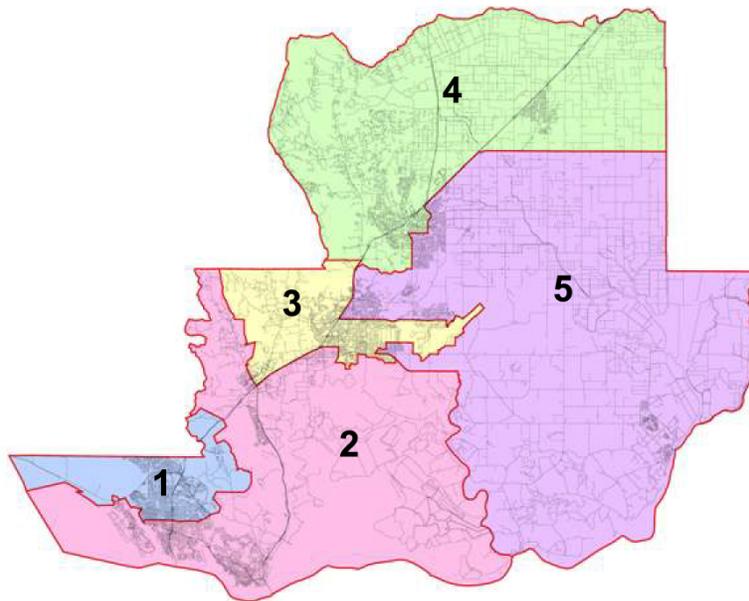

Board of Supervisors



County of Solano



1000 – Fund 001-Board of Supervisors

Linda J. Seifert, Chair

Legislative & Administration

STATEMENT OF PURPOSE

Solano County is a political subdivision of the State of California, established pursuant to Article XI of the State Constitution and vested with the powers necessary to provide for the health and welfare of the people within its borders. The Solano County Strategic Plan is the agreed-upon framework utilized by the Board to guide County staff to fulfill the County's mission.

The Board of Supervisors (Board) serves as the County's Governing Body and sets policies for County Government, subject to changing demands and expectations. During FY2011/12, all five Board Members participated in five budget workshops. The workshops offered Board members, County staff, organizations closely associated with County business and the general public with the opportunity to express needs, concerns and priorities. The tenor of testimony consistently expressed concerns over the local economy, jobs, education, public safety, public assistance and the County's resources.

The Board approves and sets priorities for a yearly balanced budget for all operations of County government, including general government, public protection, public assistance, health and sanitation, as well as education and recreation. To provide these service needs, the County's budget is linked to the State and Federal budgets as well as the nation's economy.

Since the Fall of 2008, the Board's primary focus has been planning to meet the County's operational requirements with a declining, but still balanced budget. In FY2012/13, the Board will face many challenges, working to reduce persistent operational funding deficits created by the recent economic downturn and the resulting sharp decline in the assessment role, while providing for essential service and operational needs of the citizens of the county. The Supervisors are committed to remaining fiscally prudent while working to develop policies and programs that will help to restore the Solano economy.

The Board's responsibilities include:

- Approve a balanced County budget for all operations of County government, including general government, public protection, public assistance, health and sanitation, and education and recreation.
- Enact ordinances and resolutions which may apply to the entire county or only to unincorporated areas (not under the jurisdiction of a city or town).
- Determine land use zoning and policy for the unincorporated area of the county through the preparation and implementation of a voter-approved General Plan and enabling ordinances.
- Establish salary and benefits for employees.
- Approve additions/deletions to the County's position allocation list.
- Direct and control litigation.
- Approve contracts and appropriate funds.
- Acquire and sell property.
- Act as the final arbiter of decisions made by commissions and committees appointed by and serving the Board.
- Represent the County on other county, regional and state boards and commissions.

Budget Summary:	
FY2011/12 Third Quarter Projection:	337,252
FY2012/13 Recommended:	321,099
County General Fund Contribution:	321,099
Percent County General Fund Supported:	100%
Total Employees (FTEs):	2.0

FUNCTION AND RESPONSIBILITIES

The District 1 Supervisor represents citizens residing within the northern half of the City of Vallejo, and maintains an office at the County Government Center at 675 Texas Street in Fairfield, and a small satellite office at 355 Tuolumne Street in Vallejo. The District 1 Supervisor’s Office budget provides for the expenditures of the elected Supervisor and one staff position.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

With the existing financial crisis telescoping into the future, provision of services to Solano County residents have become difficult, if not impossible to provide. Budget reductions have been accomplished primarily by reducing or eliminating services, and, therefore employees. In spite of this, Supervisor Kondylis sees three ongoing bright lights on the horizon:

- The progress gained in the establishment of a Family Justice Center that will provide a means for victims of violence to seek and receive comprehensive services at a single location.
- The establishment of County Clinics as Federally Qualified Health Care facilities, which will allow Solano County to provide health care in a more cost-effective manner.
- Integration of Mental Health and Public Health bureaus in order to treat the “whole” person.

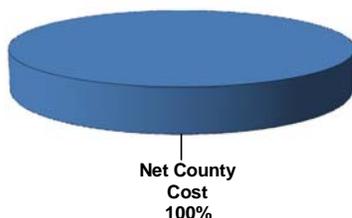
DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget represents an overall decrease of \$20,422, or 6%, in Appropriations, when compared to the FY2011/12 Adopted Budget primarily the result of reductions in employee retirement costs, County insurances charges, and A-87 Administrative Overhead allocation costs. As a result, the First District’s Net County Cost is decreased by \$20,422.

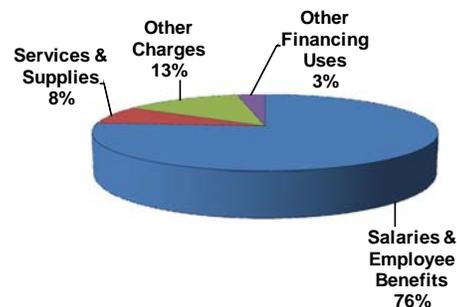
DEPARTMENT COMMENTS

The biggest challenge for Supervisor Kondylis will be to ensure that cuts to services and positions, which may be necessary to balance the County budget, are planned in an equitable manner and minimizes impacts to the people who are dependent upon them, especially the very young, the very old, and the disabled.

SOURCE OF FUNDS



USE OF FUNDS



Barbara R. Kondylis
Legislative & Administration

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
APPROPRIATIONS					
Salaries and Employee Benefits	245,190	250,779	244,776	(6,003)	(2%)
Services and Supplies	26,927	33,859	24,337	(9,522)	(28%)
Other Charges	63,963	45,667	42,018	(3,649)	(8%)
Other Financing Uses	10,971	11,081	9,872	(1,209)	(11%)
Intra-Fund Transfers	83	135	96	(39)	(29%)
TOTAL APPROPRIATIONS	347,134	341,521	321,099	(20,422)	(6%)
NET COUNTY COST	347,134	341,521	321,099	(20,422)	(6%)

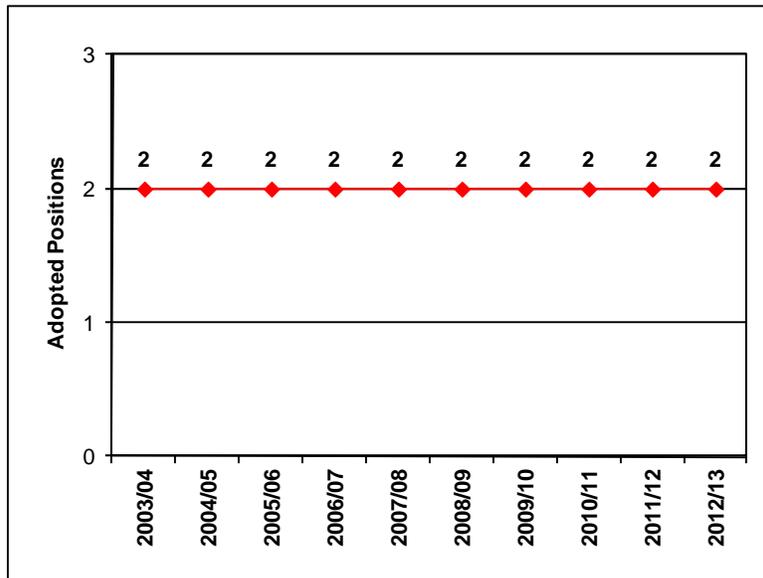
SUMMARY OF SIGNIFICANT ADJUSTMENTS

None.

SUMMARY OF POSITION CHANGES

There are no changes in position allocation.

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

The FY2012/13 Budget for Supervisorial District 1 includes only half a year’s car allowance. The County Administrator recommends the Board consider increasing the budget by \$5,200 for the remaining 6 months of car allowance for the incoming Supervisor.

The FY2012/13 Budget for Supervisorial District 1 also includes \$2,500 in proposed funding for contributions to non-County agencies. For FY2011/12, the Board had set a level of \$2,500. The CAO recommends the Board consider affirming a funding level for FY2012/13 for contributions to non-County agencies.

Budget Summary:	
FY2011/12 Third Quarter Projection:	325,985
FY2012/13 Recommended:	310,255
County General Fund Contribution:	310,255
Percent County General Fund Supported:	100.0%
Total Employees (FTEs):	2.0

FUNCTION AND RESPONSIBILITIES

The District 2 Supervisor represents citizens residing within the City of Benicia, a portion of the City of Vallejo and the unincorporated area of Homeacres, Cordelia and Green Valley, and maintains an office at the County Government Center at 675 Texas Street in Fairfield. With redistricting, the District will also include more area in Fairfield and the Suisun Marsh. The District 2 Supervisor’s Office budget provides for the expenditures of the elected Supervisor and two half-time staff positions.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

Supervisor Seifert represented the Board on 17 County and regional boards and commissions, including the First 5 Solano, Yolo-Solano Air Quality Management District, LAFCO, Solano Land Trust, and the Solid Waste Independent Hearing Panel.

Several FY2011/12 highlights include:

- Advocated for cost-saving measures that would preserve jobs and services for county residents during budget hearings, while reducing the County’s budget structural deficit.
- Lobbied and testified before the State Legislature against proposals to preserve the County’s First 5 funds that supports children ages 0 – 5 and their families.
- Continued to support efforts for ship dismantling at the Mare Island Shipyard in Vallejo and address the environmental impacts of transporting ships from the Suisun Bay Reserve Fleet to other parts of the country, and to include Benicia and Vallejo waterfronts in a Delta National Heritage Area.
- Continued support in efforts of the Solano Land Trust, Green Valley Landowners Association and others to raise \$15.3 million from non-county sources to purchase Rockville Trails property and to provide for agricultural, and park and natural recreational community resources.
- Held an annual Veterans’ Forum in the District to provide area veterans an opportunity to connect with other veterans to obtain information about veteran services and benefits, and to have their questions addressed.
- Championed a “rooster ordinance” that protects public safety and public health, and reduces the likelihood that cockfighting can occur in Solano County.
- Hosted annual booth at Ag Day for 3,500 third graders, and coordinated Solano County’s booth at the County Fair that highlighted regional recreational facilities.
- Met and coordinated with Homeacres residents to address issues such as code enforcement, available county resources, and implementation of zoning amendments. Supported conducting a neighborhood study of the area to maintain community character.
- Worked with local legislators, the City of Benicia and interested citizens to secure retention of State parks located in the district.

Linda J. Seifert
Legislative & Administration

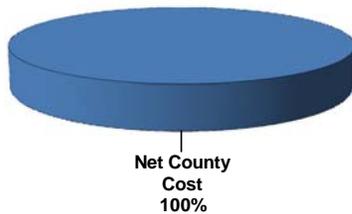
DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget represents an overall decrease of \$28,599, or 8%, in Appropriations, when compared to the FY2011/12 Adopted Budget primarily the result of reductions in employee retirement costs, County insurances charges, and A-87 Administrative Overhead allocation costs. As a result, the Second District's Net County Cost is correspondingly decreased by \$28,599.

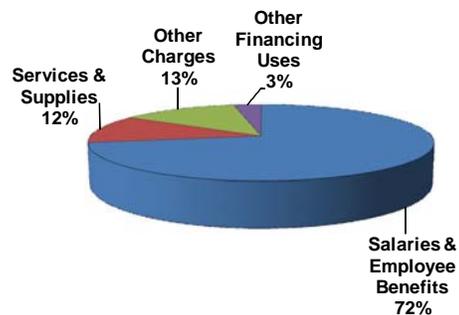
DEPARTMENT COMMENTS

None.

SOURCE OF FUNDS



USE OF FUNDS



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
APPROPRIATIONS					
Salaries and Employee Benefits	229,856	231,717	224,021	(7,696)	(3%)
Services and Supplies	35,986	45,407	36,940	(8,467)	(19%)
Other Charges	71,267	51,102	39,917	(11,185)	(22%)
Other Financing Uses	10,475	10,628	9,377	(1,251)	(12%)
Intra-Fund Transfers	751	0	0	0	0%
TOTAL APPROPRIATIONS	348,336	338,854	310,255	(28,599)	(8%)
NET COUNTY COST	348,336	338,854	310,255	(28,599)	(8%)

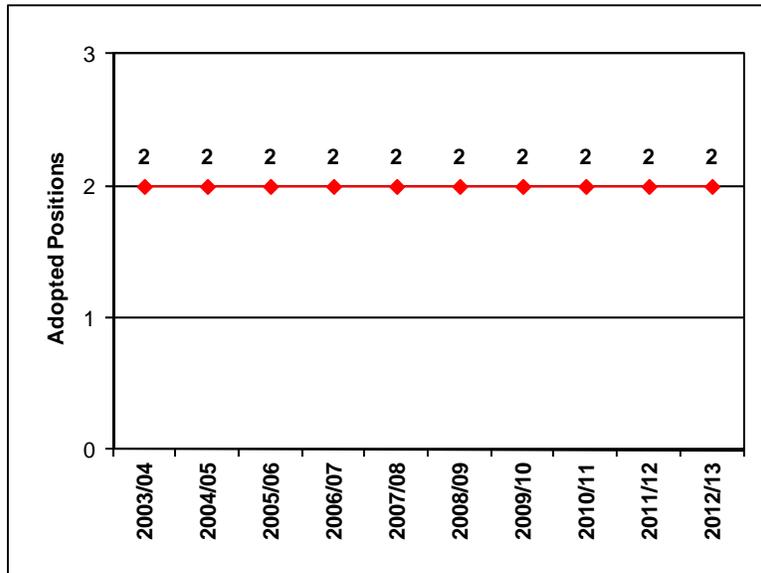
SUMMARY OF SIGNIFICANT ADJUSTMENTS

None.

SUMMARY OF POSITION CHANGES

There are no changes in position allocation.

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

The FY2012/13 Budget for Supervisorial District 2 includes \$2,500 in proposed funding for contributions to non-County agencies. For FY2011/12, the Board had set a level of \$2,500. The CAO recommends the Board consider affirming a funding level for FY2012/13 for contributions to non-County agencies.

James P. Spering
Legislative & Administration

Budget Summary:	
FY2011/12 Third Quarter Projection:	329,106
FY2012/13 Recommended:	311,006
County General Fund Contribution:	311,006
Percent County General Fund Supported:	100.0%
Total Employees (FTEs):	2.0

FUNCTION AND RESPONSIBILITIES

The District 3 Supervisor represents citizens residing within a portion of the City of Fairfield (excluding the section north of Air Base Parkway), portions of Suisun City and of Travis Air Force Base, Suisun Valley and parts of Green Valley, and maintains an office at the County Government Center at 675 Texas Street in Fairfield. The District 3 Supervisor’s Office budget provides for the expenditures of the elected Supervisor and two half-time staff positions.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

Supervisor Spering’s priorities are:

- To provide leadership, formulate new ideas and build partnerships and consensus on programs and projects benefiting the Third District and Solano County.
- To be the conduit between constituents and County government.

Supervisor Spering accomplishments include:

- Spearheading an Economic Stimulus Forum, specifically targeting construction industry and public sector, to develop potential solutions that will address local and regional economic constraints. The forum was well attended and a follow up forum is anticipated. Solutions are being vetted between the County and its seven cities.
- Forming a steering committee of public partners that developed a White Paper for the creation of a collocated Solano Family Justice Center. The White Paper recommendations were approved by the Board of Supervisors who directed Supervisor Spering to form an ad hoc subcommittee to identify facility options. Under Supervisor Spering’s leadership, the ad hoc committee is in the process of analyzing the best available building choices to make a recommendation.
- Chairing a Consortium of transit stakeholders during the year who work to address transportation issues for seniors and people with disabilities; exploring options to finance Phase II of the Intercity Taxi Script program, which would extend the successful Phase I program to non-ambulatory riders; and providing ongoing advocacy for meeting the transportation needs of the increasing senior population.
- Facilitating the ongoing process and discussions between the Suisun Veterans, Suisun City and County staff in modernizing the Suisun Veterans Hall.

To achieve District 3’s priorities, Supervisor Spering works with:

- Business community and Non-profit partners to optimize service delivery in an increasingly challenging budget environment.
- County staff on the budget in an ongoing effort to find ways to “live within our means” and to still meet the most critical needs of constituents.

Supervisor Spering also works to:

- Improve transportation availability and intercity accessibility to everyone in the County, especially for disabled, elderly and low-income families.
- Focus attention on protecting agriculture and meeting the growing demands of the seven cities.

- Consolidate transit services to better serve the citizens of Solano County.
- Ensure County staff provides services in a highly professional, customer service friendly manner.

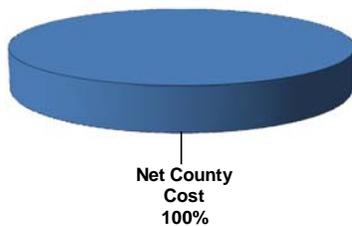
DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget represents an overall decrease of \$24,104, or 7%, in Appropriations, when compared to the FY2011/12 Adopted Budget primarily the result of reductions in employee retirement costs, County insurances charges, and A-87 Administrative Overhead allocation costs. As a result, the Third District's Net County Cost is decreased by \$24,104.

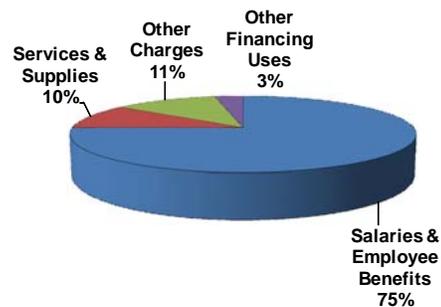
DEPARTMENT COMMENTS

None.

SOURCE OF FUNDS



USE OF FUNDS



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
APPROPRIATIONS					
Salaries and Employee Benefits	236,402	241,345	233,131	(8,214)	(3%)
Services and Supplies	28,109	38,457	32,586	(5,871)	(15%)
Other Charges	65,051	44,326	35,600	(8,726)	(20%)
Other Financing Uses	10,849	10,982	9,689	(1,293)	(12%)
Intra-Fund Transfers	1,577	0	0	0	0%
TOTAL APPROPRIATIONS	341,988	335,110	311,006	(24,104)	(7%)
NET COUNTY COST	341,988	335,110	311,006	(24,104)	(7%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

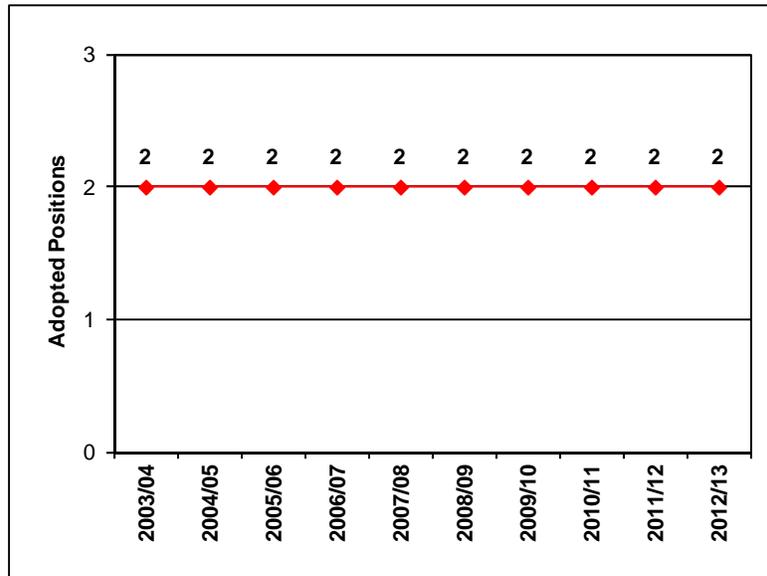
None.

SUMMARY OF POSITION CHANGES

There are no changes in position allocation.

James P. Spering
Legislative & Administration

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

The FY2012/13 Budget for Supervisorial District 3 includes no proposed funding for contributions to non-County agencies. For FY2011/12, the Board had set a level of \$2,500. The CAO recommends the Board consider affirming a funding level for FY2012/13 for contributions to non-County agencies.

Budget Summary:	
FY2011/12 Third Quarter Projection:	335,149
FY2012/13 Recommended:	328,689
County General Fund Contribution:	328,689
Percent County General Fund Supported:	100.0%
Total Employees (FTEs):	2.0

FUNCTION AND RESPONSIBILITIES

The District 4 Supervisor represents citizens residing within the western half of the City of Vacaville, the City of Dixon, the unincorporated areas reaching from the Yolo County boarder adjoining the UC Davis Campus, Allendale, English Hills, Pleasants Valley and the Putah Creek area near Winters.

As the elected representative for District 4, Supervisor Vasquez expects to hear from and interact directly with people from the District. The District 4 office is maintained at the County Government Center at 675 Texas Street in Fairfield. This budget supports the District 4 Supervisor’s office, which includes one elected Supervisor and one staff member.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

For FY2012/13, Supervisor Vasquez has the following Goals and Objectives:

Improve the health and well-being of those who live and work here

- Service to the residents of District 4 will become more efficient with the construction of the William J. Carroll Government Center including the health and dental clinics. The Center is planned to be operational in the last quarter of 2012.

Invest in and for the future

- Continue to strongly support the leadership of the department managers and the dedication of the County employees who focus on the running of our everyday business. I am inspired by the hundreds of volunteers that augment County services. Together we are building our way out of this recession by doing our day-to-day jobs.
- Continue to partner with the business and agriculture communities to increase jobs and to strengthen the Solano County economy.

DEPARTMENTAL BUDGET SUMMARY

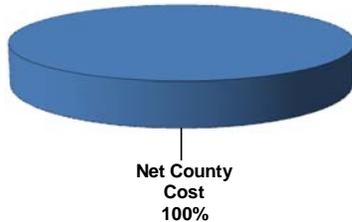
The Recommended Budget represents an overall decrease of \$10,210, or 3%, in Appropriations, when compared to the FY2011/12 Adopted Budget primarily the result of reductions in employee retirement costs, County insurances charges, and A-87 Administrative Overhead allocation costs. As a result, the Fourth District’s Net County Cost is decreased by \$10,210.

DEPARTMENT COMMENTS

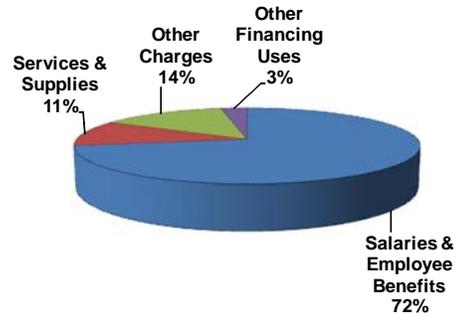
None.

John M. Vasquez
Legislative & Administration

SOURCE OF FUNDS



USE OF FUNDS



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
APPROPRIATIONS					
Salaries and Employee Benefits	238,435	243,513	237,373	(6,140)	(3%)
Services and Supplies	28,442	36,566	35,813	(753)	(2%)
Other Charges	70,399	47,946	45,398	(2,548)	(5%)
Other Financing Uses	10,649	10,774	9,505	(1,269)	(12%)
Intra-Fund Transfers	404	100	600	500	500%
TOTAL APPROPRIATIONS	348,328	338,899	328,689	(10,210)	(3%)
NET COUNTY COST	348,328	338,899	328,689	(10,210)	(3%)

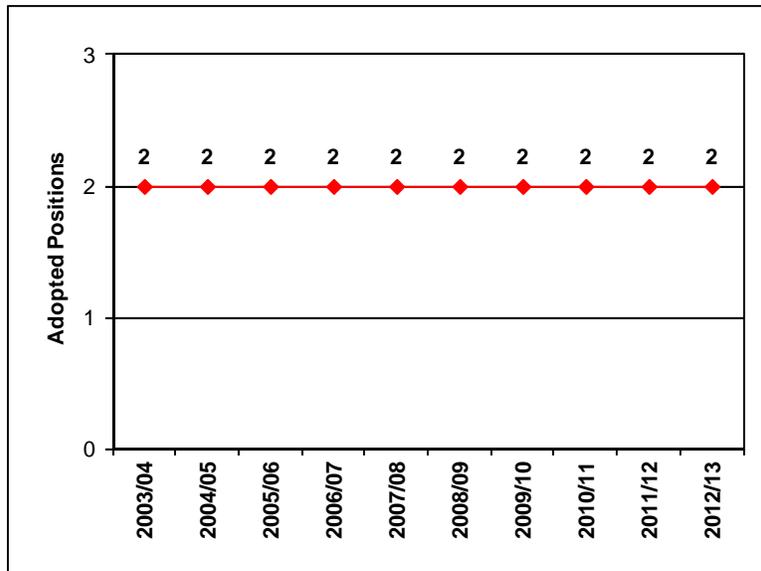
SUMMARY OF SIGNIFICANT ADJUSTMENTS

None.

SUMMARY OF POSITION CHANGES

There are no changes in position allocation.

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

The FY2012/13 Budget for Supervisorial District 4 includes \$3,000 in proposed funding for contributions to non-County agencies. For FY2011/12, the Board had set a level of \$2,500. The CAO recommends the Board consider affirming a funding level for FY2012/13 for contributions to non-County agencies.

Michael J. Reagan
 Legislative & Administration

Budget Summary:	
FY2011/12 Third Quarter Projection:	303,046
FY2012/13 Recommended:	287,611
County General Fund Contribution:	287,611
Percent County General Fund Supported:	100.0%
Total Employees (FTEs):	2.0

FUNCTION AND RESPONSIBILITIES

The District 5 Supervisor represents citizens residing within the eastern portion of Vacaville, the eastern third of Suisun City, the north-eastern quarter of Fairfield, the City of Rio Vista, the communities of Collinsville, Birds Landing, and Elmira as well as the unincorporated lands in the eastern half of the county. The Supervisor maintains an office at the County Government Center at 675 Texas Street in Fairfield. The Supervisor also maintains scheduled office hours in Vacaville, Fairfield, Suisun City and Rio Vista. The District 5 Supervisor’s Office budget provides for the expenditures of the elected Supervisor and one staff position.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

Supervisor Reagan represents the Board on 28 county, regional and State boards and commissions (and their subcommittees); including the California State Association of Counties, CA Delta Protection Commission (Vice Chair), Delta Counties Coalition, Yolo-Solano Air Quality Management District and the Travis Air Force Base Restoration Advisory Board.

Supervisor Reagan:

- Continues to foster and strengthen the partnership with the business community through service on the Board and Executive Committee of the Solano Economic Development Corporation. Convenes Economic Summits to create a collaborative approach to common economic interests that will lead to job creation in Solano County. Fostered and strengthened the partnership with Yolo County and the Solano Economic Development Corporation, which created the Yolo-Solano Economic Summit, focused on adding more value to agriculture. The Summit reinforced this region’s capacity to continue to grow our food chain cluster.
- Continues to protect the interests of the County and the economic viability of agriculture and of communities in the Delta at the State Delta Protection Commission, and at the regional level through the Delta Counties Coalition.
- Continues to work with the Military and Veterans Affairs Committee to conduct a forum for all area veterans and military organization/association advocates to provide updated information on legislation, benefits and other topics of interest to the local veterans and military association members. In addition, works with the local veterans’ organizations, community leaders and other elected officials to assist in veteran outreach efforts.
- Works continuously to improve the partnerships with the Chambers of Commerce from the seven cities on the Travis Regional Armed Forces Committee to provide community support for Travis Air Force Base. Also continues to support the Travis Community Consortium, providing legislative advocacy in Washington, D.C. for continued support of existing and new missions at the Base.

Supervisor Reagan’s Goals and Objectives include:

- Support and further strengthen the County’s financial planning, management and development in order to assure the County’s financial stability through these times of economic uncertainty. This includes passing a prudent budget that includes General Fund reserves and contingency, meeting the Board’s policy requirements.
- Continue to safeguard Delta counties’ responsibilities related to land use, water resources, flood management, tax revenues, public health and safety, economic development, agricultural stability, recreation, and environmental protection in any new Delta governance structures.

- Continue to work with the business community to increase the number of local job opportunities in Solano County that pay wages sufficient to allow individuals to live and work in the county.
- Continue to work with Solano's Community Corrections Partnership to mitigate the impact of the State's 2011 Public Safety Realignment of many state public safety functions to local jurisdictions, building arrest, prosecution/defense, community supervision, detention and program options designed to achieve a lower criminal recidivism rate than was achieved by the State.

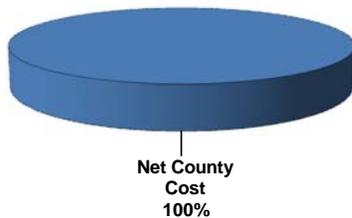
DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget represents an overall decrease of \$19,397, or 6%, in Appropriations, when compared to the FY2011/12 Adopted Budget primarily the result of reductions in employee retirement costs, County insurances charges, and A-87 Administrative Overhead allocation costs. As a result, the Fifth District's Net County Cost is decreased by \$19,397.

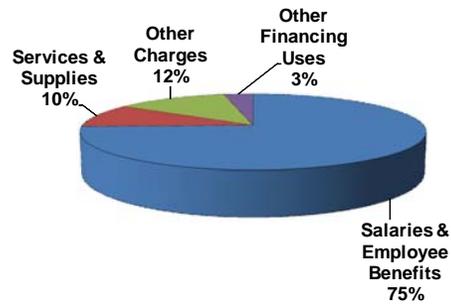
DEPARTMENT COMMENTS

None.

SOURCE OF FUNDS



USE OF FUNDS



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
APPROPRIATIONS					
Salaries and Employee Benefits	219,149	223,059	214,293	(8,766)	(4%)
Services and Supplies	20,676	29,965	28,655	(1,310)	(4%)
Other Charges	60,912	43,318	35,429	(7,889)	(18%)
Other Financing Uses	10,344	10,466	9,234	(1,232)	(12%)
Intra-Fund Transfers	13	200	0	(200)	(100%)
TOTAL APPROPRIATIONS	311,094	307,008	287,611	(19,397)	(6%)
NET COUNTY COST	311,094	307,008	287,611	(19,397)	(6%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

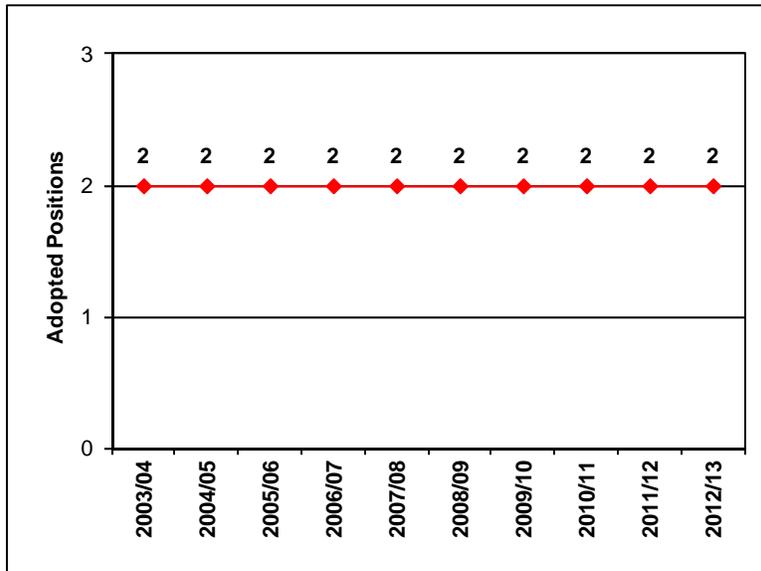
None.

SUMMARY OF POSITION CHANGES

There are no changes in position allocation.

Michael J. Reagan
Legislative & Administration

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

The FY2012/13 Budget for Supervisorial District 5 includes no proposed funding for contributions to non-County agencies. For FY2011/12, the Board had set a level of \$2,500. The CAO recommends the Board consider affirming a funding level for FY2012/13 for contributions to non-County agencies.

Budget Summary:	
FY2011/12 Third Quarter Projection:	131,418
FY2012/13 Recommended:	135,038
County General Fund Contribution:	135,038
Percent County General Fund Supported:	100.0%
Total Employees (FTEs):	0.0

FUNCTION AND RESPONSIBILITIES

This budget unit reflects the administrative costs of the Board of Supervisors’ operations which are not unique to an individual Board Member’s District. Appropriations include shared services and supplies; memberships in the Association of Bay Area Counties, National Association of Counties and California State Association of Counties; legal and advocacy services on behalf of the Board; and County contributions to non-County agencies.

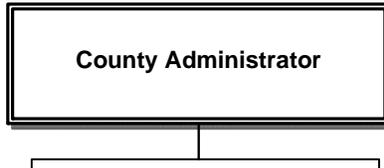
DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget of \$135,038 represents no Revenues and an overall increase in Appropriations of \$3,151, or 2%, when compared to the FY2011/12 Adopted Budget. The increase is primarily due to increased costs of \$2,681 for Liability Insurance and of \$1,952 for office expenses, partly offset by lower appropriations for communications and for Equipment under \$1,500.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
APPROPRIATIONS					
Services and Supplies	114,865	106,787	109,713	2,926	3%
Other Charges	22,000	22,000	22,000	0	0%
Intra-Fund Transfers	1,078	3,100	3,325	225	7%
TOTAL APPROPRIATIONS	137,943	131,887	135,038	3,151	2%
NET COUNTY COST	137,943	131,887	135,038	3,151	2%

PENDING ISSUES AND POLICY CONSIDERATIONS

The FY2012/13 Budget includes the continued appropriations of \$22,000 in contributions to non-County agencies for Travis Community Consortium. The CAO recommends the Board affirm the non-County agency contribution for FY2012/13.



Clerk of the Board

- BOS Agenda Preparation & Staff Meetings
- Record of Proceedings
- Public Document Requests
- Assmt Appeal Agenda Prep. & Staff Mtgs.
- Oversee/Maintain all County BOS Records (from 1850 to present)

**Administration/
Budget/Legislative**

- Annual County Budget Admin.
- Organizational Analysis
- Countywide Fees Program Administration (for various depts)
- Public Facility Fees Administration (1760)
- Fairground Development Project Administration (1815)
- General Expenditures Budget Oversight (1903)
- Legislative Advocacy
- Public Communications
- Promotions/State Fair Exhibit/Economic Development (1750)
- Intergovernmental Relations
- Support City County Coordinating Council

DEPARTMENTAL PURPOSE

The County Administrator is the Chief Administrative Officer of the County and is responsible to the Board of Supervisors for the proper and efficient administration of all County offices, Departments, Institutions and Special Districts under the jurisdiction of the Board of Supervisors.

