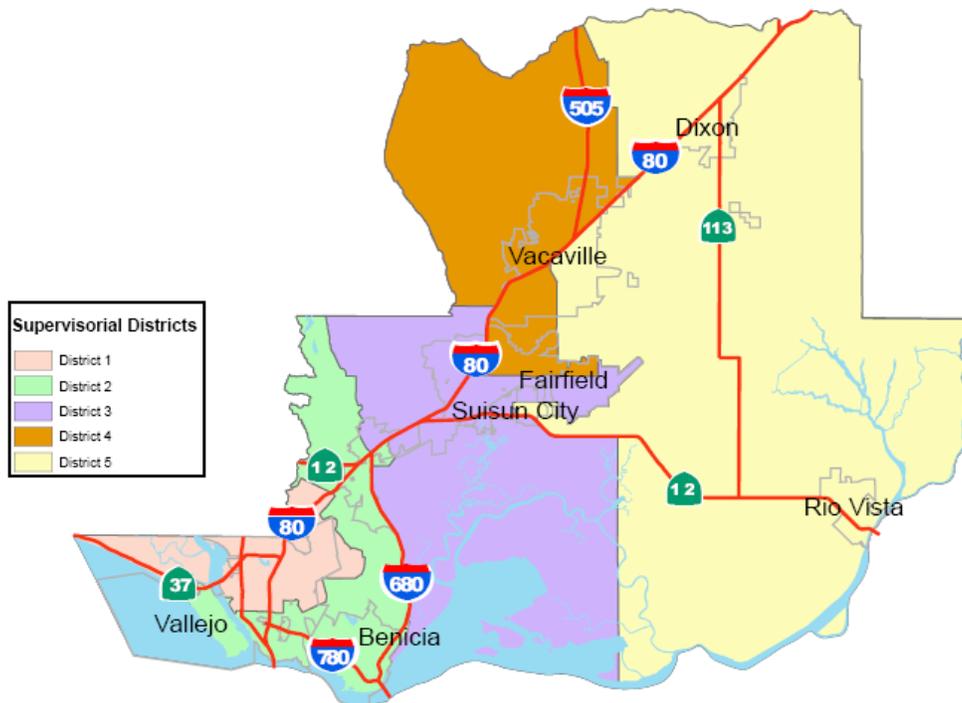


Board of Supervisors



County of Solano



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 FY2010/11, 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 FY2011/12, the Board will face many challenges, working to reduce structural deficits created by the recent economic downturn 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 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 the County's 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 appointed by and serving the Board (generally involves land use planning issues).
- Represent the County on other county, regional and state boards and commissions.

Budget Summary:	
FY2010/11 Third Quarter Projection:	352,761
FY2011/12 Recommended:	341,521
County General Fund Contribution:	341,521
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.

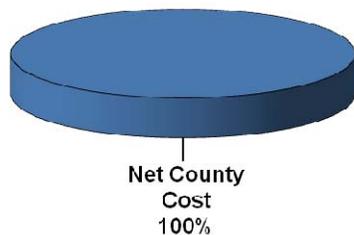
DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget represents an overall decrease of \$27,023, or 7.3%, in expenditures, when compared to the FY2010/11 Adopted Budget. As a result, the First District’s Net County Cost is decreased by \$27,023.

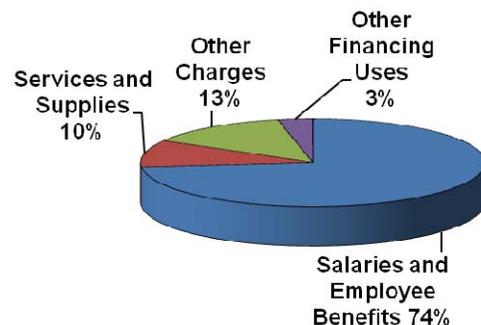
DEPARTMENT COMMENTS

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



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
APPROPRIATIONS					
Salaries and Employee Benefits	246,046	248,408	250,779	2,371	1%
Services and Supplies	41,042	45,891	33,859	(12,032)	(26%)
Other Charges	60,717	63,963	45,667	(18,296)	(29%)
Other Financing Uses	6,898	10,282	11,081	799	8%
Intra-Fund Transfers	73	0	135	135	0%
TOTAL APPROPRIATIONS	354,776	368,544	341,521	(27,023)	(7%)
NET COUNTY COST	354,776	368,544	341,521	(27,023)	(7%)

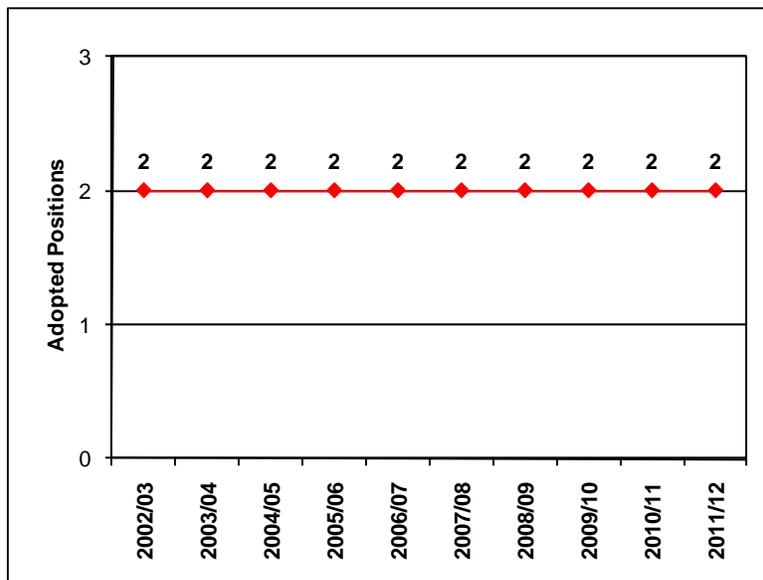
SUMMARY OF SIGNIFICANT ADJUSTMENTS

None.

SUMMARY OF POSITION CHANGES

There are no changes in position allocation.

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

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

Budget Summary:	
FY2010/11 Third Quarter Projection:	357,769
FY2011/12 Recommended:	338,854
County General Fund Contribution:	338,854
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, approximately one half of the City of Vallejo in the southern section, Cordelia and Green Valley, and maintains an office at the County Government Center at 675 Texas Street in Fairfield. 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 25 County and regional boards and commissions, including the First 5 Solano, Partnership Health Plan, Yolo Solano Air Quality Management District, Solano Land Trust, and the Solid Waste Independent Hearing Panel. Several FY2010/11 highlights include:

- Advocated for cost-saving measures that would preserve jobs and services for county residents during five open public budget hearings; sat in on labor negotiations representing the Board and advocated to retain as many jobs as possible while reducing the County’s \$18 million budget structural deficit.
- Lobbied and testified at the State level against the Governor’s proposals in FY2010/11 to cut Child Welfare Services that protect the most vulnerable children and the First 5 funds that supports children ages 0 – 5 and their families.
- Lobbied at the Federal level to bring ship dismantling to the Mare Island Shipyard in Vallejo and eliminate 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.
- Supported efforts of the Solano Land Trust, Green Valley Landowners Association and others to preserve lands in Solano County and to provide for agricultural, and park and natural recreational community resources.
- Held a second 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.

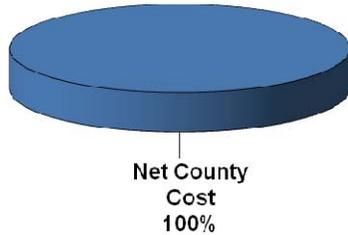
DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget represents an overall decrease of \$18,915, or 5.3%, in expenditures, when compared to the FY2010/11 Adopted Budget. As a result, the Second District’s Net County Cost is correspondingly decreased by \$18,915.

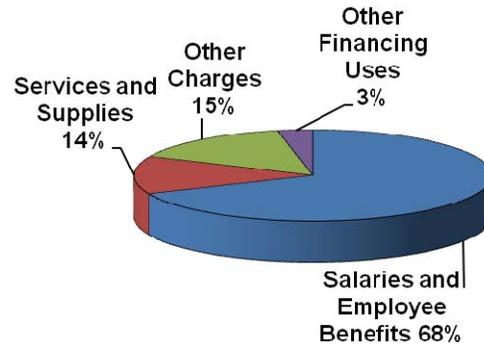
DEPARTMENT COMMENTS

None.

SOURCE OF FUNDS



USE OF FUNDS



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
APPROPRIATIONS					
Salaries and Employee Benefits	229,777	228,769	231,717	2,948	1%
Services and Supplies	50,996	47,881	45,407	(2,474)	(5%)
Other Charges	61,480	71,267	51,102	(20,165)	(28%)
Other Financing Uses	6,668	9,852	10,628	776	8%
Intra-Fund Transfers	235	0	0	0	0%
TOTAL APPROPRIATIONS	349,156	357,769	338,854	(18,915)	(5%)
NET COUNTY COST	349,156	357,769	338,854	(18,915)	(5%)

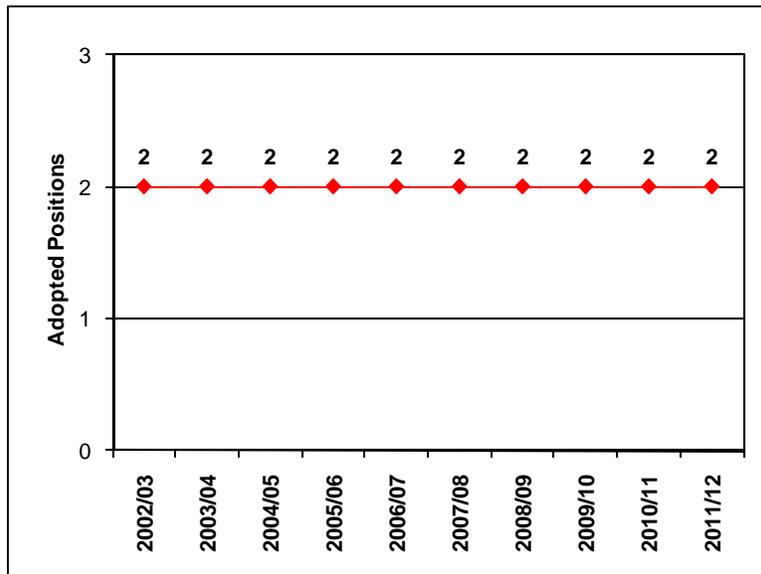
SUMMARY OF SIGNIFICANT ADJUSTMENTS

None.

SUMMARY OF POSITION CHANGES

There are no changes in position allocation.

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

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

Budget Summary:	
FY2010/11 Third Quarter Projection:	349,928
FY2011/12 Recommended:	335,110
County General Fund Contribution:	335,110
Percent County General Fund Supported:	100.0%
Total Employees (FTEs):	2.0

FUNCTION AND RESPONSIBILITIES

The District 3 Supervisor represents citizens residing within 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 has:

- Formed a steering committee of public partners to explore ways to identify and finance a facility for a collocated Solano Family Justice Center.
- Established a Consortium to provide ongoing advocacy for senior and disabled transportation needs.
- Facilitated discussion between the Suisun Veterans, Suisun City and County staff to assist in renovating the Suisun Veterans Hall.

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

- Non-profit partners to optimize service delivery in a challenging budget environment.
- County staff on the budget to find ways to "live within our means" and still meet the 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 on protecting agriculture and meeting the growing demands of the seven cities.
- Consolidate transit services to better serve the citizens of Solano County.

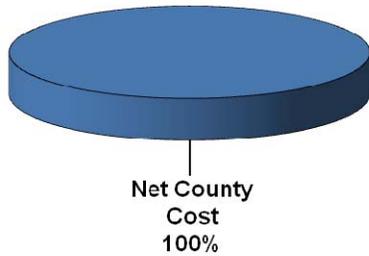
DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget represents an overall decrease of \$16,418, or 4.7%, in expenditures, when compared to the FY2010/11 Adopted Budget. As a result, the Third District's Net County Cost is decreased by \$16,418.

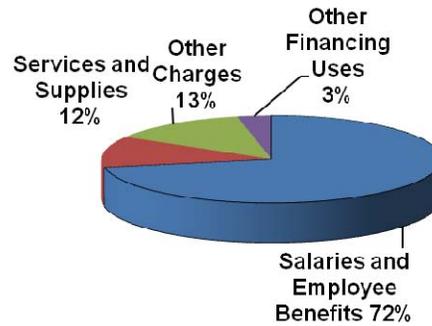
DEPARTMENT COMMENTS

None.

SOURCE OF FUNDS



USE OF FUNDS



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
APPROPRIATIONS					
Salaries and Employee Benefits	237,773	239,443	241,345	1,902	1%
Services and Supplies	34,361	36,847	38,457	1,610	4%
Other Charges	59,093	65,051	44,326	(20,725)	(32%)
Other Financing Uses	6,830	10,187	10,982	795	8%
Intra-Fund Transfers	340	0	0	0	0%
TOTAL APPROPRIATIONS	338,398	351,528	335,110	(16,418)	(5%)
NET COUNTY COST	338,398	351,528	335,110	(16,418)	(5%)

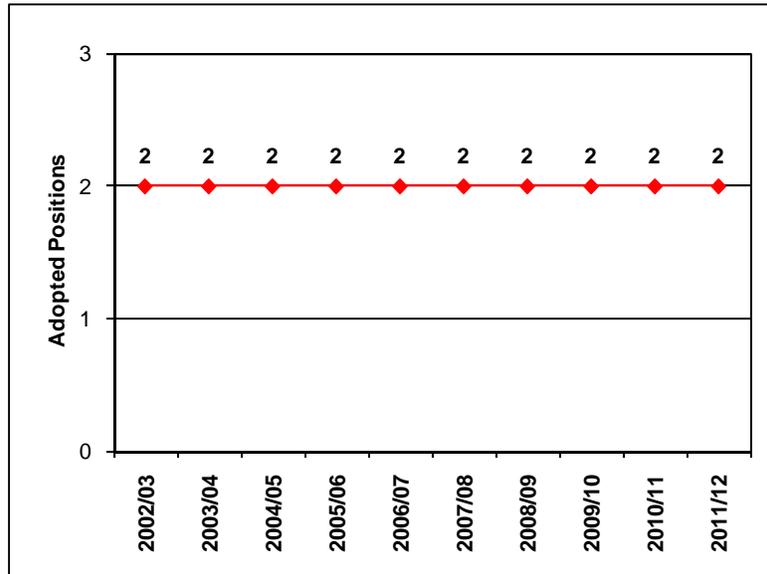
SUMMARY OF SIGNIFICANT ADJUSTMENTS

None.

SUMMARY OF POSITION CHANGES

There are no changes in position allocation.

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

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

Budget Summary:	
FY2010/11 Third Quarter Projection:	359,897
FY2011/12 Recommended:	338,899
County General Fund Contribution:	338,899
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 Vacaville, a portion of the northern part of Fairfield and the residential section of Travis Air Force Base, as well as the unincorporated areas of Allendale, English Hills, Pleasants Valley and the Putah Creek area near Winters; and maintains an office at the County Government Center at 675 Texas Street in Fairfield. The District 4 Supervisor’s Office budget provides for the expenditures of the elected Supervisor and one staff position.

The District is unique in that it includes six high schools in three school districts, and also has a large prison and jail population with the California State Prison-Solano, the California Medical Facility and the Solano County Claybank Adult Detention Facility.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

For FY2011/12, 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. Construction will begin in August 2011 with move-in planned to begin in August 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.

As the elected representative for District 4, Supervisor Vasquez expects to hear from and interact directly with people from the District.

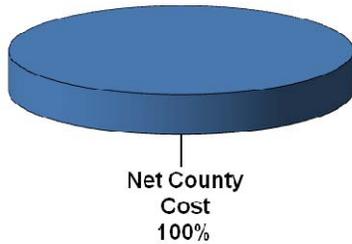
DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget represents an overall decrease of \$20,998, or 5.8 percent, in expenditures, when compared to the FY2010/11 Adopted Budget. As a result, the Fourth District’s Net County Cost is decreased by \$20,998.

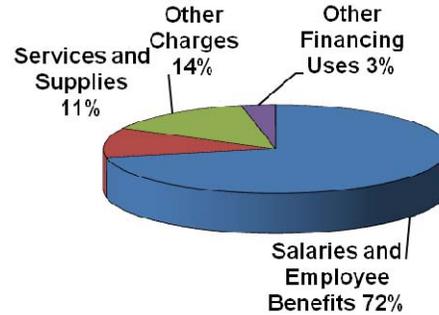
DEPARTMENT COMMENTS

None.

SOURCE OF FUNDS



USE OF FUNDS



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
APPROPRIATIONS					
Salaries and Employee Benefits	237,200	238,843	243,513	4,670	2%
Services and Supplies	34,705	40,606	36,566	(4,040)	(10%)
Other Charges	60,701	70,399	47,946	(22,453)	(32%)
Other Financing Uses	6,654	9,849	10,774	925	9%
Intra-Fund Transfers	163	200	100	(100)	(50%)
TOTAL APPROPRIATIONS	339,423	359,897	338,899	(20,998)	(6%)
NET COUNTY COST	339,423	359,897	338,899	(20,998)	(6%)

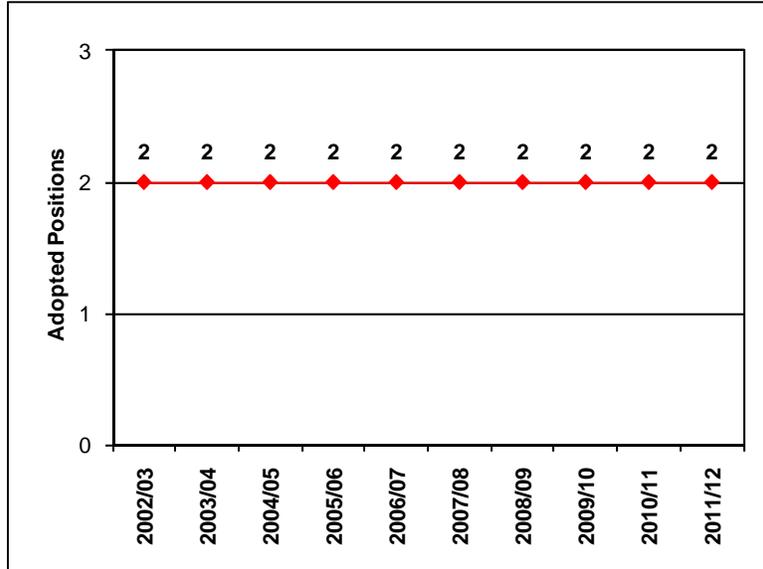
SUMMARY OF SIGNIFICANT ADJUSTMENTS

None.

SUMMARY OF POSITION CHANGES

There are no changes in position allocation.

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

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

Budget Summary:	
FY2010/11 Third Quarter Projection:	318,311
FY2011/12 Recommended:	307,008
County General Fund Contribution:	307,008
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 half of Vacaville, the eastern third of Suisun City and the cities of Rio Vista and Dixon, the communities of Collinsville, Birds Landing, and Elmira as well as the unincorporated lands in the eastern half of the county; and maintains an office at the County Government Center at 675 Texas Street in Fairfield. The Supervisor also maintains scheduled office hours in Vacaville, Dixon, Suisun City and Rio Vista. The District 5 Supervisor's Office budget provides for the expenditures of the elected Supervisor and one staff position.

Supervisor Reagan serves as the Chair of the Board of Supervisors for 2011.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

Supervisor Reagan represents the Board on 24 county and regional boards and commissions, including the California State Association of Counties, Delta Protection Commission (Vice Chair), Delta Counties Coalition, Yolo Solano Air Quality Management District and Fouts Springs JPA Board. Supervisor Reagan:

- Continues to foster and strengthen the partnership with the business community through 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.
- Supported efforts at the Federal, State and Regional levels to secure State Bay Conservation and Development Commission (BCDC) approval and Army Corps of Engineers permits for dredging, which opened the doors for operations at the Mare Island Shipyard to dismantle obsolete naval ships from the Suisun Bay Reserve Fleet.
- Continues to protect at the State and local level, through the Delta Counties Coalition, the economic viability of agriculture and the ongoing vitality of communities in the Delta.
- Continues to work with the Military and Veterans Affairs Committee to conduct a forum with all area veterans and veteran organizations to provide updated information on legislation, benefits and other topics of interest to the local veterans and military association members. In addition, works with local 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.

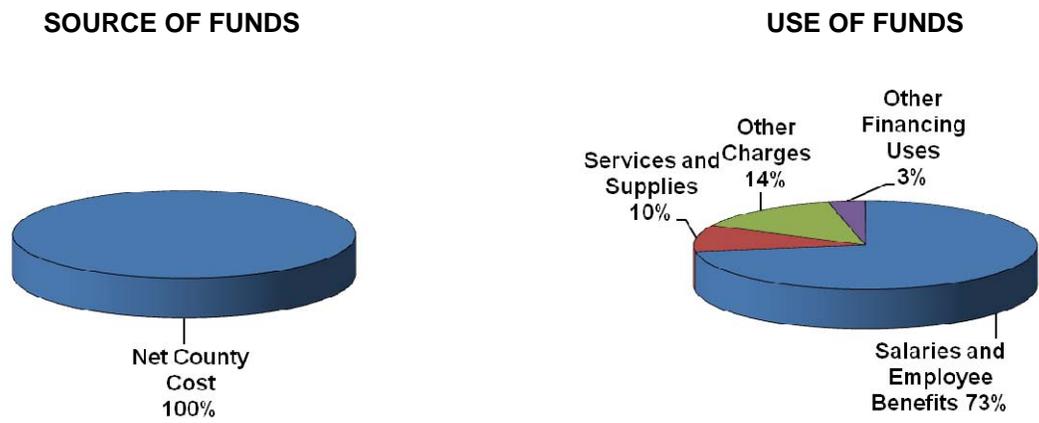
- Foster and strengthen the partnership with Yolo County and the Solano Economic Development Corporation to create the Yolo Solano Economic Summit, adding more value to agriculture.
- Continue to work with the business community to increase the number of local job opportunities in Solano County that pay wages sufficient to allow individuals to live and work in the county.

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget represents an overall decrease of \$15,003, or 4.7%, in expenditures, when compared to the FY2010/11 Adopted Budget. As a result, the Fifth District’s Net County Cost is decreased by \$15,003.

DEPARTMENT COMMENTS

None.



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
APPROPRIATIONS					
Salaries and Employee Benefits	220,914	221,188	223,059	1,871	1%
Services and Supplies	26,783	30,206	29,965	(241)	(1%)
Other Charges	67,460	60,912	43,318	(17,594)	(29%)
Other Financing Uses	6,511	9,705	10,466	761	8%
Intra-Fund Transfers	3	0	200	200	0%
TOTAL APPROPRIATIONS	321,671	322,011	307,008	(15,003)	(5%)
NET COUNTY COST	321,671	322,011	307,008	(15,003)	(5%)

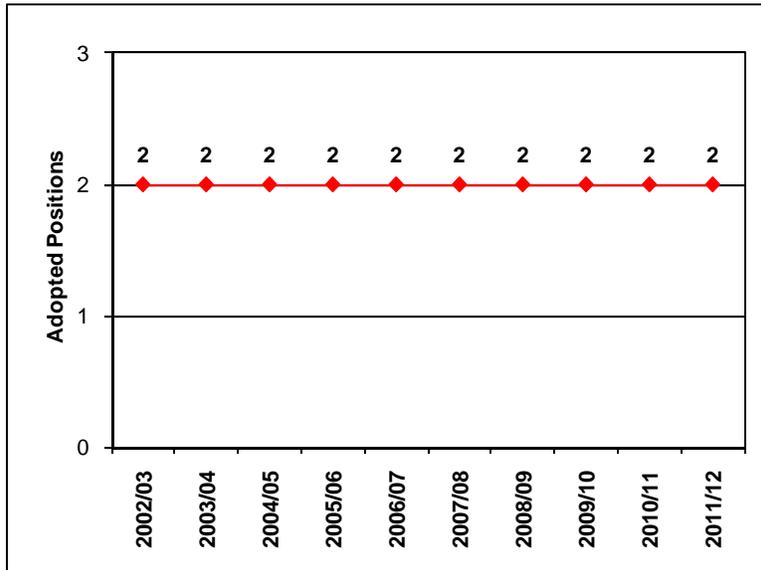
SUMMARY OF SIGNIFICANT ADJUSTMENTS

None.

SUMMARY OF POSITION CHANGES

There are no changes in position allocation.

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

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

Budget Summary:	
FY2010/11 Third Quarter Projection:	135,149
FY2011/12 Recommended:	126,387
County General Fund Contribution:	126,387
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 \$126,387 represents an overall decrease of \$6,690 in expenditures, when compared to the FY2010/11 Adopted Budget. As a result, this budget's Net County Cost is decreased by \$6,690 or 5.0%. Factors leading to the decrease in the Net County Cost are reductions of \$8,255 in charges for Communications and \$1,879 for Insurance, partly offset by an appropriation of \$3,000 for maintenance of equipment in the Boardroom.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
APPROPRIATIONS					
Salaries and Employee Benefits	(1,634)	0	0	0	0%
Services and Supplies	84,056	110,977	101,287	(9,690)	(9%)
Other Charges	22,000	22,000	22,000	0	0%
Intra-Fund Transfers	3,991	100	3,100	3,000	3000%
TOTAL APPROPRIATIONS	108,413	133,077	126,387	(6,690)	(5%)
NET COUNTY COST	108,413	133,077	126,387	(6,690)	(5%)

PENDING ISSUES AND POLICY CONSIDERATIONS

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



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:	
FY2010/11 Third Quarter Projection:	3,413,204
FY2011/12 Recommended:	3,246,450
County General Fund Contribution:	1,035,743
Percent County General Fund Supported:	31.9%
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 has been difficult, and the reduction to and ultimate elimination of the County's General Fund structural deficit continues to be very challenging.

