



2025 MIDYEAR FINANCIAL REPORT

July – December 2024

Board of Supervisors

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Introduction

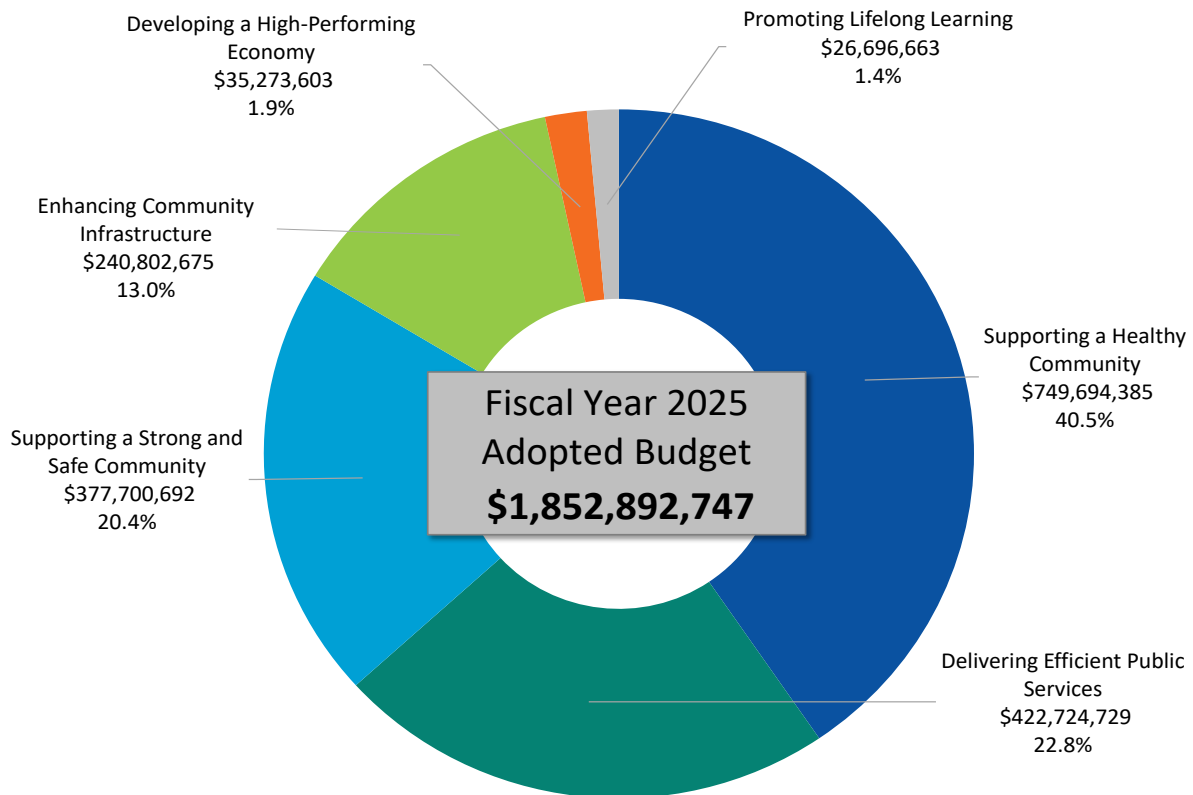
This is the Stanislaus County 2025 Midyear Financial Report, submitted by the Chief Executive Officer for the period of July 1, 2024, through December 31, 2024. This report aims to provide the Board of Supervisors, County leadership, and the public with an update on the County’s financial status midway through the fiscal year. It outlines budget adjustments made since the approval of the 2025 Adopted Budget, with particular emphasis on those recommended during the midyear review. The report also includes summaries and analyses of revenues and expenditures across County programs and services, organized by the Board of Supervisors’ priority areas, and highlights the key challenges and opportunities currently facing the organization.

Background

The 2025 Adopted Budget was approved by the Board of Supervisors on September 17, 2024 and totaled \$1.85 billion for all funds, representing an increase of \$127.3 million, or 7.4%, over the prior fiscal year. It was balanced using a combination of \$1.69 billion in estimated revenue and the use of \$162.7 million in fund balance and retained earnings. The 2025 Adopted Budget included funding to support 4,926 allocated full-time positions, an increase of 60 positions over that supported by the 2024 Adopted Budget.

The 2025 Adopted Budget was developed with a primary focus on supporting existing service levels across the organization. This included support for services previously authorized by the Board of Supervisors, the re-appropriation of costs from the prior fiscal year for multi-year projects approved in the past, and standard cost-of-doing-business increases. In addition, \$14.9 million in increased services and staffing were supported in the 2025 Adopted Budget. The following chart is organized by Board of Supervisors’ priorities and reflects the total spending authority approved by the Board of Supervisors in the 2025 Adopted Budget.

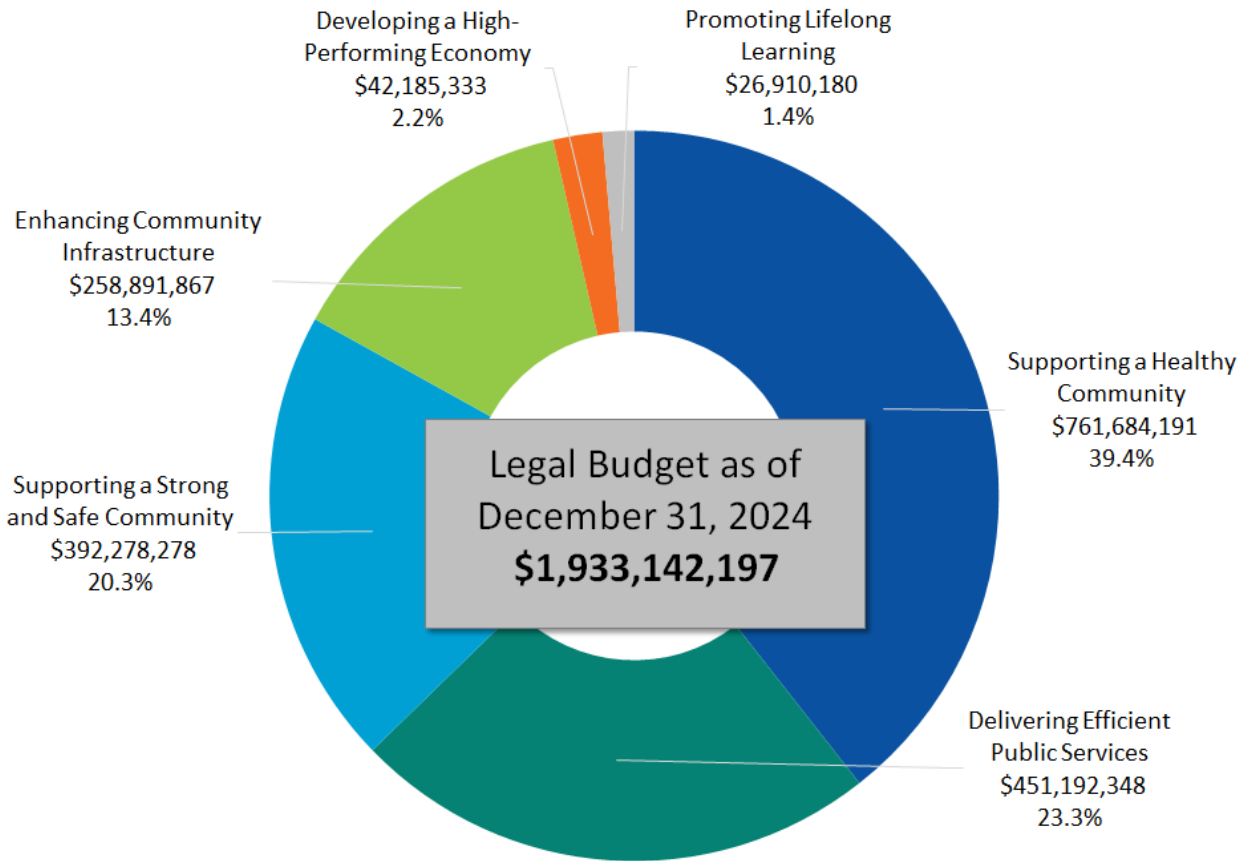
2025 Adopted Budget by Board Priority



Legal Budget as of December 31, 2024

The Adopted Budget is modified throughout the fiscal year to meet the evolving needs and activities of the County and its departments. Adjustments include those approved through agenda items presented to the Board of Supervisors outside the formal budget process. Additionally, the budget may be revised during quarterly financial reporting cycles, based on updated projections and changing requirements. Together, the Adopted Budget and these adjustments create the Legal Budget, which is defined at a specific point in time. As of December 31, 2024, the legal budget totaled \$1.93 billion.

Legal Budget as of December 31, 2024, by Board Priority



2025 Midyear Financial Report Overview

The 2025 Midyear Financial Report provides an update on the status of the County budget midway through the fiscal year and projects the overall financial condition of the organization through June 30, 2025. The report is the result of significant analysis performed by staff in all County departments and the Chief Executive Office. This extensive review includes an assessment of revenue received and costs expended through December 2024 for comparison to that experienced halfway through prior fiscal years. Using this data for trend analysis provides the basis for updated projections for the remainder of the fiscal year, with results compared to original year-end estimates.

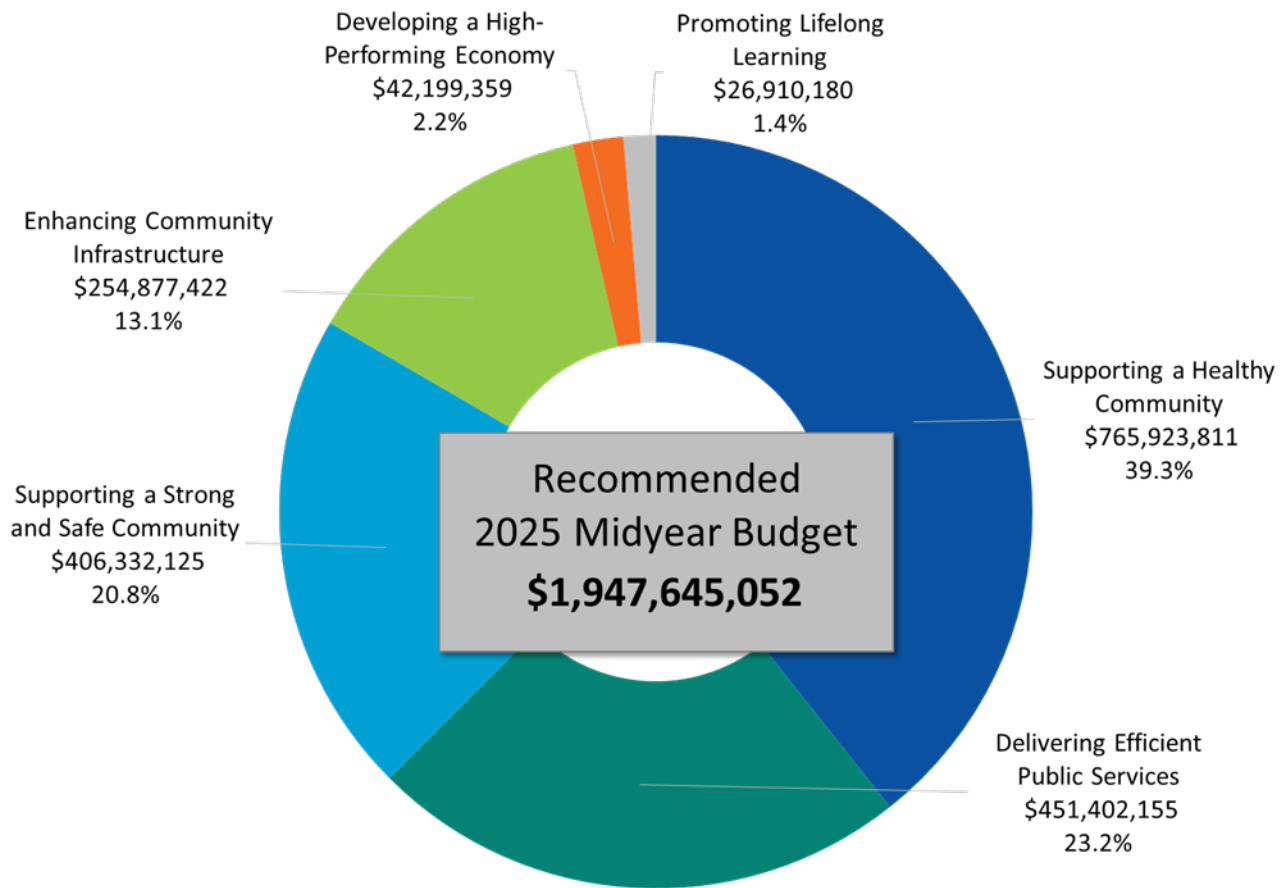
The Midyear Financial Report also identifies budget adjustments recommended to meet departments’ operational needs and ensure sufficient funding and appropriations exist to end the year in a positive fiscal position based on

projected figures. As Discretionary Revenue remains static, staff prioritized funding for essential needs, including cost-of-doing-business increases, investments to address critical safety concerns, and technical adjustments to maintain existing service levels.

Recommendations included in the 2025 Midyear Financial Report amount to an overall budget increase of \$14.5 million. These adjustments are funded by \$4 million in estimated revenue and \$12.7 million of department fund balance, and results in net savings to the County General Fund of \$2.2 million. If approved, the recommendations contained in this report will result in a 2025 Midyear Budget of \$1.95 billion, funded by \$1.74 billion in estimated revenue and the use of \$211.5 million in fund balance, retained earnings and other one-time funding. Reliance on Net County Cost totals \$387.8 million.

The following chart depicts the \$1.95 billion Midyear Budget, inclusive of the recommended adjustments that are described in greater detail by department in subsequent sections of this report. Consistent with past practice, the budget and financial report are organized by Board priority area.

2025 Recommended Midyear Budget Expenditures by Board Priority



The recommended Midyear Budget contains several technical adjustments associated with updated cost estimates that do not affect existing service levels. Technical adjustments include previously approved Board items, errors from earlier budget cycles, funded changes for existing services, health and labor rate increases, Employee Choice Bonus Plan payments, and Realignment revenue growth. Additionally, departments are rightsizing budget estimates to accommodate anticipated activities for the remainder of the year. Key adjustments include \$13 million

in Probation to support the Community Corrections Partnership plan, \$2.1 million for Behavioral Health and Recovery Services to cover an unexpected vendor payment addressing the gap between contract reimbursement rates and Medi-Cal rates in previous fiscal years, \$1 million for Health Services Agency – Clinics and Ancillary Services to fund medical provider recruitment, increased services, and an upgrade to the Electronic Health Record system, and a decrease of \$2.8 million in Parks and Recreation to right-size the budget for the Bonita Pool project which was converted to a capital project by a previously approved Board Agenda Item. The remainder of the recommended appropriations increase, approximately \$1.2 million, reflects adjustments needed across the organization and are detailed within the department sections of this report.

County General Fund support for various departments is made possible through the transfer of \$3 million from Appropriations for Contingencies, the County’s contingency funding reserved for use throughout the fiscal year to cover unanticipated needs as they arise. Net of recommended and approved use of Appropriations for Contingencies through December 2024, a balance of \$6 million is left to address unanticipated needs of the organization in the second half of Fiscal Year 2025.

Consistent with standard accounting practices, the County’s budget is divided into separate financial entities known as “funds”. These include three “governmental funds” (General, Special Revenue, and Capital Projects funds) to account for local governmental activities and two proprietary funds to address “business-type” activities (Enterprise and Internal Service funds). The following table reflects the progression of the County’s Budget from the 2025 Adopted Budget to the Legal Budget as of December 31, 2024, and finally, the recommended 2025 Midyear Budget.

Development of the Midyear Budget Recommendations

Fund Type	2025 Adopted Budget	Legal Budget as of 12/31/2024	Recommended 2025 Midyear Adjustments	Recommended 2025 Midyear Budget
General Fund	\$ 543,525,122	\$ 557,488,419	\$ (2,675,851)	\$ 554,812,568
Special Revenue	1,021,630,977	1,079,652,593	14,576,690	1,094,229,283
Capital Projects	33,440,461	35,459,333	50,000	35,509,333
Enterprise	77,365,143	79,561,258	1,761,892	81,323,150
Internal Service	176,931,044	180,980,594	790,124	181,770,718
Total All Funds	\$ 1,852,892,747	\$ 1,933,142,197	\$ 14,502,855	\$ 1,947,645,052

General Fund

The recommended 2025 Midyear Budget for the General Fund is \$554.8 million, reflecting a reduction of \$2.7 million from the legal Budget as of December 31, 2024. The decrease is attributable to a net change comprising \$944,967 decrease in appropriations for departmental requests and \$3 million in transfers from Appropriations for Contingencies, which is partially offset by a \$1.2 million increase in technical adjustments.

Special Revenue Funds

The recommended 2025 Midyear Budget for Special Revenue Funds is \$1.09 billion, an increase of \$14.6 million from the Legal Budget as of December 31, 2024.

The primary contributor to the \$14.6 million increase is the increase of \$13 million in Probation’s Local Community Corrections budget to align the Department’s budget with the Fiscal Year 2025 Community Corrections Partnership

Plan for 2011 Public Safety Realignment, as approved by the Board of Supervisors on October 1, 2024 (Board Resolution 2024-0549).

Capital Projects Funds

The recommended 2025 Midyear Budget for Capital Projects is \$35.5 million, an increase of \$50,000 from the legal Budget as of December 31, 2024. Note that fund balance for Capital Projects Funds contains balances for only three budgets within County Operations. Inclusive of these three project funds, the fiscal year began with \$5.3 million in fund balance, with \$4.1 million projected to remain at year end. There are, however, various funds that exist within the financial management system for multi-year Board-approved projects that maintain a fund balance. Details on the totality of all Capital Projects are available in the Annual Comprehensive Financial Report prepared by the Stanislaus County Auditor-Controller.

Enterprise Funds

The recommended 2025 Midyear Budget for Enterprise Funds is \$81.3 million, an increase of \$1.8 million from the Legal Budget as of December 31, 2024. The primary contributor to the increase is a \$1 million increase in Health Services Agency – Clinics and Ancillary Services for contracts to support recruitment services and a planned electronic health record system. This budget unit also had \$510,280 in technical adjustments related to staffing costs and increased Cost Allocation Plan charges, along with \$208,761 to right size to previously approved plans or operations.

Internal Service Funds

The recommended 2025 Midyear Budget for Internal Service Funds is \$181.8 million, an increase of \$790,124 from the Legal Budget as of December 31, 2024.

