



COUNTY OF SAN BENITO, Financial Report Q3 – FY2022

Prepared for: The Board of Supervisors, County Administrative Officer, and Department Heads

Preamble: At the third quarter of a fiscal year, 75% of the year has elapsed. Each performance metric in this report focuses on measuring the variance from the 75% expected baseline of the budget. Government revenues and expenditures can be cyclical but may also change based on one-time items, timing/recognition, and accounting procedures. Year-to-date (YTD) amounts are represented as of 03/31/2022 for fiscal year (FY) 2022.

Budget Performance:

The County of San Benito budget performance for the third quarter of FY2022 is as follows:

County of San Benito

Budget Performance (Expenditures) through 03/31/2022

Fund	Amended Budget	YTD Amount	% Expended
General Fund ¹	65,074,207	39,913,977	61%
Special Revenue Funds	107,405,070	43,986,653	41%
Capital Projects Funds	20,100,302	10,217,428	51%
Special Districts & Other Agencies ²	1,570,192	492,483	31%
Enterprise Funds	6,399,144	5,561,913	87%
Total	200,548,915	100,172,454	50%

Notes:

1. General Fund includes OPEB and Risk Management budget and actual amounts.
2. Includes County Service Areas and Community Facilities Districts (previous reports included these under Special Revenue Funds).

The table above represents the amended budget as of March 31, 2022. Budget amendments are brought to the Board of Supervisors throughout the year to revise the budget for cost savings and unforeseen events as needed.

With 75% of the year expired, the County of San Benito has expended 50% of its total budget.



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General Tax Revenues:

County of San Benito Tax Revenues through 03/31/2022

Revenue	Amended Budget	YTD Amount	% Earned
Property Tax	18,720,000	10,896,727	58%
Sales and Use Tax ¹	2,409,908	2,275,788	94%
Prop 172 Sales Tax ²	4,236,156	3,679,084	87%
Documentary Transfer Tax	675,000	772,700	114%
Business License Tax	325,000	20,821	6%
Transient Occupancy Tax ³	204,000	244,189	120%
Aircraft Tax	50,000	67,313	135%
Total	26,620,064	17,956,622	67%

Notes:

1. Sales tax distributions from the State of California occur approximately 2 months in arrears.
2. Proposition 172 funds are designated for public safety services.

As of 03/31/2022, property tax revenues were at 58% of year-end estimates. Property taxes in lieu of vehicle licenses fees are normally recognized in January and May of each fiscal year

Sales and Use Tax revenues were approximately 94% of year-to-date estimates. Revenue distributions from the State of California occur approximately two months in arrears and the County is expecting to be closer to 100% of year-end estimates when adjusting for two additional months of sales tax payments.

General Fund Salary & Benefits Expenditures: County of San Benito

General Fund Salary & Benefit¹ Details through 03/31/2022

Expenditure	Amended Budget	YTD Amount	% Expended
Regular Salaries	20,450,739	12,849,838	63%
Temporary Wages	1,419,136	770,926	54%
Overtime	595,500	606,681	102%
Payroll Taxes	1,491,824	751,039	50%
Pension (PERS)	6,006,665	4,191,500	70%
Medical Insurance	3,204,911	2,100,412	66%
Total	33,168,775	21,270,396	64%

Notes:

1. This table does not include OPEB Pre-funding, and unemployment costs.

Total expenditures on salaries and benefits in the General Fund compared to the amended budget are at 64% through quarter three.