Budget Summary:	
FY2011/12 Third Quarter Projection:	3,125,323
FY2012/13 Recommended:	3,116,318
County General Fund Contribution:	923,535
Percent County General Fund Supported:	29.7%
Total Employees (FTEs):	16.0

FUNCTION AND RESPONSIBILITIES

Responsibilities of the County Administrator are:

- Plan, monitor and oversee County operations to ensure Board policies are carried out in the most efficient, cost-effective and service-oriented manner.
- Formulate short- and long-range plans through strategic planning and the annual budget.
- Review and monitor County structure, programs, services and budgets, and make recommendations to the Board regarding reorganizations, funding and positions necessary to conduct departmental functions.
- As Clerk of the Board of Supervisors, prepare and coordinate Board agendas and minutes.
- Implement the County’s Legislative Advocacy Program; review impacts of Federal/State legislation; initiate legislative proposals and prepare position recommendations.
- Supervise appointed Department Heads.
- Meet with Board Members individually or in committees to discuss Board policies and interpretations; participate in Board Committees.

- Represent the Board in the County’s intergovernmental relations and perform general administrative duties.
- Provide administrative and fiscal oversight to First 5 Solano.
- Oversee the contracts for the Administrative Entity services with the Workforce Investment Board and the Solano County Fair.

The County Administrator is responsible for the preparation of and overseeing the County budget, which is mandated under the California Government Code (GC §29000 et. seq.). Additionally, the County Administrator serves as the Clerk to the Board of Supervisors, which under the California Government Code (GC §25101 et. seq.) is subject to a number of legal requirements regarding the Board meetings, minutes, maintenance of records and files.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

Balancing the County’s Budget continues being difficult; moreover, the challenge of reducing and ultimately eliminating the General Fund’s operational funding deficit has become increasingly complex, with the State’s budget shortfall increasing with each Budget Report from the Legislative Analyst and the Governor. The State Legislature and Congress each continue to propose ways to deal with the sluggish economy while trying to address persistent deficits, ways which may very well have harsh impacts on the County. Regarding Solano County’s budget:

- The FY2011/12 General Fund Adopted Budget of \$228,649,725 started the year with an operational funding deficit of \$19.8 million. In the May 8, 2012 FY2011/12 Third Quarter Financial Report, the County Administrator estimated this deficit had been reduced to \$7.7 million, primarily due to higher revenues expected in Proposition 172 funds, and reductions in the costs of employee benefits because of labor cost changes. In spite of this projected reduction in the General Fund’s FY2011/12 operational funding deficit, on-going expenditures are forecasted to continue exceeding on-going revenues in FY2012/13 as well as the next few years. Thus, on-going reductions will need to be effected in FY2012/13 to address the General Fund’s forecasted persistent deficit. The 2011 Budget Reduction Strategies presented to the Board during Budget Workshop No. 1 on September 13, 2011 will need to be continued.

It should be noted that the FY2008/09 Midyear Report projected the operational funding deficit for FY2011/12 at \$64.7 million, growing to \$79.9 million in FY2012/13 and \$102.9 million in FY2013/14 if no corrective actions were taken. Actions were taken by the Board of Supervisors and the County Administrator to reduce on-going expenditures, eliminating positions, offering early retirement incentives offered in FYs 2009/10 and 2010/11 and employee benefit changes which, have contributed to a marked reduction in the projected deficit. A comparison of the FY2008/09 Midyear Report projection with the FY2011/12 Third Quarter Report projection shows the following changes in Revenues and Expenditures for FY2011/12:

<u>Projection:</u>	<u>FY2011/12 Revenues:</u>	<u>FY2011/12 Expenditures:</u>
FY2008/09 Midyear Report	\$177.6 million	\$242.3 million
FY2011/12 Third Quarter Report	\$176.3 million	\$184.0 million

- An evident on-going cost-driver for the General Fund is labor cost. In addition to negotiating lower cost labor agreements, the County Administrator has been restricting recruitment and filling for vacant positions, not filling vacancies unless the position is “Mission Critical.” The FY2011/12 Third Quarter Projections for the General Fund reflected savings in labor costs of around \$2.5 million when compared to the FY2011/12 Adopted Budget, indicating the effectiveness of these efforts. This comparison showed decreases of \$1.0 million in salaries and wages, partially offset by an increase of \$0.1 million in extra-help costs, and reductions of \$0.9 million in retirement costs and \$0.3 million in health insurance costs.
- The General Fund ended FY2010/11 with a Fund Balance of \$46,125,118. The FY2011/12 Third Quarter Projection estimated the Fund Balance at FY2011/12 year-end at \$31,302,634, including a Contingency of \$22,612,880. The General Fund’s Fund Balance continues its downward trend since its peak of \$62 million in FY2007/08. The County Administrator, working together with the Department Heads, continues to manage expenditures and seek ways to generate new revenues to improve the General Fund Fund Balance and eliminate the General Fund’s operational funding deficit.

In addition to the \$2.5 million savings in labor costs mentioned above, the FY2011/12 Third Quarter Projection showed a reduction of \$7.9 million in General Fund support to the Public Safety departments when compared to the FY2011/12 Adopted Budget, made possible by increased revenues from Proposition 172 and the management of vacancies. A

comparison of the FY2011/12 Third Quarter Projection for total General Fund revenues with the FY2011/12 Adopted Budget shows an increase of \$0.8 million due to higher receipts of property tax administration fees collected from taxing agencies as reimbursements for the costs of administration of the property tax system.

- With assistance from all Department Heads and staff, the County Administrator coordinated five Budget Workshops for the Board. At the first Workshop, the Board affirmed the County Administrator's 2011 Reduction Strategies and approved reducing General Fund support to the Public Safety departments by \$2.5 million, fully offset by a projected increase in revenues from Proposition 172. Two Workshops were held on Health and Social Services (H&SS) programs, and the Board authorized the addition of eight (8.0 FTE) in H&SS' Child Welfare Services Division as a cost-avoidance strategy by enabling early intervention for children and families and avoiding higher future foster care County costs. At a subsequent Workshop, the Board supported the County Administrator's recommendation to reduce the General Fund's FY2012/13 costs by up to \$9.0 million in on-going reductions in expenditures or increases in revenues. Recognizing the need to find a balance between the community's concerns regarding Public Safety and the Health and Social Service needs of the county's most vulnerable citizens, the target of up to \$9.0 million in on-going reductions was to be distributed equally among the County's three-super-funds: up to \$3.0 million reduction in General Fund support to departments within the Public Safety Fund, up to \$3.0 million reduction in General Fund support to the departments within the H&SS Fund, and up to \$3.0 million reduction in General Fund cost to departments and programs within the General Fund.
- The 2011 Public Safety Realignment Act was enacted (AB 109/AB 118) without a secure source of on-going funding. Based on the County's experience since implementation in October 2011, there is a high level of concern regarding the sufficiency of State funding not only for the realigned programs and the new programs required to carry out the intent of the Act, which is to bring down recidivism. Additionally, there is increasing apprehension about the liability inherent in the new offender population being housed in the County's jails and the length of their terms.
- The State's dissolution of Redevelopment Agencies has posed a challenge not only to the County Administrator and the Auditor-Controller, but more notably to the county's cities and the local economy. The FY2012/13 Recommended Budget includes \$16.5 million in Redevelopment Pass-Through revenues, a decline of \$249,554 from the FY2011/12 Adopted Budget. However, of the dissolution process still taking shape, with many details on the implementation of the dissolution process still to be determined by the State, it is unknown how this revenue source will be impacted negatively.
- The County Administrator/Clerk of the Board implemented the Granicus/Legistar Agenda Workflow Management System, which enhanced the County's electronic paperless agenda process and was funded from the Board-approved Technology Improvement funding specifically set aside to implement electronic systems that create efficiencies. The Board of Supervisors, as well as the general public, can access and view the Board's meetings, agendas and meeting minutes electronically.

WORKLOAD INDICATORS

During FY2011/12, it is anticipated the County Administrator/Clerk of the Board will have:

- Participated and provided assistance at 31 meetings of various Board Committees and Budget Workshops.
- Processed 623 Agenda Submittals and developed/published Minutes for 31 Board of Supervisors' Regular Meetings, five Budget Workshops; received over 400 Comment Cards from the public present at the Board meetings.
- Recorded six Ordinances and 322 Resolutions adopted by the Board.
- Processed 5,767 Assessment Appeal applications (individual application for multiple parcels counted as one).
- Provided staff support to the City-County Coordinating Committee.
- Received 50 requests for information under the California Public Records Act (GC §6250).

Functional Area Summary

**1100 – Fund 001-County Administrator
 Birgitta E. Corsello, County Administrator
 Legislative & Administration**

DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2010/11 ACTUAL	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
CLERK OF THE BOARD	37,878	30,000	51,859	21,859	73 %
ADMINISTRATIVE OFFICE	3,281,649	2,180,707	2,140,924	(39,783)	(2) %
TOTAL REVENUES	3,319,527	2,210,707	2,192,783	(17,924)	(1) %
APPROPRIATIONS					
CLERK OF THE BOARD	263,890	331,891	366,022	34,131	10 %
ADMINISTRATIVE OFFICE	2,983,945	2,959,039	2,753,896	(205,143)	(7) %
TOTAL APPROPRIATIONS	3,247,835	3,290,930	3,119,918	(171,012)	(5) %
NET COUNTY COST					
CLERK OF THE BOARD	226,011	301,891	314,163	12,272	4 %
ADMINISTRATIVE OFFICE	(297,704)	778,332	612,972	(165,360)	(21) %
NET COUNTY COST	(71,693)	1,080,223	927,135	(153,088)	(14) %
STAFFING					
CLERK OF THE BOARD	2	2	2	0	0 %
ADMINISTRATOR	16	14	14	0	0 %
TOTAL STAFFING	18	16	16	0	0 %

DEPARTMENTAL BUDGET SUMMARY

The County Administrator’s primary cost centers are BU 1115 – Administration and BU 1114 – Clerk of the Board. The County Administrator also administers ten other budgets, discussed in the following pages under the heading of **Summary of Other Administered Budgets**.

1115 - Administration:

The FY2012/13 Recommended Budget of \$2,753,896 for Administration represents decreases of \$39,783, or 2%, in revenues and \$205,143, or 7%, in appropriations when compared to the FY2011/12 Adopted Budget. The Net County Cost for the Administration budget is thus decreased by \$165,360.

The principal factor leading to the decrease in the Net County Cost for the Administration budget is a \$190,050 reduction in labor costs resulting mostly from the departure of two staff members and a delay in the hiring of replacements, and lower costs of benefits following labor cost changes. This reduction in labor costs is partially offset by lower revenues from Countywide Administration Overhead (A-87). The A-87 revenues are estimated, based on Administration’s expenditures incurred in FY2010/11 and allocated to departments who receive services from the CAO in that year. The reduction in the A-87 revenues results from the deletion of two Management Analyst positions in FY2010/11, and the difference in compensation for the County Administrator after the former officeholder retired.

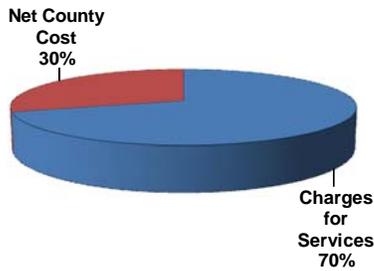
1114 - Clerk of the Board:

The FY2012/13 Recommended Budget of \$366,022 for the Clerk of the Board reflects increases of \$21,859, or 73%, in Revenues and \$34,131, or 10%, in Appropriations when compared to the FY2011/12 Adopted Budget. The Net County Cost for the Clerk of the Board’s budget is thus increased by \$12,272. The principal factor leading to the increase in revenues is the inclusion of the Clerk of the Board’s share of property tax administration fees, while budgeted appropriations show an increase in costs for software licensing, support and maintenance related to the Granicus/Legistar Agenda Workflow Management System partially offset by reducing printing and reduced staff dedicated to agenda preparation and distribution.

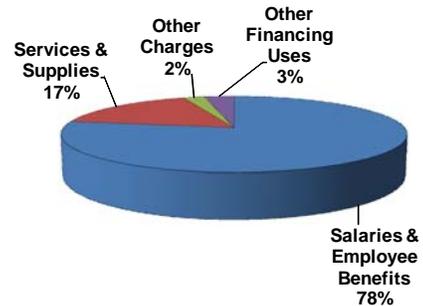
DEPARTMENT COMMENTS

None.

SOURCE OF FUNDS



USE OF FUNDS

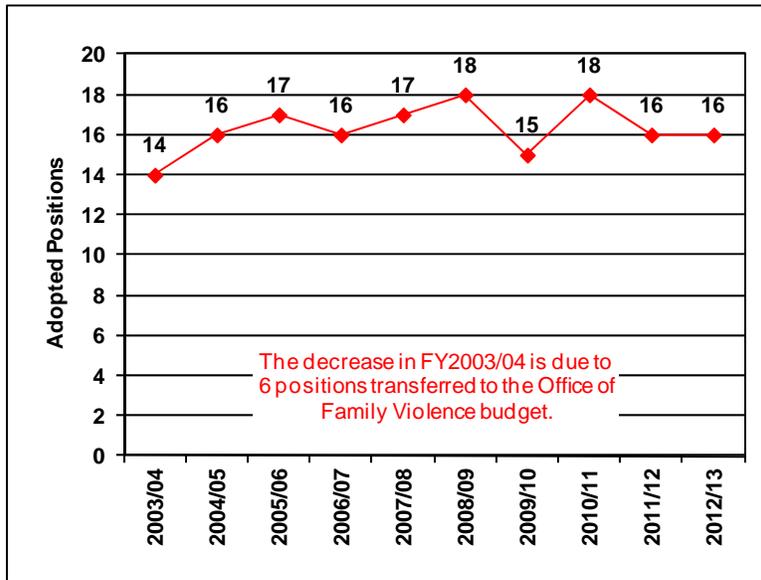


DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Charges For Services	3,237,088	2,210,707	2,192,783	(17,924)	(1%)
Misc Revenue	81,545	0	0	0	0%
Other Financing Sources	894	0	0	0	0%
TOTAL REVENUES	3,319,527	2,210,707	2,192,783	(17,924)	(1%)
APPROPRIATIONS					
Salaries and Employee Benefits	2,657,371	2,601,258	2,421,804	(179,454)	(7%)
Services and Supplies	488,950	489,750	520,454	30,704	6%
Other Charges	78,422	77,120	72,246	(4,874)	(6%)
Other Financing Uses	104,248	119,690	102,199	(17,491)	(15%)
Intra-Fund Transfers	(81,157)	3,112	3,215	103	3%
TOTAL APPROPRIATIONS	3,247,835	3,290,930	3,119,918	(171,012)	(5%)
NET COUNTY COST	(71,692)	1,080,223	927,135	(153,088)	(14%)

SUMMARY OF POSITION CHANGES

None.

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

There are no pending issues or policy considerations at this time.

1100 – Fund 001-County Administrator
Birgitta E. Corsello, County Administrator
Legislative & Administration

Summary of Other Administered Budgets

DETAIL BY REVENUE AND APPROPRIATION OTHER ADMINISTERED BUDGETS	2010/11 ACTUAL	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
1750 PROMOTION	18,273	12,335	-	(12,335)	(100) %
1903 GENERAL EXPENDITURES	6,654,001	3,707,140	3,668,524	(38,616)	(1) %
1905 A87 - OFFSET	(3,377,759)	(2,720,799)	(2,270,554)	450,245	(17) %
2110 MICRO-ENTERPRISE BUSINESS ACCT	19,986	204,837	2,307	(202,530)	(99) %
2380 SE VALLEJO REDEVELOPMENT SETT	53	-	-	-	- %
2390 TOBACCO SETTLEMENT	2,299,971	-	150	150	- %
2400 GRAND JURY	-	-	185	185	- %
6730 OTHER PUBLIC DEFENSE	2,077,851	2,600,000	2,600,000	-	- %
6800 C M F CASES	372,575	256,824	256,824	-	- %
APPROPRIATIONS					
1750 PROMOTION	304,089	200,100	165,521	(34,579)	(17) %
1903 GENERAL EXPENDITURES	125,722,244	130,475,579	123,900,738	(6,574,841)	(5) %
1905 A87 - OFFSET	(3,377,759)	(2,720,799)	(2,270,554)	450,245	(17) %
1906 GENERAL FUND-OTHER	2,532,656	2,657,810	2,821,186	163,376	6 %
2110 MICRO-ENTERPRISE BUSINESS ACCT	16,330	204,837	-	(204,837)	(100) %
2380 SE VALLEJO REDEVELOPMENT SETT	8,787	-	-	-	- %
2390 TOBACCO SETTLEMENT	2,459,463	614,742	124,142	(490,600)	(80) %
2400 GRAND JURY	126,755	134,584	99,041	(35,543)	(26) %
6730 OTHER PUBLIC DEFENSE	1,996,175	2,600,000	2,600,000	-	- %
6800 C M F CASES	216,497	250,703	262,675	11,972	5 %
6901 ADMINISTRATION	-	-	115,207	115,207	- %
NET CHANGE					
1750 PROMOTION	(285,816)	(187,765)	(165,521)	22,244	(12) %
1903 GENERAL EXPENDITURES	(119,068,243)	(126,768,439)	(120,232,214)	6,536,225	(5) %
1906 GENERAL FUND-OTHER	(2,532,656)	(2,657,810)	(2,821,186)	(163,376)	6 %
2110 MICRO-ENTERPRISE BUSINESS ACCT	3,656	-	2,307	2,307	- %
2380 SE VALLEJO REDEVELOPMENT SETT	(8,734)	-	-	-	- %
2390 TOBACCO SETTLEMENT	(159,491)	(614,742)	(123,992)	490,750	(80) %
2400 GRAND JURY	(126,755)	(134,584)	(98,856)	35,728	(27) %
6730 OTHER PUBLIC DEFENSE	81,676	-	-	-	- %
6800 C M F CASES	156,078	6,121	(5,851)	(11,972)	(196) %
6901 ADMINISTRATION	-	-	(115,207)	(115,207)	- %

A summary of the budgets administered by the County Administrator's Office is provided on the following pages.

FUNCTION AND RESPONSIBILITY

The purpose of the Promotions budget is to provide County contributions to various entities supported by the Board of Supervisors. At the direction of the Board, contributions to this budget are designated to serve a variety of social needs and public purposes that are considered in the best interests of the County and the general public. The Promotions budget finances County marketing and promotional efforts, the State Fair exhibit, and economic development and tourism initiatives.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

- Nearly 130 stakeholders representing agriculture, food processing, government, banking and academia participated in the Solano and Yolo Counties Joint Economic Summit in November 2011 to develop strategic action plans to add value to agriculture in the two-county region, based on the findings in *The Food Chain Cluster: Integrating the Food Chain in Solano & Yolo Counties to Create Economic Opportunity and Jobs* released in May 2011. One of the key outcomes was a commitment to establishing a bi-county “farmbudsman” position funded by a public-private partnership.
- Transitioned the research, analysis and production of the annual Solano County Index of Economic and Community Progress from a consultant-based effort to a staff-based project done in cooperation with the Solano Economic Development Corporation. This approach enables the Index to be updated throughout the year as more current information becomes available. Building this internal capacity for this type of economic analysis allows for some indicators to be explored more deeply in order to provide a better understanding of local trends.
- The 2011 Exhibit at the California State Fair received a Gold Award, Best Agricultural Display Award, People’s Choice Award and the Manager’s Award. The exhibit puts forth a positive image of the county as well as exposes fairgoers to Solano Grown products, services and destinations.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Charges For Services	0	1,870	0	(1,870)	(100%)
Misc Revenue	13,041	0	0	0	0%
Other Financing Sources	5,232	10,465	0	(10,465)	(100%)
TOTAL REVENUES	18,273	12,335	0	(12,335)	(100%)
APPROPRIATIONS					
Services and Supplies	145,961	200,100	165,400	(34,700)	(17%)
Other Charges	158,010	0	121	121	0%
Intra-Fund Transfers	118	0	0	0	0%
TOTAL APPROPRIATIONS	304,089	200,100	165,521	(34,579)	(17%)
NET COUNTY COST	285,816	187,765	165,521	(22,244)	(12%)

BUDGET SUMMARY

The Recommended Budget for Promotions of \$165,521 represents a decrease of \$12,335, or 100%, in Revenues and a decrease of \$34,579, or 17%, in Appropriations when compared to the FY2011/12 Adopted Budget. As a result, the Net County Cost decreased by \$22,244, or 12%.

SUMMARY OF SIGNIFICANT ADJUSTMENTS

- This budget includes an appropriation for a comprehensive contract to design, construct and staff a Solano County exhibit at the 2013 California State Fair for a total of \$40,000, which reflects a \$5,000 or 11.1% reduction from the \$45,000 appropriated in the FY2011/12 Adopted Budget. The actual contract awarded for the 2012 exhibit, however, was \$40,000, and the Recommended Budget proposes to maintain the funding flat. The 2012 contract includes provisions for the state exhibit to be designed to include elements that can be displayed at the Solano County Fair as part of its Cities and County display.

**Birgitta E. Corsello, County Administrator
Promotion**

- Economic development project funding of \$59,050 included in this budget reflects the continuation of the Index of Economic and Community Progress as a staff-driven project. The next step of the four-year old Index project is the development of a countywide economic development strategic plan. The concept had been previously explored at the City County Coordinating Committee, but the project has gained more significance as a needed strategy in a post-redevelopment agency environment.
- This budget allocates \$27,500 as the County's share of a public-private partnership to fund and implement a "farmbudsman" position. Staff is working with the County of Yolo and various agricultural organizations in both counties to define the scope of work and the private sector funding mechanism for this position.
- A final initiative for the coming fiscal year stems from the facilitated discussion at the Joint Economic Summit, which created a series of suggestions that focused on how the region could develop its assets, invest in best practices and solve identified gaps. The issues raised were consistent with past engagement activities during the Ag Futures studies and the general plan updates in the two counties. There was not sufficient time in the day to fully prioritize the concepts. The suggested project is to develop a survey that affirms the gaps and prioritizes the concepts. The survey will be disseminated to a broad audience beyond those who were able to attend the summit. There are no incremental costs associated with this web-based survey.

PENDING ISSUES AND POLICY CONSIDERATIONS

The elimination of Redevelopment Agencies on February 1, 2012 will have a tremendous ripple effect on economic development activities throughout the county. The full scope of that impact, along with other budget reductions at the State and Federal level affecting the Community Development Block Grant program, are not fully understood at this time. Various legislative remedies are percolating in the State Legislature to provide new economic development tools, but their future is not certain at this time. The County will continue to work with its city partners and Solano EDC as strategies to retain existing businesses and attract new companies are developed and implemented.

FUNCTION AND RESPONSIBILITY

The General Expenditures budget exists to reflect the financing of programs outside of the General Fund such as Public Safety, Health and Social Services, In-Home Support Services, Parks and Recreation, and the Library Director’s position. This budget also contains funding to the Courts as County obligation under agreements for Maintenance of Efforts (MOE) with the State. Other expenses budgeted in this Budget Unit cover costs not readily allocated to departmental budgets.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Fines, Forfeitures, & Penalty	1,718,887	1,590,000	1,580,000	(10,000)	(1%)
Charges For Services	2,310,399	2,072,648	2,088,524	15,876	1%
Misc Revenue	863	0	0	0	0%
Other Financing Sources	2,623,852	44,492	0	(44,492)	(100%)
TOTAL REVENUES	6,654,001	3,707,140	3,668,524	(38,616)	(1%)
APPROPRIATIONS					
Salaries and Employee Benefits	0	960,000	800,000	(160,000)	(17%)
Services and Supplies	244,138	911,985	916,198	4,213	0%
Other Charges	9,799,807	10,128,541	10,430,041	301,500	3%
Other Financing Uses	115,141,853	118,475,053	111,754,499	(6,720,554)	(6%)
Intra-Fund Transfers	536,446	0	0	0	0%
TOTAL APPROPRIATIONS	125,722,244	130,475,579	123,900,738	(6,574,841)	(5%)
NET COUNTY COST	119,068,243	126,768,439	120,232,214	(6,536,225)	(5%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

The Recommended Budget of \$123,900,738 shows decreases of \$38,616, or 1%, in Revenues and \$6,574,841, or 5% in Appropriations when compared to the FY2011/12 Adopted Budget. The Net County Cost for the General Revenues budget is thus decreased by \$6,536,225.

The \$6.5 million decrease in the Net County Cost is attributable to various reductions in General Fund (GF) Contributions to the different programs outside of the GF. Reductions and increases of significance in the amount of GF contribution for FY2012/13, as compared to the FY2011/12 Adopted Budget, are:

- A \$5,105,557 net reduction to Fund 900 (Public Safety), from \$91,070,568 to \$85,965,011, is recommended. Of this \$5.1 million reduction, almost \$4.2 million is attributable to higher projected Proposition 172 funding in the Public Safety Fund for FY2012/13 when compared to the FY2011/12 Adopted Budget. It should be noted that of this \$4.2 million increase, the Board had approved a reduction of \$2.5 million in GF contribution to Public Safety departments on September 13, 2011 due to an updated projection which indicated \$2.5 million more in Prop. 172 funding would be received by the County.

The \$5.1 million reduction in GF Contribution to Fund 900 consists of the separate amounts listed below:

- 1) \$2,893,959 reduction to the Sheriff’s Office: A significant increase in revenues from Prop. 172, in the amount of \$2,904,770 when compared to the FY2011/12 Adopted Budget, has facilitated a reduced GF contribution.
- 2) \$1,140,045 reduction to the Probation Department, net of a new appropriation of \$600,000 for the possibility of the State pulling a budget trigger which would result in its charging the County per juvenile offender housed in a State facility: The reduced need for GF support predominantly comes from a combination of increased revenues from Prop. 172 in the amount of \$530,168, decreased costs of Support/Care of Persons due to the closure of the Fouts Springs Youth Facility in the amount of \$750,088, and lower costs of employee benefits following labor cost changes.
- 3) \$533,102 reduction to the District Attorney, primarily due to an increase of \$742,860 in revenues from Prop. 172, partially offset by a decrease in revenues from Forfeitures and Penalties.
- 4) \$413,509 reduction to the Public Defender: The Public Defender does not receive any revenues from Prop. 172. The

reduced amount for GF support is attributable largely to reduced labor costs in the amount of \$349,948.

- 5) \$124,942 reduction to the Conflict Defender: The Conflict Defender does not receive any revenues from Prop. 172. The reduced GF support is the net result of \$200,453 in reduced labor costs, offset in part by decreased revenues in the amount of \$82,012 because of the expiration of a contract with the Administrative Office of the Courts for Dependency Court representation.
- No change is recommended in the \$2,600,000 appropriation for Other Public Defense within Fund 900. If the high incidences of capital cases during the first half of calendar year 2012 continue into FY2012/13, a budget adjustment at Mid-year FY2012/13 may be required.
 - A \$3,637,755 reduction in GF Contribution to Fund 902, Health & Social Services when compared to the FY2011/12 Adopted Budget is included in the FY2012/13 Recommended Budget. The \$3.6 million reduction to Fund 902 is comprised of the two distinct amounts listed below:
 - 1) H&SS Programs: decreased by \$2,483,732, from \$14,524,393 to \$12,040,661, as part of countywide efforts to address the GF's operational funding deficit.
 - 2) Assistance Programs, which include General Assistance, Foster Care and IHSS wages: decreased by \$1,154,023, from \$10,978,627 to \$9,824,604, mainly due to projected decreases in caseloads and State changes to eligibility rules.
 - A new appropriation of \$166,188 is included for safeguarding and maintaining the facilities and associated permits at the Fouts Springs Youth Ranch (Fund 031) until the Ranch can be fully closed.
 - A \$64,195 decrease in GF support for Fund 016, Parks & Recreation, from \$233,841 to \$169,646, is made possible by an \$117,911 increase in anticipated State and grant funding. The appropriation for Parks has now been reduced from \$523,225 in FY2010/11 to the \$169,646 for FY2012/13.
 - An increase of \$164,668, from \$863,000 to \$1,027,668, is included for the GF contribution for Non-County agencies. \$784,000 was appropriated for FY2011/12 as GF backfill for programs initially funded with Tobacco Master Settlement Agreement (MSA) funds in accordance with the Board's direction at its December 7, 2010 Budget Workshop, and reaffirmed at its May 3, 2011 meeting. During the FY2011/12 Budget Hearings, the Board added \$79,000 to the \$784,000 appropriation as a possible maximum additional contribution for the Children's Network. The increase of \$164,668 is recommended as a one-time interim to backfill funding previously provided for Non-County agencies from the almost depleted BU 2390 – Tobacco Settlement budget. (Further direction is anticipated from the Board at its May 22, 2012 meeting.)

Appropriations for GF contribution to non-County agencies include the following:

- \$76,500 for the Court-Appointed Special Advocates (CASA) of Solano County. CASA advocates for the best interest of children within the court system.
- \$125,000 as County match for a fund-raiser held annually by the Solano Coalition for Better Health.
- \$1,027,668 GF contribution to Non-County agencies as discussed above. This contribution is made up of the following:
 - \$325,000 to the Solano Coalition for Better Health (Health Access) for Children's Health Insurance Premiums, which could enable health insurance access for more than 1,400 children. It is anticipated this appropriation will underwrite costs of direct premium purchases for 250 participants.
 - \$235,750 for the provision of clinical primary care services for uninsured County residents by Community Health Clinics.
 - \$197,858 for City Teams' substance abuse prevention activities within the county's seven cities; involves schools, law enforcement, government, and community organizations.
 - \$170,000 to Health Access for enrollment and training activities which would match more than 1,200 eligible children with appropriate programs.

- \$53,560 to the Children's Network for: (a) serving as the steward of local programs and services for children countywide, (b) providing staff support to the Children's Alliance, the Child Abuse Prevention Council and the Child Care Planning Council, and (c) coordinating the local Family Resources Centers.
- \$45,500 to cover the cost of a staff person working for the Senior Coalition on a broad array of senior issues. The Senior Coalition provides input to the Board of Supervisors, increases general public awareness and education, and strengthens coordination and partnerships on the issues.

The Recommended General Expenditures Budget also includes the following appropriations:

- \$8,174,426 for the required Maintenance of Effort to the Trial Court.
- \$1,054,115 for the County Facility Payment Maintenance of Effort to the Trial Court.
- \$800,000, to be transferred out of the General Fund Fund Balance for Accrued Leave Payoff to cover payoffs to employees retiring or separating from County service.
- \$553,541 to pay for the County's share of: (1) the IHSS Public Authority's administrative costs, and (2) insurance costs for IHSS service providers.
- \$231,980 for the Library Director's salary and benefits in accordance with Education Code §19147.
- \$180,000 for the County's share of LAFCO's costs.
- \$160,000 for contracted services to cover costs of management reviews and organizational studies that would be required to identify opportunities for efficiencies in departments.

PENDING ISSUES AND POLICY CONSIDERATIONS

None.

1905 – Fund 001-Countywide Cost Allocation Plan Summary of Other Administered Budgets

**Birgitta E. Corsello, County Administrator
Other General**

FUNCTION AND RESPONSIBILITY

This budget is used to offset the operating expenses allocated to all General Fund User Departments for Administrative Overhead Costs, and the revenues received by the General Fund Central Services Departments for the same. The allocated costs and revenues are shown on the Countywide Cost Allocation Plan, calculated yearly by the Auditor-Controller's office, and approved by the State Controller's Office.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Charges For Services	(3,377,759)	(2,720,799)	(2,270,554)	450,245	(17%)
TOTAL REVENUES	(3,377,759)	(2,720,799)	(2,270,554)	450,245	(17%)
APPROPRIATIONS					
Other Charges	(3,377,759)	(2,720,799)	(2,270,554)	450,245	(17%)
TOTAL APPROPRIATIONS	(3,377,759)	(2,720,799)	(2,270,554)	450,245	(17%)
NET COUNTY COST	0	0	0	0	0%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

The Recommended Budget represents a net offset of \$2,720,554 in Revenues and Expenditures, which is a \$450,245 difference when compared to the FY2011/12 Adopted Budget.

PENDING ISSUES AND POLICY CONSIDERATIONS

There are no pending issues or policy considerations at this time.

Summary of Other Administered Budgets 1906 – Fund 001-General Fund Other - Debt Service
Birgitta E. Corsello, County Administrator
Other General

FUNCTION AND RESPONSIBILITY

This budget is used as a General Fund conduit to finance the 2002 and 2007 Certificates of Participation (COP). The 2002 COPs were issued for the construction of the 6-story Government Center, 5-story parking structure, 2-story Probation Facility and improvement to the Central Utility Plant and the Library, all located in Fairfield. The 2007 COPs were issued to refinance the 2002 COPs at a lower interest rate, saving the County approximately \$2.9 million (See BU 8032 and BU 8037 under the Auditor-Controller).

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
APPROPRIATIONS					
Other Financing Uses	2,532,656	2,657,810	2,821,186	163,376	6%
TOTAL APPROPRIATIONS	2,532,656	2,657,810	2,821,186	163,376	6%
NET COUNTY COST	2,532,656	2,657,810	2,821,186	163,376	6%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

The Recommended FY2012/13 Budget of \$2,821,186 represents the General Fund's share of the principal and interest payments on the 2002 COP. This amount is \$163,376, or 6%, more than the FY2011/12 Adopted Budget.

Departments utilizing the Government Center and the Probation Facility are allocated their corresponding share of Debt Service due on the COP's based on their building space usage and a share of the parking structure. Due to staff reductions over the last few years, the current departments located in the Government Center have given up square footage of office area. This vacated office area is automatically assigned to the General Fund for purpose of allocating the costs of the COP debt service payments. Thus, the recommended FY2012/13 Budget of \$2,821,186 is 6% higher than the FY2011/12 Budget of \$2,657,810. In order to avoid more cost increases in future years assigned to the General Fund, the CAO has requested that the General Services Director develop options to move more non-general funded work units/divisions into the Government Center so that these non-general funded work units/divisions can contribute towards future debt service payments. Viable options for additional tenants in the Government Center will be brought forward to the Board under separate reports in FY2012/13.

PENDING ISSUES AND POLICY CONSIDERATIONS

There are no pending issues or policy considerations at this time.

DEPARTMENTAL PURPOSE

The Grand Jury is organized under the State constitution. It examines all aspects of local government (the County and cities and special districts within the County) to ensure the best interests of the residents of Solano County are served.