The primary contributors to this increase are adjustments within the General Services Agency, including a \$270,000 increase in the Facility Maintenance budget unit and a \$300,000 increase in Fleet Services. The Facility Maintenance adjustment will ensure the department ends the fiscal year in a positive position while providing sufficient organizational support for safety trainings, Personal Protective Equipment (PPE), and safety equipment. The Fleet Services adjustment is necessary to address rising costs for parts and services required to support equipment and vehicles, with labor costs exceeding the budget by \$35,000 and equipment parts increasing by \$265,000.

Fund Balance

The 2025 Adopted Budget initially reported a total beginning fund balance as \$777.7 million. However, following the Midyear Budget review, this balance has been adjusted by \$9.6 million, resulting in a revised beginning fund balance of \$787.3 million. This adjustment aligns with budget policy, which stipulates that Proprietary Funds, including Internal Service Funds and Enterprise Funds utilize the full accrual basis of accounting and post-closing adjustments. These post-closing adjustments are a longstanding element of the County's year-end process and continue until the completion of the Annual Comprehensive Financial Report for that fiscal year.

The recommendations presented in the Midyear Financial Report include a plan to allocate \$211.5 million of the fund balance across all departments.

The table below outlines the updated beginning fund balances on July 1, 2024, for the various fund types, as well as the projected year-end balances, which reflect the actions approved by the Board of Supervisors through December 31, 2024, and the Midyear Financial Report. Overall, the projected fund balance for the fiscal year ending June 30, 2025, is approximately \$575.8 million.



Summary of Fund Balance by Fund Type

Summary of Fund Balance by Fund Type					
Fund Type	Projected Fund Balance on 7/1/2024	Recommended Midyear Budget Revenue	Recommended Midyear Budget Appropriations	Recommended Use of Fund Balance	Projected Fund Balance on 6/30/2025
General Fund	\$ 246,701,070	\$ 477,396,234	\$ 554,812,568	\$ 77,416,334	\$ 169,284,736
Special Revenue	395,524,380	999,604,861	1,094,229,283	94,624,422	300,899,958
Capital Projects	5,255,142	32,369,000	35,509,333	3,140,333	2,114,809
Enterprise	114,834,817	53,545,248	81,323,150	27,777,902	87,056,915
Internal Service	24,961,087	173,223,266	181,770,718	8,547,452	16,413,635
Total All Funds	\$ 787,276,496	\$ 1,736,138,609	\$ 1,947,645,052	\$ 211,506,443	\$ 575,770,053

*Beginning Fund Balance as of December 31, 2024 is an increase of \$9,550,566 compared to the \$777,725,930 reported in the 2025 Adopted Budget document (page 61). The adjustment is to align with the budget policy, and is due to post-closing journal entries made by the Auditor-Controller's office as part of the Fiscal Year 2024 year-end close process.

Fund	Fund Type/Budget Unit	Beginning Fund Balance 7/1/2024
General Fund		246,701,070

Fund	Fund Type/Budget Unit	Beginning Fund Balance 7/1/2024
Special Revenue Funds		
1001	ER Environmental Resources	8,167,667
1002	ER Household Hazardous Waste	694,288
1003	ER Vehicle Registration	427,482
1004	ER Source Reduction & Recycling	103,074
1005	ER Disclosure Program	94
1008	ER Used Oil Recycling	63,042
1009	ER Environmental Enforcement	26,383
1010	ER Beverage Container Recycling	27,726
1012	ER Waste Tire Enforcement Grant	124,883
1014	ER Abandoned Vehicle	222,784
1016	ER-Code Enforcement Abatement	110,107
1051	AVS Area Agency on Aging	2,258,426
1071	Department of Child Support Services	218,170
1101	PW Road & Bridge	16,393,694
1102	PW Road Projects	5,390,156
1103	PW AB-2928 Supplemental Maintenance	12,815
1104	PW Kaiser Voluntary Funds (Road Infrastructure)	310,811
1105	PW Roads Measure L	18,933,315
1106	PW Roads SB1	31,203,031
1201	PW Administration	90,969



Fund	Fund Type/Budget Unit	Beginning Fund Balance 7/1/2024
1206	PL Building Permits Division	2,668,656
1291	PL CDBG Urban County	615,146
1292	PL Grants	1,488,979
1317	SCWD (Formerly AW) Stan Work	48,687
1320	SCWD (Formerly AW) Subfund Clearing Pool	7,118,841
1401	HSA Administration	946,126
1402	HSA Public Health	25,258,694
1404	HSA Indigent Health Care	2,554,386
1405	HSA PH Tobacco Tax Education	(31,349)
1428	HSA PH Vital and Health Statistics	1,127,247
1429	HSA EMS - Discretionary	8,981
1431	HSA PH California Children Services Donation	-
1434	HSA IHCP EMS-Hospitals	547,937
1435	HSA IHCP EMS-Physicians	162,387
1436	HSA PH CDC Base Funding	1,294
1438	HSA PH HPP Base Funding	1,802
1446	PH Tobacco Educ Prop 56	(11,597)
1501	Behavioral Health & Recovery Services	42,185,932
1502	BHRS Substance Use Disorder	6,980,230
1503	BHRS Public Guardian	1,214,266
1504	BHRS Managed Care	(721,048)
1505	BHRS Stanislaus Recovery Center	3,679,541
1507	BHRS Prop 63	21,593,852
1601	PROB DJJ Realignment Block Grant	3,195,194
1631	CSA Program Services & Support	32,912,558
1632	CSA Public Economic Assistance	2,856,818
1633	CSA General Assistance	-
1637	CSA County Children's Fund	206,025
1639	CSA Housing and Homeless Services	3,493,680
1640	CSA Public Authority - Administration	-
1641	CSA Public Authority - Benefits Administration	-
1642	CSA IHSS Provider Wages	23,475
1651	Library	13,801,341
1660	OES Water Resources Grant	(2,209)
1666	OES Governor's Office of Emergency Services Grant	1,903,587
1670	OES Homeland Security Grant	(18,186)
1676	ARPA State and Local Fiscal Recovery Fund	-
1679	PROB Local Community Corrections	31,880,087
1686	DA Unserved/Underserved Victim Advocacy and Outreach	(2,596)
1688	PROB Corrections Performance Incentive Act	3,383,632
1694	PKS Regional Water Safety Training Center	0



Fund	Fund Type/Budget Unit	Beginning Fund Balance 7/1/2024
1698	PROB Youthful Offender Block Grant (YOBG)	3,899,967
1699	DA Stanislaus Family Justice Center	6,860
1702	PARKS-Off Highway Vehicle Fund	1,805,420
1703	SO Cal Id	1,305,762
1704	DA Violence Against Women	(25,189)
1706	DA Elder Abuse Program	15,822
1707	DA Federal Asset Forfeiture	2
1710	DA BOC Victim Restitution	-
1711	DA Child Abduction	-
1712	DA Auto Fraud	39,630
1714	DA Victim Witness	(4,039)
1715	SO Vehicle Theft	262,063
1718	DA Special Projects and Grants	(112,241)
171A	GSA 12th Street Office Bldg	690
171B	GSA 12th St Condominium Resv (former Parking Garage)	102,000
1723	CLK Fixed Asset Acquisition	2,147,557
1725	OES County Fire Service	2,279,783
1726	CEO Alcohol and Drug Analysis	7,901
1727	PARKS-Fish and Wildlife	59,260
1728	PARKS-Modesto Reservoir Patrol	88,102
172A	ASR State Grants	174,349
1746	PL Dangerous Bldg Abatement fund	37,606
1759	AG Ag Comm Development Fees	878
1761	DA Arson Task Force	3,527
1765	PROB Ward Welfare fund	259,352
1766	COOP Farm & Home Advisors Research	40,076
1768	SO Sheriff's Civil Process Fee	204,482
1769	SO Sheriff's Driver Training Program	277,227
176A	SO Federal Asset Forfeiture - Justice	32,164
176B	SO Federal Asset Forfeiture - Treasury	4,502
176C	SO Court Security	185,552
1771	DA Asset Forfeiture	332,972
1776	DA Real Estate Fraud Prosecution	(19,704)
1777	CEO Prop 69-DNA Identification	-
177A	DA Enforce Consumer Protection Laws	(24,111)
1780	SO Cal-MMET	896,441
1781	AC Tobacco Settlement Securitization	49,523,066
1782	PL State CalHome Grant Reuse	1,586,772
1786	CLK Vital and Health Statistics	577,650
178D	PL Salida Planning Efforts	441,220
178E	PL California Emergencies Solution Housing Grant (CESH)	(6,950)

Fund	Fund Type/Budget Unit	Beginning Fund Balance 7/1/2024
1798	PROB JJCPA Programs	6,423,087
1799	CEO Justice Assistance Grants (JAG)	-
179A	PL General Plan Maintenance Fees	1,662,372
179C	AC 2006 Tobacco Securitization	25,181,180
Total Special Revenue Funds		395,524,380

Fund	Fund Type/Budget Unit	Beginning Fund Balance 7/1/2024
Capital Projects Funds		
2025	CEO Courthouse Construction	620,203
2026	CEO Criminal Justice Facility	2,481,818
2210	CEO Crows Landing Industrial Business Park Project	2,153,121
Total Capital Projects Funds		5,255,142

Fund	Fund Type/Budget Unit	Beginning Fund Balance 7/1/2024
Enterprise Funds		
4021	ER Fink Road Landfill	41,453,188
4022	ER Fink Road Landfill Postclosure Reserve	23,022,219
4031	ER Geer Road Landfill	(1,589,319)
4032	ER Geer Road Landfill Postclosure Reserve	6,282,125
4051	HSA Clinic & Ancillary Services	39,452,350
4081	SO Inmate Welfare/Commissary	436,273
4082	SO Emergency Medical Services	3,692,952
4085	CEO Cannabis Program	2,085,030
Total Enterprise Funds		114,834,817

Fund	Fund Type/Budget Unit	Beginning Fund Balance 7/1/2024
Internal Service Funds		
5001	GSA Central Services	(553,435)
5011	DO NOT USE - ITC - Communications (SBT)	0
5021	GSA Fleet Services	518,754
5022	GSA Fleet Services Vehicle Replacement	3,504
5031	Information Technology Central (ITC)	(987,427)
5051	General Liability	(5,138,722)
5061	Professional Liability	1,005,090
5071	Unemployment Insurance	334,346
5081	Workers' Compensation Ins	6,233,532

Fund	Fund Type/Budget Unit	Beginning Fund Balance 7/1/2024
5091	Medical Self-Insurance (Purchased Insurance)	1,800,926
5093	Other Employee Benefits	129,595
5094	CEO Deferred Compensation Program	306,879
5101	Dental Insurance	915,458
5111	Vision Insurance	77,482
5121	PW Morgan Shop Garage	17,001,721
5141	CEO I-CJIS Project	2,218,314
5170	GSA Facility Maintenance	430,203
5401	Enterprise Resource Planning	664,867
Total Internal Service Funds		24,961,087
Grand Total		787,276,495

Note: Updates to the Internal Service and Enterprise beginning fund balances include alignment with full accrual basis of accounting for these fund types, which is similar to commercial accounting.

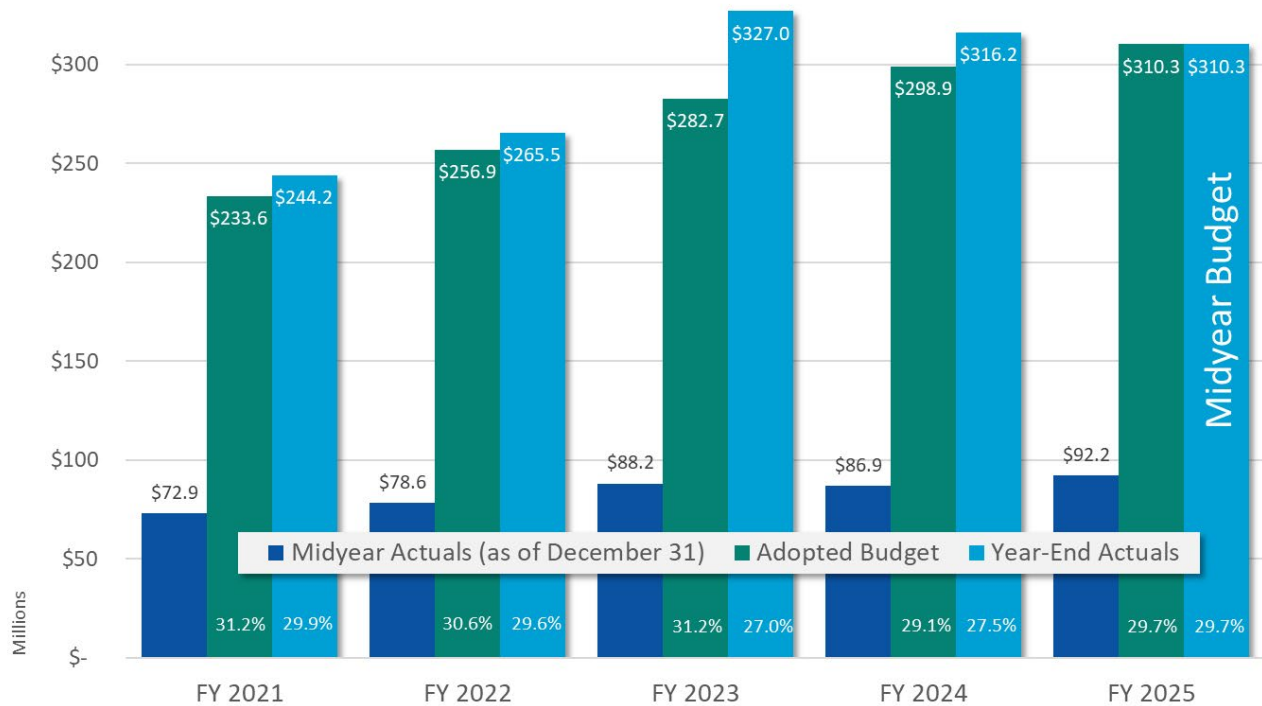
General Fund Update

Discretionary Revenue

As of December 31, 2024, approximately \$92.2 million in Discretionary Revenue has been collected, representing 29.7% of the \$310.3 million projected in the 2025 Adopted Budget. Over the past four years, Discretionary Revenue collected by the end of the second quarter has varied between 29.1% and 31.2% of the Adopted Budget and from 27% and 29.9% of actual year-end totals. Fiscal Year 2025 second quarter Discretionary Revenue falls within these historical ranges.

The following chart provides a five-year comparison of midyear performance, including data for the current year. It illustrates revenue receipts for the first six months of each fiscal year, alongside the Adopted Budget and year-end actuals from the previous four years, noting estimates included in the Midyear Budget for the current year.

Discretionary Revenue Five-Year Historical Chart



Discretionary Revenue Midyear Projections

There have been no adjustments to Discretionary Revenue subsequent to the Adopted Budget and the Midyear recommendation is to make no changes to the Adopted Budget level of discretionary revenue. Updated projections include the impact of final Fiscal Year 2024 property tax postings which establishes the new beginning balance for Property taxes in Fiscal Year 2025. When the higher property tax figure is escalated by 5.55%, to match the growth escalator identified in the 2024/2025 Assessment Roll announced by the Stanislaus County Assessor on June 25, 2024, for Stanislaus County’s unincorporated area properties, the result is \$2.7 million over that included in the 2025 Adopted Budget.

The increase to property tax projections is offset by a projected decrease in statewide sales tax receipts in 2025. Sales tax revenue was included at \$97.5 million in the 2025 Adopted Budget. At Midyear the projection for revenue from sales tax is \$94.9 million, a decrease of \$2.6 million. The impact of rising interest rates on consumer spending including slowing new car sales are factors for the decline projected in State-wide sales tax receipts. Early sales tax revenue projections provided by the County’s sales tax consultant show this lower level of sales tax continuing in Fiscal Year 2026. Staff will continue to review updated projections and will report observed and recommended changes in the Third Quarter Financial Report in May 2025. The increased property tax projection fully offsets the latest sales tax projection decrease and results in the recommendation to leave the 2025 Adopted Budget discretionary revenue unchanged.

Developing Plan for Additional Projected Interest Earnings

The 2025 Adopted Budget includes \$9.3 million in anticipated interest revenue from pooled cash. A recent updated projection for interest shows just over \$18.8 million is anticipated in 2025, an increase of \$9.5 million. This additional revenue will be considered along with updates to other Discretionary Revenue categories in the 2025

Third Quarter Financial Report analysis for budget adjustment at that time. The Treasurer-Tax Collector team has identified the additional projected interest revenue is attributed to:

- A greater percentage of investments that have been invested at higher rates than the Adopted Budget projection assumed.
- Information for short term amortizing notes, which are investments purchased at a discount and paid at par, have been added to the Midyear Budget projection. The portion of these that will be paid in Fiscal Year 2025 added \$5 million to the Fiscal Year 2025 projection.
- The Adopted Budget projections assumed that 20% of the portfolio would be in a short-term fund at a declining rate of 3% and then 2.5%. However, rather than 20% of the portfolio, an estimated 30% was the correct percentage of investments carried in the short-term fund.
- The short-term fund’s rate remained in the 5% earning range through calendar year 2024 (rather than declining to 3% and 2.5%) and only dipped below 5% starting in December 2024. Fed interest rate cuts did not impact this fund as predicted earlier in the year. While there has been a declining interest rate, it has been slow rather than drastic.

Discretionary Revenue will be closely monitored, adjusting as necessary at third quarter.

Discretionary Revenue Category	FY 2023	FY 2024	2025	Recommended	
	Actuals	Actuals	Adopted Budget	2025 Midyear Budget	Recommended Adjustments
Taxes	\$ 203,831,867	\$ 216,366,882	\$ 221,842,165	\$ 221,842,165	\$ -
Licenses, Permits, and Franchises	1,532,236	1,408,945	1,166,990	1,166,990	-
Fines, Forfeitures, Penalties	3,394,339	3,488,440	3,023,050	3,023,050	-
Revenue from Use of Money & Property	7,721,214	17,686,715	9,700,000	9,700,000	-
Intergovernmental Revenue	78,604,640	67,843,964	66,383,531	66,383,531	-
Charges for Services and Interfund	4,669,950	4,390,352	5,050,649	5,050,649	-
Miscellaneous	(372,999)	1,104,285	-	-	-
Other Financing Sources	27,580,984	3,665,218	3,179,995	3,179,995	-
Total Discretionary Revenue	\$ 326,962,231	\$ 315,954,799	\$ 310,346,380	\$ 310,346,380	\$ -

Recommendation: Midyear estimates to be held at the 2025 Adopted Budget level.