- The FY2010/11 General Fund Adopted Budget of \$228,326,977 started the year with a structural deficit of \$18.0 million. In its FY2010/11 Third Quarter Projections Report, the County Administrator estimated the FY2011/12 General Fund structural deficit at \$19 million. In spite of the implementation of cost-cutting strategies such as the offering of supplementary retirement incentives, County revenues continue to fall by a percentage greater than the expenditure reductions made to date. The demand for assistance services persists, while the State of California's leadership has eliminated funding, reduced funding, and re-purposed funding affecting local assistance programs, leading to the increase in the projected structural deficit and the continuing challenge for the County Administrator to eliminate the General Fund structural deficit.
- The most prominent on-going General Fund cost-driver is employee salaries/wages/benefits. Thus, the County Administrator has been leading initiatives to obtain concessions from the employee bargaining units. At the same time, in accordance with Board direction, the County Administrator has been restricting recruitments for vacant positions, allowing recruitments to go on for positions for which a strong business case has been made by the requesting department. As of July 10, 2010, the County had 2,651.3 authorized position allocations. As of the first week in May, 2011, the number of authorized position allocations was 2,539.8, a reduction of 4.2%. The FY2010/11 Third Quarter Projections reflected salary savings of \$1.2 million when compared to the FY2010/11 Adopted Budget, a further indication of delays and reductions in staffing.
- FY2009/10 ended the year with a Fund Balance of \$39,978,027. The Third Quarter Projection estimated the Fund Balance at FY2010/11 year-end at \$32,719,183, including a Contingency of \$21,811,915. The General Fund's Fund Balance has continued 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 get rid of the General Fund's structural deficit. The FY2010/11 Third Quarter Projections reported a reduction in overall expenditures of \$2.6 million and an increase in overall revenues in the amount of \$2.2 million, in part due to year-long staffing cost reductions and a slightly better than anticipated net Property Tax revenue projection for the year, although the overall revenues were still down from FY2009/10.
- With assistance from all Department Heads and staff, coordinated five Budget Workshops for the Board. In the first two Workshops, programs and service levels for several departments were examined in light of the County's mandated obligations. The Board took action to address the General Fund's structural deficit at the third Workshop, eliminating 23.7 vacant positions. At the fourth Workshop, the Board approved the County Administrator's series of cost reduction proposals approximating \$1.7 million, including the deletion of vacant and filled positions, and the reorganization of the Library, parts of Health and Social Services, and the Assessor-Recorder's Office. A fifth Workshop followed up on a plan for the reduction of the amount in the three-year (FY2008/09 through FY2010/11) General Fund backfill of the Tobacco Master Settlement Agreement (MSA) funds to Non-profit/Community-based Organizations. Affected organizations advised the Board regarding the impact of the reductions, requested additional General Fund funding, and also discussed alternate strategies to achieve program goals. The net reduction to take effect July 1, 2011 is \$1,766,000.
- On April 12, 2011, the CAO recommended and the Board supported the reorganization of the Department of General Services and the realignment of several Divisions/Programs effective prior to July 1, 2011 to create further service effectiveness and cost savings.

WORKLOAD INDICATORS

During FY2009/10, the County Administrator/Clerk of the Board:

- Participated and provided assistance at 31 meetings of various Board Committees.
- Processed 757 Agenda Submittals and developed/published Minutes for 30 Board of Supervisors' Regular Meetings, four Board Budget Workshops and one Special Meeting; received over 300 Comment Cards from the public present at the Board meetings.
- Recorded six Ordinances and 287 Resolutions adopted by the Board.
- Processed 866 Assessment Appeal applications (individual application for multiple parcels counted as one).
- Provided staff support to the City-County Coordinating Committee and the Solano360 Fairgrounds Project.

DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Clerk of the Board	7,979	30,500	30,000	(500)	(2%)
Administrator	3,289,153	3,271,599	2,180,707	(1,090,892)	(33%)
TOTAL REVENUES	3,297,132	3,302,099	2,210,707	(1,091,392)	(33%)
APPROPRIATIONS					
Clerk of the Board	275,269	286,188	287,411	1,223	0%
Administrator	2,969,817	3,299,982	2,959,039	(340,943)	(10%)
TOTAL APPROPRIATIONS	3,245,086	3,586,170	3,246,450	(339,720)	(9%)
NET COUNTY COST					
Clerk of the Board	267,290	255,688	257,411	1,723	1%
Administrator	(319,336)	28,383	778,332	749,949	2642%
TOTAL NET COUNTY COST	(52,046)	284,071	1,035,743	751,672	265%
STAFFING					
Clerk of the Board	2	2	2	0	0%
Administrator	13	16	15	(1)	(6%)
TOTAL STAFFING	15	18	16	(2)	(11%)

DEPARTMENTAL BUDGET SUMMARY

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

1114 - Clerk of the Board:

There are no Significant Changes to the Recommended Budget for the Clerk of the Board.

1115 - Administration:

The Recommended Budget represents an overall decrease of \$1,090,892 in revenues and a decrease of \$340,943 in expenditures when compared to the FY2010/11 Adopted Budget. The Net County Cost for the Administration budget is increased by \$749,949. The principal factor leading to the increase in the Net County Cost, despite a \$323,498 decrease in personnel costs, is a \$1,016,308 reduction in revenues from Countywide Administrative Overhead (A-87). A-87 revenues come from departments who received services from the CAO and are based on expenditures incurred two fiscal years ago. Thus, FY2011/12 revenues are based on the expenditures provided by the CAO during FY2009/10. The reduction in revenues reflect

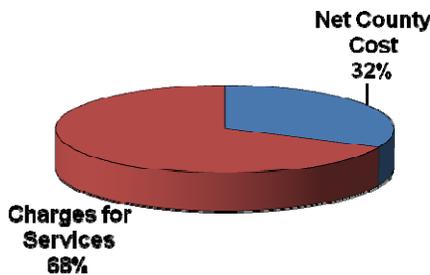
reduced staffing in FY2009/10, following retirements resulting from initiatives taken to reduce the County's on-going costs, and concurrently, the County's General Fund structural deficit.

The decrease in personnel costs results from the elimination of a Management Analyst (Journey) position in FY2010/11, the recommended deletion of a vacant Management Analyst (Senior) position, and the difference in the compensation for the new and the former County Administrator.

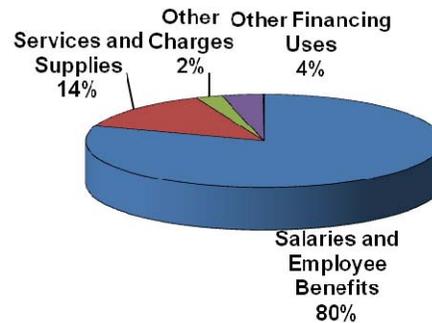
DEPARTMENT COMMENTS

While First 5 Solano Children & Family Commission (Budget Unit 1530) is a part of the County Administrator's Office, its narrative is located under the Health and Public Assistance section of the Recommended Budget Book.

SOURCE OF FUNDS



USE OF FUNDS



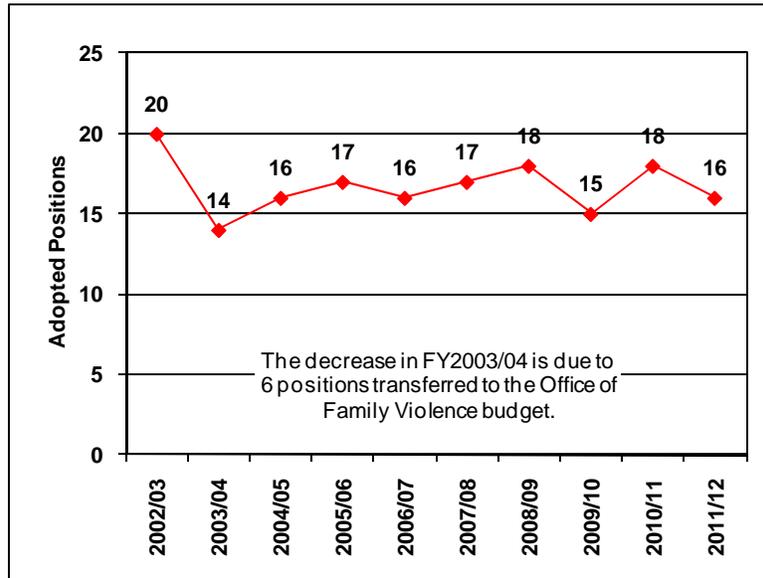
DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Charges For Services	3,232,388	3,226,515	2,210,707	(1,015,808)	(31%)
Misc Revenue	64,744	75,584	0	(75,584)	(100%)
TOTAL REVENUES	3,297,132	3,302,099	2,210,707	(1,091,392)	(33%)
APPROPRIATIONS					
Salaries and Employee Benefits	2,613,680	2,898,193	2,601,258	(296,935)	(10%)
Services and Supplies	492,699	476,375	445,270	(31,105)	(7%)
Other Charges	78,517	78,422	77,120	(1,302)	(2%)
Other Financing Uses	58,249	130,615	119,690	(10,925)	(8%)
Intra-Fund Transfers	1,940	2,565	3,112	547	21%
TOTAL APPROPRIATIONS	3,245,086	3,586,170	3,246,450	(339,720)	(9%)

SUMMARY OF POSITION CHANGES

Changes in the Department's position allocations, in 1115- Administration, are provided below:

- 1.0 FTE Management Analyst (Senior) position is recommended for deletion effective July 1, 2011 as part of the Department's reduction in labor costs as discussed above.
- 1.0 FTE Management Analyst (Journey) position was deleted on October 26, 2010 as part of the Department's budgetary reductions in FY2010/11.
- 1.0 FTE Office Coordinator (C) position, which is currently underfilled, is being reclassified to an Office Assistant III (C) position to appropriately reflect the job duties currently being performed.

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

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

Birgitta E. Corsello, County Administrator
Summary of Other Administered Budgets

1100-County Administrator
Legislative & Administration

DETAIL BY REVENUE AND APPROPRIATION OTHER ADMINISTERED BUDGETS	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
1750-Promotion	13,734	19,465	12,335	(7,130)	(37%)
1903-General Expenditures	4,515,005	4,525,325	3,707,140	(818,185)	(18%)
1905-Countywide Cost Allocation Plan	(3,087,091)	(3,377,759)	(2,720,799)	656,960	(19%)
1906-General Fund-Other-Debt Service	0	0	0	0	0%
2400-Grand Jury	0	0	0	0	0%
6730-Other Public Defense	2,800,537	3,000,000	2,600,000	(400,000)	(13%)
6800-California Medical Facility Cases	237,387	379,129	256,824	(122,305)	(32%)
2110-Micro-Enterprise Business	0	55,535	204,837	149,302	269%
2380-SE Vallejo Redevel. Settlement	9,767	0	0	0	0%
2390-Tobacco Settlement	1,968,767	2,550,000	0	(2,550,000)	(100%)
APPROPRIATIONS					
1750-Promotion	464,767	451,175	200,100	(251,075)	(56%)
1903-General Expenditures	137,807,838	136,466,624	130,703,361	(5,763,263)	(4%)
1905-Countywide Cost Allocation Plan	(3,087,091)	(3,377,759)	(2,720,799)	656,960	(19%)
1906-General Fund-Other-Debt Service	2,100,399	2,548,674	2,657,810	109,136	4%
2400-Grand Jury	100,813	134,584	134,584	0	0%
6730-Other Public Defense	2,879,946	2,918,324	2,600,000	(318,324)	(11%)
6800-California Medical Facility Cases	291,757	216,930	256,824	39,894	18%
2110-Micro-Enterprise Business	0	55,535	104,837	49,302	89%
2380-SE Vallejo Redevel. Settlement	360,529	0	0	0	0%
2390-Tobacco Settlement	2,982,265	2,945,000	380,242	(2,564,758)	(87%)
NET CHANGE					
1750-Promotion	451,033	431,710	187,765	(243,945)	(57%)
1903-General Expenditures	133,292,833	131,941,299	126,996,221	(4,945,078)	(4%)
1905-Countywide Cost Allocation Plan	0	0	0	0	0%
1906-General Fund-Other-Debt Service	2,100,399	2,548,674	2,657,810	109,136	4%
2400-Grand Jury	100,813	134,584	134,584	0	0%
6730-Other Public Defense	79,409	(81,676)	0	81,676	(100%)
6800-California Medical Facility Cases	54,370	(162,199)	0	162,199	(100%)
2110-Micro-Enterprise Business	0	0	(100,000)	(100,000)	0%
2380-SE Vallejo Redevel. Settlement	350,762	0	0	0	0%
2390-Tobacco Settlement	1,013,498	395,000	380,242	(14,758)	(4%)

The Department's respective 'other' budget units follow.

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 of the county's population and 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.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Intergovernmental Rev State	1,828	0	0	0	0%
Charges For Services	0	0	1,870	1,870	0%
Misc Revenue	11,906	9,000	0	(9,000)	(100%)
Other Financing Sources	0	10,465	10,465	0	0%
TOTAL REVENUES	13,734	19,465	12,335	(7,130)	(37%)
APPROPRIATIONS					
Services and Supplies	273,944	293,165	200,100	(93,065)	(32%)
Other Charges	178,584	158,010	0	(158,010)	(100%)
Intra-Fund Transfers	12,239	0	0	0	0%
TOTAL APPROPRIATIONS	464,767	451,175	200,100	(251,075)	(56%)
NET COUNTY COST	451,033	431,710	187,765	(243,945)	(57%)

BUDGET SUMMARY

The Recommended Budget for Promotions of \$200,100 represents a decrease of \$7,130, or 36.6%, in revenues and a decrease of \$251,075, or 55.6%, in expenditures when compared to the FY2010/11 Adopted Budget. As a result, the Net County Cost decreased by \$243,945, or 56.5%.

SUMMARY OF SIGNIFICANT ADJUSTMENTS

- This budget includes an appropriation for a comprehensive contract to design, construct and staff a Solano County exhibit at the 2012 California State Fair for a total of \$45,000. Beginning with the 2011 State Fair exhibit, the County opted for a scaled-down exhibit and switched from using County staff General Services to build the annual exhibit to including the construction as part of the contracted services for design and project management. This has resulted in a reduction of \$27,800 in direct expenditures and a reduction of \$158,010 in Countywide Administrative Overhead charges. This amount represents a total decrease of \$185,810, or 80.5%, in expenditures from FY2010/11.
- Economic Development project funding also included in this budget reflects no new General Fund dollars for FY2011/12. The continued investment in economic development studies and research will be funded with \$116,250 in unspent funds from FY2010/11 that have been re-budgeted for FY2011/12 and will be coordinated through the Solano Economic Development Corporation (Solano EDC).
- The FY2010/11 budget anticipated completing three industry cluster analyses, a summit on the food cluster industry, a land inventory analysis, and partial funding for a 2011 Index of Economic and Community Progress. As part of the budget reduction strategies in FY2010/11, the timetable for these projects was adjusted, and different economic development initiatives are being explored for Board consideration in the coming months to reflect the changing economic conditions.
- The FY2011/12 projects include a joint summit with Yolo County on the food cluster industry in the fall 2011, an updated land inventory analysis in January 2012, and the acquisition of a subscription service for market data research. This one-year pilot project with the Solano EDC will provide the economic development community real-time access to market data that can be used to retain and attract businesses. The County will also explore other options to acquire the data currently being tracked in the annual economic index, with the goal of providing more timely information that can be easily disseminated to public (cities, schools and special districts) and private sector users to guide economic development planning decisions.

PENDING ISSUES AND POLICY CONSIDERATIONS

Due to budget reduction efforts at the State and Federal level, the availability and use of Community Development Block Grant program and Redevelopment Agencies to fund economic development efforts remains uncertain. The County will continue to work with its city partners and Solano EDC as we develop new strategies to retain existing businesses and attract new companies.

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 the 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	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Fines, Forfeitures, & Penalty	1,925,108	1,840,500	1,590,000	(250,500)	(14%)
Charges For Services	2,586,691	2,684,825	2,072,648	(612,177)	(23%)
Misc Revenue	3,206	0	0	0	0%
Other Financing Sources	0	0	44,492	44,492	0%
TOTAL REVENUES	4,515,005	4,525,325	3,707,140	(818,185)	(18%)
APPROPRIATIONS					
Salaries and Employee Benefits	0	800,000	960,000	160,000	20%
Services and Supplies	435,813	1,300,000	995,000	(305,000)	(23%)
Other Charges	10,017,693	10,449,469	10,128,541	(320,928)	(3%)
Other Financing Uses	127,354,201	123,917,155	118,619,820	(5,297,335)	(4%)
Intra-Fund Transfers	131	0	0	0	0%
TOTAL APPROPRIATIONS	137,807,838	136,466,624	130,703,361	(5,763,263)	(4%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

The Recommended Budget reflects decreases of \$818,185 in revenues and \$5,763,263 in expenditures when compared to the FY2010/11 Adopted Budget. The Net County Cost for the budget is thus decreased by \$4,945,078.

The reduction in this budget's Net County Cost is attributable to various reductions in General Fund (GF) Contribution. These reductions in expenditures, however, were partially offset by reductions in Revenues due to projected \$864,500 net reduction in Fees, Assessments and Fines received from the Court. The following reflect reductions in GF Contributions:

- \$3,194,629 net reduction to Health & Social Services (H&SS) -- While H&SS reduced its GF County Contribution by \$6,880,512, from \$21,404,905 in FY2010/11 to \$14,524,393 in FY2011/12, the GF County Contribution to Assistance Programs, which include General Assistance, Foster Care and IHSS programs, increased by \$3,685,883, from \$7,292,744 in FY2010/11 to \$10,978,627 for FY2011/12.
- \$1,766,000 reduction to non-County agencies -- Per Board direction following Budget Workshops and subsequent Board meetings, GF backfill of programs initiated with Tobacco Master Settlement Agreement (MSA) funds are reduced from \$2,550,000 in FY2010/11 to \$784,000 for FY2011/12. (See below for further detail)
- \$1,035,205 reduction to the Sheriff's Office -- The Sheriff's FY2011/12 budget reflects a significant reduction in its Countywide Administrative Overhead charges, leading to a reduced need for GF Contribution. Thus, the appropriation for the Sheriff has been reduced from \$45,365,167 in FY2010/11 to \$44,329,962 for FY2011/12.
- \$289,384 reduction to Parks & Recreation -- Parks & Recreation's FY2011/12 budget similarly reflects a significant reduction in its Countywide Administrative Overhead charges, leading to the reduced need for GF Contribution. The appropriation for Parks has been reduced from \$523,225 in FY2010/11 to \$233,841 for FY2011/12.
- \$400,000 reduction for Other Public Defense -- The appropriation for Third Level Indigent Defense has been reduced from \$3,000,000 in FY2010/11 to \$2,600,000 for FY2011/12, reflecting the cost-saving benefits of the enhanced Public Defender/Conflict Defender additions to staffing provided by the Board in FY2010/11 to reduce the County's cost of Court-appointed attorneys.
- The above reductions in GF Contribution are partially offset by increases in GF County Contribution to the Public Defender budget in the amount of \$291,429, to the Conflict Defender in the amount of \$305,759, and to Probation in the amount of

\$949,443. These increases are further clarified in the respective budget units' narratives and are the result of losses of revenue with an inability at this time to reduce expenditures further.

The \$784,000 in appropriations for non-County agencies includes funding from the General Fund as presented below:

- \$76,500 for the Court-Appointed Special Advocates (CASA) of Solano County, reflecting a 10% decrease from the FY2010/11 amount of \$85,000. CASA advocates for the best interest of children within the court system.
- \$40,500 for the Senior Coalition. The Board authorized total funding of \$45,500 with the difference of \$5,000 coming from other funding sources. Refer to budget unit 7501 - Health and Human Services Administration for further information.
- \$392,000 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 and enrollment activities which would match more than 1,200 eligible children with appropriate programs.
- \$275,000 for City Teams' substance abuse prevention activities within the county's seven cities; involves schools, law enforcement, government, and community organizations. The Board authorized total funding of \$350,000 with the difference of \$75,000 coming from other funding sources. Refer to budget unit 7501 - Health and Human Services Administration for further information.

The Recommended Budget also includes the following appropriations:

- \$8,174,426 for the Court Maintenance of Effort (MOE), for operations of the courts as required by the Trial Court Funding Act of 1997.
- \$1,054,115 for the Court Facilities Payment MOE to the Trial Court.
- \$960,000, to be transferred out of the Designation for accrued leave payoff to cover accrued leave payoffs to employees retiring or separating from County service.
- \$562,930 to pay for the County's share of: (1) the IHSS Public Authority's administrative costs, and (2) insurance costs for IHSS service providers.
- \$241,694 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.
- \$100,000 for contracted services to cover costs of management reviews and organizational studies that would be required to identify opportunities for efficiencies in departments.

FUNCTION AND RESPONSIBILITY

This budget is a “contra” budget. It 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	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Charges For Services	<u>(3,087,091)</u>	<u>(3,377,759)</u>	<u>(2,720,799)</u>	656,960	(19%)
TOTAL REVENUES	(3,087,091)	(3,377,759)	(2,720,799)	656,960	(19%)
APPROPRIATIONS					
Other Charges	<u>(3,087,091)</u>	<u>(3,377,759)</u>	<u>(2,720,799)</u>	656,960	(19%)
TOTAL APPROPRIATIONS	(3,087,091)	(3,377,759)	(2,720,799)	656,960	(19%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

The Recommended Budget represents a net offset of \$2,720,799 in Expenditures and Revenues, a \$656,960 difference when compared to its FY2010/11 Adopted Budget.

PENDING ISSUES AND POLICY CONSIDERATIONS

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

FUNCTION AND RESPONSIBILITY

This budget is used as a General Fund conduit to finance the 2002 Certificates of Participation (COP) for the construction of the 6-story Government Center, 5-story parking structure, Probation Facility and improvement to the Central Utility Plant and the Library, all located in Fairfield.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
APPROPRIATIONS					
Other Financing Uses	2,100,399	2,548,674	2,657,810	109,136	4%
TOTAL APPROPRIATIONS	2,100,399	2,548,674	2,657,810	109,136	4%
NET COUNTY COST	2,100,399	2,548,674	2,657,810	109,136	4%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

The Recommended FY2011/12 Budget of \$2,657,810 represents the General Fund's share of the principal and interest payments on the 2002 COP (See BU 8032 under the Auditor-Controller). This amount is \$109,136 or 4.3%, more than the FY2010/11 Adopted Budget. As the County's reductions in force due to the General Fund's structural deficit take place, the General Fund share of the 2002 COP increases. Departments utilizing the Government Center and Probation Facility are allocated their corresponding share of the Debt Service based on their building space usage and a share of the parking structure. As departments in the buildings right-size, departments will be giving up the use of part of their assigned space. Unless other non-General Fund occupants of the vacant space can be brought into these buildings, then the General Fund will have to pick up the difference in funding generated by the departments using Government Center and Probation Facility space and the annual amounts owed for debt service, which were determined at the time the COPs were issued.

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. Grand Jury members are selected annually by the Superior Court of California. State law requires the Grand Jury to publish an annual report of its findings and recommendations.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
APPROPRIATIONS					
Services and Supplies	78,437	90,519	97,891	7,372	8%
Other Charges	21,215	44,065	35,543	(8,522)	(19%)
Intra-Fund Transfers	1,161	0	1,150	1,150	0%
TOTAL APPROPRIATIONS	100,813	134,584	134,584	0	0%
NET COUNTY COST	100,813	134,584	134,584	0	0%

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

- Recognizing the significant financial constraints local governments are currently experiencing, the Grand Jury sought to identify cost savings and cost recovery opportunities for local governments, which will result in enhanced revenue for some local entities. In this regard, on March 22, 2011, the Grand Jury issued a report entitled "Fouts Springs Youth Facility."
- Through its investigations and reports, the Grand Jury sought to create greater transparency in governmental operations. In this regard, on April 28, 2011, the Grand Jury issued a report entitled "Administration of the Food Stamp Program by the Department of Health and Social Services."
- Grand Jury reports were developed with the intent to better inform the public on beneficial programs and services provided by local governments, including programs designed to reduce recidivism in detention facilities in Solano County. In this regard, on April 28, 2011, the Grand Jury issued a report entitled "Justice Center Detention Facility and Claybank Detention Facility."
- Other Grand Jury reports to date are "Solano County Assessor's Office and Declining Property Values," issued on March 22, 2011, and "California Department of Corrections and Rehabilitation Conservation Camp (Delta Camp)," issued on April 26, 2011.

DEPARTMENTAL BUDGET SUMMARY

While the FY2011/12 Recommended Budget for the Grand Jury maintains Expenditures at the FY2010/11 Adopted Budget level of \$134,584, its appropriations are being set differently. To sufficiently provide for the cost of a 0.5 FTE clerical support person, the Grand Jury's budget reflects corresponding reductions in appropriations for Countywide Administrative Overhead, Publications and Legal Notices, Personal Mileage, Central Duplicating Services and Interpreters.

DEPARTMENT COMMENTS

The Grand Jury's sole funding source is the General Fund. The number of Grand Jurors (19) is set by State law. Its members receive a nominal payment per meeting, and are reimbursed for Grand Jury-related expenses such as mileage.

As part of the countywide effort to deal with the structural deficit, some FY2010/11 Grand Jurors voluntarily declined to submit claims for per diem and mileage reimbursement they are entitled to receive. With the current financial crisis and declining

County revenues, the Grand Jury will continue to minimize expenditures by reducing discretionary spending and, to the extent possible, costs associated with Grand Jury investigations.

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	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
General Fund Contribution	2,800,537	3,000,000	2,600,000	(400,000)	(13%)
TOTAL REVENUES	2,800,537	3,000,000	2,600,000	(400,000)	(13%)
APPROPRIATIONS					
Services and Supplies	2,826,630	2,874,459	2,564,164	(310,295)	(11%)
Other Charges	53,316	43,865	35,836	(8,029)	(18%)
TOTAL APPROPRIATIONS	2,879,946	2,918,324	2,600,000	(318,324)	(11%)

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

- During FY2010/11, projected Other Public Defense expenditures were reduced by approximately \$450,000 between FY2010/11 Adopted Budget and Third Quarter. This resulted from enhanced staff capabilities in the offices of the Public Defender and the Conflict Public Defender, reducing their need to declare themselves unavailable to represent indigent defendants in more complex and, ultimately, more expensive felony cases.

