

DISTRICT PURPOSE

The East Vallejo Fire Protection District (EVFPD) was established for the purpose of disbursing special assessment revenues collected within the District's jurisdiction to the City of Vallejo through a contract for fire protection services to its citizens.

Budget Summary:	
FY2018/19 Midyear Projection:	600,886
FY2019/20 Recommended:	621,188
County General Fund Contribution:	0
Percent County General Fund Supported:	0.0%
Total Employees (FTEs):	0.0

FUNCTION AND RESPONSIBILITIES

The EVFPD's jurisdiction is Southeast Vallejo, an unincorporated area of the county, surrounded by the City of Vallejo. This budget unit receives property taxes from this area for the payment of fire protection services. The Board of Supervisors serve as the District's Board of Directors and the District is administered through the County Administrator's Office.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

None.

WORKLOAD INDICATORS

None.

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget represents an increase of \$46,248 or 8% in revenues and an increase of \$45,217 or 7.9% in appropriations when compared to the FY2018/19 Adopted Budget.

The increase in revenues is the result of an increase in tax revenue projected for FY2019/20. Contracted Services with the City of Vallejo Fire Department is budgeted at \$610,421 and is based on available funding, less administrative support costs. If there is any available Fund Balance at the FY2018/19 year-end, the Department requests the Auditor-Controller increase the Department's appropriations for Contracted Services by the amount of the available ending Fund Balance.

DEPARTMENT COMMENTS

None.

SUMMARY BY SOURCE	2017/18 ACTUALS	2018/19 ADOPTED BUDGET	2019/20 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
134 - EAST VJO FIRE DISTRICT					
TAXES	548,043	568,413	613,954	45,541	8.0%
REVENUE FROM USE OF MONEY/PROP	2,639	2,300	2,800	500	21.7%
INTERGOVERNMENTAL REV STATE	4,244	4,227	4,328	101	2.4%
INTERGOVERNMENTAL REV FEDERAL	0	0	106	106	0.0%
TOTAL REVENUES	554,927	574,940	621,188	46,248	8.0%
SERVICES AND SUPPLIES	552,321	573,871	618,921	45,050	7.9%
OTHER CHARGES	1,574	2,100	2,267	167	8.0%
TOTAL APPROPRIATIONS	553,896	575,971	621,188	45,217	7.9%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

None.

SUMMARY OF POSITION CHANGES

The EVFPD has no employees. The District contracts out for fire protection services currently through an agreement with the City of Vallejo.

PENDING ISSUES AND POLICY CONSIDERATIONS

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

DISTRICT PURPOSE

The Consolidated County Service Area (CCSA) provides street lighting in the unincorporated areas of Solano County.

Budget Summary:

FY2018/19 Midyear Projection:	119,711
FY2019/20 Recommended:	169,311
County General Fund Contribution:	0
Percent County General Fund Supported:	0%
Total Employees (FTEs):	0

FUNCTION AND RESPONSIBILITIES

The Consolidated County Service Area (CSA) provides street lighting in the unincorporated areas of Solano County. This budget funds maintenance of 590 existing streetlights, including 172 streetlights in Home Acres. Maintenance costs for these streetlights include electricity, repair, and installation of new streetlights. This budget is entirely funded through property taxes.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

- In prior years, the Department worked with PG&E on the LED lighting conversion of 462 street lights providing long term savings in utilities.
- The County worked with PG&E to update the inventory and verify proper ownership of all streetlights in unincorporated Solano County. The updated inventory has resulted in a reduction of 22 streetlights included in the Consolidated County Service Area based on corrected ownership records.

WORKLOAD INDICATORS

Operated and maintained 590 streetlights, of which 462 are LED and 128 are high pressure sodium.

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget represents an increase of \$16,594 or 12.8% in revenues and an increase of \$12,901 or 8.2% in appropriations when compared to the FY2018/19 Adopted Budget. The increase in revenues results from a \$14,822 or 12.1% increase in property tax revenues and a \$1,772 or 28.5% increase in interest income. The increase in appropriations results primarily from an increase of \$24,586 or 99.5% in additions to Reserves, partially offset by a \$12,000 cost savings in utilities due to the conversion of 462 street lights to LED in prior years.

Contracts

None requiring Board action.