General Fund Classification of Fund Balance

Of the five fund balance classifications, Non-spendable, Restricted, and Committed are the most restrictive categories and are legally or contractually obligated components of fund balance. Assigned fund balance is comprised of amounts intended to be used by the County for specific purposes that are neither restricted nor committed. Unassigned fund balance is the least restrictive of the categories and is technically available for any purpose. The Chief Executive Officer has been authorized by the Board of Supervisors to assign portions of Unassigned fund balance for specific purposes such as contingencies, carryover appropriations, budget balancing, and anticipated future projects.

Within the Non-Spendable category, post-closing entries related to Fiscal Year 2024 increased the fund balance by \$67,110, leaving a projected year-end balance of \$22.4 million. The Restricted category included the planned use of \$68,753 in Sheriff Gun Violence Reduction Grant funds as of the 2025 Adopted Budget, leaving a projected year-end balance of \$7.3 million. The balance in the Committed category will remain at \$2.6 million.

As of December 31, 2024, budgeted use of Assigned Fund Balance included \$72.1 million approved in the 2025 Legal Budget. Assigned balance will support the third and final year of the Building and Community Service



Investment Strategy (BCSI) and other General Fund budget balancing, including \$4.8 million to fund prior year roll-forward encumbrances.

Midyear adjustments to Assigned Fund Balance include the use of \$48,550 to fund additional costs related to the Stanislaus Veterans Center. This brings projected fiscal year-end Assigned fund balance to \$114.7 million.

As of December 31, 2024, budgeted use of Unassigned fund balance included approximately \$7 million approved in the 2025 Legal Budget. The Unassigned category includes increases of \$1.8 million for post-closing entries. Adjustments at midyear result in a net return to Unassigned fund balance of \$2.2 million, primarily related to increased departmental revenue which reduces reliance on the General Fund and decreases in appropriations and the receipt of 1991 and 2011 Realignment growth funding which reduced reliance on the General Fund. These changes result in a year-end projected Unassigned fund balance of \$22.3 million.

The beginning fund balance of \$246.7 million is \$2.2 million lower than reported in the 2025 Adopted Budget due to post-close adjustments within the Non-spendable and Unassigned fund balances. Inclusive of the budgeted use of fund balance and recommended Midyear Budget adjustments, total fund balance is projected at \$169.3 million on June 30, 2025.

Fiscal Year 2025 Classification of Fund Balance							
General Fund	Estimated Fund Balance 7/1/24	Post-Closing Adjustments*	Beginning Fund Balance 7/1/24	Budgeted Use of Fund Balance	Midyear Budget Adjustments	Projected Fund Balance 6/30/25	
Fund Balance - Nonspendable							
Imprest Cash	\$ 225,681	\$ (33,672)	\$ 192,009	\$ -	\$ -	\$ 192,009	
Advances to Other Funds	100,000	-	100,000	-	-	100,000	
Economic Development Advances (105)	942,680	(17,336)	925,344	-	-	925,344	
Teeter Receivable	19,922,007	95,416	20,017,423	-	-	20,017,423	
Loans Receivable	1,092,816	22,702	1,115,518	-	-	1,115,518	
Total Nonspendable	\$ 22,283,184	\$ 67,110	\$ 22,350,294	\$ -	\$ -	\$ 22,350,294	
Fund Balance - Restricted							
Sheriff Gun Violence Reduction Grant Funds	\$ 68,753	\$ -	\$ 68,753	\$ (68,753)	\$ -	\$ -	
Tax Loss Reserve (106)	7,304,826	-	7,304,826	-	-	7,304,826	
Total Restricted	\$ 7,373,579	\$ -	\$ 7,373,579	\$ (68,753)	\$ -	\$ 7,304,826	
Fund Balance - Committed							
Total Committed - Capital Acquisition	\$ 2,614,833	\$ -	\$ 2,614,833	\$ -	\$ -	\$ 2,614,833	
Total Committed	\$ 2,614,833	\$ -	\$ 2,614,833	\$ -	\$ -	\$ 2,614,833	
Fund Balance - Assigned							
Contingency (General Fund Reserve Policy)	\$ 23,930,000	\$ 300,000	\$ 24,230,000	\$ -	\$ -	\$ 24,230,000	
Teeter Plan	18,134,740	-	18,134,740	-	-	18,134,740	
Encumbrances (100)	9,322,749	(3,626,208)	5,696,541	(4,837,706)	-	858,835	
Assigned - Future Budget Balancing	24,304,581	-	24,304,581	(23,304,581)	-	1,000,000	
Assigned - Community Impact - Jobs/Crows Landing Industrial Business Park	15,800,248	-	15,800,248	(15,800,248)	-	-	
Assigned - County General Fund Building and Community Service Investment Strategy - Yr 3	15,000,000	-	15,000,000	(15,000,000)	-	-	
Assigned - Revenue Stabilization	10,101,579	-	10,101,579	(134,808)	-	9,966,771	
Assigned - Future Capital Facilities	10,000,000	-	10,000,000	-	-	10,000,000	
Assigned - County General Fund Recruitment and Retention Strategy - Yr 3	5,000,000	-	5,000,000	(5,000,000)	-	-	
Community Impact - Housing Stanislaus	1,000,000	-	1,000,000	-	-	1,000,000	
CSA Mandated Match Estimate	2,900,000	-	2,900,000	-	-	2,900,000	
Total Other Assignments	54,673,124	-	54,673,124	(8,007,964)	(48,550)	46,616,610	
Total Assigned	\$ 190,167,021	\$ (3,326,208)	\$ 186,840,813	\$ (72,085,307)	\$ (48,550)	\$ 114,706,956	
Fund Balance - Unassigned							
General Fund (100)	\$ 20,716,091	\$ 1,829,010	\$ 22,545,101	\$ (6,952,908)	\$ 2,239,184	\$ 17,831,377	
Economic Development Bank (105)	761,922	17,336	779,258	-	-	779,258	
Tax Loss Reserve (106)	-	-	-	-	-	-	
Community Development Bank (107)	2,282,156	-	2,282,156	(500,000)	-	1,782,156	
AC Clearing Funds (108) - \$1.9M Local Innovation Fund Balance as of 12/31/2024	1,914,286	750	1,915,036	-	-	1,915,036	
Total Unassigned	\$ 25,674,455	\$ 1,847,096	\$ 27,521,551	\$ (7,452,908)	\$ 2,239,184	\$ 22,307,827	
Total Fund Balance	\$ 248,113,072	\$ (1,412,002)	\$ 246,701,070	\$ (79,606,968)	\$ 2,190,634	\$ 169,284,736	

Cash Review

General Fund Overall Cash Position

General Fund	Fiscal Year 2024	Fiscal Year 2025	Variance
Beginning Cash Balance	\$ 222,551,916	\$ 207,167,704	\$ (15,384,212)
Midyear Cash Balance (as of December 31)	\$ 189,301,987	\$ 147,458,425	\$ (41,843,562)

The Fiscal Year 2025 beginning cash position of \$207.2 million represents a decrease of \$15.4 million from the prior year beginning balance. As of midyear, the General Fund cash balance was \$147.5 million, a decrease of \$41.8 million in cash over that identified in Fiscal Year 2024. The decrease is primarily due to the planned use of fund balance in Fiscal Year 2025, including Board-approved Building Community Services Investment (BCSI) funding, dedicating \$20 million in each of three fiscal years for a total investment of \$60 million to improve County parks, libraries, and facilities. Fiscal Year 2025 is the final year of planned BCSI spending. Additional impacts to fund balance are attributable to timing variances around posting revenue and expenditures.

Special Revenue Funds Overall Cash Position

Special Revenue Funds	Fiscal Year 2024	Fiscal Year 2025	Variance
Beginning Cash Balance	\$ 315,471,809	\$ 301,806,214	\$ (13,665,595)
Midyear Cash Balance (as of December 31)	\$ 351,884,857	\$ 345,644,233	\$ (6,240,624)

The Special Revenue Funds had a positive cash balance of \$345.6 million as of December 31, 2024, compared to \$351.9 million as of December 31, 2023. The net variance of \$6.2 million is described below.

American Rescue Plan Act (ARPA) had a positive cash balance of \$75.1 million, which represents a decrease of \$11.4 million from last year’s \$86.5 million cash balance as of December 31, 2024. The decrease in cash is due to spending in various ARPA-funded projects, including Public Works projects, Central Valley Opportunity Center for the Farmworkers Resource Center, Community Services Agency for the Benefit Navigators, and BEAM Circular for economic growth and job creation activities. ARPA funds were obligated as required by December 31, 2024, and all projects funded with ARPA must be completed by December 31, 2026.

As of December 31, 2024, Behavioral Health and Recovery Services (BHRS) had a positive cash balance of \$52 million, representing a decrease of \$7.9 million from the December 31, 2023, balance of \$59.9 million. The decline can largely be attributed to implementing the State’s new billing system for California Advancing and Innovating Medi-Cal (CalAIM) and new requirements for a holding account where the State holds an average of three months of the County’s share of Medi-Cal claims. In 2024, invoices for contracted services were paid out across all funds while the billing system was still being configured, causing a delay in cash receipts from current and prior-year claims.

Community Services Agency (CSA) had a positive cash balance of \$38.3 million as of December 31, 2024, a decrease of \$7.6 million from the December 31, 2023, balance of \$45.9 million. Increases in expenditures related to reduced vacancy rates, caseload growth, and increased costs in CSA-mandated programs, combined with reductions in accounts receivables and increases in liabilities, account for the variance.

Library had a positive cash balance of \$14.3 million as of December 31, 2024, a decrease from last year’s \$21.4 million cash balance of \$7.1 million. The decrease is primarily the net of \$15 million being transferred into a capital

project fund, \$5 million in Building Forward Grant revenue received, and \$3 million in savings related to vacancies and unspent funds related to a Library remodel project.

Probation had a cash balance of \$61.1 million as of December 31, 2024. This balance is an increase of \$7.1 million from the December 31, 2023, cash balance of \$54 million. The increase is primarily in the Local Community Corrections budget, where payments processed before the close of December in Fiscal Year 2024 were not processed until January in Fiscal Year 2025.

As of December 31, 2024, Public Works had a cash balance of \$55.4 million. This balance is an increase of \$20.8 million from the December 31, 2023, cash balance of \$34.6 million. The increase in the cash balance is related to delays in large construction projects and is largely made up of Measure L and Senate Bill (SB) 1 funds, which are used for required local match funds on these large projects.

The remaining Special Revenue budgets total a decrease of \$214,733 in cash balance from \$49.6 million to \$49.4 million.

Capital Project Funds Overall Cash Position

Capital Project Funds	Fiscal Year 2024	Fiscal Year 2025	Variance
Beginning Cash Balance	\$ 5,881,341	\$ 5,104,794	\$ (776,547)
Midyear Cash Balance (as of December 31)	\$ 5,585,369	\$ 3,927,359	\$ (1,658,010)

The Capital Project Funds had a positive cash balance of \$3.9 million as of December 31, 2024, compared to \$5.6 million on the same date in 2023, reflecting a net decrease of \$1.7 million.

As of December 31, 2024, the Courthouse Construction Project had a positive cash balance of \$489,474, representing a decrease of \$214,735 from the December 31, 2023, balance of \$704,208.

As of December 31, 2024, the Criminal Justice Facility Project had a positive cash balance of \$2.7 million, representing an increase of \$437,826 from the December 31, 2023, balance of \$2.2 million.

As of December 31, 2024, the Crows Landing Industrial Business Park Project had a positive cash balance of \$778,359, representing a decrease of \$1.9 million from the December 31, 2023, balance of \$2.7 million. Cash decreased for two main reasons. Existing fund/cash balance was used to fund the cost of engineering and other professional services related to developing Phase 1A of the project, compounded by the timing of American Rescue Plan Act (ARPA) reimbursement for a well rehabilitation project.

Enterprise Funds Overall Cash Position

Enterprise Funds	Fiscal Year 2024	Fiscal Year 2025	Variance
Beginning Cash Balance	\$ 108,340,100	\$ 115,850,718	\$ 7,510,618
Midyear Cash Balance (as of December 31)	\$ 106,278,006	\$ 102,364,734	\$ (3,913,272)

The Enterprise Funds had a positive cash balance of \$102.4 million as of December 31, 2024, compared to a \$106.3 million on the same date in 2024, reflecting a net decrease of \$3.9 million.

As of December 31, 2024, the Clinics and Ancillary Services fund had a positive cash balance of \$33.9 million, representing a \$7.9 million decrease from the December 31, 2023, balance of \$41.8 million. This decrease in cash is primarily due to the timing of the annual contribution to the Department of Health Care Services (DHCS).

As of December 31, 2024, the Fink Road Landfill funds had a positive cash balance of \$58.9 million, representing a \$6.5 million increase from the December 31, 2023, balance of \$52.4 million. The increase in cash can be attributed to increased revenue due to a rise in waste delivered to the landfill.

As of December 31, 2024, the Geer Road Landfill funds had a positive cash balance of \$2.3 million, representing a \$1.3 million decrease from the December 31, 2023, balance of \$3.6 million. The decrease in cash balance is mainly due to rising costs associated with corrective action projects and regulatory compliance with the State of California Central Valley Regional Water Quality Control Board.

Internal Service Funds Overall Cash Position

Internal Service Funds	Fiscal Year		Variance
	2024	2025	
Beginning Cash Balance	\$ 66,326,222	\$ 69,154,587	\$ 2,828,365
Midyear Cash Balance (as of December 31)	\$ 49,907,525	\$ 62,389,088	\$ 12,481,563

As of midyear, the Internal Service Funds had a cash balance of \$62.4 million as of December 31, 2024, compared to \$49.9 million on the same date in 2023, reflecting a net increase of \$12.5 million.

As of December 31, 2024, the General Liability fund had a negative cash balance of \$702,328, an increase from the negative \$3.3 million balance on December 31, 2023. On June 25, 2024, the Board approved an increase to the Self-Insured Retention (SIR) amount for the General Liability Self Insurance fund from \$250,000 to \$1 million, effective Fiscal Year 2025. Increasing the SIR has generated overall savings to the General Liability program through the reduced insurance premium. The actual insurance premium paid for Fiscal Year 2025 was \$9.9 million compared to the budgeted amount of \$17 million, resulting in \$7.1 million in savings.

As of December 31, 2024, the Information Technology Central (ITC) fund had a cash balance of \$6.1 million, an increase from the \$4.7 million balance on the same date in 2023. This increase is primarily due to the implementation of the ITC Managed Model.

As of December 31, 2024, the Public Works - Morgan Shop Garage fund had a cash balance of \$6.3 million, an increase of \$2.4 million from \$4 million on December 31, 2023. This increase is due to the increase in equipment rental revenue.

As of December 31, 2024, the Purchased Insurance fund had a cash balance of \$17.8 million, reflecting an increase of \$3.9 million from the \$13.9 million balance on December 31, 2023. This increase is due to an increase to medical insurance rates paid by the County and employees effective January 2024, which resulted in additional revenue collected to cover rising medical plan costs.

As of December 31, 2024, the Workers' Compensation Insurance fund had a cash balance of \$25.2 million, an increase of \$1.5 million from the December 31, 2023, balance of \$23.7 million. This increase was driven by a combination of savings and higher premium collections, while actual expenditures came in lower than anticipated.

Technical Correction

Information Technology Central Cost Allocation Plan Charges

In December 2024, Information Technology Central (ITC) identified a calculation error in its original Fiscal Year 2025 Cost Allocation Plan (CAP) charge estimates that impacted individual departments differently, with some departments having more than enough budgeted appropriations to cover corrected costs and others requiring additional appropriations. Departments were notified of the corrected amounts in time to request any necessary

budget adjustments through the midyear budget cycle. Agricultural Commissioner, General Services Agency, Public Defender, and Sheriff were the departments that experienced material negative impacts; you can see their resulting budget adjustments in their respective department sections. Those departments experiencing material savings from the correction were not asked to reduce their budgets, noting that any savings will fall to fund balance at the end of the year; for General Fund budgets this will result in savings for the General Fund.

The following table shows the adjustments to the original CAP charge estimates by department as provided by ITC and detailed by fund type. Figures shown in the negative indicate a shortfall in budgeted appropriations for ITC charges considering the corrected amounts; positive figures note where sufficient appropriations exist and savings are anticipated. Total adjustments to align charges correctly result in excess appropriations of \$246,226.

Information Technology Central Cost Allocation Plan Charges Adjustments

Department	General Fund	Special Revenue Fund	Enterprise Fund	Internal Service Fund	Outside Agencies	Total
AG Commissioner	\$ 173,280					\$ 173,280
Animal Services					6,037	6,037
Area Agency on Aging	(1,307)	(3,899)				(5,206)
Assessor	32,479					32,479
Auditor-Controller	8,812					8,812
Board of Supervisors	2,931					2,931
Chief Executive Office	89,856					89,856
First 5 Stanislaus		1,853				1,853
Clerk Recorder	231,477					231,477
Community Services Agency		70,473				70,473
County Counsel	3,227					3,227
District Attorney	13,210					13,210
Environmental Resources	(3,883)	(1,746)	(7,383)			(13,012)
General Services Agency	(12,776)			(37,900)		(50,676)
Health Services Agency		58,034				58,034
ICJIS				3		3
LAFCO					1,663	1,663
Law Library					3,191	3,191
Library		36,740				36,740
Parks & Recreation	14,511					14,511
Planning	28,182	5,156				33,339
Probation	42,151	4,799				46,950
Public Defender	7,645					7,645
Public Works		53,077		(1,209)		51,868
StanCERA					6,221	6,221
Sheriff	(574,759)	(35,039)	(3,667)			(613,466)
SR911					4,300	4,300
Treasurer-Tax Collector	24,711					24,711
UC COOP	(133)					(133)
Workforce Development		5,909				5,909
Totals	\$ 79,614	\$ 195,357	\$ (11,050)	\$ (39,107)	\$ 21,411	\$ 246,226

SUPPORTING A STRONG AND SAFE COMMUNITY



District Attorney

Grand Jury

Office of Emergency Services

Probation

Public Defender

Sheriff

Supporting a Strong and Safe Community

Priority Overview

Ensuring a safe community and protecting the safety of the residents of Stanislaus County continues to be a top priority of the Board of Supervisors. The departments within this priority area focus on the safety of our neighborhoods and strengthening our communities. The impact of gangs, drugs, and vagrancy directly contributes to the decline of the physical, economic, and social health of the County. Robust partnerships within the organization, local municipalities, and community-based organizations throughout the region can maintain effective public safety programs and the ability to respond to emergencies on behalf of our community.

