel Querijero



Climate Action and Resiliency

Misti Arias
Katherine DiPasqua
Jane Elias
Katie Greaves
Caroline Judy
John Mack
Marissa Montenegro
Christel Querijero
Rob Scott
Mike Thompson
Tennis Wick



Resilient Infrastructure

Pamela Asselmeier
Ethan Brown
Dan Fruchey
Chris Godley
Johannes Hoevertz
Heidi Keith
Caroline Judy
Keith Lew
Christel Querijero
Janice Thompson
Ben Toyoda



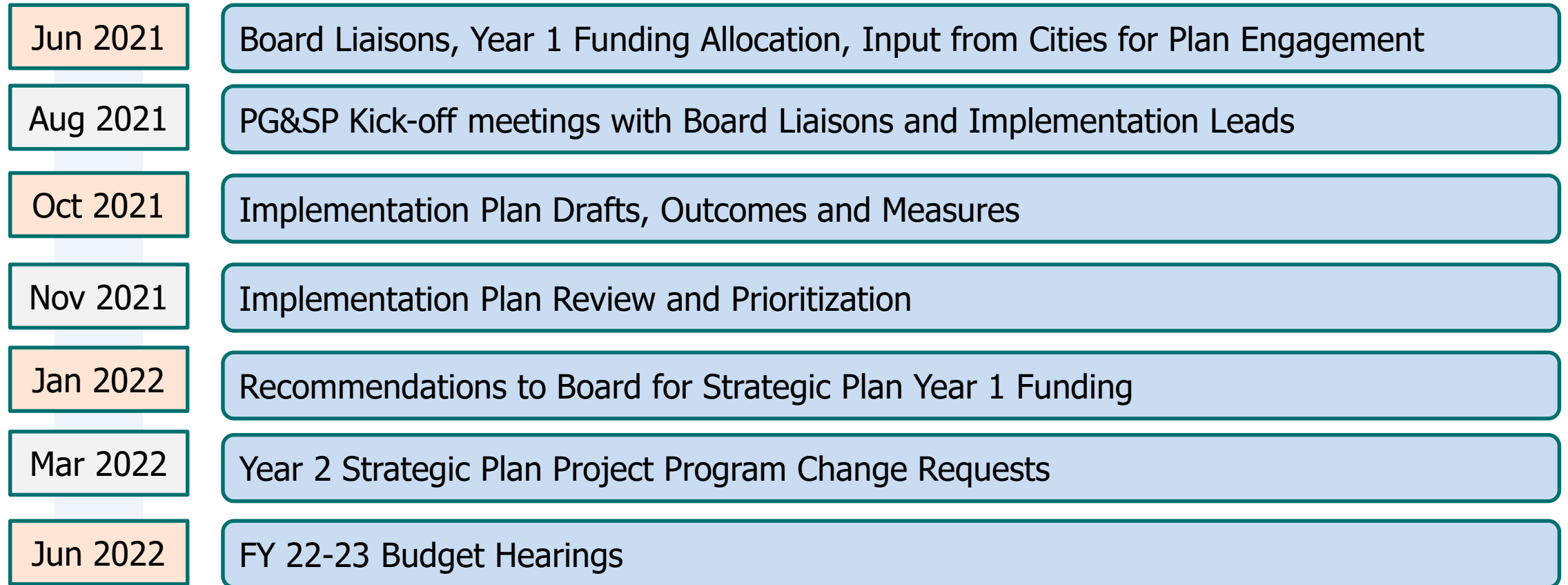
Strategic Plan

Strategic Pillar Liaisons

- Requesting assignment of 2 Supervisor Liaisons for each pillar
- Year 1 coordination, Outcomes and Measures, City and Community Partner engagement, Phasing for Plan Objectives



Strategic Plan Implementation – Year 1 Timeline



Boards and Commissions Update



Boards and Commissions Information

SPONSORED & FACILITATED BY SOCO

- 56 bodies/commissions
- 450 BOS appointed seats
- ~520 meetings/year (aggregate¹)
- \$0 to \$100/meeting; or \$75 to \$250/4+hr meeting

SPONSORED & FACILITATED BY EXTERNAL PARTNER AGENCY

- 20 bodies/commissions
- 143 BOS appointed seats
- ~170 meetings/year (aggregate*)
- \$50 to \$150/meeting stipend
- Some allow for mileage Reimb.
- Not financed by the County

¹ Frequency between groups varies from 1-mtg/year to 24-mtgs/year



Boards and Commissions – Standard Stipend Options

- Assumes ~4-hr meeting
- 2,300 instances of stipend payment²

Modest
\$100/meeting (\$25/hr)
Annual Cost
\$235,400

Medium
\$150/meeting (\$38/hr)
Annual Cost
\$353,100

High
\$200/meeting (\$50/hr)
Annual Cost
\$470,800

² Based each group's total seats and meeting frequency



Tribal Update



Tribal Funding Update

County has impact mitigation agreements with:

- Federated Indians of the Graton Rancheria
- Dry Creek Rancheria Band of Pomo Indians
- Lytton Band of Pomo Indians

Board Inquiry Request 87 (Tab 5) lays out more details



Tribal Funding Update

Graton

Board has fully allocated Guaranteed Mitigation Payments

- No payment from tribe for April-June 2020 due to closure of casino
- Reserves freed by cancellation of \$1 million in Pre-Operating repayments allow for departments to be made whole

Other Recurring Mitigation Payments

- Discretionary pots allocated
- CAO will work with relevant departments (TPW, CDC, Sonoma Water) and Tribe on proposals requiring Tribal consultation



Tribal Funding Update

Graton

- In 2020 County began receiving a portion of funding flowing through Rohnert Park
 - About \$600,000 annually will be included in available sources
 - Not restricted by agreement
- Parks and Open Space Payment
 - May occur sooner than expected
 - First \$1 million + CPI may begin in FY 2021-22
 - Will work with departments and Tribe on proposed uses when money begins to come in



Tribal Funding Update

Dry Creek

Amendment executed in 2021:

- No funding in 2020 or 2021 due to impacts of COVID.
- Agreement extended for 2 years

Tribe has initiated reopener and negotiations ongoing

Funding for mitigation measures continuing, supported by
General Fund



Tribal Funding Update

Lytton

One-time funding of \$6.1 million received in 2020

- For in-lieu development impact fees for traffic, parks, and affordable housing and costs of administration
- \$1.95 million allocated to date, mainly for parks and traffic
- Staff will return with additional recommendations as mitigation projects are determined

Ongoing in-lieu property taxes minimal; will be reassessed in 5 years

Ongoing in-lieu TOT if hotel or vacation rentals developed on site



Board Inquiry Requests



Board Inquiry Requests

Tab 5

- Staff recorded nearly 140 BIRs during the Spring Budget Workshops in April
- Approximately 70 are answered in the Binder materials
- Remainder will be posted to the CAO's website by October 31, 2021



Questions?