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget of \$2,600,000 for Other Public Defense represents an overall decrease of \$400,000, or 13.3%, in revenues and \$318,324, or 10.9%, in expenditures when compared to FY2010/11 Adopted Budget. Net County Cost is thus increased by \$81,676 in relation to the FY2010/11 Adopted Budget. However, it is anticipated that the actual Net County Cost, after adjustments for accounting procedures, will be much lower at the fiscal year end, reflecting the cost-saving benefits of the enhanced Public Defender / Conflict Defender staffing capabilities to reduce the County's cost of court-appointed attorneys.

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 number of attorney hours required to represent indigent defendants and the availability of Public Defender and Conflict Defender staff to provide that representation where appropriate.

Cost exposures related to the number of attorney hours and, by implication, the incidence of criminal activity and arrest rates, are beyond the County's control. Cost exposures related to the availability of staff defenders are more amenable to control, as demonstrated during the current fiscal year. Because the Public Defender's initiative which reduced costs so significantly during FY2010/11 is still in progress, staff projected only modest savings in FY2011/12, but will monitor expenditures closely during the fiscal year and propose necessary revisions at Midyear or Third Quarter.

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 facility grounds, 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 full reimbursement by the State, with the exception of Countywide Administrative Overhead and interest expense.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Intergovernmental Rev State	207,973	379,129	256,824	(122,305)	(32%)
General Fund Contribution	29,414	0	0	0	0%
TOTAL REVENUES	237,387	379,129	256,824	(122,305)	(32%)
APPROPRIATIONS					
Services and Supplies	285,386	212,250	249,500	37,250	18%
Other Charges	6,371	4,680	7,324	2,644	56%
TOTAL APPROPRIATIONS	291,757	216,930	256,824	39,894	18%

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget of \$256,824 for CMF Cases represents an overall decrease of \$122,305, or 32.3%, in revenues and an increase of \$39,894, or 18.4%, in expenditures when compared to FY2010/11 Adopted Budget. Net County Cost is thus increased by \$162,199 in relation to the FY2010/11 Adopted Budget, although all expenses in this budget unit are offset by state reimbursement. The apparent Net County Cost increase occurs because revenues anticipated for FY2009/10 were instead expected to be received in FY2010/11. The revenues included in the FY2011/12 budget reflect a level more in line with prior years.

PENDING ISSUES AND POLICY CONSIDERATIONS

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

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 contracts with the Solano Community College Small Business Development Center to deliver program services. The grant expires December 31, 2011.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Intergovernmental Rev State	0	55,535	204,837	149,302	269%
TOTAL REVENUES	0	55,535	204,837	149,302	269%
APPROPRIATIONS					
Services and Supplies	0	45,070	94,372	49,302	109%
Other Charges	0	0	100,000	100,000	0%
Other Financing Uses	0	10,465	10,465	0	0%
TOTAL APPROPRIATIONS	0	55,535	204,837	149,302	269%
NET COUNTY COST	0	0	0	0	0%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

The Recommended Budget totals \$204,837 in revenues and expenditures. This represents an increase of \$149,302 or 269% in revenues and expenditures when compared to the FY2010/11 Adopted Budget. The increase is primarily due to full implementation of the grant program activities.

FUNCTION AND RESPONSIBILITIES

This budget was established as a “holding account” to track revenues from the City of Vallejo to the County, resulting from the FY2000/01 Southeast Vallejo Redevelopment Agreement between the County and the City of Vallejo.

This budget accounts for Southeast Vallejo Redevelopment Agreement settlement funds from the City of Vallejo and disperses funds to the Department of Resource Management-Public Works Division for eligible redevelopment projects.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	3,680	0	0	0	0%
Charges For Services	6,088	0	0	0	0%
TOTAL REVENUES	9,767	0	0	0	0%
APPROPRIATIONS					
Other Financing Uses	360,529	0	0	0	0%
TOTAL APPROPRIATIONS	360,529	0	0	0	0%

DEPARTMENTAL BUDGET SUMMARY

There is no Recommended Budget.

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 en toto 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, 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.

In January 2008, the Board approved the use of MSA securitization proceeds as a means of financing the Twin Campus 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, and when the WJCGC is completed in 2012, an additional Public Health Clinic and a dental clinic. The use of the funds for capital project investments ended the deallocation 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 Reducing Rates and Health Access FY2008/09 through FY2010/11, MSA money was backfilled with General Fund contributions during the three-year Strategic Plan. 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 Health Access and Reducing Rates activities.

For FY2011/12, the Board has provided initial budget directions to fund and retain several of the programs in Health Access and Reducing Rates. Refer to Budget Unit 1903 for further information.

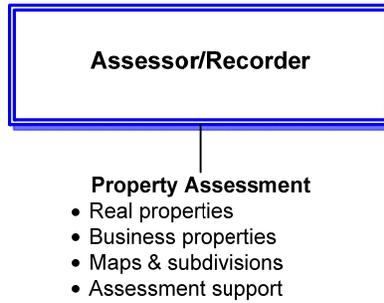
DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	15,829	0	0	0	0%
General Fund Contribution	1,952,938	2,550,000	0	(2,550,000)	(100%)
TOTAL REVENUES	1,968,767	2,550,000	0	(2,550,000)	(100%)
APPROPRIATIONS					
Other Financing Uses	2,982,265	2,945,000	380,242	(2,564,758)	(87%)
TOTAL APPROPRIATIONS	2,982,265	2,945,000	380,242	(2,564,758)	(87%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

This budget reflects minimal activity for FY2011/12. The FY2011/12 Recommended Budget appropriates \$380,242, the last of Fund 239's Fund Balance. \$335,750 of the \$380,242 is reflected in Health and Social Services' BU 7503 in lieu of a new General Fund contribution to the Community Clinics, to help offset part of the costs incurred by the clinics for uncompensated care. The balance of \$44,492 is being transferred into budget unit 1903, General Expenditures, to mitigate General Fund costs.

PENDING ISSUES AND POLICY CONSIDERATIONS

In the event any Fund Balance at all remains in this Fund after the Auditor-Controller closes the books for FY2010/11, the County Administrator will recommend the Board consider its use for the support of priority programs in accordance with the Board's direction to staff during its May 3, 2011 meeting. Refer to Budget Unit 1903 for further information.



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:	
FY2010/11 Third Quarter Projection:	6,338,681
FY2011/12 Recommended:	6,284,721
County General Fund Contribution:	4,146,221
Percent County General Fund Supported:	66.0%
Total Employees (FTEs):	35

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 (Section 11) 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 unprecedented workload increases associated with the collapse of the real estate market. This year, approximately 6,000 additional properties were placed on Proposition 8 status, which brings the total to 64,000 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 with the automated valuation model (AVM) software program assisting in the review of 115,000 residential properties for adjustments to current assessed values.

- Acquired two additional AVMs to assist appraisal staff with the valuation of the 52,000 residential properties (not on Proposition 8 status) and to address residential assessment appeals.
- Challenges include addressing the commercial property valuations, i.e. changes of ownership, Proposition 8 review requests and assessment appeals. The commercial Proposition 8 review requests and the assessment appeal workload have increased 300% from prior years. Largest appeals include Genentech with \$3.5 billion in assessed value at-risk, and four wind farms with a total \$660 million in assessed value at-risk. The potential property tax loss equals 1% of the at-risk assessed values, or \$35 million and \$6.6 million, respectively.
- In FY2010/11, the capacity of existing resources had been exceeded and resulted in the delay in submission of the Assessment Roll to the State due on July 1, 2010; and delays in Proposition 8 reviews of non-residential property types. i.e. commercial/industrial/agricultural/vacant land.

WORKLOAD INDICATORS

- During the period of July 1 2010 – June 30, 2011, the Assessor’s office processed 6,000 new Proposition 8 review requests from property owners. Since FY2009/10, the Assessor has processed 64,000 Proposition 8 reviews. Each of these parcels requires annual review.
- During the period July 1 2010-June 30 2011, there has been a 400% overall workload increase of appraisal valuations due to statutory requirements, i.e. changes of ownership, foreclosures, assessment appeals and Proposition 8 reviews.

DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Property Assessment	349,663	273,750	2,138,500	1,864,750	681%
TOTAL REVENUES	349,663	273,750	2,138,500	1,864,750	681%
APPROPRIATIONS					
Property Assessment	5,654,856	6,554,284	6,284,721	(269,563)	(4%)
TOTAL APPROPRIATIONS	5,654,856	6,554,284	6,284,721	(269,563)	(4%)
NET COUNTY COST					
Property Assessment	5,305,193	6,280,534	4,146,221	(2,134,313)	(34%)
TOTAL NET COUNTY COST	5,305,193	6,280,534	4,146,221	(2,134,313)	(34%)
STAFFING					
Property Assessment	44	40	35	(5)	(13%)
TOTAL STAFFING	44	40	35	(5)	(13%)

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget for the Assessor’s Office of \$6,284,721 represents an overall increase of \$1,864,750, or 681.2%, in revenues and a decrease of \$269,563, or 4.1%, in expenditures when compared to the FY2010/11 Adopted Budget. As a result, Net County Cost is decreased by \$2,134,313, or 34%.

The primary funding source for the Department is property tax administration fees of \$1,870,000, which is an increase of \$1,775,000 from the previous fiscal year. This is the first year that property tax administration fees have been recognized as revenues in the departmental budget; in past years, property tax administration fees were recorded in General Revenue (budget unit). The change in budgeting is being made to more accurately and easily reflect the cost of the Assessor’s Office operations.

The primary costs for the Assessor’s Office are:

- Salary and benefits, with total appropriations of \$3,660,704, are projected to decrease by \$202,805, or 5.2%, primarily due to the net loss of 3.0 FTE positions, with additional projected savings from the hiring of replacements at either a lower step

or lower classification than the incumbents. The savings are mitigated by higher charges for unemployment insurance and workers compensation and the annual charge for the cost of the PARS Supplemental Retirement Plan for five employees.

- Solano County Integrated Property System (SCIPS) and Central Data Processing (CDP) charges which are budgeted at \$1,436,146 and \$241,005, respectively. These are allocated costs based on the operating costs of the Department of Information Technology to provide data processing and automation support to the Department.
- Countywide Administrative Overhead totaling \$277,909 for the Department's share of allocable costs of central services departments, such as the Auditor-Controller for accounting and payroll service, General Services for custodial and purchasing services, County Counsel for legal services, etc.
- Contracted Services of \$140,840 to cover professional services for mineral rights valuation and wind farm assessment appeal defense.

DEPARTMENT COMMENTS

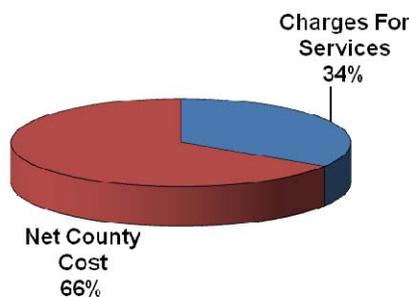
As part of the countywide effort to deal with the structural deficit, the Department has accepted the applications of five employees for the PARS Supplementary Retirement Plan. The Board has approved the backfill of two positions, resulting in a net loss of 3.0 FTE positions. The Department plans to re-structure its organization to meet workload requirements.

Based on current trend analysis, the Department projects that workload will increase further as the slide in the residential housing and commercial real estate markets continues into FY2011/12. The number of parcels requiring Proposition 8 reviews will continue to grow, while those parcels previously reassessed under Proposition 8 will need annual reassessments. In addition, the rising number of "short sales" and foreclosures will raise the number of change in ownership transactions. Assessment appeals will also continue.

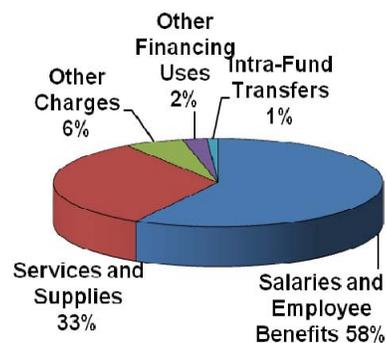
In contrast with the anticipated increase in workload, the Assessor's staffing is decreasing by 3.0 FTE positions in FY2011/12. While reducing resources may not appear consistent with increasing workload, it reflects the Department's strategy to address its workload by re-structuring to deploy its personnel more efficiently and the use of technology and automation. Overtime and Extra Help staff will be used to meet peak period requirements.

In FY2009/10, the Department purchased and placed in service automated valuation software to process nearly 64,000 Proposition 8 reviews, which would have otherwise required the addition of ten additional appraisers. In FY2010/11, the Board authorized the purchased of two additional valuation software packages to process change in ownerships and residential appeals. These additional tools, which are expected to be in full service in FY2011/12, allow the Department to mitigate the staffing reductions.

SOURCE OF FUNDS



USE OF FUNDS



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Charges For Services	349,663	273,750	2,138,500	1,864,750	681%
TOTAL REVENUES	349,663	273,750	2,138,500	1,864,750	681%
APPROPRIATIONS					
Salaries and Employee Benefits	3,858,563	3,863,509	3,660,704	(202,805)	(5%)
Services and Supplies	1,210,453	1,970,811	2,038,213	67,402	3%
Other Charges	423,477	487,421	365,800	(121,621)	(25%)
Other Financing Uses	105,968	164,543	152,004	(12,539)	(8%)
Intra-Fund Transfers	56,395	68,000	68,000	0	0%
TOTAL APPROPRIATIONS	5,654,856	6,554,284	6,284,721	(269,563)	(4%)
NET COUNTY COST	5,305,194	6,280,534	4,146,221	(2,134,313)	(34%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

This is the first year that the Assessor's share of property tax administration fees has been recognized in the departmental budget. This is a change in administrative policy and also, a change in accounting practice that was implemented in order to align 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. In prior years, these revenues were recognized and recorded in General Revenue (budget unit 1101).

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.

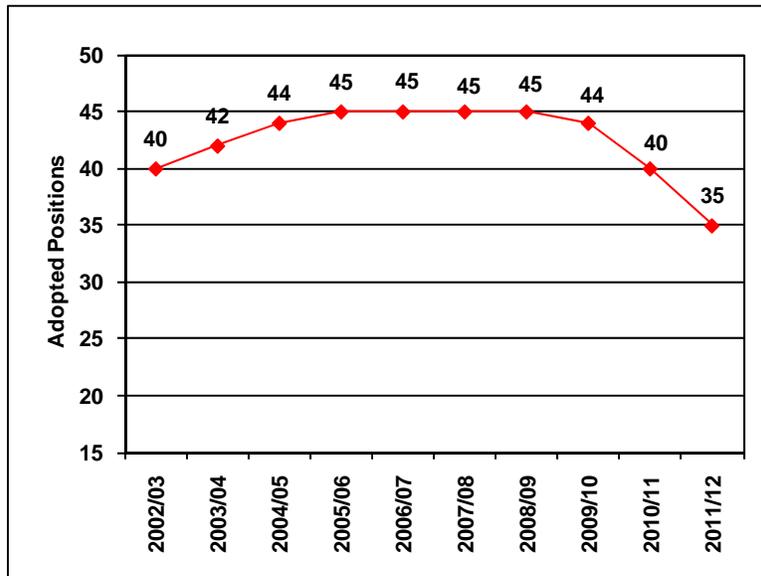
SUMMARY OF POSITION CHANGES

Changes in Assessor's position allocation from the FY2010/11 Adopted Budget are provided below:

- In December 2010, the following position changes were approved as part of the Assessor's reorganization plan:
 - Delete 1.0 FTE Supervising Cadastral Mapping Technician
 - Delete 1.0 FTE Senior Auditor-Appraiser
 - Add 1.0 Appraiser Technician
- In April 2011, the following position changes were approved as part of the County's PARS Supplemental Retirement Plan:
 - Delete 1.0 FTE Appraiser (Senior)
 - Delete 1.0 FTE Appraiser
 - Delete 2.0 Cadastral Mapping Technician III
 - Delete 1.0 FTE Office Coordinator
 - Add 1.0 FTE Appraiser
 - Add 1.0 FTE Cadastral Mapping Technician II

- In the Recommended Budget, the position allocations for the Assessor/Recorder and the Assistant Assessor/Recorder previously allocated to the Assessor Division have been split equally between the Assessor Division (budget unit 1151) and the Recorder Division (budget unit 2906), resulting in the following change:
 - Delete 0.5 FTE Assessor/Recorder
 - Delete 0.5 FTE Assistant Assessor/Recorder

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

None.

DETAIL BY REVENUE AND APPROPRIATION OTHER ADMINISTERED BUDGETS	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
2909-Recorder	949,052	1,276,953	1,495,025	218,072	17%
4000-Recorder/Micrographic	1,190,788	620,000	723,636	103,636	17%
APPROPRIATIONS					
2909-Recorder	1,596,601	1,678,284	1,640,978	(37,306)	(2%)
4000-Recorder/Micrographic	1,116,731	620,470	940,285	319,815	52%
NET COUNTY COST					
2909-Recorder	647,549	401,331	145,953	(255,378)	(64%)
4000-Recorder/Micrographic	(74,057)	470	216,649	216,179	45996%

The Department's respective 'other' budget units follow.

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.

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.
- 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 on behalf of other 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.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Charges For Services	909,338	1,240,000	1,474,000	234,000	19%
Misc Revenue	39,714	36,953	21,025	(15,928)	(43%)
TOTAL REVENUES	949,052	1,276,953	1,495,025	218,072	17%
APPROPRIATIONS					
Salaries and Employee Benefits	1,281,607	1,371,897	1,319,269	(52,628)	(4%)
Services and Supplies	127,260	131,493	126,271	(5,222)	(4%)
Other Charges	112,349	83,540	97,398	13,858	17%
Other Financing Uses	34,389	50,759	55,522	4,763	9%
Intra-Fund Transfers	40,997	40,595	42,518	1,923	5%
TOTAL APPROPRIATIONS	1,596,601	1,678,284	1,640,978	(37,306)	(2%)
NET COUNTY COST	647,549	401,331	145,953	(255,378)	(64%)
STAFFING					
Recorder	12	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 FY2010/11, the Recorder's Office collected \$7,500 for family violence oversight and \$60,000 for local spousal and child

abuse prevention programs; \$176,000 for the Trial Court Fund to help keep the State courts operating; and \$130,000 for the District Attorney's Real Estate Fraud Prosecution Fund to curtail fraud.

- To protect the identities of Solano County citizens, the Recorder's Office participates in the Social Security Number (SSN) Truncation Program. In FY2010/11, over 110,761 documents were reviewed and social security numbers present in 1,283 documents were truncated (blacked out). Since the inception of the program in FY2008/09, a total of 1,952,981 documents have been reviewed, with SSN's truncated from 128,627 documents.
- In FY2011/12 the Recorder's Office 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.

WORKLOAD INDICATORS

- In FY2010/11, the Department examined, recorded, indexed, mailed back to owners over 110,761 documents; the Department anticipates a 10% increase in FY2011/12
- In the same period, issued close to 17,000 official birth, death, and marriage certificates and over 7252 certified copies of official records were issued.

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget for the Recorder's Office of \$1,640,978 represents an overall increase of \$218,072, or 17.1%, in revenues and a decrease of \$37,306, or 2.2%, in expenditures when compared to the FY2010/11 Adopted Budget. As a result, Net County Cost is decreased by \$255,378, or 63.6%.

The primary funding sources for the Recorder's Office are fees from recording and issuance of official documents and vital records. With the fee increase of \$6 per document approved by the Board in FY2010/11, along with the projected increase in the number of documents to be recorded, the Office estimates revenues from recording fees of \$1,300,000, an increase of \$225,000, or 20.9% over the previous year. In addition, fees collected for photo/microfiche copies are projected to bring in \$174,000.

The primary cost centers for the Office are salary expenses and charges from central services departments and data processing services. Salary and benefits are projected to decrease by \$52,628 to \$1,319,269. The savings are due primarily to the elimination of funding for Extra Help staff and the hiring of staff at lower step levels than the incumbents. Other major expenditures are \$96,898 for Countywide Administrative Overhead and \$59,434 for Central Data Processing, both non-controllable costs for the Department.

SUMMARY OF SIGNIFICANT ADJUSTMENTS

The increase of \$6 per recorded instrument that was authorized by statute and approved by the Board in FY2010/11 has significantly improved departmental revenues. While the fee increase has not generated sufficient revenues to fully offset the Department's operating costs, it has significantly reduced Net County Cost from \$401,331 to \$145,953, a decrease of \$255,378, or 63.6%.

The Recorder is cautiously optimistic that the trend set during the last two years of increasing number of documents to be recorded will exceed departmental FY2011/12 estimates. The additional revenues, over and above those included in the Department's budget, would further mitigate the remaining Net County Cost.

SUMMARY OF POSITION CHANGES

In October 2010, the following position was added, funded by the \$6 increase in recording fees:

- 1.0 FTE Office Assistant II

In the Recommended Budget, the position allocations for the Assessor/Recorder and the Assistant Assessor/Recorder previously allocated to the Assessor Division have been split equally between the Assessor Division (budget unit 1151) and the Recorder Division (budget unit 2906), resulting in the following change:

- Delete 0.5 FTE Assessor/Recorder
- Delete 0.5 FTE Assistant Assessor/Recorder

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.

Moreover, the Recorder is making a concerted effort to meet the statutory requirement to index documents within two days of recording in order to reinstate the collection of an additional \$1 fee per document for micrographics authorized under California Government Code 27361.4(c).

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.

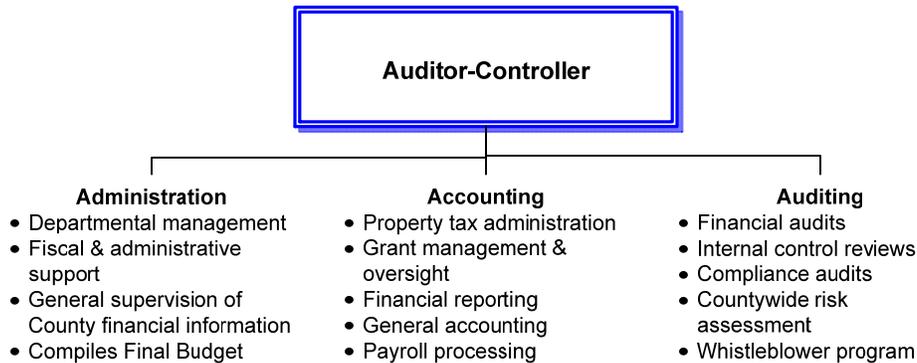
- BU 4001: The **Micrographics** fund defrays the cost of converting the Recorder's document storage system to micrographics. These funds are used only for the process of converting images to microfilm for archival purposes. Government Code 27361.4
- BU 4002: The **Modernization** fund is solely dedicated 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	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	124,123	42,000	47,636	5,636	13%
Charges For Services	581,280	578,000	676,000	98,000	17%
Other Financing Sources	485,385	0	0	0	0%
TOTAL REVENUES	1,190,788	620,000	723,636	103,636	17%
APPROPRIATIONS					
Services and Supplies	765,629	401,635	721,450	319,815	80%
Other Charges	12,090	14,954	14,954	0	0%
F/A Equipment	135,131	0	0	0	0%
Other Financing Uses	203,881	203,881	203,881	0	0%
TOTAL APPROPRIATIONS	1,116,731	620,470	940,285	319,815	52%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

Significant adjustments to the Recommended Budget stem from two areas:

- Recording fees of \$576,000 are projected to increase by \$98,000 due to the estimated increase in the number of documents to be recorded.
- Contracted services of \$721,450 are higher by \$319,301, primarily due to the costs of implementing the Electronic Recording Delivery System.



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:	
FY2010/11 Third Quarter Projection:	3,855,364
FY2011/12 Recommended:	3,954,430
County General Fund Contribution:	887,812
Percent County General Fund Supported:	22.5%
Total Employees (FTEs):	29

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 2,300 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

- Began implementing 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 will be incorporated into this system, thereby improving consistency and accuracy in time reporting.
- Began implementing a countywide automated purchasing and disbursements process to eliminate labor and paper-intensive processes and result in a more efficient purchasing/disbursement process through the elimination of 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.
- The State Controller’s Office completed a comprehensive 6-year property tax audit of the Auditor-Controller’s compliance with State property tax laws and identified no instances of non-compliance.

- 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

During FY2009/10:

- Processed over 84,600 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 \$450 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 \$60 million. Researched, calculated, and issued over 12,000 property tax refunds.
- Employed over 7,000 hours to perform financial/compliance audits, process reviews, and reviews of internal controls. The audit hours were allocated as follow:
 - 1,218 hours assigned to Health & Social Services
 - 1,094 hours assigned to Mandated Financial Audits
 - 2,378 hours assigned to Special District and Other Financial Audits
 - 2,384 hours assigned to Countywide Reviews & Other Activities

DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Administration	704,796	673,035	524,840	(148,195)	(22%)
Accounting	2,326,102	2,368,373	1,984,491	(383,882)	(16%)
Auditing	779,142	893,561	557,287	(336,274)	(38%)
TOTAL REVENUES	3,810,040	3,934,969	3,066,618	(868,351)	(22%)
APPROPRIATIONS					
Administration	806,784	831,347	858,980	27,633	3%
Accounting	2,364,040	2,557,526	2,503,284	(54,242)	(2%)
Auditing	550,004	587,082	592,166	5,084	1%
TOTAL APPROPRIATIONS	3,720,828	3,975,955	3,954,430	(21,525)	(1%)
NET COUNTY COST					
Administration	101,988	158,312	334,140	175,828	111%
Accounting	37,938	189,153	518,793	329,640	174%
Auditing	(229,138)	(306,479)	34,879	341,358	(111%)
TOTAL NET COUNTY COST	(89,212)	40,986	887,812	846,826	2066%
STAFFING					
Administration	3	3	3	0	0%
Accounting	25	23	15	(8)	(35%)
Auditing	5	5	11	6	120%
TOTAL STAFFING	33	31	29	(2)	(6%)

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget for the Auditor-Controller's Office of \$3,954,430 represents an overall decrease of \$868,351, or 22.1%, in revenues and \$21,525, or 0.5%, in appropriations when compared to the FY2010/11 Adopted Budget. As a result, Net County Cost is increased by \$846,826.