FUNCTION AND RESPONSIBILITIES

The Grand Jury is an independent institution that monitors the legislative and administrative departments that make up county, city, and special district government. Composed of 19 citizens, the Grand Jury examines the performance of local government and makes recommendations on the appropriation of public funds and service delivery. The Grand Jury is required by state law to investigate and report on the conditions of the seven "public prisons" in Solano County. It may also investigate citizen complaints and allegations of misconduct, and examine fiscal and management practices within local governments. State law requires the Grand Jury to publish an annual report of its findings and recommendations. Grand Jury members are selected annually by the Superior Court of California.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Charges For Services	0	0	185	185	0%
TOTAL REVENUES	0	0	185	185	0%
APPROPRIATIONS					
Services and Supplies	105,692	97,891	95,291	(2,600)	(3%)
Other Charges	44,065	35,543	0	(35,543)	(100%)
Intra-Fund Transfers	(23,002)	1,150	3,750	2,600	226%
TOTAL APPROPRIATIONS	126,755	134,584	99,041	(35,543)	(26%)
NET COUNTY COST	126,755	134,584	98,856	(35,728)	(27%)

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

- During the 2010-11 term, the Solano County Grand Jury published reports that saved the County and its taxpayers thousands of dollars. One report recommended the closure of Fouts Springs Youth Facility, a juvenile detention facility located in Colusa County, which was not operating in a cost-efficient manner.
- Another report recommended to the County and the cities ways to locate money being held by the State that belonged to them (unclaimed and escheated funds).
- One report assisted County and City officials to bring the operation of the Dixon Veterans Hall back into line with established rules and contracts.
- The Grand Jury's most controversial report examined and analyzed the compensation received by County officials and employees, which demonstrated that elected and appointed department heads and officials had taken cuts in pay or benefits consistent with overall budget cuts.

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget of \$99,041 represents an increase of \$185 in Revenues and a decrease of \$35,543, or 26% in Appropriations when compared to the FY2011/12 Adopted Budget.

DEPARTMENT COMMENTS

The biggest challenge the Grand Jury faces is continuing funding for its operation. While the rest of the governmental agencies attempt to pare down their budgets by eliminating, reducing or doubling-up staff positions, the Solano Grand Jury is required by State code to have 19 members. Thus, the Grand Jury does not have the option to eliminate positions. The Administrative Assistant occupies a part-time position and the work of the Grand Jury would not be able to move forward in an effective and

efficient way without an Administrative Assistant. The rising cost of mileage reimbursement, which is set by the Internal Revenue Service, also impacts the budget if the total allocated funds remain static.

Effectively, the overall operational costs of the Grand Jury remain flat in FY2012/13. It should be noted, however, that an adjustment to the Countywide Administration Overhead (A-87) accounts for the reduction in Appropriations of \$35,543. It is anticipated there will be A-87 charges allocated to the Grand Jury's budget in FY2013/14.

DEPARTMENTAL PURPOSE

This budget unit funds the cost of indigent defense in cases where a conflict is present with the County-staffed Public Defender or Conflict Public Defender Offices, and the services of Court-appointed counsel are arranged. The United States Supreme Court decisions *Gideon v. Wainright* and *Argersinger v. Hamlin* provide that no accused may be deprived of liberty as the result of any criminal prosecution in which they were denied the assistance of counsel.

FUNCTION AND RESPONSIBILITIES

California Penal Code Section 987.2 (a) (3) provides that in any case in which a person desires but is unable to employ counsel, and in which the public defender has properly refused to represent the accused, counsel is assigned by the Superior Court and shall receive a reasonable sum for compensation and necessary expenses, paid out of the General Fund of the County.

While the County Administrator is responsible for management of this budget, the Court has historically served as its *ad hoc* administrator by appointing private attorneys subject to Court screening, and by providing initial processing of claims for services rendered.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	25,030	0	0	0	0%
General Fund Contribution	2,052,821	2,600,000	2,600,000	0	0%
TOTAL REVENUES	2,077,851	2,600,000	2,600,000	0	0%
APPROPRIATIONS					
Services and Supplies	1,952,310	2,564,164	2,589,533	25,369	1%
Other Charges	43,865	35,836	10,467	(25,369)	(71%)
TOTAL APPROPRIATIONS	1,996,175	2,600,000	2,600,000	0	0%
NET CHANGE	(81,676)	0	0	0	0%

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

The Recommended Budget reflects no increases. Appropriations for Other Public Defense are budgeted at the same FY2011/12 level due to the current caseloads, which are mainly more complex and, ultimately, more expensive felony cases. Revenues correspondingly reflect the same amount of General Fund support.

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget of \$2,600,000 for Other Public Defense reflects no change from FY2011/12 Adopted Budget. Thus, there is no change in Net County Cost.

PENDING ISSUES AND POLICY CONSIDERATIONS

General Fund costs in this department are a Constitutional responsibility. The County's General Fund exposure, represented by the Court's appointment of private attorneys is driven by two factors: the availability of Public Defender and/or Conflict Defender staff to provide that representation where appropriate, and the number of hours required by private attorney/investigator/special witness/psychiatric evaluations/court reporter to properly represent indigent defendants. Cost exposures related to the number of private defense hours and, by implication, the incidence of criminal activity and arrest rates, are beyond the County's control.

Summary of Other Administered Budgets 6800 – Fund 901-California Med. Fac. (CMF) Cases
Birgitta E. Corsello, County Administrator
Judicial

DEPARTMENTAL PURPOSE

This budget unit provides for the payment of County costs on adjudicating crimes committed on the grounds of the California Medical Facility and Solano State Prison in Vacaville.

FUNCTION AND RESPONSIBILITIES

The California Department of Corrections and Rehabilitation operates two institutions within Solano County, the California Medical Facility and Solano State Prison, which together house more than 7,700 inmates. The District Attorney prosecutes crimes committed on the grounds of the facilities, while the County is also responsible for assuring the accused's defense.

The Superior Court, serving as lead agency in this matter, has entered into agreements with private attorneys to provide defense services to inmates for payment by the County. The agreements also include the provision of investigative, psychological and transcription services in connection with the assigned case when required. Pursuant to California Penal Code Section 4750, these costs are, in turn, eligible for almost full reimbursement by the State. Countywide Administrative Overhead, interest expense and certain treatment costs covered under PC §2970 are not reimbursed by the State.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Intergovernmental Rev State	372,575	256,824	256,824	0	0%
TOTAL REVENUES	372,575	256,824	256,824	0	0%
APPROPRIATIONS					
Services and Supplies	211,819	243,379	256,824	13,445	6%
Other Charges	4,678	7,324	5,851	(1,473)	(20%)
TOTAL APPROPRIATIONS	216,497	250,703	262,675	11,972	5%
NET CHANGE	(156,078)	(6,121)	5,851	11,972	(196%)

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget of \$262,675 for CMF Cases represents no change in Revenues and an increase of \$11,972, or 5%, in Appropriations when compared to FY2011/12 Adopted Budget. Most expenses in this budget unit are offset by state reimbursement. Additionally, the State does not reimburse the County promptly, and thus revenues anticipated for FY2010/11 were received in FY2011/12. The revenues included in the FY2012/13 budget reflect a level in line with the prior five years.

PENDING ISSUES AND POLICY CONSIDERATIONS

There are no pending issues or policy considerations at this time.

6901 – Fund 905-2011 Realignment-Administration Summary of Other Administered Budgets

Birgitta E. Corsello, County Administrator

Judicial

FUNCTION AND RESPONSIBILITY

In April, 2011, the State enacted legislation intended to ease prison overcrowding and bring its penal system into compliance with the Supreme Court’s decision in *Brown v. Plata*. Collectively known as the 2011 Public Safety Realignment (Realignment), the legislation, which included AB 109, AB 117, AB 118, AB 116, ABX1 16 and ABX 1 17, took effect on October 1, 2011. Realignment is intended to reduce state prison overcrowding, save the State money and reduce recidivism by expanding local responsibility for custody and control of specified offenders and their treatment and rehabilitation.

The legislation provided funding to counties and required the development of a local plan for the implementation of Realignment. The Implementation Plan was to be developed by a body created under AB 109 and modified by AB 117 known as the Community Corrections Partnerships (CCP) Executive Committee. On November 1, 2011, the Board of Supervisors approved the County of Solano 2011 Public Safety Realignment Act Implementation Plan.

To enable counties to plan for the implementation of Realignment, the State provided two separate “buckets” of one-time funds - \$150,000 for planning and/or technical assistance for the County’s CCP Executive Committee to develop the local Implementation Plan, and \$268,675 to cover County departments’ implementation start-up costs. This budget was created to track the expenditure of the one-time funds.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Intergovernmental Rev State	0	0	119,999	119,999	0%
TOTAL REVENUES	0	0	119,999	119,999	0%
APPROPRIATIONS					
Services and Supplies	0	0	155,207	155,207	0%
Other Charges	0	0	119,999	119,999	0%
TOTAL APPROPRIATIONS	0	0	275,206	275,206	0%
NET CHANGE	0	0	155,207	155,207	0%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

At the time the FY2011/12 Recommended Budget was prepared, there was a dismal absence of details from the State regarding the programs, process, timing and funding source regarding Realignment. Thus, there are no significant adjustments in this budget when compared to the FY2011/12 Adopted Budget.

The Governor’s FY2012/13 Proposed Budget includes another \$150,000 for planning and/or technical assistance for the County’s CCP Executive Committee to further develop the local Realignment Implementation Plan, since local agencies will have some experience during FY2011/12 and should thus be able to develop more realistic plans. The FY2012/13 Recommended Budget includes this \$119,999 for planning purposes and a re-budget of estimated un-spent FY2011/12 one-time funding. Adjustments may have to be made to this budget in FY2012/13 based on actual figures at year-end and what the State’s final budget provides in funding.

PENDING ISSUES AND POLICY CONSIDERATIONS

Because of the State’s continuing fiscal problems, there is a certain level of uncertainty as to what the Legislature will do with the Governor’s inclusion of the \$150,000 for planning/technical as additional funding for counties to continue planning for the implementation of Realignment. Furthermore, as of this writing, CSAC is urging the Administration and the Legislature to also include more funding for Realignment implementation start-up activities. It is anticipated the CAO will have possible supplemental budget recommendations or separate staff reports for the Board to address the budget in the coming weeks.

FUNCTION AND RESPONSIBILITY

This budget serves as a conduit for a \$300,000 Community Development Block Grant from the California Department of Housing and Community Development to provide technical assistance to micro-enterprise businesses and to operate a micro-enterprise loan program. A micro-enterprise business has five or fewer employees. The program targets businesses that are either owned by or employ residents who earn 80% or less of the median family income in Solano County. The County contracted with the Solano Community College Small Business Development Center to deliver program services under the 2009 grant, which expired December 31, 2011.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

- Technical assistance activity resulted in 262 hours of one-on-one counseling, 12 new jobs created, 10 jobs retained and five new business startups.
- Awarded a \$50,000 micro-enterprise loan to Chepo’s Tamales and Groceries to upgrade the restaurant’s kitchen to meet U.S. Department of Agriculture requirements for a wholesale operation.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	56	0	2,307	2,307	0%
Intergovernmental Rev State	19,930	204,837	0	(204,837)	(100%)
TOTAL REVENUES	19,986	204,837	2,307	(202,530)	(99%)
APPROPRIATIONS					
Services and Supplies	11,098	94,372	0	(94,372)	(100%)
Other Charges	0	100,000	0	(100,000)	(100%)
Other Financing Uses	5,232	10,465	0	(10,465)	(100%)
TOTAL APPROPRIATIONS	16,330	204,837	0	(204,837)	(100%)
CHANGE IN FUND BALANCE	(3,656)	0	(2,307)	(2,307)	0%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

The Recommended Budget consists of \$2,307 in Revenues only; no Appropriations are recommended. This represents a decrease of \$202,530 or 99% in Revenues and a decrease of \$204,837 or 100% in Appropriations when compared to the FY2011/12 Adopted Budget, primarily due to grant program activities ceasing when the grant expired in December 2011.

The program income reflects the interest income received from the one \$50,000 micro-enterprise loan awarded during the grant period. As a result of the loan repayment, Fund Balance for FY2012/13 is anticipated at \$5,963.

PENDING ISSUES AND POLICY CONSIDERATIONS

The County has applied for \$400,000 in business assistance program funding as part of the FY2012 Fiscal Year State Community Development Block Grant (CDBG) Program to conduct micro-enterprise and business assistance programs that serve the non-entitled cities of Benicia, Dixon, Rio Vista and Suisun City and unincorporated Solano County. If the funding is approved, budget adjustments and program implementation guidelines would be prepared and brought forward for Board action by October 2012.

Federal funding for CDBG program beyond 2012 is unclear. Available funding for the program has declined in recent years and continues to be a potential target in on-going congressional budget reduction discussions.

FUNCTION AND RESPONSIBILITY

This Fund was originally established as a Special Revenue Fund to ensure that revenues received from the Nationwide Tobacco Master Settlement Agreement (MSA) were used to address health issues in the county. Initially, revenues were received directly under the MSA. In FY2002/03, the decision was made to securitize that revenue stream, eliminating the risks associated with such a structured settlement. Securitization proceeds could either be used for capital construction purposes, or distributed over time for general purposes through a process known as deallocation.

From FY2001/02 to FY2008/09, MSA income and deallocation monies generated by the securitization proceeds were received in Fund 200, Budget Unit (BU) 2000. From BU 2000, monies were annually transferred to Fund 239, from which they were available solely for the pursuit of health-related objectives.

During that period, money from Fund 239 was used to offset State cutbacks to health programs, support activities under the MSA Strategic Plans for Reducing Rates and Health Access (Coalition), and provide support for local Community Clinics as approved annually by the Board of Supervisors. Such applications of securitization proceeds enabled the County to free up General Fund dollars for other countywide priorities while addressing health needs in the community.

In January 2008, the Board approved the use of MSA securitization proceeds as a means of financing the Twin Campus Building Projects in Vallejo and Fairfield, and the William J. Carroll Government Center (WJCGC) in Vacaville. Board approval also enabled the construction of a new public Health Laboratory, new Public Health Clinics in Vallejo and Fairfield, a dental clinic, new Mental Health facilities. The WJCGC is anticipated to be completed around September 2012. The use of the funds for capital project investments ended the de-allocation process, and eliminated the annual revenue stream to Fund 200 and, thus, to Fund 239.

As part of the Board's continuing commitment to the Coalition for Better Health, during the three-year Strategic Plan period from FY2008/09 through FY2010/11, MSA money was backfilled with General Fund contributions. FY2010/11 marked the third and final year of both, the Strategic Plan and the Board's stated commitment to appropriate General Fund dollars for the ongoing support to the Coalition's activities.

To enable the retention of several of the Strategic Plan's programs, the Board provided funding for Health Access and Reducing Rates in the amount of \$863,000 from the General Expenditures budget (BU 1903) in FY2011/12. Additionally, unspent General Fund contributions to Fund 239 from FY2008/09 through FY2010/11 in the amount of \$538,242 augmented the support for the Coalition's activities.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	6,553	0	150	150	0%
General Fund Contribution	<u>2,293,418</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
TOTAL REVENUES	2,299,971	0	150	150	0%
APPROPRIATIONS					
Other Charges	0	76,500	0	(76,500)	(100%)
Other Financing Uses	<u>2,459,463</u>	<u>538,242</u>	<u>124,142</u>	<u>(414,100)</u>	<u>(77%)</u>
TOTAL APPROPRIATIONS	2,459,463	614,742	124,142	(490,600)	(80%)
CHANGE IN FUND BALANCE	159,491	614,742	123,992	(490,750)	(80%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

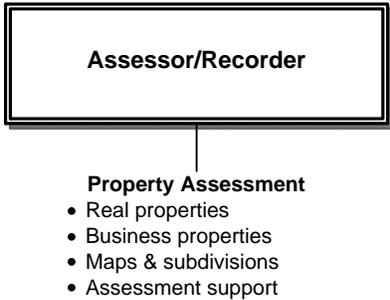
For FY2012/13, the Recommended Budget appropriates the remaining balance of MSA funding, \$124,142 estimated to be unspent in FY2011/12. The total appropriation of \$124,142 will be used to partially fund the Coalition's activities.

PENDING ISSUES AND POLICY CONSIDERATIONS

As mentioned above, in January 2008 the Board re-purposed MSA securitization proceeds, thus ending the revenue stream for this budget. For the next three fiscal years, the Board appropriated \$8.2 million from the General Fund to backfill this budget in support of the Coalition's Strategic Plan. A combination of General Fund funding from the General Expenditures budget (BU 1903) and the unspent balance of funding left in this budget (BU2390) financed the Coalition's activities in FY2011/12,

For FY2012/13, this budget is essentially depleted. Continued support for the Coalition's activities would need to shift to the General Fund. The FY2012/13 Recommended Budget for General Expenditures (BU 1903) includes \$1,027,668, an increase of \$164,668, or 19%, for contributions to non-County agencies when compared to the FY2011/12 Adopted Budget.

Marc Tonnesen, Assessor/Recorder
Finance



DEPARTMENTAL PURPOSE

As mandated by the California Constitution, the County Assessor is an elected official, governed by the California Constitution, the laws passed by the Legislature, and the rules adopted by the State Board of Equalization. The primary purpose of the Assessor’s Office is to determine annually the full value of all taxable property within the County. In accordance with specific mandates by State, County and local jurisdictions, this Office is responsible for identifying property and its ownership, and placing value on all taxable property within the county. This information is compiled into the Annual Assessment Roll and is reported to the State, the County Administrator’s Office, Treasurer/Tax Collector/County Clerk, Auditor-Controller,

other public agencies and to the public. In Solano County, the elected office of the County Assessor is combined with the County Recorder as a single Countywide elected position.

Budget Summary:	
FY2011/12 Third Quarter Projection:	6,132,327
FY2012/13 Recommended:	5,861,016
County General Fund Contribution:	3,186,443
Percent County General Fund Supported:	54.4%
Total Employees (FTEs):	34

FUNCTION AND RESPONSIBILITIES

The Assessor’s Office annually identifies, locates, inspects, analyzes and estimates the assessed value of approximately 142,000 parcels, 6,700 business properties, 7,000 boats, 1,200 manufactured homes, and 200 aircraft located in the County. Additionally, the Office reviews approximately 25,000 parcels from recorded documents, with full or partial ownership changes, analyzes legal descriptions, and verifies accurate ownership; performs annually approximately 62 mandatory audits; annually values approximately 600 Possessory Interest properties, 122 government owned properties, and 2,300 California Land Conservation (Williamson) Act properties; responds to written appeals from property owners contesting the taxable value of their property; receives, examines and processes applications from taxpayers requesting property tax exemptions (homeowners, disabled veterans and non-profits); maintains a complete set of assessment maps geographically identifying all real property within the County.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

- Continue to address an unprecedented workload associated with the collapse of the real estate market. This fiscal year, approximately 3,000 additional properties were placed on Proposition 8 status, which brings the estimated total to 67,000 properties whose values have been temporarily reduced due to the collapse of the real estate market. Proposition 8 requires the Assessor to value property at the lesser of market value or factored base year value, also known as Proposition 13 value.
- Continued success using the automated valuation model (AVM) software program to assist in the review of 115,000 residential properties for adjustments to current assessed values.
- Acquired two additional automated valuation software modules to assist appraisal staff with the valuation of the 52,000 residential properties (not on Proposition 8 status) and to address residential assessment appeals.
- Addressed commercial Proposition 8 review requests and the assessment appeal work which has increased by 300% over prior years. This increase is in addressing the commercial property valuations, i.e., changes of ownership, Proposition 8 review requests and assessment appeals.

- In FY2011/12, reassessments, appeals and valuation work demands exceeded the capacity of existing staff and automation resources and resulted in the delays in Proposition 8 review of non-residential property types, i.e., commercial/industrial/agricultural/vacant land and efforts continue to address the unprecedented demand with limited resources.

WORKLOAD INDICATORS

- Perform annual mandatory review of 67,000 residential parcels whose assessed values have been reduced under Proposition 8.
- Process 2,800 new Proposition 8 review requests from property owners.
- Review, analyze and defend enrolled assessed values of 600 residential and commercial properties under appeal by property owners. This is a 300% increase from the norm that existed prior to the collapse of the real estate market in 2007.
- Review and process 5,000 business property statements to determine unsecured assessments; assess 4,100 boats and 157 aircrafts.
- Conduct approximately 62 required business audits.

DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2010/11 ACTUAL	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
PROPERTY ASSESSMENT	403,456	2,138,500	2,674,573	536,073	25 %
TOTAL REVENUES	403,456	2,138,500	2,674,573	536,073	25 %
APPROPRIATIONS					
PROPERTY ASSESSMENT	5,836,346	6,284,721	5,861,016	(423,705)	(7) %
TOTAL APPROPRIATIONS	5,836,346	6,284,721	5,861,016	(423,705)	(7) %
NET COUNTY COST					
PROPERTY ASSESSMENT	5,432,890	4,146,221	3,186,443	(959,778)	(23) %
NET COUNTY COST	5,432,890	4,146,221	3,186,443	(959,778)	(23) %

STAFFING					
PROPERTY ASSESSMENT	40	36	34	(2)	(6) %
TOTAL STAFFING	40	36	34	(2)	(6) %

DEPARTMENTAL BUDGET SUMMARY

The Department's Recommended Budget of \$ 5,861,016 represents an overall increase of \$536,073, or 25.1%, in revenues and a decrease of \$423,705, or 6.7%, in expenditures, when compared to FY2011/12 Adopted Budget. As a result, Net County Cost is decreased by \$959,778 or 23.1%.

The primary funding source for the Department is Assessment and Tax Collection Fees of \$2,481,528, which are estimated to increase by \$611,528 from the prior year's adopted budget. These revenues are comprised of the Department's proportional share of property tax administration fees charged to cities and agencies (excluding schools) for the administration of property tax assessment, collection and allocation. They also include the proceeds from the sale of assessment roll data to real estate and mortgage companies. The increase reflects the higher actual revenues that have been realized in FY2011/12 as a result of State actions that reallocated property tax from schools to other agencies. This is the second year that property tax administration fees have been recognized in the departmental budget to more accurately and easily reflect the cost of the Assessor's Office operations. In FY2010/11, property tax administration fees were recorded in General Revenue (budget unit 1101).

Marc Tonnesen, Assessor/Recorder
Finance

Another revenue source for the Department is SB813 Collection Fees, which represents the Assessor’s share of 5% of supplemental tax billing receipts for the administration of the supplemental tax process. This revenue is shared with the Tax Collector and the Auditor-Controller. The decrease of \$75,455, or 39.7%, follows the declining trend in overall supplemental tax billings in FY2010/11 and the decline in real estate sale prices.

Salary expenses of \$3,595,507 which are projected to decrease by \$65,197, or 1.8%. Which is a net of reduced employee benefits and insurance costs offset by the Department’s Solano County Integrated Property System (SCIPS) and Central Data Processing (CDP) charges of \$1,323,505 and \$220,564, which reflect decreases of \$132,451. While these appropriations are lower, automation costs continue to be the principal cost driver for the Department after salary expenses.

Contracted Services which are projected to increase by \$75,000 to \$215,840. Contracted services are utilized by the Department to mitigate the need for full time staff to meet its needs for specialized skills, or short term needs.

For FY2012/13, the following contracted services are proposed:

- \$99,000 for mineral rights assessments
- \$41,840 for printing of business property statements and Proposition 8 services
- \$75,000 for consulting services to assist County staff with assessed valuations.

Reductions in Countywide Administrative Overhead charges represent the reduction in other charges in the budget.

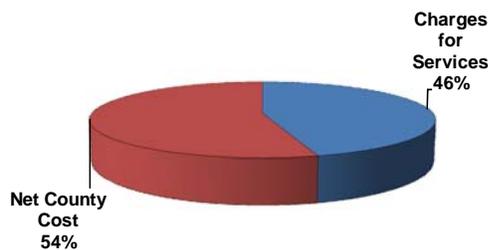
DEPARTMENT COMMENTS

Based on current trend analysis, the Department projects that the increase in workload will continue into FY2012/13 given the volatility of the residential housing and commercial real estate markets. The number of parcels requiring Proposition 8 reviews will continue to grow, while those parcels previously reassessed under Proposition 8 requires annual reassessments and assessment appeals are anticipated to continue with potential to increase.

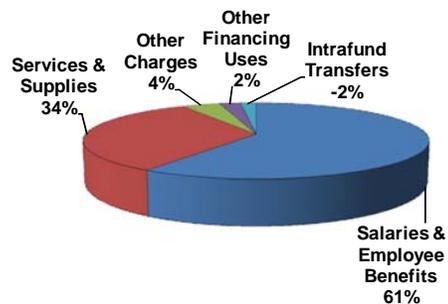
The Assessor’s Office has adhered to Board strategies for reducing costs to help address the structural deficit, and decreased its work force by 2.0 FTE positions in FY2011/12. To address the current workload demands, the Department is re-structuring its personnel assignments and duties and using Overtime and Extra Help staff to meet peak period requirements.

The department is utilizing automation funds appropriated in FY2011/12 to expand assessment tools and continues to explore additional Automated Valuation Modules that will help process change in ownerships and residential appeals. These additional tools will allow the Department to mitigate the staffing reductions.

SOURCE OF FUNDS



USE OF FUNDS



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Charges For Services	402,619	2,138,500	2,674,573	536,073	25%
Misc Revenue	837	0	0	0	0%
TOTAL REVENUES	403,456	2,138,500	2,674,573	536,073	25%
APPROPRIATIONS					
Salaries and Employee Benefits	3,540,188	3,660,704	3,595,507	(65,197)	(2%)
Services and Supplies	1,940,906	2,038,213	1,978,278	(59,935)	(3%)
Other Charges	487,481	365,800	253,078	(112,722)	(31%)
F/A - INTANGIBLES	0	0	0	0	0%
Other Financing Uses	153,796	152,004	139,737	(12,267)	(8%)
Intra-Fund Transfers	(286,025)	68,000	(105,584)	(173,584)	(255%)
TOTAL APPROPRIATIONS	5,836,346	6,284,721	5,861,016	(423,705)	(7%)
NET COUNTY COST	5,432,890	4,146,221	3,186,443	(959,778)	(23%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

FY2011/12 was the first year that the Assessor’s share of property tax administration fees were recognized in the departmental budget. This change in administrative policy aligns revenues in the same budget unit where the expenditures are incurred. Property tax administration fees are charged to cities and agencies to reimburse the County Assessor, Tax Collector, and Auditor for their costs related to the administration of property tax assessment, collection and allocation.

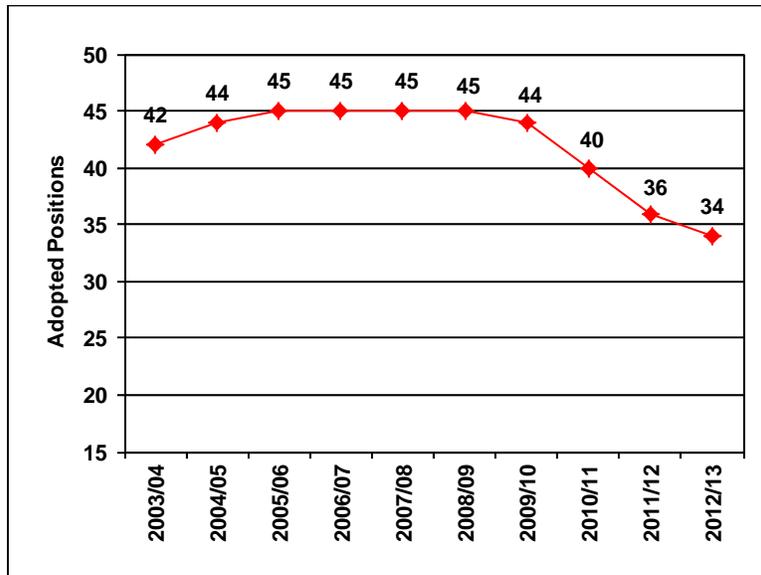
The projected revenues from property tax administration fees represent the 52% recoverable costs of property tax administration. The portion of the property tax administration costs that is not recovered is attributed to the General Fund at 23% and the school districts at 25%. School districts are exempted by law from paying property tax administration fees. As a result, the Assessor’s operating deficit related to the unrecovered property tax administration fees becomes a General Fund cost. In FY2012/13 the recovery of property tax administrative fees are anticipated to increase as a result of State budget changes in the reallocation of property taxes from schools to other agencies.

SUMMARY OF POSITION CHANGES

In an effort to reduce operational costs of the Assessor’s office, the following position allocation changes were approved in December 2011.

- Delete 2.0 FTE Appraiser Technicians

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

None

Summary of Other Administered Budgets

**1150 – Fund 001-Assessor/Recorder
 Marc Tonnesen, Assessor/Recorder
 Finance**

DETAIL BY REVENUE AND APPROPRIATION OTHER ADMINISTERED BUDGETS	2010/11 ACTUAL	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
2909 RECORDER	1,513,895	1,495,025	1,536,230	41,205	3 %
4000 RECORDER SPECIAL REVENUE	691,624	723,636	766,500	42,864	6 %
APPROPRIATIONS					
2909 RECORDER	1,461,685	1,640,978	1,575,279	(65,699)	(4) %
4000 RECORDER SPECIAL REVENUE	368,161	940,285	965,328	25,043	3 %
NET CHANGE					
2909 RECORDER	52,210	(145,953)	(39,049)	106,904	(73) %
4000 RECORDER SPECIAL REVENUE	323,463	(216,649)	(198,828)	17,821	(8) %

A summary of the budgets administered by the Assessor/Recorder’s Office is provided on the following pages.



Recorder Services

- Filing of vital records & maps
- Recording of legal & business documents
- Maintain official & public records

DEPARTMENTAL PURPOSE

The County Recorder is an elected official who acts as the perpetual guardian of land, birth, death and marriage records that have been entrusted to his safety and care. All functions of the Recorder are conducted under and adhere to the provisions of the State Constitution, State Codes and County Codes. In Solano County, the elected office of the County Recorder is combined with the County Assessor as a single Countywide elected position.

Budget Summary:

FY2011/12 Third Quarter Projection:	1,595,940
FY2012/13 Recommended:	1,575,279
County General Fund Contribution:	39,049
Percent County General Fund Supported:	2.4%
Total Employees (FTEs):	14

FUNCTION AND RESPONSIBILITIES

Under the Recorder's Office, four units work together to securely handle a variety of documents on behalf of the public and state at large.

- The Examining Unit receives, examines and records land title documents, military records, maps and construction contracts. It also provides certified copies of said documents and assistance to the general public.
- The Indexing/Verifying Unit indexes all land title and vital records to create a searchable database so all records are easily retrievable. To ensure accuracy of the recorded documents index, every document is quality control checked by the unit's staff.
- The Scanning Unit images all records, filed and registered, that are accepted by the Recorder's Office. To ensure accuracy and reproducibility, every document is quality-control checked by the unit's staff. In addition, microfilm copies of records are produced for archival storage in compliances with the law.
- The Vital Records Unit, by statute, provides search, retrieval and certified record services where the public can obtain legal copies of birth, death and marriage documents.

In accordance with the California Revenue and Taxation Code, a tax is imposed on each recorded document in which real property is sold, a tax on deeds transferring, granting, assigning or otherwise conveying title of property within the county. The Recorder's Office collects and distributes these Documentary Transfer Taxes on behalf of the County and cities.

The Recorder's Office also acts as the central collector for other revenue and distribution programs that have been mandated for the direct benefit of other agencies. On a daily basis the Recorder collects and disburses special fees and surcharges over and above actual recording fees for these agencies. Presently, the Recorder's Office collects funds for Trial Court Funding, family violence prevention, local spousal and child abuse programs, the Assessor, the District Attorney, Resource Management's Public Works Division, State Department of Health, and all the cities in Solano County.

Summary of Other Administered Budgets

**2909 – Fund 001-Recorder
Marc Tonnesen, Assessor/Recorder
Other Protection**

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Charges For Services	1,480,970	1,474,000	1,502,500	28,500	2%
Misc Revenue	<u>32,925</u>	<u>21,025</u>	<u>33,730</u>	<u>12,705</u>	<u>60%</u>
TOTAL REVENUES	1,513,895	1,495,025	1,536,230	41,205	3%
APPROPRIATIONS					
Salaries and Employee Benefits	1,166,420	1,319,269	1,151,810	(167,459)	(13%)
Services and Supplies	114,417	126,271	143,884	17,613	14%
Other Charges	83,298	97,398	34,437	(62,961)	(65%)
Other Financing Uses	49,047	55,522	43,872	(11,650)	(21%)
Intra-Fund Transfers	<u>48,503</u>	<u>42,518</u>	<u>201,276</u>	<u>158,758</u>	<u>373%</u>
TOTAL APPROPRIATIONS	1,461,685	1,640,978	1,575,279	(65,699)	(4%)
NET COUNTY COST	(52,210)	145,953	39,049	(106,904)	(73%)
STAFFING					
RECORDER	<u>13</u>	<u>13</u>	<u>14</u>	<u>1</u>	<u>8 %</u>
TOTAL STAFFING	13	13	14	1	8 %

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

- The Recorder’s Office indirectly supports health and public safety programs by collecting revenues on their behalf. In 2011, the Recorder’s Office collected \$10,800 for the State of California’s Family Law Trust fund, \$37,600 for the County’s Office of Family Violence Prevention and \$85,600 for the County’s Children’s Trust which funds child neglect and abuse prevention and intervention programs. Also collected was \$247,300 for the Trial Court Fund to help State court operating costs and \$175,600 for the District Attorney’s Real Estate Fraud Prosecution Fund.
- As a service and to protect the identities of Solano County citizens, the Recorder’s Office participates in the Social Security Number (SSN) Truncation Program. In 2011, over 711,920 documents were reviewed; in the approximately 38,000 documents where social security numbers found, those numbers were truncated (blacked out).
- It is the Recorder’s goal to index official documents within two-business days. This will enable the county to collect the Board of Supervisors approved one-dollar fee for Micrographics, thus increasing the departments resources dedicated to completing the official document recording process by approximately \$100,000 annually. It will also benefit the public by making recorded document information available within a timely manner.
- In FY2012/13 the Recorder’s Office continues its plans to implement the Electronic Recording Delivery System (EDRS) that will allow the electronic receipt of documents for recording and to refine the auto-indexing program in order to further enhance accuracy.
- The Recorder’s Office, recognizing a need in public services and in keeping with current technology trends, will move toward a Point of Sales system that encompasses not only cash and check, but also includes credit and debit charges. This will enable the Recorder’s Office to obtain more reliable payment methods and provide easier payment options and transactions to the public.

WORKLOAD INDICATORS

- In 2011, the Department examined, recorded, indexed, mailed back to owners over 125,249 documents; the Department anticipates maintaining, if not exceeding, this figure in the upcoming fiscal year.
- In the same period close to 19,000 official birth, death, and marriage certificates were issued as well as over 7,200 certified copies of official records.

DEPARTMENTAL BUDGET SUMMARY

The Department's Recommended Budget of \$1,575,279 represents an increase of \$41,205 or 2.8%, in revenues and a decrease of \$65,699, or 4.0%, in expenditures when compared to FY2011/12 Adopted Budget. As a result, the Net County Cost is decreased by \$106,904.

The primary funding for the Recorder's Office is Recording Fees of \$1,320,000 for the recording of official documents. These fees are set by statutes and cannot exceed the actual cost of the Department to provide these services. For FY2012/13, the Recorder's Office estimates an increase of \$20,000 over the previous fiscal year due to an anticipated increase in the number of documents to be recorded.

