



# Fiscal Year 2011-12 First Quarter Financial Status Report

County of San Luis Obispo

## Introduction

In accordance with the Board's adopted policy related to Ongoing Budget Administration, this First Quarter Financial Report provides an overview of the County's financial position at the end of the first quarter of Fiscal Year 2011-12. The first quarter time frame is July 1, 2011 through September 30, 2011. The purpose of the First Quarter Financial Report is to provide the Board and public with information about the County's financial position at end of the first quarter for the current fiscal year.

The First Quarter Financial Report is organized in following sections:

- Section 1-** provides an overview of the County's financial position at the end of the First Quarter, as well as brief summaries of noteworthy departmental fiscal and operational issues.
- Section 2-** provides a big picture analysis of first quarter revenue receipts by category (e.g., taxes, charges for services, etc.) and fund (e.g., General Fund, Road Fund, etc.) as well as a review of contingency, designation and reserve activity.
- Section 3-** is a listing of all personnel changes approved by the Board of Supervisors during the fourth quarter.
- Section 4-** has miscellaneous financial items for the Board's consideration, such as requests from departments for acceptance of gift funds and donations, discharge of bad debt and miscellaneous budget augmentations.
- Section 5-** is an update on all of the Federal stimulus funding received as of the end of first quarter FY 2011-12.
- Section 6-** is an update on the Capital Improvement Projects (CIP) managed by the General Services Agency.
- Section 7-** is an update on the Capital Improvement Projects (CIP) managed by the Public Works Department.

### Board Policy: Ongoing Budget Administration

It shall be the responsibility of the County Administrative Officer to submit Quarterly Financial Status Reports to the Board of Supervisors. These reports shall provide a projection of expenditures and revenues, identifying projected variances. They may also include recommendations and proposed corrective actions which may include mid-year reductions.

## Section 1: Overview of Financial Position

As shown on the chart below, expenditure and revenue patterns for the first quarter are similar to those from the first quarter of FY 2010-11. The revenue realization rates shown in the tables below are typical for the first quarter due to the time lag involved in billing cycles and receipt of reimbursements, and because some of the largest revenue sources, property taxes are an example, are historically realized closer to the end of the fiscal year.

The following table compares the current year and prior year first quarter expenditures and revenues for All Funds and the General Fund.

Expense & Revenue All Funds Comparison		
	First Quarter FY 2010-11	First Quarter FY 2011-12
Expenditures	18 %	19 %
Revenue Realized	9 %	10 %
Expense & Revenue Gen. Fund Comparison		
	First Quarter FY 2010-11	First Quarter FY 2011-12
Expenditures	20 %	20 %
Revenue Realized	8 %	9 %

Based on the evaluation of the financial information provided by departments for the first quarter, almost all departments report that they anticipate remaining within their budgeted General Fund level. The first quarter fiscal information identifies three noteworthy issues. Two of the issues are related to departments which report a projected potential impact to the General Fund based first quarter trends for either higher than anticipated expenditures or lower than budgeted revenues. Both departments are developing options and strategies to address this possible impact. A third issue identified in the first quarter report involves the Reprographic Services internal service fund (ISF) which is experiencing a substantial decline in revenues from service charges. The decline in service charge revenue is noteworthy because it raises issues about whether the services provided by the ISF can be self sustaining in future years. The above identified issues are discussed in greater detail in the following section.

### **Noteworthy Issues Identified in the First Quarter.**

**Department:** Sheriff -Coroner  
**Fund Center(s):** 136  
**Issue:** Greater than budgeted expense  
**Potential Impact to GF:** \$300,000

The Sheriff's Office projects that its budget may end the year approximately \$300,000 over the budgeted level of General Fund support, mainly due to unbudgeted expenditures for garage charges and fuel. Fuel expense is projected to

exceed budget by 43% or \$182,000. The increase in fuel expense is largely due to greater per gallon cost for fuel and more miles being driven by Sheriff Patrol vehicles. The actual cost per gallon of fuel has increased by approximately 20% over the cost of fuel in the FY 2011-12 budget. Sheriff's Office staff reports the increase in miles being driven by Sheriff Patrol vehicles is related to greater distance between calls for service. Sheriff garage charges are also projected to exceed budget by 13% or \$97,000, due in part to unanticipated expenditures for repair and modifications to several Sheriff vehicles. The Sheriff is working with County Fleet to determine what levers are available to bring these costs under control.

Additionally, overtime and temporary help expenditures exceeded budget in the first quarter, although sufficient salary savings from staff vacancies was generated to offset the expense. Overtime was 37% expended and temporary help was 31% expended in the first quarter, exceeding quarter year budget targets by \$292,000 and \$27,000 respectively. The use of overtime is expected to decline as vacant positions are filled and the Sheriff projects that overall salary expenditures will be within budgeted levels by year end.

The Sheriff' Office is evaluating options to mitigate the potential impact to the General Fund. The second quarter report will include an update on the Sheriff's Office fiscal status. Please note that the implementation of the AB 109 public safety realignment plan did not begin until October 1, and so was not a factor in the first quarter.

<p><b>Department:</b> Planning and Building <b>Fund Center(s):</b> 142 <b>Issue:</b> Revenue shortfall <b>Potential Impact to GF:</b> \$303,500</p>
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The Planning and Building Department reports a potential \$303,500 impact to the General Fund as a result of first quarter revenue receipts which are projected to be approximately \$439,000 less than budgeted.

Overall, revenues realized are 22% of the amount included in the FY 2011-12 budget. The main driver of the revenue shortfall is building permit revenue that is falling short of budgeted amounts. The issuance of building permits shows a decline of 9% as compared with the same time in FY 2010-11. The summer months of the first quarter of each year are typically a more active time in terms of building permit applications. Although the revenue from permit fees were realized at 25% of the amount budgeted, this is 2% less than the first quarter of last year. The projected revenue shortfall includes reduced revenue from the granting of fee waivers. A total of \$26,715 in fees were waived by the Board in the first quarter of the fiscal year and another \$19,904 in fee waivers have been granted to date in the second quarter. Based on this history, Planning and Building projects the reduction in revenue from the granting of fee waivers could be \$80,000 or more by year end. The impact of fee waivers is included in the departments projected revenue shortfall.

Expenditures are largely on track as of the end of the first quarter and are projected to end the year approximately 1% (\$135,600) below the appropriated amount. Salaries and benefits are projected to be \$47,700 less than budgeted largely due to anticipated in salary savings from vacant positions (a Permit Technician and Planner) and net savings of \$87,900 in services and supplies accounts, equipment and intrafund accounts. The projection also includes the unbudgeted cost of approximately \$109,000 for an overfilled Resource Protection Specialist.

This position was slated for layoff in FY 2009-10 but has been preserved through the agreement reached with SLOCEA (approved by the Board on July 12, 2011).

