



For Immediate Release

June 23, 2022

Contact:

Brenda Kiely

bkiely@sjgov.org/ (209) 468-3203

Sandy Regalo

sregalo@sjgov.org/ (209) 468-3203

San Joaquin County Board of Supervisors Approves 2022-2023 Budget ***Structurally-balanced Budget for the Ninth Consecutive Year***

STOCKTON – On June 23, 2022, the San Joaquin County Board of Supervisors unanimously approved a \$2.18 billion structurally-balanced budget for Fiscal Year 2022-2023. This reflects a \$90.2 million decrease from the previous year, primarily due to one-time funding programmed in 2021-2022 including transfers of prior-year fund balance to reserves. The Approved Budget has been carefully designed to serve the public interest, while at the same time remain fiscally sound. It is structurally balanced and provides resources for the Board's top priorities, fully funding current departmental staffing levels and, where appropriate, augments staffing to address critical operational needs.

"The Board of Supervisors is pleased to announce the approval of the 2022-2023 Budget which builds upon last year's accomplishments, addressing issues which have been deferred since the Great Recession. Although this \$2.18 billion budget was developed during uncertain times with the ongoing pandemic, coupled with the economic disruption from the recent inflationary environment, it demonstrates once again that San Joaquin County continues to provide the best service to our residents and still remain financially stable," said San Joaquin County Board of Supervisors Chair, Chuck Winn.

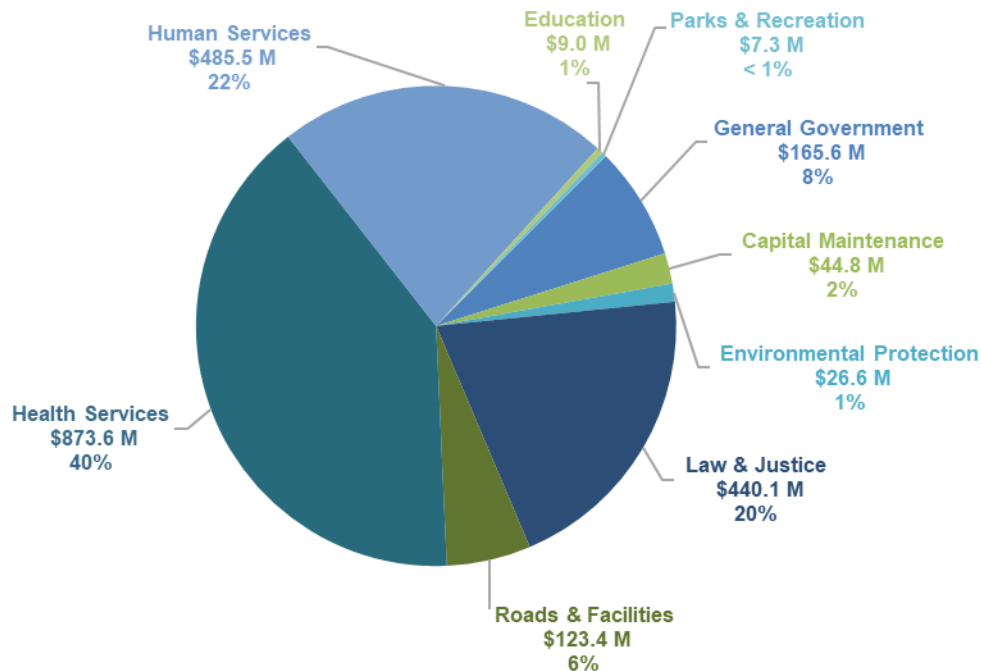
The 2022-2023 Approved Budget

San Joaquin County Administrator Jay Wilverding noted that the Governor's May Revision to the State Budget now projects a \$75.7 billion state surplus and in addition, the County has received its second installment (\$74 million) of \$148.0 million in Federal American Rescue Plan Act funds to also help in the COVID-19 recovery. "While the County continues to be in a favorable position, we want to be good stewards of these funds and ensure that the funding is one-time in nature and be prepared for any other possible downturns that may occur," Wilverding noted. "In addition, the Approved Budget directs \$45 million of prior year fund balance to the Capital Outlay Fund as unprogrammed funds to be used for capital projects, and \$45 million to the Unfunded Pension Liability Reserve to be used in the future to pay down the County's unfunded retirement liability."