Photo/Microfiche Copy fees are another funding source for the Department. FY2012/13 anticipated \$182,500 from these fees which are charged to the public for the issuance of official records and vital statistics, such as marriage certificate, birth certificates, etc.

Salaries and benefits of \$1,151,810 reflect a decrease of \$167,459, or 12.7%. This primarily due to a change in how the allocated costs of salaries and benefits for the Department Head and Assistant Department Head are budgeted between the Department's two divisions and associated budgets: the Assessor and Recorder Divisions. In FY2011/12, the salaries and benefits for both positions were split between the budgets of the two divisions; for FY2012/13, the full costs of both positions are budgeted in the Assessor Division. The Recorder's share of salary expenses is reflected as an intra-departmental transfer to offset the salary expenses in the Assessor's Division. In addition the budget reflects savings realized from reduced retirement, healthcare, and insurance costs.

Partially mitigating salary savings is the increase in costs for a proposed 1.0 FTE Office Assistant position (Limited Term) included in the Recommended Budget. This position will address program staff needs in the review, verification and indexing of recorded documents. Staff reductions over the past three years impacted the Recorder's ability to meet the 48-hour statutory service level for indexing recorded documents in order to collect an additional \$1.00 fee for micro-graphics. In FY2010/11, the Recorder has stopped collecting the statutory fee, resulting in an estimated reduction in fee revenue of \$120,000 annually. This fee is special revenue that is dedicated for the preservation of official documents on micro-film and microfiche, a mandated requirement. With the anticipated addition of staff and the resumption of the collection of the statutory fee, offsetting revenues of \$120,000 have been included in the Micrographics Division, budget unit 4001.

Countywide Administrative Overhead A-87 charges are projected to decrease by \$62,961.

Intra-fund Transfers reflect increase due to accounting change for allocated costs for the Department Head and Assistant Department Head.

SUMMARY OF SIGNIFICANT ADJUSTMENTS

None.

SUMMARY OF POSITION CHANGES

In the FY2012/13 Recommended Budget, the following position change is proposed:

- Add 1.0 FTE Office Assistant III- Limited Term

PENDING ISSUES AND POLICY CONSIDERATIONS

The Recorder's Office is moving forward with the implementation of the Electronic Recording Delivery System (ERDS) to allow acceptance of electronic documents for recordation. This system will provide significant convenience to the public and will result in greater efficiency and accuracy by more readily accepting documents for recordation.

FUNCTION AND RESPONSIBILITY

The purpose of this special revenue fund is to recognize and balance the inflows and outflows of the Recorder’s Office Micrographic, Modernization and Social Security Number (SSN) Truncation Program funds. Under the authority of Government Codes 27361.4, 27361(c) and 27361(d) these funds allow for public reporting and provide the appropriate safeguards for taxpayer investments. Each fund’s budget unit and use is described below.

- BU 4001: The **Micrographics** fund defrays the cost of converting the Recorder’s document storage system to micrographics. These funds are used only for the process of converting images to microfilm for archival purposes. Government Code 27361.4
- BU 4002: The **Modernization** fund is solely dedicated to support, maintain, improve and provide for the efficient modernization of the creation, retention and retrieval of information in the Recorder’s records management system for recorded documents. Examples of the uses of this fund is to enhance and maintain the document management system, to upgrade computers used by staff and the general public, and for the purpose of training staff on the system. Government Code 27361 (c)
- BU 4003: The **SSN Truncation Program** fund is used for the creation and maintenance of the Recorder’s SSN Truncation Program. This program protects Solano County citizens and the public from identity theft. Funds from this program are strictly dedicated to create and maintain a dual records system, containing two separate yet similar data bases, one for “Official Records” which contain Social Security Numbers but are exempt from the Public Records Act (except pursuant to a subpoena or Court order), and the other for “Public Records” that are an exact copy of the “Official Records” except for a truncated social security number. Government Code 27361 (d)

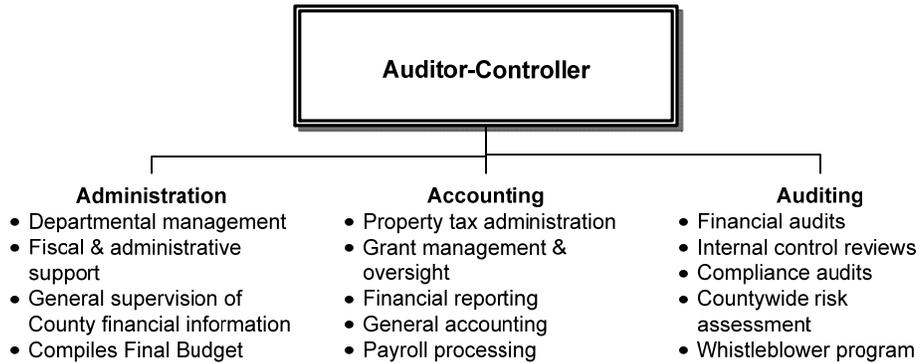
DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop Charges For Services	58,141	47,636	28,500	(19,136)	(40%)
	<u>633,483</u>	<u>676,000</u>	<u>738,000</u>	<u>62,000</u>	<u>9%</u>
TOTAL REVENUES	691,624	723,636	766,500	42,864	6%
APPROPRIATIONS					
Services and Supplies	150,831	721,450	707,231	(14,219)	(2%)
Other Charges	13,448	14,954	18,216	3,262	22%
F/A - INTANGIBLES	0	0	36,000	36,000	0%
Other Financing Uses	<u>203,881</u>	<u>203,881</u>	<u>203,881</u>	<u>0</u>	<u>0%</u>
TOTAL APPROPRIATIONS	368,161	940,285	965,328	25,043	3%
CHANGE IN FUND BALANCE	(323,463)	216,649	198,828	(17,821)	(8%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

Significant adjustments to the Recommended Budget stem from three areas:

- Due to the lowering of interest rates, the interest revenue garnered from these funds will be lower by \$19,136, or 40%, as compared to last year’s adopted budget. Approximately \$28,500 is expected in FY2012/13.
- With the approval of the limited term Office Assistant III position, the Recorder will be able to meet the statutory requirement to index documents within two days of recording in order to reinstate the collection of an additional one dollar fee per document for micrographics authorized under California Government Code 27361.4(c). This will bring in approximately \$155,000 in micrographics fee, an increase of \$52,000, or 55%.
- Recording fees of \$583,000 are projected to slightly increase by \$7,000 due to the estimated increase in the number of documents to be recorded.

The Recommended Budget includes a contingency appropriation of \$6,099,673 in budget unit 9115. This amount reflects the estimated funding available based upon FY2011/12 Third Quarter Projections.



DEPARTMENTAL PURPOSE

The elected Auditor-Controller performs the duties of the office under the legal authority provided within Government Code Sections 26880 and 26900. The Auditor-Controller is the principal financial and accounting officer of the County.

Budget Summary:	
FY2011/12 Third Quarter Projection:	3,912,500
FY2012/13 Recommended:	4,013,486
County General Fund Contribution:	750,145
Percent County General Fund Supported:	18.7%
Total Employees (FTEs):	31

FUNCTION AND RESPONSIBILITIES

The Auditor-Controller exercises general supervision of the financial information and accounts of all departments, districts and agencies under the control of the Board of Supervisors. The Auditor-Controller exercises this authority through its Administrative, Accounting and Auditing functions. The Auditor-Controller develops and enforces accounting policies and procedures; enforces budgetary controls and other administrative policies; ensures financial reporting in accordance with County policies, State and Federal laws, and Governmental Accounting Standards; processes payroll and related transactions for over 2,500 employees; manages the debt service funds for all long-term debt of the County; manages the Countywide Financial Information System and the PeopleSoft System (for payroll-related functions); administers the property tax apportionment system of the County; monitors all Federal and State assistance; prepares the Countywide Cost Allocation Plan; performs audits, internal control reviews; administers the County’s Whistleblower Program and promotes internal controls.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

- Implementation of IntelliTime, a countywide time and attendance system, to increase accountability, improve accuracy and efficiency in managing employee leave and time reporting. The various rules by bargaining unit have been incorporated into this system, thereby improving consistency and accuracy in time reporting. Software is currently in test mode with the first group of departments. The system is anticipated to be fully implemented in FY2012/13.
- Implementation of the first phase of the countywide automated purchasing process which will result in a more efficient purchasing process through the elimination of paper-intensive processes, duplicate data entry, sharing of data, and automation of approvals.
- Developed and presented the Control Self-Assessment Program to County managers. As departments continue to downsize, internal controls are generally always compromised. This program is a tool for County managers to assess their control environment and identify control deficiencies. The Internal Audit Division will evaluate each department’s results and provide feedback.
- In December 2011, the State Supreme Court validated the legality of ABX1 26 allowing the State to dissolve Redevelopment Agencies (RDA). As a result, the Auditor-Controller became the fiscal agent locally for the dissolution of these RDA. The legislation imposed additional accounting and reporting requirements on the Auditor-Controller for the administration of the Redevelopment Property Tax Trust Fund for nineteen (19) redevelopment projects. In addition, the Auditor-Controller:

-
- Participated on a state-wide committee to develop guidelines for the dissolution of Redevelopment Agencies.
 - Participated with the State Controller's Office, other Counties, California Society of CPAs, Department of Finance in the development of Agreed-Upon Procedures guidelines for auditing the RDA.
 - Coordinated and held several workshops with the cities to review the financial and reporting requirements of ABX1 26.
 - Recipient of two awards for excellence in financial reporting from the Government Finance Officers Association and the State Controller's Office. Continue to receive unqualified (clean) audit opinions on the County's Comprehensive Annual Financial Report.

WORKLOAD INDICATORS

In the past year, the Department:

- Processed over 75,400 vendor claims, deposit permits, journal entries, encumbrance adjustments, appropriation transfers, and wire/electronic fund transfers in the financial system.
- Processed over 90,000 payroll checks, payroll and benefit adjustments, direct deposit changes, tax withholding changes, garnishments, disability integration adjustments, provider payments, accrued leave payoffs, and COBRA payments.
- Administered over 1,029 tax rate areas generating over \$435 million in property taxes, which were calculated, allocated and paid to 75 taxing entities.
- Administered over 171,000 special assessments levied by cities, agencies and special districts totaling \$56 million and researched, calculated, and issued over 8,000 property tax refunds.
- Employed over 6,800 hours to perform financial/compliance audits, process reviews, and reviews of internal controls. The audit hours were allocated as follow:
 - 1,178 hours assigned to Health & Social Services
 - 1,202 hours assigned to Mandated Financial Audits
 - 1,977 hours assigned to Special District and Other Financial Audits
 - 2,527 hours assigned to Countywide Reviews & Other Activities

During FY2011/12, Auditor-Controller staff spent a significant amount of staff resources on the following projects:

- 1,560 hours on the IntelliTime Project.
- 500 hours on the Purchasing Project
- 432 hours on Redevelopment Dissolution Act (ABX1 26)

Functional Area Summary

**1200 – Fund 001-Auditor-Controller
Simona Padilla-Scholtens, Auditor-Controller
Finance**

DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2010/11 ACTUAL	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
ACO-ADMINISTRATION	771,418	524,840	509,863	(14,977)	(3) %
ACO-ACCOUNTING	2,495,019	1,984,491	2,276,567	292,076	15 %
ACO-AUDITS	<u>628,032</u>	<u>557,287</u>	<u>476,911</u>	<u>(80,376)</u>	<u>(14) %</u>
TOTAL REVENUES	3,894,469	3,066,618	3,263,341	196,723	6 %
APPROPRIATIONS					
ACO-ADMINISTRATION	805,205	858,980	797,334	(61,646)	(7) %
ACO-ACCOUNTING	2,495,504	2,503,284	2,708,619	205,335	8 %
ACO-AUDITS	<u>566,638</u>	<u>592,166</u>	<u>507,533</u>	<u>(84,633)</u>	<u>(14) %</u>
TOTAL APPROPRIATIONS	3,867,347	3,954,430	4,013,486	59,056	1 %
NET COUNTY COST					
ACO-ADMINISTRATION	33,787	334,140	287,471	(46,669)	(14) %
ACO-ACCOUNTING	485	518,793	432,052	(86,741)	(17) %
ACO-AUDITS	<u>(61,394)</u>	<u>34,879</u>	<u>30,622</u>	<u>(4,257)</u>	<u>(12) %</u>
TOTAL NET COUNTY COST	(27,122)	887,812	750,145	(137,667)	(16) %

9					
ADMINISTRATION	3	3	3	0	0 %
ACCOUNTING	23	21	23	1	5 %
AUDITING	<u>5</u>	<u>5</u>	<u>5</u>	<u>0</u>	<u>0 %</u>
TOTAL STAFFING	31	29	31	2	0 %

DEPARTMENTAL BUDGET SUMMARY

The Department's Requested Budget of \$4,013,486 in appropriations reflects increases of \$196,723 or 6%, in revenues and \$59,056, or 1%, in expenditures when compared to FY2011/12 Adopted Budget. As a result, Net County Cost is decreased by \$137,667, or 16%.

The primary funding sources for the Auditor-Controller's Office are as follow:

Administration Overhead (A-87) of \$1,830,504 for reimbursements from County departments for their allocated share of costs for accounting, financial and/or audit services provided by the Auditor-Controller's office. These revenues are projected to decrease by \$8,441, or 0.5%, from the previous fiscal year due to budgetary reductions implemented by the Department which slightly lowered its allocated costs.

Assessment and Tax Collection Fees of \$647,070 which are estimated to increase by \$94,570, or 17.1%. These revenues are for financial and accounting services provided to other funds and special districts. The increase is attributable to higher fees from the administration of Measure B and Transportation Development Act (TDA) revenues (based on sales).

Auditing and Accounting Fees of \$323,563 which are projected to decrease by \$84,960, or 20.8%. These are fees for audit services to special districts and other governmental agencies. Most special districts are on a biennial cycle for auditing. As a result, there is a reduction in the number of special district audits to be performed in FY2012/13.

Other Charges for Services revenues of \$168,253 which are anticipated to increase by \$166,243. The increase is due to new charges to redevelopment agencies for administrative support costs related to the dissolution of redevelopment agencies. This also includes the pro-rated charges for the cost of a limited term Accountant-Auditor III approved by the Board in February 2012.

Revenues from Inter-fund Services Provided of \$221,585 which are estimated to increase by \$56,935, or 26%. These are revenues received from non-General Fund departments, such as Health & Social Services, First 5 Solano, Public Facilities Fees

and East Vallejo Fire Protection District, for accounting and auditing services. The increase is the result of an increase in rates and service requests from these departments.

Revenues from Intra-fund Services – Accounting and Audit of \$155,580 which are scheduled to increase by \$6,000, or 4.0%. These revenues are from charges to the Treasury for accounting and financial services. The increase is primarily due to an increase in rates charged and services provided to the Treasury.

The primary costs for the Auditor-Controller's Office Salary expenses of \$3,340,802 which are projected to increase by \$139,321 from the previous fiscal year mainly due to the annualized cost of 1.0 FTE Accounting Auditor III (Limited Term) – This position is assigned to the Property Tax Division to assist the Department in administering the dissolution of the Redevelopment Agencies and was added midyear in FY2011/12. The costs for this position are fully reimbursed by the redevelopment agencies. In addition, the Recommended Budget includes the adding of 1.0 FTE Account Clerk I (Limited Term) – This position is assigned to the Payroll Division to assume the responsibilities for processing special leaves from the departments. This position is offset by the deletion of an equivalent position in the Health and Social Services Department. The consolidation of these functions will result in County-wide efficiencies that will provide departments additional capacities that can be redirected to other critical tasks.

The overall increases in salary expenses are partially mitigated by lower retirement costs of \$99,945 resulting from labor concessions given by employee bargaining units and zero unemployment insurance charge due to a countywide rate holiday in FY2012/13. Health insurance costs of \$382,824 which are projected to increase by \$76,104 due to an increase in the insurance rates, changes in employee coverage levels and the new limited term positions.

Data processing and Solano County Integrated Property System (SCIPS) charges of \$167,441 and \$226,887, respectively, continue to be major cost drivers for the Department in services and supplies despite an expected net decrease of \$27,269 or 6.5% over prior year. The rates are determined by the Department of Information Technology (DOIT) based on departmental costs to provide, maintain and support computer hardware, software and systems for the IFAS, PeopleSoft (key central automated systems) and SCIPS; the Auditor-Controller has no determinant control over DOIT costs.

Appropriations of \$7,500 are also included for Computer Components to replace five computers that are on DOIT's Computer Refresh Schedule. The replacement of some of these computers has been deferred in prior years due to budgetary constraints. The DOIT Refresh Schedule shows five computers over five years old, which exceeds the established recommended retention period.

Other Professional Services of \$109,618 for accounting and financial services are projected to decrease by \$4,644, or 4.1%. Contracted services for FY2012/13 include:

- \$100,868 for Macias, Gini, O'Connell, LLP, an independent CPA firm, to perform the countywide audit of the County's Comprehensive Annual Financial Report and Single Audit
- \$7,000 paid to the Treasurer's Office for bank charges with Wells Fargo Bank
- \$2,000 for a mandated annual audit of TDA Funds

DEPARTMENT COMMENTS

The Auditor-Controller performs countywide functions and oversees a \$742 million county budget. The Department continues to work with the Department of Information Technology to complete the implementation of the countywide technology solutions to improve efficiency and provide countywide automated solutions to current manual processes:

- IntelliTime System automates the leave request and time sheet reporting process while incorporating the Memorandum of Understanding rules of the numerous bargaining units.
- Countywide automation of purchasing and disbursements workflow process. This project will automate the purchase requisition to payment process while eliminating duplicate data entry on various forms within the accounting system.
- SCIPS-Property tax automation of supplemental refunds project will eliminate the labor-intensive manual process for issuing supplemental tax refunds. Since FY2006/07, the county has seen an increase in the number of supplemental refunds.

In addition to the countywide automation projects, the Auditor-Controller's Office is working with the County Administrator's

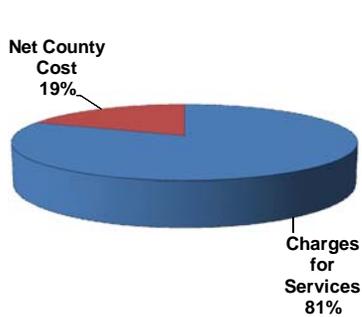
Office and Human Resources to centralize the State Disability Integration process within the Auditor-Controller’s Office. The centralization of this process will improve the timeliness and efficiency of integrating employees’ state disability benefits with the County’s leave program.

The dissolution of RDAs will continue to require staff resources as the role and responsibilities of the Auditor-Controller’s Office evolves due to the complexities of each RDA successor agency.

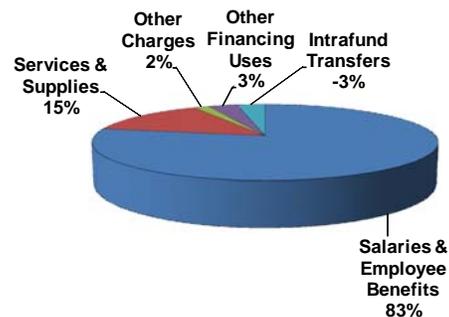
The Auditor-Controller and DOIT will be working on major upgrades to both IFAS (County financial System) and PeopleSoft (County Payroll System). The upgrades are necessary to ensure the efficient operation of the systems but will also provide additional functionalities and improve processes.

The implementation of the automation projects and the additional responsibilities imposed by legislative changes continue to put a strain on already-lean resources in the Auditor-Controller’s Office; however, the benefits of these projects will save countywide resources and improve efficiencies.

SOURCE OF FUNDS



USE OF FUNDS



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Intergovernmental Rev State	22,184	13,000	12,860	(140)	(1%)
Charges For Services	3,871,900	3,053,618	3,250,481	196,863	6%
Misc Revenue	385	0	0	0	0%
TOTAL REVENUES	3,894,469	3,066,618	3,263,341	196,723	6%
APPROPRIATIONS					
Salaries and Employee Benefits	3,198,921	3,201,481	3,340,802	139,321	4%
Services and Supplies	600,671	647,045	596,650	(50,395)	(8%)
Other Charges	77,975	77,045	72,131	(4,914)	(6%)
Other Financing Uses	143,757	142,947	135,916	(7,031)	(5%)
Intra-Fund Transfers	(153,978)	(114,088)	(132,013)	(17,925)	16%
TOTAL APPROPRIATIONS	3,867,346	3,954,430	4,013,486	59,056	1%
NET COUNTY COST	(27,123)	887,812	750,145	(137,667)	(16%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

While the Auditor Controller has consistently proposed and executes a lean budget, with only minor variances, from year to year, the FY2012/13 Recommended Budget reflects a change in revenue streams. The Department projects a significant increase of \$196,723 in revenues, mostly as a result of State mandated reimbursable work to be performed due the dissolution of redevelopment agencies, and also as a result of additional charges for services from the assumption and consolidation of

several payroll functions within the Department of work previously performed by individual departments. The higher revenues are anticipated to continue for a longer term, resulting in an ongoing reduction in Net County Cost.

SUMMARY OF POSITION CHANGES

Changes in the Auditor-Controller's position allocation from the FY2011/12 Adopted Budget are provided below:

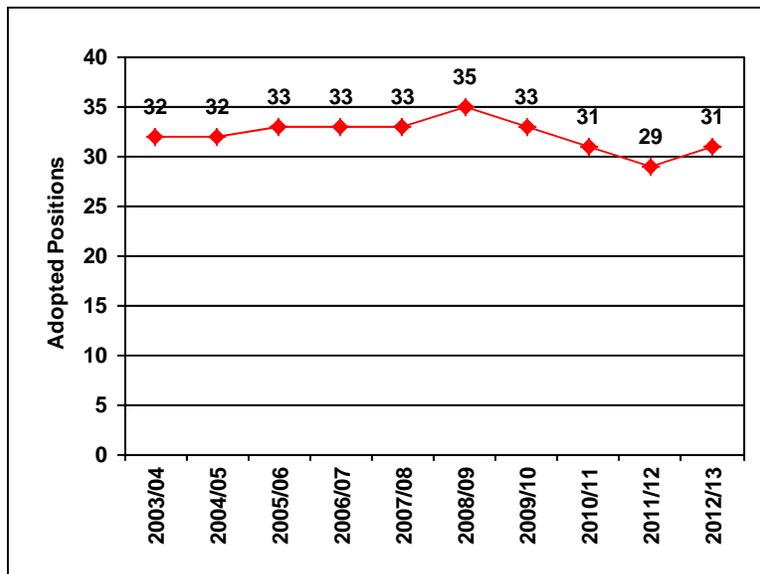
In February 2012, Board of Supervisors approved:

- 1.0 FTE Accountant-Auditor II (Limited Term) position to oversee the dissolution of the Redevelopment Agencies in Solano County. This position is authorized through March 2, 2014.

The FY2012/13 Recommended Budget includes the proposed addition of the following position:

- 1.0 FTE Account Clerk II to assume the consolidated responsibilities for processing special leaves from departments. This position is offset by the deletion of 1.0 FTE Accounting Technician in Health & Social Services Department.

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

None.

Summary of Other Administered Budgets

**1200 – Fund 001-Auditor-Controller
 Simona Padilla-Scholten, Auditor-Controller
 Finance**

DETAIL BY REVENUE AND APPROPRIATION OTHER ADMINISTERED BUDGETS	2010/11 ACTUAL	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
1101 GENERAL REVENUE	144,430,920	132,632,089	132,529,000	(103,089)	(0) %
8006 PENSION DEBT SERVICE	23,245,923	24,860,892	22,362,614	(2,498,278)	(10) %
8032 2002 CERTIFICATES OF PARTICIPA	2,994,305	3,157,790	3,142,600	(15,190)	(0) %
8034 HSS ADMIN/REFINANCE SPHF	2,476,960	2,565,362	2,518,188	(47,174)	(2) %
8037 2007 CERTIFICATES OF PARTICIPA	4,895,004	4,815,972	4,814,656	(1,316)	(0) %
APPROPRIATIONS					
1101 GENERAL REVENUE	429,814	435,000	410,000	(25,000)	(6) %
8006 PENSION DEBT SERVICE	17,847,845	9,504,070	9,842,084	338,014	4 %
8032 2002 CERTIFICATES OF PARTICIPA	3,127,408	3,158,943	3,142,600	(16,343)	(1) %
8034 HSS ADMIN/REFINANCE SPHF	2,519,679	2,565,362	2,518,188	(47,174)	(2) %
8037 2007 CERTIFICATES OF PARTICIPA	4,803,421	4,815,972	4,814,656	(1,316)	(0) %
NET CHANGE					
1101 GENERAL REVENUE	144,001,106	132,197,089	132,119,000	(78,089)	(0) %
8006 PENSION DEBT SERVICE	5,398,078	15,356,822	12,520,530	(2,836,292)	(18) %
8032 2002 CERTIFICATES OF PARTICIPA	(133,103)	(1,153)	-	1,153	(100) %
8034 HSS ADMIN/REFINANCE SPHF	(42,719)	-	-	-	- %
8037 2007 CERTIFICATES OF PARTICIPA	91,583	-	-	-	- %

A summary of the budgets administered by the Auditor-Controller’s Office is provided on the following pages.

FUNCTION AND RESPONSIBILITY

The General Revenue budget exists to account for revenues not attributable to a specific County service or department. These revenues are available to support the County's general-purpose appropriations in accordance with the Board's priorities. They include property tax, property transfer tax, sales tax, property tax in-lieu of vehicle license fees, interest earnings, redevelopment pass-through and disposal fees.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Taxes	102,781,045	101,162,571	102,150,000	987,429	1%
Licenses, Permits & Franchise	507,056	504,964	510,000	5,036	1%
Revenue From Use of Money/Prop	973,526	502,000	531,000	29,000	6%
Intergovernmental Rev State	3,602,180	1,378,000	1,378,000	0	0%
Intergovernmental Rev Federal	9,479	0	0	0	0%
Intergovernmental Rev Other	16,545,730	16,749,554	16,500,000	(249,554)	(1%)
Charges For Services	7,173,693	4,275,000	3,400,000	(875,000)	(20%)
Misc Revenue	8,129,235	8,060,000	8,060,000	0	0%
Other Financing Sources	4,708,976	0	0	0	0%
TOTAL REVENUES	144,430,920	132,632,089	132,529,000	(103,089)	(0%)
APPROPRIATIONS					
Services and Supplies	74,873	75,000	50,000	(25,000)	(33%)
Other Charges	354,941	360,000	360,000	0	0%
TOTAL APPROPRIATIONS	429,814	435,000	410,000	(25,000)	(6%)
NET COUNTY COST	(144,001,106)	(132,197,089)	(132,119,000)	78,089	(0%)

DEPARTMENTAL BUDGET SUMMARY

Budgeted Revenues of \$132,529,000 remain essentially unchanged when compared to the FY2011/12 Adopted Budget. Significant changes to the FY2012/13 Recommended Budget's revenues include:

Decreases:

- \$249,554 in Redevelopment Pass-Through due to decreases in the tax increment as calculated by auditor. However, the impact of the dissolution of redevelopment agencies (RDA) has not been determined and not included in the budget assumptions, but could affect the \$16.5 million included in this budget for FY2012/13.
- \$900,000 in business license tax fees primarily due to the decrease in tonnages at the landfills. However, it should be noted that there remains litigation against the County related to the Measure E appeal and, therefore, the impact is unknown at this time.

Increases:

- \$987,429 net increase in total Tax Revenues derived from projected increases of:
 - \$759,954 in current secured taxes;
 - \$281,954 in Property Tax-In Lieu of VLF, based on growth from the lien date valuations reported by the Assessor;
 - \$298,875 in Unitary Taxes due to the completion of the Trans Bay cable transmission line within Solano County; and
 - Sales tax revenue is projected to increase by \$50,000 based on the current trend.

The above increases in Tax Revenues were offset by a decrease of \$212,071 in unsecured taxes due to reductions in business property values (resulting from appeals); and a \$200,000 decrease in Supplemental Secured taxes based on current real estate activity.

Budgeted Appropriations of \$410,000 represent a decrease of \$25,000, or 6%, from the FY2011/12 Adopted Budget. The decrease of \$25,000 is projected in charges for accounting and financial services due to a reduction in anticipated sales tax recovery audit fees. Fees are charged over a period of 8 quarters, and some large recoveries from the past 8 quarters ended in FY2011/12.

PENDING LEGISLATION

Litigation on Measure E, which restricts the amount of out-of-county waste that can be disposed of in county landfills, is still pending. The outcome of the litigation may have a significant impact in the amount of disposal fees collected in the future.

SUMMARY OF SIGNIFICANT ADJUSTMENTS

None.

Debt Service Overview

Simona Padilla-Scholtens, Auditor-Controller

Debt

Long-term Financial Obligations

The County has no outstanding general obligation bonds. The County's outstanding long-term debts as of June 30, 2012 are as follows:

<u>Type</u>	<u>Total</u>
Notes payable	\$ 1,023,890
Capital leases	302,261
Certificates of Participation	115,190,000
Pension obligation bonds	72,630,000
Total	<u>\$ 189,146,151</u>

Notes payable

The County entered into a note payable agreement with the Suisun Redevelopment Agency to finance the County's share of the construction costs of the Suisun City Library. Due to the dissolution of redevelopment agencies under ABX1 26, effective February 1, 2012 this note was transferred to the Suisun City Successor Agency.

Capital leases

The County has entered into a lease agreement as lessee for financing the acquisition of equipment for the Sheriff's Department.

Certificates of Participation

The County issued Certificates of Participation (COP) to provide funds for the acquisition and construction of major capital facilities. The proceeds of the COP were used for the construction of the Health and Social Services Administration Building, the County Administration Center in downtown Fairfield, the Probation Facility, the improvements to the Central Utility Plant, and the Library in Fairfield.

Taxable Pension Obligation Bonds

On June 16, 2004, the County issued \$96.6 million of Taxable Pension Obligation Bonds (POB) to prepay a partial obligation under its contract with CalPERS for the County's Unfunded Accrued Actuarial Liability (UAAL). On November 1, 2005, the County issued an additional \$42.3 million of Taxable Pension Obligation Bonds for an additional pre-payment to CalPERS, thus reducing its UAAL.

The County fully redeemed the Series B-1, B-2, B-3 Auction Rate Securities ahead of schedule. In FY2010/11, the County refunded the remaining \$10 million in 2004 Series B-3 Auction Rate Securities and issued the Series 2010 Taxable Pension Refunding Bonds.

Credit Rating

The County has maintained ratings from all major domestic rating agencies through the economic disruptions of the past three years. Moody's and Standard & Poor's currently rate the County Aa3 and AA- respectively for Pension Obligation Debt and A1 and AA- respectively for Certificates of Participation. The maintenance of stable ratings in light of the collapse in real estate prices in the county and the ongoing State budget challenges is accredited by Standard & Poor's to, among other factors, "the strong financial management and performance with general fund balances exceeding formal policy targets."

The Solano County Investment Pool is rated AA+/S1 by Standard & Poor's, the second highest rating available from them. The rating is reflective of the portfolio's structural diversification and extremely strong position in government-guaranteed debt obligations. The rating also reflects on the prudence and judgment of the portfolio managers. The "S1" volatility rating signifies that the Pool's net asset value possesses a low sensitivity to changing market conditions.

COUNTY OF SOLANO, CALIFORNIA
Legal Debt Margin Information
Last Ten Fiscal Years

Fiscal Year	(1) Assessed Value of Property	(2) Debt Limit, 5% of Assessed Value	(3) Debt Applicable to the Limit	(4) Legal Debt Margin	Total net debt applicable to the limit as a percentage of debt limit
2010-11	\$ 38,644,020,806	\$1,932,201,040	\$ -	\$ 1,932,201,040	0.00%
2009-10	39,256,945,402	1,962,847,270	-	1,962,847,270	0.00%
2008-09	40,873,042,919	2,043,652,146	-	2,043,652,146	0.00%
2007-08	45,318,102,865	2,265,905,143	-	2,265,905,143	0.00%
2006-07	45,688,693,224	2,284,434,661	-	2,284,434,661	0.00%
2005-06	41,544,353,287	2,077,217,664	-	2,077,217,664	0.00%
2004-05	36,386,372,123	1,819,318,606	-	1,819,318,606	0.00%
2003-04	32,280,154,735	1,614,007,737	-	1,614,007,737	0.00%
2002-03	29,353,766,624	1,467,688,331	-	1,467,688,331	0.00%
2001-02	26,560,455,206	1,328,022,760	5,100	1,328,017,660	0.00%

Notes:

- (1) Assessed property value data can be found in Schedule "Assessed Value of Taxable Property and Actual Value of Property."
- (2) California Government Code, Section 29909, states the total amount of bonded indebtedness shall not at any time exceed 5 percent of the taxable property of the county as shown by the last equalized assessment roll.
- (3) Bonded debt applicable to the limit only includes general obligation bonds. Although the County has \$189 million in long-term debt, this is not subject to the legal debt margin.
- (4) The legal debt margin is the County's available borrowing authority under state finance statutes and is calculated by subtracting the debt applicable to the legal debt limit from the legal debt limit.

Source: Audited Financial Statements

FUNCTION AND RESPONSIBILITY

This budget unit is the conduit for the principal and interest payments for the Pension Obligation Bonds (POB) Series 2004, Series 2005 and Series 2010. The proceeds from the Pension Obligation Bonds were used to reduce the County's obligation with the California Public Employees' Retirement System (CalPERS) for the Unfunded Accrued Actuarial Liability for retirement benefits.

The POBs were issued to reduce the future interest rate risk and to stabilize retirement contribution rates through defined fixed rates and fixed maturity terms, thereby allowing the County to predict trends and manage the retirement program. Funding for this debt is collected through regular bi-weekly deductions from all County departments and the Solano County Fair.

The Auditor-Controller is responsible for administering the debt service of the POBs through the dates of redemption: January 15, 2018, for Series 2004; January 15, 2025, for Series 2005; and July 15, 2015, for Series 2010.

In FY2008/09, the County redeemed \$30 million of pension bonds partially funded by a loan from the General Fund. The General Fund loan will be repaid through charges from the departments. The outstanding loan balance as of June 30, 2012 is \$16,500,000.

In addition, this fund is used to account for the prepayment of \$5.8 million to Public Agency Retirement System (PARS), the plan administrator, for the County's supplemental retirement program offered in FY2010/11. The funding for this prepayment will be repaid through charges from the department whose staff participated in the program.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	12,356	25,000	12,000	(13,000)	(52%)
Misc Revenue	1,803,134	870,000	813,772	(56,228)	(6%)
Other Financing Sources	21,430,433	23,965,892	21,536,842	(2,429,050)	(10%)
TOTAL REVENUES	23,245,923	24,860,892	22,362,614	(2,498,278)	(10%)
APPROPRIATIONS					
Services and Supplies	34,732	38,521	9,000	(29,521)	(77%)
Other Charges	17,813,113	9,465,549	9,833,084	367,535	4%
TOTAL APPROPRIATIONS	17,847,845	9,504,070	9,842,084	338,014	4%
CHANGE IN FUND BALANCE	(5,398,078)	(15,356,822)	(12,520,530)	2,836,292	(18%)

DEPARTMENTAL BUDGET SUMMARY

The Department's Recommended Budget for FY2012/13 represents an overall decrease of \$2,498,278, or 10%, in Revenues and an increase of \$338,014, or 4%, in Appropriations when compared to the FY2011/12 Adopted Budget.