Based on current projections, Planning and Building indicates that the total shortfall in revenue could be as high as \$439,000. In addition to the \$135,600 in planned expenditure savings noted previously, the department has also developed a longer range strategy to address the remaining \$303,400 potential impact to the General Fund. The strategy includes the following:

- maintaining an additional vacant Planner position for the balance of the fiscal year to generate an additional \$59,455 in salary savings
- Further reduce department expenditures in service and supply accounts by approximately \$80,000
- The department also has a Mapping and Graphics Specialist position that is being kept vacant at this time which would generate approximately \$42,000 in savings
- Savings from the SLOCEA agreement are anticipated to offset the \$109,000 cost of the overfill position
- Early projections indicate potential revenue from projects which are billed on a time and materials basis may be as much as \$90,000 higher than projected in the department's budget

The department indicates that each of the above reductions would be accomplished consistent with Board guiding priorities as follows:

- (1) Paying customers are not adversely affected;
- (2) Mandates are accomplished;
- (3) That the department should focus on those items that forward the goals of AB 32 and SB 375; and
- (4) That the department should focus on those items that forward the goals and the implementation of a County Economic Strategy.

The Planning and Building Department would focus remaining resources on processing land use and building permits and those items on the Department's Top 10 Priorities as set by the Board last month. However, the department states they would not be able to work on new initiatives that are not revenue-generating and not budgeted. These new initiatives are identified in Table 4 of the October 11, 2011 staff report from Planning and Building to the Board. In addition, there may be some impact on the timing of other projects not in the top ten priority list, or work by consultants using grant funds.

The strategy to implement the above expenditure reductions will mitigate the currently projected impact to the General Fund. Should the department's revenues pick up and revenue projections improve, the strategy to constrain expenditures can be reversed. An updated report of Planning and Building Department's fiscal condition will be provided in the second quarter.

**Department:** Reprographics  
**Fund Center(s):** 406  
**Issue:** Revenue decline due to reduced service demand  
**Potential Impact to GF:** \$0

At the end of the first quarter, the Reprographic Services budget shows a substantial decline in revenue. The trend for a deteriorating demand for Reprographic services, noted in the FY 2011-12 budget document, is causing a substantial decline in revenues from charges for service. First quarter revenues are 32% less than compared to the first quarter of FY 2010-11. Although expenses are also projected to be less than budgeted, the substantial decline in projected revenue indicates a high potential that the full operational cost for Reprographics will not be recovered through the revenues generated by the ISF. The past two fiscal years have seen steady decreases in the number of print and copy jobs handled by the staff and a concurrent reduction in the total charges for services provided. The declines are based on three primary drivers:

1. increased use of electronic communications (ie. email),
2. increased use of departmental copiers and printers, and
3. selective outsourcing by departments, for copying and printing needs.

The Reprographics budgeted expense for FY 2011-12 is \$481,372 and budgeted revenue is \$508,691. Expense for the fiscal year is projected to be approximately \$415,000 and revenues are projected to be only \$323,000 leaving a gap of approximately \$92,000. About 86% of the projected expense in Reprographics is in salary and benefits (\$225,000) and in equipment maintenance contracts, computer services, insurance, and other charges related to the overhead for the department (\$132,000). There is little room to further reduce expense without reducing staffing cost. Reprographics does have an unallocated cash balance of approximately \$91,000. This can be used to help bridge the gap during the current fiscal year, but leaves no operating cash for Reprographics in the future.

It should be noted that the declining use of printing and copy services is not unique to County Reprographics. Many public entities and private companies have reduced their use of printed media by using electronic media to disseminate reports, informational flyers and other material. The General Services Agency and Administrative Office have been monitoring the decline in the use of Reprographic services over the past two years. It was anticipated that County-wide projects, such as Integrated Document Management (IDM) and Agenda Management, would likely contribute to a further reduction in the utilization of Reprographics print and copy services. Near the end of Fiscal Year 2010-11 the Reprographics business was reviewed by an independent consultant. The consultant, Z Consulting, was hired to provide an assessment of Reprographics' current business, perform a cost analysis, and provide information on industry trends. As part of the business review, County departments provided feedback about their current and anticipated future use of both County Reprographics and outside vendors. Three local service vendors provided market costs for the service volumes handled by the County. The General Services Agency is using the information in this report to develop options to meet the County's future needs for print and copy services. One of the options under consideration includes the phasing out of County operated reprographic services and implementing contracts with private providers of print and copy services. This option may be the most cost effective way to meet the County's future print and copy needs. The General

Services Agency is also evaluating strategies to bridge the current year gap between revenues and expense.

An updated report on the status of Reprographics and the strategies and future options will be included in subsequent quarterly fiscal reports.

**Section 2: Status of Funds, Contingencies and Reserves**

**REVENUE SCHEDULE ANALYSIS  
FIRST QUARTER FOR FISCAL YEAR 2011-2012**

**I. GENERAL:**

The Auditor-Controller's Office has prepared the following Schedules that are attached at the back of this report.

Schedule 1: Comparative Statement of County Funds - Revenue Status

Schedule 2: Comparative Statement of Contingencies and Reserves

These schedules are the focus of the following discussion. Generally, comments are limited to material deviations from the prior year or from what would appear to be normal performance.

**II. SCHEDULE 1: Comparative Statement of County Funds - Revenue Status**

**A. Summary**

Total budgeted revenues for all funds are \$495.6 million. At the end of the first quarter \$50 million or 10% of estimated revenues were realized, which is consistent with the prior year. Taxes and government aid do not follow even monthly flows.

**B. Specific Comments - Revenue Status by Type**

Taxes-Current Property: Property Tax Revenue of 2% was realized during the first quarter, which is equal to the prior year's realization rate.

Taxes- Other than Current Property: At the end of the first quarter 11% of estimated revenue was realized, compared to 9% in the prior year. Sales and Use Taxes for the first quarter increased by 63% over the first quarter in fiscal year 2010-2011. However, this is due to some one-time make up payments and does not indicate a trend. Also Included in this revenue classification are Transient Occupancy Tax (Bed Tax), Property Transfer Tax, Property Tax In-Lieu of Sales Tax and Property Taxes In-Lieu of Vehicle License Fees. The majority of these revenue sources are expected to meet budget. The known exception is Property Tax In-Lieu of Sales Tax, which is determined by the State Department of Finance in August and based on estimates for the current fiscal year. Last year, the State's estimate was low, and an adjustment or true-up will be included in the current year revenue.

Licenses and Permits: The amount realized is 20% of estimates compared to last year's realization rate of 17%. Revenue sources in this category include Franchise Fees, Plan Check Fees and Land use Permits. Plan Check Fees increased by \$113K over the same period last year.

Fines, Forfeitures and Penalties: The amount realized is 17% compared to last year's realization rate of 7%. A settlement of \$500K received in August accounts for most of the difference between years.

Revenue – Money and Property Use: Realized revenue in this class is 13% which equals the realization rate in the prior year. The average rate of return during the first quarter was .5281% compared to less than .5% in the prior year. In total interest revenue earned by the General Fund was \$92,000 compared to less than \$60,000 in the prior year

Aid from Government Agencies: The amount realized is 10%, which is consistent with the prior year. Aid from government agencies does not follow even monthly revenue flows but catches up in the third and fourth quarters. There are a number of variances from the prior year including the timing of transfers and accrual reversals. Some of these differences result in increased revenue and some in decreases but most are expected to even out before the end of the fiscal year.