Fixed Assets

None.

9746 – Fund 046-Consolidated County Service Area
Bill Emlen, Director of Resource Management
Public Ways

Functional Area Summary

SUMMARY BY SOURCE	2017/18 ACTUALS	2018/19 ADOPTED BUDGET	2019/20 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
046 - COUNTY CONSOLIDATED SVC AREA					
TAXES	120,440	122,016	136,838	14,822	12.1%
REVENUE FROM USE OF MONEY/PROP	6,993	6,228	8,000	1,772	28.5%
INTERGOVERNMENTAL REV STATE	927	908	908	0	0.0%
MISC REVENUE	1,520	0	0	0	0.0%
TOTAL REVENUES	129,881	129,152	145,746	16,594	12.8%
SERVICES AND SUPPLIES	165,004	90,600	78,630	(11,970)	(13.2%)
OTHER CHARGES	60,008	41,111	41,396	285	0.7%
CONTINGENCIES AND RESERVES	0	24,699	49,285	24,586	99.5%
TOTAL APPROPRIATIONS	225,012	156,410	169,311	12,901	8.2%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

The conversion of 462 street lights to LED lighting in previous years resulted in a reduction in utility costs, reflected in the FY2019/20 Recommended Budget.

SUMMARY OF POSITION CHANGES

There are no positions allocated to this budget.

PENDING ISSUES AND POLICY CONSIDERATIONS

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

DEPARTMENTAL PURPOSE

The Workforce Development Board (WDB) of Solano County, Inc. is a private, nonprofit, 501(c)(3) organization serving as the administrator/operator of a variety of workforce development grants and programs. The WDB Board of Directors is appointed by the County Board of Supervisors and acts as the federally-mandated, business-led Board to oversee U.S. Department of Labor (DOL) Workforce Innovation and Opportunity Act (WIOA) grants and programs.

Budget Summary:	
FY2018/19 Midyear Projection:	6,443,728
FY2019/20 Recommended:	6,072,393
County General Fund Contribution:	0
Percent County General Fund Supported:	0%
Total Employees (FTEs):	44

FUNCTION AND RESPONSIBILITIES

The WDB works to build and sustain a skilled workforce, support a vibrant economy, and create a shared prosperity for the community of Solano County. The WDB oversees federally-funded workforce services through the Workforce Innovation and Opportunity Act (WIOA) on behalf of Solano County, as well as other special projects. Staff members provide tailored job search services, job preparation, training, and placement services to job seekers, as well as work with local businesses to support both business-specific talent development efforts and industry-wide initiatives.

Job seeker services are provided through:

- The Solano Employment Connection (SEC) - the County’s “America’s Job Centers of California” system for One Stop Career Centers that offer free basic job search services for any job seeker, as well as recruitment events for businesses.
- WIOA-enrolled services for adult, dislocated workers and youth jobseekers – services include occupational training, job coaching, wrap-around service provisions, and job placement assistance.
- Discretionary grants serving job seekers and employers – often solicited through the California Workforce Development Board of California’s Employment Development Department (EDD). Grants to the North Bay region are included.
- Contracts – includes contracts with local agencies to provide employment and training services for targeted populations.

Various additional grants and contracts to serve special population groups, employers, or industries are taken on across time, as opportunities arise.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

The WDB faces challenges resulting in federal and State changes, as well as changing focal points within the local and State economy and community. These challenges are met through a responsive, data-driven, collaborative effort to best serve the needs of both jobseekers and employers in order to effectively support the talent system in Solano.

Challenges:

- The Federal Workforce Innovation and Opportunity Act (WIOA) federal and State guidance continues to change, including new requirements for Job Center certification, changes in performance tracking, and required Memorandums of Understanding within local areas. The WDB has adjusted to fit the changing regulatory conditions within WIOA, and taken the opportunity to move in new, more positive directions for the organization and the system.
- Regional workforce development initiatives are being called for with strong support from State policymakers. Solano County is a member of the North Bay Employment Connection (NBEC) collaborative with the WDB’s of Napa/Lake, Sonoma, Marin, and Mendocino Counties. Increasing priority at the State level to focus on regional issues and initiatives versus local initiatives can take focus away from local needs. In addition, current regional strategies decrease Solano’s unique ability to connect with the East Bay and Greater Sacramento regions.

