

Non-Departmental Services

FY 2021-23 Recommended Budget

Robert Manchia

June 23, 2021



Non-Departmental Services

Offsets any Net County Cost from County General Fund departments

Countywide expenses including IT projects, facility repairs, capital improvements, elections, debt service associated with bonds, and retiree health contributions



FY 2021-23 Budget Overview

	FY 2020-21 Revised	FY 2021-22 Recommended	Amount Change	Percent Change
Total Sources	\$1,323,126,883	\$1,128,833,658	(\$194,293,225)	14.6%
Total Requirements	\$725,161,705	\$514,747,385	(\$210,414,320)	29.0%
Net County Cost	(\$597,965,178)	(\$614,086,273)	(\$16,121,095)	2.6%
Total Positions	0	0	0	0%



FY 2021-23 Budget Overview

	FY 2021-22 Recommended	FY 2022-23 Preliminary Recommended	Amount Change	Percent Change
Total Sources	\$1,128,833,658	\$965,126,711	(\$162,260,146)	14.3%
Total Requirements	\$514,747,385	\$349,770,933	(\$164,976,452)	32.0%
Net County Cost	(\$614,086,273)	(\$615,365,778)	(\$1,269,505)	0.2%
Total Positions	0	0	0	0%



FY 2021-23 General Fund Sources



Sources of Funds	FY 2021-22	FY 2022-23
Taxes:		
Property Taxes	483,757,301	501,346,297
Excess ERAF	75,000,000	80,000,000
Sales Tax	21,497,603	25,797,123
Measure K Sales Tax	28,810,011	28,810,011
All Other Taxes	18,656,793	19,429,600
Licenses, Permits and Franchises	610,922	617,031
Fines, Forfeitures and Penalties	0	0
Use of Money and Property	27,043,640	27,792,904
Intergovernmental Revenues	31,720,135	1,732,292
Charges for Services	1,708,438	1,708,438
Interfund Revenue	6,857,078	6,981,424
Miscellaneous Revenue	231,843	231,843
Other Financing Sources	0	0
Total Revenue	695,893,764	694,446,963
Fund Balance	432,939,894	270,679,748
Total Sources	1,128,833,658	965,126,711



FY 2021-23 Major Expenses

- Capital improvement projects
- Emergency Operations
- Parks
- Assessor property tax system upgrade
- Measure K



FY 2021-23 Other Expenses

- Elections related expenses
- SamCERA blended rate
- Treasurer tax system maintenance
- Information technology projects

Non-Departmental Reserves Policy

Contingencies

YEAR 1: \$58,812,061 (3.0%)

YEAR 2: \$52,746,598 (3.0%)

Reserves

YEAR 1: \$95,222,599 (4.9%)

YEAR 2: \$101,288,062 (5.8%)



American Rescue Plan, Generally

Authorized \$1.9 trillion in funds for COVID-19 relief

- Direct financial assistance to individuals
- Funds and grants for:
 - Health, Education & Childcare
 - Transportation and other programs
- Recovery funds for specified purposes to states, counties, cities

US Treasury's Interim Final Rule re Recovery Funds

- Provides UST's interpretation of ARP's requirements and limitations
- Public comment period ongoing (through July 16, 2021)

ARPA Allocations (in billions) per Wall Street Journal, 3/13/21



Four Permitted Uses of Recovery Funds

1. Respond to COVID-19 public health emergency/its negative economic impacts
 - assistance to households, small businesses, and nonprofits
 - aid to impacted industries such as tourism, travel, and hospitality
2. Provide premium pay to essential workers
3. Replace public sector revenue lost due to pandemic
4. Invest in water, sewer, or broadband infrastructure

Respond to Public Health Emergency

Use must address/respond to an identified public health effect of COVID-19



Respond to Negative Economic Impacts of COVID-19

- Use must:
 - address/respond to identified **economic harm** (e.g. loss of earnings or revenue) caused by COVID-19, and
 - be **related and reasonably proportional** to that harm



Respond to Negative Economic Impacts of COVID-19 (cont'd)

- Assistance to households, small businesses, and nonprofits
- Aid to impacted industries: **tourism, travel, and hospitality** industries expressly eligible



Premium Pay & Revenue Replacement

- Premium pay for essential workers in essential critical infrastructure sectors
- Provision of government services to extent of reduction in revenue due to COVID–19 relative to revenues collected in most recent full fiscal year prior to emergency



Make Necessary Investments in Sewer, Water or Broadband

- Necessary investments to maintain a level of service that:
 - Meets/exceeds applicable health standards,
 - Or establishes or improves broadband service to underserved communities (to permit remote work/school)
 - And are unlikely to be met with private sources of funds



California's Fiscal Recovery



Approx. \$360B to government via ARPA

State of California	\$26.2B
Counties and Cities	\$16.1B
California Total	\$42.3B

One-time money, one-time use

Locally

One-time money, one-time use



First Half

County	\$148.6M	\$74.3M
Metro Cities	\$76.7M	\$38.35M
Non-entitled Units	\$63.5M	\$31.75M
Total	\$288.8M	\$144.4M

Local Considerations

- Interim Rule issued 5/10/21 (plus supplemental guidance)
- Audit - clear alignment or pay it back
- One-time money, one-time use
- Avoid duplication of other funds provided
 - Cities
 - State of California
 - CARES and other ARPA programs



San Mateo County Response



Vaccinations	\$5M
Environmental Health Fees for Business	\$5.2M
County Revenue Restoration	\$20M
Recovery Committee requests	\$13M
Homeless Infrastructure	\$20M

Questions?