Departments assigned to the Board of Supervisors' priority area of *Supporting a Strong and Safe Community* include the District Attorney, Grand Jury, Office of Emergency Services, Probation, Public Defender, and Sheriff. The revenue used to pay for these services comes primarily from local taxes such as property and sales taxes, fees, franchises, service charges, and various other discretionary revenue sources. Public Safety Sales Tax (Proposition 172) revenue is also used to partially fund the District Attorney, Probation, and Sheriff's Department budgets. These departments also receive dedicated funds for specific grant-funded programs.

Recommendations contained in this report will increase appropriations by \$14.1 million, revenue by \$4.3 million, the use of fund balance by \$8.8 million, and Net County Cost by \$955,225 for departments *Supporting a Strong and Safe Community*.

Overall, most departments within the priority of *Supporting a Strong and Safe Community* are on track to end the year within budget and in a positive fiscal position. Total department-identified unmet needs in this priority are equate to \$4.7 million. The Sheriff's Office and Public Defender have identified additional exposures in the current year totaling \$2.6 million, for which no budget requests were submitted at midyear and analysis is ongoing. Any budget adjustments needed to fully fund Board-approved service levels per financial policy and department budget instructions will be recommended at third quarter.

Departmental Revenue

For the departmental budgets *Supporting a Strong and Safe Community*, as of December 31, 2024, actual revenue collected totaled \$40.6 million, representing 29.5% of the estimated annual revenue. This is within the historical range compared to revenue received as of midyear in the prior three years when collections ranged from 27.3% to 33.6% of the final revenue receipts.

Actual revenue-to-date is down \$3.8 million, or 8%, from the prior year’s actual receipts of \$44.4 million, primarily due to decreased revenue receipts in the Sheriff’s Detention budget. This is attributed to billing for Community Corrections Partnership (CCP) not being posted until January. Budgeted revenue for the priority reflects a \$5.6 million increase over the prior year or a 4.3% increase. The is attributed to increases in District Attorney related to grants, an increase in Public Defender due to increased CCP funding and increases in California Advancing and Innovating Medi-Cal (CalAIM) and CCP funding in the Sheriff’s budget.

Supporting a Strong and Safe Community Four-Year Revenue Comparison

In Millions



Departmental Expenditures

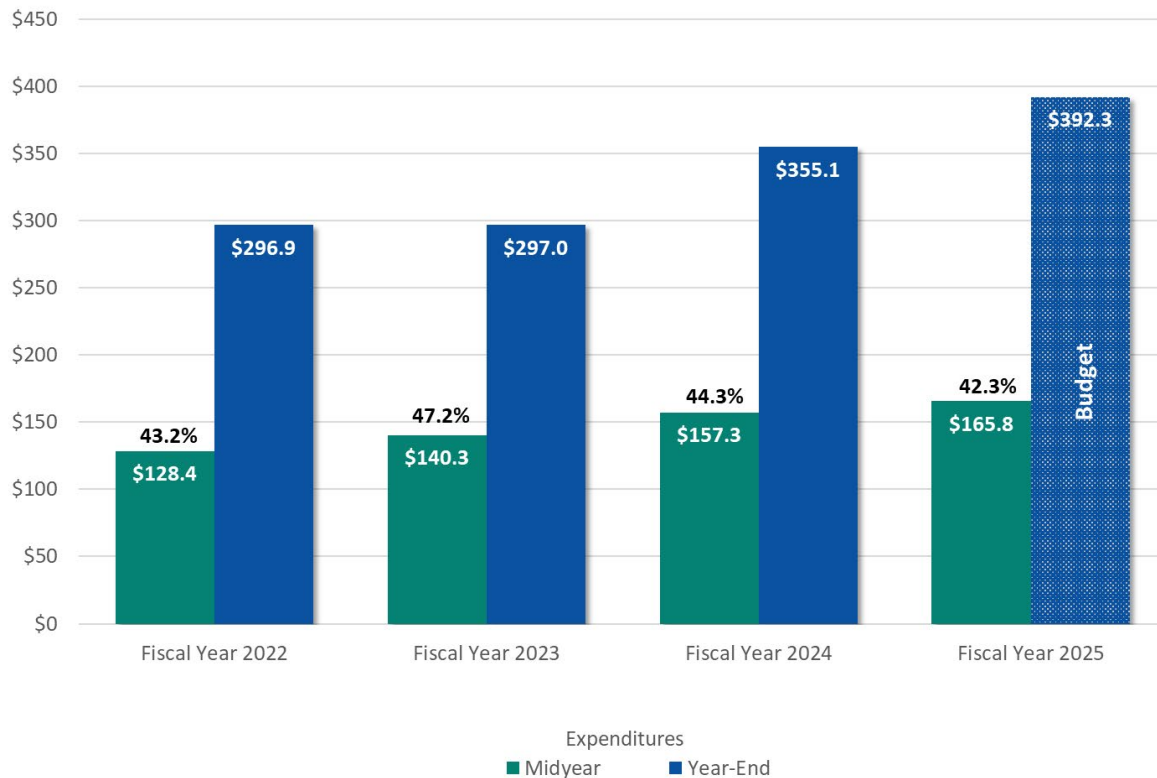
As of December 31, 2024, expenditures totaled \$165.8 million, representing 42.3% of budgeted appropriations. This year-to-date percentage is below the historical range compared to the midyear point of the prior three years, when expenditures ranged from 43.2% to 47.2% of the final actual expenditures.

Expenditures have grown from the prior year by \$8.6 million, or 5%. This is primarily attributed to an increase in Public Defender related to filling positions within the department and the expansion of the office into the old Civil Grand Jury space along with increases in the Sheriff’s Office related to Cost Allocation Plan charges, approved fixed assets, and operating transfers out to the General Services Agency for the recreation yard project. Budgeted expenditures reflect an increase of \$37.2 million, or 10%, over the prior year's actuals. Notably, the budget does not reflect a 5% vacancy rate adjustment as was the practice in previous years, thereby reflecting the full cost of funding all positions and maintaining full service levels within the county.

Several budget units (Criminal Justice Facilities Fund, Courthouse Construction Fund, County Court Funding, DOJ Drug and Alcohol, Prop 69 – DNA Identification, and Integrated Criminal Justice Information System) were transferred out of this priority area and into *Delivering Efficient Public Services* in the 2023 Adopted Budget. These budgets accounted for \$4 million of the midyear actuals posted in Fiscal Year 2022 and \$7.8 million of the final year-end actuals. Significant investments were made in Fiscal Years 2023 and 2024 in the Local Community Corrections budget in Probation, which allocates the 2011 Realignment funds supporting the Community Corrections Partnership (CCP) plan. These funds are reflected in multiple budgets within this priority, effectively doubling the expenditures and widening the gap in overall spending between Fiscal Years 2023 and 2024.

Supporting a Strong and Safe Community Four-Year Expenditures Comparison

In Millions



Midyear Issues and Recommendations

The recommendations in this report *Supporting a Strong and Safe Community* will increase appropriations by \$14.1 million. Budget adjustments are funded by a \$4.3 million increase in estimated revenue, an \$8.8 million increase in the use of fund balance, and a \$955,225 increase in Net County Cost.

District Attorney

Adjustments for the District Attorney overall decrease estimated revenue by \$255,305, appropriations by \$402,645, the use of fund balance by \$46,136, and the use of Net County Cost by \$101,204.

Community Corrections Partnership Funding – Estimated revenue related to Community Corrections Partnerships (CCP) funding is \$343,136 less than originally budgeted. A corresponding decrease to Salaries and Benefits will be made to offset the reduction in revenue, ensuring there is no General Fund impact.

Transfer Appropriations – The Criminal Division is experiencing cost savings related to salaries and benefits as a result of staff vacancies. The Department has identified \$211,260 in savings to fund the following one-time expenses through a transfer of appropriations:

- \$117,500 for contracts related to attorney services assisting the Department in specific cases for prosecution and issuance of case files.
- \$93,760 to fund costs associated with data analysis related to California Penal Code section 741, Race-Blind Charging requirements.

Real Estate Fraud – The Real Estate Fraud Unit consists of a Deputy District Attorney and a Criminal Investigator who handle complex real estate fraud cases requiring extensive investigations. If a criminal case is deemed viable, it often involves prolonged court proceedings. Revenue and costs for the unit are recorded in the Special Operations budget and are primarily funded by recording fee revenue. A \$201,022 shortfall in recording fees has been identified. To offset this shortfall, it is recommended to reduce appropriations by \$48,516 and increase the County Match by \$172,209, resulting in a \$19,703 contribution to fund balance. The increase in County Match will be offset by an equivalent reduction in appropriations to the Criminal Division. The \$19,703 contribution to fund balance will bring the total fund balance to zero.

Special Operations - Asset Forfeiture – This budget accounts for funds from the prosecution process in cases where a convicted criminal's assets are forfeited. A \$70,289 increase in appropriations, funded by fund balance, is recommended to support department programs and community outreach.

Victim Services Program – The Victim Services Program funds eight Victim Advocate positions, a Legal Clerk, two Victim Services Supervisors, a Victim Services Program Manager, training for staff, outreach programs, and materials. This program has experienced a decline in grant revenue requiring the deletion of one vacant block-budgeted Victim Advocate I/II position. No budget adjustment is needed as the Special Operations budget, which is where revenue and costs are recorded for this program, is already reflective of this loss in revenue.

Technical Adjustments – Several technical adjustments are recommended to align with updated estimated revenue and appropriations based on known funding levels. In total, adjustments will increase estimated revenue by \$288,853 and appropriations by \$90,927. These adjustments will then reduce the use of Fund Balance by \$96,722 and Net County Cost by \$101,204, as described below.

- In the Criminal Division, estimated revenue is increasing by \$101,204, reducing the use of Net County Cost by the same amount. Of this, \$20,308 is for an operating transfer in from the Enforce Consumer Protection budget to support staffing costs related to the Consumer Fraud Program. In addition, an \$80,896 increase

in estimated revenue is related to growth in 2011 Realignment and Supplemental Law Enforcement revenue.

- In the Enforce Consumer Protection Law budget, a \$20,308 increase to appropriations funded by \$44,419 in estimated revenue is recommended, resulting in a \$24,111 savings to fund balance. The \$20,308 in appropriations will be used to support staffing costs in the Criminal Division related to the Consumer Fraud Program. The excess revenue will be used to offset the negative fund balance in the budget unit.
- In the Special Operations budget, a \$70,619 increase to appropriations funded by \$143,230 in estimated revenue is recommended, resulting in a \$72,611 savings to fund balance. These adjustments will right-size estimated revenue and appropriation levels for the Auto Insurance Fraud, County Victim Services, and Organized Retail Theft Prosecution programs.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
District Attorney - Criminal Division	\$0	(\$211,260)	\$0	(\$211,260)	Transfer appropriations to fund General Fund requests in Criminal Division.
District Attorney - Criminal Division	\$0	\$117,500	\$0	\$117,500	Transfer appropriations for a contract supporting attorney assistance for case files, funded by salary savings identified above.
District Attorney - Criminal Division	\$0	\$93,760	\$0	\$93,760	Transfer appropriations to fund costs associated with California Penal Code section 741, fund by salary savings identified above.
District Attorney - Criminal Division	(\$343,136)	(\$343,136)	\$0	\$0	Decrease appropriations and estimated revenue related to Community Corrections Partnership funding.
District Attorney - Criminal Division	\$20,308	\$0	\$0	(\$20,308)	Increase estimated revenue from the Enforce Consumer Protection legal budget unit.
District Attorney - Criminal Division	\$0	(\$172,209)	\$0	(\$172,209)	Decrease appropriations to offset Real Estate Fraud revenue shortfall.
District Attorney - Criminal Division	\$80,896	\$0	\$0	(\$80,896)	Increase in estimated revenue related to 2011 Realignment and Supplemental Law Enforcement revenue.
District Attorney - Enforce Consumer Protection Law	\$44,419	\$20,308	(\$24,111)	\$0	Increase appropriations and estimated revenue to recognize unanticipated revenue received.
District Attorney - Special Operations	\$0	\$70,289	\$70,289	\$0	Increase in appropriations for the Asset Forfeiture program, funded by fund balance.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
District Attorney - Special Operations	(\$201,022)	(\$48,516)	(\$19,703)	\$172,209	Decrease appropriations, estimated revenue, and use of fund balance in Real Estate Fraud funded by an increase in Net County Cost.
District Attorney - Special Operations	\$18,271	\$57,901	\$39,630	\$0	Increase appropriations in the Auto Insurance Fraud Program, funded by an increase in estimated revenue and fund balance.
District Attorney - Special Operations	\$15,585	\$15,585	\$0	\$0	Increase estimated revenue and appropriations for victim advocate salaries and benefits costs for the County Victim Services Program.
District Attorney - Special Operations	\$109,374	(\$2,867)	(\$112,241)	\$0	Increase estimated revenue and decrease appropriations to offset negative fund balance for the Organized Retail Theft Prosecution program.
Total	(\$255,305)	(\$402,645)	(\$46,136)	(\$101,204)	

Recommendation: It is recommended to decrease appropriations by \$402,645 and estimated revenue by \$255,305, resulting in a \$46,136 savings to fund balance and a \$101,204 savings to Net County Cost.

Staffing Recommendation: It is recommended to delete one vacant block-budgeted Victim Advocate I/II in the Victim Services Program due to the ending of the Victim Services Program grant. Additionally, it is recommended to study the request to reclassify three block-budgeted Attorney I-V positions to Assistant Chief Deputy District Attorney, along with the salary adjustment request for the Chief Criminal Investigator classification.

Office of Emergency Services

A net increase in appropriations of \$47,476 and a decrease in revenue of \$93,760 are recommended for the Office of Emergency Services (OES), funded by \$141,236 in Net County Cost.

Emergency Management Performance Grant (EMPG) Allocation – A decrease in revenue and appropriations of \$44,515 are recommended to align with the California Governor's Office of Emergency Services (CalOES) Fiscal Year 2024 (July 1, 2024-June 30, 2026) EMPG allocation.

Technical Adjustments – Technical adjustments result in a net increase in appropriations of \$91,991 and a decrease in revenue of \$49,245, resulting in the increased use of Net County Cost in the amount of \$141,236.

- Increase appropriations by \$141,236 to support fire districts impacted by Educational Revenue Augmentation Fund (ERAF) shift, funded by Net County Cost, as approved by the Board (Board Resolution 2024-0518). This shift represents a General Fund Contribution to support Fire Districts in addition to the \$1.3 million already provided by the Board in the 2025 Adopted Budget, for a total of \$1.5 million.
- Decrease appropriations and estimated revenue by \$164,245 to align with approved Fiscal Year 2025 Community Corrections Partnership (CCP) plan for Personal Service Contracts for Emergency Medical

Technicians (EMTs) who assist with calls for services involving medical and/or mental health issues, as approved by the Board (Board Resolution 2024-0549).

- Increase appropriations and estimated revenue by \$115,000 for 2021 California Fire Safety Council Grant, as approved by the Board (Board Resolution 2023-0010).

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Office of Emergency Services / Fire Warden	\$0	\$141,236	\$0	\$141,236	Increase appropriations to support fire districts impacted by Education Revenue Augmentation Fund (ERAF) shift, funded by Net County Cost, as approved by the Board (Board Resolution 2024-0518).
Office of Emergency Services / Fire Warden	(\$164,245)	(\$164,245)	\$0	\$0	Decrease appropriations and estimated revenue to align with approved Fiscal Year 2025 Community Corrections Partnership (CCP) plan for Personal Service Contracts for Emergency Medical Technicians (EMTs) who assist with calls for services involving medical and/or mental health issues, as approved by the Board (Resolution 2024-0549).
Office of Emergency Services / Fire Warden	\$115,000	\$115,000	\$0	\$0	Increase appropriations and estimated revenue for 2021 California Fire Safety Council Grant, as approved by the Board (Board Resolution 2023-0010).
Office of Emergency Services / Fire Warden	(\$44,515)	(\$44,515)	\$0	\$0	Decrease estimated revenue and appropriations to align with Fiscal Year 2024 Emergency Management Performance Grant (EMPG) allocation.
Total	(\$93,760)	\$47,476	\$0	\$141,236	

Recommendation: It is recommended to increase appropriations by \$47,476, decrease revenue by \$93,760, and increase Net County Cost by \$141,236.

Staffing Recommendation: It is recommended to study the request to reclassify one Deputy Fire Warden/Deputy Director of OES to Assistant Director.

Probation

Adjustments increasing appropriations by \$13 million, funded by \$4.3 million in estimated revenue and the use of \$9.8 million in fund balance, and benefitting Net County Cost by \$1.2 million are recommended for Probation.

Community Corrections Partnership (CCP) Plan – An adjustment is recommended to right-size the Department’s Local Community Corrections budget to align with the Fiscal Year 2025 Community Corrections Partnership Plan for 2011 Public Safety Realignment, approved by the Board of Supervisors on October 1, 2024 (Board Resolution

2024-0549). Adjustments increasing appropriations by \$13 million, funded with \$1.1 million in estimated revenue and \$11.9 million in the use of departmental fund balance, are recommended.

Revenue Adjustments – Adjustments increasing estimated revenue are recommended to recognize growth in Realignment revenues for the Enhancing Law Enforcement Activities Services (ELEAS) accounts. Increases of \$758,363 in the Institutional Services budget to recognize Juvenile Probation Growth, benefiting Net County Cost; \$405,688 in the Juvenile Commitment Facility budget to recognize Juvenile Probation Camp Growth, benefiting Net County Cost; and \$1.4 million in the Juvenile Justice Crime Prevention Act (JJCPA) budget to recognize JJCPA Growth, benefiting departmental fund balance, are recommended. Additionally, an increase in estimated revenue of \$666,127, benefiting departmental fund balance, is recommended to right-size the Department’s budget with the Community Corrections Performance Incentive Grant (Senate Bill 678 – 2009-2010) State allocation.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Corrections Performance Incentive Fund	\$666,127	\$0	(\$666,127)	\$0	Increase estimated revenue, reducing the departments use of fund balance, to recognize allocated Community Corrections Performance Incentive Grant (SB 678) revenue.
Institutional Services	\$758,363	\$0	\$0	(\$758,363)	Increase estimated Realignment Growth revenue, reducing the departments use of Net County Cost, to recognize Enhancing Law Enforcement Activities Subaccount (ELEAS) Juvenile Probation Growth.
Juvenile Commitment Facility	\$405,688	\$0	\$0	(\$405,688)	Increase estimated Realignment Growth revenue, reducing the departments use of Net County Cost, to recognize ELEAS Juvenile Probation Camp Growth.
Juvenile Justice Crime Prevention Act	\$1,421,404	\$0	(\$1,421,404)	\$0	Increase estimated Realignment Growth revenue, reducing the departments use of fund balance, to recognize ELEAS Juvenile Justice Crime Prevention Act (JJCPA) growth.
Local Community Corrections	\$1,093,768	\$12,994,089	\$11,900,321	\$0	Increase appropriations and revenue to align budget with the Community Corrections Partnership (CCP) plan, funded with the use of fund balance, as approved by the Board of Supervisors on October 1, 2024 (Board Resolution 2024-0549).
Total	\$4,345,350	\$12,994,089	\$9,812,790	(\$1,164,051)	

Recommendation: It is recommended to increase appropriations by \$13 million, increase estimated revenue by \$4.3 million, increase the use of departmental fund balance by \$9.8 million, and decrease Net County Cost by \$1.2 million.