The primary factors contributing to the significant changes are:

Revenues:

- Decrease of \$1,024,949 in Operating Transfers In is primarily due to lower projected wages subject to pension rate contribution.
- Decrease of \$1,404,101 in Long-term Debt Proceeds. This is only a budgetary entry necessary to account for the deficit Fund Balance created from the early redemption of the Pension Obligation Bonds. The budget deficit is being addressed through future rate recovery charges from the County departments.

Appropriations:

- Net increase of \$367,535 in Other Charges, as a result of an increase in Bond Redemption requirements per the POB's debt service schedule, partially offset by a decrease in interest charges.

SUMMARY OF SIGNIFICANT ADJUSTMENTS

None.

FUNCTION AND RESPONSIBILITY

This budget unit serves as the conduit for the principal and interest payments for the 2002 Certificates of Participation (COP). The 2002 Certificates of Participation were issued for the construction of the County Administration Center, the Probation Facility, improvements to the Central Utility Plant, and the Library in Fairfield.

In February 2007, a portion (85.2%) of the 2002 COP's was refinanced due to lower interest rates. However, due to the prepayment restrictions, the proceeds from the refinancing are being held in an escrow account until the 2002 COP's are refunded after November 1, 2012, the call date.

The Auditor-Controller is responsible for administering the debt service on the 2002 Certificates through the date of redemption, November 1, 2012. Debt service payments are financed from: 1) Courthouse Temporary Construction Fund; 2) Accumulated Capital Outlay Fund; and 3) General Fund.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	2,155	1,300	1,000	(300)	(23%)
Charges For Services	0	0	1,671	1,671	0%
Other Financing Sources	2,992,150	3,156,490	3,139,929	(16,561)	(1%)
TOTAL REVENUES	2,994,305	3,157,790	3,142,600	(15,190)	(0%)
APPROPRIATIONS					
Services and Supplies	4,643	6,953	8,700	1,747	25%
Other Charges	3,122,765	3,151,990	3,133,900	(18,090)	(1%)
TOTAL APPROPRIATIONS	3,127,408	3,158,943	3,142,600	(16,343)	(1%)
CHANGE IN FUND BALANCE	133,103	1,153	0	(1,153)	(100%)

DEPARTMENTAL BUDGET SUMMARY

The Department's Recommended Budget of \$3,142,600 represents an overall decrease of \$15,190, or 0.5%, in Revenues and a decrease of \$16,343, or 0.5%, in Appropriations when compared to the FY2011/12 Adopted Budget.

The primary revenue sources consist of Operating Transfers In as follows:

- \$399,331 from the Courthouse Construction Fund.
- \$900,000 from the Accumulated Capital Outlay Fund.
- \$1,840,598 from the General Fund.

The appropriations reflect the principal and interest payments, fees and permits, and accounting and financial services charges due in FY2012/13.

SUMMARY OF SIGNIFICANT ADJUSTMENTS

None.

FUNCTION AND RESPONSIBILITY

This budget unit is the conduit for the principal and interest payments for the 2007 Certificates of Participation (COP). Due to the prepayment restrictions, the proceeds from the 2007 COP are being held in an escrow account until the 2002 COP are refunded after November 1, 2012, the call date. The proceeds of the 2007 COP will be used to pay the refunded portion of the County of Solano 2002 Certificates of Participation.

The 2007 COP were issued to refund the 2002 COP at a lower rate of interest, resulting in interest savings to the County of about \$2.9 million in present value dollars over the term of the bonds. The 2002 Certificates of Participation were issued to finance the construction of the County Administration Center, the Probation Facility, improvements to the Central Utility Plant and the Library in Fairfield.

The Auditor-Controller is responsible for administering the debt service on the 2007 COP through the date of redemption on November 1, 2032. Debt service payments are financed through Operating Transfers In from Public Facilities Fees, the General Fund, the Library, the Recorder, the Road Fund, and the 2% Building Use Allowance charged to the departments residing in the County Administration Center and the Probation buildings.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Intergovernmental Rev Other	110,000	104,000	0	(104,000)	(100%)
Charges For Services	1,749,930	1,716,212	1,634,450	(81,762)	(5%)
Other Financing Sources	3,035,074	2,995,760	3,180,206	184,446	6%
TOTAL REVENUES	4,895,004	4,815,972	4,814,656	(1,316)	(0%)
APPROPRIATIONS					
Services and Supplies	2,690	5,000	5,000	0	0%
Other Charges	4,800,731	4,810,972	4,809,656	(1,316)	(0%)
TOTAL APPROPRIATIONS	4,803,421	4,815,972	4,814,656	(1,316)	(0%)
CHANGE IN FUND BALANCE	(91,583)	0	0	0	0%

DEPARTMENTAL BUDGET SUMMARY

The Department's Requested Budget of \$4,814,656 represents a minimal decrease of \$1,316 in both, Revenues and Appropriations when compared to the FY2011/12 Adopted Budget.

This budget's revenues originate from two sources:

- \$3,180,206 in Operating Transfers In as follows:
 - \$508,287 from the Library Fund.
 - \$170,000 from the Road Fund.
 - \$203,881 from the Recorder Fund.
 - \$980,588 from the General Fund.
 - \$586,054 from the Public Facilities Fees - Public Protection.
 - \$731,396 from the Public Facilities Fees - General Government.
- \$1,634,450 from a 2% Building Use Allowance allocated to departments residing in the County Administration Center and the Probation buildings.

Appropriations reflect the principal and interest payments, accounting and financial services, and Countywide Administrative Overhead charges due in FY2012/13.

SUMMARY OF SIGNIFICANT ADJUSTMENTS

None.

FUNCTION AND RESPONSIBILITY

This budget unit serves as the conduit for the principal and interest payments for the 2009 Refunding Certificates of Participation. The proceeds of the 2009 Certificates of Participation (COP) were used to redeem the 1999 Refunding Certificates of Participation.

The 1999 Certificates of Participation (COP) were used to acquire a 4.89-acre parcel of undeveloped land to construct the Health and Social Services Administration Building adjacent to the Solano Park Health Facility and to defease the 1994 Certificates of Participation.

The Auditor-Controller is responsible for administering the debt service on the 2009 Certificates through maturity on November 15, 2019. Debt service payments are financed through Operating Transfers In from Health and Social Services and Public Facilities Fees.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	595	402	200	(202)	(50%)
Other Financing Sources	2,476,366	2,564,960	2,517,988	(46,972)	(2%)
TOTAL REVENUES	2,476,960	2,565,362	2,518,188	(47,174)	(2%)
APPROPRIATIONS					
Services and Supplies	3,836	3,501	3,297	(204)	(6%)
Other Charges	2,515,843	2,561,861	2,514,891	(46,970)	(2%)
TOTAL APPROPRIATIONS	2,519,679	2,565,362	2,518,188	(47,174)	(2%)
CHANGE IN FUND BALANCE	42,719	0	0	0	0%

DEPARTMENTAL BUDGET SUMMARY

The Department’s Recommended Budget of \$2,518,188 represents an overall decrease of \$47,174, or 2%, in Revenues and Appropriations when compared to the FY2011/12 Adopted Budget.

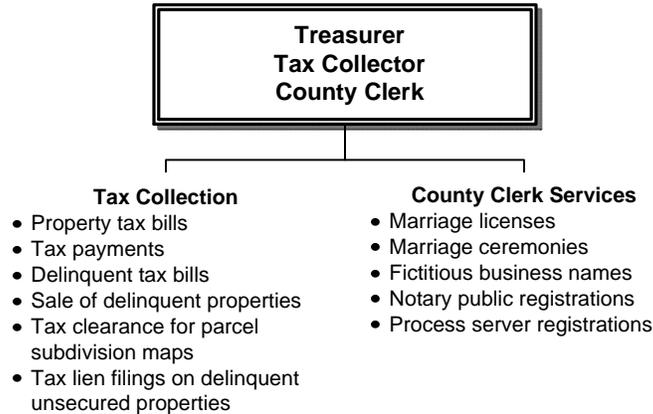
Revenues come from Operating Transfers In from Health & Social Services and Public Facilities Fees:

- \$2,367,988 from Health and Social Services
- \$150,000 from Public Facilities Fees (H&SS function)

The appropriations reflect the principal and interest payments, accounting and financial services, and Countywide Administrative Overhead charges due in FY2012/13.

SUMMARY OF SIGNIFICANT ADJUSTMENTS

None.



DEPARTMENTAL PURPOSE

Headed by an elected official, the Divisions of the Tax Collector and of the County Clerk are mandated by Sections 24000 and 24009 of the California Government Code. The duties and responsibilities of the Divisions are further mandated by sections 274000 - 27401 and 268001 - 26863 of the California Government Code. In Solano County, the Divisions of the Tax Collector, County Clerk and Treasurer are a combined countywide elected position.

The Tax Collector collects real and personal property taxes on behalf of various tax-levying entities in Solano County. This revenue is then distributed to the tax-levying agencies as funding they can use to provide essential services to the residents of Solano County.

The County Clerk has a four-fold mission:

- Issue a variety of Official Public Records, including marriage licenses and fictitious business names;

- Register all professional Photocopiers, Process Servers, Unlawful Detainer Assistants and Legal Document Assistants;
- Administer Public Notary Oaths of Office and Deputy Oaths of Office; and
- File, maintain and verify a variety of documents, schedules and official reports for public view.

In addition, the County Clerk conducts wedding ceremonies as a service to the community.

Budget Summary:	
FY2011/12 Third Quarter Projection:	2,012,340
FY2012/13 Recommended:	1,898,507
County General Fund Contribution:	882,589
Percent County General Fund Supported:	46.5%
Total Employees (FTEs):	10

FUNCTION AND RESPONSIBILITIES

The Tax Collector is responsible for billing and collecting more than one hundred and forty thousand secured, supplemental, and unsecured tax bills. The Division carries out these responsibilities through its tax bill issuance and collection process, a process which provides all taxing agencies fully or partially within Solano County one of their primary sources of discretionary revenues. The Division’s activities are funded primarily through property tax administration fees paid by agencies for tax collection.

The County Clerk is responsible for issuing marriage licenses and other official documents. The Division carries out these responsibilities primarily through its official documents customer service counter.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

- Maintain service levels despite a 31% reduction in staffing.
- Completed migration to electronic cash letter depositing, a process whereby checks are imaged and delivered to the bank electronically. The result is a reduction in handling expenses and check depositing costs, while expediting the receipt of funds to which the County is entitled. Based on the number of checks deposited and the cost savings per check, it is estimated that this change will save the County \$7,000 annually in direct costs and provide additional indirect benefits in the

form of increased interest income and reduced transportation costs.

- In conjunction with cash letter depositing, the Tax Division, working with the Department of Information Technology, has implemented an automated data verification process called “live look up.” Live look up enables Tax Division staff to process check payments through the new remittance system and have the payment information verified against the property tax system in real time, thereby providing a significant improvement in processing time and accuracy.
- Expanded the use of the Documentum™ electronic imaging system to reduce physical record storage requirements.
- Working in conjunction with Human Resources and the CAO, the Tax Collector Division has developed and begun implementation of a back office support shared resource program. This program allows employees who have developed expertise in certain back office support functions to efficiently provide their services to multiple County departments.
- Staffing reductions had impacted service levels to a degree that forced the temporary suspension of the conducting of marriage ceremonies. In recognition of the importance of this service to the community, the County Clerk Division has been restructured in such a way as to allow for use of extra help employees to be utilized as Deputy Commissioners of Civil Marriage who will perform ceremonies on site. All costs associated with this change will be recovered through charges for the services provided.
- Issued an RFP for tax bill printing that will result in the implementation of improved technology at a reduced cost to the County.
- Conducted a successful tax sale for defaulted 104 defaulted properties that resulted in the collection of more than 3 million dollars in delinquent taxes.
- Implemented desk top check imaging to replace \$100,000 in processing equipment that had reached the end of its effective useful life. The equipment replacement cost was approximately 25% of the cost of the original equipment and has improved office efficiency as a result.
- Implemented a self-help kiosk to be used in the development of more advanced self-service channels.

WORKLOAD INDICATORS

- In FY2011/12, the Tax Collector – County Clerk issued and processed payments and collections on 146,521 property tax bills; the Division estimates handling around 147,000 in FY2012/13.
- During the same period, the Tax Collector – County Clerk issued 1,686 marriage licenses and 2,048 fictitious business name statements, with expectations to issue approximately 1,600 marriage licenses and 2,000 fictitious business names in FY2012/13.

1300 – Fund 001-Tax Collector/County Clerk
Charles Lomeli, Tax Collector/County Clerk
Finance

Functional Area Summary

DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2010/11 ACTUAL	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
TAX COLLECTOR	293,168	802,000	835,043	33,043	4 %
COUNTY CLERK	194,236	165,000	180,875	15,875	10 %
TOTAL REVENUES	487,404	967,000	1,015,918	48,918	5 %
APPROPRIATIONS					
TAX COLLECTOR	1,955,727	1,895,660	1,717,632	(178,028)	(9) %
COUNTY CLERK	148,111	177,326	180,875	3,549	2 %
TOTAL APPROPRIATIONS	2,103,838	2,072,986	1,898,507	(174,479)	(8) %
NET COUNTY COST					
TAX COLLECTOR	1,662,558	1,093,660	882,589	(211,071)	(19) %
COUNTY CLERK	(46,125)	12,326	-	(12,326)	(100) %
NET COUNTY COST	1,616,433	1,105,986	882,589	(223,397)	(20) %
STAFFING					
TAX COLLECTOR	9	8	8	0	0 %
COUNTY CLERK	2	2	2	0	0 %
TOTAL STAFFING	11	10	10	0	0 %

DEPARTMENTAL BUDGET SUMMARY

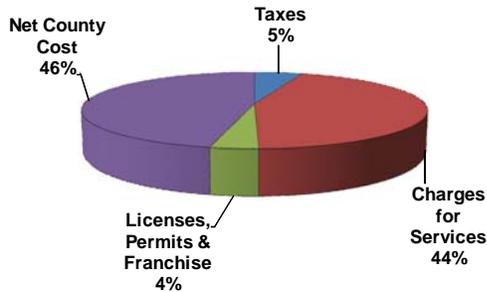
The Recommended Budget for the Tax Collector/County Clerk’s Division of \$1,898,507 represents an overall increase of \$48,918, or 5%, in Revenues, and a decrease of \$174,479, or 8%, in Appropriations when compared to FY2011/12 Adopted Budget. As a result, Net County Cost is decreased by \$223,397, or 20%.

DEPARTMENT COMMENTS

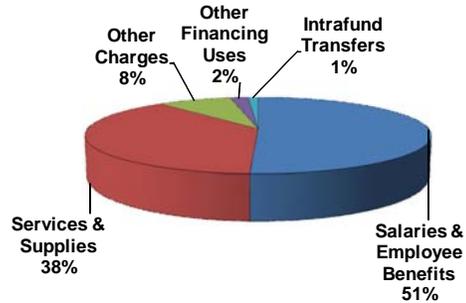
The Tax Collector/County Clerk plans to explore and implement additional operational efficiencies and technology initiatives to reduce operating costs and/or improve customer service. An example of the cost-reducing technology initiatives is the on-line payment system implemented in FY2010/11 which has made it more convenient for taxpayers to pay property taxes by allowing them to do it on-line; at the same time, it has provided taxpayers more payment options, such as the use of ACH and credit cards. The resulting decrease of approximately 8,000 units in the number of payments being made in person or via the mail has reduced staff’s workload.

In FY2012/13, the County Clerk is expecting to utilize the existing kiosk for marriage license data entry to expedite marriage license issuance. The Tax Collector also anticipates the implementation of a touch screen kiosk and portal that will allow a greater ease of use for the public.

SOURCE OF FUNDS



USE OF FUNDS



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Taxes	106,400	125,000	100,000	(25,000)	(20%)
Licenses, Permits & Franchise	74,378	65,000	73,000	8,000	12%
Charges For Services	265,489	777,000	842,918	65,918	8%
Misc Revenue	41,138	0	0	0	0%
TOTAL REVENUES	487,405	967,000	1,015,918	48,918	5%
APPROPRIATIONS					
Salaries and Employee Benefits	1,028,814	987,082	961,380	(25,702)	(3%)
Services and Supplies	761,671	850,526	724,632	(125,894)	(15%)
Other Charges	247,561	183,204	153,939	(29,265)	(16%)
Other Financing Uses	44,897	39,968	37,378	(2,590)	(6%)
Intra-Fund Transfers	20,894	12,206	21,178	8,972	74%
TOTAL APPROPRIATIONS	2,103,838	2,072,986	1,898,507	(174,479)	(8%)
NET COUNTY COST	1,616,433	1,105,986	882,589	(223,397)	(20%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

The Department has two major functions, Tax Collection and County Clerk Services. Some changes of note follow:

Tax Collection

- **Assessment and Tax Collection Fees:** For FY2012/13, the budgeted sum of \$680,718 represents an increase of \$60,718 in revenues from Property Tax Admin Fees (PTAF) when compared to the FY2011/12 Adopted Budget. PTAF is directly related to the cost of collecting property taxes, and is paid by recipient agencies collecting revenues via the property tax apportionment process. All agencies cover their costs with the exception of the County and School Districts, which are specifically exempted by section 41000 of the California Education Code.
- **Revenues from Penalties:** The FY2012/13 Recommended Budget sum of \$100,000 reflects a decrease of \$25,000, anticipated because of the transitioning of a number of delinquent tax payers to either impound accounts imposed upon them by their mortgage company, or by the mortgage company completing the foreclosure process and assuming responsibility for the timely payment of property taxes. Due to the economic downturn and its impact on the housing market, revenues from Penalties have continued dropping, from \$189,170 in FY2007/08 to the anticipated \$100,000 in FY2012/13,
- **Other Charges for Services:** The \$50,000 included in the FY2012/13 Recommended Budget shows an increase of \$5,000, primarily as a result of more financial and tax-servicing companies purchasing delinquency information.

County Clerk Services

- Clerk’s Fees: The FY2012/13 Recommended Budget sum of \$107,875 shows an increase in Revenues of \$7,875 due mainly to an anticipated slight increase in filings of fictitious business name statements.
- Software Maintenance and Support: One-time costs associated with the purchase of on-line marriage license software is increasing the County Clerk’s Appropriations by \$10,000 in FY2012/13, to be offset by operational efficiencies that allow improved customer service by freeing up approximately 80 FTE hours per year, thereby allowing the investment to provide cost recovery in an estimated 2.5 years.

Primary Cost Drivers

The Department has two primary cost drivers: labor costs and central data processing (CDP) charges:

- Total Salary and Benefit expenses of \$961,380 reflects a reduction of 3% from the FY2011/12 Adopted Budget as a result of a higher paying position being replaced with a lower paid one upon employee turnover, and lower costs for benefits following changes in labor costs.
- Charges from the Department of Information Technology (DOIT) for Central Data Processing and Solano County Integrated Property system (SCIPS) of \$378,144 and \$53,117 respectively are determined based on departmental costs to maintain, provide and support the Department’s data processing services and SCIPS. These charges are \$97,361 less than the FY2011/12 Adopted Budget amounts.

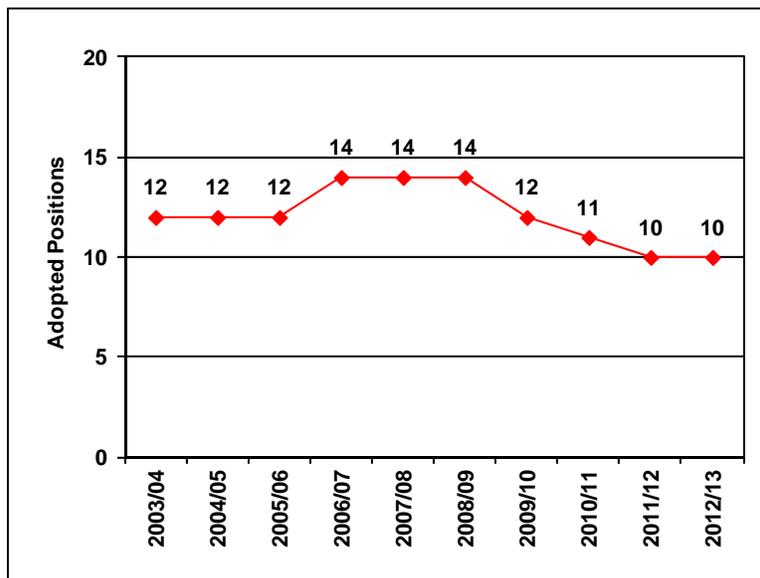
Included in the costs for Tax Collector operations is \$48,000 for contracted services with Dataprose™ for the printing and mailing of property tax bills. This function is mandated by statute and was outsourced in 2003 as a cost-saving measure. The Division estimates it would require at least one FTE position and \$20,000 in one-time costs to bring the function in-house.

County Clerk costs are driven by labor costs associated with providing county clerk services. The County Clerk’s Recommended Budget includes \$10,000 for the purchase of software enabling the on-line entry of marriage license application information. The goal is to place the burden of data entry work on the applicants, thereby freeing staff to provide additional customer service.

SUMMARY OF POSITION CHANGES

None.

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

None.

**1300 – Fund 001-Tax Collector/County Clerk
 Charles Lomeli, Tax Collector/County Clerk
 Finance**

Functional Area Summary

DETAIL BY REVENUE AND APPROPRIATION OTHER ADMINISTERED BUDGETS	2010/11 ACTUAL	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
1350 TREASURER	936,859	1,117,315	1,001,586	(115,729)	(10) %
APPROPRIATIONS					
1350 TREASURER	936,858	1,117,315	1,001,586	(115,729)	(10) %
NET CHANGE					
1350 TREASURER	-	-	-	-	- %

A summary of the budgets administered by the Tax Collector/County Clerk’s Office is provided on the following pages.

DEPARTMENTAL PURPOSE

Headed by the elected Treasurer as prescribed in Government Code §27000, the Division of the Treasurer is responsible for managing funds not needed for immediate use, as mandated by sections 24000 and 24009 of the California Government Code. The duties and responsibilities are further mandated by sections 27000 - 27137 of the Code. In Solano County, the County Treasurer function is combined with the County Tax Collector-County Clerk as one Countywide elected position.

FUNCTION AND RESPONSIBILITY

The Treasurer is responsible for receiving and safely investing all funds belonging to the County, school districts, and special districts within the county and all other monies directed by law to be paid out of the Treasury. The Treasurer is also designated as the County's fiduciary expert in the area of debt issuance. The Division manages over \$600 million in funds not immediately needed for use by County, local school districts and other local agencies participating in the Pool.

The Treasurer serves on the County's Debt Advisory Committee and Pension Oversight Committee, and provides fund management on all debt proceeds.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

- Eliminated the Treasury oversight committee freeing up resources and saving approximately \$7,000 annually.
- Maintained a rating of AA+ by Standard and Poor's, a Nationally Recognized Statistical Rating Organization who conducts a thorough analysis of the Treasury Pool on a monthly basis to measure and disclose risks.
- Audited by the County Auditor-Controller on an at least quarterly basis with no significant findings.
- Implemented Check 21, a means of depositing checks to the bank in a secure manner and at a reduced cost, by converting them to images.
- Hosted a seminar for the new CAO team to meet the County's external financial consultants and bond counsel, during which a review of all of the County's outstanding debt was conducted to determine if any refinancing opportunities were available. Provided support to the Tax Division to execute the annual auction of tax defaulted properties.
- Added new reports and other information to the County website that provide a complete picture of the Treasury Pool down to the individual security level, thereby increasing transparency for Pool depositors and the public.
- Working in conjunction with the Solano County Office of Education and the Solano Community College, coordinated the arrangement of \$48 million in bridge loan financings that allowed local education to continue uninterrupted.
- Arranged for \$72 million of Treasury loans to schools in the upcoming fiscal year
- Worked in conjunction with the Solano Community College on the submission of a Qualified Energy Conservation Bond Application for up to \$16 million in financing for 2.5 Mw of solar projects to be located on the various campuses of the college.
- Continued to diversify and actively invest the Treasury portfolio to maximize returns within established and acceptable risk parameters.
- Continued research and development of alternative energy financing mechanisms including multiple Property Assessed Clean Energy models and Community Choice Aggregation.
- Worked with the Department of Information Technology on the expanded use of electronic payments within the County.

WORKLOAD INDICATORS

During the period of July 1, 2011 – June 30, 2012, the Treasurer anticipates processing 8,500 deposit permits, and expects to process around 8,600 in FY2012/13.

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget for the Treasurer's Division of \$1,001,586 represents an overall decrease of \$115,729, or 10%, in Revenues and \$115,729, or 10%, in Appropriations when compared to the FY2011/12 Adopted Budget. In accordance with

Government Code 27013 the Treasurer’s Division is funded by a portion of the interest earnings from funds under management, and therefore has no Net County Cost.

DEPARTMENT COMMENTS

The Treasurer plans to explore and implement additional operational efficiencies and technology initiatives to reduce operating costs and/or improve customer service. An example of the cost-reducing technology initiatives is the expanded use of Check 21 image depositing for departments other than the Tax Department. The Treasurer has also strived to develop a streamlined process for arranging statutory lending to the schools in an effort to maximize efficiency and reduce disruptions for all involved parties.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Charges For Services	934,204	1,113,815	999,111	(114,704)	(10%)
Misc Revenue	2,655	3,500	2,475	(1,025)	(29%)
TOTAL REVENUES	936,859	1,117,315	1,001,586	(115,729)	(10%)
APPROPRIATIONS					
Salaries and Employee Benefits	387,825	383,197	363,686	(19,511)	(5%)
Services and Supplies	327,544	496,400	419,325	(77,075)	(16%)
Other Charges	51,912	66,714	47,149	(19,565)	(29%)
F/A Equipment	0	5,000	0	(5,000)	(100%)
Other Financing Uses	16,929	16,141	15,832	(309)	(2%)
Intra-Fund Transfers	152,649	149,863	155,594	5,731	4%
TOTAL APPROPRIATIONS	936,858	1,117,315	1,001,586	(115,729)	(10%)
NET CHANGE	(0)	0	0	0	0%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

The Treasurer’s costs are driven by labor costs, banking expenses, and central data processing charges. Salary and Benefits are projected at \$363,686, reflecting a decrease of \$19,511, or 5%, from the previous fiscal year, mainly due to differential savings resulting from the retirement of an Accounting Clerk III in April 2011 and the under filling of the vacancy with an Accounting Clerk I, in addition to lower costs for benefits following changes in labor costs.

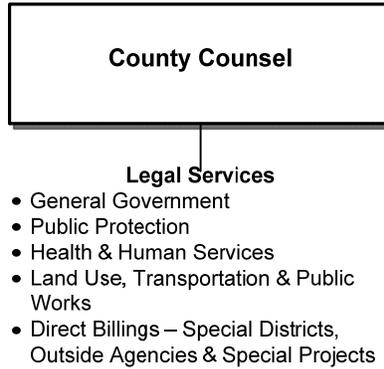
Appropriations for banking costs of \$257,500 are determined by usage in terms of the number and amount of items passing through the Treasury bank accounts. The Treasury anticipates some savings from the adoption of cash letter image deposits in the Tax Division. The Treasury is also anticipating a reduction of \$40,000 in budgeted software expenses to reflect the cost of purchases in FY2011/12 and payment for ongoing maintenance in subsequent years.

SUMMARY OF POSITION CHANGES

None.

PENDING ISSUES AND POLICY CONSIDERATIONS

None.



DEPARTMENTAL PURPOSE

The Office of County Counsel was created by statute under Government Code sections 26526, 26529 and 27640. The Office provides both discretionary and mandated legal services to more than 150 separate areas of County responsibility, including all of its elected and appointed officials, officers, departments, boards, commissions and committees. It also serves most special districts and agencies within the County, including the Rural North Vacaville Water District, the Solano Transportation Authority, Solano County Transit (SolTrans), the Solano County Office of Education and several school districts.

Budget Summary:	
FY2011/12 Third Quarter Projection:	3,285,568
FY2012/13 Recommended:	3,254,136
County General Fund Contribution:	597,253
Percent County General Fund Supported:	18.4%
Total Employees (FTEs):	17.55

FUNCTION AND RESPONSIBILITIES

The broad scope of the Office of County Counsel affects matters of great importance to the operation of County government in areas relating to labor and employment issues, real estate development contracts, purchasing contracts, public works projects, law enforcement policies and procedures, planning and environmental matters, public finance, tax assessment and collection, child protection, public health and safety, civil litigation, and other matters of great interest to the citizens of Solano County.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

- The Office’s legal services and the legal demands it handles are diverse and complex and the demand for legal support has increased.
- The Office continued to generate annual billable hours for legal services in excess of the annual productive hour standard of 1,720 hours per attorney by 30.7%. The standard for annual productive hours was established by the Auditor-Controller’s Office.

WORKLOAD INDICATORS

- In FY2010/11, the Office’s 13 attorneys billed a total of 29,227 hours for legal services; estimated billable hours for FY2011/12 are 30,100 hours (includes one limited term attorney).
- In FY2011/12, the Department provided in excess of 100 employee hours of training and workshops to County personnel [CPS procedures, contracts and personnel policies and procedures] and public officials [Brown Act].

Dennis Bunting, County Counsel
General Counsel

DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2010/11 ACTUAL	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
LEGAL SERVICES	3,894,078	2,917,801	2,633,796	(284,005)	(10) %
TOTAL REVENUES	3,894,078	2,917,801	2,633,796	(284,005)	(10) %
APPROPRIATIONS					
LEGAL SERVICES	3,121,074	3,261,169	3,254,136	(7,033)	(0) %
TOTAL APPROPRIATIONS	3,121,074	3,261,169	3,254,136	(7,033)	(0) %
NET COUNTY COST					
LEGAL SERVICES	(773,004)	343,368	620,340	276,972	81 %
TOTAL NET COUNTY COST	(773,004)	343,368	620,340	276,972	81 %
STAFFING					
LEGAL SERVICES	17.75	16.55	17.55	1	6 %
TOTAL STAFFING	17.75	16.55	17.55	1	6 %

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget for FY2012/13 of \$3,254,136 represents an overall decrease of \$284,005, or 10%, in Revenues and a minimal decrease of \$7,033 in Appropriations when compared to the FY2011/12 Adopted Budget. As a result, Net County Cost is increased by \$276,972.

The primary funding sources for County Counsel are charges for legal services provided to County departments that are reimbursed through the Countywide Cost Allocation Plan (A-87), and fees direct-billed to outside agencies and certain non-General Fund County departments. Expenditures that are not offset by revenues become General Fund costs.

The Office projects Countywide Administrative Overhead (A-87) revenues of \$1,666,658, which reflects a significant reduction of \$301,143, or 15.3%, from the FY2011/12 Adopted Budget. The sharp drop can be attributed to efforts by County departments to balance their budgets by reducing expenditures, including the utilization of legal services when feasible. Although County Counsel, as a central service department, recovers net operating costs from user departments through the Countywide Cost Allocation Plan, there are certain legal services provided to County departments, such as the Board of Supervisors, that are non-reimbursable under the provisions of 2 CFR Part 225 (formerly OMB Circular A-87). These unreimbursed expenditures remain General Fund costs.

The primary outlays for County Counsel are for labor costs. Appropriations for salaries and benefits for FY2012/13 are projected at \$2,839,289, a decrease of \$21,630, or 1%, from the FY2011/12 Adopted Budget, reflecting negotiated employee benefit concessions and no appropriation requested for Extra Help, since the Office added a 1.0 FTE Limited Term Deputy County Counsel II in FY2011/12.

DEPARTMENT COMMENTS

The Solano County Bar Association and the Board of Supervisors have recognized the unique and quality services that the Office of County Counsel provides. Clients rely on the skills and experience of staff. The attorneys' workloads far exceed the productive hour standards of 1,720 hours as calculated by the County Auditor-Controller. Yet, the demand for services remains unchanged as reflected in the billable hours. Billable hours for attorneys in the Office have over the past 3 years exceeded productive hour standards by 30.7%. This extra ordinary effort is expected to continue in FY2012/13.

County Counsel continues to experience a significant increase in the number of complex contested matters in Child Protective Services (CPS). In FY2010/11, the Office billed 4,257.75 hours, more than a 15% increase over FY2009/10. The mandated obligation to respond to writs and appeals filed in the appellate court remains problematic, with the Office preparing responses

Functional Area Summary

1400 – Fund 001-County Counsel
Dennis Bunting, County Counsel
General Counsel

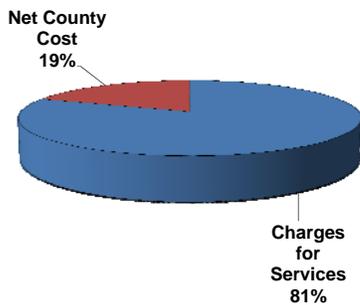
to 34 writs and appeals through mid-March in FY2011/12. This compares to 30 writs and appeals filed altogether in FY2010/11. The hiring of a full time, limited term attorney greatly reduced the stress on the three senior attorneys assigned to handle this difficult and time consuming commitment.

Furthermore, the lingering deep recession continues to adversely affect Solano County's real property values. The sudden and significant decrease in property values dramatically increased the number of assessment appeals filed with the Assessment Appeals Board (Board). As legal counsel to the Assessor and to the Board, the Office's workload has seen a corresponding increase. In FY2011/12, the Office billed 181.75 hours to the Assessor and 79.25 hours to the Board, or 261 hours for both, compared to 153.25 and 91.50 hours, respectively, or 243.75 hours for both in FY2010/11. The Office is reimbursed for the legal services provided in relation to these appeals from property tax administration fees.

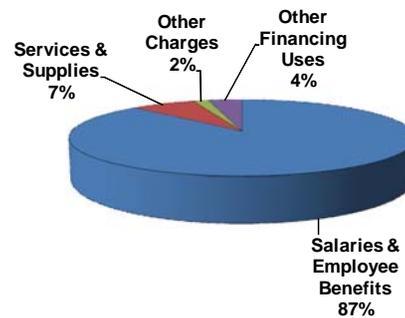
To offset the declining demand for legal services from internal County departments, the Office continues to offer its expertise and legal services to outside governmental agencies. In FY2010/11, the Office successfully expanded its scope by contracting to serve as legal counsel to the Solano Transportation Authority and to SolTrans, and securing a legal services agreement with the United States Air Force to provide legal services by acting as mental health hearing officers, conducting certification hearings at Travis Air Force Base, and providing certification trainings for base mental health personnel. These engagements represent meaningful independent revenues for the Office.

While the overall demand for legal services remains high, mainly due to additional engagements from outside agencies, the Office voluntarily reduced its secretarial staff allocations in the past two years to meet budgetary constraints created by the County's on-going fiscal challenges. The remaining support staff absorbed the workload.