Birgitta E. Corsello, County Administrator
Other Assistance

Accomplishments:

- Continued to address recommendations from the County's Help in Recruiting and Retaining Employees (HIRRE) initiative by facilitating engagement in a data sharing and referral system through Community Pro and playing a role in the conversations to address systems change within Solano's workforce system for the benefit of our community and economy.
- Increased resources and activities for vulnerable populations, including individuals with disabilities, parents ordered to pay child support, and justice-involved individuals.
- Expanded talent-focused support for businesses, including serving over 400 businesses, becoming the new host for the Solano Small Business Development Center, developing incumbent worker training and transitional jobs opportunities, city-based recruitment events, and business seminars on talent-related topics.

WORKLOAD INDICATORS

- The federal WIOA system has WIOA Indicators for Adult, Dislocated Worker, and Youth programs. These measures include employment 2nd Quarter after Exit, Employment 4th Quarter after Exit, Median Wages, Credential Attainment, and Measurable Skills Gains for each of the programs. For each indicator, the WDB met or exceeded the WIOA goals.
- Special grants/contracts have their own performance outcomes related to planned enrollment numbers, outcomes, and expenditures. The WDB met or exceeded all CalWORKS contract measurements for its Pathway to Employment and Success Track contracts.
- The WDB utilizes additional performance indicators including real-time measures of WIOA Indicators, and indicators developed by the Workforce Board. In FY2017/18, 10,109 individuals received job seeker services through the SEC network; 436 individuals received intensive WIOA job seeker services; 159 were enrolled in occupational training, and 143 gained employment with a 76% training-related placement at an \$18.00 median wage. Over 400 businesses received services with \$160,131 invested in Solano County businesses for recruiting and training needs; and 172 hiring recruitments for local and regional businesses were held in the SEC centers.

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget represents a decrease of \$255,954 or 4.0% in revenues and a decrease of \$212,963 or 3.4% in appropriations when compared to the FY2018/19 Adopted Budget. There is no County General Fund support for this budget, as WDB's activities are fully grant funded.

Primary Funding Sources

The primary funding source for the WDB is through the Workforce Innovation and Opportunity Act (WIOA) local allocation. The funding is based on a formula that includes the unemployment rate, number of dislocated workers, and other factors. WIOA funding allocations are not released for the FY2019/20 year until late spring; as such, the current Recommended Budget is based on anticipated funding levels until final allocations are released from the State of California EDD.

Overall, the requested budget of the WDB is based on the best estimates of federal grant funding that will be awarded for FY2019/20. In addition to the projection of available new federal funding, this budget includes the projection of unspent funds remaining at June 30, 2019 that will be available for expenditure in FY2019/20.

The FY2019/20 Recommended Budget of \$6,072,393 represents a decrease of \$255,594 or 4% in revenues when compared to the FY2018/19, primarily due to reduced estimates in available funding for WIOA Adult, Dislocated Worker, Administration, and Rapid Response projects. Additionally, the WIOA Disability Accelerator, the Work Based Accelerator, and the Fire Response projects end in FY2019/20; the amounts included in this budget are based the projected grant funds remaining at July 1, 2019. Overall, grant revenue is subject to possible future reductions to federal funding, and to approval of the H&SS contracts, which total 19.7% of the revenue in the Recommended Budget.

Primary Costs

The FY2019/20 Recommended Budget of \$6,072,393 represents a decrease of \$212,963 or 3.4% in appropriations when compared to the FY2018/19, primarily due to the following:

- Salaries and Employee Benefits of \$3,655,343 reflects an increase of \$46,204 or 1.3% primarily due to increased retirement and health insurance costs. The number of FTE included in this budget is 44, unchanged from FY2018/19.
- Services and Supplies of \$986,335 reflects a decrease of \$149,163 or 13.1% primarily due to reductions in Other Professional Services for Managed IT Services and the One Stop Operator of the Job Centers and decreases in facilities costs for satellite sites as adjustments were necessary to meet the current program needs.
- Other Charges of \$1,430,715 reflects a decrease of \$110,004 or 7.1% primarily due to reductions in training and employer outreach based on available grant funding.