Charges for Current Services: The amount realized is 21%, compared to 16% in the prior year. Road Impact Fee revenue increased significantly from the prior year due to payments received related to a large project in Nipomo. A number of additional revenue accounts in this class are greater than the prior year including Sheriff Billings for Court Security, Medical Reimbursement and Lab Services.

#### C. Specific Comments - Revenue by Fund

General Fund: The General Fund realized 9% of estimated revenue at the end of the first quarter, compared to 8% in the prior year.

Road Fund: The Road Fund realized 12% of estimated revenue in the first quarter compared to 5% in the prior year first quarter, an increase of approximately \$3.7 million. This is mainly a timing issue related to revenue received from the State.

Community Development Program Fund: This fund's revenue for the first quarter was 7% in the current year to date compared to 15% in the prior year, a decrease of over \$1 million. The difference from the prior year is one of timing as this revenue is realized as projects are completed.

Public Facility Fees: Public Facility Fee Fund realized 23% of revenue in the current fiscal year, compared to 38% in the prior year. Actual revenue decreased approximately \$160,000 from the prior year, reflecting the decrease in building permits issued for new construction.

Impact Fees – Traffic: Revenue was realized at 69% in the current year compared to the prior year when 35% was realized in the first quarter. This revenue source is based on building permit activity within Road Improvement Areas of the County. Actual revenue increased by approximately \$1.3 million from the prior year.

## **SCHEDULE 2: Comparative Statement of Contingencies and Reserves**

### **A. Contingencies**

There were no reductions to Contingencies in the First Quarter. The General Fund contingency balance at the end of the first quarter was \$14,567,086.

### **B. General Reserves**

The Government Code provides that General Reserves may not be used during the operating year unless the Board of Supervisors deems that there is a state of emergency. Since no emergency has existed to date, all balances of reserves are as adopted.

### **C. Designations and Other Reserves**

The Board of Supervisors may choose to designate portions of available funding for a specific future purpose. Such designations reflect tentative plans, which are subject to change. It is this flexibility that distinguishes designations from reserves.

\$1,720,000 GENERAL GOVERNMENT BUILDING REPLACEMENT FUND: The designation was increased by the amount received from the Sale of County Owned Properties in the Unincorporated Area of California Valley.

\$(236,662) ROAD IMPACT FUND: To increase appropriation to transfer the remaining funds from the San Luis Obispo Fringe Area Road Improvement Fee Mitigation Account to the City of San Luis Obispo's Transportation Improvement Fee Mitigation Account.

## **III. Schedule of Appropriation Transfers under the Auditor's Authority**

By resolution the Board of Supervisors authorized the Auditor-Controller to approve appropriation transfers between all object levels within the same budget unit. The resolution also directed that such transfers be reported to the Board on a quarterly basis.

The following transfers were made under the Auditor's Authority during the first quarter of 2011/2012.

Assessor's Office – Fund Center 109: Transferred \$582 from Services and Supplies to Capital Outlay-Equipment to fund additional costs for copier equipment.

County Wide Automation Replacement– Fund Center 266: Transferred \$25,000 from Capital Outlay - Equipment to Services and Supplies for the expense portion of Agenda Management system implementation.

COMPARATIVE STATEMENT OF COUNTY FUNDS- REVENUE STATUS  
For the Three Month Period Ended September 30, 2011 and 2010

Revenue Status by Class	2011-12			2010-11		
	Amount Budgeted	Amount Realized 09/30/11	%	Amount Budgeted	Amount Realized 9/30/10	%
TAXES - CURRENT PROPERTY	\$ 100,089,158	\$ 2,449,325	2 %	\$ 100,898,240	\$ 2,431,849	2 %
TAXES - OTHER THAN CURRENT PROPERTY	45,163,518	5,025,737	11 %	44,165,700	3,925,467	9 %
LICENSES AND PERMITS	7,833,066	1,540,859	20 %	7,629,519	1,274,729	17 %
FINES, FORFEITURES AND PENALTIES	6,114,587	1,016,783	17 %	5,996,446	410,231	7 %
REVENUE - MONEY AND PROPERTY USE	845,522	228,158 *	27 %	1,407,499	179,939	13 %
AID FROM GOVERNMENT AGENCIES	228,105,652	22,095,408	10 %	227,835,178	21,894,778	10 %
CHARGES FOR CURRENT SERVICES	34,969,052	7,216,618	21 %	33,772,813	5,434,229	16 %
OTHER REVENUES	30,771,979	5,326,476	17 %	31,534,701	4,539,075	14 %
OTHER FINANCING SOURCES	41,754,266	5,603,569	13 %	37,310,306	4,421,881	12 %
<b>TOTAL REVENUES</b>	<b>\$ 495,646,800</b>	<b>\$ 50,502,933</b>	<b>10 %</b>	<b>\$ 490,550,402</b>	<b>\$ 44,512,178</b>	<b>9 %</b>

Revenue Status by Fund	2011-12			2010-11		
	Amount Budgeted	Amount Realized 09/30/11	%	Amount Budgeted	Amount Realized 09/30/10	%
1000000000 General Fund	\$ 373,132,375	\$ 32,462,286 *	9 %	\$ 377,687,030	\$ 31,727,720	8 %
1100000000 Capital Projects	9,423,170	552,280 *	6 %	9,889,856	30,522	0 %
1200000000 Road Fund	52,239,364	6,272,491	12 %	48,169,938	2,504,186	5 %
1200500000 Community Devel Pgm	10,148,065	669,860	7 %	11,003,274	1,674,577	15 %
1201000000 Public Facility Fees	1,019,904	230,039	23 %	1,028,638	389,705	38 %
1201500000 Parks	7,826,374	2,188,086	28 %	7,765,549	2,136,385	28 %
1202000000 Co-Wide Automation Replacement	5,254,312	597,898	11 %	5,532,731	503,322	9 %
1202500000 Gen Gov Building Replacement	5,040,873	671,171	13 %	2,521,543	501,333	20 %
1203000000 Tax Reduction Resrv	3,035,109	0	0 %	1,000,000	0	0 %
1203500000 Impact Fee-Traffic	2,434,600	1,686,386	69 %	1,112,603	385,794	35 %
1204000000 Wildlife And Grazing	3,500	0	0 %	3,500	0	0 %
1204500000 Driving Under the Influence	1,412,707	336,464	24 %	1,550,121	352,623	23 %
1205000000 Library	7,873,718	455,639	6 %	8,338,593	354,296	4 %
1205500000 Fish And Game	20,000	3,001	15 %	20,000	2,355	12 %
1206000000 Organizational Development	512,166	60,542	12 %	40,000	0	0 %
1206500000 County Med Svcs Prog	5,126,000	1,080,707	21 %	2,684,006	647,990	24 %
1207000000 Emergency Med Svcs	820,400	130,905	16 %	912,300	179,702	20 %
1207500000 Cal Hlth Indig Prog	0	0	%	723,288	0	0 %
1208000000 Debt Service-Cert of Participation	2,250,163	1,293,768	57 %	2,986,432	1,437,211	48 %
1801000000 Pension Obligation Bond DSF	8,074,000	1,811,410	22 %	7,581,000	1,684,457	22 %
<b>TOTAL REVENUES</b>	<b>\$ 495,646,800</b>	<b>\$ 50,502,933</b>	<b>10 %</b>	<b>\$ 490,550,402</b>	<b>\$ 44,512,178</b>	<b>9 %</b>

\* Includes interest earnings of \$92,430 for the General Fund and \$27,581 for the Capital Projects Fund.