SOURCE OF FUNDS



USE OF FUNDS



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Charges For Services	3,893,850	2,917,801	2,633,796	(284,005)	(10%)
Misc Revenue	227	0	0	0	0%
TOTAL REVENUES	3,894,078	2,917,801	2,633,796	(284,005)	(10%)
APPROPRIATIONS					
Salaries and Employee Benefits	2,749,085	2,860,919	2,839,289	(21,630)	(1%)
Services and Supplies	210,614	203,692	230,703	27,011	13%
Other Charges	55,186	57,490	54,064	(3,426)	(6%)
Other Financing Uses	129,360	131,845	121,178	(10,667)	(8%)
Intra-Fund Transfers	(23,171)	7,223	8,902	1,679	23%
TOTAL APPROPRIATIONS	3,121,074	3,261,169	3,254,136	(7,033)	(0%)
NET COUNTY COST	(773,004)	343,368	620,340	276,972	81%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

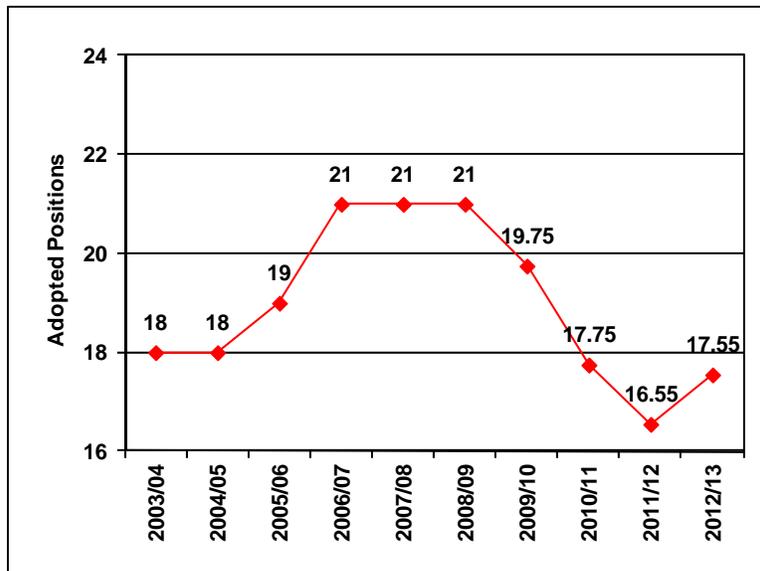
After years of growth, A-87 revenues recovering legal support costs from billable clients are projected to continue to decline in FY2012/13 as County departments continue to reduce their demand for legal services. It is anticipated that this will be the trend in future years until a sustained economic recovery is realized and revenues start increasing towards their pre-recession levels, while demands for legal services have required the reassignment of existing legal staff. Successful efforts by the Office in securing outside revenue sources have partially mitigated revenue loss from internal clients.

SUMMARY OF POSITION CHANGES

A change in County Counsel’s position allocation from the FY2011/12 Adopted Budget is provided below:

- In January 2012, the Office hired a 1.0 FTE limited term Deputy County Counsel II to address the CPS appellate case load. This position terminates on December 31, 2012, unless extended by the Board.

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

None.



Human Resources Services

- Organizational Development & Training
- Employee Benefits
- Equal Employment Opportunity (EEO)
- Recruiting & Classification
- Employment Relations

DEPARTMENTAL PURPOSE

The Department provides centralized administrative support services to assist other County departments in addressing the Board’s priorities in relation to the County’s workforce.

Budget Summary:	
FY2011/12 Third Quarter Projection:	2,674,046
FY2012/13 Recommended:	2,755,692
County General Fund Contribution:	437,604
Percent County General Fund Supported:	16%
Total Employees (FTEs):	17

FUNCTION AND RESPONSIBILITIES

The Department of Human Resources works to provide County departments with a well-qualified, trained workforce that reflects the diversity of the community, is appropriately classified and equitably compensated. The Department also develops and implements policies, procedures and programs that promote a positive and productive work environment.

The Department of Human Resources consists of the Administration, Employee Benefits, Civil Service Commission, Equal Employment Opportunity, Recruiting & Testing, Employee Relations, Risk Management, and the Employee Development and Recognition Divisions.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

During FY2011/12,

- Launched OrgPublisher software to create standardized org charts for all County departments and provided training to CAO staff and departments.
- Implemented “Brown Bag Lunch and Learn” series for supervisors and managers (jointly with Risk Management staff).
- Negotiated labor concessions achieving approximately \$1.7 million in savings to the General Fund.
- Established a pool of Solano County Mentors that are available to mentor staff in the County’s Mentoring Program.

WORKLOAD INDICATORS

During the period July 1, 2011 – February 29, 2012:

- Reviewed 7,475 job applications.
- Opened 78 recruitments and processed 291 requisitions.
- Conducted and responded to an increase number of formal discrimination complaints filed internally and externally.

DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2010/11 ACTUAL	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
HUMAN RESOURCES SERVICES	3,733,541	1,989,518	2,318,088	328,570	17 %
TOTAL REVENUES	3,733,541	1,989,518	2,318,088	328,570	17 %
APPROPRIATIONS					
HUMAN RESOURCES SERVICES	2,538,545	2,881,056	2,755,692	(125,364)	(4) %
TOTAL APPROPRIATIONS	2,538,545	2,881,056	2,755,692	(125,364)	(4) %
NET COUNTY COST					
HUMAN RESOURCES SERVICES	(1,194,995)	891,538	437,604	(453,934)	(51) %
TOTAL NET COUNTY COST	(1,194,995)	891,538	437,604	(453,934)	(51) %
STAFFING					
HUMAN RESOURCE SVCS	17.5	17	17	0	0 %
TOTAL STAFFING	17.5	17	17	0	0 %

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget for the Department of Human Resources of \$2,755,692 represents an overall increase of \$328,570 in revenues and a decrease of \$125,364 in expenditures when compared to the FY2011/12 Adopted Budget. As a result, Net County Cost is decreased by \$453,934.

The primary funding source for the Department of Human Resources (HR) is Administration Overhead of \$2,081,616 for reimbursements from County departments for their allocated share of costs for recruiting, classification, benefits administration and other HR functions provided by the Department. These revenues are projected to increase by \$318,134, or 18.0%, in FY2012/13. The higher revenues are due to the fiscal impact of the transfer of the Employee Benefits Division and its allocated administration overhead revenues to this budget unit. Due to timing, the fiscal impact of this change in the Cost Allocation Plan is reflected two years in arrears.

In addition, the Department also receives revenues from direct billed services to County departments. Estimated revenues for these services are \$65,000 in Other Charges for Services, and \$121,072 in Inter fund Services Provided to County Departments. These revenues are anticipated to remain flat in FY2012/13.

Primary costs for the Department are:

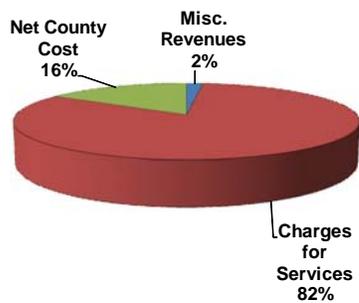
- Salary and benefits of \$2,083,449 which are projected to decrease by \$129,372, or 5.8%, as a net result of the following:
 - Elimination of \$223,570 in Deferred Compensation – County Match from this budget unit. These charges have been transferred directly to the respective budgets of affected departments. This change is effective in FY2012/13.
 - A \$50,681 reduction in retirement cost for FY2012/13 due to a change in EPMC.
 - An increase of \$108,755 in net changes in employee benefit and insurance costs and the elimination of budgeting salary savings.
 - Extra help costs are also projected to increase by \$38,124 to cover the costs of a part time staff to handle classification studies and special projects.
- Other Professional Services of \$249,750 which are projected to increase by \$27,500, or 12.4%, mainly due to a Board-directed compensation and classification study. These appropriations primarily cover the estimated FY2012/13 contract costs:
 - \$90,000 CalPERS health administration fees

- \$16,000 Third party administration fees for flexible spending account
 - \$9,000 PARS trust administrator expenses
 - \$6,000 Annual PARS actuarial study
 - \$18,000 OPEB actuarial study
 - \$6,750 for EEO specific training
 - \$40,000 for recruitment testing provided by Cooperative Personnel Services and bi-lingual testing by Language People
 - \$49,000 Board-directed Countywide compensation and classification study
 - \$10,000 shredding services, document imaging fees, and classification and compensation website fees
- Central data processing (CDP) charges of \$91,378 which are projected to decrease by (\$6,899) reflect the costs savings realized by the Department of Information Technology in reducing its operating costs. The savings are subsequently passed on to user departments through reduced rates.
 - Software maintenance and support costs of \$50,700 reflect an increase of \$6,200. These charges cover the contract costs with JobAps, the County’s applicant tracking system and the license for the Org Publisher software system, which accounts for the increase in this budget account.

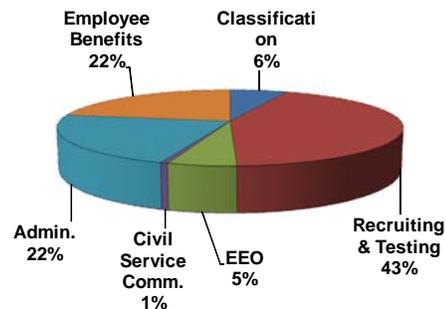
DEPARTMENT COMMENTS

None.

SOURCE OF FUNDS



USE OF FUNDS



1500 – Fund 001-Human Resources
Marc Fox, Director of Human Resources
Personnel

Functional Area Summary

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Charges For Services	3,722,500	1,939,168	2,267,688	328,520	17%
Misc Revenue	11,040	50,350	50,400	50	0%
TOTAL REVENUES	3,733,541	1,989,518	2,318,088	328,570	17%
APPROPRIATIONS					
Salaries and Employee Benefits	1,952,075	2,212,821	2,083,449	(129,372)	(6%)
Services and Supplies	412,929	491,797	500,202	8,405	2%
Other Charges	81,698	78,741	82,953	4,212	5%
Other Financing Uses	85,461	90,597	81,988	(8,609)	(10%)
Intra-Fund Transfers	6,383	7,100	7,100	0	0%
TOTAL APPROPRIATIONS	2,538,545	2,881,056	2,755,692	(125,364)	(4%)
NET COUNTY COST	(1,194,995)	891,538	437,604	(453,934)	(51%)

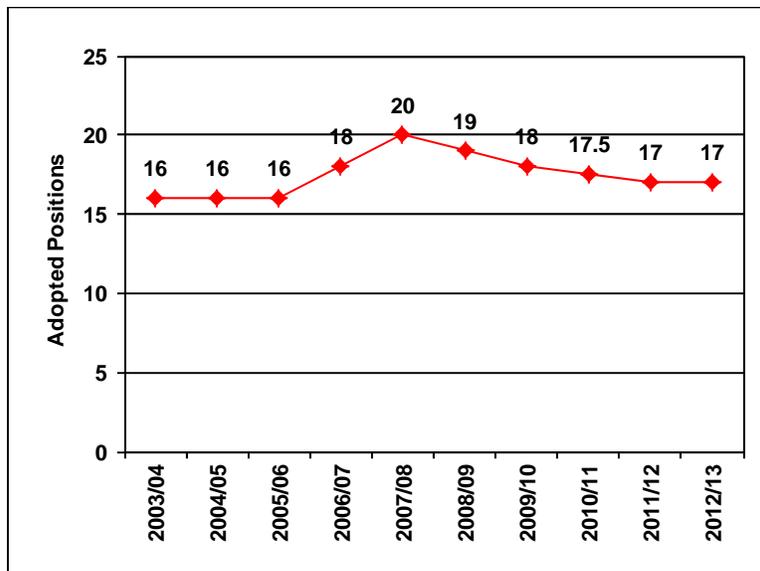
SUMMARY OF SIGNIFICANT ADJUSTMENTS

For FY2012/13, there is an increase of \$318,134 in A-87 cost plan cost recovery revenues.

SUMMARY OF POSITION CHANGES

None.

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

None.

Summary of Other Administered Budgets

**1500 – Fund 001-Human Resources
 Marc Fox, Director of Human Resources
 Personnel**

DETAIL BY REVENUE AND APPROPRIATION OTHER ADMINISTERED BUDGETS	2010/11 ACTUAL	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
1103 EMPLOYEE DEVELOP & RECOGNITION	596,327	670,864	397,905	(272,959)	(41) %
1830 RISK MANAGEMENT	12,037,439	14,894,084	12,120,484	(2,773,600)	(19) %
APPROPRIATIONS					
1103 EMPLOYEE DEVELOP & RECOGNITION	493,395	459,895	440,733	(19,162)	(4) %
1830 RISK MANAGEMENT	13,532,797	15,116,250	14,996,308	(119,942)	(1) %
NET CHANGE					
1103 EMPLOYEE DEVELOP & RECOGNITION	102,932	210,969	(42,828)	(253,797)	(120) %
1830 RISK MANAGEMENT	(1,495,358)	(222,166)	(2,875,824)	(2,653,658)	1,194 %

A summary of the budgets administered by the Human Resources Department is provided on the following pages.

1103 – Fund 001-Employee Development & Training Summary of Other Administered Budgets

**Marc Fox, Director of Human Resources
Legislative & Administration**

FUNCTION AND RESPONSIBILITY

The Employee Development and Recognition Program funds the County's Tuition Reimbursement Program and strives to provide departments with well-trained and motivated staff, promotes employee involvement in the accomplishment of the County's goals and objectives, and provides recognition to employees for exceptional service contributions to the County.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

- Internally developed and implemented Time Management Training based on employee responses to the Countywide Training Needs Assessment.

WORKLOAD INDICATORS

- 778 employees from 15 departments have been trained in Microsoft Office 2010 applications.
- Offered 41 professional development/training classes, excluding County-mandated sessions, to all County employees.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Charges For Services	546,327	670,864	397,905	(272,959)	(41%)
Misc Revenue	50,000	0	0	0	0%
TOTAL REVENUES	596,327	670,864	397,905	(272,959)	(41%)
APPROPRIATIONS					
Salaries and Employee Benefits	358,600	209,302	213,894	4,592	2%
Services and Supplies	123,845	238,706	212,153	(26,553)	(11%)
Other Charges	0	0	3,392	3,392	0%
Other Financing Uses	8,458	9,637	8,744	(893)	(9%)
Intra-Fund Transfers	2,491	2,250	2,550	300	13%
TOTAL APPROPRIATIONS	493,395	459,895	440,733	(19,162)	(4%)
NET COUNTY COST	(102,932)	(210,969)	42,828	253,797	(120%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

The Recommended Budget of \$437,341 reflects decreases of \$272,959, or 41%, in revenues and \$22,554, or 41%, in expenditures when compared to the FY2011/12 Adopted Budget. As a result, Net County Costs increased by \$250,405, or 118.7% for FY2012/13 reflecting an accounting change made in FY2010/11.

The primary funding source for this Division is Administration Overhead of \$317,045, for reimbursements from County departments for their allocated share of costs for training services provided by the Employee Development and Recognition Division. These revenues are estimated to decrease by \$268,351, or 45.8%, from the previous fiscal year mainly due to a reorganization that transferred the Employee Benefits Division and its associated Administration Overhead revenues from Employee Development and Recognition Division to Human Resources in FY2010/11. Due to timing, the fiscal impact of this change in the Cost Allocation Plan is reflected two years in arrears.

Other funding source includes Inter fund Services Provided – County of \$76,860. This is a reimbursement from the Department of Health and Social Services (HSS) for the costs of 1.0 FTE Office Assistant I that directly supports HSS training. These revenues are estimated to decrease by 1,358, or 1.7%, due to reductions in salary expenses associated with changes in employee benefit costs.

Primary costs for the Employee Development and Recognition Division are:

- Education and Training of \$84,000, which reflects a decrease of \$31,000, or 27%. This covers the costs of the following:
 - \$80,000 contract with Vacaville Unified School District for Microsoft Office 2010 training
 - \$3,000 for Share Point training

Summary of Other Administered Budgets 1103 – Fund 001-Employee Development & Training
Marc Fox, Director of Human Resources
Legislative & Administration

- \$1,000 for Organizational Development Officer/Training Officer training
- Tuition Reimbursements of \$60,000, which are set at the same level as last fiscal year, provide tuition reimbursements to employees in accordance with their specific collective bargaining agreement with the County.
- Computer Components of \$16,652 have also been included in the Recommended Budget to replace 10 obsolete computers in the County Administration Center (CAC) Computer Training Room per the County's refresh policy and purchase one scanner for training evaluation forms.

SUMMARY OF POSITION CHANGES

None.

FUNCTION AND RESPONSIBILITY

The Risk Management Division provides administrative support services to assist other County departments in addressing the Board's priorities relating to the management of the county's risk exposures. It is the goal of Risk Management to reduce the County's exposure to financial loss through the administration and management of the County's insurance and safety programs. Functioning as a service and consulting organization to

County departments, Risk Management develops and maintains programs to control losses.

Budget Summary:	
FY2011/12 Third Quarter Projection:	14,300,159
FY2012/13 Recommended:	14,996,308
County General Fund Contribution:	0
Percent County General Fund Supported:	0%
Total Employees (FTEs):	7

1821 Administration

This program oversees and directs the administration and management of the Liability and Workers' Compensation Programs; directs the administration and management of the Occupational Health Program; purchases commercial property insurance for County-owned and/or leased buildings, and purchases other insurance for specific risks associated with operations of various departments. This Division also oversees and directs the County's Compliance Program to prevent costly litigation, and to help ensure state and federal code and statute compliance.

1822 Liability

This program administers the County's Liability Insurance programs; monitors and directs administration of the program through the California State Association of Counties - Excess Insurance Authority (CSAC-EIA) Primary General Liability Insurance Program, Excess Liability Insurance Program, and Medical Malpractice Insurance Program; assists County Counsel with civil lawsuits; and manages County risks.

1823 Workers' Compensation and Safety

This program assists employees in filing claims; monitors and directs administration of the Workers' Compensation program through the County's self-insurance program; provides disability management services; implements Cal-OSHA mandated loss prevention and safety programs; administers the County's Occupational Health and Safety Program; and administers the County's Employee Wellness Program.

1824 Property

This program ensures that all County property is covered by adequate property casualty insurance.

1825 Unemployment

This Division provides unemployment insurance coverage for all County employees on a self-insured basis.

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget of \$14,996,308 reflects decreases of \$2,773,600, or 18.6%, in revenues and \$119,942, or 0.8%, in expenditures when compared to the FY2011/12 Adopted Budget. As a result, Fund Balance is decreased by \$2,653,658, or 1194.4%.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

- Implemented "Brown Bag Lunch and Learn" series for supervisors and managers (jointly with HR staff).
- Developed and implemented an online compliance training module.
- Conducted RFP for Workers' Compensation third party administrator contract and recommended change in provider.

WORKLOAD INDICATORS

- 7% increase in FMLA claims

Summary of Other Administered Budgets

- 20% increase in ergonomic evaluations
- 29% increase in workers' compensation claims
- 26% increase in ADA cases

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	129,083	130,000	92,000	(38,000)	(29%)
Charges For Services	11,640,487	14,619,084	11,845,484	(2,773,600)	(19%)
Misc Revenue	240,205	145,000	183,000	38,000	26%
Other Financing Sources	27,664	0	0	0	0%
TOTAL REVENUES	12,037,439	14,894,084	12,120,484	(2,773,600)	(19%)
APPROPRIATIONS					
Salaries and Employee Benefits	774,893	708,802	726,599	17,797	3%
Services and Supplies	12,349,406	14,021,068	13,935,489	(85,579)	(1%)
Other Charges	374,449	355,757	307,726	(48,031)	(14%)
Other Financing Uses	34,049	30,623	26,494	(4,129)	(13%)
TOTAL APPROPRIATIONS	13,532,797	15,116,250	14,996,308	(119,942)	(1%)
NET GAIN(LOSS)	(1,495,358)	(222,166)	(2,875,824)	(2,653,658)	1194%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

1822 Liability

The primary funding source for the Liability Division of \$4,594,951 from charges to user departments for their allocated share of liability insurance costs. These revenues are estimated to increase by \$1,375,315, or 41.3%, when compared to last fiscal year. For FY2012/13 the Department will use some of the higher accrued Fund Balance to offset the cost of liability insurance for departments as a one year savings to departments.

Other Revenue of \$183,000 is received from the Department of Health and Social Services as reimbursement for malpractice insurance payments paid on its behalf. It reflects a \$38,000 increase due to the higher malpractice insurance costs.

The primary costs for liability are:

- Insurance – Cost of \$3,627,000, an increase of \$819,784, or 29.2%, due to insurance higher rates. Included are:
 - Primary Liability Insurance of \$1,120,000
 - Excess Liability Insurance of \$2,294,000
 - Pollution Liability Insurance of \$11,000
 - SLIP - \$4,000
- Insurance Claims of \$450,000 for primary liability insurance payments under the \$10,000 deductible limit is projected to remain at the same level as last fiscal year.
- Malpractice Insurance of \$183,000, showing an increase of \$38,000, due to higher rates.

1823 Workers' Compensation and Safety

The primary funding source for the Workers Compensation Division is from charge back to user departments for their allocated share of workers compensation insurance. These revenues are estimated to decrease by \$1,275,000, or 15.7%, when compared to last fiscal year for a total recovery in FY2012/13 of \$6,630,000. The decrease for FY2012/13 is due to the use of

one-time fund balance available in workers compensation insurance. This results in a savings of \$795,000 to user departments for FY2012/13.

Primary costs are:

- Insurance – Other of \$2,031,000 with an increase of \$246,000 due to higher rates. Included are:
 - Excess workers Insurance Compensation of \$1,896,000
 - Department of Industrial Relations - \$135,000
- Insurance Claims of \$3,825,038, reflect a decrease of \$745,877 due to lower anticipated payouts for self-insured workers insurance compensation claims.
- Other Professional Services of \$1,133,449, cost have slightly increased by \$12,934, to cover the contract costs of the following:
 - Workers Compensation Third Party Administration Fees - \$500,000
 - Occu-Med contract - \$135,000
 - Reimbursement to the Department of Health and Social Services for Occupational Health staff costs - \$453,449
 - California Industrial Hygiene for indoor air quality evaluations - \$45,000
- Psychological Evaluation Service of \$110,000 with a decrease of \$25,000 for the costs of psychological testing for Probation employees being charged directly to the department.

1824 Property

The primary funding source for the Property Insurance Division costs of \$420,533 is derived from charges to user departments for their allocated share of property insurance expenses. These revenues are estimated to decrease by \$678,266, or 61.7%, when compared to last fiscal year. The use of fund balance to offset a portion of FY2012/13 costs of property insurance for departments has been included in the Recommended Budget. This results in savings of \$850,690 to user departments for FY2012/13.

Primary costs are:

- Insurance – Other of \$1,086,310 reflects an increase of \$180,742 due to higher rates, as follows:
 - Property Insurance – \$1,066,000
 - Bond Insurance - \$10,800
 - Airport Liability Insurance - \$6,000
 - Watercraft Insurance - \$3,000
- Insurance Claims of \$150,000 to reimburse Fleet Management for the costs of repairing County-owned vehicles damaged in accidents or vandalism, and County departments for deductibles for property insurance claims.

1825 Unemployment

The primary funding source for the Unemployment Insurance Division cost recovery from departments through rates allocated based on number of employees and past claim experience. The County Administrator recommends the use of available fund balance in unemployment insurance to address costs in FY2012/13. This will result in FY2012/13 savings of \$1,594,528 to user departments for unemployment insurance costs.

SUMMARY OF POSITION CHANGES

- 1.0 FTE Office Assistant III deleted on November 13, 2011 pursuant to Resolution 2011-276.



Elections

- Voter Registration
- Election Administration
- Redistricting Coordination
- Voter Information
- Candidate Information
- Campaign Disclosures
- Economic Interest
- Initiatives / Petitions

DEPARTMENTAL PURPOSE

The Registrar of Voters (ROV) is a Division of the Department of Information Technology charged with conducting fair and impartial federal, state, local and school elections as mandated by the Constitutions of the United States and the State of California, the State of California Elections Code, Government Code, Education Code, Health & Safety Code, and the Water Code.

Budget Summary:	
FY2011/12 Third Quarter Projection:	3,791,520
FY2012/13 Recommended:	3,480,775
County General Fund Contribution:	3,271,775
Percent County General Fund Supported:	94.0%
Total Employees (FTEs):	10

FUNCTION AND RESPONSIBILITIES

There are six established election dates over a two-year election cycle. Elections are scheduled in Solano County in June and November every year, and may be scheduled in April in even years, and March in odd years. Mail ballot elections may be conducted in May and August of each year as well as in March of even-numbered years. Special, initiative, referendum, recall, and school bond elections are not limited to the regular election dates.

Costs for federal, state, and county elections are borne by the County, while the other jurisdictions (cities, schools and special districts) reimburse the County for the cost of conducting their elections. State special elections may be reimbursed at the discretion of the Legislature and Governor.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

- Conducted the November 2011 Uniform Districts Election with revenue over \$80,000 higher than estimated. Continued to rely on extra-help staff to partially compensate for the decrease in FTE staff. Successfully deployed electronic roster to half of county precincts in November 2011.
- There will be 33% fewer experienced full-time staff for the FY2012/13 elections, making it more difficult to fully prepare for elections. Additionally, with the retirement of the Assistant Registrar of Voters, remaining staff will need to assume additional responsibilities to successfully conduct the Presidential General Election in November.
- As schools close, for financial and other reasons, and other polling places decide they no longer want to host precinct boards, the task of finding a sufficient number of convenient accessible polling places will become more difficult. State requirements for surveying polling places – and potential polling places – for accessibility puts additional demands on fewer staff.
- Redistricting resulted in major shifts to precincts and voters therein but it also provided an opportunity to create precinct maps that better reflect where precinct boundaries actually are. Water districts continue to provide shifting targets that vary from year to year, making static maps impossible. Also, the Solano Community College and Fairfield-Suisun Joint Unified School Districts are moving to electing trustees by division; this will need to be accommodated in very short order between the June primary and November 2012 general elections.

- New databases were implemented for conflict of interest (Form 700) filers and campaign disclosure filing. As these are integrated into the flow of ROV workloads, they will become more valuable.

WORKLOAD INDICATORS

- ROV staff processed 35,879 voter file transactions in the 2011 calendar year. Voter registration increased 1% to 200,075. There were 7,517 voters added while 2,030 moved out-of-county or became inactive; the remainder were changes to existing records.
- The November 2011 districts election continued the trend of increased vote-by-mail (VBM) turnout. While ROV prepared for a large turnout, voters largely ignored the election resulting in an overall turnout of 26.9% with 52,152 voters out of 193,944 participating. VBM voters made up 76% of the turnout. Approximately 53% of voters are permanent VBM voters. Roughly two out of three new registrations elect to be permanent VBM voters. Also, there are nearly 5,000 voters in mail ballot precincts.
- During 2011, ROV received, filed, and made available to the public nearly 1,000 Statements of Economic Interests (FPPC Form 700) and financial disclosure documents from over 130 campaign filers.

DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2010/11 ACTUAL	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
ELECTIONS	534,145	826,034	209,000	(617,034)	(75) %
TOTAL REVENUES	534,145	826,034	209,000	(617,034)	(75) %
APPROPRIATIONS					
ELECTIONS	2,792,844	4,239,609	3,480,775	(758,834)	(18) %
TOTAL APPROPRIATIONS	2,792,844	4,239,609	3,480,775	(758,834)	(18) %
NET COUNTY COST					
ELECTIONS	2,258,699	3,413,575	3,271,775	(141,800)	(4) %
TOTAL NET COUNTY COST	2,258,699	3,413,575	3,271,775	(141,800)	(4) %
STAFFING					
ELECTIONS	12	10	10	0	0 %
TOTAL STAFFING	12	10	10	0	0 %

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget of \$3,480,775 for ROV represents decreases of \$617,034 or 75%, in Revenues and \$758,834, or 18%, in Appropriations when compared to FY2011/12 Adopted Budget. As a result, the Net County Cost is decreased by \$141,800.

ROV primarily depends on the General Fund. To the greatest extent permitted by law, ROV costs are billed to the entities participating in a given election. Generally, federal and state election costs are borne by the County. FY2012/13 has one scheduled election, the November 2012 Presidential Election. Costs for this election will be partially offset by revenue from participating districts.

The decrease in revenues is primarily due to anticipated increased costs to be borne by the County in conducting the November 2012 Presidential Election. The decrease in expenditures is due to:

Labor costs reflect a decrease of \$81,526, largely due to decreases in extra-help staffing needed for one election as compared to two elections in FY2011/12, and reductions in the costs of employee benefits from labor cost changes.

Services and Supplies decreased \$670,511 also due to there being only one scheduled election in FY2012/13 versus the two scheduled elections in FY2011/12. In addition, one of the Department’s goals in FY2011/12 was to evaluate printing vendors’ costs and services. As a result, the County saved approximately \$20,000 for the November 8, 2011 election and anticipates additional savings for the June 5, 2012 election. The total FY2012/13 appropriation for Services and Supplies of \$1,875,179 includes Contracted Services of \$105,283 for election support services.

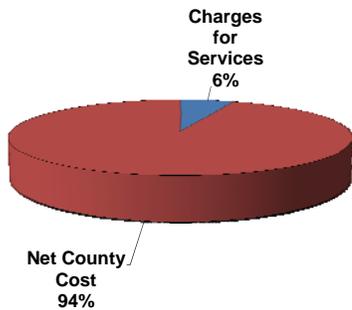
In an effort to reduce the number of ballots printed, the Department proposes to purchase two “ballot on demand” printers for \$51,540. These fixed assets would allow ROV to order the number of vote-by-mail and precinct ballots that are anticipated more than 30 days before the election but then print only the number of vote-by-mail ballots actually “ordered” by voters within 30 days of the election and will replace two printers acquired in 2004.

DEPARTMENT COMMENTS

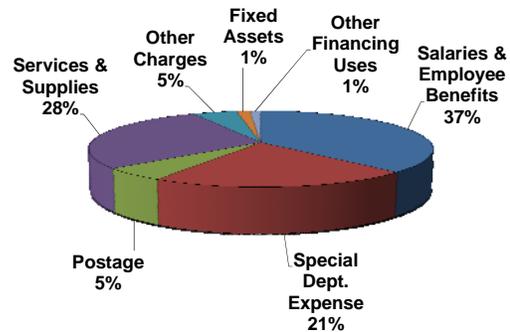
The Department’s FY2012/13 budget includes expansion of extra-help positions to accommodate the longer training period necessary for new extra-help, new laws being implemented and a higher turnout expected for the Presidential General Election. In addition, ROV has expanded personnel used for polling places for the 2012 General Election.

In January 2012 the Board authorized building improvements to support the vote-by-mail processing area on the sixth floor of the County Administration Center. The project was recently completed, in time for the June 2012 election. This processing area is expected to significantly improve ROV’s operation by centralizing the processing of returned VBM ballots within a single controlled environment with the necessary space to separate incoming VBM ballots from outgoing VBM ballots. In addition, the new location provides for a secure election process.

SOURCE OF FUNDS



USE OF FUNDS



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Intergovernmental Rev State	34,956	33,009	4,000	(29,009)	(88%)
Charges For Services	499,168	793,025	205,000	(588,025)	(74%)
Misc Revenue	22	0	0	0	0%
TOTAL REVENUES	534,145	826,034	209,000	(617,034)	(75%)
APPROPRIATIONS					
Salaries and Employee Benefits	1,159,214	1,382,549	1,301,023	(81,526)	(6%)
Services and Supplies	1,180,023	2,545,690	1,875,179	(670,511)	(26%)
Other Charges	386,133	224,549	168,474	(56,075)	(25%)
F/A Equipment	0	0	51,540	51,540	0%
Other Financing Uses	44,226	45,565	40,859	(4,706)	(10%)
Intra-Fund Transfers	23,248	41,256	43,700	2,444	6%
TOTAL APPROPRIATIONS	2,792,844	4,239,609	3,480,775	(758,834)	(18%)
NET COUNTY COST	2,258,699	3,413,575	3,271,775	(141,800)	(4%)

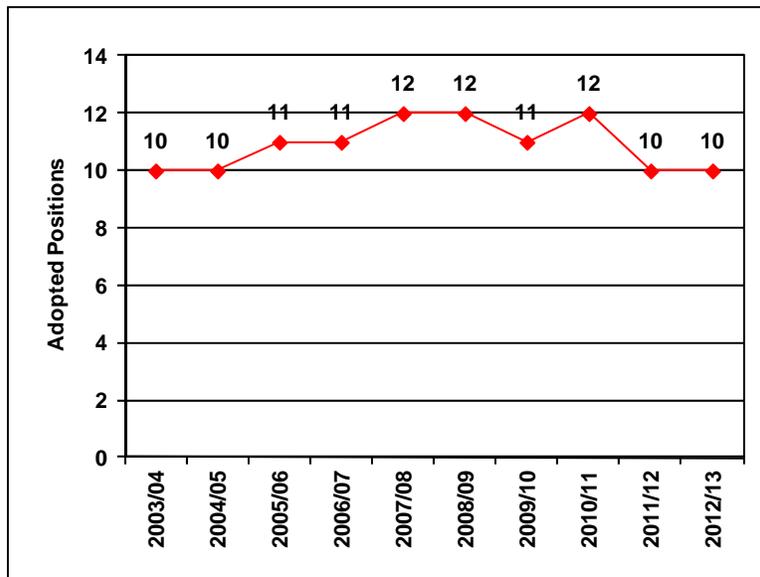
SUMMARY OF SIGNIFICANT ADJUSTMENTS

The decrease in Net County Cost is primarily due to only one scheduled election in FY2012/13, to be held on November 6, 2012, with some expenses distributed across multiple jurisdictions. In FY2011/12, there were two scheduled elections.

SUMMARY OF POSITION CHANGES

There are no position changes from the FY2012/13 Adopted Budget.

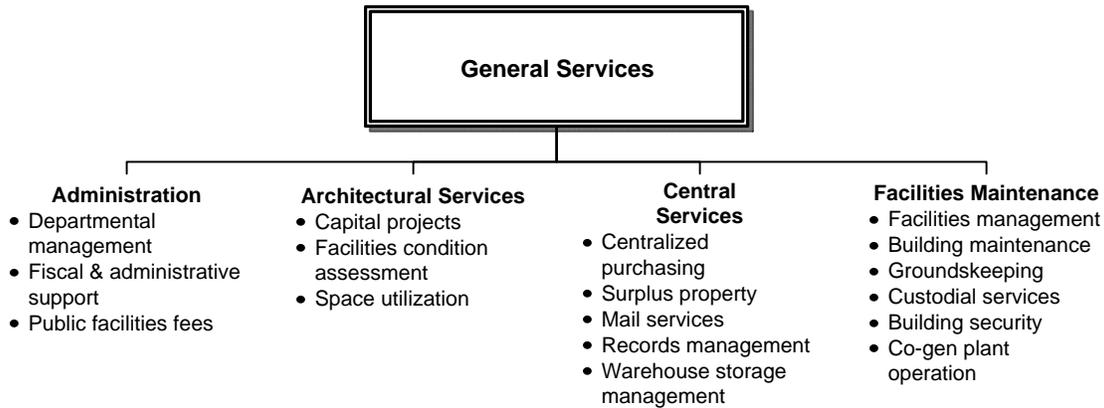
STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

- The elimination of SB 90 funding for permanent vote-by-mail costs will reduce revenues and increase school district costs by approximately 25%. Current law requires that counties submit SB 90 claims on behalf of school districts; however, with state reimbursement ending, the districts will be charged by the County for those costs.