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

- County administrative overhead (A87) revenues of \$1,838,945 reflect a decrease of \$1,011,829, or 35.5%, from the previous fiscal year. A87 revenues are reimbursements received from County departments for their allocated share of costs of accounting, financial and/or audit services provided by the Auditor-Controller's office. The basis for these allocations is actual departmental costs in FY2009/10, the same year that the Auditor-Controller's Office implemented County-directed budgetary reductions to address the County's structural deficit and sliding revenues. The decrease in A-87 revenues is the consequence of this reduced operating and allocable costs to County departments. Offsetting the decrease in revenues are savings to County departments from lower A87 charges from the Auditor – Controller's Office.
- Assessment and tax collection fees of \$552,500 are projected to increase by \$127,500, or 30%. These revenues are generated from financial and accounting services to other funds and special districts. The increase is due to property tax administration fees. This is the first year property tax administration fees are being recognized as revenues in the departmental budget; in past years, property tax administration fees were recorded in General Revenue (budget unit 1101).
- Auditing and accounting fees of \$408,523 are projected to increase by \$32,188, or 8.6%. These are fees received for audit services to special districts and other governmental agencies.
- Revenues from Inter-fund Services Provided of \$164,650 are estimated to decrease by \$13,210, or 7.4%. These are revenues received from non-General Fund departments, such as First 5 Solano, Public Facilities Fees and East Vallejo Fire Protection District, for accounting and auditing services. The decrease is the result of reduced service requests from these departments.
- Revenues from Intra-fund Services – Accounting and Audit of \$149,580 are scheduled to decrease by \$22,000, or 12.8%. These revenues are from charges to the Treasury for accounting and financial services. The reduction is the result of a modified scope of work that requires fewer hours to complete.

The primary costs for the Auditor-Controller's Office are salary and benefits and central data processing (CDP) charges. Appropriations for salaries and benefits in FY2011/12 total \$3,201,481, a decrease of \$72,367 from the previous fiscal year mainly due to the elimination of 2.0 FTE positions. The savings from these positions are reduced by increases in workers compensation and unemployment insurance charges and the cost of the PARS Supplemental Retirement Plan (SRP) for one employee. CDP and Solano County Integrated Property System (SCIPS) charges of \$175,400 and \$246,197, respectively, 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.

The Recommended Budget includes contract services (Accounting and Financial Services) totaling \$114,262, of which \$105,650 is 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.

The budget includes appropriations of \$15,000 to replace nine 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.

DEPARTMENT COMMENTS

The Auditor-Controller performs countywide functions and oversees an \$844 million county budget. The Department is working with the Department of Information Technology to implement the following countywide technology solutions to improve efficiency and provide countywide automated solutions to current manual processes:

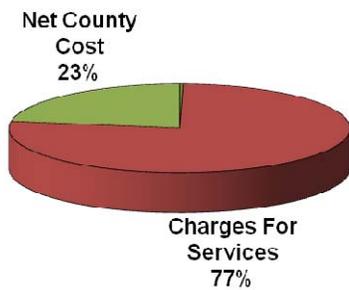
- IntelliTime System automates the leave request and time sheet reporting process while incorporating the Memorandum of Understanding rules of the numerous bargaining units. This countywide project was approved by the County's Process

Improvement Committee, and the contract with IntelliTime was approved by the Board of Supervisors on December 14, 2010.

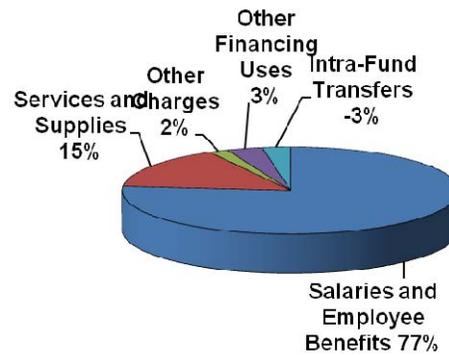
- Countywide automation of purchasing and disbursements workflow process. This project will automate the purchase requisition to payment process while eliminating duplicate data entry on various forms within the accounting system. This countywide project was approved by the County's Process Improvement Committee, and the contract with SunGard Public Sector was approved by the Board on April 5, 2011.
- 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 a 1,136% increase in the number of supplemental refunds. This project will automate the refund process.

The implementation of these automation projects will 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	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Intergovernmental Rev State	11,880	8,500	13,000	4,500	53%
Charges For Services	3,797,791	3,926,469	3,053,618	(872,851)	(22%)
Misc Revenue	369	0	0	0	0%
TOTAL REVENUES	3,810,040	3,934,969	3,066,618	(868,351)	(22%)
APPROPRIATIONS					
Salaries and Employee Benefits	3,231,935	3,273,848	3,201,481	(72,367)	(2%)
Services and Supplies	462,210	615,671	647,045	31,374	5%
Other Charges	78,075	77,975	77,045	(930)	(1%)
Other Financing Uses	91,413	139,649	142,947	3,298	2%
Intra-Fund Transfers	(142,805)	(131,188)	(114,088)	17,100	(13%)
TOTAL APPROPRIATIONS	3,720,828	3,975,955	3,954,430	(21,525)	(1%)
NET COUNTY COST	(89,212)	40,986	887,812	846,826	2066%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

This is the first year the Auditor-Controller’s share of property tax administration fees has been recognized in the departmental budget. This change in policy was implemented in order to align 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. In prior years, these revenues were recognized and recorded in General Revenue (budget unit 1101).

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. The operating deficit related to unrecovered property tax administration fees becomes a General Fund cost.

SUMMARY OF POSITION CHANGES

Changes in the Auditor-Controller’s position allocation from the FY2010/11 Adopted Budget are provided below:

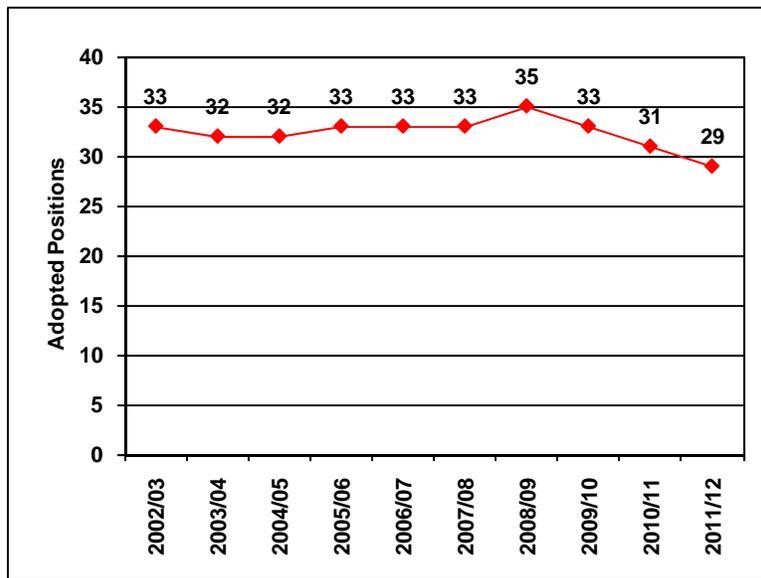
In April 2011, the following position change was approved as part of the County’s PARS Supplemental Retirement Plan:

- 1.0 FTE Accountant-Auditor III position deleted.

In addition, the Recommended Budget includes the deletion of the following:

- 1.0 FTE Accounting Technician

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

The Governor has proposed legislation to dissolve Redevelopment Agencies. As part of this proposal, additional audit responsibilities will be required of the Auditor-Controller’s Internal Audit Division. In addition, the proposed changes impose additional accounting and reporting requirements on the Auditor-Controller for the administration of the Redevelopment Property Tax Trust Fund for 18 redevelopment projects. The Auditor-Controller will work closely with the County Administrator’s Office as this proposal moves through the legislative process.

DETAIL BY REVENUE AND APPROPRIATION OTHER ADMINISTERED BUDGETS	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
1101-General Revenue	147,815,418	133,596,602	132,607,125	(989,477)	(1%)
8006-Pension Debt Service Fund	8,477,827	23,234,614	19,997,369	(3,237,245)	(14%)
8032-2002 Certificates of Participation	3,164,868	3,095,941	3,157,790	61,849	2%
8037-2007 Certificates of Participation	4,804,676	4,805,731	4,815,972	10,241	0%
8034-H&SS Admin/Refinance SPHF	19,969,573	2,519,594	2,565,362	45,768	2%
APPROPRIATIONS					
1101-General Revenue	855,246	1,000,000	435,000	(565,000)	(57%)
8006-Pension Debt Service Fund	12,989,764	8,284,941	9,490,549	1,205,608	15%
8032-2002 Certificates of Participation	3,146,611	3,138,614	3,157,790	19,176	1%
8037-2007 Certificates of Participation	4,805,775	4,805,731	4,815,972	10,241	0%
8034-H&SS Admin/Refinance SPHF	20,790,887	2,519,594	2,565,362	45,768	2%
NET COUNTY COST					
1101-General Revenue	(146,960,172)	(132,596,602)	(132,172,125)	424,477	(0%)
8006-Pension Debt Service Fund	4,511,937	(14,949,673)	(10,506,820)	4,442,853	(30%)
8032-2002 Certificates of Participation	(18,257)	42,673	0	(42,673)	(100%)
8037-2007 Certificates of Participation	1,099	0	0	0	0%
8034-H&SS Admin/Refinance SPHF	821,314	0	0	0	0%

The Department's respective 'other' budget units follow.

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. The types of revenues included are 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	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Taxes	108,521,313	99,269,349	101,162,571	1,893,222	2%
Licenses, Permits & Franchise	517,884	480,000	480,000	0	0%
Revenue From Use of Money/Prop	1,322,978	1,402,000	502,000	(900,000)	(64%)
Intergovernmental Rev State	2,198,661	1,378,000	1,378,000	0	0%
Intergovernmental Rev Federal	16,750	0	0	0	0%
Intergovernmental Rev Other	17,595,234	17,892,253	16,749,554	(1,142,699)	(6%)
Charges For Services	7,168,575	6,575,000	4,275,000	(2,300,000)	(35%)
Misc Revenue	10,474,023	6,600,000	8,060,000	1,460,000	22%
TOTAL REVENUES	147,815,418	133,596,602	132,607,125	(989,477)	(1%)
APPROPRIATIONS					
Services and Supplies	42,145	50,000	75,000	25,000	50%
Other Charges	813,101	950,000	360,000	(590,000)	(62%)
TOTAL APPROPRIATIONS	855,246	1,000,000	435,000	(565,000)	(57%)
NET COUNTY COST	(146,960,172)	(132,596,602)	(132,172,125)	424,477	(0%)

DEPARTMENTAL BUDGET SUMMARY

Budgeted Appropriations are \$565,000 lower primarily because of a projected \$550,000 decrease in supplemental refunds. The number of property tax refunds and the assessed values resulting from property re-assessments has decreased over the prior year, and is expected to continue to decline.

Budgeted Revenues of \$132,632,089 reflect a decrease of \$964,513. Significant changes to the Revenues include:

Decreases:

- \$2,500,000 in Assessment and Tax Collection Fees due to the recognition of the Property Tax Administration Fees in the budgets of the departments incurring the costs (primarily the Assessor, Tax Collector and Auditor-Controller).
- \$900,000 in Interest Income due to lower interest yield expected on the General Fund's average daily cash balance and the interest charged on the various loans from the General Fund.
- \$1,142,699 in Redevelopment Pass-Through based on an estimated 2% decrease in values in the redevelopment areas.

Increases:

- \$1,893,222 net increase in Tax Revenues derived from projected increases of \$270,930 in current secured taxes, \$989,067 in Property Tax-In Lieu of VLF based on growth on the lien date valuations reported by the Assessor; \$750,000 in Supplemental Secured that is outpacing refunds. The revenue gains are partly offset by a projected decrease of \$130,467 in Sales & Use Tax-In Lieu attributable to a one-time adjustment by the State Department of Finance in FY2010/11.
- \$1,460,000 net increase in Miscellaneous Revenues primarily due to a \$1.5 million increase in the transfer from the Tax Loss Reserve Fund due to continued collections from delinquencies.
- \$200,000 in Disposal Fees resulting from of a 1.5% CPI increase in the 2012 tonnage fees.

PENDING LEGISLATION:

- The Governor has proposed legislation to dissolve Redevelopment Agencies. This legislation may impact redevelopment pass-through revenues budgeted at \$16,749,554.

- Also, a FY2011/12 Appeals Hearing regarding Measure E may significantly impact the total amount of disposal fees collected.

SUMMARY OF SIGNIFICANT ADJUSTMENTS

None.

Long-term Financial Obligations

The County has no outstanding general obligation bonds. The County's outstanding long-term debts as of June 30, 2011 are as follows:

<u>Type</u>		<u>Total</u>
Notes payable	\$	1,023,890
Capital leases		566,153
Certificates of Participation		120,160,000
Pension obligation bonds		77,805,000
Total	\$	<u>199,555,043</u>

Notes payable

The County has entered into a note payable agreement with Suisun Redevelopment Agency to finance the County's share of the construction costs of the Suisun City Library.

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). These bonds were issued in four series: Series A in the amount of \$36.6 million which are fixed rate and Series B-1, B-2, B-3 in the amount of \$20 million each, which carry a variable rate and are Auction Rate Securities. 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 and 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 or improved 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 & AA- respectively for Pension Obligation Debt and A1 & AA- respectively for Certificates of Participation. The maintenance of stable ratings in light of the collapse in real estate prices and the ongoing State budget deficits 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 AAAf/S1 by Standard & Poor's, their highest credit rating. The rating is reflective of the portfolio 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
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%
2000-01	24,340,024,064	1,217,001,203	185,000	1,216,816,203	0.02%

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 \$199 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 loan will be repaid to the General Fund through future rate recovery charges from the departments. The outstanding loan balance as of June 30, 2011 is \$19,500,000.

In FY2010/11, the County offered a supplemental retirement program to qualifying employees in an effort to downsize the County's workforce. To fund this program, the County made a lump-sum payment of \$5.8 million to PARS, the plan administrator. The funding for this payment will be recovered through charges to the departments whose staff participated in the program.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	41,589	83,733	25,000	(58,733)	(70%)
Misc Revenue	830,076	768,693	870,000	101,307	13%
Other Financing Sources	7,606,162	22,382,188	19,102,369	(3,279,819)	(15%)
TOTAL REVENUES	8,477,827	23,234,614	19,997,369	(3,237,245)	(14%)
APPROPRIATIONS					
Services and Supplies	32,945	55,000	25,000	(30,000)	(55%)
Other Charges	12,956,819	8,229,941	9,465,549	1,235,608	15%
TOTAL APPROPRIATIONS	12,989,764	8,284,941	9,490,549	1,205,608	15%
NET COUNTY COST	4,511,937	(14,949,673)	(10,506,820)	4,442,853	(30%)

DEPARTMENTAL BUDGET SUMMARY

The Department's Recommended Budget of \$9,490,549 represents an overall decrease of \$3,237,245, or 13.9%, in Revenues and an increase of \$1,205,608, or 14.6%, in appropriations when compared to the FY2010/11 Adopted Budget.

The primary factors contributing to the significant changes are:

Revenues:

- Increase of \$101,307 in Other Revenue from the reclassification of Solano County Fair collections from Interest Income, and the increase from Court's collections.
- Increase of \$329,587 in Operating Transfers In due to increase in POB rates resulting from the increase of debt service requirements.
- Decrease of \$3,609,406 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 respective departments.

Appropriations:

- Net increase of \$1,235,608 in Other Charges, as a result of the increase of \$1,875,000 in Bond Redemption requirements per the POB's debt service schedule, and a decrease of \$503,392 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	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	5,592	4,500	1,300	(3,200)	(71%)
Charges For Services	5,267	0	0	0	0%
Other Financing Sources	2,900,530	3,091,441	3,156,490	65,049	2%
Residual Equity Transfers	253,479	0	0	0	0%
TOTAL REVENUES	3,164,868	3,095,941	3,157,790	61,849	2%
APPROPRIATIONS					
Services and Supplies	4,894	15,849	5,800	(10,049)	(63%)
Other Charges	3,141,717	3,122,765	3,151,990	29,225	1%
TOTAL APPROPRIATIONS	3,146,611	3,138,614	3,157,790	19,176	1%
NET COUNTY COST	(18,258)	42,673	0	(42,673)	(100%)

DEPARTMENTAL BUDGET SUMMARY

There are no significant adjustments to the Department's Recommended Budget.

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 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	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Intergovernmental Rev Other	110,500	104,000	104,000	0	0%
Charges For Services	1,698,818	1,749,930	1,716,212	(33,718)	(2%)
Other Financing Sources	2,995,358	2,951,801	2,995,760	43,959	1%
TOTAL REVENUES	4,804,676	4,805,731	4,815,972	10,241	0%
APPROPRIATIONS					
Services and Supplies	2,915	5,000	5,000	0	0%
Other Charges	4,802,860	4,800,731	4,810,972	10,241	0%
TOTAL APPROPRIATIONS	4,805,775	4,805,731	4,815,972	10,241	0%
NET COUNTY COST	1,099	0	0	0	0%

DEPARTMENTAL BUDGET SUMMARY

There are no significant adjustments to the Department's Recommended Budget.

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 from Health and Social Services and Public Facilities Fees.

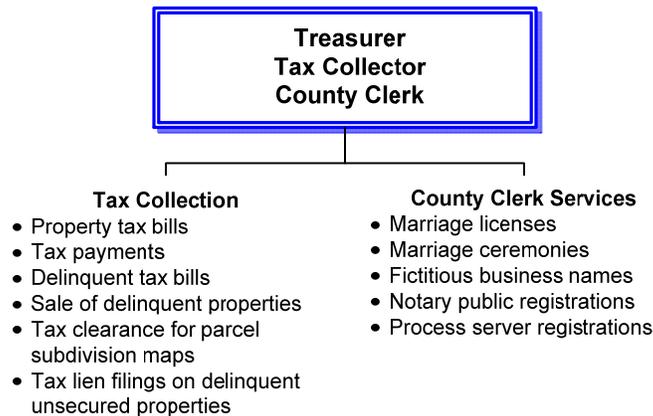
DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	710,295	50	402	352	704%
Other Financing Sources	<u>19,259,278</u>	<u>2,519,544</u>	<u>2,564,960</u>	<u>45,416</u>	<u>2%</u>
TOTAL REVENUES	19,969,573	2,519,594	2,565,362	45,768	2%
APPROPRIATIONS					
Services and Supplies	257,268	3,751	3,501	(250)	(7%)
Other Charges	<u>20,533,620</u>	<u>2,515,843</u>	<u>2,561,861</u>	<u>46,018</u>	<u>2%</u>
TOTAL APPROPRIATIONS	20,790,887	2,519,594	2,565,362	45,768	2%
NET COUNTY COST	821,314	0	0	0	0%

DEPARTMENTAL BUDGET SUMMARY

There are no significant adjustments to the Department's Recommended Budget.

SUMMARY OF SIGNIFICANT ADJUSTMENTS

None.



DEPARTMENTAL PURPOSE

Headed by an elected official, the Offices 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 offices are further mandated by sections §274000 - §27401 and §268001 - §26863 of the California Government Codes. In Solano County, the Offices 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 citizens of Solano County.

The County Clerk has a four-fold mission. Firstly, issue a variety of Official Public Records, including marriage

licenses and fictitious business names; secondly, register all professional Photocopiers, Process Servers, Unlawful Detainer Assistants and Legal Document Assistants; thirdly, administer Public Notary Oaths of Office and Deputy Oaths of Office; and fourthly, 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:	
FY2010/11 Third Quarter Projection:	2,221,167
FY2011/12 Recommended:	2,072,986
County General Fund Contribution:	1,105,986
Percent County General Fund Supported:	53.4%
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. It carries out these responsibilities through its tax bill issuance and collection process. Tax bills are collected on behalf of all taxing agencies fully or partially within Solano County, a process which provides these agencies one of their primary sources of discretionary revenues. The department is 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. It 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 extensive testing and procedural changes in support of the migration of data to the new Solano County Integrated Property System (SCIPS) platform.
- Expanded the use of the Documentum™ electronic imaging system to reduce physical record storage requirements.
- Implemented the use of MS Sharepoint™ web application for document management to facilitate increased communication

and transparency between the Department and the County Administrator's Office on issues of budgeting and department agenda submittals.

WORKLOAD INDICATORS

- In FY2009/10, the Tax Collector – County Clerk issued and processed payments and collections on 145,244 property tax bills; the Office estimates handling 146,000 in FY2011/12.
- During the same period, the Tax Collector – County Clerk issued 1,710 marriage licenses and 2,408 fictitious business name statements, with expectations to issue 1,750 marriage licenses and 2,200 fictitious business names in FY2011/12.

DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Tax Collector	304,392	200,300	802,000	601,700	300%
County Clerk	159,293	255,752	165,000	(90,752)	(35%)
TOTAL REVENUES	463,685	456,052	967,000	510,948	112%
APPROPRIATIONS					
Tax Collector	1,989,996	2,071,633	1,898,613	(173,020)	(8%)
County Clerk	117,372	243,602	177,326	(66,276)	(27%)
TOTAL APPROPRIATIONS	2,107,368	2,315,235	2,075,939	(239,296)	(10%)
NET COUNTY COST					
Tax Collector	1,685,604	1,871,333	1,096,613	(774,720)	(41%)
County Clerk	(41,921)	(12,150)	12,326	24,476	(201%)
TOTAL NET COUNTY COST	1,643,683	1,859,183	1,108,939	(750,244)	(40%)
STAFFING					
Tax Collector	10	9	8	(1)	(11%)
County Clerk	2	2	2	0	0%
TOTAL STAFFING	12	11	10	(1)	(9%)

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget for the Tax Collector/County Clerk's Office of \$2,072,986 represents an overall increase of \$510,948, or 112.0%, in revenues and decrease of \$242,249, or 10.5%, in expenditures when compared to FY2010/11 Adopted Budget. As a result, Net County Cost is decreased by \$753,197, or 40.5%.

Primary Funding Source

The Department has two major functions, Tax Collection and County Clerk Services, with distinct sources of funding as follows:

Tax Collection

- Assessment and tax collection fees of \$620,000 represents an increase of \$587,500 from the previous fiscal year mainly as a result of a change in the recording of property tax administration fees from General Revenue (BU 1101) to the departmental budget. These are fees directly related to the cost of collecting property taxes and are paid by recipient agencies collecting revenues via the property tax apportionment process. All agencies cover their costs with the exception of School Districts, which are specifically exempted by section §41000 of the California Education Code, and the County itself.
- Revenues from penalties of \$125,000 reflect a decrease of \$2,000 due to a slight decrease in the number of taxpayers paying late or delinquent taxes.
- Other charges for services of \$45,000 show an increase of \$12,200 primarily as a result of more financial and tax-servicing companies purchasing delinquency information.

County Clerk Services

- Revenues from marriage licenses of \$65,000 represent a drop of \$56,000 from the previous fiscal year. The FY2011/12 estimated revenues have been revised downwards from the previous to reflect a more realistic projection based on the historical data and the trends from the past three years.
- Clerk's fees of \$100,000 show a decline of \$34,752 due mainly to the significant decline in filings of fictitious business name statements. This is related to the current business climate where there has been a marked decrease in small business start-ups.

Primary Cost Drivers

The Department has two primary cost drivers: salary expenses and central data processing (CDP) charges. Salary expenses of \$987,082 reflect a reduction of 8.9% from the previous year's working budget as a result of the deletion of a (1.0 FTE) position. CDP and Solano County Integrated Property system (SCIPS) charges of \$451,360 and \$77,262, respectively, are determined by Department of Information Technology (DOIT) based on departmental costs to maintain, provide and support data processing services and SCIPS; the Tax Collector – County Clerk's Office has no determinant control over these costs.

Included in the costs for Tax Collector operations is \$52,000 for contracted services with Dataprose™ for the printing and mailing of property tax bills. This function is mandated by statute and was outsourced as a cost-saving measure. The Office estimates it would require at least one FTE position and \$20,000 in one-time costs to bring the function in-house.

The fixed asset line item is set at \$125,000 for the purchase of an OPEX™ AS7200i mail opener and imager to replace the Office's NCR 7780. The NCR 7780 is used to process tax payments and is currently beyond its effective useful life and is no longer supported by the manufacturer.

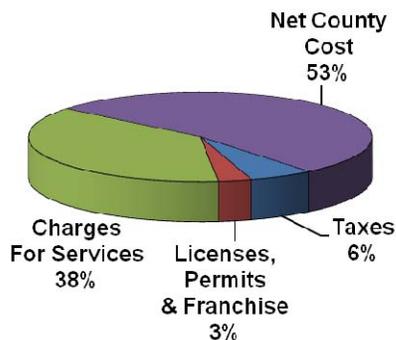
County Clerk costs are driven by salary expenses associated with providing county clerk services. The County Clerk has no contractual costs or anticipated fixed asset purchases.

DEPARTMENT COMMENTS

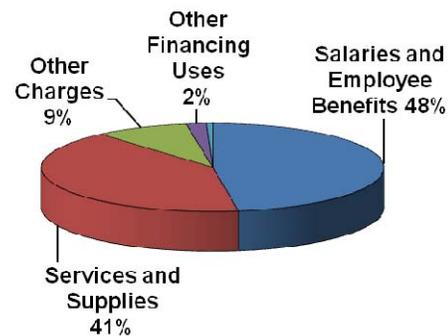
The Tax Collector – County Clerk plans to explore and implement additional operational efficiencies and technology initiatives to reduce operating costs and/or improve customer service. An example of these technology initiatives is the online payment system implemented in FY2010/11 which has made it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

In FY2011/12, the Tax Collector is expecting to put in service payment kiosks in the lobby of the County Administrative Center to give taxpayers who currently line up at the Tax Collector's window another option to make their payment. The Tax Collector is also evaluating collection of property taxes through a third party vendor to further reduce costs.