Interest Rate: .5281%

COMPARATIVE STATEMENT OF CONTINGENCIES AND RESERVES  
By Fund as of September 30, 2011

<u>Contingencies</u>	2010-11 Final Budget	2011-12 Final Budget	As of 09/30/11	2011-12 Increase (Decrease)
General Fund	\$ 14,489,051	\$ 14,567,086	\$ 14,567,086	\$ 0
Community Devel Pgm	16,983	35,135	35,135	0
Parks	321,550	397,251	397,251	0
Driving Under the Influence	59,839	50,000	50,000	0
Library	220,000	47,389	47,389	0
County Med Svcs Prog	350	0	0	0
<b>TOTAL CONTINGENCIES</b>	<b><u>\$ 15,107,773</u></b>	<b><u>\$ 15,096,861</u></b>	<b><u>\$ 15,096,861</u></b>	<b><u>\$ 0</u></b>

<u>General Reserves</u>	2010-11 Final Budget	2011-12 Final Budget	As of 09/30/11	2011-12 Increase (Decrease)
General Fund	\$ 8,000,000	\$ 8,000,000	\$ 8,000,000	\$ 0
Wildlife And Grazing	4,377	377	377	0
Driving Under the Influence	208,129	200,459	200,459	0
Library	94,690	74,690	74,690	0
Fish And Game	47,539	54,583	54,583	0
Organizational Development	389,366	396,052	396,052	0
<b>TOTAL GENERAL RESERVES</b>	<b><u>\$ 8,744,101</u></b>	<b><u>\$ 8,726,161</u></b>	<b><u>\$ 8,726,161</u></b>	<b><u>\$ 0</u></b>

<u>Designations and Other Reserves</u>	2010-11 Final Budget	2011-12 Final Budget	As of 09/30/11	2011-12 Increase (Decrease)
General Fund				
Co. Fire Equip. Replace	\$ 1,316,441	\$ 991,083	\$ 991,083	\$ 0
Internal Financing	4,859,876	5,423,419	5,423,419	0
Willow Rd Interchange	5,200,967	967	967	0
Capital Projects				
Detention Facilities	6,500,000	6,500,000	6,500,000	0
Facilities Planning	1,993,115	3,652,728	3,652,728	0
Juvenile Hall Bldg	2,750,000	2,750,000	2,750,000	0
LO Landfill Closure	454,445	415,445	415,445	0
Road Fund				
Future Road Projects	922,414	3,617,000	3,617,000	0
N. River Mine Reserve	83,000	83,000	83,000	0
Willow Rd Interchange	799,033	0	0	0
Public Facility Fees				
Reserve for County Fire	4,061,308	1,607,073	1,607,073	0
Reserve for General Gov't	307,541	807,454	807,454	0
Reserve for Law Enforcmnt	1,079,952	1,047,217	1,047,217	0
Reserve for Library	170,142	167,131	167,131	0

<u>Designations and Other Reserves</u>	2010-11 Final Budget	2011-12 Final Budget	As of 09/30/11	2011-12 Increase (Decrease)
Reserve for Parks	1,443,429	1,391,518	1,391,518	0
Parks				
Lopez Park's Projects	60,000	60,000	60,000	0
Parks Projects	214,768	214,768	214,768	0
Co-Wide Automation Replacement				
Automation Replacement	8,176,794	8,964,861	8,964,861	0
Budget System Developm	770,274	770,274	770,274	0
Property Tax System	280,265	0	0	0
Gen Gov Building Replacement				
Gov. Building Rpl	6,082,482	9,437,795	11,157,795	1,720,000
Library - Cambria	0	156,376	156,376	0
Tax Reduction Resrv				
Desig-Prop Tax Litigation	797,952	797,952	797,952	0
Tax Reduction Reserves	4,841,989	11,326,531	11,326,531	0
Impact Fee-Traffic				
Improvement Fees	5,779,608	5,327,753	5,091,091	(236,662)
Wildlife And Grazing				
Wildlife Projects	207	5,589	5,589	0
Driving Under the Influence				
Systems Development	322,659	341,924	341,924	0
Library				
Atascadero Building Expan	203,940	163,131	163,131	0
Facilities Planning	1,215,628	977,510	977,510	0
Fish And Game				
Environmental Settlemt	18,110	15,502	15,502	0
Fish and Game Projects	88,788	86,087	86,087	0
Organizational Development				
Countywide Training	1,199,042	1,324,919	1,324,919	0
County Med Svcs Prog				
Automation replacement	87,695	0	0	0
Debt Service-Cert of Participation				
Loan Payment Reserve	16,373	1,902	1,902	0
Pension Obligation Bond DSF				
Desig - POB Debt Service	7,155,119	6,984,700	6,984,700	0
<b>TOTAL DESIGNATIONS AND RESERVES</b>	<u>\$ 69,253,356</u>	<u>\$ 75,411,609</u>	<u>\$ 76,894,947</u>	<u>\$ 1,483,338</u>

REVENUES AND EXPENDITURES BY FUNCTIONAL AREA  
For the Three Month Period Ended September 30, 2011

