



COUNTY OF YOLO

Office of the County Administrator

Daniel Kim
Interim County Administrator

625 Court Street, Room 202 ▪ Woodland, CA 95695
Phone: (530) 666-8042 ▪ Fax: (530) 668-4029
www.yolocounty.org

Jenny Tan
Public Information Officer
Jenny.Tan@yolocounty.org

FOR IMMEDIATE RELEASE
June 4, 2021

Contact: Jenny Tan, Public Information Officer
Email: jenny.tan@yolocounty.org

2021-22 Recommended Budget and 2020-21 Annual Report Now Available

(Woodland, CA) - Today, Yolo County released its 2021-22 Recommended Budget and 2020-21 Annual Report. The Board of Supervisors will consider the recommended budget on June 15. Total expenditures for the County are recommended in the amount of \$526,245,540 with general purpose revenues of \$86,309,117, which represents an increase of \$1,796,774 or 2.1% from the 2020-21 fiscal year-end estimated general purpose revenues. Capital expenditures are recommended at \$46,617,196. These increases are expected to be offset by slight increases in most revenues. The Recommended Budget proposes eliminating or defunding 20 full time equivalent (FTE) positions while adding 25 FTE positions, for a net increase of 5 FTE positions. 10 FTE positions that will be added back have been vacant since 2020 and the start of the COVID-19 pandemic.

Of significant note, the County will have an infusion of approximately \$42.8 million over the next few years due to the American Rescue Plan (ARP), which is a federal stimulus plan approved by the Congress of the United States and President Biden that provides \$350 billion of stimulus funding to State and Local Governments out of the \$1.9 trillion-dollar bill. These funds are available for use and can be expended between March 2021 and December 2024. The County approved principles for the use of ARP funds in March 2021 with the direction to treat the funds as one time. Accordingly, even as ARP funding makes available significant federal resources, the County should avoid depending on it to balance the operating budget.

The Recommended Budget aligns with the Board of Supervisors Adopted Fund Balance and Reserve Policy, funds a General Fund contingency, prioritizes focus areas within the 2020-2025 Strategic Plan, and supports long term financial planning; however, the 2021-22 fiscal year includes many known budget risks including use of a higher than normal assumption of General Fund carryforward balance. The County will be utilizing grant funds, State and Federal revenues, and numerous fees that are paid in exchange for providing requested services to the public to help offset costs.

Total unfunded liabilities continue to be of significant concern. The pension liability of \$350,245,214 has more than doubled within the last four years despite pension reform lowering the formula for new employees. This cost increase is due to changes in CalPERS' assumed investment earnings, changes in accounting methodology and revised assumptions of higher age retirement. This amount will continue to increase as CalPERS phases in a change from a 30-year

amortization to a 20-year amortization for payment of the unfunded liability. The retiree health liability continues to see reductions due to the ongoing efforts of the Board-approved pre-funding plan with the most recent 2020 actuarial study showing an unfunded liability of \$65,180,000. This is down from \$153,091,000 in 2014. The road maintenance liability of \$477,000,000 has yet to be fully addressed, though SB 1 has substantively strengthened road maintenance investment in the county.

“These are unprecedented times for Yolo County. The pandemic has generated significant economic disruption and fiscal uncertainty over the past year. At the same time, the one-time federal American Rescue Plan funds offer Yolo County a once-in-a-lifetime opportunity to make community investments to transform the county,” said Interim County Administrator Daniel Kim. “To make the most of this opportunity, we plan to take a “measure twice, cut once” approach to budget development so we can more thoughtfully consider how to make the best use of these one-time funds. This recommended budget is the product of many dedicated county staff who have produced this document largely in a remote environment, while remaining true to the “Yolo Way” of collaboration, cooperation and coordination of effort. I am grateful for the Board’s long-term vision and continuous efforts to strengthen the County’s fiscal resilience.”

Once adopted, the recommended budget will serve as the interim spending plan until the adopted budget hearings can be completed in September following adoption of the state budget. The 2021-22 recommended budget is available online at: www.yolocounty.org/budget-finance.

###