SOURCE OF FUNDS



USE OF FUNDS



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Taxes	135,620	127,000	125,000	(2,000)	(2%)
Licenses, Permits & Franchise	55,416	121,000	65,000	(56,000)	(46%)
Intergovernmental Rev State	3,826	0	0	0	0%
Charges For Services	263,824	208,052	777,000	568,948	273%
Misc Revenue	5,000	0	0	0	0%
TOTAL REVENUES	463,686	456,052	967,000	510,948	112%
APPROPRIATIONS					
Salaries and Employee Benefits	1,021,842	1,083,070	987,082	(95,988)	(9%)
Services and Supplies	820,442	911,310	850,526	(60,784)	(7%)
Other Charges	218,117	247,560	183,204	(64,356)	(26%)
Other Financing Uses	27,463	45,145	39,968	(5,177)	(11%)
Intra-Fund Transfers	19,503	28,150	12,206	(15,944)	(57%)
TOTAL APPROPRIATIONS	2,107,367	2,315,235	2,072,986	(242,249)	(10%)
NET COUNTY COST	1,643,682	1,859,183	1,105,986	(753,197)	(41%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

This is the first year that the Tax Collector’s share of property tax administration fees has been recognized in the departmental budget. This is a change in administrative policy and also, a change in accounting practice that was implemented in order to align 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. In prior years, these revenues were recognized and recorded in General Revenue (BU 1101).

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 Tax Collector’s operating deficit related to the unrecovered property tax administration fees becomes a General Fund cost.

The budget request also includes a \$125,000 one-time request to replace the existing NCR 7780 machine. This equipment is beyond its effective service life and is no longer supported by the vendor.

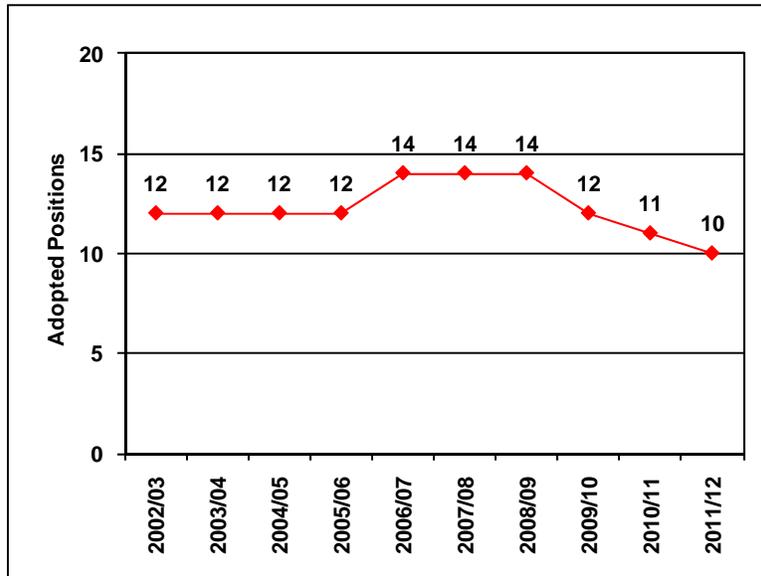
SUMMARY OF POSITION CHANGES

A change in the Office of the Tax Collector - County Clerk’s position allocation from the FY2010/11 Adopted Budget is provided below:

February 2011 Mid-Year Reduction

- 1.0 FTE Office Assistant II position deleted.

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

None.

**Charles Lomeli, Tax Collector/County Clerk
Summary of Other Administered Budgets**

**1300-Tax Collector/County Clerk
Finance**

DETAIL BY REVENUE AND APPROPRIATION OTHER ADMINISTERED BUDGETS	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
1350-Treasurer	994,828	1,146,323	1,117,315	(29,008)	(3%)
APPROPRIATIONS					
1350-Treasurer	994,828	1,144,210	1,117,315	(26,895)	(2%)
NET COUNTY COST					
1350-Treasurer	0	(2,113)	0	2,113	(100%)

The Department's respective 'other' budget units follow.

DEPARTMENTAL PURPOSE

Headed by the elected Treasurer as prescribed in Government Code §27000, the Office 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 California Government 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 money 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 Office manages over \$600 million in surplus funds for County, local school districts and other local agencies.

The Treasurer works with the Board of Supervisors-appointed Treasury Oversight Committee to provide complete transparency and disclosure on all Treasury operations. The Treasurer also serves on the County's Debt Advisory Committee and the Pension Oversight Committee, and provides fund management on all debt proceeds.

WORKLOAD INDICATORS

- During the period of July 1, 2009 – June 30, 2010, the Treasurer processed 8,454 deposit permits, and anticipates processing 8,500 in FY2011/12.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Charges For Services	991,714	1,143,823	1,113,815	(30,008)	(3%)
Misc Revenue	3,114	2,500	3,500	1,000	40%
TOTAL REVENUES	994,828	1,146,323	1,117,315	(29,008)	(3%)
APPROPRIATIONS					
Salaries and Employee Benefits	386,912	397,124	383,197	(13,927)	(4%)
Services and Supplies	336,348	498,415	496,400	(2,015)	(0%)
Other Charges	81,501	51,912	66,714	14,802	29%
F/A Equipment	0	5,000	5,000	0	0%
Other Financing Uses	10,801	16,539	16,141	(398)	(2%)
Intra-Fund Transfers	179,267	175,220	149,863	(25,357)	(14%)
TOTAL APPROPRIATIONS	994,828	1,144,210	1,117,315	(26,895)	(2%)
NET COUNTY COST	0	(2,113)	0	2,113	(100%)
STAFFING					
Treasurer	3	3	3	0	0%

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget for the Treasurer's Office of \$1,117,315 represents an overall decrease of \$29,008, or 2.5%, in revenues and \$26,895, or 2.4%, in expenditures when compared to the FY2010/11 Adopted Budget. In accordance with Government Code §27013 the Treasurer's Office is funded by a portion of the interest earnings from funds under management, and therefore has no net county cost.

The Treasurer's costs are driven by salary expenses, banking costs, and central data processing charges. Salary and benefits are projected at \$383,197, reflecting a decrease of \$13,297, or 3.5%, from the previous fiscal year mainly due to differential savings between a deleted Accounting Clerk III position and a replacement Accounting Clerk I position. The savings are offset by increases in workers compensation and unemployment insurance charges and the cost for the PARS Supplemental Retirement Plan (SRP) for one employee. The banking costs (accounting and financial services) of \$275,000 are determined by usage in terms of the number and amount of items passing through the Treasury bank accounts, a process over which the

Treasurer has no direct control. Central data processing charges of \$39,523 and software maintenance costs of \$60,000 cover the costs of maintaining and supporting the complement of hardware and software to operate the office and manage the Treasury investment pool.

The Recommended Budget has \$65,000 for contracted services which covers \$40,000 for the annual subscription to the Bloomberg™ information service and \$25,000 for accounting software maintenance. It also includes \$5,000 in fixed assets to purchase replacement terminal hardware.

DEPARTMENT COMMENTS

As part of the Countywide effort to deal with the structural deficit, the Treasurer's Office recommended approval of the application of one employee to retire under the PARS Supplementary Retirement Plan (SRP). The Department will re-structure its organization, functions and service delivery to compensate for the loss of an experienced Account Clerk III employee which will be replaced at a lower classification of Account Clerk I for salary savings.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Charges For Services	991,714	1,143,823	1,113,815	(30,008)	(3%)
Misc Revenue	3,114	2,500	3,500	1,000	40%
TOTAL REVENUES	994,828	1,146,323	1,117,315	(29,008)	(3%)
APPROPRIATIONS					
Salaries and Employee Benefits	386,912	397,124	383,197	(13,927)	(4%)
Services and Supplies	336,348	498,415	496,400	(2,015)	(0%)
Other Charges	81,501	51,912	66,714	14,802	29%
F/A Equipment	0	5,000	5,000	0	0%
Other Financing Uses	10,801	16,539	16,141	(398)	(2%)
Intra-Fund Transfers	179,267	175,220	149,863	(25,357)	(14%)
TOTAL APPROPRIATIONS	994,828	1,144,210	1,117,315	(26,895)	(2%)
NET COUNTY COST	0	(2,113)	0	2,113	(100%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

The Treasurer has been implementing process improvements to gain efficiencies in its operations. As a result, a reduction in the scope of financial and accounting services has been negotiated with the Auditor–Controller's Office. This change will result in a \$25,000 savings decrease in financial, accounting and audit charges. Further changes are under consideration to improve efficiency and generate additional operational cost savings.

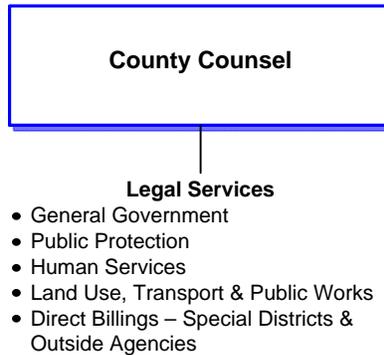
SUMMARY OF POSITION CHANGES

Reductions in the Office's position allocations and salary expense are provided below.

- In April 2011, the following position changes were approved as part of the County's PARS Supplemental Retirement Plan:
- Delete 1.0 FTE Account Clerk III
- Add 1.0 FTE Account Clerk I

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, SolTrans, the Solano County Office of Education and several school districts.

Budget Summary:	
FY2010/11 Third Quarter Projection:	3,165,651
FY2011/12 Recommended:	3,261,169
County General Fund Contribution:	343,368
Percent County General Fund Supported:	10.5%
Total Employees (FTEs):	16.55

FUNCTION AND RESPONSIBILITIES

The broad scope of the Office of the 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 of the County Counsel received the unprecedented honor of being selected the first public agency law firm as the Law Office of the Year by the Solano County Bar Association.
- The Department’s legal services and the legal demands it handles are diverse and complex and the demand for legal support have increased.
- Assisted in negotiating a settlement with the insurance carriers for the bankrupt paint company, Millennium Holdings, which resulted in a settlement distribution of \$254,542 to the County.
- Provided legal assistance and guidance to the Fiduciary Abuse Specialist Team (FAST), a collaborative group of public and private organizations formed to help address the increasing incidence of financial abuse of dependent and elder adults; in its first year, the all volunteer group helped preserve and recover \$20 million in assets from reported cases of abuse.
- Generated annual billable hours for legal services in excess of the annual productive hour standard of 1,720 hours per attorney by 37.5%. The standard for annual productive hours was established by the Auditor-Controller’s Office.
- Increased non-General Fund sources of revenue by contracting to serve as legal counsel to Solano Transportation Authority and Solano County Transit (SolTrans) and securing a legal services agreement with the United States Air Force to

provide mental health officers to conduct certification hearings at Travis Air Force Base and to provide certification trainings for base mental health personnel.

WORKLOAD INDICATORS

- From July 1, 2010 to April 2011, the Office of the County Counsel, with 13 attorneys, billed a total of 22,349 hours for legal services (annualized at 26,819 hours); estimated billable hours for FY2011/12 are 26,800 hours (adjusted for medical leave of one attorney).
- Provided 200 employee hours of training and workshops to Court personnel [LPS procedures], County personnel [CPS procedures, contracts and personnel policies and procedures] and public officials [Brown Act and AB 1234-Ethics].

DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Legal Services	3,376,555	3,795,857	2,917,801	(878,056)	(23%)
TOTAL REVENUES	3,376,555	3,795,857	2,917,801	(878,056)	(23%)
APPROPRIATIONS					
Legal Services	3,237,889	3,169,450	3,261,169	91,719	3%
TOTAL APPROPRIATIONS	3,237,889	3,169,450	3,261,169	91,719	3%
NET COUNTY COST					
Legal Services	(138,666)	(626,407)	343,368	969,775	(155%)
TOTAL NET COUNTY COST	(138,666)	(626,407)	343,368	969,775	(155%)
STAFFING					
Legal Services	19.75	17.75	16.55	(1.20)	(7%)
TOTAL STAFFING	19.75	17.75	16.55	(1.20)	(7%)

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget for the County Counsel of \$3,261,169 represents an overall decrease of \$878,056, or 23.1%, in revenues and an increase of \$91,719, or 2.9%, in expenditures when compared to the FY2010/11 Adopted Budget. As a result, Net County Cost is increased by \$969,775, or 154.8%.

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

The Office of the County Counsel projects A-87 revenues of \$1,967,801, which reflects a significant reduction of \$978,056, or 33.2% from the 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. The gap is partially bridged by revenues from direct-billed legal services of \$1,000,000 in FY2011/12 to the Solano360 Project, the Solano Transportation Authority, and Child Protective Services (CPS) which are projected to increase by \$150,000, or 17.6%. 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, and are non-reimbursable under the provisions of 2 CFR Part 225 (formerly OMB Circular A87). These unreimbursed expenditures remain General Fund costs.

The primary costs for County Counsel are salary expenses. Appropriations for salaries and benefits for FY2011/12 are projected at \$2,860,919, an increase of \$79,372, or 2.9%, from the Adopted Budget. This is primarily due to the cost of an Extra Help attorney to backfill an attorney who is on maternity leave and higher charges for workers compensation and unemployment insurance. These cost increases are partially offset by savings from the elimination of a 1.0 FTE Legal Secretary position.

DEPARTMENT COMMENTS

The Solano County Bar Association and the Board of Supervisors have recognized the unique and quality services that the Office of the County Counsel provides. Clients rely on the skills and experience of staff. 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 of the Counsel have over the past 3 years exceeded productive hour standards by 37.5%. This extra-ordinary effort is expected to continue in FY2011/12.

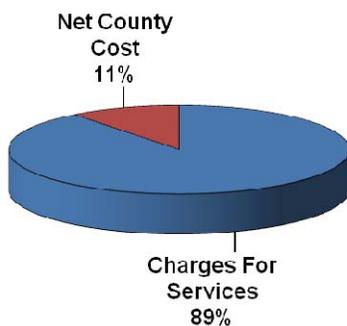
County Counsel is experiencing a significant increase in the number and complexities of litigations for Child Protective Services (CPS) issues. From July 1, 2010 to December 31, 2010, the Office has billed more than 1,853 hours to CPS from two assigned senior Deputy County Counsels (1.5 FTE) and anticipates case growth to continue in FY2011/12. Furthermore, County Counsel has to prepare responses to a higher number of writs and appeals filed by the Office of the Public Defender in CPS cases. In the first half of FY2010/11, the Public Defender has filed 19 briefs and seven writs, with eight notices of appeal pending, requiring the assignment of four attorneys to handle the difficult and time consuming project of responding to writs and appeals. This compares with three appellate briefs and three writs filed in FY2009/10.

Furthermore, the lingering deep recession has adversely affected Solano County's real property values. The sudden and significant decrease in property values has dramatically increased the number of assessment appeals filed with the Assessment Appeals Board. As legal counsel to the Board, the Department's workload has seen a corresponding increase. In FY2009/10, County Counsel billed 91.50 hours to the Board, compared to 42.25 in the previous fiscal year. Reimbursements for these legal services are received through the property tax administration fees.

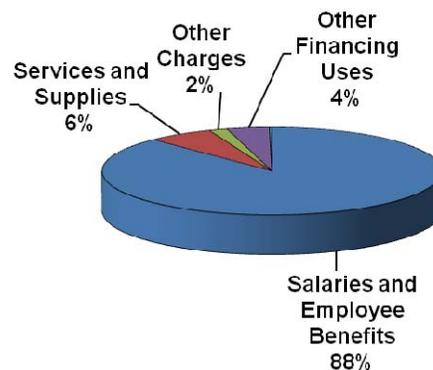
To offset declining demand for legal services from internal County departments, the Office of the County Counsel has offered its expertise and legal services to outside governmental agencies. In FY2010/11, the Department successfully expanded its scope by contracting to serve as legal counsel to Solano Transportation Authority and Solano County Transit (SolTrans) and securing a legal services agreement with the United States Air Force to provide mental health hearing officers to conduct certification hearings at Travis Air Force Base and to provide certification trainings for base mental health personnel. These new engagements represent new revenues for the Department.

While the overall demand for legal services remains high, mainly due to additional engagements from outside agencies, the Office of the County Counsel has voluntarily reduced staff allocations in the past two years to meet budgetary constraints created by the County's ongoing fiscal challenges. Existing workload has been reallocated to remaining staff.

SOURCE OF FUNDS



USE OF FUNDS



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Charges For Services	3,376,555	3,795,857	2,917,801	(878,056)	(23%)
TOTAL REVENUES	3,376,555	3,795,857	2,917,801	(878,056)	(23%)
APPROPRIATIONS					
Salaries and Employee Benefits	2,905,746	2,781,547	2,860,919	79,372	3%
Services and Supplies	184,069	203,756	203,692	(64)	(0%)
Other Charges	55,254	55,186	57,490	2,304	4%
Other Financing Uses	85,318	121,954	131,845	9,891	8%
Intra-Fund Transfers	7,502	7,007	7,223	216	3%
TOTAL APPROPRIATIONS	3,237,889	3,169,450	3,261,169	91,719	3%
NET COUNTY COST	(138,665)	(626,407)	343,368	969,775	(155%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

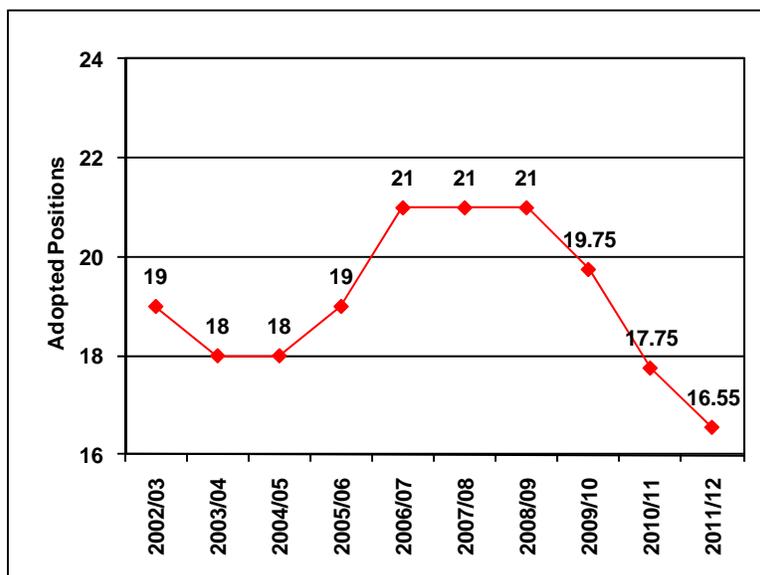
After years of growth, A-87 revenues recovering legal support costs from billable clients are projected to decline steeply in FY2011/12 as County departments, special districts and outside agencies continue to reduce their demand for legal services. It is anticipated that this will be the trend in future years until a sustained economic recovery is realized and revenues start increasing towards their pre-recession levels, while unbillable costs and demands for legal services have required the reassignment of existing legal staff. Successful efforts by the Office of the County Counsel to find outside revenue sources have partially mitigated revenue loss from internal customers.

SUMMARY OF POSITION CHANGES

A change in County Counsel’s position allocation from the FY2010/11 Adopted Budget is provided below:

- In January 2011, a 1.0 FTE legal secretary resigned, and the position was not filled. This position has been recommended for deletion in FY2011/12.
- Delete 0.2 FTE Deputy Counsel IV

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:	
FY2010/11 Third Quarter Projection:	2,618,986
FY2011/12 Recommended:	2,881,056
County General Fund Contribution:	891,538
Percent County General Fund Supported:	30.9%
Total Employees (FTEs):	16.5

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, and the Employee Development and Recognition Divisions.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

During FY2010/11:

- Implemented an automated Personnel Action Form process to facilitate data entry of personnel actions, eliminate redundancies in data entry, and reduce errors associated with the prior dual data entry process.
- Internally developed and implemented three new training classes – Team Building, Team Communication, and Business Writing Skills based on employee responses to the Countywide "Training Needs" Assessment carried out in FY2009/10.
- Processed a 25% increase in the number of applications submitted while operating with a 36% staff reduction.
- Implemented an automated self-scheduling exam procedure for use in large volume recruitments which resulted in reduced numbers of 'no-shows' and decreased the costs of examinations.

WORKLOAD INDICATORS

During the period July 1, 2010 – February 28, 2011,

- Established 83 eligibility lists, an increase of 25% over the same period from the previous year.
- Reviewed 2,534 job applications.

DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Human Resources Services	3,492,949	3,718,615	1,989,518	(1,729,097)	(46%)
TOTAL REVENUES	3,492,949	3,718,615	1,989,518	(1,729,097)	(46%)
APPROPRIATIONS					
Human Resources Services	2,188,399	2,763,880	2,881,056	117,176	4%
TOTAL APPROPRIATIONS	2,188,399	2,763,880	2,881,056	117,176	4%
NET COUNTY COST					
Human Resources Services	(1,304,550)	(954,735)	891,538	1,846,273	(193%)
TOTAL NET COUNTY COST	(1,304,550)	(954,735)	891,538	1,846,273	(193%)
STAFFING					
Human Resources Services	18.0	17.5	17.5	0.0	0%
TOTAL STAFFING	18.0	17.5	16.5	(1.0)	(6%)

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget for the Department of Human Resources of \$2,881,056 represents an overall decrease of \$1,729,097, or 46.5%, in revenues and an increase of \$117,176, or 4.2%, in expenditures when compared to the FY2010/11 Adopted Budget. As a result, Net County Cost is increased by \$1,846,273, or 193.4%.

The primary funding source for the Department of Human Resources is Countywide Administrative Overhead (A-87) revenues of \$1,763,482 which are projected to decrease by \$1,785,657. The sharply lower revenues reflect the decrease in the Department’s allocated costs to County departments, the result of reduced operating costs from County-directed budgetary cuts that started in FY2009/10. The decrease in Human Resources’ A-87 revenues is offset by corresponding decreases in A-87 charges to County departments.

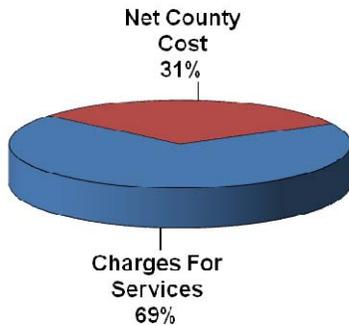
Primary costs for the Departments are:

- Salary expenses of \$2,245,821 show a net increase of \$213,682 as a result of the transfer of \$225,000 in Deferred Compensation – County Match to this budget from Risk Management (budget unit 1830) and increases totaling \$13,273 in unemployment insurance and health care costs, partially mitigated by savings from the elimination of 1.0 FTE Human Resources Assistant effective October 2, 2011.
- Other professional services of \$189,250 reflect a decrease of \$75,450 due to the elimination of funding for one-time projects in the Employee Benefits Division. These charges primarily cover the costs of CalPERS Health administration fees, Third Party Administrators for flexible spending accounts, PARS Trust Administrator expenses, annual PARS actuarial study and the consultant contract for harassment prevention training
- Central data processing (CDP) charges of \$98,277 are projected to increase by \$5,319 due to increase in charges resulting from increased operating costs for support from the Department of Information Technology.
- Software maintenance and support costs of \$44,500 reflect an increase of \$4,000. These charges cover the contract costs with One Planet Web for the JobAps applicant tracking system and license for the Org Publisher software system.

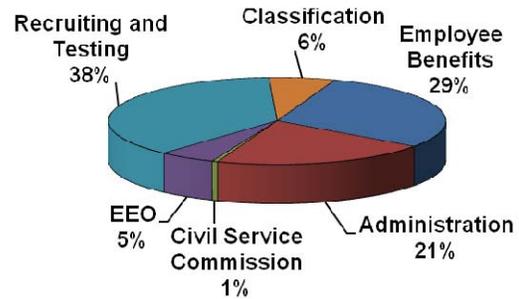
DEPARTMENT COMMENTS

Department’s comments regarding its budget; highlight major program reductions/changes and corresponding impacts on the Community and/or other County departments.

SOURCE OF FUNDS



USE OF FUNDS



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Charges For Services	3,492,643	3,718,315	1,939,168	(1,779,147)	(48%)
Misc Revenue	306	300	50,350	50,050	16683%
TOTAL REVENUES	3,492,949	3,718,615	1,989,518	(1,729,097)	(46%)
APPROPRIATIONS					
Salaries and Employee Benefits	1,766,539	2,032,139	2,245,821	213,682	11%
Services and Supplies	269,069	551,534	458,797	(92,737)	(17%)
Other Charges	81,766	81,666	78,741	(2,925)	(4%)
Other Financing Uses	49,855	84,521	90,597	6,076	7%
Intra-Fund Transfers	21,171	14,020	7,100	(6,920)	(49%)
TOTAL APPROPRIATIONS	2,188,399	2,763,880	2,881,056	117,176	4%
NET COUNTY COST	(1,304,549)	(954,735)	891,538	1,846,273	(193%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

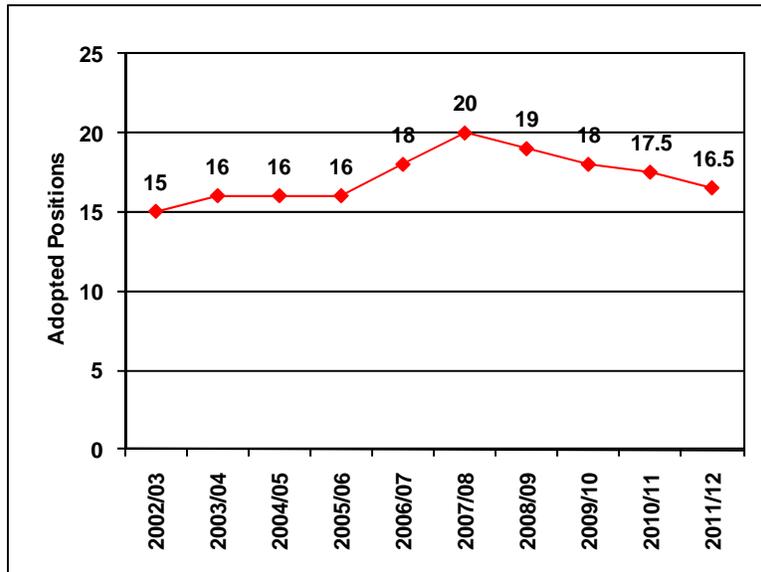
For FY2011/12, there is a decrease of \$1,785,657 in A-87 cost plan revenue due to the positions that were eliminated in the Department of Human Resources during FY2009/10 to assist in meeting target budget reductions requested by the County Administrator's Office to help reduce the County's General fund structural deficit.