Public Defender

Adjustments increasing appropriations by \$31,350, funded by \$31,350 in Net County Cost, are recommended for Public Defender.

Information Technology Central Charges – An increase in appropriations of \$1,350 is recommended, funded by Net County Cost, to address additional need due to a calculation error in the Information Technology Central (ITC) original Fiscal Year 2025 Cost Allocation Plan (CAP) charge estimates.

Technical Adjustment – A technical adjustment resulting in an increase of \$30,000 in appropriations, funded by Net County Cost, is recommended to right-size to actuals and remaining payments for the Employee Bonus Choice Plan.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Indigent Defense	\$0	\$30,000	\$0	\$30,000	Increase appropriations to right size to the actuals and remaining payments for the Employee Choice Benefit Plan.
Indigent Defense	\$0	\$1,350	\$0	\$1,350	Increase appropriations due to CAP charges that have materialized; the appropriation was deleted in zero base because of no prior history.
Total	\$0	\$31,350	\$0	\$31,350	

Recommendation: It is recommended to increase appropriations by \$31,350, funded by Net County Cost.

Staffing Recommendation: A request to add a new classification was submitted by the Department and recommended for study in the 2024 Adopted Budget. The study has been completed, concluding with a recommendation to add one new classification of Assistant Public Defender to assist in the planning, administration, and direction of the legal and administrative functions of the Department. This new classification will be considered Unclassified Management for labor relation purposes and the annual salary band will be \$154,190.40 to \$231,275.20. It is also recommended to reclassify one vacant Assistant Chief Deputy Public Defender to Assistant Public Defender.

Sheriff

Adjustments increasing appropriations by \$1.4 million and estimated revenue by \$331,959, resulting in a decrease of \$996,276 in fund balance and an increase of \$2 million in Net County Cost, are recommended for Sheriff.

Trial Court Security – The 2011 Realignment of Trial Court Security shifted the responsibility for funding trial court security from the State to counties. Realignment revenue from this shift provides funding for contracted service levels with the Stanislaus Superior Court. Realignment revenue received for this purpose has not fully funded trial court security operations for several years. The Department has relied on the use of fund balance built up in the program's early years and unanticipated growth during the COVID-19 pandemic to fund the program until this year. An adjustment to reduce the use of fund balance by \$773,558 is recommended to align the Department's use of fund balance with the fund balance available as of July 1, 2024. An additional adjustment to reduce estimated revenue by \$225,990 is recommended to align the Department's estimated Realignment revenue with

current projections. These adjustments are funded with an increase of \$999,548 in Net County Cost. This is a material impact to the County General Fund which is anticipated to be an ongoing exposure.

Abandoned Vehicles – The 2023 Adopted Budget provided the Department with \$125,000 to support the cost of towing recreational vehicles. Due to changes in vendors, the cost of the service has increased. An adjustment to increase appropriations by \$186,420, funded with Net County Cost, is recommended to continue providing this service.

Cannabis Enforcement – The 2025 Adopted Budget and the 2025 First Quarter Financial Report decreased the Department’s appropriations and estimated revenue by a total of \$463,025 to adjust for declining cannabis revenue. To operationalize this reduction, it is recommended to delete one Deputy Sheriff I/II assigned to the cannabis enforcement team. The Department has identified their plan to operationalize part of the decrease by stopping all overtime for the cannabis enforcement team. The Sheriff’s total cannabis enforcement budget for Fiscal Year 2025 is \$1.8 million. This represents a \$212,523, or 10.5%, decrease from the Fiscal Year 2024 actuals of \$2 million. In addition to these funds, the Sheriff was awarded \$3 million for the five-year period of May 2023 through October 2028, of which \$2.4 million is for the Department, to support cannabis enforcement through the Proposition 64 Public Health and Safety Cohort 3 grant program (Board Resolution 2023-0288).

Driver Training Fleet Maintenance – It is recommended to increase appropriations and the use of fund balance by \$60,000 to support maintaining the fleet of vehicles used for driver training courses to reflect the current service level projections for training.

Technical Adjustments – Technical adjustments are recommended to increase appropriations by \$1.1 million, increase estimated revenue by \$331,959, decrease the use of departmental fund balance by \$282,718, and increase Net County Cost by \$1.1 million, as noted below.

- Adjustments to increase appropriations by \$676,421, funded with \$55,047 in estimated revenue, \$7,282 in the use of departmental fund balance, and \$614,092 in Net County Cost are recommended to address additional need due to a calculation error in the Information Technology Central (ITC) original Fiscal Year 2025 Cost Allocation Plan (CAP) charge estimates.
- Adjustments to increase appropriations by \$266,704, funded with Net County Cost, are recommended to support health insurance rate adjustments approved by the Board of Supervisors on October 1, 2024, effective January 1, 2025.
- Adjustments to increase appropriations by \$119,446, funded with Net County Cost, are recommended to support a Deputy Sheriff Association uniform allowance payroll correction and to right-size the budget for the current year's needs.
- Adjustments to increase appropriations by \$74,586, increase estimated revenue by \$502,902, decrease the use of departmental fund balance by \$290,000, and decrease Net County Cost by \$138,316 are recommended to right-size the Department’s grant budget for the Fiscal Years 2022 and 2023 Edward Byrne Memorial Justice Assistance Grants (Board Resolutions 2022-0615 and 2024-0047); right-size the Contract Cities budget with the Law Enforcement Service Agreements approved by the Board of Supervisors on October 15, 2024 (Board Resolution 2024-0584); right-size the Jail Commissary/Inmate Welfare budget to align with actuals; and right-size the grant budget for the Boating Safety and Enforcement Equipment Grant (Board Resolution 2022-0579).

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Administration	\$0	\$81,555	\$0	\$81,555	Increase appropriations to right-size Information Technology Central (ITC) Data Processing cost allocation plan (CAP) charges to align with actuals, funded with Net County Cost.
Administration	\$0	\$559	\$0	\$559	Increase appropriations to support a Deputy Sheriff's Association (DSA) uniform allowance payroll correction, including back-pay and correction to Fiscal Year 2025 salary projector, funded with Net County Cost.
Administration	\$34,010	\$25,624	\$0	(\$8,386)	Increase appropriations and estimated revenue for the balances remaining of the Fiscal Year 2022 and 2023 Edward Byrne Memorial Justice Assistance Grants (Board Resolutions 2022-0615 and 2024-0047), benefitting Net County Cost.
Administration	\$0	\$33,443	\$0	\$33,443	Increase appropriations to support health insurance rate adjustments approved by the Board of Supervisors on October 1, 2024, effective January 1, 2025, funded with Net County Cost.
CAL ID Program	\$0	\$1,282	\$1,282	\$0	Increase appropriations to right-size Information Technology Central (ITC) Data Processing cost allocation plan (CAP) charges to align with actuals, funded with the use of fund balance.
CAL-MMET	\$0	\$1,498	\$1,498	\$0	Increase appropriations to right-size Information Technology Central (ITC) Data Processing cost allocation plan (CAP) charges to align with actuals, funded with the use of fund balance.
Contract Cities	\$38,962	\$38,962	\$0	\$0	Increase appropriations and estimated revenue to align the budgets with the Law Enforcement Service Agreements with the contract cities of Riverbank, Waterford, and Hughson (Board Resolution 2024-0584).
Contract Cities	\$55,047	\$55,047	\$0	\$0	Increase appropriations to right-size Information Technology Central (ITC) Data Processing cost allocation plan (CAP) charges to align with actuals, funded with estimated revenue.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Court Security	\$0	\$0	(\$773,558)	\$773,558	Decrease the use of fund balance and increase Net County Cost to cover the Realignment shortfall for Court Security to support maintaining contracted service levels per the Sheriff's memorandum of understanding (MOU) with the Stanislaus Superior Court.
Court Security	\$0	\$5,249	\$0	\$5,249	Increase appropriations to support a Deputy Sheriff's Association (DSA) uniform allowance payroll correction, including back-pay and correction to Fiscal Year 2025 salary projector, funded with Net County Cost.
Court Security	\$0	\$35,397	\$0	\$35,397	Increase appropriations to right-size Information Technology Central (ITC) Data Processing cost allocation plan (CAP) charges to align with actuals, funded with Net County Cost.
Court Security	(\$225,990)	\$0	\$0	\$225,990	Decrease estimated realignment revenue, funded with Net County Cost, to fund the shortfall in 2011 Realignment.
Detention	\$0	\$113,638	\$0	\$113,638	Increase appropriations to support a Deputy Sheriff's Association (DSA) uniform allowance payroll correction, including back-pay and correction to Fiscal Year 2025 salary projector, funded with Net County Cost.
Detention	\$0	\$306,334	\$0	\$306,334	Increase appropriations to right-size Information Technology Central (ITC) Data Processing cost allocation plan (CAP) charges to align with actuals, funded with Net County Cost.
Detention	\$0	\$145,128	\$0	\$145,128	Increase appropriations to support health insurance rate adjustments approved by the Board of Supervisors on October 1, 2024, effective January 1, 2025, funded with Net County Cost.
Driver Training Program	\$0	\$60,000	\$60,000	\$0	Increase appropriations and the use of fund balance to support maintaining the fleet of vehicles used for driver training courses to reflect the current service level projections for training courses.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Jail Commissary/Inmate Welfare	\$300,000	\$10,000	(\$290,000)	\$0	Increase appropriations and decrease the use of fund balance to right-size the budget to align with actuals, funded with estimated revenue.
Jail Commissary/Inmate Welfare	\$0	\$4,045	\$4,045	\$0	Increase appropriations to right-size Information Technology Central (ITC) Data Processing cost allocation plan (CAP) charges to align with actuals, funded with the use of fund balance.
Operations	\$0	\$186,420	\$0	\$186,420	Increase appropriations to support additional costs related to removing abandoned vehicles as a public nuisance, funded with Net County Cost.
Operations	\$0	\$190,806	\$0	\$190,806	Increase appropriations to right-size Information Technology Central (ITC) Data Processing cost allocation plan (CAP) charges to align with actuals, funded with Net County Cost.
Operations	\$129,930	\$0	\$0	(\$129,930)	Increase estimated revenue, benefitting Net County Cost, for the Boating Safety and Enforcement Equipment Grant (Board Resolution 2022-0579).
Operations	\$0	\$88,133	\$0	\$88,133	Increase appropriations to support health insurance rate adjustments approved by the Board of Supervisors on October 1, 2024, effective January 1, 2025, funded with Net County Cost.
Vehicle Theft Unit	\$0	\$457	\$457	\$0	Increase appropriations to right-size Information Technology Central (ITC) Data Processing cost allocation plan (CAP) charges to align with actuals, funded with the use of fund balance.
Total	\$331,959	\$1,383,577	(\$996,276)	\$2,047,894	

Recommendation: It is recommended to increase appropriations by \$1.4 million, increase estimated revenue by \$331,959, decrease the use of departmental fund balance by \$996,276, and increase Net County Cost by \$2 million.

Staffing Recommendation: It is recommended to delete one vacant block-budgeted Deputy Sheriff I/II in Operations due to a reduction in cannabis funding.

A request to add a new classification was submitted by the Department and recommended for study in the 2024 Adopted Budget. The study has been completed, concluding with a recommendation to add one new classification of Supervising Deputy Coroner to supervise staff at the Coroner’s Office. The salary range will be \$37.30 - \$45.35 per hour. This classification will be assigned to the Stanislaus County Employees Association (SCEA), American

Federation of State, County and Municipal Employees (AFSCME Local #10). It is also recommended to reclassify one vacant Deputy Coroner to Supervising Deputy Coroner.

A request to add a new classification series was submitted by the Department and recommended for study in the 2024 Adopted Budget. The study has been completed, concluding with a recommendation to create a new two-level block-budgeted classification series to replace the Crime Analyst Technician classification. This series will include the Crime Scene Investigator I, an entry level classification with a salary range of \$28.40 - \$34.52 and the Crime Scene Investigator II, a journey level classification with a salary range of \$31.24 - \$37.97. The new classifications will be assigned to SCEA, AFSCME Local #10. The Crime Scene Investigator series will be required to obtain and maintain the Crime Scene Certification through the International Association for Identification. It is also recommended to reclassify six Crime Analyst Technician positions to Crime Scene Investigator II.

SUPPORTING A HEALTHY COMMUNITY



Aging and Veterans Services
Behavioral Health and Recovery Services
Child Support Services
Community Services Agency
Health Services Agency

Supporting a Healthy Community

Priority Overview

Supporting a Healthy Community is vital to the quality of life for County residents. Protecting and promoting our residents' physical health and safety includes preventing disease, disability, and death. Protecting emotional safety focuses on addressing social problems like homelessness, incarceration, and fragmented families with financial and emotional needs. Resources dedicated to prevention allow services to reach a broader population.

The departments assigned to this priority area include Aging and Veterans Services, Behavioral Health and Recovery Services, Child Support Services, Community Services Agency, and Health Services Agency. The primary funding sources for the programs and services these departments provide include Federal and State funding, along with County local discretionary funds, where required, to match other governmental funding in support of these programs.

Recommendations contained in this report will increase appropriations by \$4.2 million, revenue by \$840,390, the use of fund balance by \$3.4 million, and Net County Cost by \$25,727 for departments *Supporting a Healthy Community*.

Overall, departments within the priority *Supporting a Healthy Community* are on track to end the year within budget and in a positive fiscal position. Total department-identified unmet needs in this priority area equate to \$1.5 million. Any budget adjustments needed to fully fund Board-approved service levels per financial policy and department budget instructions will be recommended at third quarter.

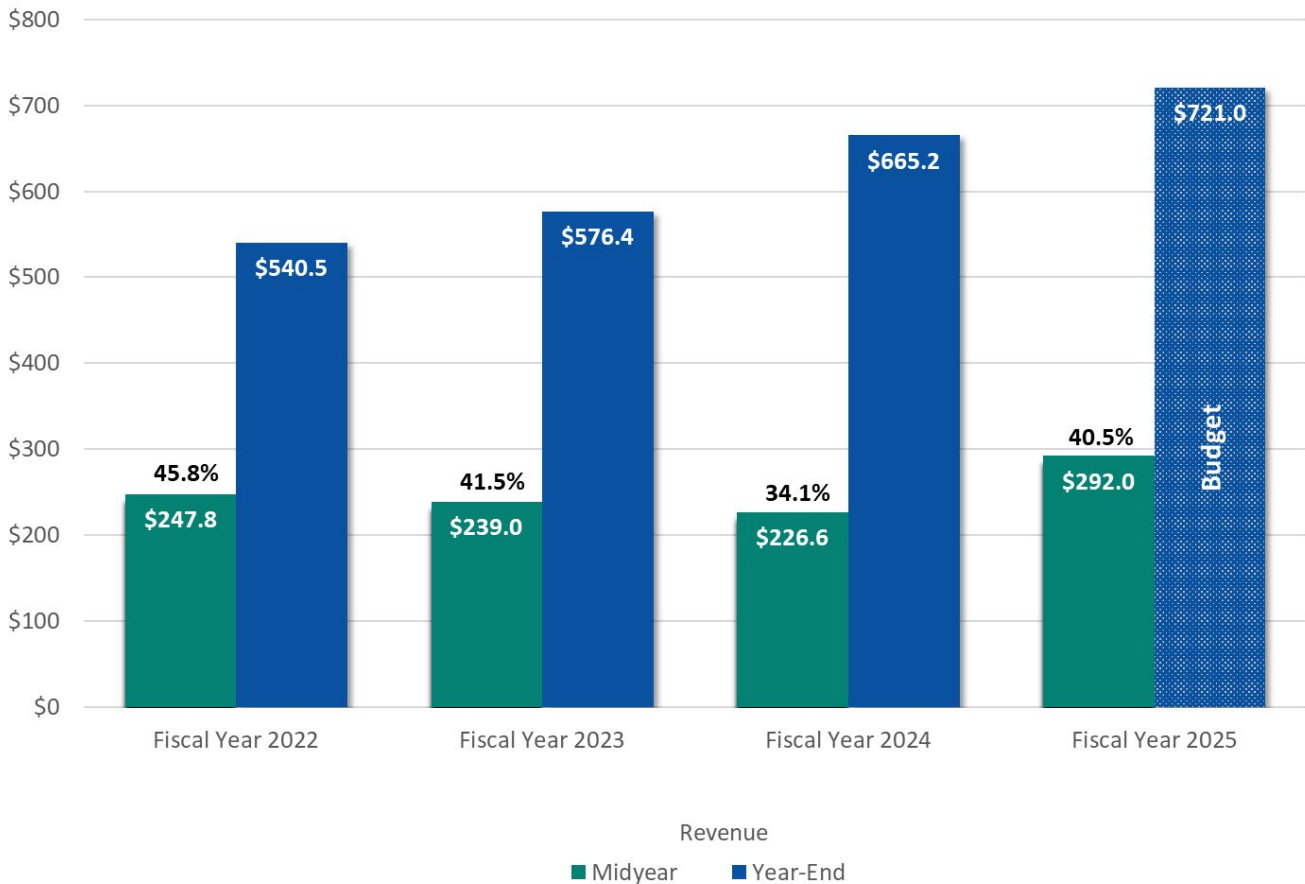
Departmental Revenue

For department budgets representing the priority *Supporting a Healthy Community*, actual revenue received as of December 31, 2024, totaled \$292 million, which is 40.5% of the estimated annual revenue. This ratio is within historical trends when compared to revenue received as of midyear for the previous three years, which ranged from 34.1% to 45.8% of year-end actual totals.