Contracts

The FY2019/20 Recommended Budget includes a total of \$503,362 or 8.3% in contracted services which includes the following significant contracts:

- \$250,000 Training Contracts
- \$80,000 Employer Outreach
- \$75,000 America’s Job Center of California (AJCC) One Stop Operator Services
- \$50,362 Maintenance and building Improvements
- \$48,000 IT Systems Management Services

Fixed Assets

None.

DEPARTMENT COMMENTS

None.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2017/18 ACTUAL	2018/19 ADOPTED BUDGET	2019/20 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
REVENUE FROM USE OF MONEY/PROP	4,582	0	0	0	0.0%
INTERGOVERNMENTAL REV FEDERAL	4,415,403	4,697,987	6,072,393	1,374,406	29.3%
INTERGOVERNMENTAL REV OTHER	1,277,568	1,630,000	0	(1,630,000)	(100.0%)
MISC REVENUE	1,712	0	0	0	0.0%
TOTAL REVENUES	5,699,265	6,327,987	6,072,393	(255,594)	(4.0%)
APPROPRIATIONS					
SALARIES AND EMPLOYEE BENEFITS	3,203,139	3,609,139	3,655,343	46,204	1.3%
SERVICES AND SUPPLIES	1,117,710	1,135,498	986,335	(149,163)	(13.1%)
OTHER CHARGES	1,444,417	1,540,719	1,430,715	(110,004)	(7.1%)
TOTAL APPROPRIATIONS	5,765,267	6,285,356	6,072,393	(212,963)	(3.4%)
NET CHANGE	66,002	(42,631)	0	42,631	(100.0%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

None.

Birgitta E. Corsello, County Administrator
Other Assistance

SUMMARY OF POSITION CHANGES

There are no changes to position allocation.

PENDING ISSUES AND POLICY CONSIDERATIONS

The federal and State workforce programs are emphasizing addressing “institutional change” for the nation’s major educational and training programs, addressing “income mobility” for workers and families, devoting additional efforts and resources to those job seekers with multiple barriers to sustainable employment, addressing workforce needs on both a local and regional basis, engaging businesses in a meaningful manner, increasing use of apprenticeship and pre-apprenticeship programs, and increasing use of technology and accountability.

A new State Unified Workforce Plan will be released soon, which will lead to a revision of Local Workforce Plans. Strategic Plans are to be more active and driven by increasing focus on growth industry sectors, mid/high skill and mid/high wage occupations, planning and performing regionally, and stronger connections with Corrections and TANF programs.

DEPARTMENTAL PURPOSE

The Solano County Fair Association (SCFA) is a 501(c)3 nonprofit organization established in 1946 to conduct the annual Solano County Fair and to oversee the day-to-day operations of the County’s fairgrounds property. The SCFA strives to provide a year-round regional destination point by presenting first-class, multi-use entertainment and recreation facilities that support the County Fair and provide an economic and quality of life asset to the greater Solano County community.

Budget Summary:	
CY2019:	2,443,621
County General Fund Contribution:	0
Percent County General Fund Supported:	0%
Total Employees (FTEs):	14.9

FUNCTION AND RESPONSIBILITIES

The SCFA operates under a contract with the County of Solano and expires on January 31, 2021 unless the contract is amended as part of SCFA’s annual budget approval process, per the operating agreement. Most of SCFA’s revenues are generated by the operations of the fairgrounds. The County Fair Association receives a small allocation of license fees generated by the California horse racing industry to offset a portion of the cost of providing staff services to the SCFA. Revenues include ground leases and revenue from Fair parking and Six Flags parking agreement, advertising, facility rental, satellite wagering and support from the State of California for the network of fairs.

In June 2009, the County Board of Supervisors in cooperation with the City of Vallejo initiated the visioning effort known as Solano360. In 2013 a Specific Plan, Environmental Impact Report (EIR) and tentative map were reviewed by the Board, City of Vallejo and SCFA and approved by the City of Vallejo and Board of Supervisors. The County, City of Vallejo, and SCFA are working together to redevelop the fairgrounds property and create a “Fair of the Future.” For more details on this ongoing effort, refer to Budget Unit 1820 in the Capital Projects section.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

Challenges:

- Financial burdens associated with operating buildings, grounds and equipment that are, in most cases, long past their intended useful lives, continues for SCFA. At one time, most facility maintenance costs, beyond standard day-to-day repairs performed by SCFA under the agreement with the County, were supported by State of California provided funding. The State funding, for the past 10 years, has been significantly reduced. SCFA currently receives less than \$35,000 annually. That amount is far below what the current facility maintenance/upgrade requirements.
- SCFA is a non-profit organization in transition; financial challenges and facility needs have required the SCFA to move away from the old fair-centric model to one of a year-round event center focused on supporting and promoting the community of Solano County. SCFA has undertaken an organizational change/re-structuring that is impacting all facets of SCFA’s operation. The Board of Supervisors, (BOS) has expressed concerns about the financial and organizational viability of SCFA. Accordingly, the BOS has been reluctant to make appointments to SCFA’s Board of Directors pending the results of the ongoing organizational changes. The SCFA Board currently has seven Directors, (out of a 15-member Board). The reduced numbers significantly impact SCFA’s ability to address key elements they have identified as mission critical objectives. SCFA’s re-organizational efforts focus on expanding the volunteer base, strengthening the committee structure, and maximizing fundraising capabilities.
- 2018 brought another increase to California’s minimum wage from \$11.00 per hour to \$12.00 per hour effective January 1, 2019. The 2019 increase will primarily affect seasonal and intermittent part-time employees who work during the annual Fair, Ag Day, year-round Race Place, and facility rental operations.

Accomplishments:

- The 2018 Solano County Fair represented the introduction of a new Solano County community focused Fair and a break away from the “traditional” fair format. Utilizing the theme of “Blue Ribbon Fun!” SCFA focused on the “heart and soul” of any county fair, the competitive exhibits program. The fair running time was reduced to two days and featured a “free gate”

**Mike Ioakimedes, Executive Director & Chief Executive Officer
Solano County Fair**

meaning for the first time there was not an admission charge. 2018 also represented a significant change in the fair running dates, moving from August to late June/early July. For the 2019 Solano County Fair, SCFA plans to continue to build on the success of the revised format and model introduced in 2018.

- The Annual Youth Ag Day continues to be a successful collaborative effort of the Solano County Fair Association and agricultural-related businesses, organizations, farmers, ranchers and other community members. This fun and educational event is free to all third-grade classes in Solano County and features a wide variety of rotational learning stations and displays. Activities are designed to give children the opportunity to learn about food and fiber production from new perspectives, with emphasis on the agricultural abundance of Solano County. This event is made possible through the volunteers who dedicate their time and cash donations and SCFA financial support.
- Recent State legislative action has demonstrated the State of California's commitment to supporting the network of California's fairs. The passage of SB 5/Proposition 68 has provided for over \$15 million in funding for California's fairs. SCFA participated in legislative advocacy in support of the passage of SB 5 and has submitted proposals for the first round of funding. In addition, AB 1499 was passed and signed by Governor Brown, and considered a legislative victory for California's fairs as it re-establishes a dedicated funding level and annual funding stream for California's fair network lost in the Great Recession. This dedicated funding stream has been absent from the State's budget for 10 years and its re-introduction is believed to re-emphasizes the State's commitment and help restore or replace the horse racing revenue originally dedicated to supporting the fair network.

WORKLOAD INDICATORS

- 27,268 attendees at the Solano Race Place in 2018 for an average daily attendance of 126 people.
- Gross revenue for Solano Race Place for 2018 was \$577,871 an increase of \$24,302 over 2017 gross revenue reflecting a 4% increase in revenue.
- 136 third-grade classes and approximately 4,200 students, teachers, chaperones and volunteers from across the county participated in the 2018 Youth Ag Day; making the 2018 Youth Ag Day the biggest and best yet.
- Facility Rentals for 2018 were \$1,209,854 an increase of \$295,392 over 2017 rental figures or approximately a 24% increase in sales.

DEPARTMENTAL BUDGET SUMMARY

The SCFA budget is based on a calendar year. The 2019 SCFA budget reflects total revenues of \$2,816,394 an increase of \$138,289 or 5.2% over the 2018 Adopted Budget. The 2019 appropriations total of \$2,433,621 reflecting a decrease of \$133,732 or 5.2% over 2018 Adopted Budget.