- The Board of Supervisors has adopted a legislative position supporting acceptance of vote-by-mail ballots postmarked on or before Election Day but received after Election Day. Several bills have been introduced on this topic. There is no consensus among local election officials about the desirability of this concept other than the longer the period ballots are accepted, the more election integrity is jeopardized, as is timely completion of the canvass.
- A county-initiated move to develop online voter registration before 2012 was successful but state implementation is not targeted until July 2012 at the earliest. This will allow people with a California driver's license to complete a registration affidavit from a computer terminal. The DMV, if successful in finding the person's record, would return the person's signature to the County. In states where online registration has been implemented and used during an election cycle, as many as 85% of the people registering did so online. This holds great promise for offsetting staff reductions and ROV's reliance on extra-help during peak registration periods.
- On June 8, 2010, California voters approved Proposition 14, which created a "top two" or "open" primary election system. The passage of this proposition changed how the primary election for state constitutional offices, state legislative offices and U.S. congressional offices are conducted in California. These offices are now known as "voter-nominated" offices. All candidates running, regardless of their party preference, will appear on a single election ballot for the June 2012 election. The top two candidates receiving the most votes, regardless of party, will advance to the November 2012 election. The Department's FY2012/13 budget may need to be revisited once the Department has experienced this new process in conjunction with the anticipation of a higher voter turnout for the November Presidential Primary.
- In 2011, the United State Post Office developed a cost-saving plan in an effort to cope with the rapid decline in mail volume over the past ten years. The plan included the closure of several mail processing facilities nationwide, eliminating Saturday delivery, slowing first-class mail delivery, and renegotiating union contracts. The Senate and Assembly Committees have asked USPS to impose a six-month moratorium on the closures to ensure continued timely delivery of ballots through the November general election. USPS is expected to make a decision on the closure plan soon. The closures may result in a delay in the receipt of vote-by-mail ballots and election materials.
- A bill has been introduced in Congress that would eliminate the Election Assistance Commission (EAC). Created by the HAVA in 2002, the EAC has funded the replacement of voting systems throughout the country. It was also burdened by excessively high expectations and a lack of presidential and congressional support. Millions of dollars allocated for states were not used by the states (California has received all funds allocated and applied for) and Congress wants to use those funds to reduce the budget deficit. This will likely mean new voting systems are less likely to be developed as there are few states and counties with funds available to buy new systems and equipment.



DEPARTMENTAL PURPOSE

To provide our customers with a variety of reliable, quality, innovative services that promote a clean, safe and healthy place to live, learn, work and play.

Budget Summary:	
FY2011/12 Third Quarter Projection:	14,032,551
FY2012/13 Recommended:	13,947,974
County General Fund Contribution:	3,139,853
Percent County General Fund Supported:	22.5%
Total Employees (FTEs):	78.6

FUNCTION AND RESPONSIBILITIES

Administration

Sets departmental policies and procedures and monitors for compliance, provides financial administration and fiscal control, manages personnel and payroll, responsible for the operations of the County Events Center, and administers the County's capital projects and departmental budgets.

Architectural Services

Leads capital improvement planning and development of new and existing County facilities by providing architectural, engineering, and project construction management services.

Central Services

Provides support services to County departments, including purchasing and/or procurement, surplus property management and disposal, mail and courier services, and records management services.

Facilities Operations

- Facilities Maintenance

Provides comprehensive facilities management services, including project planning and implementation for non-complex construction projects; assists with capital project development and implementation; maintains HVAC systems; and provides building maintenance, for roofing, plumbing, electrical, keying, signage, masonry and carpentry services. In addition, Facilities Operations oversees the County's energy management functions, monitors utility usage, delivers conservation and renewable energy projects, and operates the County's Cogeneration Plan.

- Grounds Maintenance

Maintains turf areas, shrubs, trees and other elements associated with landscaping for County-owned property and provides litter removal for County parking lots in Fairfield and Vallejo.

- Custodial Services

Provides in-house custodial services for County-owned/occupied buildings and County-leased facilities whose agreements do not provide for such services.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

Accomplishments

- Performed architectural design, and project management services to complete 25 projects, which resulted in savings by not hiring consultants to perform these same services. *(Architectural)*
- Inventoried vacant space in County-owned facilities, managed relocation of County programs to County-owned space, and developed cost-modeling to determine cost-efficiencies and relocation effectiveness. *(Architectural)*
- Self-performed professional design services on 28 projects including feasibility studies, code analyses, construction documentation, permit drawings, and/or project/construction management. *(Architectural)*
- Recognized through a plaque of achievement by the U.S. Communities Government Purchasing Alliance and the National Institute of Governmental Purchasing for outstanding efforts and savings through participation in cooperative purchasing programs. *(Central Services)*
- Increased revenue of surplus sales by 53% and expect to exceed revenue projections by over \$40,000. This will enable Central Services to return over \$100,000 to the County General Fund. *(Central Services)*
- Introduced Managed Print Services concepts and issued an RFP in an effort to effectively manage the County's print output, reduce costs of printed material, and increase efficiency. *(Central Services)*
- Resumed maintenance responsibilities of 69,000 square feet of office space at the 355 Tuolumne Street facility following the completion of the building modernization as part of the Twin Campus Project *(Facilities Operations)* and assumed site management for the Fouts Springs Youth facility in 2011.

Challenges

- The four functions under Central Services, including surplus property, mail/couriers, records management and purchasing are located currently in four separate locations throughout Fairfield. In addition, Record Management's secure storage facility in leased space at 815 Chadbourne Road in Fairfield is nearing 96% capacity and due to expire September 30, 2014. The geographical separation of Divisional functions and potential need for additional storage space make it difficult to maximize reduced staffing resources to meet service demands. *(Central Services)*
- Increased maintenance activity is anticipated in the Jail Facilities as a result of increased population at the Claybank Jail due to relocation of state prisoners to the County facilities. The increased workload will place further strain on resources within Facilities Operations. *(Facilities Operations)*

WORKLOAD INDICATORS

Administrative Division

- In FY2011/12 processed 90 personnel actions, 2,392 timesheets for field staff, and scheduled 429 mandated and over 50 non-mandated trainings for over 89 employees. In addition, as part of the departmental training program, the personnel unit assisted 25-30 employees with one-on-one online training (3+ courses each – from login to completion) to bring staff up to date on mandated training.
- Managed the cost accounting and reporting requirements for 46 capital projects in FY2011/12 and monitored 76 associated contracts at a value of over \$44 million.

Architectural Services Division

- Managed 46 capital projects in FY2011/12 with a cumulative total project value of approximately \$115 million.

Michael J. Lango, Director of General Services**Other General**

- Developed a comprehensive Space Utilization Program and documented 683,000 gross square feet of space within 15 County-owned and leased facilities to plan and implement modifications to increase space efficiency.
- Implemented space consolidation projects have resulted in 13,708 gross square foot reduction in leased space yielding \$497,000 in annual savings to the County.
- Completed 95% construction of the new \$19,071,635 million, 35,000 gross square foot two-story William J. Carroll Government Center project in Vacaville to improve delivery of health and social services in an underserved area of the County.

Central Services Division

- In FY2010/11, processed 1,346 purchase orders; from July 1, 2011 – March 2012.
- In FY2010/11, issued and processed 45 Invitation for Bids (IFB) and Request for Proposals (RFP); and from July 1, 2011 – March 7, 2012, issued and processed 40 IFBs and RFPs.
- Maintains 22,940 boxes of official records under the County's Records Management Program.
- Planned, coordinated, and executed 142 moves of county staff and equipment from July 1, 2011 through March 15, 2012.

Facilities Operations

- Produced over 15 million kilowatt/hours of electricity from the County's cogeneration plant and photovoltaic Facilities in the last 12 months of service (February 2011 – February 2012). This represents 52% of the County's building electrical consumption and oversaw the overhaul of two of the generators in the plant.
- Executed 7,900 work order requests for the period of April 27, 2011 through April 26, 2012 for the maintenance, operations and improvements of 73 County owned and occupied facilities encompassing over 2 million square feet of space and 100 improved acres of land.

Functional Area Summary

DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2010/11 ACTUAL	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
ADMINISTRATION	914,863	463,532	326,964	(136,568)	(29) %
ARCHITECTURAL SERVICES	1,032,116	821,424	598,436	(222,988)	(27) %
CENTRAL SERVICES	2,001,666	1,538,585	1,444,623	(93,962)	(6) %
FACILITIES MAINTENANCE	<u>11,676,007</u>	<u>8,538,606</u>	<u>8,438,098</u>	<u>(100,508)</u>	<u>(1) %</u>
TOTAL REVENUES	15,624,652	11,362,147	10,808,121	(554,026)	(5) %
APPROPRIATIONS					
ADMINISTRATION	1,115,655	1,125,015	1,250,402	125,387	11 %
ARCHITECTURAL SERVICES	1,293,997	1,219,754	809,389	(410,365)	(34) %
CENTRAL SERVICES	1,716,455	1,762,867	1,712,195	(50,672)	(3) %
FACILITIES MAINTENANCE	<u>10,357,680</u>	<u>10,355,272</u>	<u>10,175,988</u>	<u>(179,284)</u>	<u>(2) %</u>
TOTAL APPROPRIATIONS	14,483,787	14,462,908	13,947,974	(514,934)	(4) %
NET COUNTY COST					
ADMINISTRATION	200,792	661,483	923,438	261,955	40 %
ARCHITECTURAL SERVICES	261,881	398,330	210,953	(187,377)	(47) %
CENTRAL SERVICES	(285,210)	224,282	267,572	43,290	19 %
FACILITIES MAINTENANCE	<u>(1,318,328)</u>	<u>1,816,666</u>	<u>1,737,890</u>	<u>(78,776)</u>	<u>(4) %</u>
TOTAL NET COUNTY COST	(1,140,865)	3,100,761	3,139,853	39,092	1 %

STAFFING					
ADMINISTRATION	7	7	9	2	29 %
ARCHITECTURAL	7	6	5	(1)	(17) %
CENTRAL SERVICES	13	10	10	0	0 %
FACILITIES MAINTENANCE	<u>59</u>	<u>53</u>	<u>54.6</u>	<u>2</u>	<u>3 %</u>
TOTAL STAFFING	86	76	78.6	1	1 %

DEPARTMENTAL BUDGET SUMMARY

The Department's Requested Budget of \$13,947,974 reflects decreases of \$554,026 or 4.9%, in revenues and \$514,934, or 3.6%, in expenditures when compared to the FY2011/12 Adopted Budget. As a result, Net County Cost is increased by \$39,092, or 1.3%.

DEPARTMENT COMMENTS

In FY2012/13, the following are significant projects that will have fiscal and operational impacts on the County:

Countywide Space Consolidation Program – the Department, along with other departments, is actively identifying ways to reduce building related expenditures in County-owned and leased facilities. The program is a focused and collaborative effort to evaluate program needs and space requirements within the context of technology initiatives, streamlined operations, and reduced fiscal resources. The goals are to reduce facility related costs. The primary goals of the Space Consolidation Program are:

- Provide the Board of Supervisors and County Administrator with qualified and financially feasible recommendations for the effective use and management of County facilities.
- Provide County departments with the most efficient and least expensive way to manage space needs and facilities related operational costs.
- Identify and implement opportunities to increase revenue from surplus real property

Michael J. Lango, Director of General Services
 Other General

- Space Consolidation efforts in FY 2011/12 generated approximately \$400,000 in one-time revenues through sale of surplus property, a reduction in County maintained space of 40,727 gross square feet and an estimated annual savings of \$497,000 through lease terminations.

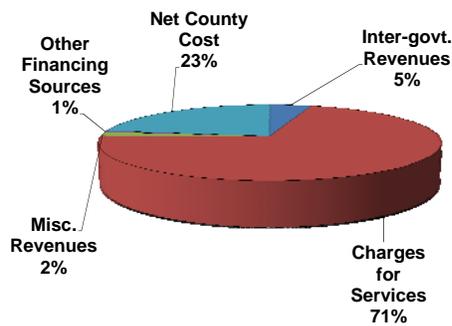
Animal Care Services Facility – the Department, working with the Sheriff’s Office, is determining the scope of services that the Shelter should provide for consideration and approval by the County and its seven city partners. Based on those approved services, a feasibility analysis for renovation/expansion of Animal Care Facilities at the existing Claybank site in Fairfield will be developed. The current facility is inadequate in terms of its capacity to meet existing requirements for animal care services. The physical condition of the shelter is deteriorating, with a growing number of more serious maintenance issues occurring at increased frequency, which require costly repairs.

During the period of July 1, 2011 to June 30, 2012, the cost of operations for the Facilities Operations Division was \$5.24 per square foot. This is equal to \$0.44 per square foot per month and is 28% below the industry average.

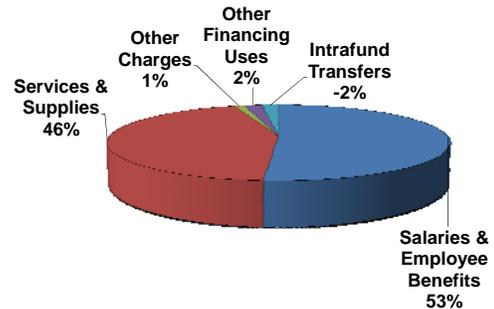
During the same period, the overall maintenance staffing ratio for Facilities Operations was 63,000 square feet per FTE and the Custodial staffing ratio was 42,000 square feet per FTE. These ratios, given current staffing levels, are 15% and 36% below industry average, respectively.

Since FY2010/11 Administrative Overhead (A-87) Revenue has decreased \$4,100,042 which is a direct result of reductions in department expenditures.

SOURCE OF FUNDS



USE OF FUNDS



Functional Area Summary

**1117 – Fund 001-General Services
Michael J. Lango, Director of General Services
Other General**

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	26,977	27,650	23,650	(4,000)	(14%)
Intergovernmental Rev State	638,873	569,000	601,000	32,000	6%
Intergovernmental Rev Federal	0	112,319	0	(112,319)	(100%)
Intergovernmental Rev Other	36,660	34,799	34,799	0	0%
Charges For Services	14,386,206	10,452,804	9,833,902	(618,902)	(6%)
Misc Revenue	389,813	112,075	234,520	122,445	109%
Other Financing Sources	145,182	53,500	80,250	26,750	50%
Residual Equity Transfers	942	0	0	0	0%
TOTAL REVENUES	15,624,652	11,362,147	10,808,121	(554,026)	(5%)
APPROPRIATIONS					
Salaries and Employee Benefits	7,510,090	7,353,682	7,413,313	59,631	1%
Services and Supplies	6,560,230	6,643,016	6,357,592	(285,424)	(4%)
Other Charges	379,458	440,656	161,168	(279,488)	(63%)
Other Financing Uses	311,083	300,627	281,940	(18,687)	(6%)
Intra-Fund Transfers	(277,074)	(275,073)	(266,039)	9,034	(3%)
TOTAL APPROPRIATIONS	14,483,787	14,462,908	13,947,974	(514,934)	(4%)
NET COUNTY COST	(1,140,865)	3,100,761	3,139,853	39,092	1%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

Administration

The Administration Division's share of Net County Cost reflects an increase of \$261,955, or 39.6%, when compared to last fiscal year. This change is primarily due to the net result of a \$138,668 decrease in revenues from Department Administration Overhead charges resulting from the transfers of the Animal Care Services Division and the Parks and Recreation Division to the Sheriff's Office and the Department of Resource Management, respectively, at the beginning of FY2011/12.

There is a The \$135,127 increase in salary expenses is the result of the transfers of 1.0 FTE Accountant position from the Architectural Services Division, and 1.0 FTE Office Assistant III positions from the Division of Real Estate Service to the Administration Division, as part of the consolidation of Departmental administration and fiscal services. Additional increase is attributable to the full year funding for the Department's Deputy Director position, which only had appropriations to cover the last six months in the FY2011/12 Adopted Budget.

Architectural Services

The Architectural Services Division's share of Net County Cost reflects a decrease of \$187,377 when compared to last fiscal year. This net change is primarily due to a \$222,988 net decrease in revenues from Charges for Services resulting from:

- Reduction in Division billable expenses due to the transfer of 1.0 FTE Accountant position to the Administration Division
- Revision of billing rates which resulted in lower rates used for direct billing charges to billable projects

The associated expenses of non-billable hours to projects in the current year will be recovered through the Cost Allocation Plan in FY2014/15

The \$410,365 decrease in total expenditures reflects a \$147,327 decrease in salary expenses due to the transfer of 1.0 FTE position to the Administration Division, savings in retirement and health insurance costs due to employee labor concessions, and lower rates for unemployment and workers compensation insurance. In addition there is a \$240,106 decrease in County Administration Overhead charges which was the result of overbilling in prior years. The new billing rates eliminate the reimbursements of excess direct billing charges which have caused these charges in prior years. As a central services activity, the Architectural Services Division should be generating Administration Overhead revenues through the Cost Allocation Plan.

Michael J. Lango, Director of General Services
Other General

Central Services

The Central Services Division's share of Net County Cost reflects an increase of \$43,290 when compared to FY2011/12.

The net change is primarily the result of an \$115,709 decrease in Administration Overhead revenues, offset by a decrease of \$56,663 reduction in salary expenses. The lower revenues reflect the decrease in the Division's operating costs that are being charged to user departments through the Cost Allocation Plan. The decrease in salary expenses is the result of savings in retirement and health savings costs from employee labor concessions.

Facilities Operations

The Facilities Operations Division's share of Net County Cost reflects a decrease of \$282,335 when compared to last fiscal year. This change is primarily the net result of an \$80,319 decrease in intergovernmental revenues due to the expiration of an \$112,319 lighting retrofit grant for the County Events Center (CEC) received last year, offset by a \$32,000 increase in revenues from the Courts for their share of the Co-Generation utility charges. The revenue loss from the lighting retrofit grant comes with a corresponding decrease in expenditures.

The \$228,474 decrease in expenditures is due mainly to a \$142,319 reduction in building maintenance and improvements due to the elimination of \$112,319 in expenditure for the CEC lighting retrofit, which was completed last year, and \$30,000 less in periodic building maintenance and improvement charges.

The Budget reflects a \$130,674 decrease in utility charges (gas and electricity) mainly due to lower natural gas prices. The lower prices translate to lower utility charges from Pacific Gas and Electric (PG&E) and decreased expenses for the County's bulk purchase of natural gas for its Co-Generation Plant. Energy use in County buildings is anticipated to remain at the same low level as last year because of anticipated mild winter and summer seasons. In addition there is a \$42,832 decrease in water charges due conservation measures implemented in grounds maintenance. These savings are realized in spite of a 7.02% increase in water rates.

Grounds Maintenance

The Grounds Maintenance Division's share of Net County Cost reflects an increase of \$41,283 when compared to last fiscal year. This is primarily the net result of the following offsetting decreases in revenues and expenditures which include a \$79,814 decrease in charges for services mainly due to lower Administration Overhead revenues from the Cost Allocation Plan as a result of reductions in the Division's allocated operating costs and a \$31,953 decrease in salary expenses from reduced overtime costs, lower retirement costs from employee labor concessions, and lower rates for workers compensation and unemployment insurance charges.

Custodial Services

The Custodial Services Division's share of Net County Cost reflects an increase of \$162,276 when compared to last fiscal year. The increase is the net result of a \$77,555 decrease in revenues from charges for services, mainly due to a \$194,402 reduction in Administration Overhead revenues from the Cost Allocation Plan, offset by an increase of \$116,847 in direct billed charges to user departments. The reduction in revenues from the Cost Allocation Plan reflects the lower allocated operating costs of the Division that are the results of the continuing cost reduction strategies implemented over the past few years. The increase in direct billed charges accounts for the additional custodial services that will be provided to the new William J. Carroll Government Center when it opens up in the Fall of 2012.

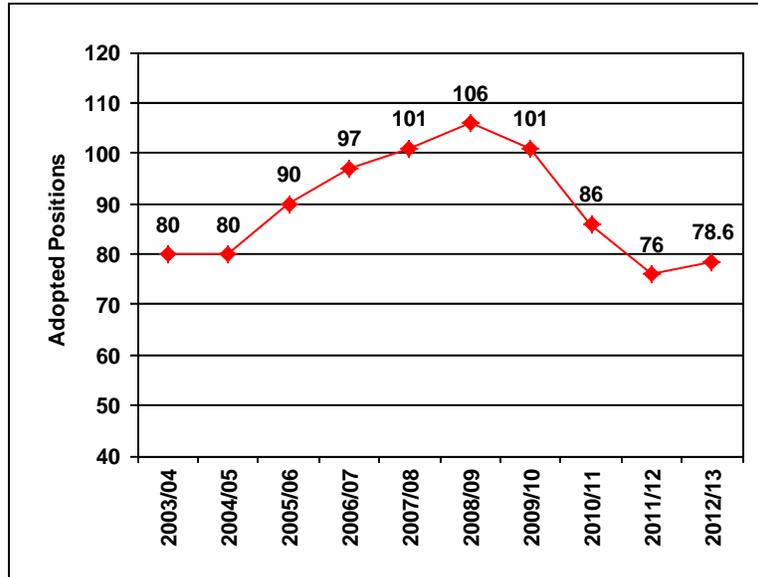
There is a \$77,374 increase in salary expenses due to the addition of 1.0 FTE Custodian position to support the additional custodial services for the new William J. Carroll Government Center. The full cost of this position is fully offset by revenues from charges to the Department of Health and Social Services.

SUMMARY OF POSITION CHANGES

- The Requested Budget recommends the following changes:
 - Addition of 1.0 FTE Custodian starting in September 2012 to service the William J. Carroll Government Center facility due to open in October 2012.

- Transfer of 0.60 FTE Building Trades Mechanic (Lead) (BU 2802 – Fouts Springs Youth Facility) from Probation Department

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

Uniform Construction Cost Accounting Act – On July 1, 2011, the informal bid limit prescribed by Section 22032 of Public Contract Code increased to \$175,000 effective for the fiscal year beginning July 1, 2011. By contrast, the County’s current informal bidding limit, which can range from \$10,000 for most County projects to \$20,000 for road projects, varies according to applicable law. Solano County currently does not voluntarily participate in the Act. With the recently raised limit, staff is internally evaluating the advantages and disadvantages to evaluate whether the County would benefit from participation in the Act, which is voluntary. Currently, 35 of the 58 California Counties participate in the program.

With the projected completion of the William J. Carroll Government Center in August 2012, and with the construction of the new County Jail being the last major project on the schedule, the County anticipates a major shift towards smaller, capital maintenance-type projects in the foreseeable future. This is consistent with the current economic reality where the County can only allocate limited financial resources towards capital renewal projects. With the appropriations included in the Recommended Budget, the remaining funds in the Deferred Capital Renewal Reserve will be depleted.

The Department of General Services has been tasked to conduct a forward looking study to identify the critical capital renewal projects in the next three years and prioritized those projects that can be undertaken with the limited resources available. The Department is also being tasked to evaluate its existing model for project management to determine if this model provides the most efficient model for the management and oversight of the types of projects that are identified in the analysis.

1117 – Fund 001-General Services
Michael J. Lango, Director of General Services
Other General

Summary of Other Administered Budget

DETAIL BY REVENUE AND APPROPRIATION OTHER ADMINISTERED BUDGETS	2010/11 ACTUAL	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
1642 REAL ESTATE SERVICES	1,003,428	894,079	856,732	(37,347)	(4) %
1901 REPROGRAPHICS	332,481	-	-	-	- %
2801 FOUTS SPRINGS RANCH	3,596,342	3,934,501	166,188	(3,768,313)	(96) %
3001 GEN SVCS SPECIAL REVENUE FUND	4,177	2,150	260	(1,890)	(88) %
3100 FLEET MANAGEMENT	3,909,928	4,845,479	3,903,940	(941,539)	(19) %
9000 AIRPORT	3,144,525	1,562,397	891,177	(671,220)	(43) %
9050 SPECIAL AVIATION DEPT	41,150	-	-	-	- %
APPROPRIATIONS					
1642 REAL ESTATE SERVICES	291,144	305,084	220,244	(84,840)	(28) %
1901 REPROGRAPHICS	350,748	-	-	-	- %
2801 FOUTS SPRINGS RANCH	4,207,930	3,458,021	166,188	(3,291,833)	(95) %
3001 GEN SVCS SPECIAL REVENUE FUND	3,940	12,024	9,273	(2,751)	(23) %
3100 FLEET MANAGEMENT	4,302,212	5,886,918	4,016,094	(1,870,824)	(32) %
9000 AIRPORT	1,888,972	1,992,238	905,733	(1,086,505)	(55) %
9050 SPECIAL AVIATION DEPT	41,138	-	-	-	- %
NET CHANGE					
1642 REAL ESTATE SERVICES	712,284	588,995	636,488	47,493	8 %
1901 REPROGRAPHICS	(18,267)	-	-	-	- %
2801 FOUTS SPRINGS RANCH	(611,587)	476,480	-	(476,480)	(100) %
3001 GEN SVCS SPECIAL REVENUE FUND	237	(9,874)	(9,013)	861	(9) %
3100 FLEET MANAGEMENT	(392,283)	(1,041,439)	(112,154)	929,285	(89) %
9000 AIRPORT	1,255,552	(429,841)	(14,556)	415,285	(97) %
9050 SPECIAL AVIATION DEPT	12	-	-	-	- %

A summary of the budgets administered by the General Service's Department is provided on the following pages.

FUNCTION AND RESPONSIBILITY

Real Estate Services provides real estate and property management services in support of the County’s operational and asset management needs. Real Estate Services negotiates transactions (acquisitions, sales, leases and adaptive re-use of real property) and manages the County’s portfolio of real estate assets to ensure appropriate maintenance levels, minimize operating expenses and maximize revenues from administered leases, and evaluates disposition and development potential. In addition, Real Estate Services is responsible for administering agreements with the local Veterans groups and the franchise agreements for cable television and garbage services in the unincorporated areas of the County.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Licenses, Permits & Franchise	121,628	123,703	97,815	(25,888)	(21%)
Revenue From Use of Money/Prop	674,487	609,340	658,913	49,573	8%
Charges For Services	207,313	161,036	96,004	(65,032)	(40%)
Misc Revenue	0	0	4,000	4,000	0%
TOTAL REVENUES	1,003,428	894,079	856,732	(37,347)	(4%)
APPROPRIATIONS					
Salaries and Employee Benefits	206,414	218,404	136,448	(81,956)	(38%)
Services and Supplies	68,705	72,429	69,357	(3,072)	(4%)
Other Charges	2,247	2,989	2,208	(781)	(26%)
Other Financing Uses	9,083	9,407	5,429	(3,978)	(42%)
Intra-Fund Transfers	4,695	1,855	6,802	4,947	267%
TOTAL APPROPRIATIONS	291,144	305,084	220,244	(84,840)	(28%)
NET COUNTY COST	(712,284)	(588,995)	(636,488)	(47,493)	8%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

The Real Estate Division's Net County Costs reflects a decrease of \$47,493 when compared to the FY2011/12 Recommended Budget. This is due to \$37,347 reduction in revenues primarily from the decrease in Administration Overhead revenues from the A-87 Cost Allocation Plan and lower revenues from charges for services received from user departments requiring real estate services support and an \$81,956 decrease in salary expenses due to the transfer of 1.0 FTE Office Assistant III position to the Administration Division.

The following significant events have occurred in FY2011/12:

- In conjunction with the Space Consolidation Program, three leases were terminated, which eliminated approximately \$740,000 in potential annual rent obligations for the Department of Health and Social Services and the program were moved into available County space.
- Negotiated a 3-year lease extension for 27,000 square feet of warehouse space to achieve a \$40,000 annual rent reduction for General Services records warehouse and the Registrar of Voters off-site record and equipment storage.
- Negotiated four revenue leases for County-owned property, which increased annual General Fund revenues by approximately \$35,000
- Sold three surplus real properties for approximately \$400,000 in one-time General Fund revenues

SUMMARY OF POSITION CHANGES

None.

3001 – Fund 301-General Services Special Rev. Fund Summary of Other Administered Budget
Michael J. Lango, Director of General Services
Other General/Property Management

FUNCTION AND RESPONSIBILITY

The General Services Special Revenue Fund accounts for the expenditure of revenues collected or contributed to the Solano County Historical Records Commission for the maintenance of historical records on loan to the Commission for indexing and public access. The General Services Special Revenue Fund is a function of the Administrative Division of the General Services Department.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	87	90	60	(30)	(33%)
Charges For Services	590	400	200	(200)	(50%)
Misc Revenue	3,500	1,660	0	(1,660)	(100%)
TOTAL REVENUES	4,177	2,150	260	(1,890)	(88%)
APPROPRIATIONS					
Services and Supplies	3,910	11,924	9,237	(2,687)	(23%)
Other Charges	30	100	36	(64)	(64%)
TOTAL APPROPRIATIONS	3,940	12,024	9,273	(2,751)	(23%)
CHANGE IN FUND BALANCE	(237)	9,874	9,013	(861)	(9%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

This budget reflects the elimination of contributions from the Assessor/Recorder for the storage of Assessor/Recorder historical records to the Special Revenue fund, a reduction of \$1,660.

In addition, an estimated FY2011/12 fund balance available of \$9,013 is used as a means of financing the Requested Budget. The department requests that all fund balance available at the end of FY2011/12 be transferred to the operating budget for use in support of the Historical Records Commission to help defray costs budgeted in the General Services Special Revenue Fund in support of the Historical Records Commission's volunteer work for the County.

SUMMARY OF POSITION CHANGES

There are no positions allocated to this budget.

DEPARTMENTAL PURPOSE

Fleet Management is responsible for providing comprehensive services for all vehicular equipment needs of all County Departments, multiple cities and special districts within Solano County.

FUNCTION AND RESPONSIBILITY

Fleet Management is responsible for providing the following services: monthly and daily vehicle rentals, equipment maintenance and repair, management of seven fuel sites, and acquisition and disposal of equipment. Fleet Management is a division of the General Services Department.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

- Reduced mobile-source air pollution from Solano County operations by maintaining the percentage of certified low emission vehicles within the fleet at 85%.
- Maintained the percentage of hybrid and electric vehicles at 5% of the light equipment fleet, or 22 vehicles.
- Experienced a slight decrease in the usage of and the number of light equipment vehicles in the fleet that are capable of operating on E85 alternative fuel from 23% to 20%. (93 E85 of 462 vehicles)
- Continued low staffing levels have resulted in a 132 vehicles per mechanic ratio. This ratio is much higher than the Industry standard of 80 vehicles per mechanic which delays equipment maintenance and repair completion.

WORKLOAD INDICATORS

- Maintains and services 462 County vehicles including 91 vehicles leased to outside agencies.
- Maintains and services over 125 Department owned vehicles including road graders, loaders, and other public works heavy equipment.
- Maintains and services 12 emergency building generators at County owned properties.

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget for Fleet Management of \$4,016,094 represents an overall decrease of \$941,539, or 19.4%, in revenues and \$829,385, or 17%, in expenditures when compared to the FY2011/12 Adopted Budget.

The primary funding sources for the Fleet Management Division are:

Vehicle rental fees of \$1,574,521 which show a reduction of \$199,125. These fees are derived from monthly charges to County departments for assigned vehicles and daily rentals from the vehicle pool. The decrease in fees are attributable to reduction in assigned vehicles as departments turn in excess or low-use vehicles and restrict their use of daily rentals from the vehicle pool.

Revenues from sale of fuel of \$1,008,000, which reflect an increase of \$67,200 from the previous fiscal year, as fuel prices continue to rise. The revenues are generated from the resale of gasoline and diesel to County departments, including a 12% overhead charge. The decrease in sales is partially offset by savings from a volume decrease in fuel that is purchased for resale.

Other Charges for Services of \$1,095,324 which are projected to decrease by \$168,065. These revenues are derived from charges to department for vehicle maintenance and fees charged to five outside agencies, which include the City of Dixon, City of Suisun City, City of Rio Vista, Solano Community College and Solano Superintendent of Schools, for vehicle rental and repair services. Also included are revenues received from the maintenance of the heavy equipment and vehicles assigned to Transportation Division and the Sheriff's Office.

The primary costs for the Division are:

Salary and benefits of \$863,319, which are projected to decrease by \$4,214, or 0.5%, from the previous fiscal year due mainly to a decrease of \$47,781 in retirement costs resulting from employee labor concessions, offset by a small increase for the full year salary, health insurance and FICA costs of an employee. The continuing additional cost of the PARS Supplemental Retirement Plan for a facilities operations supervisor further mitigates the savings.

3100 – Fund 034-Fleet Management
Michael J. Lango, Director of General Services
Other General

Summary of Other Administered Budget

Maintenance equipment charges of \$594,000, which is estimated to decrease by \$13,000 due to the decrease in the number of fleet vehicles. These charges cover the costs of vehicle parts, materials, non-Fleet Management labor and vehicles.

Purchases for resale of \$900,000, which reflect an increase of \$60,000 due to the continual rise in fuel costs.

Equipment – Vehicles of \$1,277,017 show a decrease of \$684,280. The FY2012/13 vehicle replacement schedule calls for the replacement of 75 vehicles.

DEPARTMENT COMMENTS

Revenue shortfalls have resulted from County departments and contracted outside agencies reducing the number of vehicle leases and usage of fleet vehicles. Countywide budgetary constraints have had the following impacts on the Fleet Management Division:

- Total fleet size has been reduced by 51 vehicles (9%), from a high of 513 vehicles in FY2008/09 to the current 462 vehicles. The turn-in of vehicles on monthly leases has resulted in related savings in operations to departments and decreases in offsetting reimbursements for Fleet operations.
- Some reduction in vehicle maintenance and repair expense is anticipated due to the reduction in fleet size.
- Use of daily pool vehicle rental and miles traveled in monthly leased vehicles and department-owned vehicles have declined over the past year. Daily rental revenues and mark-up on fuel used have had corresponding decreases as the number of vehicles and the amount of travel in many departments decreased.
- There were vehicles that were due to be replaced in FY 09-10 that were not replaced in that fiscal year. Instead, these vehicles were charged only the overhead portion of the Monthly Rate during FY2009/10. The majority of these vehicles have since been replaced.

The current performance measure of 132 vehicles per mechanic is above the industry standard of 80 vehicles per mechanic. This increase in workload has resulted in longer shop time for vehicle maintenance/repair and slower field response time for service/repair of heavy equipment from the Transportation Division and the Sheriff's Office.