SUMMARY OF POSITION CHANGES

Changes in the department's position allocations are provided below.

- Delete 1.00 FTE Human Resources Assistant, effective October 2, 2011.
- Extend 0.50 FTE Senior Human Resources Analyst (LT) for the period of July 1, 2011 – June 30, 2012.

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

None.

Georgia Cochran, Interim Director of Human Resources
Summary of Other Administered Budgets

1500-Human Resources
Personnel

DETAIL BY REVENUE AND APPROPRIATION OTHER ADMINISTERED BUDGETS	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
1103-Employee Development & Training	688,612	553,718	670,864	117,146	21%
1830-Risk Management	9,507,046	12,213,683	14,894,084	2,680,401	22%
APPROPRIATIONS					
1103-Employee Development & Training	823,121	504,030	459,895	(44,135)	(9%)
1830-Risk Management	11,941,809	16,128,924	15,116,250	(1,012,674)	(6%)
NET COUNTY COST					
1103-Employee Development & Training	134,509	(49,688)	(210,969)	(161,281)	325%
1830-Risk Management	2,434,763	3,915,241	222,166	(3,693,075)	(94%)

The Department's respective 'other' budget units follow.

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.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Charges For Services	628,136	503,718	670,864	167,146	33%
Misc Revenue	60,476	50,000	0	(50,000)	(100%)
TOTAL REVENUES	688,612	553,718	670,864	117,146	21%
APPROPRIATIONS					
Salaries and Employee Benefits	312,276	367,195	209,302	(157,893)	(43%)
Services and Supplies	504,544	137,743	238,706	100,963	73%
Other Charges	336	0	0	0	0%
Other Financing Uses	4,058	6,342	9,637	3,295	52%
Intra-Fund Transfers	1,907	(7,250)	2,250	9,500	(131%)
TOTAL APPROPRIATIONS	823,121	504,030	459,895	(44,135)	(9%)
NET COUNTY COST	134,509	(49,688)	(210,969)	(161,281)	325%
STAFFING					
Employee Development & Training	1	1	2	1	100%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

- The Recommended Budget includes funding of \$10,000 for the continued development of future leaders. It also includes appropriations of \$10,000 to train managers (train the trainers) on Continuous Quality Improvement (CQI), part of the Management Workgroup project for Results Accountability and Process Improvement and an additional \$115,000 to cover contract costs with Vacaville Unified School District to provide training on Microsoft Office 2010 and ongoing Office 2003 training in support of Department of Information Technology's efforts to transition the County to the 2010 Microsoft Office 2010 system.

SUMMARY OF POSITION CHANGES

- 1.00 FTE Office Assistant was transferred from the Department of Health & Social Services to Employee Development and Recognition during FY2010/11 to provide clerical support to Health & Social Services training functions which are now administered by this Division.

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.

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 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.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	204,280	390,000	130,000	(260,000)	(67%)
Intergovernmental Rev State	35,674	0	0	0	0%
Charges For Services	8,774,577	11,675,683	14,619,084	2,943,401	25%
Misc Revenue	167,423	148,000	145,000	(3,000)	(2%)
TOTAL REVENUES	9,181,954	12,213,683	14,894,084	2,680,401	22%
APPROPRIATIONS					
Salaries and Employee Benefits	787,514	810,424	708,802	(101,622)	(13%)
Services and Supplies	10,821,805	14,443,542	14,021,068	(422,474)	(3%)
Other Charges	147,404	852,078	355,757	(496,321)	(58%)
Other Financing Uses	22,005	32,900	30,623	(2,277)	(7%)
Intra-Fund Transfers	(7,803)	(10,020)	0	10,020	(100%)
TOTAL APPROPRIATIONS	11,770,926	16,128,924	15,116,250	(1,012,674)	(6%)
NET GAIN(LOSS)	(2,588,973)	(3,915,241)	(222,166)	3,693,075	(94%)
STAFFING					
Risk Management	12	8	8	0	0%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

- In the FY2011/12 budget, charges of \$8,105,000 to County departments for workers' compensation insurance reflect an increase of \$2,489,000. These charges represent the full cost of the program. In the past four years, workers' compensation insurance charges to departments were reduced, using reserves to offset the decreases. As a result of these "rate holidays," the reserve level for workers compensation insurance is at the minimum level necessary to meet contingencies.
- Additionally, charges to County departments for unemployment insurance are increased by \$982,066 due to an increase in unemployment claims filed resulting from County lay-offs over the past two years.

SUMMARY OF POSITION CHANGES

A reduction in the department's position allocations is provided below.

In April 2011, the following position was deleted as a result of the PARS SRP:

- 1.0 FTE Office Assistant III



Elections

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

DEPARTMENTAL PURPOSE

The Registrar of Voters 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:	
FY2010/11 Third Quarter Projection:	2,917,437
FY2011/12 Recommended:	4,239,609
County General Fund Contribution:	3,413,575
Percent County General Fund Supported:	80.5%
Total Employees (FTEs):	10.0

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 2010 gubernatorial primary and general elections, both of which involved nearly 30,000 more voters than in comparable 2006 elections. Successfully deployed electronic roster to half of county precincts in November 2010.
- There will be 25% fewer experienced full-time staff for the FY2011/12 elections, making it more difficult to fully prepare for elections. Additionally, it is likely the Assistant Registrar of Voters will retire in FY2011/12 which points to the need for succession planning. No staff currently have the state required qualifications and experience to promote into the position. Given the complexity of elections and reduced staff level, it is prudent to recruit a Deputy Registrar to provide a sufficient overlap for a smooth transition.
- Census demographics will likely require the printing of election materials in multiple languages and recruitment of bilingual poll workers. Multi-card ballots will become increasingly common, resulting in increased pressure to find sufficient space to manage over half of the voters casting ballots by mail.
- The task of finding a sufficient number of convenient accessible polling places has become increasingly more difficult, especially in the wake of school closures.
- Redistricting creates new demands on election preparations to ensure precinct assignments that align the election management system with changes to federal, state, and local district boundaries. This process occurs during the nomination period for the November 2011 district elections, creating additional workloads for full-time staff.

WORKLOAD INDICATORS

- ROV staff processed 63,074 voter file transactions in the 2010 calendar year. Voter registration increased 1% to 196,440. There were 14,613 voters added while 12,385 moved out-of-county or became inactive; the remainder were changes to existing records.
- The number of permanent vote-by-mail voters increased 6% in November 2010 to 93,953, up from 88,504 in November 2009. Overall, voting by mail increased 7.7% to 103,145 issued, representing 52.5% of registered voters. Reflecting the greater interest in an even-year November election versus an odd-year November election, 71,631 voters returned vote-by-mail ballots in 2010 compared to 2009. In November 2010, vote-by-mail voters were 58.6% of total turnout.
- During 2010, ROV received, filed, and made available to the public, 967 Statements of Economic Interests (FPPC Form 700) and financial disclosure documents from 129 campaign filers.

DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Elections	1,170,384	336,917	826,034	489,117	145%
TOTAL REVENUES	1,170,384	336,917	826,034	489,117	145%
APPROPRIATIONS					
Elections	3,489,348	3,301,611	4,239,609	937,998	28%
TOTAL APPROPRIATIONS	3,489,348	3,301,611	4,239,609	937,998	28%
NET COUNTY COST					
Elections	2,318,964	2,964,694	3,413,575	448,881	15%
TOTAL NET COUNTY COST	2,318,964	2,964,694	3,413,575	448,881	15%
STAFFING					
Elections	11	12	10	(2)	(17%)
TOTAL STAFFING	11	12	10	(2)	(17%)

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget of \$4,239,609 for ROV represents increases of \$489,117 or 145.2% in revenues and \$937,998 or 28.4% in expenditures when compared to FY2010/11 Adopted Budget. As a result, the Net County Cost is increased by \$448,881.

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. FY2011/12 has two scheduled elections, the November 2011 Uniform Districts Election (UDEL) and the June 2012 Presidential Primary. Costs for the UDEL will be completely offset by revenue from participating districts. The revenue received, however, is fully offset by corresponding expenditures. The 2012 Presidential Primary will be a General Fund expense.

The increase in revenue is primarily due to the election services that will be provided to agencies participating in the UDEL and also candidate statement fees for the FY2011/12 elections.

Major cost areas include full-time and extra-help staff; printing official ballots and sample ballot booklets; postage; envelopes; hardware and software maintenance; and election supplies.

Salaries and Benefits reflect an increase of \$171,483 primarily due to increases in extra-help staffing needed for both countywide elections, and retirement and workers' compensation costs.

Services and Supplies increased approximately \$1 million. The projected ballot printing costs for the two elections is \$455,000. The combined sample ballot costs will be \$246,000. One of the Department's goals for the year is to evaluate printing vendors' costs and services. The Recommended Budget includes \$245,512 for hardware and software maintenance, of which \$175,512

is for the voting system. The Secretary of State has approximately \$1 million in federal Help America Vote Act (HAVA) funds reserved for Solano County when and if new voting systems come to market.

Contracted Services of \$137,246 are for election support services.

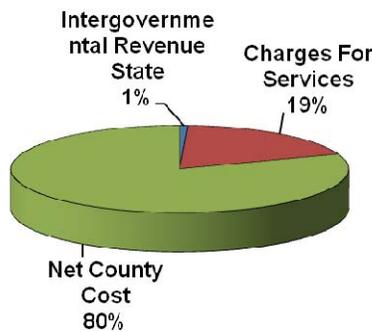
In an effort to reduce the number of ballots printed, the Department proposes to lease for \$6,500 a “ballot on demand” system which would allow ROV to order the number of vote-by-mail and precinct ballots that are anticipated more than 30 days before the election but then print only the number of vote-by-mail ballots actually “ordered” by voters within 30 days of the election. This equipment will replace two printers acquired in 2004.

The Recommended Budget does not include the purchase of any fixed assets.

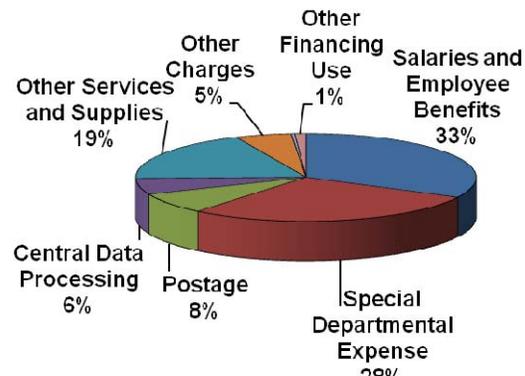
DEPARTMENT COMMENTS

As part of the countywide effort to deal with the structural deficit, the Elections Division accepted an employee’s application for the PARS Supplementary Retirement Plan and has reduced its number of allocated positions. The Division will employ new technology systems to automate aspects of the job formerly performed by the retired employee, and if needed, will supplement with extra help staff to provide services to candidates, campaigns and voters.

SOURCE OF FUNDS



USE OF FUNDS



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	1	0	0	0	0%
Intergovernmental Rev State	161,634	103,917	33,009	(70,908)	(68%)
Charges For Services	1,003,117	233,000	793,025	560,025	240%
Misc Revenue	5,632	0	0	0	0%
TOTAL REVENUES	1,170,384	336,917	826,034	489,117	145%
APPROPRIATIONS					
Salaries and Employee Benefits	1,112,095	1,211,066	1,382,549	171,483	14%
Services and Supplies	1,827,129	1,541,513	2,545,690	1,004,177	65%
Other Charges	375,006	389,860	224,549	(165,311)	(42%)
F/A Equipment	89,600	75,757	0	(75,757)	(100%)
Other Financing Uses	52,170	42,415	45,565	3,150	7%
Intra-Fund Transfers	33,348	41,000	41,256	256	1%
TOTAL APPROPRIATIONS	3,489,348	3,301,611	4,239,609	937,998	28%
NET COUNTY COST	2,318,963	2,964,694	3,413,575	448,881	15%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

The increase in Net County Cost is primarily due to of the June 2012 Presidential Primary, which will be a General Fund expense.

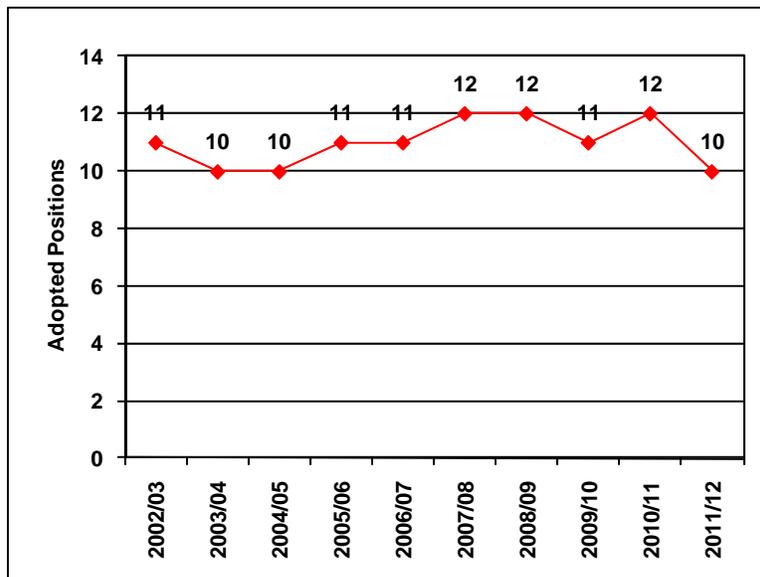
SUMMARY OF POSITION CHANGES

Reductions in the department’s position allocations are provided below:

- In December 2010, 2.0 FTE Election Technician Limited Term positions concluded their authorized terms and were deleted.
- In April 2011, 1.0 FTE Election Technician position was eliminated as part of the PARS program.

The Recommended Budget includes the addition of 1.0 FTE Deputy Registrar of Voters position to effectively plan for the retirement of the Assistant Registrar of Voters and ensure continuity of succession over the long term. The Recommended Budget includes \$135,700 in Salaries and Benefits for this position.

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

The elimination of SB 90 funding for permanent vote-by-mail costs will reduce revenue. Current law requires that counties submit SB 90 claims on behalf of school districts; however, with state reimbursement ending, the County will not be reimbursed 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.

The results of the 2010 Census may require the implementation of National Voting Rights Act language requirements. This may include Spanish countywide and Tagalog on an area basis, based on population changes in the last 10 years. The basic requirement would be that all election materials given to or used by voters must be in the specified language(s). It is difficult to project the potential increase in costs. For example, there would be an increase cost to replace or alter polling place signs that are currently only in English. Los Angeles County is taking the lead in preparing “How To” guides for counties who may have to implement language requirements.

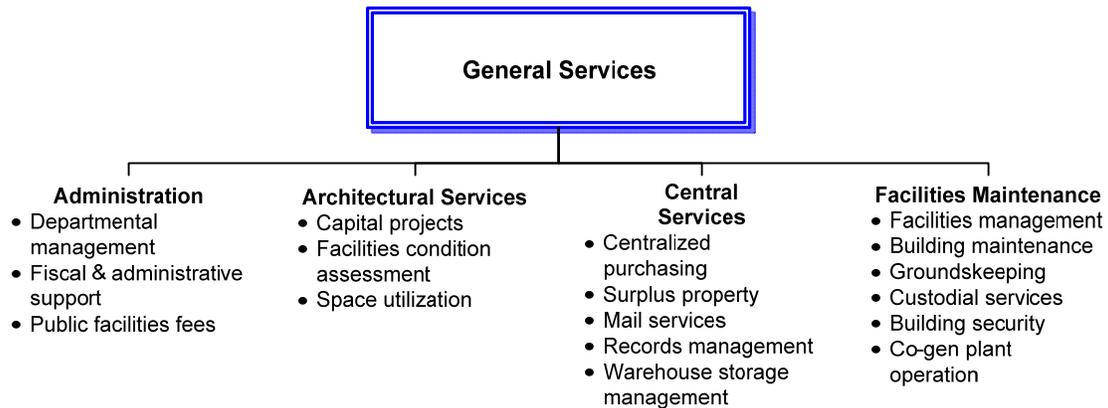
There is a county-initiated move to develop online voter registration before 2012. This would allow people with a California driver’s license to complete a registration affidavit from a computer terminal. The DMV, if successfully finding the person’s record, would return the person’s signature to the 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.

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.

The Recommended Budget includes appropriations for two scheduled elections, the November 2011 UDEL and the June 2012 Presidential Primary. However, there is a possibility that two additional elections could be held in FY2011/12. Since the Governor's June Special Election did not materialize, there is a possibility of a November/December 2011 Special Election that is separate from the November UDEL. If it is combined with the November UDELL, there would be no additional cost; instead an approximate \$380,000 reduction in revenue is anticipated. If the Special Election is called for in December, however, the cost to the General Fund is projected to be \$640,326.

If the February 2012 election is not combined with the Presidential Primary in June 2012, the cost to the General Fund is projected at \$1,051,905.



DEPARTMENTAL PURPOSE

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

Budget Summary:	
FY2010/11 Third Quarter Projection:	14,921,634
FY2011/12 Recommended:	14,370,271
County General Fund Contribution:	3,008,124
Percent County General Fund Supported:	20.9%
Total Employees (FTEs):	76

FUNCTION AND RESPONSIBILITIES

Administration

Sets departmental policies and procedures and monitors for compliance, provides financial administration and fiscal control, manages personnel and payroll, and coordinates the County’s capital projects.

Architectural Services

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

Central Services

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

Facilities Operations

- Facilities Management and Maintenance

Provides comprehensive facilities management services, including project planning and implementation for small- and mid-size construction projects; assisting with capital project development and implementation; maintaining HVAC systems; and managing responsibility for exterior and interior building maintenance, which could consist of roofing, plumbing, electrical, lock-smithing, signage, masonry and carpentry. In addition, Facilities Operations oversees the County’s energy management functions, monitors utility usage, delivers conservation and renewable energy projects, operates the County’s Cogeneration Plan, and is responsible for the coordination, maintenance and operation of the County Events Center.

- 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. Grounds maintenance is a program of the Facilities Operations Division.

- Custodial Services

Provides in-house custodial services for County-owned/occupied buildings and County-leased facilities whose agreements do not provide for such services. Custodial Services is a program of the Facilities Operations Division.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

Accomplishments

- Carried out architectural design, managed projects, and used internal professional expertise on 14 projects which resulted in savings by not hiring consultants to perform these same services. (*Architectural Services*)
- Assumed maintenance responsibilities of 368,000 square feet of Jails and support space previously maintained by the Sheriff's Department. The change in responsibility has improved maintenance services in the Sheriff facilities and has lowered the overall cost to the County. (*Facilities Operations*)
- Retrofitted parking lot lighting using new Light Emitting Diode technology in Fairfield Government Center campus. The materials were purchased with funds from the Energy Efficiency Community Block Grant program. The project was performed by County staff and is estimated to reduce the County's electrical costs by \$32,000 annually. (*Facilities Operations*)
- Commissioned and began operation of the County Events Center located at 701 Texas Street in Fairfield. This included the development of operational use policies and the associated fee schedule for the use of the facility. The facility is now open for use by the public as well as County and other governmental agencies for meetings/events. (*Facilities Operations*)

Challenges

- The five 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 92% capacity and due to expire September 30, 2011. This physical separation of the Division's functions and potential need for additional storage space makes it difficult to maximize reduced staffing resources to meet service demands. Staff is coordinating with Real Estate Management to determine a viable course of action. (*Central Services*)

WORKLOAD INDICATORS

- Initiated 20 work requests and completed 15 projects under the County's Job Order Contracting Program between July 1, 2010 and June 30, 2011. (*budget unit 1270 - Architectural Services*)
- In FY2009/10, processed 1,552 purchase orders; from July 1, 2010 – April 30, 2011, processed 1,204 purchase orders (*budget unit 1280 - Central Purchasing*)
- In FY2009/10, issued and processed 49 Invitation for Bids (IFB) and Request for Proposals (RFP); from July 1, 2010 – April 30, 2011, issued and processed 39 IFBs and RFPs. (*budget unit 1280 - Central Purchasing*)
- Maintains 22,232 boxes of official records under the County's Records Management Program. (*budget unit 1280 - Central Purchasing*)
- Responsible for the maintenance and operations of 60 buildings, totaling over 2,045,000 square feet. (*Facilities Operations*)
- Provides custodial services for 28 buildings totaling 940,000 square feet. (*Facilities Operations*)
- Provides grounds keeping services over 103 developed acres of land at 31 locations. (*Facilities Operations*)

**1117-General Services
Other General**

**Michael J. Lango, Director of General Services
Functional Area Summary**

DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Administration	763,981	917,253	463,532	(453,721)	(49%)
Architectural Services	1,245,786	1,366,766	821,424	(545,342)	(40%)
Central Services	2,062,741	2,168,082	1,538,585	(629,497)	(29%)
Facilities Maintenance	12,460,700	11,576,715	8,538,606	(3,038,109)	(26%)
TOTAL REVENUES	16,533,208	16,028,816	11,362,147	(4,666,669)	(29%)
APPROPRIATIONS					
Administration	1,399,566	1,057,790	1,125,015	67,225	6%
Architectural Services	1,243,367	1,361,210	1,219,754	(141,456)	(10%)
Central Services	1,963,104	1,957,956	1,762,867	(195,089)	(10%)
Facilities Maintenance	10,527,444	10,902,029	10,262,635	(639,394)	(6%)
TOTAL APPROPRIATIONS	15,133,481	15,278,985	14,370,271	(908,714)	(6%)
NET COUNTY COST					
Administration	635,585	140,537	661,483	520,946	371%
Architectural Services	(2,419)	(5,556)	398,330	403,886	(7269%)
Central Services	(99,637)	(210,126)	224,282	434,408	(207%)
Facilities Maintenance	(1,933,256)	(674,686)	1,724,029	2,398,715	(356%)
TOTAL NET COUNTY COST	(1,399,727)	(749,831)	3,008,124	3,757,955	(501%)
STAFFING					
Administration	8	7	7	0	0%
Architectural Services	9	7	6	(1)	(14%)
Central Services	14	13	10	(3)	(23%)
Facilities Maintenance	70	59	52	(7)	(12%)
TOTAL STAFFING	101	84	76	(8)	(10%)

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget for the Department of General Services of \$14,370,271 represents an overall decrease of \$4,666,669, or 29.1%, in revenues and \$908,714, or 5.9%, in expenditures when compared to the FY2010/11 Adopted Budget. As a result, Net County Cost is increased by \$3,757,955.

The primary funding sources for the Department are:

- Administration Overhead (A-87) revenues of \$6,408,114 show a decrease of \$3,815,949, or 37.3%, from the previous fiscal year. A-87 revenues are reimbursements of estimated costs from County departments for their allocated share of facilities maintenance, custodial services, grounds maintenance, central purchasing and architectural services using FY2009/10 actual departmental costs. The sharply lower revenues reflect the decrease in General Services' allocated costs to County departments, the result of reduced operating costs from County-directed budgetary cuts that started in FY2009/10. The decrease in General Services' A8-7 revenues is offset by corresponding decreases in A-87 charges to county departments.
- Revenues from Inter-fund Services Provided and Other Charges for Services of \$3,484,467 and \$446,048, respectively, reflect an overall decrease of \$511,413. These revenues are derived from charges that are billed directly to non-General Fund departments for supplies and services, such as custodial services, grounds maintenance, building maintenance, postage, mail services, small projects and project management. The decline in revenues is the result of:
 - Lower billing rates due to decrease in Departmental operating costs resulting from County-directed budgetary cuts and in the case of Architectural Services Division, a change in calculation methodology as recommended by the Auditor Controller. Billing rates are calculated based on the actual costs of providing the related services.
 - Reduced demand for services, primarily in the Small Projects Bureau of the Facilities Division, as County departments forego discretionary tenant improvements or small construction projects to focus their diminished resources on cores services and mandates.

- Revenues from Intra-fund Transfers of \$278,573 are lower by \$29,855. The service generators of these revenues are the same as "Inter-fund Services Provided" except for the charges being billed to General Fund Departments. The decrease in revenues is also attributable to reduced demand for services.

The primary costs for General Services:

Administration (budget unit 1102)

Salary expenses of \$901,108 are higher by \$61,084, the net increase from the addition of 1.0 FTE Deputy Director position, offset by savings from the elimination of 1.0 FTE Administrative Secretary position and deletion of appropriations for Extra Help used to fund a part-time management position to perform administrative functions in the absence of an Assistant/Deputy Director for the Department. Portion of the net increase is also due to higher health insurance, workers compensation and unemployment insurance rates.

Architectural Services (budget unit 1270)

Salary expenses of \$824,624 reflect a decrease of \$80,134, the net result of savings from the deletion of 1.0 FTE Associate Architect position, offset by additional costs from increases in workers compensation and unemployment insurance rates and charges for the PARS Supplemental Retirement Plan for one employee.

Countywide Administrative Overhead charges of \$240,106 show a decrease of \$28,600. Architectural Services, a central services division, should receive A-87 revenues for services provided. However, in FY2011/12, re-calculation of billing rates used to charge capital projects for services provided by the Architectural Services Division resulted in reimbursements. The methodology for calculating the billing rates have been revised and approved by the Auditor-Controller in FY2010/11. Prospectively, staff anticipates that in FY2012/13, Architectural Services will receive A-87 revenues instead of A-87 charges as a result of the change.