2022-2023 APPROVED BUDGET HIGHLIGHTS

- The 2022-2023 Approved Budget is a structurally balanced budget totaling \$2.18 billion. This represents a decrease of \$90.2 million from the 2021-2022 Adjusted Budget. Costs and revenues by account include:

2022-2023 Appropriations Total \$2.18 Billion



- **General Fund:** The estimated general fund year-end balance for June 30, 2022 is estimated at \$124.2 million.
- **Reserve for Contingencies:** The Approved Budget maintains the Reserve for Contingencies balance of \$111.8 million to comply with the Board's policy of setting the balance at five percent of total appropriations.
- **Unfunded Retirement Liability:** Funds the full five percent contribution toward the unfunded retirement liability at a cost of \$26.8 million, with a net County cost of \$9.2 million, primarily financed from ongoing funding sources.
- **Staff Positions:** Net staff positions increased by 217.7 full-time equivalents (FTEs) which includes San Joaquin General Hospital (95.7 FTEs), Behavioral Health Services (28.7 FTEs), County Support to San Joaquin Health Centers (26.1 FTEs), Child Support Services (26.0 FTEs), and Human Services Agency (15.4 FTEs).
- **Investment in Public Improvement Projects and Facility Planning:** Projects include tenant improvements to the building located at 6 S. El Dorado Street, Behavioral Health Services Adult Residential Treatment Modular Building, County Detention and Program Facility (SB 1022), Emergency Medical Services Warehouse, Morgue/Medical Examiner Facility Replacement, Sheriff's Office Facilities for Evidence and Training, South County Park Planning, and others.
- **San Joaquin General Hospital Management Services Agreement (MSA) with Dignity Health:** The 2022-2023 Approved Budget includes \$3 million in funding for the first 12 months of the 18-month agreement. The MSA will allow Dignity Health to provide advice, assistance, and management oversight of the day-to-day administration of the Hospital. The initial focus of the MSA will be on revenue cycle operations, Information Technology connectivity and optimization, quality management and improvement, Group Purchasing Organization affiliation, and clinical integration.

OTHER NOTABLE 2022-2023 APPROVED BUDGET ITEMS:

- **Law and Justice:** \$440.1 million, which is an increase of \$23.5 million.
- **Health Services:** \$873.6 million, an increase of \$23.1 million.
- **Human Services:** \$485.5 million, a decrease of \$37.6 million.
- **Roads and Facilities:** \$123.4 million, an increase of \$3.2 million.
- **Capital Maintenance and Improvement:** \$44.8 million, a decrease of \$17.3 million.

Other Major Impacts

- **Labor Costs:** Employee salary and benefit costs comprise approximately 46% of the County's Approved Budget. The County has current labor agreements with 100% of the County labor force, but 88.5% of the MOUs will expire by the end of 2022-2023. The potential costs resulting from these negotiations are unknown, therefore, are not included in the Approved Budget.
- **Housing and Homelessness:** Victory Gardens is planned to open in the fall of 2022 and is expected to provide housing for about one-third of the County's veterans experiencing homelessness in its 49 units once fully occupied. An adjacent parcel also provided by the County is planned for future homeless housing.
- **Mary Graham Children's Shelter:** The Approved Budget adds \$1.1 million in General Fund contribution and 15 positions to address additional placement of children at the facility, along with providing additional security and improving the playground.
- **Enhancements for District Attorney and Sheriff's Office:** The Approved Budget includes funding for the District Attorney to establish a Digital Forensics Unit and provide paralegal and investigative support to several of its units. In addition, the Sheriff's Office Boating Safety, Patrol, Special Services, Communications, Detectives, Administration, Public Administrator, and Custody divisions are augmented with new positions.

"I appreciate the Department Heads' leadership, initiative, and innovation during this past fiscal year as the County takes on new challenges and projects, all while performing their ongoing functions and navigating the pandemic. Our Human Resources and Information Systems Divisions were crucial in providing analysis, insight and support in the final approved budget, and our County Administrator's staff have been indispensable in their ability to get the job done. They have all been instrumental in developing a collaborative budget which promotes the goals of the County and again delivers a structurally-balanced budget," Wilverding concluded.

In the Final Budget Hearing, the Board of Supervisors approved an additional \$328,036 for the Low-Income Household Water Assistance Program Agreement in the Aging and Community Services budget with offsetting revenue from the California Department of Community Services and Development. It also appropriated \$6.5 million in the Public Improvement Budget from Capital Outlay fund balance and allocated \$500,000 to support fire response in the unprotected areas of the County, funded by the contingency provision.

To review the full budget or for additional budget highlights and details, please visit this [LINK](#).

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