



County of Yolo

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- Financial Leadership
- Budget & Financial Planning
- Treasury & Finance
- Tax & Revenue Collection
- Financial Systems Oversight
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Date: December 9, 2019

To: Yolo County Community Corrections Partnership

From: Tom Haynes, Assistant Chief Financial Officer

Subject: Community Corrections Partnership 2020-21 Budget Proposal

At the November 18, 2019 meeting of the Community Corrections Partnership (CCP), the Department of Financial Services presented an update on the 2019-20 CCP budget, which reflected a \$625,000 reduction in revenues due to lower sales tax growth at the statewide level, and a lower allocated share to Yolo County. However, the fiscal update also showed that beginning fund balances in 2019-20 were \$1 million greater than originally anticipated due to underspending in various line items in the prior fiscal year.

Analysis of prior year trends indicates that CCP expenditures in recent years have ended the year lower than budgeted amounts, due primarily to vacancy savings in Probation and lower expenditures on treatment contracts. While this dynamic has resulted in higher fund balances than are projected each year, it also ties up CCP resources that could be repurposed for other uses. As the County approaches the 2020-21 budget process, which is slated to begin in January, it is important for the CCP to consider their budgetary approach for the upcoming fiscal year. Attached to this memo is a proposed budget scenario for the CCP's review and consideration.

The proposed budget scenario for 2020-21 adjusts baseline expenditures to be more in line with historical trends. This is consistent with the base budget approach being implemented County-wide. As a result, the projected ending fund balance for 2020-21 is approximately \$1.3 million, significantly more than projected in prior years. Of this amount, the budget scenario proposes to allocate \$400,000 to the CCP reserve, which was established in 2016 but has never been funded. This would leave approximately \$915,000 in fund balance available for allocation by the CCP.

Staff is requesting that the CCP provide feedback on the proposed 2020-21 budget scenario at the December 9, 2019 meeting. If approved, the CCP should also consider a process for allocating the remaining \$915,000 in fund balance. One option would be to have departments submit funding proposals that could be considered at the February CCP meeting. Such a process would allow the CCP to evaluate and prioritize funding proposals based on relevant criteria, such as support for strategic plan goals or evidence-based practices.

**Community Corrections Partnership
2020-21 Proposed Base Budget**

Category	2016-17 Actual	2017-18 Actuals	2018-19 Actual	2019-20 Budget	2019-20 Projected	2020-21 Proposed
Beginning Fund Balance	2,172,429	1,081,865	1,290,606	651,638	1,689,700	1,498,260
Revenue						
Base	7,015,790	7,495,628	7,919,194	8,537,052	8,249,981	8,579,980
Growth	221,316	644,623	347,977	507,598	132,618	191,235
Innovation Fund	(22,132)	(64,462)	(34,798)	(50,760)	(13,262)	(19,123)
Other Revenue	5,958	18,397	28,969	0	0	0
Total Revenues	7,220,932	8,094,186	8,261,343	8,993,890	8,369,337	8,752,091
Expenditures						
District Attorney	577,659	476,256	496,422	468,046	468,046	486,768
Library	12,044	12,942	13,460	13,998	13,998	14,558
Probation	3,299,879	3,165,034	3,266,423	4,042,318	3,601,994	3,732,885
Public Defender	185,080	144,167	149,934	155,931	155,931	162,168
Sheriff	3,018,536	3,094,285	3,059,425	3,217,687	3,217,687	3,433,339
Day Reporting Center	583,346	584,217	588,469	620,000	600,000	600,000
Treatment	304,953	362,290	191,292	540,362	350,000	350,000
Local Police Depts.	330,000	0	0	0	0	0
IGT House	0	35,773	40,770	35,550	35,550	35,550
Court Portal	0	10,480	0	9,000	9,000	9,000
CCP Analyst	0	0	54,701	58,571	58,571	60,914
Justice MH Grant Match	0	0	0	0	50,000	50,000
Total Expenditures	8,311,497	7,885,445	7,860,896	9,161,463	8,560,777	8,935,182
<i>Net Revenue</i>	<i>(1,090,564)</i>	<i>208,741</i>	<i>400,446</i>	<i>(167,573)</i>	<i>(191,440)</i>	<i>(183,091)</i>
Ending Fund Balance	1,081,865	1,290,606	1,691,052	484,065	1,498,260	1,315,169

Proposed Allocation to CCP Reserve (400,000)

Net Remaining Balance for Allocation	915,169
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Key Assumptions

1. 4% growth in salary & benefits applied for 2020-21.
2. 5% salary savings applied to Probation starting in 2019-20 based on historical trend.
3. Sheriff one-time reduction of \$90,000 in 2019-20 restored in 2020-21.
4. Treatment contracts reduced to \$350,000 based on historical trend.
5. Day Reporting Center reduced to \$590,000 based on historical trend.
6. Two new specialty court position (Deputy Parole Officer II and BH Case Manager) removed.
7. Mental Health grant match added to 2020-21. Match will be \$50k in 2021-22 and \$100k in 2022-23.
8. Reserve allocation reflects minimum target level of 5% of average expenditures over past 3 years.