Central Services (budget unit 1280)

Salary expenses of \$962,152 show a net decrease of \$90,830, mainly due to savings from the elimination of 1 FTE Office Assistant III position, partly offset by higher costs from workers compensation and unemployment insurance and charges from the PARS Supplemental Retirement Plan for one employee.

Purchases for Resale of \$670,500 are lower by \$9,500. These are the costs of postages for meter machines that are fully recovered from reimbursements from County departments, the Courts, and other agencies utilizing the County mail services system. The decline reflects the change in anticipated usage, as use of e-mail and other forms of electronic communications increases.

Facilities Operations (budget unit 1650)

Salary expenses of \$4,579,850 are lower by \$441,102 as a result of savings from the elimination of 1.0 FTE Energy Program Coordinator position, and 4.0 FTE Custodian positions offset by increases in workers compensation and unemployment insurance rates and retirement costs. Due to operational requirements, a 1.0 FTE Facilities Operations Supervisor position from the Airport (budget unit 9002) will be transferred to Facilities Operations on July 1, 2011. The fiscal impact of the transfer will be reflected in the Supplemental Budget for Facilities Operations.

Utility costs of \$2,283,902 reflect a decline of \$364,404 mainly from lower usage and the increase use of alternative energy sources.

Water charges of \$576,307 show an increase of \$38,707 due to higher rates.

Charges for Equipment Maintenance of \$729,525 are projected to decline by \$176,500, mainly due to the absence of scheduled overhaul for any major equipment. These charges cover all costs associated with maintaining and repairing major equipments in County buildings and the co-generation plant.

Charges for Maintenance of Buildings and Improvements of \$657,053 are estimated to rise by \$225,553, mostly due to increase in County share of costs with the Courts for the repair and maintenance at the Hall of Justice. These charges also include the costs of small projects which are fully reimbursed by the requesting County departments.

Charges for Other Professional Services of \$109,560 cover the costs of elevator maintenance/repair, fire systems testing mandated by Code, and waste removal/disposal for batteries, bulbs, etc.

DEPARTMENT COMMENTS

On April 12, 2011, the Board approved reorganization of the Department of General Services, which added a Deputy Director position to the Department’s executive management team and authorized the transfer of the Parks and Recreation Services Division to the Department of Resource Management, and of the Animal Care Services Division to the Sheriff’s Office. The impacts of those changes are reflected in the Recommended Budget.

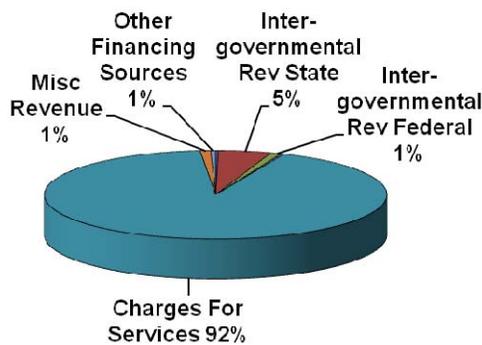
In FY2011/12, the Department plans to complete the following major projects that have major fiscal and operational impacts on the County:

- Countywide Space Utilization Study – the objective of this study is to maximize the use of County-owned facilities by ensuring that current assigned office space of County departments are aligned with departmental space requirements that may have changed due to staffing reductions and program cuts implemented over the past three years. As a result of this study, County departments/programs may be consolidated into one location to free up space where other County departments currently on leased office space may be moved.
- Animal Care Services Replacement Facility – the Department, working with the sheriff’s Office and representatives from the seven Solano County cities, 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, plans for a minimum cost replacement facility will be developed and presented to the same group for consideration. 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 that are cropping up which require costly repairs.

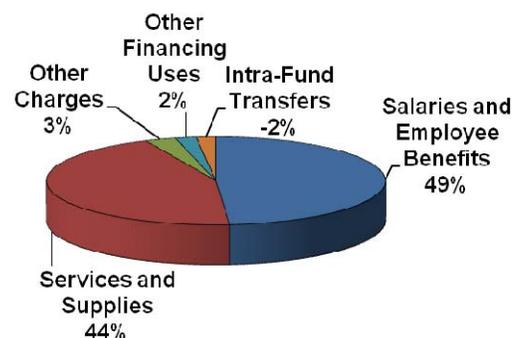
Over the past three years, the Department has eliminated nearly 25% of its allocated positions. While this rate is consistent with the average reduction in force taken by other departments countywide, the staffing loss in some divisions cannot be offset with program reductions or eliminations. Without any changes to the number of buildings that requires maintenance, the amount of office space that needs to be cleaned, or the acreage of developed areas and landscaping that has to be groomed, the remaining staff has to absorb the additional workload. The continued operations of major building systems without major issues and cleanliness and visual appeal of buildings and grounds are testament to the quality of work and dedication of the staff and management team. The following performance measures illustrate the efficiency and effectiveness of County staff:

- During the period of July 1, 2010 to June 30, 2011, the cost of operations for the Facilities Operations Division was \$5.50 per square foot. This is equal to \$0.46 per square foot per month and is 24% below the industry average.
- During the same period, the overall maintenance staffing ratio for Facilities Operations was 61,000 square feet per FTE and the Custodial staffing ratio was 37,000 square feet per FTE. These ratios, given current staffing levels, are 14% and 32% below industry standard, respectively.

SOURCE OF FUNDS



USE OF FUNDS



DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	31,240	33,200	27,650	(5,550)	(17%)
Intergovernmental Rev State	591,387	569,000	569,000	0	0%
Intergovernmental Rev Federal	0	0	112,319	112,319	0%
Intergovernmental Rev Other	49,799	34,799	34,799	0	0%
Charges For Services	15,124,737	15,164,593	10,452,804	(4,711,789)	(31%)
Misc Revenue	639,714	130,924	112,075	(18,849)	(14%)
Other Financing Sources	96,332	96,300	53,500	(42,800)	(44%)
TOTAL REVENUES	16,533,208	16,028,816	11,362,147	(4,666,669)	(29%)
APPROPRIATIONS					
Salaries and Employee Benefits	8,380,050	7,818,716	7,267,734	(550,982)	(7%)
Services and Supplies	6,396,676	7,049,881	6,643,016	(406,865)	(6%)
Other Charges	399,335	347,950	440,656	92,706	27%
F/A Equipment	16,132	0	0	0	0%
Other Financing Uses	218,110	311,156	297,438	(13,718)	(4%)
Intra-Fund Transfers	(276,823)	(248,718)	(278,573)	(29,855)	12%
TOTAL APPROPRIATIONS	15,133,481	15,278,985	14,370,271	(908,714)	(6%)
NET COUNTY COST	(1,399,727)	(749,831)	3,008,124	3,757,955	(501%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

- Building security for the Fairfield Government Center Campus has been reinstated using part-time Extra-Help Sheriff Security Officers. This resulted in an increase of \$125,000 in expenditures.
- There is a reduction of \$176,500 in co-generation plant equipment maintenance since there are no major overhauls scheduled for FY2011/12.
- Administrative Overhead Revenue has dropped \$3,815,949 from the FY2010/11 Final Budget which accounts for 81.7% of the department's revenue loss.

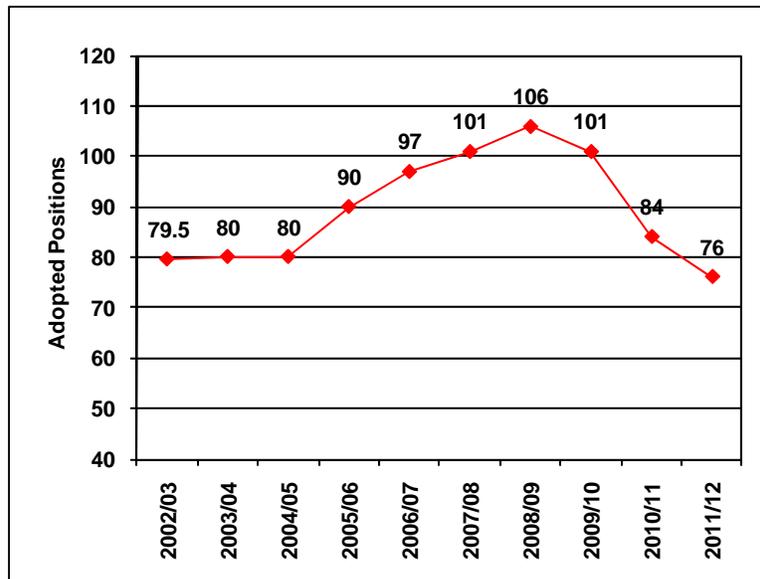
SUMMARY OF POSITION CHANGES

Reductions in the Department's position allocations during FY2010/11 are provided below.

- In October 2010, the following vacant positions were eliminated:
 - 1.0 FTE Groundskeeper
 - 0.30 FTE Architectural Project Coordinator (Assistant)
- In November 2010, the following positions were transferred to the Health & Social Services Department:
 - 2.0 FTE Couriers
- In April 2011, the following positions were deleted as a result of the PARS SRP to address the FY2011/12 anticipated budget reductions required:
 - 1.0 FTE Office Assistant III
 - 1.0 Associate Architect
- The Departmental Reorganization Plan approved, in concept, by the Board on April 12, 2011, includes the following changes:
 - Add 1.0 FTE Deputy Director
 - Add 1.0 FTE Inventory Clerk

- The Recommended Budget recommends the following changes:
 - Delete 1.0 Administrative Secretary (vacant)
 - Delete 1.0 Energy Program Coordinator
 - Delete 4.0 Custodians
 - Add 0.3 FTE Architectural Project Coordinator (Assistant) – the addition of this allocation will allow the Department to convert a 0.7 FTE Architectural Project Coordinator (Assistant) to full time status to meet the additional workload resulting from the retirement of a 1.0 FTE Associate Architect. Due to a planned shift to Facilities Operations of maintenance projects previously managed by the Architectural Services Division and the deliberate slowdown in the pace of capital projects, the additional workload does not require the services of a full-time professional architect, but can be met by increasing the capacity of an existing technical staff.
 - Add 1.0 FTE Facilities Operations Supervisor (transfer from the Airport, budget unit 9002)

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

None.

Michael J. Lango, Director of General Services
Summary of Other Administered Budget

1117-General Services
Other General

DETAIL BY REVENUE AND APPROPRIATION OTHER ADMINISTERED BUDGETS	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
1642-Real Estate Services	841,843	810,812	894,079	83,267	10%
3001-General Services Spec. Rev. Fund	5,203	3,920	3,990	70	2%
3100-Fleet Management	4,094,676	4,909,780	4,845,479	(64,301)	(1%)
1901-Reprographics	379,004	361,241	382,740	21,499	6%
9000-Airport	1,980,963	1,162,518	1,390,292	227,774	20%
9050-Special Aviation	60,323	41,138	0	(41,138)	(100%)
APPROPRIATIONS					
1642-Real Estate Services	294,203	300,648	305,084	4,436	1%
3001-General Services Spec. Rev. Fund	3,685	13,557	13,524	(33)	(0%)
3100-Fleet Management	4,630,743	6,090,468	4,845,479	(1,244,989)	(20%)
1901-Reprographics	514,043	368,893	406,433	37,540	10%
9000-Airport	2,681,122	1,695,699	1,368,666	(327,033)	(19%)
9050-Special Aviation	203,069	41,138	0	(41,138)	(100%)
NET CHANGE					
1642-Real Estate Services	(547,640)	(510,164)	(588,995)	(78,831)	15%
3001-General Services Spec. Rev. Fund	(1,518)	9,637	9,534	(103)	(1%)
3100-Fleet Management	536,067	1,180,688	0	(1,180,688)	(100%)
1901-Reprographics	135,039	7,652	23,693	16,041	210%
9000-Airport	700,159	533,181	(21,626)	(21,626)	(104%)
9050-Special Aviation	142,746	0	0	0	0%

The Department's respective 'other' budget units follow.

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	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Licenses, Permits & Franchise	125,020	124,463	123,703	(760)	(1%)
Revenue From Use of Money/Prop	563,827	492,138	609,340	117,202	24%
Charges For Services	145,896	194,211	161,036	(33,175)	(17%)
Misc Revenue	7,100	0	0	0	0%
TOTAL REVENUES	841,843	810,812	894,079	83,267	10%
APPROPRIATIONS					
Salaries and Employee Benefits	193,177	205,709	218,404	12,695	6%
Services and Supplies	87,331	75,572	68,929	(6,643)	(9%)
Other Charges	3,473	2,247	2,989	742	33%
Other Financing Uses	5,301	8,445	9,407	962	11%
Intra-Fund Transfers	4,922	8,675	5,355	(3,320)	(38%)
TOTAL APPROPRIATIONS	294,203	300,648	305,084	4,436	1%
NET COUNTY COST	(547,640)	(510,164)	(588,995)	(78,831)	15%
STAFFING					
Real Estate Services	3	2	2	0	0%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

- A new lease with Superior Courts in Fairfield for 11,460 square feet of space in the Fairfield Hall of Justice results in new revenues of \$145,187, but the additional revenues are partially offset by revenue losses from an expired lease with the Mungia Family and the non-renewal of the XM Sirius lease.

SUMMARY OF POSITION CHANGES

- The FY2011/12 Requested Budget reflects no position allocation changes when compared to the FY2010/11 Adopted Budget.

**Michael J. Lango, Director of General Services 3001-General Services Special Revenue Fund
 Summary of Other Administered Budget 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	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	131	120	90	(30)	(25%)
Charges For Services	671	300	400	100	33%
Misc Revenue	4,401	3,500	3,500	0	0%
TOTAL REVENUES	5,203	3,920	3,990	70	2%
APPROPRIATIONS					
Services and Supplies	3,621	13,457	11,924	(1,533)	(11%)
Other Charges	64	100	100	0	0%
TOTAL APPROPRIATIONS	3,685	13,557	12,024	(1,533)	(11%)
NET GAIN (LOSS)	(1,519)	9,637	8,034	(1,603)	(17%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

- This budget reflects a contribution of \$3,500 from the Assessor/Recorder for the storage of a number of their historical records.
- In addition, an estimated FY2010/11 Fund Balance Available of \$8,034 is used as a means of financing the Requested Budget. The department requests that all fund balance available at the end of FY2010/11 be transferred to the operating budget for use by the Historical Records Commission to help defray leased space and utility costs budgeted in General Services 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 through an increase in the percentage of certified low emission vehicles within the fleet from 82% to 85% (a total of 14 vehicles).
- Maintained the percentage of hybrid and electric vehicles at 5% of the light equipment fleet, or 24 vehicles.
- Increased the usage of and the number of light equipment vehicles in the fleet that are capable of operating on E85 alternative fuel from 18% to 23%, an increase of 24 vehicles, which reduces vehicle emissions and help lessens the county's dependency on foreign oil.
- Vehicle replacement reserve of \$2.8 million on July 1, 2010 is below the required reserve of \$11 million, as calculated by the Auditor-Controller's Office.
- The decline in staff ratio of 33% exceeds the decrease in vehicle ratio of 6%, resulting in high 138 vehicles per mechanic ratio. Industry standard is 80 vehicles per mechanic.

WORKLOAD INDICATORS

- Maintains and services 482 County vehicles and 91 vehicles for outside agencies.

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget for Fleet Management of \$4,845,479 represents an overall decrease of \$64,301, or 1.3%, in revenues and \$41,818, or 0.9%, in expenditures when compared to the FY2010/11 Adopted Budget.

The primary funding sources for the Fleet Management Division are:

- Vehicle rental fees of \$1,773,646, which show a reduction of \$967,583. 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 \$940,800, which reflect a decrease of \$294,200 from the previous fiscal year, as County departments continue to reduce their vehicle usage from reduced staffing. 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.
- A draw on Vehicle Replacement Reserves of \$631,463 to cover the costs of 33 vehicles that were initially scheduled for replacement in FY2009/10, but deferred due to reduced usage until FY2011/12. The unused funding in FY2009/10 was transferred from fund balance to Equipment Reserves at the end of FY2009/10.
- Other Charges for Services of \$1,263,389 are projected to increase by \$719,975 mainly due to higher revenues from outside agencies. 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 \$867,533, which are projected to decrease by \$122,870, or 9.5%, from the previous fiscal year due to the elimination of 1.0 FTE Facilities Services Supervisor position, and net of increases in workers compensation and

unemployment insurance rates, and the additional cost of PARS Supplemental Retirement Plan for a facilities operations supervisor.

- Maintenance equipment charges of \$607,000, which is estimated to decrease by \$193,000 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 \$840,000, which reflect a decrease of \$160,000, due to a reduction in the amount of fuel purchase for resale to County departments. Lower vehicle use has decreased fuel requirements for vehicles.
- Equipment – Vehicles of \$1,961,297 which show an increase of \$440,338 due to the scheduled purchase of 33 additional vehicles which were delayed in FY2009/10 due to reduced utilization. The FY2011/12 vehicle replacement schedule calls for the replacement of 72 vehicles, bringing to 95 of the 482 vehicles in the fleet scheduled for purchase replacement in FY2011/12.

DEPARTMENT COMMENTS

Revenue shortfalls have resulted in 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 31 vehicles (6%), from a high of 513 vehicles in FY2008/09 to the current 482 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.
- Use of daily pool vehicle rental and miles traveled in monthly leased vehicles and department-owned vehicles have declined over the past two years. 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 decreases.
- Purchase of 65 vehicles scheduled for replacement in FY2009/10 has been deferred until FY2011/12, resulting in savings of \$634,416.00. Vehicles with deferred replacements were given a reduced “overhead only” monthly rate, which equals to a \$123,828 savings to affected County departments and revenue loss to Fleet Management.
- Reduced fleet size has not resulted in reduced vehicle maintenance and repair expense as delayed vehicle replacements have resulted in some instances higher repair costs due to higher vehicle accrued mileage and the impact on vehicle systems.

The FY2011/12 Recommended Budget reflects a transfer of \$634,416.00 from the equipment replacement reserve account to purchase the 33 vehicles that were not replaced in FY2009/10.

The loss of three mechanic positions over the last two fiscal years has resulted in an increase in workload per mechanic. The current performance measure of 138 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.

In addition to the mechanics, the Division also reduced its supervising staff by one of two Fleet Services Supervisor positions through the PARS Supplemental Retirement Plan. There is no scheduled replacement for this position. With Fleet maintenance operations split over two facilities, the Division is considering options for modifying service delivery that includes consolidation of the two maintenance facilities and/or redeployment of remaining supervisory staff.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	24,098	21,000	20,000	(1,000)	(5%)
Charges For Services	3,840,925	4,519,643	3,977,835	(541,808)	(12%)
Misc Revenue	29,547	256,913	108,913	(148,000)	(58%)
Other Financing Sources	200,105	112,224	107,268	(4,956)	(4%)
From Reserve	0	0	631,463	631,463	0%
TOTAL REVENUES	4,094,676	4,909,780	4,845,479	(64,301)	(1%)
APPROPRIATIONS					
Salaries and Employee Benefits	1,022,929	958,246	867,533	(90,713)	(9%)
Services and Supplies	1,603,293	2,094,730	1,719,165	(375,565)	(18%)
Other Charges	253,622	273,897	260,391	(13,506)	(5%)
F/A Equipment	520,145	1,520,959	1,961,297	440,338	29%
Other Financing Uses	27,584	39,465	37,093	(2,372)	(6%)
TOTAL APPROPRIATIONS	3,427,572	4,887,297	4,845,479	(41,818)	(1%)
NET GAIN(LOSS)	667,103	22,483	0	(22,483)	(100%)
STAFFING					
Fleet Management	12	9	8	(1)	(11%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

Fiscal constraints imposed by diminished fiscal resources have resulted in the voluntary turn-in of assigned vehicles and deliberate reduction in vehicle use by County departments. As departments reduce their workforce, their need for vehicles is reduced, resulting in the surrender of excess vehicles for surplus or redeployment. More prudent use of assigned vehicles and vehicles from the rental pool has also reduced the number of vehicle miles driven, resulting in lower fuel charges and decrease in maintenance costs, and corresponding reductions in the Division's number of allocated positions.

SUMMARY OF POSITION CHANGES

Reductions in the department's position allocations are provided below:

In April 2011, the following position was deleted as a result of the PARS SRP:

- 1.0 FTE Fleet Services Supervisor

PENDING ISSUES AND POLICY CONSIDERATIONS

None.

SUMMARY OF SIGNIFICANT ADJUSTMENTS

Fiscal constraints imposed by diminished fiscal resources have resulted in the voluntary turn-in of assigned vehicles and deliberate reduction in vehicle use by County departments. As departments reduce their workforce, their need for vehicles is reduced, resulting in the surrender of excess vehicles for surplus or redeployment. More prudent use of assigned vehicles and vehicles from the rental pool has also reduced the number of vehicle miles driven, resulting in lower fuel charges and decrease in maintenance costs, and corresponding reductions in the Division's number of allocated positions.

FUNCTION AND RESPONSIBILITY

Reprographics provides quick copy services, bindery services, collating and stapling services to County departments. Costs are recovered through charges to user departments. Reprographics is a function of the Central Services Division of the General Services Department.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	649	0	0	0	0%
Charges For Services	378,355	361,241	381,240	19,999	6%
Misc Revenue	0	0	1,500	1,500	0%
TOTAL REVENUES	379,004	361,241	382,740	21,499	6%
APPROPRIATIONS					
Salaries and Employee Benefits	253,437	184,601	82,811	(101,790)	(55%)
Services and Supplies	168,248	116,771	139,263	22,492	19%
Other Charges	77,586	53,490	181,165	127,675	239%
Other Financing Uses	6,736	5,996	3,194	(2,802)	(47%)
TOTAL APPROPRIATIONS	506,007	360,858	406,433	45,575	13%
NET GAIN(LOSS)	(127,003)	383	(23,693)	(24,076)	(6286%)
STAFFING					
Reprographics	4.5	2.5	0.0	(3)	(100%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

- The Requested Budget for FY2011/12 includes an increase in revenue of approximately \$20,000 due to a modest rate increase. The demand for service in Reprographics has been steadily decreasing over the past five years
- On April 12, 2011, the Board of Supervisors approved in concept a reorganization plan for the Department of General Services that includes the elimination of reprographics as a County function. The elimination of the reprographics function will result in the elimination of 1.0 FTE Duplicating Equipment Operator position and the lay-off of the incumbent. The implementation timeline of the reorganization plan will be considered by the Board prior to the budget hearings as a separate report.

SUMMARY OF POSITION CHANGES

The Recommended Budget includes the following change in position:

- Delete 1.0 FTE Duplicating Equipment Operator

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 located in Vacaville 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 area, helicopter parking, County-owned hangars, ground lease space for privately-owned hangars, and office space for airport tenants, businesses and events. The Airport also leases space to a private business serving as Fixed Base Operators (FBO) for the supply of aviation gas and jet fuel to airport users. The Airport Manager is responsible for securing Federal Aviation Administration (FAA) grant funds and implementing capital projects funded primarily by grants at the Airport. County staff maintains the airport facility.

SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

- Hosted an Air Fair in October 2010 at the Airport, together with the Travis Air Museum, to provide the general public with the opportunity to visit a local airport and to observe flybys by military, war-bird, experimental and antique aircraft and P-51 Mustang airplanes.
- Obtained approval for a Trademark License Agreement with Vacaville Redevelopment Agency for use of the historical Nut Tree logo at the Airport.
- Obtained a loan from the County General Fund in the amount of \$862,617 to finance a prior year budget deficit, unanticipated expenses in FY2010/11, the cost of the land exchange for the Buzz Oates property, to partially finance the removal of trees on Airport property, and to finance a portion of Phase II of the Nut Tree Airport 2011 Master Plan.
- Obtained an additional loan commitment of \$530,000 from the County General Fund for FY2011/12 to pay for the completion of the Airport Master Plan and an Environmental Impact Report.
- Received final reimbursement from the FAA for the acquisition cost of 26.8 acres of real property purchased in 2008.

WORKLOAD INDICATORS

- Manage the leasing of 67 County-owned hangars.
- Administer 16 corporate ground leases, 23 private ground leases, and an average of 40 airplane tie downs.

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget for the Airport of \$1,368,666 represents an overall increase of \$227,774, or 19.6%, in revenues and a decrease of \$327,033, or 19.3%, in expenditures when compared to FY2010/11 Adopted Budget. Fund Balance is projected to increase by \$21,626.

Exclusive of Long-Term Debt Proceeds approved for FY2011/12 project needs, the primary funding sources for the Nut Tree Airport are:

- Revenue from leases and rentals of \$448,440, which are projected with a small increase of \$15,120 from the previous fiscal year. These revenues cover receipts from ground leases, hangar and office rentals, building rentals and other leases, such as cell tower rentals.
- Property tax revenues of \$233,591, which show an increase of \$2,642 when compared to the previous year's Adopted Budget. However, comparison with actual property tax revenues received in the current fiscal year reflects a decrease of 3%.
- Charges for services of \$119,400, which are estimated to be \$40,710 less than the previous fiscal year mainly due to a reduction of \$16,350 in flowage fees paid by the Fixed Based Operator on the amount of fuel delivered at the Airport and the loss of fees from a percentage of revenues received from a helicopter repair company that is moving out of the Airport.

The primary costs for the Airport are:

- Salary and benefits of \$312,462 which are lower by \$93,182 from the previous fiscal year as a result of the reduction/transfer of a Facilities Operations Supervisor position. The savings are net of increases in workers compensation

and unemployment insurance rates and the addition of appropriations for overtime to cover periodic requirements that may result from the position elimination.

- Other professional services of \$530,000; there was no amount budgeted for this line item in FY2010/11. These appropriations cover the costs of two contracts: \$355,000 to complete Phase II of the Airport Master Plan and \$175,000 to conduct the Environmental Impact Report for the Master Plan.
- Countywide Administration Overhead of \$218,891, which shows a reduction of \$192,385, due to a decrease in allocable costs by central services departments.