Budget Units by Functional Area	2011-12			2011-12		
	Budgeted Expenditures	Amount Expended 09/30/11	%	Budgeted Revenues	Amount Realized 09/30/11	%
<b>General Government</b>						
100 BOARD OF SUPERVISORS	\$ 1,661,006	\$ 375,919	23 %	\$ 0	\$ 0	0 %
101 NON-DEPARTMENTAL REVENUES	5	(1)	(19) %	143,970,316	8,456,640	6 %
104 ADMINISTRATIVE OFFICE	1,756,284	378,697	22 %	29,209	124	0 %
105 RISK MANAGEMENT	1,587,747	764,609	48 %	990,117	304,422	31 %
107 AUDITOR-CONTROLLER	4,865,662	938,936	19 %	770,808	146,343	19 %
108 TREAS-TAX COLL-PUBLIC ADM	2,895,213	611,396	21 %	1,292,753	225,306	17 %
109 ASSESSOR	8,682,871	1,789,040	21 %	207,216	12,023	6 %
110 CLERK/RECORDER	3,188,230	692,569	22 %	2,407,538	649,491	27 %
111 COUNTY COUNSEL	3,711,721	746,730	20 %	114,112	0	0 %
112 HUMAN RESOURCES	2,425,929	472,521	19 %	276,598	105,923	38 %
113 GENERAL SERVICES	12,506,221	2,513,012	20 %	5,153,768	817,964	16 %
114 INFORMATION TECHNOLOGY DEPARTMENT	10,594,050	2,689,610	25 %	2,128,948	363,331	17 %
201 PUBLIC WORKS SPECIAL SERVICES	4,446,894	639,234	14 %	2,882,904	167,263	6 %
266 COUNTYWIDE AUTOMATION REPLACEMENT	5,267,335	271,854	5 %	5,254,312	597,898	11 %
267 GEN GOVT BUILDING REPLACEMENT	1,513,192	48,416	3 %	5,040,873	671,171	13 %
268 TAX REDUCTION RESERVE	5,486,195	500,942	9 %	3,035,109	0	0 %
275 ORGANIZATIONAL DEVELOPMENT	585,212	21,943	4 %	512,166	60,542	12 %
290 COMMUNITY DEVELOPMENT PROGRAM	10,148,065	551,205	5 %	10,148,065	669,860	7 %
<b>TOTAL General Government</b>	<b>\$ 81,321,832</b>	<b>\$ 14,006,632</b>	<b>17 %</b>	<b>\$ 184,214,812</b>	<b>\$ 13,248,301</b>	<b>7 %</b>
<b>Public Protection</b>						
130 WASTE MANAGEMNT	\$ 805,709	\$ 235,725	29 %	\$ 96,645	\$ 9,724	10 %
131 GRAND JURY	138,038	32,009	23 %	0	0	0 %
132 DISTRICT ATTORNEY	14,330,065	3,016,335	21 %	5,637,295	321,061	6 %
134 CHILD SUPPORT SERVICES	4,766,004	1,089,358	23 %	4,729,492	273,697	6 %
135 PUBLIC DEFENDER	5,735,803	1,395,732	24 %	857,000	100,658	12 %
136 SHERIFF-CORONER	56,840,356	12,699,672	22 %	19,674,125	2,062,348	10 %
137 ANIMAL SERVICES	2,414,266	511,010	21 %	1,905,789	444,885	23 %
138 EMERGENCY SERVICES	2,107,568	519,212	25 %	1,936,191	49,464	3 %
139 PROBATION DEPARTMENT	17,893,469	3,916,806	22 %	8,946,249	544,572	6 %
140 COUNTY FIRE	16,944,639	663,209	4 %	5,532,248	821,482	15 %
141 AGRICULTURAL COMMISSIONER	5,420,705	1,185,936	22 %	3,299,112	698,348	21 %
142 PLANNING & BUILDING DEPARTMENT	12,355,099	2,563,143	21 %	5,746,581	1,237,225	22 %
143 COURT OPERATIONS	2,490,773	738,223	30 %	2,906,068	112,577	4 %
330 WILDLIFE AND GRAZING	3,500	23	1 %	3,500	0	0 %
331 FISH AND GAME	27,701	142	1 %	20,000	3,001	15 %
<b>TOTAL Public Protection</b>	<b>\$ 142,273,695</b>	<b>\$ 28,566,535</b>	<b>20 %</b>	<b>\$ 61,290,295</b>	<b>\$ 6,679,042</b>	<b>11 %</b>
<b>Public Ways &amp; Facilities</b>						
245 ROADS	\$ 60,243,748	\$ 8,919,521	15 %	\$ 52,239,364	\$ 6,272,491	12 %
247 PUBLIC FACILITIES FEES	7,630,298	833,789	11 %	1,019,904	230,039	23 %
248 ROADS - IMPACT FEES	5,215,146	261,715	5 %	2,434,600	1,686,386	69 %
<b>TOTAL Public Ways &amp; Facilities</b>	<b>\$ 73,089,192</b>	<b>\$ 10,015,025</b>	<b>14 %</b>	<b>\$ 55,693,868</b>	<b>\$ 8,188,916</b>	<b>15 %</b>

REVENUES AND EXPENDITURES BY FUNCTIONAL AREA  
For the Three Month Period Ended September 30, 2011

Budget Units by Functional Area	2011-12			2011-12		
	Budgeted Expenditures	Amount Expended 09/30/11	%	Budgeted Revenues	Amount Realized 09/30/11	%
<b>Health &amp; Sanitation</b>						
160 PUBLIC HEALTH	\$ 22,277,605	\$ 4,720,902	21 %	\$ 18,302,814	\$ 2,422,752	13 %
166 BEHAVIORAL HEALTH	46,823,103	7,659,113	16 %	39,386,438	4,264,964	11 %
TOTAL Health & Sanitation	<u>\$ 69,100,708</u>	<u>\$ 12,380,015</u>	<u>18 %</u>	<u>\$ 57,689,252</u>	<u>\$ 6,687,716</u>	<u>12 %</u>
<b>Public Assistance</b>						
106 CONTRIBUTIONS TO OTHER AGENCIES	\$ 1,980,095	\$ 1,293,936	65 %	\$ 487,481	\$ 1,330	0 %
180 SOCIAL SERVICES ADMINISTRATION	59,556,485	12,961,712	22 %	53,950,027	1,004,470	2 %
181 FOSTER CARE-SOCIAL SERVICES	18,121,602	4,486,011	25 %	17,285,105	3,062,377	18 %
182 CALWORKS	14,544,746	3,123,760	21 %	14,173,928	2,044,735	14 %
183 MEDICAL ASSISTANCE PROG	3,927,405	1,096,851	28 %	155,793	19,056	12 %
184 LAW ENFORCEMENT MED CARE	1,775,833	435,751	25 %	425,000	104,707	25 %
185 GENERAL ASSISTANCE	1,172,875	221,416	19 %	698,174	72,085	10 %
186 VETERANS SERVICES	398,530	64,063	16 %	65,000	5,930	9 %
350 CO MEDICAL SERVICES PROG	5,286,807	1,189,426	22 %	5,126,000	1,080,707	21 %
351 EMERGENCY MEDICAL SRVS FUND	1,166,002	382,123	33 %	820,400	130,905	16 %
352 CAL HEALTHCARE INDIG PROG	779,450	(3,795)	0 %	0	0	0 %
TOTAL Public Assistance	<u>\$ 108,709,830</u>	<u>\$ 25,251,254</u>	<u>23 %</u>	<u>\$ 93,186,908</u>	<u>\$ 7,526,302</u>	<u>8 %</u>
<b>Education</b>						
215 FARM ADVISOR	\$ 468,177	\$ 86,787	19 %	\$ 6,025	\$ 3,856	64 %
375 DRIVING UNDER THE INFLUENCE	1,423,763	307,386	22 %	1,412,707	336,464	24 %
377 LIBRARY	8,914,445	1,906,426	21 %	7,873,718	455,639	6 %
TOTAL Education	<u>\$ 10,806,385</u>	<u>\$ 2,300,599</u>	<u>21 %</u>	<u>\$ 9,292,450</u>	<u>\$ 795,959</u>	<u>9 %</u>
<b>Recreation &amp; Cultural Services</b>						
305 PARKS	\$ 7,821,138	\$ 1,914,676	24 %	\$ 7,826,374	\$ 2,188,086	28 %
TOTAL Recreation & Cultural Services	<u>\$ 7,821,138</u>	<u>\$ 1,914,676</u>	<u>24 %</u>	<u>\$ 7,826,374</u>	<u>\$ 2,188,086</u>	<u>28 %</u>
<b>Debt Service</b>						
277 DEBT SERVICE	\$ 2,250,163	\$ 1,293,779	57 %	\$ 2,250,163	\$ 1,293,768	57 %
392 PENSION OBLIGATION BOND DSF	7,993,469	5,591,070	70 %	8,074,000	1,811,410	22 %
TOTAL Debt Service	<u>\$ 10,243,632</u>	<u>\$ 6,884,849</u>	<u>67 %</u>	<u>\$ 10,324,163</u>	<u>\$ 3,105,178</u>	<u>30 %</u>
<b>Financing Uses</b>						
102 NON-DEPTL-OTHR FINCNG USE	\$ 13,226,628	\$ 1,315,380	10 %	\$ 4,654,451	\$ 1,153,847	25 %
TOTAL Financing Uses	<u>\$ 13,226,628</u>	<u>\$ 1,315,380</u>	<u>10 %</u>	<u>\$ 4,654,451</u>	<u>\$ 1,153,847</u>	<u>25 %</u>