Budgeted revenue reflects an increase of \$55.8 million, or 8.4%, over the prior year's actuals. This change is due to increases in Behavioral Health and Recovery Services grant-related and Federal Financial Participation (FFP) revenue and increases in Community Services Agency related to anticipated growth. Actual revenue increased by \$65.4 million, or 29%, over the prior year's actuals received as of midyear. This increase can be mostly attributed to: increases in Behavioral Health and Recovery Services due to improvements allowing the department to recognize revenue monthly; an increase in Child Support Services due to delays in billings for Fiscal Year 2024, where only two months had been billed compared to all six months in the current year and corrected billings received by the department in the current year; and an increase in Health Services Agency's accrual of Intergovernmental Transfer (IGT) revenue that was not present in the prior year.

Supporting a Healthy Community Four-Year Revenue Comparison

In Millions



Departmental Expenditures

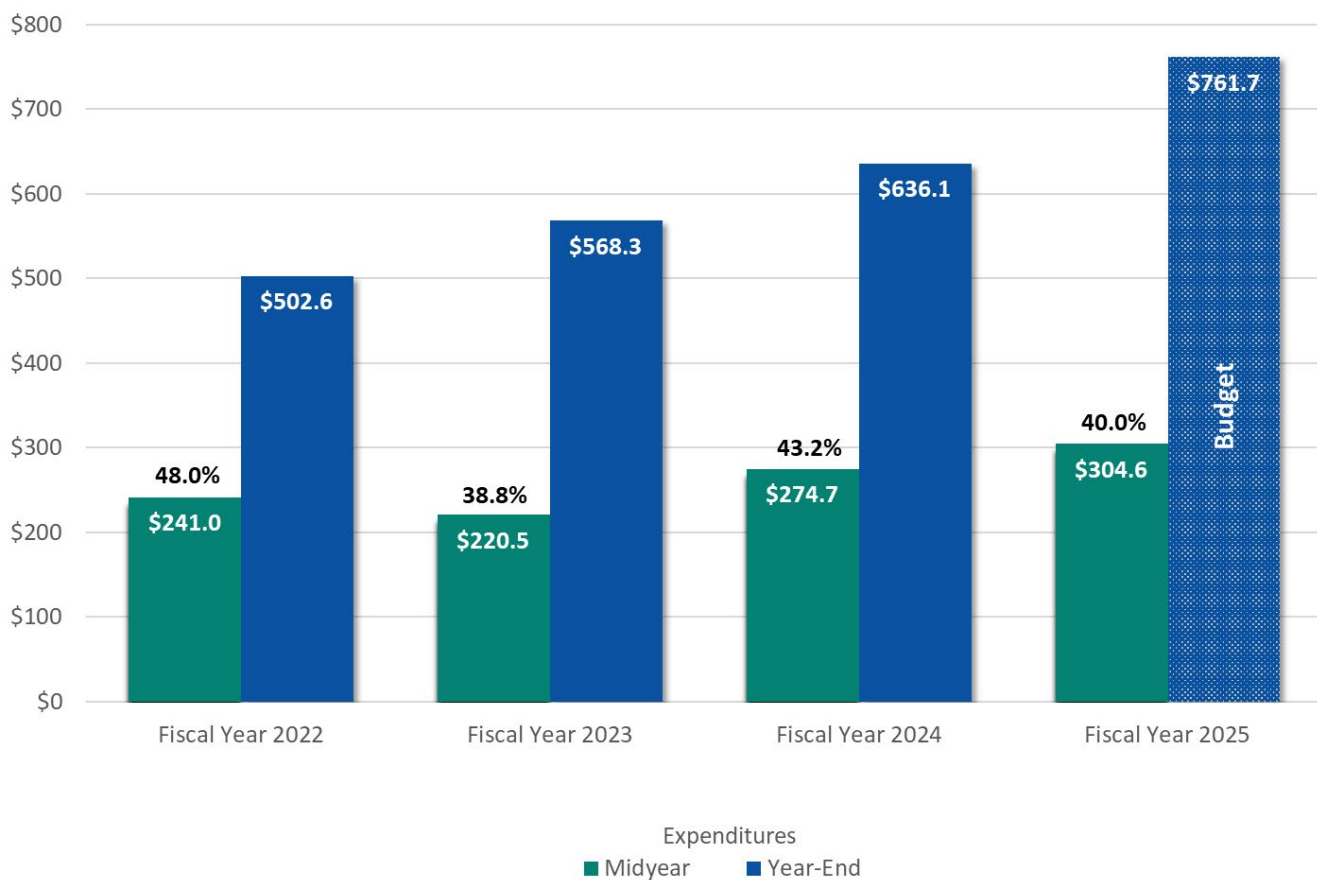
As of December 31, 2024, expenditures in this priority area totaled \$304.6 million, representing 40% of budgeted appropriations. This ratio is within the range when compared to expenditures from the previous three years as of midyear, which ranged from 38.8% to 48% of year-end actual totals.

Budgeted expenditures represent an increase of \$125.5 million, or 19.7%, over the prior year's actuals, with Behavioral Health and Recovery Services (BHRS) experiencing a growth of \$68.4 million, or 36.3%, over the preceding year's actuals primarily due to various new programs, mandated initiatives, and historic State funding levels. Additionally, the Community Service Agency (CSA) has a 13% growth of \$45.2 million over the prior year's actuals. The Department expects to experience a higher budget utilization in the current year due to a focus on recruiting and retaining staff and spending related to Homeless Housing, Assistance, and Prevention (HHAP) funding.

Actual expenditures through midyear increased by \$29.8 million over Fiscal Year 2024, primarily due to spending in BHRS and CSA. Improved invoice processing in BHRS, reduced vacancy rates in CSA, caseload growth, and increased costs in CSA-mandated programs largely account for the increase.

Supporting a Healthy Community Four-Year Expenditures Comparison

In Millions



Midyear Issues and Recommendations

The recommendations contained in this report *Supporting a Healthy Community* will increase appropriations by \$4.2 million. Budget adjustments are funded by an \$840,390 increase in estimated revenue, a \$3.4 million increase in the use of fund balance, and a \$25,727 increase in Net County Cost.

Aging and Veterans Services

Adjustments increasing appropriations by \$439,626, funded by \$413,899 in estimated revenue and \$25,727 in Net County Cost are recommended for Aging and Veterans Services.

Area Agency on Aging – A net increase in appropriations and revenue of \$413,899 to reflect an increase in appropriations and revenue for Older Americans Act (OAA) funding for the provision of senior services in the amount of \$333,038, an increase in appropriations and revenue of \$120,143 to right-size the projected use of Modernizing Older Californians Act supportive services multi-year funding, and a decrease in appropriations and revenue of \$39,282 in National Nutrition Security Incentive Program (NSIP) funding is recommended.

Stanislaus Veterans Center – An increase in appropriations of \$48,550 due to an increase in Cost Allocation Plan (CAP) charges for contracted janitorial services and a decrease of \$22,823 in appropriations for services and supplies, based on actual trends, resulting in a net increase in appropriations of \$25,727, are recommended.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Area Agency on Aging	\$333,038	\$333,038	\$0	\$0	Increase appropriations and revenue due to additional one-time only Federal & State Older Americans Act (OAA) funding, which will increase OAA funding already included in the Fiscal Year 2025 budget.
Area Agency on Aging	(\$39,282)	(\$39,282)	\$0	\$0	Decrease appropriations and revenue in the National Nutrition Security Incentive Program (NSIP). This decrease will not impact service levels.
Area Agency on Aging	\$120,143	\$120,143	\$0	\$0	Increase appropriations and revenue to right-size the projected use of Modernizing Older Californians Act supportive services multi-year funding.
Stanislaus Veterans Center	\$0	\$48,550	\$0	\$48,550	Increase appropriations in Cost Allocation Plan (CAP) charges for interfund contracted janitorial services.
Stanislaus Veterans Center	\$0	(\$22,823)	\$0	(\$22,823)	Decrease appropriations in services and supplies budget based on actual trends.
Total	\$413,899	\$439,626	\$0	\$25,727	

Recommendation: It is recommended to increase appropriations by \$439,626, funded by \$413,899 in estimated revenue, and \$25,727 in Net County Cost.

Staffing Recommendation: A request to reclassify one Staff Services Analyst was submitted by the Department and recommended for study in the 2025 Proposed Budget. The study has been completed, concluding with a recommendation to create one new classification of Supervising Veterans Services Representative to assist with organizing and maintaining the activities of the County Veterans Services Office (CVSO) and supervise staff. The salary range will be \$35.17 - \$42.76 per hour. This classification will be assigned to the Stanislaus County Employees Association (SCEA), American Federation of State, County and Municipal Employees (AFSCME Local #10). It is also recommended to reclassify one Staff Services Analyst to this new classification.

Behavioral Health and Recovery Services

Adjustments increasing appropriations by \$2.5 million, funded with \$168,176 in estimated revenue and \$2.3 million in the use of departmental fund balance are recommended for Behavioral Health and Recovery Services (BHRS).

Doctor's Behavioral Health Center Contract – The Department entered a contract with Doctor's Behavioral Health Center before the State issued Medi-Cal reimbursement rates, which are less than the agreed-upon reimbursement rate with the vendor. The Department has agreed to reimburse the vendor the difference between the two rates. An increase in appropriations of \$2.1 million, funded with the use of departmental fund balance, is recommended to support this reimbursement. The Managed Care budget will pay the vendor, and the Behavioral Health and Recovery Services budget will reimburse the Managed Care budget with existing fund balance.

Contracted Provider Services – It is recommended to increase appropriations and estimated revenue by \$555,376 to support increased outpatient and residential substance abuse disorder treatment services with Valley Recovery Resources – Redwood Family Treatment Center and Nirvana Treatment Center.

Staffing – Staffing-related budget adjustments are recommended to increase appropriations by \$131,400, funded with \$59,300 in estimated revenue and \$72,100 in the use of fund balance to support adding one new Assistant Director and one new Manager IV. The Assistant Director will focus on developing and overseeing the Department's clinical operations. The Manager IV will provide direct human relations (HR) oversight. The Manager IV will help support the HR team and review the HR structure within the Department with the intent to transition the Department's HR functions to a Department Support Unit (DSU) model through a separate Board agenda item or in an upcoming budget cycle. Once settled, it is anticipated that Phase Two will add other non-DSU departments under this Manager IV's oversight to expand the DSU. The annual ongoing cost for the Assistant Director is estimated to be \$288,502 and the Manager IV is estimated to be \$237,157.

Substance Use Block Grant – An increase in appropriations and estimated revenue of \$35,000 is recommended. A Staff Services Analyst is recommended to transfer from the Substance Use Disorder budget to the Mental Health Services Act budget, which frees up grant revenue. This recommendation seeks to maximize grant revenues by repurposing the funds to support increased advertising.

Technical Adjustments – Technical adjustments are recommended to decrease appropriations by \$323,900, decrease estimated revenue by \$482,000, and increase the use of departmental fund balance by \$158,100.

- A net budget adjustment to decrease estimated revenue by \$158,100 and increase the use of departmental fund balance by \$158,100 is recommended to support the position transfers noted below.
 - One Staff Services Analyst from Substance Use Disorder to Mental Health Services Act.

- One Staff Services Coordinator from Mental Health Services Act to Behavioral Health and Recovery Services.
- Three Staff Services Analyst positions from Mental Health Services Act to Behavioral Health and Recovery Services.
- One Behavioral Health Specialist I/II from Mental Health Services Act to Behavioral Health and Recovery Services.
- One Mental Health Clinician II from Behavioral Health and Recovery Services to Substance Use Disorder.
- An adjustment to increase appropriations and estimated revenue to recognize \$116,000 in Cannabis Revenue given to the Opioid Safety Coalition, as approved by the Board of Supervisors on July 30, 2024 (Board Resolution 2024-0414).
- Decrease appropriations and 1991 Realignment revenue by \$771,900 to recognize Fiscal Year 2024 allocation changes.
- Increase appropriations by \$325,000 and estimated revenue to support the City of Modesto Supplemental Environmental Project Funding for infrastructure improvements at the Dignity Village Bridge Housing Site, as approved by the Board of Supervisors on December 3, 2024 (Board Resolution 2024-0680).
- An adjustment to re-budget the Children’s Intensive Community Supports, Support and Care funds is recommended by increasing appropriations and estimated revenue by \$7,000.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/ General Fund Contribution	Description
Behavioral Health and Recovery Services	\$0	\$72,100	\$72,100	\$0	Increase appropriations and the use of fund balance to support one new Assistant Director position to focus on the development and oversight of the Department's clinical operations.
Behavioral Health and Recovery Services	\$0	\$41,500	\$41,500	\$0	Increase appropriations and use of fund balance to support the transfer of one Staff Services Coordinator from the Mental Health Services Act budget to the Behavioral Health and Recovery Services budget.
Behavioral Health and Recovery Services	\$0	\$35,500	\$35,500	\$0	Increase appropriations and use of fund balance to support the transfer of one Staff Services Analyst from the Mental Health Services Act budget to the Behavioral Health and Recovery Services budget.
Behavioral Health and Recovery Services	\$0	\$35,500	\$35,500	\$0	Increase appropriations and use of fund balance to support the transfer of one Staff Services Analyst from the Mental Health Services Act budget to the Behavioral Health and Recovery Services budget.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/ General Fund Contribution	Description
Behavioral Health and Recovery Services	\$0	\$35,500	\$35,500	\$0	Increase appropriations and use of fund balance to support the transfer of one Staff Services Analyst from the Mental Health Services Act budget to the Behavioral Health and Recovery Services budget.
Behavioral Health and Recovery Services	\$0	(\$23,400)	(\$23,400)	\$0	Decrease appropriations and use of fund balance to support the transfer of one Mental Health Clinician II from the Behavioral Health and Recovery Services budget to the Substance Use Disorder budget.
Behavioral Health and Recovery Services	\$0	\$33,500	\$33,500	\$0	Increase appropriations and use of fund balance to support the transfer of one Behavioral Health Specialist I/II from the Mental Health Services Act budget to the Behavioral Health and Recovery Services budget.
Behavioral Health and Recovery Services	\$0	\$2,080,500	\$2,080,500	\$0	Increase appropriations and use of fund balance to reimburse the Managed Care budget for an unbudgeted payment to Doctor's Behavioral Health Center (Conifer Health) to cover the difference in contract reimbursement rates and Medi-Cal Rates in Fiscal Years 2022 and 2024.
Behavioral Health and Recovery Services	\$59,300	\$59,300	\$0	\$0	Increase appropriations and estimated revenue to support one new Manager IV as part of Phase 1 for Chief Executive Office - Human Relations Department Support Unit (DSU) to support department HR and others in the future.
Behavioral Health and Recovery Services	\$325,000	\$325,000	\$0	\$0	Increase appropriations and estimated revenue to support the City of Modesto Supplemental Environmental Project Funding for infrastructure improvements at the Dignity Village Bridge Housing Site, as approved by the Board on December 3, 2024 (Board Resolution 2024-0680).
Behavioral Health and Recovery Services	\$7,000	\$7,000	\$0	\$0	Increase appropriations and estimated revenue for the Children's Intensive Community Supports, Support & Care funds, erroneously removed in 2025 Proposed Budget.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/ General Fund Contribution	Description
Behavioral Health and Recovery Services	(\$771,900)	(\$771,900)	\$0	\$0	Decrease appropriations and estimated 1991 Realignment Base revenue.
Managed Care	\$0	\$2,080,500	\$2,080,500	\$0	Increase appropriations and use of fund balance to reflect unbudgeted payment to Doctor's Behavioral Health Center (Conifer Health) to cover the difference in contract reimbursement rates and Medi-Cal Rates in Fiscal Years 2022 and 2024.
Managed Care	\$0	(\$2,080,500)	(\$2,080,500)	\$0	Decrease appropriations and use of fund balance to recognize transfer in from the Behavioral Health and Recovery Services budget to fund the Doctor's Behavioral Health Center payment.
Mental Health Services Act	\$35,500	\$35,500	\$0	\$0	Increase appropriations and estimated revenue to support the transfer of a Staff Services Analyst into the Mental Health Services Act budget from the Substance Use Disorder budget.
Mental Health Services Act	(\$41,500)	(\$41,500)	\$0	\$0	Decrease appropriations and estimated revenue to support the transfer of one Staff Services Coordinator from the Mental Health Services Act budget to the Behavioral Health and Recovery Services budget.
Mental Health Services Act	(\$35,500)	(\$35,500)	\$0	\$0	Decrease appropriations and estimated revenue to support the transfer of one Staff Services Analyst from the Mental Health Services Act budget to the Behavioral Health and Recovery Services budget.
Mental Health Services Act	(\$35,500)	(\$35,500)	\$0	\$0	Decrease appropriations and estimated revenue to support the transfer of one Staff Services Analyst from the Mental Health Services Act budget to the Behavioral Health and Recovery Services budget.
Mental Health Services Act	(\$33,500)	(\$33,500)	\$0	\$0	Decrease appropriations and estimated revenue to support the transfer of one Behavioral Health Specialist I/II from the Mental Health Services Act budget to the Behavioral Health and Recovery Services budget.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/ General Fund Contribution	Description
Mental Health Services Act	(\$35,500)	(\$35,500)	\$0	\$0	Decrease appropriations and estimated revenue to support the transfer of one Staff Services Analyst from the Mental Health Services Act budget to the Behavioral Health and Recovery Services budget.
Substance Use Disorder	\$210,000	\$210,000	\$0	\$0	Increase appropriations and estimated revenue to increase the contract with Valley Recovery Resources - Redwood Family Treatment Center to increase services.
Substance Use Disorder	\$345,376	\$345,376	\$0	\$0	Increase appropriations and estimated revenue to increase the contract with Nirvana Treatment Center to increase services for Men's Residential, Women's Residential, and Outpatient Services due to increases in services and increased census in outpatient programs.
Substance Use Disorder	(\$35,500)	(\$35,500)	\$0	\$0	Decrease appropriations and estimated Substance Use Block Grant revenue to support the transfer of one Staff Services Analyst from the Substance Use Disorder budget to the Mental Health Services Act budget.
Substance Use Disorder	\$35,500	\$35,500	\$0	\$0	Increase appropriations and estimated Substance Use Block Grant revenue to support increased advertising to maximize grant revenues due to anticipated savings from transferring a Staff Services Analyst from the Substance Use Disorder budget to the Mental Health Services Act budget.
Substance Use Disorder	\$23,400	\$23,400	\$0	\$0	Increase appropriations and estimated revenue to support the transfer of one Mental Health Clinician II from the Behavioral Health and Recovery Services budget to the Substance Use Disorder budget.
Substance Use Disorder	\$116,000	\$116,000	\$0	\$0	Increase appropriations and estimated revenue to recognize Cannabis Revenue given to the Opioid Safety Coalition approved by the board on July 30, 2024 (Board Resolution 2024-0414).
Total	\$168,176	\$2,478,876	\$2,310,700	\$0	

Recommendation: It is recommended to increase appropriations by \$2.5 million, increase estimated revenue by \$168,176, and increase the use of departmental fund balance by \$2.3 million.