DEPARTMENT COMMENTS

The Recommended Budget includes the transfer of 1.0 FTE Facilities Operations Supervisor position from the Airport to the Facilities Maintenance Division to mitigate a projected operating deficit in FY2011/12 and to re-align staffing resources with changes to the Airport's operations. In May 2009, the County executed a Fixed Base Operator (FBO) lease and concession agreement for Mountain West Aviation – VCB, LLC to provide operation and maintenance of the existing fuel facility at the Airport. This agreement eliminated the need to have an Airport staff available seven days a week to provide fueling service to aircrafts at the Airport. While the need for limited maintenance at the Airport remains, this can be performed by one full time maintenance worker, with supplemental assistance to meet peak and seasonal requirements.

The Facilities Maintenance Division provides facilities maintenance for all County facilities, including the Airport. Due to budgetary reductions, the Division has lost positions at the same time that new County buildings are being placed in service. The transfer of the position from the Airport will provide the Facilities Maintenance Division with additional capacity for building maintenance and operations. It will also provide maintenance support for peak and seasonal needs at the Airport, as required.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Taxes	246,828	230,949	233,591	2,642	1%
Revenue From Use of Money/Prop	435,249	433,320	448,440	15,120	3%
Intergovernmental Rev State	34,008	3,955	3,970	15	0%
Intergovernmental Rev Federal	181,614	278,900	0	(278,900)	(100%)
Intergovernmental Rev Other	46,849	45,379	45,391	12	0%
Charges For Services	869,044	160,110	119,400	(40,710)	(25%)
Misc Revenue	24,301	9,905	9,500	(405)	(4%)
Other Financing Sources	143,070	0	530,000	530,000	0%
TOTAL REVENUES	1,980,963	1,162,518	1,390,292	227,774	20%
APPROPRIATIONS					
Salaries and Employee Benefits	400,106	405,644	309,621	(96,023)	(24%)
Services and Supplies	1,193,634	212,081	790,581	578,500	273%
Other Charges	425,141	486,612	252,302	(234,310)	(48%)
F/A Bldgs and Imprmts	58,005	0	0	0	0%
Other Financing Uses	71,056	58,181	13,321	(44,860)	(77%)
TOTAL APPROPRIATIONS	2,147,942	1,162,518	1,365,825	203,307	17%
NET GAIN(LOSS)	(166,978)	0	24,467	24,467	0%

SUMMARY OF SIGNIFICANT ADJUSTMENTS

- The FY2011/12 Requested Budget includes an increase of \$578,500 in Services & Supplies primarily to cover the cost of funding the completion of the Nut Tree Airport Master Plan-Phase II and the associated Environmental Impact Report.
- Countywide Administrative Overhead Charges have decreased by \$191,537 from the prior fiscal year and Operating Transfers Out to the special revenue fund decreased by \$41,138 due to the payoff of the 15-year State loan for the construction of hangars.
- Intergovernmental Revenues reflect no funding (a decrease of \$278,900) from the FAA for projects. Individual projects that

are later approved for funding by the FAA will be presented to the Board under separate cover. Revenues also reflect an increase of \$530,000 in loan proceeds from the General Fund to finance the completion of the Master Plan-Phase II.

SUMMARY OF POSITION CHANGES

The Recommended Budget recommends the following changes:

- Reduce/transfer 1.0 FTE Facilities Operations Supervisor (transferred to Facilities Maintenance Division (budget unit 1651)

PENDING ISSUES AND POLICY CONSIDERATIONS

Each year, the FAA accepts grant applications to fund projects included in the Airport Capital Improvement Plan (ACIP). The applications are reviewed by the FAA with key importance being placed on improving the safety and viability of the Airport. Through this process, the FAA establishes and prioritizes the projects which will receive federal funding. The following six grant applications totaling \$16,729,505 were requested for federal FY2011:

- West Side Land Acquisition - \$9,405,263
- Northeast Taxi-lanes and Development (Phase I) - \$315,789
- Runway Rehabilitation and Lighting - \$526,316
- Perimeter Fencing - \$366,421
- Land Acquisition/Easement for Approaches - \$3,204,455
- Southeast Apron and Helicopter Parking - \$2,909,261

Due to limited funding available during each federal fiscal year cycle, only a certain number of grant applications are approved for funding each year. Applications that are not funded in this cycle will be re-submitted for funding in the next cycle.

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.

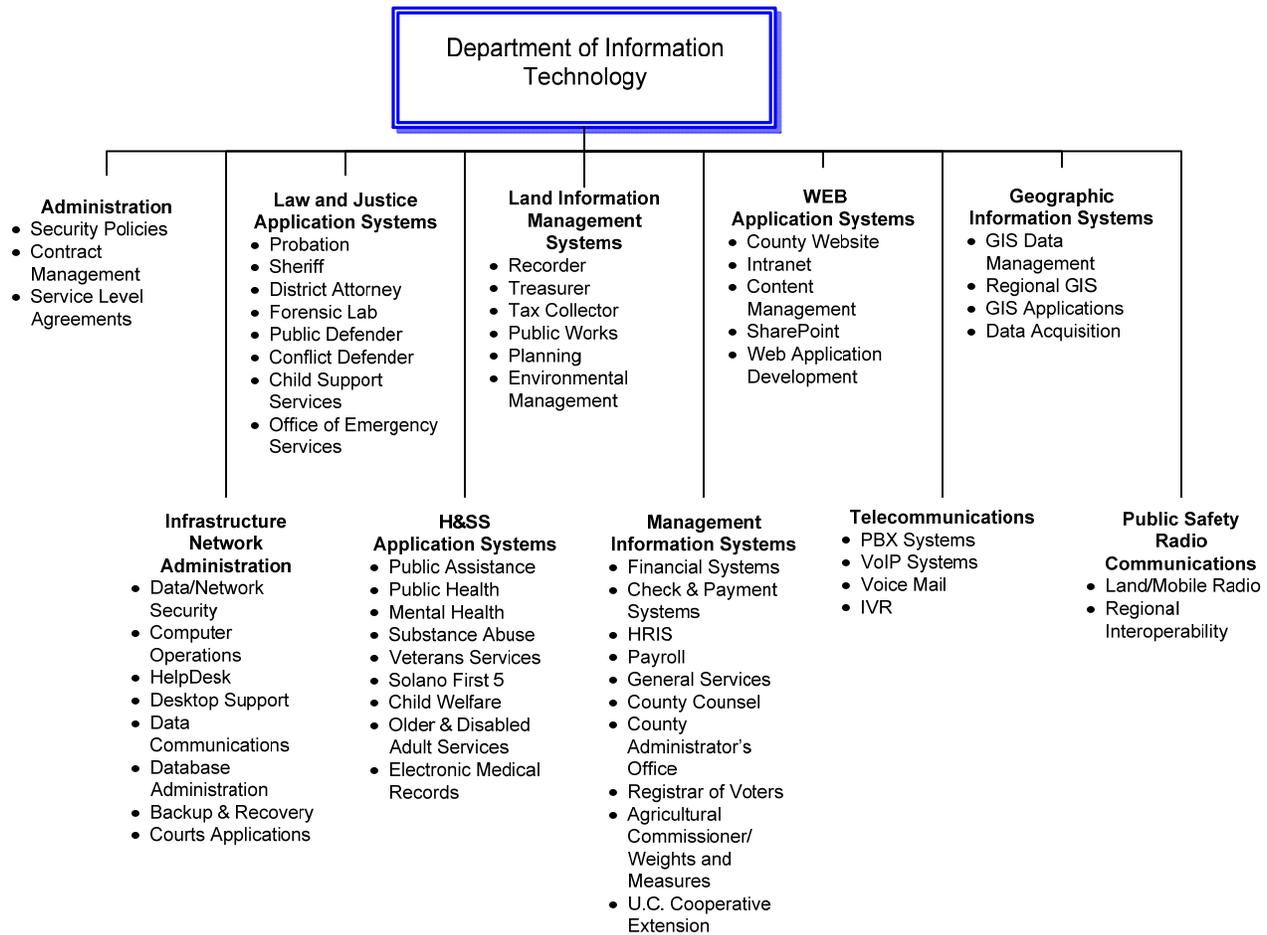
DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	324	0	0	0	0%
Other Financing Sources	59,998	41,138	0	(41,138)	(100%)
TOTAL REVENUES	60,323	41,138	0	(41,138)	(100%)
APPROPRIATIONS					
Other Charges	59,998	41,138	0	(41,138)	(100%)
Other Financing Uses	143,070	0	0	0	0%
TOTAL APPROPRIATIONS	203,069	41,138	0	(41,138)	(100%)
NET GAIN(LOSS)	(142,746)	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 Requested Budget for Special Aviation in FY2011/12.

SUMMARY OF POSITION CHANGES

There are no positions associated with this budget.



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:	
FY2010/11 Third Quarter Projection:	18,540,349
FY2011/12 Recommended:	18,952,365
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 FTEs in 2004. With the reductions taken in FY2010/11, the DoIT available workforce is now down to 86.5 FTEs (42 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

- Automated the County's Personnel Action Form (PAF) to reduce paper and labor intensive manual processes, improve timeliness and improve management controls.
- Upgraded the PayBase applications to provide enhancements for check fraud avoidance, improve bank reconciliation, and improve printing, especially H&SS client checks, in the remote service locations.
- Automate the "Procure to Pay" business process starting with the Sheriff's purchasing process to create purchase orders and automatically forward them for approval using workflow. This also tracked the purchase order (PO) approval process and significantly reduced the PO cycle time by streamlining the approval process flow.
- Continued to deploy and maintain a total of 60 Documentum-based imaging applications to significantly reduce paper storage requirements and minimize search and retrieval of documents in various departments.

New System Development and Implementation

- Created a web-based application, eRoster, used by precincts during elections to electronically verify voter registration and if authorized to vote in the precinct, making the process more efficient and reducing election worker errors.
- Created a web-based application for Solano Grown, a partnership of Solano County farmers and ranchers who produce and market agricultural products grown in Solano County. The site provides better exposure to County producers in their marketing efforts.
- Co-manage with H&SS the acquisition and began implementation of Electronic Health Record (EHR) Systems for H&SS Public Health Family Health Services, Public Health Nursing, and Mental Health. 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.
- Managed 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.
- Completed a full business cycle on the new Solano County Integrated Property System (SCIPS). Property Systems Division successfully completed the migration of SCIPS in February 2010. This new system significantly modernizes the end-user experience through the use of current state of the art development tools. Over the first full year in operation, IT staff closed 82% of the 540 reported issues since going live.
- Implemented processes and software to automate and integrate the Assessor map update process to provide direct updates to the GIS parcel fabric.
- Began implementation of the Intellitime system to improve payroll processing controls, improve productivity, enable time-study enhancements and assist in the scheduling of staff resources.
- Infrastructure Improvements include:
 - Modernized the e-mail infrastructure by implementing new versions of Exchange 2010 and BlackBerry Enterprise Server.
 - Implemented enterprise fax services.

- Improved e-mail and media encryption services were implemented to greatly enhance the security of sensitive, personal information.
- Completed the data network and telecommunications build-out for the Twin Campus Project.
- Plan, design and implement the data network and telecommunications for the William J. Carroll Government Center, Claybank Security Upgrade, and Claybank AB 900 projects.
- Implemented the infrastructure to support the medical records projects in H&SS and the document imaging project for Employment and Eligibility Services.

WORKLOAD INDICATORS

- During the period of March 1, 2010 to February 22, 2011, there were nine Priority 1 Incidents, 23 Priority 2 Incidents, 1,007 Priority 3 Incidents, and 7,040 Priority 4 Incidents reported to the Helpdesk and resolved within published service level targets.
- 290 servers, of which 185 are physical and 105 are virtual, and over 100 terabytes were maintained in operation and exceeded the 99.9% system availability service level threshold.
- Over 4,000 computers, 4,000 telephones, 1,500 printers, and 650 network devices are supported across 32 wide-area network locations.

Ira Rosenthal, Chief Information Officer
Functional Area Summary

1870-Department of Information Technology
Other General

DETAIL BY REVENUE AND APPROPRIATION FUNCTIONAL AREA	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Administration	849,538	763,615	760,627	(2,988)	(0%)
Infrastructure	8,879,095	7,806,988	7,969,765	162,777	2%
Law & Justice Application Systems	656,805	642,378	628,710	(13,668)	(2%)
H&SS Application Systems	1,096,186	1,252,106	1,256,068	3,962	0%
Management Information Systems	1,547,349	2,303,361	2,291,876	(11,485)	(0%)
Land Information Management Systems	1,280,231	2,410,853	2,403,597	(7,256)	(0%)
WEB Application Systems	734,046	680,640	682,660	2,020	0%
Geographic Information Systems	822,844	1,006,249	1,073,884	67,635	7%
Telecommunications	338,925	2,226,886	2,446,629	219,743	10%
Public Safety Radio Communications	0	353,549	454,703	101,154	29%
TOTAL REVENUES	16,205,019	19,446,625	19,968,519	521,894	3%
APPROPRIATIONS					
Administration	853,259	759,079	756,793	(2,286)	(0%)
Infrastructure	8,530,296	8,407,537	8,211,171	(196,366)	(2%)
Law & Justice Application Systems	654,816	638,521	627,904	(10,617)	(2%)
H&SS Application Systems	1,142,993	1,244,722	1,244,929	207	0%
Management Information Systems	1,441,715	2,296,557	2,005,616	(290,941)	(13%)
Land Information Management Systems	1,574,244	2,402,717	1,581,633	(821,084)	(34%)
WEB Application Systems	631,007	676,830	682,912	6,082	1%
Geographic Information Systems	731,865	1,005,219	1,073,203	67,984	7%
Telecommunications	18,195	2,079,484	2,319,068	239,584	12%
Public Safety Radio Communications	0	524,960	449,136	(75,824)	(14%)
TOTAL APPROPRIATIONS	15,578,390	20,035,626	18,952,365	(1,083,261)	(5%)
NET GAIN (LOSS)					
Administration	3,721	(4,536)	(3,834)	702	(15%)
Infrastructure	(348,799)	600,549	241,406	(359,143)	(60%)
Law & Justice Application Systems	(1,989)	(3,857)	(806)	3,051	(79%)
H&SS Application Systems	46,807	(7,384)	(11,139)	(3,755)	51%
Management Information Systems	(105,634)	(6,804)	(286,260)	(279,456)	4107%
Land Information Management Systems	294,013	(8,136)	(821,964)	(813,828)	10003%
WEB Application Systems	(103,039)	(3,810)	252	4,062	(107%)
Geographic Information Systems	(90,979)	(1,030)	(681)	349	(34%)
Telecommunications	(320,730)	(147,402)	(127,561)	19,841	(13%)
Public Safety Radio Communications	0	171,411	(5,567)	(176,978)	(103%)
TOTAL NET GAIN (LOSS)	(626,629)	589,001	(1,016,154)	(1,605,155)	(273%)
STAFFING					
Administration	7	5	5	0	0%
Infrastructure	0	0	0	0	0%
Law & Justice Application Systems	5	4	4	0	0%
H&SS Application Systems	10	10	10	0	0%
Management Information Systems	7	7	5	(2)	(29%)
Land Information Management Systems	9	9	9	0	0%
WEB Application Systems	5	4	4	0	0%
Geographic Information Systems	1	1	1	0	0%
Telecommunications	0 *	3 *	2	(1)	(33%)
Public Safety Radio Communications	0 *	2 *	2	0	0%
TOTAL STAFFING	44	45	42	(3)	(7%)

* Communications was consolidated with DoIT in FY2010/11.

DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget of \$18,952,365 for DoIT reflects an increase of \$521,894 or 2.7% in revenues and a decrease of \$1,083,261 or 5.4% in expenditures when compared to the FY2010/11 Adopted Budget. As a net result, the projected increase in the ending Fund Balance is \$1,016,154.

The Department is an Internal Service Fund and as such, its only funding source is through charge back rates for services to all departments. Due to countywide budget constraints, DoIT has reduced staff, minimized infrastructure investments and software upgrades, focused support on maintenance of current systems and their upgrades, enhancements or replacements, and limited development of new systems to those that enhance County users' capabilities with limited increases or actual decreases in support or production costs.

The increase in revenues is primarily the result of Voice Over Internet Protocol (VoIP) expansion charges and Pictometry aerial photography service charges to other agencies. Pictometry is used by the Assessor's Office, Agricultural Commissioner's Office and outside agencies.

The primary cost centers include Infrastructure, Law and Justice Application Systems, Health and Social Services Applications Systems, Administration, Management Information Systems, Land Information Management Systems, Web Applications, Geographic Information Systems, Telecommunications, and Public Safety Radio Communications.

Infrastructure consists of \$4,373,643 in contract staffing (ACS), \$431,540 in County cost allocations for Administrative Overhead, Building Use, and Insurances, with \$3,405,988 for software licenses, hardware, and communications services. Infrastructure functions include Network Administration, Data Communications, Network Security, Computer Operations, Help Desk, Desktop Support, Database and Operating Systems Administration, Data Storage Management, Backup and Recovery, and Application Software for Solano Superior Court.

Major maintenance contracts for Infrastructure include \$262,000 for Microsoft Office Software, \$100,000 for PGP Encryption software and \$214,000 for Oracle database software. New fixed assets purchases required to refresh equipment include replacement of network devices and servers of \$505,000, and increased Storage Area Network devices of \$105,000. Software includes \$115,000 in Microsoft software tools to manage and administer the network.

Other cost centers are Applications Services, which provide software application development and management, contract management, project management, support for production processes, implementations of software patches and upgrades, business systems processes improvement, and public access to information and services. These cost centers are Law and Justice Support, H&SS Support, Administration, MIS, Land Information (SCIPS), Web, and GIS. They consist of \$5,147,494 for staffing, \$470,804 in Contractor (ACS) cost, \$454,568 in County cost allocations for Countywide Administrative Overhead, Building Use, Insurances, and \$2,127,800 for hardware, software and other third party services. In addition, the SCIPS migration project loan repayment is \$818,090 in revenue for DoIT.

Major contracts within the Applications Services cost centers include \$500,000 for a required PeopleSoft upgrade as the current version is at end-of-life, \$100,000 for an IFAS upgrade, \$252,800 for PeopleSoft maintenance, \$115,000 for IFAS maintenance, \$100,000 for SCIPS hardware upgrade (IBM), and \$210,000 for Pictometry (aerial photograph mapping).

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. They consist of \$512,784 in staffing, \$116,833 in County Countywide Administrative Overhead, Building Use, and Insurances, \$137,240 for an ACS VOIP engineer, \$54,740 for Radio sub-contractors, \$1,618,420 as pass-through telephone usage, voicemail and other charges, and \$328,187 for hardware, software and vendor services.

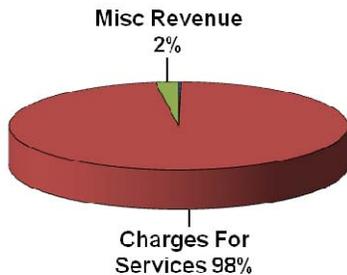
Major contracts within the communications cost centers include \$100,000 for cabling, \$918,360 to AT&T for phone usage, \$209,635 for Cisco call manager software, and \$371,712 for Cisco phones.

Overall, the \$1,083,261 reduction in expenditures is primarily the result of a \$190,394 decrease in Salaries and Benefits resulting from reductions in staffing; \$248,405 increase in Services and Supplies primarily the result of increases in software including maintenance and support and VoIP equipment for the H&SS expansion project; \$722,794 decrease in long-term notes payable for the SCIPs migration project as this is now included in data processing charges; and \$406,715 decrease in County Administrative Overhead.

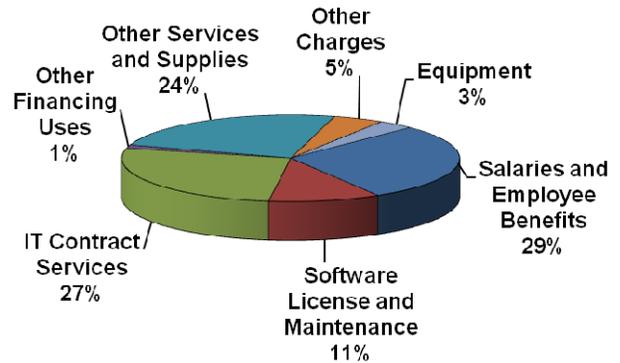
DEPARTMENT COMMENTS

In an effort to contribute to reducing the County structural deficit, DoIT accepted two employee PARS Supplementary retirements. 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, workload increases due to reduced staff will cause delays in hardware, software, and system maintenance and repairs, and may lead 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	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	159,931	51,000	39,200	(11,800)	(23%)
Charges For Services	16,751,903	19,327,625	19,492,607	164,982	1%
Misc Revenue	359,999	68,000	436,712	368,712	542%
Other Financing Sources	45,155	0	0	0	0%
Residual Equity Transfers	338,925	0	0	0	0%
TOTAL REVENUES	17,655,912	19,446,625	19,968,519	521,894	3%
APPROPRIATIONS					
Salaries and Employee Benefits	4,993,709	5,608,743	5,418,349	(190,394)	(3%)
Services and Supplies	9,435,437	11,273,270	11,521,675	248,405	2%
Other Charges	1,285,204	2,043,114	910,777	(1,132,337)	(55%)
F/A Bldgs and Imprmts	6,781	0	0	0	0%
F/A Equipment	536,421	822,200	650,000	(172,200)	(21%)
F/A - INTANGIBLES	94,261	47,296	209,635	162,339	343%
Other Financing Uses	143,345	241,003	241,929	926	0%
TOTAL APPROPRIATIONS	16,495,158	20,035,626	18,952,365	(1,083,261)	(5%)
NET GAIN(LOSS)	1,160,755	(589,001)	1,016,154	1,605,155	(273%)

SUMMARY OF SIGNIFICANT ADJUSTMENTS

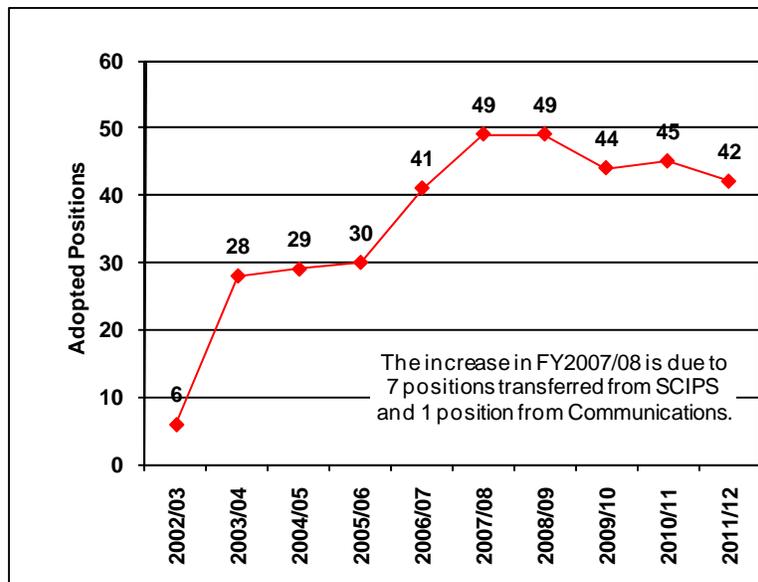
Significant adjustments include expenditure decreases of \$190,394 in Salaries and Benefits due to reductions in staffing, \$128,587 in consulting and contracting services, \$247,958 in data processing services provided by ACS, and \$406,715 in Countywide Administrative Overhead.

SUMMARY OF POSITION CHANGES

Reductions in the department's position allocations are provided below.

- In April 2011, the following positions in the Management Information System Division were deleted as a result of PARS Supplementary retirements:
 - 1.0 FTE Systems and Programming Manager
 - 1.0 FTE Senior Systems Analyst Position
- The following position is recommended for deletion on July 1, 2011:
 - 1.0 FTE vacant Communications Supervisor position in the Telephone Services Division is recommended for deletion. This position became vacant in December 2010 due to a retirement and duties have been re-assigned to existing staff.

STAFFING TREND



PENDING ISSUES AND POLICY CONSIDERATIONS

Federal Regulation – OMB circular A87 requires that capital assets be charged back to user departments based on the depreciation rather than on a cash basis when the expense is actually incurred. The implementation of GASB 51, *Accounting and Financial Reporting for Intangible Assets*, requires that intangibles such as software (both purchased and internally developed) should be classified as capital asset if it meets the threshold criteria. Since only the depreciation portion of the capital assets are recoverable from the user departments in a given year, this puts a significant burden on the Department's cash flow 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.

DETAIL BY REVENUE AND APPROPRIATION OTHER ADMINISTERED BUDGETS	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
1600-Communications	1,804,898	0	0	0	0%
APPROPRIATIONS					
1600-Communications	2,467,684	0	0	0	0%
NET GAIN (LOSS)					
1600-Communications	662,786	0	0	0	0%

The Department's respective 'other' budget units follow.

DEPARTMENTAL PURPOSE

The Communications budget has been moved under the Department of Information Technology. The budget is now a Division of the Department of Information Technology.

DEPARTMENT BUDGET SUMMARY

Communications was incorporated as a division of the Department of Information Technology (budget unit 1870) in FY2010/11.

DETAIL BY REVENUE CATEGORY AND APPROPRIATION CATEGORY	2009/10 ACTUALS	2010/11 ADOPTED BUDGET	2011/12 CAO RECOMMENDED	FROM ADOPTED TO RECOMMENDED	PERCENT CHANGE
REVENUES					
Revenue From Use of Money/Prop	40,307	0	0	0	0%
Charges For Services	1,715,641	0	0	0	0%
Misc Revenue	48,949	0	0	0	0%
TOTAL REVENUES	1,804,897	0	0	0	0%
APPROPRIATIONS					
Salaries and Employee Benefits	693,443	0	0	0	0%
Services and Supplies	1,243,180	0	0	0	0%
Other Charges	63,777	0	0	0	0%
F/A Equipment	13,265	0	0	0	0%
Other Financing Uses	36,850	0	0	0	0%
Residual Equity Transfers	338,925	0	0	0	0%
TOTAL APPROPRIATIONS	2,389,440	0	0	0	0%
NET GAIN(LOSS)	(584,543)	0	0	0	0%
STAFFING					
Communications	7	0	0	0	0%