Budget Units by Functional Area	2011-12			2011-12		
	Budgeted Expenditures	Amount Expended 09/30/11	%	Budgeted Revenues	Amount Realized 09/30/11	%
CAPITAL PROJECTS						
200 MAINTENANCE PROJECTS	\$ 6,479,927	\$ 600,447	9 %	\$ 2,051,057	\$ 377,306	18 %
<u>230 CAPITAL PROJECTS FUND</u>	<u>16,151,871</u>	<u>1,413,670</u>	<u>9 %</u>	<u>9,423,170</u>	<u>552,280</u>	<u>6 %</u>
TOTAL CAPITAL PROJECTS	<u>\$ 22,631,798</u>	<u>\$ 2,014,117</u>	<u>9 %</u>	<u>\$ 11,474,227</u>	<u>\$ 929,586</u>	<u>8 %</u>
COUNTY TOTAL	<u>\$ 539,224,838</u>	<u>\$ 104,649,082</u>	<u>19 %</u>	<u>\$ 495,646,800</u>	<u>\$ 50,502,933</u>	<u>10 %</u>
GENERAL FUND TOTAL	<u>\$ 391,317,338</u>	<u>\$ 79,244,771</u>	<u>20 %</u>	<u>\$ 373,132,375</u>	<u>\$ 32,462,286</u>	<u>9 %</u>

### Section 3: Position Changes

During the First Quarter, July 1 through September 30, 2011, the following reclass/reorganization changes were approved by the Board of Supervisors. This report also includes a list of all administrative changes approved by the Personnel Director under the authority of the BOS, and the current vacancy statistics.

#### **POSITION ALLOCATION CHANGES MADE BY THE BOARD OF SUPERVISORS:**

The net change in Full Time Equivalent Positions (FTE) resulting from the actions shown below is the addition of 0.25 FTE.

#### **Fund Center- 180-Social Services-Allocation Change Approved 08/16/11**

- Delete 3.00 FTE -01519 Social Worker I, II, III, IV
- Delete 1.00 FTE -01531 Social Services Investigator
- Add 2.00 FTE -01546 Employment Resource Specialist I, II, or III
- Add 2.00 FTE -01555 Social Services Program Review Specialist

#### **Fund Center-160-Public Health-Allocation Change Approved 08/23/11**

- Delete 1.00 FTE -02203 Administrative Assistant Series
- Add 1.00 FTE -00575 Physical or Occupational Therapist Aide

#### **Fund Center-166-Behavioral Health-Allocation Change Approved 08/23/11**

- Delete 1.00 FTE -08526 Mental Health Therapist Series
- Add 1.00 FTE -08525 Mental Health Program Supervisor

#### **Fund Center 160-Public Health-Allocation Change Approved 09/13/2011**

- Delete 1.00 FTE -01584 Program Manager I or II
- Add 1.00 FTE -08950 Division Manager-Health Agency
- Delete 1.00 FTE -00414 Supervising Public Health Nurse
- Delete .50 FTE -00420 Community Health Nurse-1/2 time
- Add 2.00 FTE -08892 Administrative Services Officer I or II
- Add .75 FTE -08892 Administrative Services Officer I or II-3/4 time

#### **Fund Center 138-Emergency Services-Allocation Change Approved 09/13/11**

- Delete 1.00 FTE -00845 Emergency Services Coordinator II-LT

#### **Fund Center 141-Agricultural Commissioner-Allocation Change Approved 09/20/11**

- Delete 1.00 FTE -02803 Environmental Resource Specialist
- Add 1.00 FTE -02730 Agricultural Resource Specialist

#### **ADMINISTRATIVE CHANGES MADE BY THE HUMAN RESOURCES DEPARTMENT:**

- None this quarter.

#### **EMPLOYEE VACANCY RATE**

- The County employee vacancy rate as of 09/30/2011 was 5.45%. This equates to 130.25 vacant positions.

**Section 4: Miscellaneous Financial Issues**

**Acceptance of Donated Gift Funds:**

Donations made by individuals and community organizations are accepted by the County and appropriated into the proper departmental budgets on an as needed basis. These donations are used to enhance programs and meet special needs throughout the County. It is recommended that the Board accept donations totaling \$32,295.56 on behalf of the following County Departments, as noted below:

- Accept cash donations and approve an appropriation transfer in the amount of \$825.00 from the Parks gift trust fund to the FC 305- Parks operating budget.
- Accept cash donations and approve an appropriation transfer in the amount of \$30,942.87 from the Library Gift Trust Fund to the FC 377- Library operating budget.
- An appropriation transfer in the amount of \$527.69 from the Social Services Gift Trust Fund to the FC 180- Social Services Administrative operating budget.

The Board is asked to approve corresponding appropriation adjustments to transfer gift funds into the operating budgets of Parks, Library and Social Services. Memos from each of the requesting departments are attached.

**Miscellaneous Budget Adjustments:**

In addition to the items listed above, County Counsel is requesting a budget adjustment in the amount of \$35,000 from the General Fund Contingencies to help pay for outside counsel to represent the County in the Los Osos bankruptcy matter. The hiring of outside counsel was previously approved by the Board in closed session.

**Fund Center 140 – County Fire Relief from Accountability for Surplus Vehicles.**

As part of the first quarter report, County Fire is requesting relief from accountability for four surplus vehicles. These vehicles were sent to an auction house for sale, but the auction house later declared bankruptcy, and neither the proceeds of sale nor the vehicles have been recovered. County Fire has worked with the Auditor-Controller’s Office and the County’s Fleet Manager to determine the best course of action under the circumstances. Fire has determined that further attempts to recover the proceeds of sale, estimated at approximately \$10,000, or the vehicles themselves would not be productive, and that the best course of action would be to request relief from accountability and remove the assets from the books. Therefore, with Board’s approval the Auditor-Controller will remove these vehicles from the County Fixed Asset list. A memo from CalFire-County Fire providing additional detail is attached.

