



## COUNTY OF SAN BENITO, Financial Report Q2 – FY2022

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

**Preamble:** At the second quarter of a fiscal year, 50% of the year has elapsed. Each performance metric in this report focuses on measuring the variance from the 50% 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 12/31/2021 for fiscal year (FY) 2022.

### Budget Performance:

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

#### County of San Benito

##### Budget Performance (Expenditures) through 12/31/2021

Fund	Amended Budget	YTD Amount	% Expended
General Fund <sup>1</sup>	64,574,207	24,935,863	39%
Special Revenue Funds	105,147,435	30,625,667	29%
Capital Projects Funds	19,703,302	7,137,054	36%
Special Districts & Other Agencies <sup>2</sup>	1,340,747	310,733	23%
Enterprise Funds	6,399,144	553,669	9%
<b>Total</b>	<b>197,164,835</b>	<b>63,562,986</b>	<b>32%</b>

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 December 31, 2021. 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 50% of the year expired, the County of San Benito has expended 32% of its total budget.



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### General Tax Revenues:

#### County of San Benito

#### Tax Revenues through 12/31/2021

Revenue	Amended Budget	YTD Amount	% Earned
Property Tax	18,720,000	6,702,332	36%
Sales and Use Tax <sup>1</sup>	2,409,908	1,145,358	48%
Prop 172 Sales Tax <sup>2</sup>	4,236,156	2,348,178	55%
Documentary Transfer Tax	675,000	589,841	87%
Business License Tax	325,000	18,224	6%
Transient Occupancy Tax <sup>3</sup>	204,000	108,690	53%
Aircraft Tax	50,000	67,313	135%
<b>Total</b>	<b>26,620,064</b>	<b>10,979,936</b>	<b>41%</b>

#### 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 12/31/2021, property tax revenues were at 36% 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 48% 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 57% 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 & Benefit<sup>1</sup> Details through 12/31/2021

Expenditure	Amended Budget	YTD Amount	% Expended
Regular Salaries	18,861,659	9,766,747	52%
Temporary Wages	1,419,136	553,930	39%
Overtime	595,500	411,457	69%
Payroll Taxes	1,491,824	508,949	34%
Pension (PERS)	6,006,665	2,749,951	46%
Medical Insurance	3,204,911	1,371,002	43%
<b>Total</b>	<b>31,579,695</b>	<b>15,362,036</b>	<b>49%</b>

#### 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 49% through quarter two.



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### General Fund Overtime Expenditures by Department:

#### County of San Benito

#### General Fund Department Overtime through 12/31/2021

Department	Overtime Budget	YTD Amount
Information Technology	5,000	1,802
Administration	-	30
Internal Services	-	759
Elections	-	4,749
County Clerk	-	4,420
Recorder	-	148
Auditors Office	-	31
Sheriff - Operations	252,000	168,466
Sheriff - Communications	-	547
Sheriff - UNET Anti-Drug Task Force	1,500	773
Sheriff - Grants	10,000	1,224
Sheriff - Jail	235,000	169,190
District Attorney	-	1,084
Probation --Operation	20,000	5,456
Probation - Juvenile Hall	45,000	27,146
County Library	15,000	3,586
Agricultural Commissioner	12,000	2,848
RMA - Planning	-	14,864
RMA - Maintenance	-	1,278
RMA - Administration & Engineering	-	2,589
RMA - Recreation	-	467
<b>Total</b>	<b>595,500</b>	<b>411,457</b>

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 December 31, 2021, 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 & Benefits<sup>1</sup> Expenditures through 12/31/2021

Fund	Amended Budget	YTD Amount	% Expended
Road Fund	1,490,483	491,876	33%
HHSA	12,964,376	5,141,185	40%
Public Authority	248,808	84,441	34%
Public Health	6,227,930	1,751,410	28%
Behavioral Health	7,165,361	2,362,616	33%
Substance Abuse	1,367,296	603,677	44%
Child Support	1,227,848	529,835	43%
CSWD	1,985,559	754,375	38%
Other Funds <sup>2</sup>	1,580,925	625,123	40%
<b>Total</b>	<b>34,258,586</b>	<b>12,344,538</b>	<b>36%</b>

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 36% expended rate compared to the amended budget.

### Vacancy Rate – 12/31/2021:

Fund	Adopted FTE FY21/22	Actual FTE 12/31/2021	Vacancy Rate
General	259.75	230	11.45%
Roads	20	10	50.00%
HHSA	195	154	21.03%
BEHE	78.5	55	29.94%
Child Support	12	9	25.00%
All Other	17.75	14	21.13%
<b>Total</b>	<b>583</b>	<b>472</b>	<b>19.04%</b>

The total vacancy rate for the County was 19.04% at the end of the second quarter, 12/31/2021. 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



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high vacancy rate. The last two quarters of the fiscal year will show how the pay rate change has impacted recruitment and retention.

Unemployment in December of 2021 was at 6.5% (United States Department of Labor: Bureau of Labor Statistics) for California and the preliminary data for December, 2021 showed San Benito County at a 5.7% 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	\$1,000,000
<b>Balance as of 12/31/2021</b>	<b>\$1,000,000</b>

General Fund Contingency balance as of 12/31/2021 totaled \$1,000,000. This Contingency has not been tapped into yet.

### External Data References

State of California - Employment Development Department. (n.d.). *Unemployment Rate and Labor Force*. Retrieved February 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 February 2022, from Bureau of Labor Statistics:  
<https://www.bls.gov/regions/west/california.htm#eag>