DETAIL BY REVENUE		2011/12		FROM	
CATEGORY AND	2010/11	ADOPTED	2012/13	ADOPTED TO	PERCENT
APPROPRIATION CATEGORY	ACTUALS	BUDGET	RECOMMENDED	RECOMMENDED	CHANGE
REVENUES					
Licenses, Permits & Franchise	4,887	0	0	0	0%
Revenue From Use of Money/Prop	21,216	20,000	20,000	0	0%
Charges For Services	3,772,183	3,977,835	3,677,845	(299,990)	(8%)
Misc Revenue	5,143	108,913	107,878	(1,035)	(1%)
Other Financing Sources	106,500	107,268	98,217	(9,051)	(8%)
From Reserve	0	631,463	0	(631,463)	(100%)
TOTAL REVENUES	3,909,928	4,845,479	3,903,940	(941,539)	(19%)
APPROPRIATIONS					
Salaries and Employee Benefits	960,284	867,533	863,319	(4,214)	(0%)
Services and Supplies	1,674,837	1,719,165	1,741,322	22,157	1%
Other Charges	273,897	260,391	101,060	(159,331)	(61%)
F/A Equipment	235,970	1,961,297	1,277,017	(684,280)	(35%)
Other Financing Uses	115,785	37,093	33,376	(3,717)	(10%)
TOTAL APPROPRIATIONS	3,260,772	4,845,479	4,016,094	(829,385)	(17%)
NET GAIN(LOSS)	649,156	0	(112,154)	(112,154)	0%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

The Recommended Budget does not propose the use of reserves to fund the projected deficit in the budget. The Department anticipates that there will be sufficient available fund balance at the end of FY2011/12 to cover the deficit. If the year-end fund

Summary of Other Administered Budget

**3100 – Fund 034-Fleet Management
Michael J. Lango, Director of General Services
Other General**

balance is insufficient to cover the projected deficit, the Department will propose the use of Reserves as part of the Supplemental Budget.

SUMMARY OF POSITION CHANGES

None.

PENDING ISSUES AND POLICY CONSIDERATIONS

None.

FUNCTION AND RESPONSIBILITY

The Board of Supervisors approved the closure of Reprographics as a County activity effective June 30, 2011.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Charges For Services	339,982	0	0	0	0%
Misc Revenue	(7,501)	0	0	0	0%
TOTAL REVENUES	332,481	0	0	0	0%
APPROPRIATIONS					
Salaries and Employee Benefits	136,829	0	0	0	0%
Services and Supplies	147,337	0	0	0	0%
Other Charges	53,883	0	0	0	0%
Other Financing Uses	3,722	0	0	0	0%
TOTAL APPROPRIATIONS	341,770	0	0	0	0%
NET GAIN(LOSS)	(9,289)	0	0	0	0%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

None.

SUMMARY OF POSITION CHANGES

None.

DEPARTMENTAL PURPOSE

The General Services Department is responsible for providing a safe, convenient, well-maintained airport facility for general aviation and business aviation use.

FUNCTION AND RESPONSIBILITY

The Nut Tree Airport facility is located in Vacaville and serves both businesses and residents of Solano County and the surrounding region by providing a safe, secure airport which includes a runway, taxiways, tie down areas, helicopter parking, County-owned hangars, ground lease space for privately-owned hangars, and office space for airport customers, businesses and events. The Airport Manager is responsible for securing Federal Aviation Administration (FAA) grant funds and planning and implementing capital projects funded primarily by Federal and State grants at the Airport in addition to administering day-to-day activities and maintenance and operation of the Airport.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

- Significantly reduced costs for completing the Airport Master Plan. Prepared the Airport Master Plan including extensive public engagement and initiated the environmental review process for adoption of the Plan.
- Revamped and updated the Airport Capital Improvement Plan (ACIP) for 2012 – 2017 for FAA funding eligibility.
- Established new working relationships with airport customers, airport groups, the Nut Tree Airport Advisory Committee, City of Vacaville and County staff, Vacaville business interests and residents surrounding the Airport.
- Initiated a new direction for the future sale of Airport property to generate revenue for the Airport Fund.
- In coordination with the County Office of Emergency Services, and the City of Vacaville Fire Department, re-established an Airport Incident Action Plan for emergency responses regarding various types of aircraft accidents on or adjacent to the Airport.
- In coordination with the Travis Air Museum the Airport hosted the 2011 Mustang Days Event providing the community with an opportunity to experience the Airport, take an airplane ride, and to watch historic military war-birds. The one day 2011 event was attended by an estimated 3,300 people with over 65 aircraft and 25 classic automobiles on display.

WORKLOAD INDICATORS

- Manage, lease and maintain 67 County hangars.
- Administer 16 corporate ground leases, 23 private ground leases, and an average of 40 airplane tie downs.
- Register 101,500 operations (takeoffs and landings) per calendar year.

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget for the Airport of \$1,237,048 reflects decreases of \$529,115, or 34%, in revenues, and \$261,826 or 38%, in expenditures when compared to the FY2011/12 Adopted Budget.

The primary funding sources for the Nut Tree Airport include:

Revenue from leases and rentals in the amount of \$485,328, which reflect an increase of 36,888, or 8.2%, due to improved hangar rental rates and the leasing of previously vacant office space. These revenues cover receipts from ground leases, hangar and office rentals, building rentals and other leases, such as cell tower rentals.

Property tax revenues in the amount of \$235,765, which reflects a slight increase of \$2,174, or 0.9%

Charges for services in the amount of \$100,500 which is estimated to be \$18,900 less than the previous fiscal year mainly due to reduced service demands.

The primary costs for the Airport are salary and benefits of \$346,008 which are slightly lower by \$147 from the previous fiscal year.

Services and supplies of \$578,066, which reflect a decrease of \$149,030, or 21%, as a result of the re-scoping of the Airport Master Plan that significantly reduced the estimated costs.

9000 – Fund 047-Airport
Michael J. Lango, Director of General Services
Public Ways

Summary of Other Administered Budget

Other charges relate to Countywide Administration Overhead in the amount of \$247,156 which reflects an increase of \$28,265 due to increased maintenance and administrative support required at the Airport.

DEPARTMENT COMMENTS

With new management the Airport is taking new steps to reduce costs and improve revenues. The Airport is planning for the future to support the development of short and long-term capital facilities and for additional business development opportunities.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Taxes	239,913	233,591	235,765	2,174	1%
Revenue From Use of Money/Prop	449,856	448,440	485,328	36,888	8%
Intergovernmental Rev State	24,281	176,075	13,921	(162,154)	(92%)
Intergovernmental Rev Federal	2,228,656	0	0	0	0%
Intergovernmental Rev Other	44,427	45,391	43,671	(1,720)	(4%)
Charges For Services	140,773	119,400	100,500	(18,900)	(16%)
Misc Revenue	16,620	9,500	11,992	2,492	26%
Other Financing Sources	0	530,000	0	(530,000)	(100%)
TOTAL REVENUES	3,144,525	1,562,397	891,177	(671,220)	(43%)
APPROPRIATIONS					
Salaries and Employee Benefits	376,811	346,155	346,008	(147)	(0%)
Services and Supplies	450,404	727,096	246,751	(480,345)	(66%)
Other Charges	504,503	252,302	298,878	46,576	18%
F/A Land	1,774	160,000	0	(160,000)	(100%)
F/A Bldgs and Imprmts	4,713	0	0	0	0%
Other Financing Uses	57,404	13,321	14,096	775	6%
TOTAL APPROPRIATIONS	1,395,608	1,498,874	905,733	(593,141)	(40%)
NET GAIN(LOSS)	1,748,917	63,523	(14,556)	(78,079)	(123%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

The Airport has been operating with a structural deficit over several years and is using loan proceeds from the General Fund as working capital to pay its bills. Loans from the General Fund currently total \$2,831,186. On May 8, 2012, the Director of the Department of General Services and the Airport Manager presented to the Board a report on the financial status of the Airport and an action plan for the repayment of the loans, and elimination of the structural deficit over a period of five years.

The Board authorized the Airport Fund to operate with a deficit for five years to give management the time and opportunity to implement their proposed revenue enhancement and expenditure reduction plans.

FY2012/13, a separate budget unit (BU 9010) has been created to account for special and capital projects in a budget separate from the operating budget (BU 9000). The FY2012/13 Recommended Budget for the Airport combines the budgets for both units as one budget.

SUMMARY OF POSITION CHANGES

No changes to positions are recommended.

PENDING ISSUES AND POLICY CONSIDERATIONS

None.

FUNCTION AND RESPONSIBILITY

This budget is used to record payments for State loans secured for the construction of Airport facilities. Financing to repay the loans is transferred from the Airport budget to this budget unit. There are no State loans outstanding at this time.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	12	0	0	0	0%
Other Financing Sources	41,138	0	0	0	0%
TOTAL REVENUES	41,150	0	0	0	0%
APPROPRIATIONS					
Other Charges	41,138	0	0	0	0%
TOTAL APPROPRIATIONS	41,138	0	0	0	0%
NET GAIN(LOSS)	12	0	0	0	0%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

The 15-year loan for the construction of aircraft hangars (SOL-6-02-L-10) was paid off in FY2010/11. Currently, there are no other State loans for the Airport. Therefore, there is no Recommended Budget for Special Aviation in FY2012/13.

SUMMARY OF POSITION CHANGES

There are no positions proposed for change with the requested budget.

FUNCTION AND RESPONSIBILITY

The Solano County Board of Supervisors approved the closure and termination of operations at the Fouts Springs Youth Ranch effective August 2011.

Operational responsibility for the facility and its operating permits along with the budget unit and the allocation for 0.60 FTE part time staff have been transferred to the Department of General Services. The Department of General Services oversees the maintenance and safeguard of the grounds and facilities and is serving as lead in the property transfer negotiations with the U.S. Department of Forestry who owns the underlying land.

DEPARTMENTAL BUDGET SUMMARY

The FY2012/13 Fouts Springs Youth Ranch Recommended Budget of \$166,188 reflects decreases of \$3,768,313, or 95.8%, in revenues, and \$3,291,833, or 95.2%, in expenditures when compared to the FY2011/12 Adopted Budget.

The appropriations included in the Recommended Budget covers the costs of the maintenance and safeguard of the facility, including a part-time building maintenance staff on site. With the closure of the facility, program revenues, along with State and Federal grants, have stopped. Without any other funding available, General Fund contributions have become the alternative funding source for this budget. In FY2012/13 efforts will continue to complete the closure and ultimately transfer of the assets to eliminate County costs in future years.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	400	0	0	0	0%
Intergovernmental Rev State	320,101	5,854	0	(5,854)	(100%)
Intergovernmental Rev Federal	69,938	85,719	0	(85,719)	(100%)
Charges For Services	3,072,087	3,799,928	0	(3,799,928)	(100%)
Misc Revenue	133,817	43,000	0	(43,000)	(100%)
Other Financing Sources	0	0	166,188	166,188	0%
TOTAL REVENUES	3,596,342	3,934,501	166,188	(3,768,313)	(96%)
APPROPRIATIONS					
Salaries and Employee Benefits	3,162,787	2,469,000	82,630	(2,386,370)	(97%)
Services and Supplies	641,001	641,119	79,607	(561,512)	(88%)
Other Charges	122,337	89,550	1,000	(88,550)	(99%)
Other Financing Uses	128,429	118,012	2,951	(115,061)	(97%)
TOTAL APPROPRIATIONS	4,054,554	3,317,681	166,188	(3,151,493)	(95%)
NET GAIN(LOSS)	(458,211)	616,820	0	(616,820)	(100%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

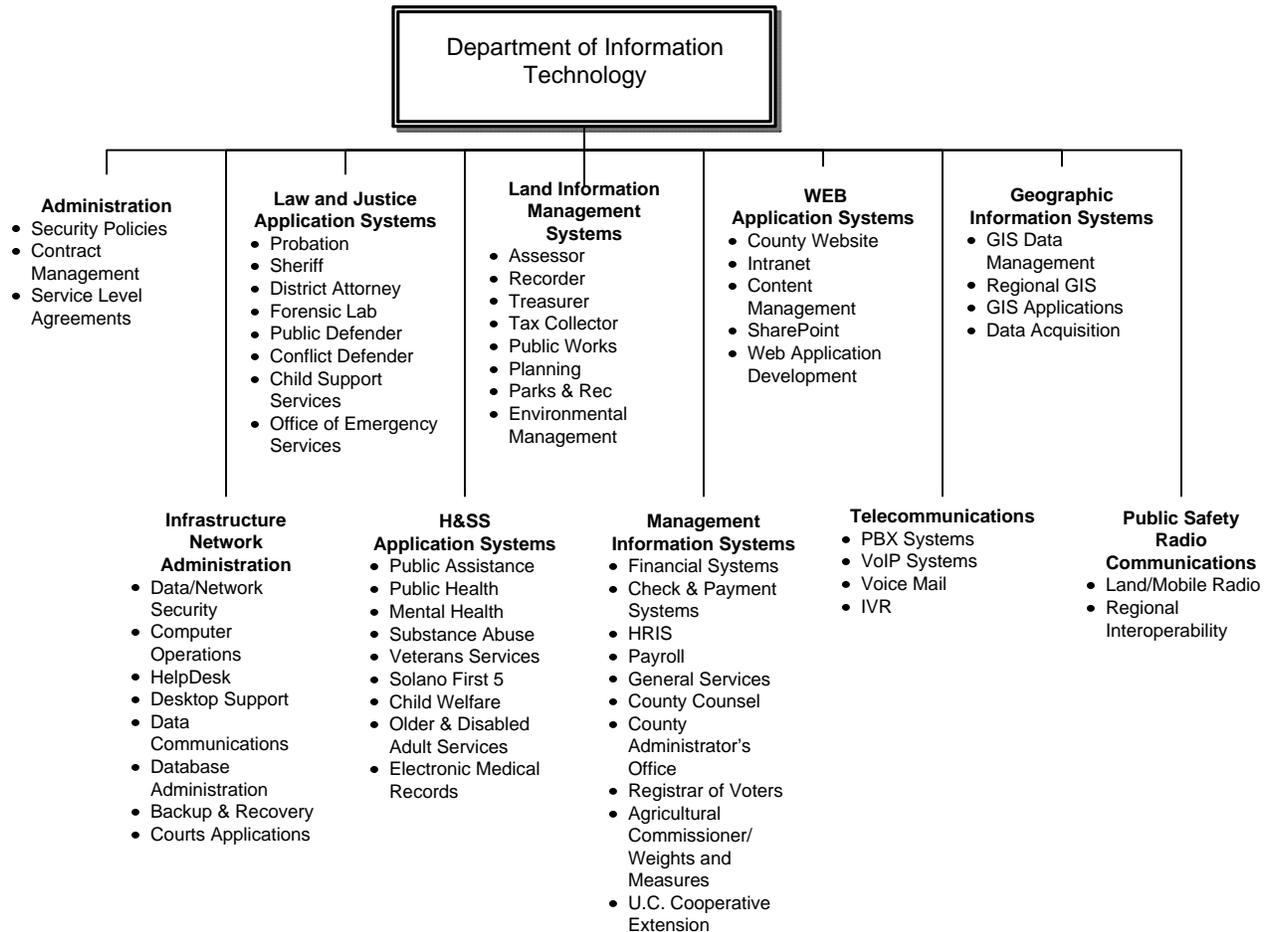
The budget unit and the allocation for 0.60 FTE Building Trades Mechanic (Lead) have been transferred to the Department of General Services. The Department of General Services oversees the maintenance and safeguard of the grounds and facilities.

SUMMARY OF POSITION CHANGES

- In June 2011, the Board approved the deletion of the following positions effective the date that operations cease at the Fouts Springs Youth Ranch in FY2011/12:
 - 13.0 FTE Group Counselor
 - 4.0 FTE Group Counselor (Senior)
 - 1.0 FTE Group Counselor (Supervising)
 - 1.0 FTE Probation Services Manager

- On December 12, 2011, the Board approved the addition of the following position:
 - 0.60 Building Trades Mechanic (Lead)

Ira Rosenthal, Chief Information Officer
Other General



DEPARTMENTAL PURPOSE

The Department of Information Technology (DoIT) develops, implements and supports computing and communications technologies and provides related technical services in support of the County's business processes. DoIT supports all County departments in automating and improving the delivery of programs and services to the public.

Budget Summary:	
FY2011/12 Third Quarter Projection:	18,240,476
FY2012/13 Recommended:	16,614,485
County General Fund Contribution:	0
Percent County General Fund Supported:	0.0%
Total Employees (FTEs):	42

FUNCTION AND RESPONSIBILITIES

DoIT is responsible for providing information technology and communications infrastructure and software application development and support services to all County departments. It carries out this responsibility through ten divisions. Six divisions, organized by business area, provide application development and management services to departments. Three divisions provide infrastructure support for all computing technologies, telecommunications, and public safety radio communications. The Department also includes one administrative division responsible for fiscal activities, security and operational policies and project coordination.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

DoIT has been addressing the cost of the County's information technology budget since 2004 through consolidation, implementation of virtualization technologies and staff reductions. Staff total, including ACS contractor staff was 115.0 FTEs in 2004. The DoIT workforce is now at 86.5 FTEs (42.0 County and 44.5 ACS contractors) or a total reduction of almost 25%.

This comes at a time when the County is in need of automation to carry out mandated activities with shrinking budgets and lower levels of staffing. However, DoIT, with the support of its business partners in departments throughout the County, has been able to make significant progress in improving the technology tools and capabilities available to County users and in the automation of business processes.

- **Business Process Automation and Workflow**
 - Continued to deploy and maintain a total of 175 Documentum-based imaging applications to significantly reduce paper storage requirements and minimize search and retrieval of documents in various departments.
 - Completed the implementation and deployment of the New Legislative Management Suite providing an environment to produce and track the agenda creation and publishing process. As part of the Granicus software upgrade, agenda packages can now be delivered for review electronically.
 - Continue automation of the “Procure to Pay” business process from the creation of requisitions and purchase orders through receipt, accounts payable, and asset tracking using automated workflow to reduce cycle time and administrative costs while also improving accounting controls. Completed the automated requisition to purchase order workflow countywide.
 - Upgrade the eRoster polling place application to include new features for the November 2012 elections.
 - Assist in the implementation of the new Case Management, Information and Payrolling System (CMIPS II) to provide a more efficient and user-friendly system to support IHSS programs.
- **New System Development and Implementation**
 - Completed the implementation of processes and software to automate and integrate the Assessor map update process to provide direct updates to the GIS parcel fabric eliminating the requirement to maintain duplicate data sets. Based on the results from the initial pilot project, process adjustments were made and the final map data conversion accomplished resulting in reduced labor hours and improved overall accuracy and quality of the parcel fabric.
 - Complete implementation of the NextGen Electronic Health Record (EHR) Systems for H&SS Family Health Services and Dental Services including digital x-rays, laboratory and billing interfaces. These systems support the County’s goal to use automation to provide better services to County residents and increase worker productivity. The systems will also make the County compliant with Federal mandates for electronic health records.
 - Co-manage with H&SS the acquisition and implementation of Electronic Health Record (EHR) Systems for Public Health Nursing, Mental Health and Substance Abuse Services.
 - Manage the technical planning and development of a Health Information Exchange (HIE) system to enable H&SS to easily exchange health data between different systems. This will be created as part of a consortium of public and private entities involved with health systems in Northern California and will help improve the ability of H&SS to provide health services and provide more information for client case management.
 - Co-manage with the Parks and Recreation Division of Resource Management, the acquisition and implementation of an automated on-line park reservation and management system to allow the public to reserve and pay for camp sites over the Internet.
 - Co-manage with the Assessor’s Office the acquisition and implementation of an automated valuation module to streamline the valuation and enrollment of property changing ownership.
 - Complete phase one of the implementation of the IntelliTime system to improve payroll processing controls, improve productivity, enable time-study enhancements and assist in the scheduling of staff resources.
 - Plan for the replacement of the Inmate Management System, to coincide with the construction of the new Claybank Jail facility, that will allow for more efficient operations due to data sharing across systems (Dispatch, Records, Jail) where data on the same individual is entered and stored separately.
 - Plan for the purchase and implementation of a Custody Video Visitation/Arraignment system for the AB 900 jail. This web-based video visitation system will function as a long-term strategic system for the Sheriff’s Office that will increase

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Other General

safety, improve efficiency, reduce costs associated with staffing, transportation of inmates, probation and parole visits, attorney visits and public visits and allow inmates to continue relationships with family and friends while incarcerated.

- Deploy a database server and centralized reporting services in the Solano Public Safety WAN (accessible by Law & Justice departments (Sheriff, Probation, DA, Public Defender, DCSS) and Solano Law Enforcement partners (Vallejo, Fairfield, Vacaville, Suisun, Benicia, Dixon, Rio Vista). This will be used as a secure, collaborative work space to share common AB109 information and is particularly important for Sheriff and Probation since they are co-managing the AB109 prisoners and have a heightened need for coordination and information sharing. Central reporting will be developed here for access to and by all Law & Justice partners.
- Plan, design, and deploy a photo server interface between Solano County's AFIS (mug shot/fingerprint system) and Sacramento's regional mug shot and fingerprint system. This will allow Solano to share fingerprint and mug shot data with four surrounding Counties.
- Plan for and start the upgrade of the Integrated Financial Accounting System (IFAS), Property Tax System, and the PeopleSoft HR/Payroll system.
- Infrastructure Improvements
 - Modernized the e-mail infrastructure by implementing new versions of Exchange 2010 and BlackBerry Enterprise Server.
 - Completed the data network and telecommunications build-out for the Twin Campus Project.
 - Implemented the infrastructure to support the medical records projects in H&SS.
 - Implement mobile device management software to allow for secure use of tablet devices such as the iPad.
 - Complete the implementation of enterprise fax services and integrate it into the County e-mail system in order to eliminate the need for and cost of standalone fax machines.
 - Plan, design and implement the data network and telecommunication infrastructure needs for the William J Carroll Government Center, Claybank Security Upgrade, and Claybank AB 900 projects.
 - Plan, design and implement infrastructure enhancements needed to support a Video Visitation system for the current Claybank and Fairfield jails that will allow for visitation over the Internet and also allow for conferencing with attorneys, the Courts, and County departments.
 - Plan and implement Public Safety Radio system improvements including Microwave connections to Contra Costa County and Sacramento County Sheriff's Offices. These microwave connections will be used to increase interoperability and data sharing between County law enforcement agencies.

WORKLOAD INDICATORS

- During the period of March 1, 2011 to February 29, 2012, there were a total of 17,800 work orders and trouble tickets received by the HelpDesk. Of the trouble tickets received there were: Three Priority 1 Incidents, 31 Priority 2 Incidents, 900 Priority 3 Incidents, and 8,549 Priority 4 Incidents reported to the Helpdesk and resolved within published service level targets.
- 310 servers, of which 195 are physical and 115 are virtual, and over 126 terabytes of data were maintained in operation and exceeded the 99.9% system availability service level threshold.
- Over 4,000 PCs, 4,000 telephones, 1,500 printers, and 650 network devices are supported across 32 wide-area network locations.

Functional Area Summary

1870 – Fund 370-Department of Information Technology

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DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2010/11 ACTUAL	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
DOIT-ADMINISTRATION	760,103	760,627	738,049	(22,578)	(3) %
INFRASTRUCTURE	7,015,246	7,969,765	7,786,975	(182,790)	(2) %
LAW & JUSTICE APPLICATION SYSTEMS	635,187	628,710	585,050	(43,660)	(7) %
H&SS APPLICATION SYSTEMS	1,251,033	1,256,068	1,246,086	(9,982)	(1) %
MANAGEMENT INFORMATION SYSTEMS	1,798,976	2,291,876	1,338,289	(953,587)	(42) %
LAND INFORMATION MANAGEMENT SYSTEMS	2,297,933	2,403,597	2,248,587	(155,010)	(6) %
WEB APPLICATION SYSTEMS	680,684	682,660	638,350	(44,310)	(6) %
GEOGRAPHIC INFORMATION SYSTEMS	903,563	1,073,884	842,989	(230,895)	(22) %
TELECOMMUNICATIONS	1,575,223	2,446,629	1,652,475	(794,154)	(32) %
PUBLIC SAFETY RADIO COMMUNICATION	317,512	759,703	361,545	(398,158)	(52) %
TOTAL REVENUES	17,235,460	20,273,519	17,438,395	(2,835,124)	(14) %
APPROPRIATIONS					
DOIT-ADMINISTRATION	741,148	756,793	738,280	(18,513)	(2) %
INFRASTRUCTURE	8,123,982	8,211,171	7,950,021	(261,150)	(3) %
LAW & JUSTICE APPLICATION SYSTEMS	635,125	627,904	585,440	(42,464)	(7) %
H&SS APPLICATION SYSTEMS	1,250,910	1,244,929	1,247,126	2,197	0 %
MANAGEMENT INFORMATION SYSTEMS	1,902,579	2,005,616	1,243,899	(761,717)	(38) %
LAND INFORMATION MANAGEMENT SYSTEMS	1,468,539	1,581,633	1,454,870	(126,763)	(8) %
WEB APPLICATION SYSTEMS	660,621	682,912	631,530	(51,382)	(8) %
GEOGRAPHIC INFORMATION SYSTEMS	832,034	1,073,203	841,850	(231,353)	(22) %
TELECOMMUNICATIONS	1,575,101	2,319,068	1,559,794	(759,274)	(33) %
PUBLIC SAFETY RADIO COMMUNICATION	376,152	754,136	361,675	(392,461)	(52) %
TOTAL APPROPRIATIONS	17,566,191	19,257,365	16,614,485	(2,642,880)	(14) %
CHANGE IN FUND BALANCE					
DOIT-ADMINISTRATION	(18,955)	(3,834)	231	4,065	(106) %
INFRASTRUCTURE	1,108,736	241,406	163,046	(78,360)	(32) %
LAW & JUSTICE APPLICATION SYSTEMS	(62)	(806)	390	1,196	(148) %
H&SS APPLICATION SYSTEMS	(123)	(11,139)	1,040	12,179	(109) %
MANAGEMENT INFORMATION SYSTEMS	103,603	(286,260)	(94,390)	191,870	(67) %
LAND INFORMATION MANAGEMENT SYSTEMS	(829,394)	(821,964)	(793,717)	28,247	(3) %
WEB APPLICATION SYSTEMS	(20,063)	252	(6,820)	(7,072)	(28) %
GEOGRAPHIC INFORMATION SYSTEMS	(71,529)	(681)	(1,139)	(458)	67 %
TELECOMMUNICATIONS	(122)	(127,561)	(92,681)	34,880	(27) %
PUBLIC SAFETY RADIO COMMUNICATION	58,640	(5,567)	130	5,697	(102) %
NET GAIN(LOSS)	330,731	(1,016,154)	(823,910)	192,244	(19) %

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STAFFING					
ADMINISTRATION	5	5	5	0	0
INFRASTRUCTURE	0	0	0	0	0
LAW & JUSTICE APPLICATION	4	4	4	0	0
H&SS APPLICATION SYSTEMS	10	10	10	0	0
MANAGEMENT INFORMATION	7	5	5	0	0
LAND INFORMATION MANAGEMENT	9	9	9	0	0
WEB APPLICATION SYSTEMS	4	4	4	0	0
GEOGRAPHIC INFORMATION SYSTEMS	1	1	1	0	0
TELECOMMUNICATIONS	3	2	2	0	0
PUBLIC SAFETY RADIO	2	2	2	0	0
TOTAL STAFFING	45	42	42	0	0 %

DEPARTMENTAL BUDGET SUMMARY

The Department’s Recommended Budget of \$16,614,485 represents decreases of \$2,835,124, or 14%, in Revenues and \$2,642,880, or 14%, in Appropriations when compared to the FY2011/12 Adopted Budget. As a result, the projected increase in the ending Fund Balance is \$192,244.

The Department is an Internal Service Fund and as such its only funding source is through charge-back rates for services to departments. A significant portion of the Department’s costs are for hardware and software acquisition and software licenses. Many of these costs are cyclical in nature and dependent upon hardware/software product life-cycles. Approximately fifty percent of the Department’s budget is staff-related with the other fifty percent comprised of purchased goods and services and County allocations.

Infrastructure costs include \$4,509,226 in contract staffing (ACS) and \$3,219,082 for software licenses, hardware, and communications services. Infrastructure functions include network administration, data communications, security, computer operations, help desk, desktop support, database and operating systems administration, data storage management, backup and recovery, and application support for Solano Superior Court.

Major maintenance contracts for Infrastructure include \$377,000 for Microsoft Office Software and Windows Access Licenses, \$112,000 for Symantec backup software, \$56,000 for security tokens and \$220,000 for Oracle database software. New fixed assets purchases required to refresh equipment include replacement of network devices and servers of \$499,000, increased storage area network capacity of \$60,000, new tape drives and media for backup at \$58,500, and \$48,000 for mobile device management appliance and software.

Applications Services which provide software application development and management, contract management, project management, support for production processes, implementation of software patches and upgrades, business systems process improvement, and public access to information and services. These costs consist of \$4,885,703 for staffing, \$572,249 in Contractor (ACS) cost, County cost allocations for Administrative Overhead and Building Use charges, and \$1,040,988 for hardware, software and other third party services.

Major contracts within these Applications Services cost centers include \$86,850 for contract help for Electronic Health Records, \$50,000 in services for an IFAS upgrade, \$182,636 for PeopleSoft maintenance, \$115,000 for IFAS maintenance, \$49,000 for GIS software, and \$60,000 for tools maintenance required for SCIPS property system.

Communications cost centers are Telecommunications and Public Safety Radio Communications, which provide telecommunications installation, programming, and support for phone systems, voice mail, and interactive voice response systems. These cost centers also provide engineering, installation, programming, and support of the public safety radio system. Major contracts within the communications cost centers include \$819,823 to AT&T for phone usage, \$40,000 for Cisco licenses and maintenance, and \$20,000 for cabling.

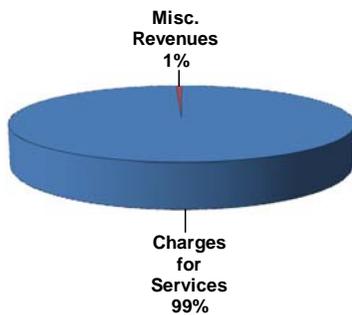
Overall, the \$2,642,880 reduction in appropriations is primarily the result of a \$271,834 decrease in labor costs resulting from lower costs of benefits following labor cost changes; \$1,413,348 decrease in Services and Supplies primarily the result of reduced telephone usage, reduced cost for Voice over Internet Protocol (VoIP) telephone expansion, delays in the completion of the PeopleSoft upgrade and the completion of IntelliTime electronic timecard project; \$468,563 decrease in County

Administrative Overhead and Building Use Charges, and \$517,840 net other miscellaneous reductions, predominantly related to the completion of Communications capital projects.

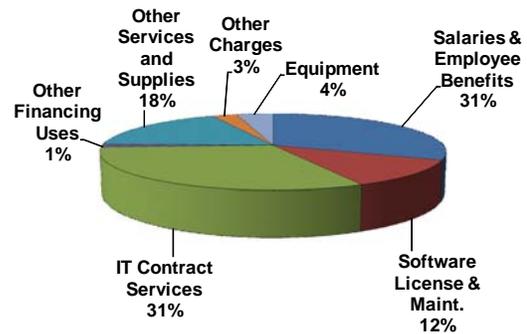
DEPARTMENT COMMENTS

In response to repeated staffing and other cost reductions, the Department has restructured management and staff workloads and re-assigned applications and systems to continue to support all technology requirements in the County. However, these reductions along with workload increases will cause delays in hardware, software, and system maintenance and repairs, leading to cancelled or delayed projects, and limit overall technology advances and improvements.

SOURCE OF FUNDS



USE OF FUNDS



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2010/11 ACTUALS	2011/12 ADOPTED BUDGET	2012/13 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	52,672	39,200	39,200	0	0%
Charges For Services	17,603,994	19,492,607	17,339,195	(2,153,412)	(11%)
Misc Revenue	(421,205)	436,712	60,000	(376,712)	(86%)
Other Financing Sources	0	305,000	0	(305,000)	(100%)
TOTAL REVENUES	17,235,461	20,273,519	17,438,395	(2,835,124)	(14%)
APPROPRIATIONS					
Salaries and Employee Benefits	5,512,502	5,418,349	5,175,220	(243,129)	(4%)
Services and Supplies	9,541,633	11,521,675	10,108,327	(1,413,348)	(12%)
Other Charges	1,386,357	910,777	442,214	(468,563)	(51%)
F/A Bldgs and Imprmts	(6,781)	305,000	0	(305,000)	(100%)
F/A Equipment	642,123	650,000	675,500	25,500	4%
F/A - INTANGIBLES	244,131	209,635	0	(209,635)	(100%)
Other Financing Uses	246,190	241,929	213,224	(28,705)	(12%)
Intra-Fund Transfers	36	0	0	0	0%
TOTAL APPROPRIATIONS	17,566,191	19,257,365	16,614,485	(2,642,880)	(14%)
NET GAIN(LOSS)	(330,730)	1,016,154	823,910	(192,244)	(19%)

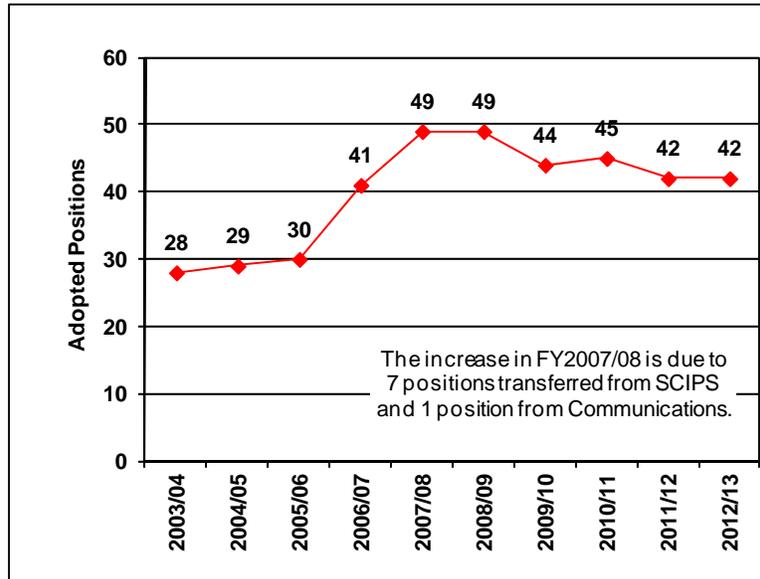
SUMMARY OF SIGNIFICANT ADJUSTMENTS

Significant adjustments include decreases in appropriations of \$271,834 in labor costs primarily due to labor cost changes; \$391,182 in office expenses; \$945,000 in consulting and contracted services; \$468,563 in Countywide Administrative Overhead and Building Use costs; and \$489,135 in Fixed Assets. The decreases are offset by an increase of \$241,282 in contract costs for data processing services provided by ACS.

SUMMARY OF POSITION CHANGES

There are no position adjustment recommendations.

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

Governmental Accounting Standards Board Statement No. 51 requires that Fixed Assets be charged back to departments based on standard depreciation schedules rather than on a cash basis when the expense is actually incurred. Also, software (both purchased and internally developed) is now categorized as an intangible asset subject to the same depreciation and expensing rules as hard assets. Since only the depreciable portion of an asset can be charged in any given year, this puts a significant burden on the cash flow of the Department and may lead the Department to seek loans from the Treasury to act as working capital. Interest charges for these internal loans will, in turn, increase the cost to be recovered from the user departments.