Unrecovered Vehicles:

Description	Received by Auction House	Asset #	License or VIN
International Fire Engine E211	July 23, 2007	VGDF0512	E463263
1996 Ford Crown Victoria	January 1, 2008	VGDF0934	E20021
1997 Ford Crown Victoria	January 3, 2008	VGDF0005	2FALP71W2VX19
International Fire Engine E233	May 13, 2008	VGDF0511	E766409



County of San Luis Obispo General Services Agency

## COUNTY PARKS

Janette D. Pell, Director

Curtis Black, Deputy Director

TO: Board of Supervisors

FROM: Janette Pell, General Services Agency Director

DATE: October 18th, 2011

RE: Gift Fund Trust Account  
Electronic BAR #1112040

### **Recommendation**

It is recommended that the Board accept cash donations and approve a budget adjustment in the amount of \$825.00 from the Parks' gift trust fund to the Parks' operating budget. This requires a fourth-fifths vote.

### **Discussion**

This transfer allows County Parks to utilize funds contributed by individuals and community organizations in various parts of the County. Parks funds have been expended on providing free recreational swim, free swim lessons and aquatic equipment and support, as requested by the contributory organizations. This transfer will reimburse County Parks', from the gift trust fund, for such monies spent.

### **Other Agency Involvement**

We have coordinated this request with the County Administrative Office.

### **Financial Considerations**

This is a routine transfer procedure with funds contributed from the various communities. No additional funds are requested. This transfer covers July 1<sup>st</sup> through September 30<sup>th</sup>, 2011 expenditures.

### **Intended Results**

To accept \$825.00 in gift funds that will allow County Parks to augment services to the public.

TO: Board of Supervisors  
FROM: Brian A. Reynolds – Library Director  
DATE: November 22, 2011  
RE: Gift Fund Trust Account

**Recommendation**

It is recommended that the Board accept cash donations and approve a budget adjustment in the amount of \$30,942.87 from the Library’s gift trust fund to the Library operating budget. This requires a four-fifths vote.

**Discussion**

This transfer allows the Library to utilize funds contributed by individuals and community organizations in various parts of the County. Library funds have been expended on books, materials and other supplies, as requested by the contributory individuals and organizations. This transfer will reimburse the Library, from the Gift fund, for such monies spent.

**Other Agency Involvement**

We have coordinated this request with the County Administrative Office.

**Financial Considerations**

This is a routine transfer procedure with funds contributed from the various communities. No additional funds are requested. This transfer covers July 1 through September 30, 2011 expenditures.

**Results**

To accept \$30,942.87 in gift funds that will allow the Library to augment services to the public.

**TO:** *Honorable Board of Supervisors*

**FROM:** **Leland W. Collins**  
**Social Services Director**

**DATE:** **October 18, 2011**

**SUBJECT:** **Request to approve an appropriation transfer in the amount of \$527.69 from the Social Services Gift Trust Fund to the Social Services Administrative budget (Fund Center 180) to meet special needs for children and adults.**

### **Recommendation**

It is recommended that your Board approve an appropriation transfer in the amount of \$527.69 from the Social Services Gift Trust Fund to the Social Services Administrative operating budget to purchase special services for children and adults.

### **Discussion**

Donated funds are accumulated in a gift trust account when they are received. After acceptance by your Board, they are transferred to Fund Center 180, Social Services Administration. The funds are used to help children, adults, and families who have special needs that are not provided for in our regular mandated programs. Examples of items to be purchased using Donated Funds may be, but are not limited to: Special outings or events, educational and recreational camps or activities, club memberships, graduation presents, school events requiring uniforms, swimming, music or dance lessons, medical care not covered by Medi-Cal, family-building activities, and crisis intervention services. All other sources of funding are explored before money from donated funds is utilized and funds are to be used for one-time or short-term duration.

### **Other Agency Involvement/Impact**

None.

### **Financial Considerations**

Donations in the amount of \$527.69 are being transferred from the gift trust account to Fund Center 180, Social Services Administration.

### **Results**

- To enhance the quality of personal life for children, adults and families and/or to enhance the quality of services provided by regular mandated programs.
- To improve the well being of our community through services that protects children and adults and focus on personal responsibility.



**CAL FIRE**  
**San Luis Obispo**  
**County Fire Department**

635 N. Santa Rosa • San Luis Obispo, CA 93405  
Phone: 805.543.4244 • Fax: 805.543.4248  
www.cdfslo.org



*Matt Jenkins, Fire Chief*

**TO: Board of Supervisors**

**FROM: Robert Lewin, Chief**

**DATE: November 22, 2011**

**SUBJECT: Request to grant the County Fire Department relief from liability for surplus vehicles sent to an auction company which subsequently went bankrupt.**

**Recommendation**

It is recommended that the Board of Supervisors grant the County Fire Department relief from liability for surplus vehicles sent to an auction company which subsequently went bankrupt.

**Discussion**

The department is requesting relief from liability for the following four surplus vehicles:

Asset #	License or VIN	Description	Status
VGDF0005	2FALP71W2VX19	1997 Ford Crown Victoria	Picked up by auction house, 1/3/08
VGDF0512	E463263	International Fire Engine E211	Picked up by auction house, 7/23/07
VGDF0934	E20021	Ford Crown Victoria 96 White	Picked up by auction house, 1/3/08
VGDF0511	E766409	International Fire Engine E233	Picked up by auction house, 5/13/08

These vehicles were utilized by the department until the ends of their useful lives, at which point they were replaced by the County. The vehicles were sent to Nationwide Auction Systems in 2007 and 2008. The department had successfully utilized Nationwide for some time to sell its surplus vehicles at auction, and we were estimating approximately \$10,000 in

proceeds from the sale of these vehicles. In 2008, after the vehicles had been sent, Nationwide declared bankruptcy. Since that time, the department has not received any payment or communication from Nationwide, nor have the vehicles been returned.

We attempted to determine current locations of the vehicles, through law enforcement channels, but were unsuccessful. If Nationwide sold any of the vehicles, it appears that they failed to comply with DMV registration requirements. The bankruptcy resulted in large creditor claims such as 1.7 million dollars to the State Board of Equalization alone. Unfortunately our claim is small and our chances of recovering any of the losses are low at best.

In order to exercise our responsibilities as caretakers of these county assets, we have had numerous conversations with the County Administrator's Office, the Auditor-Controller's Office, and the General Services Agency's Fleet Division. All are in agreement that further attempts to recover the vehicles or sales proceeds would not be productive, and that the best course of action would be to request relief from liability.

As a result, the department has submitted a request for relief from liability for these vehicles as part of its fiscal year 11-12, 1<sup>st</sup> Quarter Report. With approval of this request by the Board of Supervisors, the Auditor/Controller's Office will remove the vehicles from the County Fixed Asset list. In the future, if circumstances change and we are able to recover either the vehicles or proceeds from their sale, we will ensure they are properly credited to the County.

### **Other Agency Involvement**

County Counsel's Office has been consulted; the Auditor Controller's Office and General Services Agency Fleet Division support this request.