Staffing Recommendation: It is recommended to add one Assistant Director in BHRS to serve as a Clinical Services Director to focus on the development and oversight of the Department's clinical operations due to the substantial growth of the Department. Additionally, it is recommended to add one Manager IV to support the Human Resources division and the future Department Support Unit (DSU) expansion. Lastly, it is recommended to transfer seven positions between budget units to properly align positions with Department needs: one block-budgeted Mental Health Clinician I/II from BHRS to the Alcohol and Drug Program (Substance Use Disorder), one Staff Services Analyst from the Alcohol and Drug Program to Mental Health Services Act (MHSA), and five positions (one block-budgeted Behavioral Health Specialist I/II, three Staff Services Analyst positions, and one Staff Services Coordinator) from MHSA to BHRS.

Child Support Services

It is recommended to delete four vacant positions. There is no fiscal impact to the department or the community, as these long-standing positions are no longer necessary for the organization and have not been filled for several years. The funding source is not affected since these positions are not currently funded in the budget and the department receives 100% funding from Federal and State monies.

Staffing Recommendation: It is recommended to delete four vacant positions (two block-budgeted Child Support Specialist I/II, one Manager III, and one block-budgeted Supervising Legal Clerk I/II) due to continued flat funding. Additionally, it is recommended to study one block-budgeted Accountant I/II to determine if the current duties and responsibilities are in alignment with the current classification designation.

Health Services Agency

Adjustments increasing appropriations by \$1.3 million, funded with \$258,315 in estimated revenue and \$1.1 million in the use of departmental fund balance are recommended for the Health Services Agency.

Right-Size Use of Fund Balance – In Fiscal Years 2021 and 2022, the Department received donated inventory of personal protective equipment (PPE) from the General Services Agency and the State to aid in the COVID-19 pandemic response efforts. The donation was recorded as both donation revenue and inventory, increasing the Department's Administration budget fund balance. While developing the 2025 Proposed Budget before the end of Fiscal Year 2024, the Department estimated to close Fiscal Year 2024 with approximately \$1.5 million in inventory. However, the inventory value as of July 1, 2024, was \$849,663. It is recommended that appropriations and the use of fund balance be decreased by \$650,337 to adjust the budget to align with the available inventory.

Right-Size Revenue Recovery Charges – An adjustment is needed to align the Department's Revenue Recovery charges with the projected need. The charges are incurred in the Department's Administration budget and charged to the Clinics and Ancillary Services and Public Health budgets. To recognize these charges, an increase in appropriations of \$74,445, funded by estimated revenue, is needed in the Administration budget. Additional adjustments increasing appropriations by \$74,445 in the Clinics and Ancillary Services budget and by \$6,473 in the Public Health budget, funded with the use of departmental fund balance, are needed to represent the costs charged to these budgets.

Contract Needs – An increase in appropriations of \$1 million, funded with increased use of fund balance, is recommended to support contracts to assist with the recruitment of the assistant medical director positions and medical providers for the clinics as well as the cost to upgrade the Department's Electronic Health Record system, to include the cost of the new system, onboarding, data conversion, and data view.

Women, Infants, and Children (WIC) – It is recommended to increase appropriations, funded with estimated revenue, by \$81,500 to support three new Nutrition Assistant I/II positions. WIC has experienced an increased caseload over the last four years, rising by 20%. In recognition of this growth, the State has increased its grant allocation to the County, which was initially approved by the Board of Supervisors on September 20, 2022 (Board Resolution 2022-0502). The increase in appropriations represents the cost for four months of the year for all three positions. The estimated annual cost for all three positions combined is approximately \$244,500.

Clinics Closure Position Allocation Right-Sizing – On April 16, 2024, the Board of Supervisors approved recommendations by the Department regarding the clinical division scope and locations of outpatient clinical services (Board Resolution 2024-0162). Related to these recommendations comes the need to right-size the Department’s position allocation by deleting the 33 vacant position allocations. The positions to be deleted are as follows:

- 1 Chief Physical/Occupational Therapist,
- 1 Physical/Occupational Therapist II,
- 1 Physical Therapy Assistant/Certified Occupational Therapy,
- 2 Therapist Aid,
- 2 Medical Records Clerks,
- 24 Administrative Clerk II,
- 1 Supervising Account Administrative Clerk II, and
- 1 Administrative Clerk III

Due to the number of vacant positions, the Department budgeted a 15% vacancy rate for full-time positions and a 40% vacancy rate for part-time positions. Due to the deletion of these positions and lower vacancy rates experienced by the Department, it is recommended to increase appropriations by \$282,761, funded with an increased use of departmental fund balance, in the Clinics and Ancillary Services budget.

Administration Position Allocation Right-Sizing – It is recommended that one Account Clerk II, two Account Clerk III positions, and one Medical Biller II be deleted to align the Department’s allocations with current needs. Additionally, it is recommended that an Associate Director position be reclassified to an Assistant Director and that the position be transferred from the Clinics and Ancillary Services budget to the Administration budget. Transfers of a Confidential Assistant III from the Public Health budget and two Administrative Clerk II positions from the Clinics and Ancillary Services budget to the Administration budget are recommended. Budget adjustments increasing appropriations and estimated revenue in the Administration budget of \$102,370; adjustments increasing appropriations and the use of fund balance by \$102,370 in the Clinics and Ancillary budget; and adjustments increasing appropriations and the use of fund balance by \$89,820 in the Public Health budget are recommended to recognize these adjustments and the charging out of the costs.

Right-Size Staffing Costs – An increase in appropriations and the use of departmental fund balance of \$129,420 is recommended to right-size salaries based on the first quarter salary range adjustments for the Health Educator, Community Health Worker I/II, and Nutrition Assistant classifications, as well as the negotiated increases in the California Nurses Association memorandum of understanding (MOU) as approved by the Board of Supervisors on October 1, 2024 (Board Resolution 2024-0542).

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/ General Fund Contribution	Description
Health Services Agency - Administration	\$0	(\$650,337)	(\$650,337)	\$0	Decrease appropriations and the use of fund balance to align the Department's use of donated inventory with the available balance.
Health Services Agency - Administration	\$0	\$80,918	\$80,918	\$0	Increase appropriations and use of fund balance to correct the Department's Revenue Recovery collection cost allocation plan (CAP) charges.
Health Services Agency - Administration	\$0	(\$6,473)	(\$6,473)	\$0	Decrease appropriations and the use of fund balance to charge out the Department's Revenue Recovery collection CAP charges to Public Health.
Health Services Agency - Administration	\$74,445	\$0	(\$74,445)	\$0	Increase revenue and decrease the use of fund balance to charge out the Department's Revenue Recovery collection CAP charges to Clinics and Ancillary Services.
Health Services Agency - Administration	\$102,370	\$102,370	\$0	\$0	Increase appropriations and estimated revenue to delete four positions and transfer positions from other budgets to Administration.
Health Services Agency - Clinics and Ancillary Services	\$0	\$1,027,851	\$1,027,851	\$0	Increase appropriations and the use of fund balance to support contracts to assist with the recruitment of the Assistant Medical Director positions and medical providers for the clinics as well as the cost to upgrade the Department's Electronic Health Record system.
Health Services Agency - Clinics and Ancillary Services	\$0	\$82,761	\$82,761	\$0	Increase appropriations, funded with the use of fund balance, to support the deletion of 33 positions; downgrade one Senior Nurse Manager to a Nurse Manager; and budget 14 positions that were filled and not budgeted.
Health Services Agency - Clinics and Ancillary Services	\$0	\$200,000	\$200,000	\$0	Increase appropriations and the use of fund balance to support the lower vacancy rate experienced by the Department.
Health Services Agency - Clinics and Ancillary Services	\$0	\$74,445	\$74,445	\$0	Increase appropriations and the use of fund balance to correct the Department's Revenue Recovery collection CAP charges.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/ General Fund Contribution	Description
Health Services Agency - Clinics and Ancillary Services	\$0	\$102,370	\$102,370	\$0	Increase appropriations and the use of fund balance to reflect the Department's CAP charges to Clinics and Ancillary Services related to the transfer of positions.
Health Services Agency - Clinics and Ancillary Services	\$0	\$129,420	\$129,420	\$0	Increase appropriations and the use of fund balance to right size salaries based on the first quarter salary range adjustments for the Health Educator, Community Health Worker I/II, and Nutrition Assistant, as well as the negotiated increases in the California Nurses Association Memorandum of Understanding (MOU), as approved by the Board of Supervisors on October 1, 2024 (Board Resolution 2024-0542).
Health Services Agency - Public Health	\$81,500	\$81,500	\$0	\$0	Increase appropriations and estimated revenue to support three new Community Health Worker I/II positions under Women, Infants, and Children (WIC) related to increased grant funding from the State to support the Department's increased caseload.
Health Services Agency - Public Health	\$0	\$6,473	\$6,473	\$0	Increase appropriations and the use of fund balance to correct the Department's Revenue Recovery collection CAP charges.
Health Services Agency - Public Health	\$0	\$89,820	\$89,820	\$0	Increase appropriations and the use of fund balance to support position transfers and reclassifications.
Total	\$258,315	\$1,321,118	\$1,062,803	\$0	

Recommendation: It is recommended to increase appropriations by \$1.3 million, increase estimated revenue by \$258,315, and increase the use of departmental fund balance by \$1.1 million.

Staffing Recommendation: It is recommended to add three block-budgeted Nutrition Assistant I/II positions to support the Women, Infants, and Children (WIC) program to address the increase in caseloads driven by the growing demand for services within the community. To align with operational needs following the clinic transitions, it is recommended to delete a total of 37 vacant positions including four positions in Administration (one Account Clerk II, two Account Clerk III positions, and one block-budgeted Medical Biller I/II) and 33 positions in Clinics and Ancillary Services (24 block-budgeted Administrative Clerk I/II positions, one Administrative Clerk III, one Chief Physical/Occupational Therapist, two Medical Records Clerk positions, one block-budgeted Physical/Occupational Therapist I/II, one Physical Therapy Assistant/Certified Occupational Therapy, two Therapist Aid positions, and one Supervising Account Administrative Clerk II).

Additionally, it is recommended to transfer four positions between budget units to properly align positions with Department needs: one Confidential Assistant III from Public Health to Administration, and three positions from Clinics and Ancillary Services to Administration (one Associate Director and two block-budgeted Administrative Clerk I/II positions).

Lastly, it is recommended to reclassify one Associate Director to Assistant Director as well as one Senior Nurse Manager to Nurse Manager to right-size the positions.

DEVELOPING A HIGH-PERFORMING ECONOMY



Agricultural Commissioner
UC Cooperative Extension
Workforce Development

Developing a High-Performing Economy

Priority Overview

The Board of Supervisors' priority area of *Developing a High-Performing Economy* recognizes the critical role that County government can play in promoting, protecting, and sustaining our agricultural economy while providing for more diversified economic opportunities, all to strengthen our local economy and provide for a better, more stable, quality of life for our residents. Supporting job creation, providing a wide range of employment and training services, and educational resources are key aspects of *Developing a High-Performing Economy*. Departments and programs assigned to this priority area include the Agricultural Commissioner, the University of California (UC) Cooperative Extension, and Workforce Development.

Departments in this priority recognize the vital role of the County's number-one industry, agriculture, which generates billions of dollars in value of agricultural commodities per year. Farmland conversion, air pollution mitigation, soil salinity and drainage, agricultural water supply and water quality, and preservation of the County's unique agricultural heritage are key aspects of *Developing a High-Performing Economy*. Stanislaus County is an international agri-business powerhouse. The 2023 Stanislaus County Agricultural Report notes that the total gross value of agricultural production for 2023 was \$3.4 billion, ranking 8th out of 3,078 U.S. Counties with Agricultural Sales.

There are various funding sources supporting departments in this priority area. The Agricultural Commissioner/Sealer of Weights and Measures receives State funding for several programs and charges fees for specific services, with additional support from the General Fund. UC Cooperative Extension's advisors and programmatic support staff are funded through the UC system; however, the County provides General Fund support for staffing and operational expenses. Workforce Development receives Federal and State funds for work focused on meeting its mission.

While the agricultural industry is a significant economic driver in the County, regional economic development strategies are in place to increase economic diversity. Initiatives include job creation, business assistance and retention, demand-driven workforce readiness and innovation.

Recommendations contained in this report will increase appropriations and Net County Cost by \$14,026 for departments *Developing a High-Performing Economy*.

Overall, the departments within the priority *Developing a High-Performing Economy* are on track to end the year within budgeted appropriations and in a positive fiscal position.

Departmental Revenue

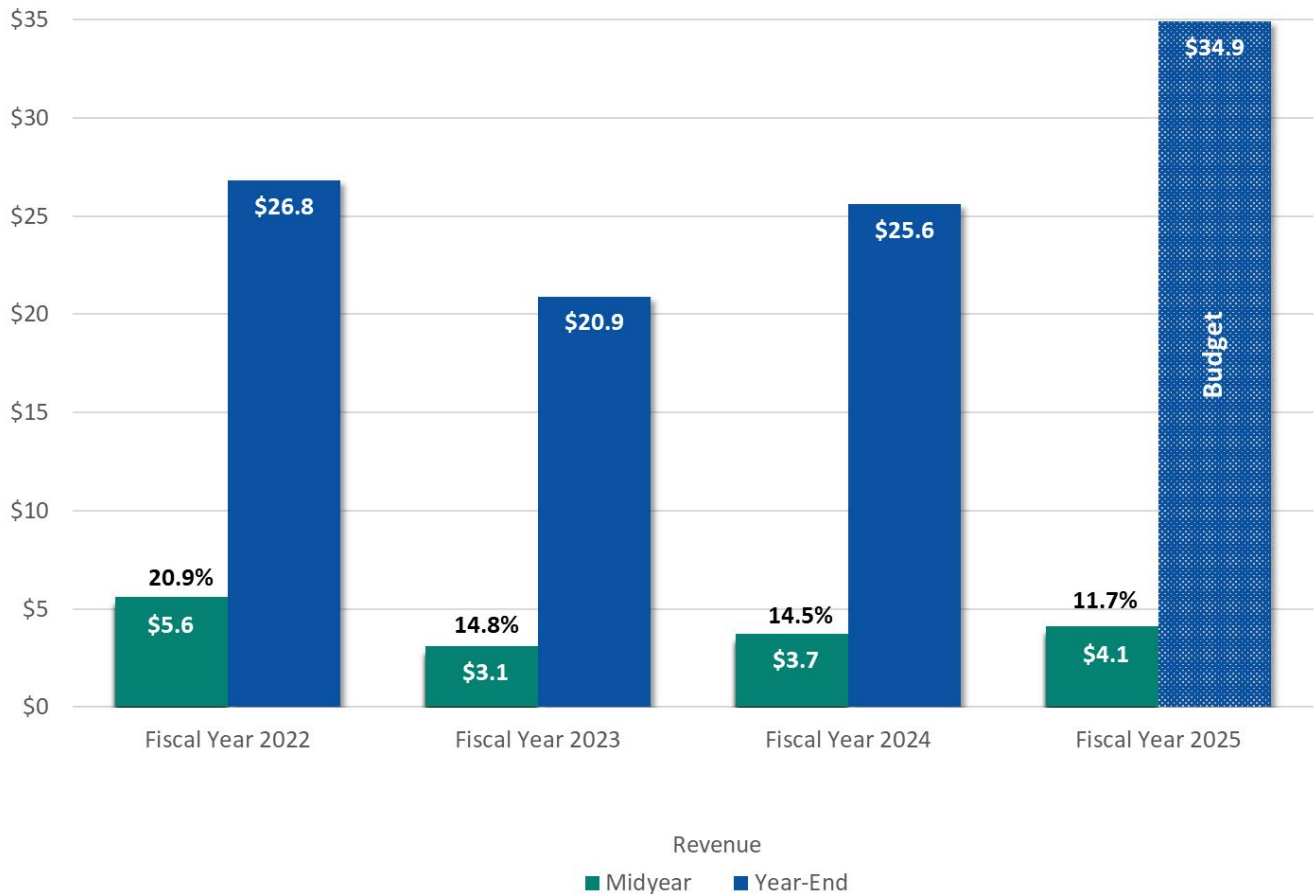
For the departments contained in the Board of Supervisors’ priority area *Developing a High-Performing Economy*, as of December 31, 2024, actual revenue was \$4.1 million, which represents 11.7% of the estimated annual revenue. This is below the historical range when compared to the midyear point of the prior three years, when collections were 14.5% to 20.9% of the final actual revenue.

Budgeted revenue reflects an increase of \$9.3 million, or 36.3%, over the prior year’s actuals. This increase is primarily made up of additional reimbursement-based revenue for Workforce Development. Timing of the drawdown of this funding has delayed reimbursement, with receipts coming in lower than anticipated at midyear.

Various County Operations budgets that were housed in this priority area were moved to the *Delivering Efficient Public Services* priority area in Fiscal Year 2023, explaining the visual dip in that year; Fiscal Years 2023 through 2025 reflect the remaining three department budgets and their respective historical data.