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General Fund Overtime Expenditures by Department:

County of San Benito

General Fund Department Overtime through 03/31/2022

Department	Overtime Budget	YTD Amount
Information Technology	5,000	1,802
Administration	-	30
Internal Services	-	883
Elections	-	5,084
County Clerk	-	4,521
Recorder	-	382
Auditors Office	-	144
Treasurer's Office	-	17
Tax Collector	-	68
Sheriff - Operations	252,000	224,300
Sheriff - Communications	-	676
Sheriff - UNET Anti-Drug Task Force	1,500	2,249
Sheriff - Grants	10,000	2,700
Sheriff - Jail	235,000	277,615
District Attorney	-	1,084
Probation --Operation	20,000	10,152
Probation - Juvenile Hall	45,000	38,046
County Library	15,000	4,810
Agricultural Commissioner	12,000	4,188
RMA - Planning	-	21,578
RMA - Maintenance	-	1,672
RMA - Administration & Engineering	-	3,722
RMA - Recreation	-	957
Total	595,500	606,681

Each department is treated as a standalone budgetary unit for purposes of overtime expenditures and allocations. Many of the departments have varying overtime expenditures throughout the year due to turnover or unforeseen events. Department Heads are expected to absorb overtime costs within their budgetary allocation. As of March 31, 2022, no department above has reached their total board approved salaries and benefits appropriations limit.



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Other Funds Salary & Benefits Expenditures:

County of San Benito

Other Funds Salary & Benefits¹ Expenditures through 03/31/2022

Fund	Amended Budget	YTD Amount	% Expended
Road Fund	1,490,483	747,799	50%
HHSA	12,964,376	7,542,856	58%
Public Authority	248,808	127,184	51%
Public Health	6,322,930	2,661,479	42%
Behavioral Health	7,165,361	3,598,014	50%
Substance Abuse	1,367,296	878,883	64%
Child Support	1,227,848	759,580	62%
CSWD	2,137,788	1,057,763	49%
Other Funds ²	1,684,663	908,725	54%
Total	34,609,553	18,282,283	53%

Notes:

1. This table does not include, OPEB Pre-funding, and unemployment costs.
2. Other funds includes: CSA, Mosquito Abatement, Migrant Labor Camp, Victim Witness, EMS and Regional Agency.

All other funds are within budget reporting a 53% expended rate compared to the amended budget.

Vacancy Rate – 03/31/2022:

Fund	Adopted FTE FY21/22	Actual FTE 03/31/2022	Vacancy Rate
General	259.75	209	19.54%
Roads	20	12	40.00%
HHSA	195	137	29.74%
BEHE	78.5	46	41.40%
Child Support	12	9	25.00%
All Other	17.75	14	21.13%
Total	583	427	26.76%

The total vacancy rate for the County was 26.76% at the end of the third quarter, 03/31/2022. A combination of newly added positions from the previous year, yet to be filled, and a difficult labor market has contributed to the high vacancy rate. Additionally, the Board of Supervisors adopted the FY2022 budget with a net increase of 13 full-time equivalent positions. Pay rate changes have been made to the Roads Maintenance Workers and other positions to combat the high



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vacancy rate. The final quarter of the fiscal year will show how the pay rate change has impacted recruitment and retention.

Unemployment in March of 2022 was at 4.9% (United States Department of Labor: Bureau of Labor Statistics) for California and the preliminary data for March, 2022 showed San Benito County at a 5.3% unemployment (State of California - Employment Development Department). Historically, the County's proximity to the Bay Area and low unemployment rate periods have impacted the ability to fill positions.

General Fund Contingencies:

Description	Amount
General Fund Contingency Balance	\$963,022
Balance as of 03/31/2022	\$963,022

General Fund Contingency balance as of 03/31/2022 totaled \$963,022 from the original budgeted amount of \$1 million. This Contingency has been accessed for \$36,978. Broken down into the following items:

- Grand Jury - Services and Supplies Training - \$10,000
- Clerk of the Board – Services and Supplies Computer Maintenance - \$24,075
- Ag Extension – Services and Supplies Communication - \$2,903

External Data References

State of California - Employment Development Department. (n.d.). *Unemployment Rate and Labor Force*. Retrieved May 2022, from Labor Market Info:
<https://www.labormarketinfo.edd.ca.gov/data/unemployment-and-labor-force.html>

United States Department of Labor: Bureau of Labor Statistics. (n.d.). *Western Information Office - California*. Retrieved May 2022, from Bureau of Labor Statistics:
<https://www.bls.gov/regions/west/california.htm#eag>