### **Financial Considerations**

It is estimated that a maximum of \$10,000 could have been received from the sale of these vehicles, most of which would have been received in FY 07-08. It is now evident that those funds can no longer be obtained. While this is certainly an unfortunate situation, the loss of the funds will have no impact on budgeted revenues or budgeted net cost to the county for the current fiscal year.

### **Results**

#### **A well-governed community.**

This relief from liability will allow the department to move forward without expending additional effort towards recovering the vehicles or the sales proceeds, neither of which appear to be achievable. Further effort would be an inefficient use of county resources.

## Section 5: Federal Stimulus Update

### Purpose

The purpose of this report is to provide a status update on the County's projects and programs funded with the American Reinvestment and Recovery Act (ARRA) funds through the end of the first quarter of FY 2011-12.

### History

On Tuesday, February 17, 2009, President Barack Obama signed into law H.R. 1, the American Economic Recovery and Reinvestment Act (ARRA). This \$787.2 billion measure was to be the largest single infusion of spending (\$575.3 billion) and tax cuts (\$211.9 billion) into the economy in American history. In an effort to stimulate economic growth and create jobs, the measure contained funding for more than 75 federal programs, many of which were intended to benefit programs and services provided by local governments. Certain programs were to provide funding directly to local governments through already established formulas or procedures, whereas with other programs, the federal funds were allocated using a competitive grant process.

As reported in the FY 2009-10 year end status report to the Board, at the start of the federal stimulus program, the County applied for funding totaling \$102,403,588 through either the ARRA competitive grant process or by an established formula. Details pertaining to ARRA funding by department are noted below.

Total amount of funding applied (competitive and formula based) for	\$102,403,588
Amount of competitive grant funds <u>not</u> awarded	\$ 2,655,586
Public Works Department – Los Osos Sewer	\$ 87,000,000
Amount of ARRA funds granted to County to all other programs/projects (non-Los Osos Sewer)	\$ 12,748,002

The County applied for approximately \$95.2 million in competitive grants and loans. A total of \$92.56 million in grants and loans has been awarded to the County—approximately \$85 million on a competitive basis and \$7.01 million on a formula basis. This enabled various County departments to increase and/or maintain levels of services currently being provided.

### Status at the end of the First Quarter:

As reported in the first quarter of FY 2010-11, the County's ARRA funding had increased to \$99,894,745. At the end of the first quarter of FY 2011-12, \$11,144,751.57 has been invoiced against or received bringing the total amount of ARRA funding received through the end the first quarter of FY 2011-12 to \$27,922,776.57.

One of the major objectives of ARRA was the saving and creation of jobs. During the FY 2011-12 first quarter, ARRA funding received by the County enabled approximately 29.62 jobs to be maintained or added:

- 12.29 were specifically related to ARRA funded contracts;
- 17.33 were related to County staff

Following is a summary of the competitive and formula grants that were awarded to various County departments:

### **Competitive Grants**

- The Public Works Department received \$87 million (\$4 million in grants and an \$83 million low interest loan) from the USDA for the Los Osos Sewer project; at the end of the first quarter of FY 2011-12, \$9,813,015.50 was expended for activities associated with the Los Osos Sewer. The preliminary design phase for the collection system has been completed in preparation for final design and release of bid documents in March 2012. Real property is in the process of being acquired in anticipation of construction; 7.45 jobs (5.12 – County; 2.33 – contractor) were reported as being created/maintained.
- Together, the District Attorney’s Office/Probation Department/Sheriff’s Office received a Justice Assistance Grant in the amount of \$103,015 to purchase new computers and software. The Sheriff’s Department expended the remaining \$10,010 for the purchase seven (7) computers and a monitor in the first quarter. The ARRA funds received through this grant has been completely expended.
- The Planning Department received Energy Efficiency and Conservation Block Grant funds which created/maintained a reported 16.94 (9.92-County, 7.02-Contractor) jobs. A total of \$1,141,937 was expended through the first quarter. These funds were used for the following:
  - The Planning Department continued development of the following: 1) the draft Green Build Ordinance, which is expected to be released for comment in the second quarter of FY 2011-12; 2) the Planning Commission hearings for draft EnergyWise plan and EIR addendum were begun on September 29. A second hearing before the Planning Commission is scheduled for October with hearings before the Board of Supervisors in November/December; and 3) tools were added to the energy tool lending library at Cuesta College.
  - The General Services Agency has six (6) lighting projects in process. The HVAC retrofit for the Arroyo Grande and San Luis Obispo offices of the Ag Commissioner has also been completed. The yearly savings for these projects is estimated to be 5.23 MWH of electricity consumption, \$1,377 savings in energy costs, and 7.8 Mte CO2 savings in green house gases.
  - The Public Works Department:
    - The bike lane in Templeton has been completed. The project added approximately 600 linear feet of bike lane, and has the potential to save 0.257

gallons of fuel and 5.143 lbs of emissions per day.

- The replacement of lights for 57 streetlights is nearing completion. Projected results are: 1) a total annual energy savings of 6,730 kilo watt hours; 2) savings in maintenance annual costs due to the longer operational lifespan; 3) annual savings to the Road budget of \$5,000; and 4) annual reduction of 5.3 tons of green house gases.

## Formula grants

- The Probation Department continues to hold the “Thinking for Change” sessions; a total of \$53,133 was expended in the first quarter for expenses associated with holding the sessions; this funding allows the department to retain two existing Deputy Probation Officer positions.
- Social Services:

### Workforce Investment Act (WIA)

The programs associated with WIA, Clean Energy Workforce Training, Disability Program Navigator, and Training and Employment Services, ended as of June 30, 2011. A total of \$12,916.08 was disbursed through the Clean Energy Workforce Training Program to Goodwill Industries in the first quarter; however, these funds were for work done in FY 2010-11.

### Federal Medical Assistance Percentages (FMAP)

(Note: FMAP funding is the percentage of Medicaid expenditures paid by the Federal government.) The increase funding for FMAP through ARRA was discontinued as of June 30, 2011. The Department of Social Services did receive a total of \$30,425 in FMAP in the first quarter; however, these funds were for prior year (FY 2010-11) costs. Social Services expects one more payment to be made in the second quarter.

- The Planning Department:
  - Community Development Block Grants: \$16,501.33 was expended in the first quarter. A portion of the funds, \$11,746, was used for the Homeless Services Oversight Executive Director position; \$4,755.33 was used to complete the renovation work at the Arroyo Grande Vets Hall; 0.57 jobs (.43 - HSOC Executive Director and .14 construction workers) were reported being created/maintained as result of these activities.
  - Homeless Prevention and Rapid Re-housing Program: \$66,813.66 in ARRA funds was expended in the first quarter; a total of 2.66 (.29-County, 2.37 - nonprofits) jobs were reported; quarterly activities include case management, outreach, housing search and placement, rental assistance for households at risk of becoming homeless and homeless households. A total of 21 persons (13 households) received financial assistance during the quarter and 51 persons (32 households) received housing relocation and stabilization services.

Additional details pertaining to the first quarter results for the County’s various federal stimulus programs can be found on the County’s website ([www.slocounty.ca.gov](http://www.slocounty.ca.gov)).