DEPARTMENT COMMENTS

The 2019 Solano County Fair will take place Thursday, June 27 through Sunday, June 30. The theme is "Cheers to 70 Years!". Building on the 2018 new fair operational model the 2019 annual Solano County Fair will be focused on the things that make Solano County a special place to live, work and play. 2018's fair patrons responded to post fair surveys indicating that the 2018 fair was missing key elements of what they thought were a true "fair experience". The 2019 Solano County Fair will be re-introducing many of the traditional features that will make the 2019 Fair an even more successful community event.

Functional Area Summary

**2350 – Fund 235-Solano County Fair
Mike Ioakimedes, Executive Director & Chief Executive Officer
Solano County Fair**

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2017 ACTUALS	2018 ADOPTED BUDGET	2019 RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
REVENUE FROM USE OF MONEY/PROP	207,608	791,734	2,018,407	1,226,673	154.9%
INTERGOVERNMENTAL REV STATE	0	32,487	32,487	0	0.0%
CHARGES FOR SERVICES	97,498	1,761,384	679,000	(1,082,384)	(61.5%)
MISC REVENUE	40,580	92,500	86,500	(6,000)	(6.5%)
TOTAL REVENUES	345,686	2,678,105	2,816,394	138,289	5.2%
APPROPRIATIONS					
SALARIES AND EMPLOYEE BENEFITS	0	1,364,916	1,176,907	(188,009)	(13.8%)
SERVICES AND SUPPLIES	39,884	1,196,466	1,147,714	(48,752)	(4.1%)
OTHER CHARGES	0	15,971	19,000	3,029	19.0%
F/A BLDGS AND IMPRMTS	0	0	100,000	100,000	0.0%
TOTAL APPROPRIATIONS	39,884	2,577,353	2,443,621	(133,732)	(5.2%)
NET GAIN(LOSS)	305,803	100,752	372,773	272,021	270.0%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

SCFA concluded calendar year 2018 with an unaudited net profit before depreciation of \$168,818 an increase of \$103,724 over 2017 representing an increase of 61%. As a result, the SCFA was able to allocate funds to its designated reserves with starting balances for January 1, 2019 of \$39,203 in Capital Projects/Maintenance Reserve; \$9,833 in Parking Lot Improvement Reserves; \$19,414 in Fair Hands Reserve; \$8,775 in Racing Facilities Improvement Reserve; \$8,848 in Ag Day Reserve; and \$15,194 in Junior Livestock Auction Reserve.

SUMMARY OF POSITION CHANGES

The second half of 2018 brought significant organizational changes to SCFA. In October of 2018, the SCFA Board announced the selection of Mike Ioakimedes, the Business Development Manager, as SCFA's new Executive Director/CEO. The Executive Director/CEO is a new position combining the traditional responsibilities of the General Manager, the Business Development Manager and the Chief Financial Officer. The Chief Financial Officer position has been deleted Stephen Hales was moved back into the Chief Operations position.

PENDING ISSUES AND POLICY CONSIDERATIONS

While SCFA's 2018 net profit was higher than anticipated (\$168,818 actual vs. \$100,752 projected) it is not sufficient to meet the increasing demands of deferred maintenance and unfunded retirement liabilities. In 2018, SCFA Board of Directors adopted a Reserve Policy that addresses, on an annual basis, both the deferred maintenance and unfunded retirement liabilities. It is hoped that with the chaptering of AB 1499, the network of California fairs will begin to enjoy a dedicated funding stream intended to help fund fair deferred maintenance issues. At the time of this writing, it is undetermined the amount SCFA will receive from AB 1499 funds. Additionally, SCFA has applied for deferred maintenance grants offered after the passage of SB 5 / Proposition 68. There is a total of approximately \$15 million Statewide offered to California's fairs over a 3-year funding cycle for grants for maintenance at this time.

Related to the unfunded pension liability (\$1.5 million as of March 2019), SCFA makes full contributions to its current pension liability and has begun to budget funds towards payment of the unfunded portion. Unfortunately, these efforts fall short of what is required to fully address the liability. SCFA's Board of Directors is exploring establishing a 20 to 30-year payment /investment strategy that would fully address the current unfunded pension liability.

The County Administrator's Office is awaiting the final audited financial numbers for calendar year 2018 and is utilizing projected Budget figures for CY2019 provided by SCFA.

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