Developing a High-Performing Economy Four-Year Revenue Comparison

In Millions



Departmental Expenditures

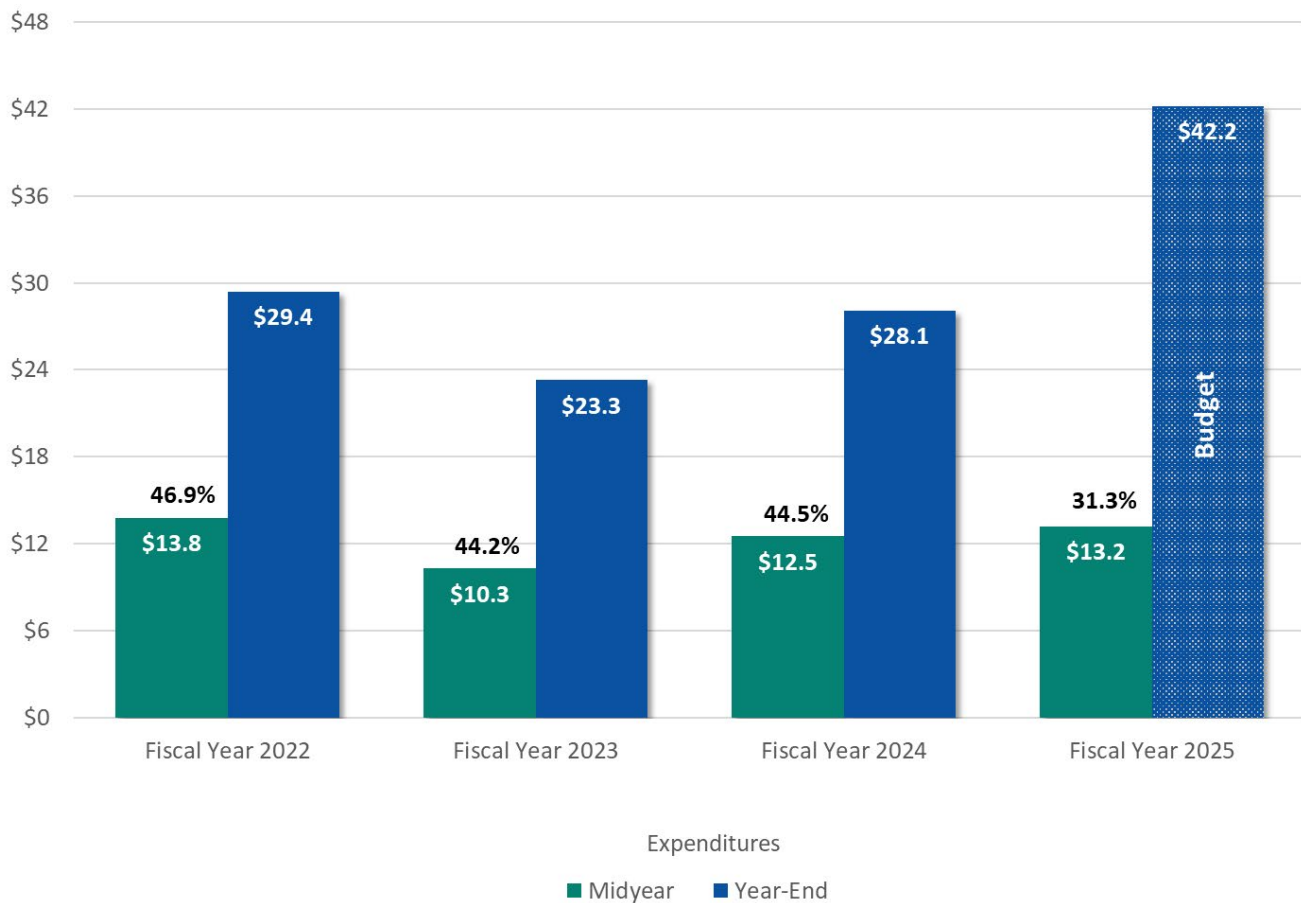
As of December 31, 2024, expenditures for this priority totaled \$13.2 million, representing 31.3% of the budgeted appropriations. Expenditures at the midyear point of the prior three years ranged from 44.2% to 46.9% of the final actual expenditures, placing this year’s ratio below the historical three-year range.

Developing a High-Performing Economy budgeted appropriations represent an increase of \$14.1 million, or 50.2%, over the prior year’s actuals, with Workforce Development experiencing a growth of \$12.4 million, or 61.8%, over the preceding year’s actuals due to additional reimbursement-based activities this fiscal year, significantly increasing overall estimated appropriations for this priority area. While expenditures to date for this priority are within the three-year historical range, those associated with reimbursement-based activities have been lower than anticipated at midyear, impacting the ratio of expended costs to budgeted appropriations.

As noted in the revenue section, various County Operations budgets that were housed in this priority area were moved to the *Delivering Efficient Public Services* priority in Fiscal Year 2023, explaining the visual dip in that year; Fiscal Years 2023 through 2025 reflect the remaining three department budgets and their respective historical data.

Developing a High-Performing Four-Year Expenditures Comparison

In Millions



Midyear Issues and Recommendations

Agricultural Commissioner

Staffing Recommendation: A request to study one Confidential Assistant IV was submitted by the Department and recommended for study in the 2024 Midyear Financial Report. CEO-HR has completed the study, concluding with a recommendation to reclassify the position to block-budgeted Manager I/II to serve as a Business Manager.

Additionally, it is recommended to study one Agricultural Weights and Measures Inspector IV, two block-budgeted Agricultural Weights and Measures Inspector I/II/III positions, one Confidential Assistant III, four Deputy Agricultural Commissioner/Sealer positions, and one Administrative Clerk II to determine if their current duties and responsibilities are in alignment with the current classification designations. It is also recommended to study the request to change the classification name of the Agricultural Weights and Measures Inspector series.

UC Cooperative Extension

Adjustments increasing appropriations by \$14,026, funded by Net County Cost are recommended for UC Cooperative Extension.

ITC Managed Model – An increase in appropriations of \$13,211, funded with Net County Cost, is recommended to bring the Department under the Information Technology Central (ITC) Managed Model, providing centralized information technology support to County employees supporting the Department.

Technical Adjustment – An increase in appropriations of \$815, funded with Net County Cost, is recommended to address additional need due to a calculation error in the Information Technology Central (ITC) original Fiscal Year 2025 Cost Allocation Plan (CAP) charge estimates.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/ General Fund Contribution	Description
UC Cooperative Extension	\$0	\$815	\$0	\$815	Increase appropriations due to ITC Cost Allocation Plan (CAP) Charges Technical Adjustment, funded by Net County Cost.
UC Cooperative Extension	\$0	\$13,211	\$0	\$13,211	Increase appropriations to cover costs incurred through support provided by ITC under its Managed Model, funded by Net County Cost.
Total	\$0	\$14,026	\$0	\$14,026	

Recommendation: It is recommended to increase appropriations by \$14,026, funded by Net County Cost.

Staffing Recommendation: It is recommended to study one Confidential Assistant IV to determine if current duties and responsibilities align with the current classification designation.

Workforce Development

Staffing Recommendation: It is recommended to add one Accountant II position to perform professional level work, complete account reconciliations, oversee month-end tasks, complete budget and cost allocation tasks, and

special projects. Additionally, it is recommended to add one Software Administrator I to maintain data integrity and reporting accuracy. This position will serve as the primary contact for all data mining and reporting activities, ensuring streamlined communications and accountability. These positions will be funded within existing program revenue and appropriations; therefore, no budget adjustments are required.

PROMOTING LIFELONG LEARNING



Library

Promoting Lifelong Learning

Priority Overview

The Library is the department responsible for supporting the Board of Supervisors' priority of *Promoting Lifelong Learning*. The Department serves members of the community and provides valuable services to local agencies and other County departments.

The Library is responsible for implementing *Promoting Lifelong Learning* opportunities for all residents to advance community and individual prosperity. The Stanislaus County Library engages members of the community and offers access to information, knowledge, and the tools for innovation and personal development. The Library offers early literacy programs for children, basic literary services to adults, workforce readiness programs, resources for veterans and their families, and outreach services beyond the physical walls of libraries, including online e-resources and community outreach activities such as home delivery service for customers who are unable to come to the Library due to advanced age, injury, or illness. The Library also offers unique services such as the Veterans Resource Center, passport application processing, and programs for job seekers.

The Library is primarily funded by a voter-approved 1/8-cent sales tax to support Library operations. The voter-approved 1/8-cent sales tax was extended for 12 years when Measure S passed in the November 7, 2017, election. In Fiscal Years 2023, 2024, and 2025, the Library budget was significantly increased by a total of \$10 million, with the implementation of Building Community Services Investment (BCSI) General Fund support to address various needs in the library system as part of an organization-wide three-year strategic initiative. The investment supports targeted projects which will directly contribute to the local quality of life, community wellness, and strategic facility planning.

Recommendations contained in this report do not result in any budget adjustments for the department *Promoting Lifelong Learning*.

The Library is on track to end the year within budget and in a positive fiscal position.

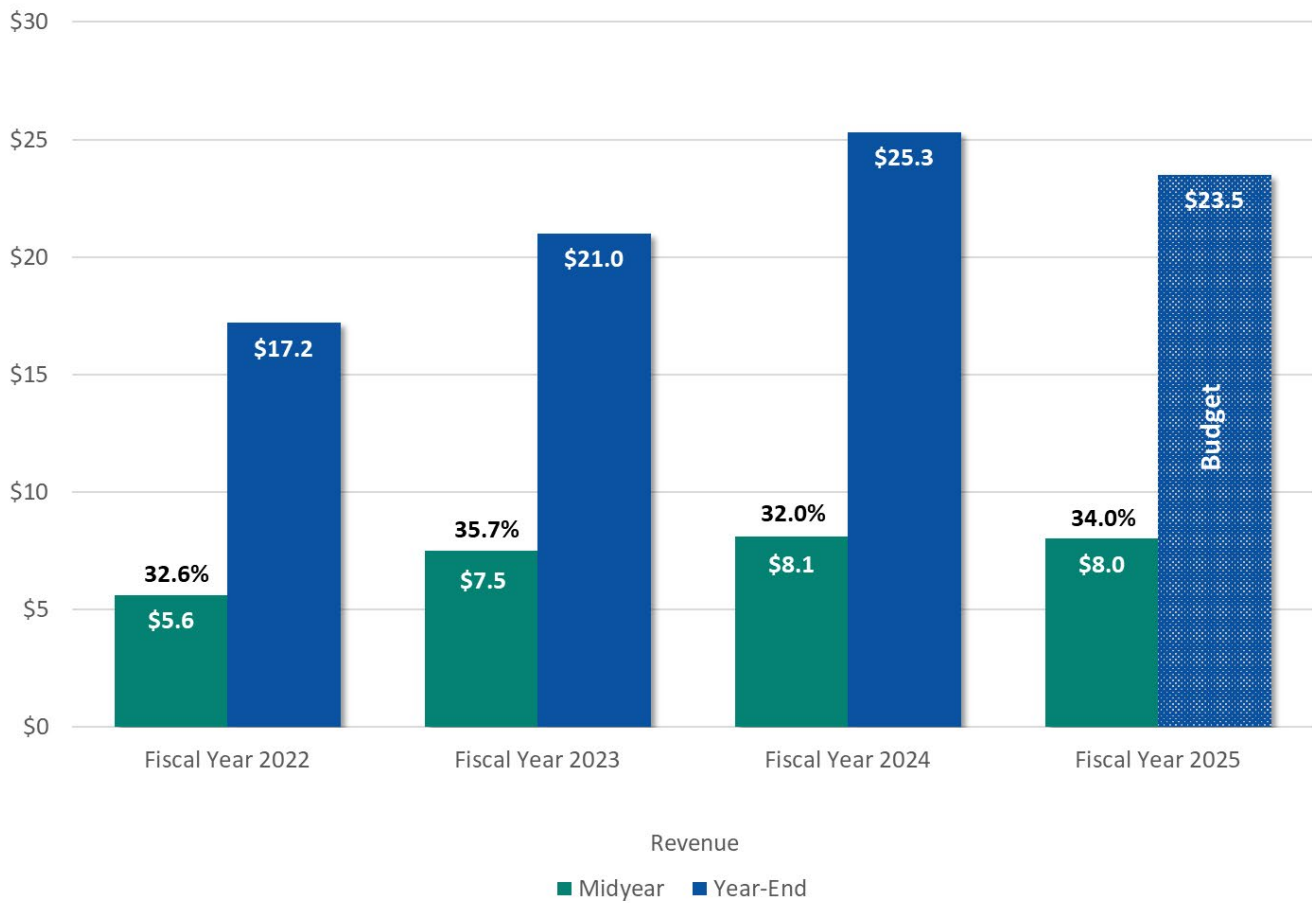
Departmental Revenue

As of December 31, 2024, the Department budget supporting the Board of Supervisors’ priority area of *Promoting Lifelong Learning* has collected \$8 million in actual revenue, representing 34% of the estimated annual revenue. This ratio is within the historical range when compared to the midyear point of the prior three years, when collections were 32% to 35.7% of the final actual revenue.

Budgeted revenue reflects a decrease of \$1.8 million, or 7.1%, under the prior year’s actuals. Of note, total budgeted revenue in Fiscal Year 2024 includes \$3.5 million each in Building Community Services Investment (BCSI) General Fund support for Fiscal Year 2023 and Fiscal Year 2024. The final \$3 million in BCSI support is reflected in Fiscal Year 2025 revenue.

Promoting Lifelong Learning Four-Year Revenue Comparison

In Millions



Departmental Expenditures

As of December 31, 2024, expenditures for the Library total \$8.4 million, representing 31.2% of budgeted appropriations. Expenditures at the midyear point of the prior three years ranged from 23.2% to 50.7% of the final actual expenditures, placing this year within the historical range.

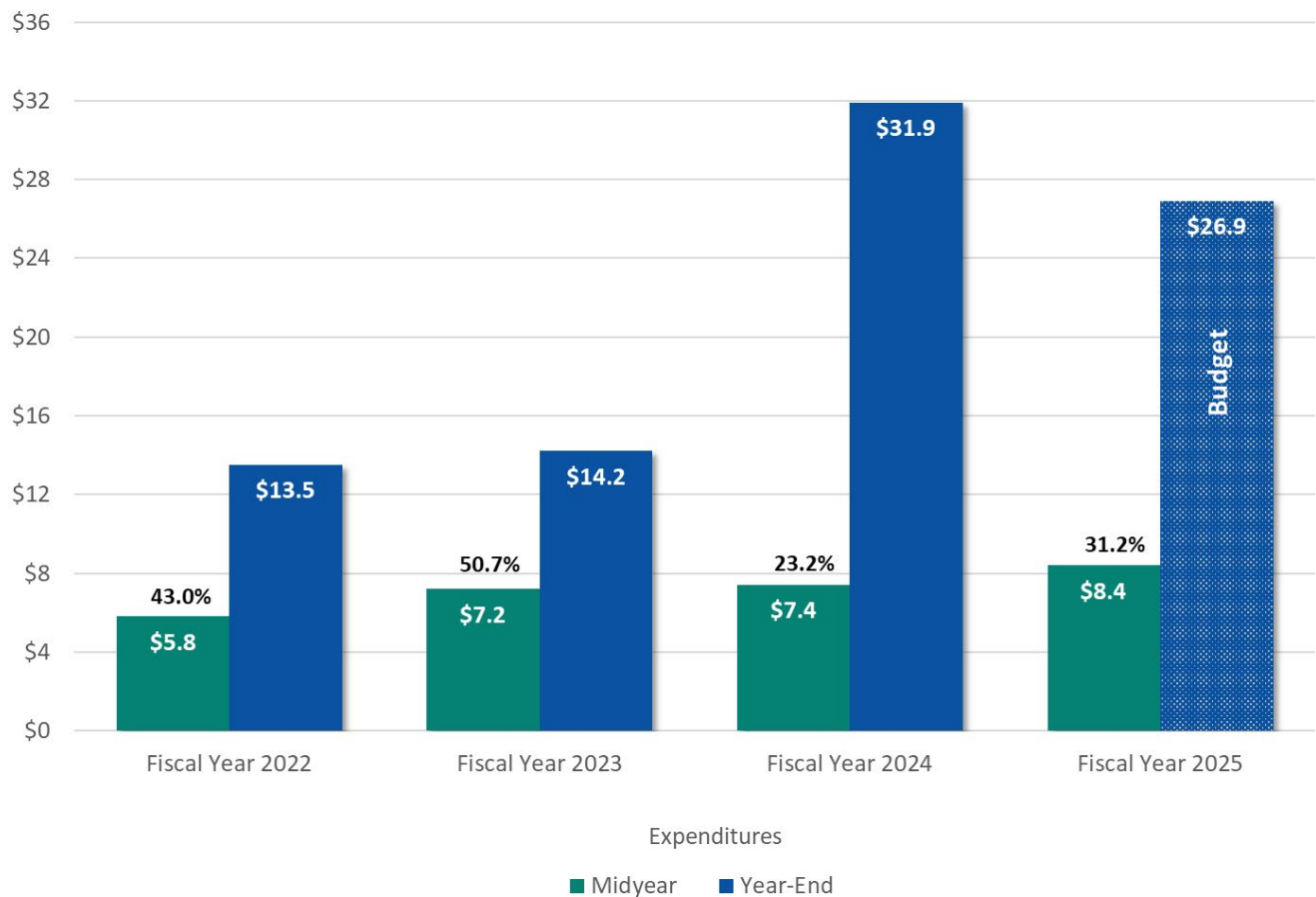
Budgeted expenditures represent a decrease of \$5 million, or 15.7%, below the prior year’s actuals. Of note, the Library increased its budget by \$17.7 million in the 2024 Adopted Budget, including \$7 million to account for years one and two Building Community Services Investment (BCSI) funding and \$5 million as part of the Library Building Forward Grant. The final \$3 million allocation of the three-year \$10 million BCSI commitment was appropriated in the 2025 Adopted Budget.

The Library has experienced an 86% increase to Cost Allocation Plan (CAP) charges from Fiscal Year 2022 to Fiscal Year 2025, with current-year estimates totaling \$3.5 million, which are attributed to increased insurance, building maintenance, and Information Technology Central (ITC) costs.

Increases to budgeted costs in Fiscal Years 2024 and 2025 are partially attributed to facilities projects at the Modesto, Newman, and Riverbank library branches.

Promoting Lifelong Learning Four-Year Expenditures Comparison

In Millions



Midyear Issues and Recommendations

Staffing Recommendation: A request to reclassify one Account Clerk III to Accounting Technician was submitted by the Department and recommended for study in the 2025 Adopted Budget. The study has been completed, concluding with a recommendation to reclassify the position to Accounting Technician.

A request to reclassify one Manager II was submitted by the Department and recommended for study in the 2025 Adopted Budget. The study has been completed, concluding with a recommendation to reclassify the position to Manager IV to serve as the primary backup to the Department Head. The position will be responsible for managing all operations of the library locations including staffing, programming, facility maintenance, and community collaboration.

A request to reclassify one Manager II was submitted by the Department and recommended for study in the 2025 Adopted Budget. The study has been completed, concluding with a recommendation to reclassify the position to Manager III. This position is responsible for managing all facility-related operations across 13 branch library locations, which experience heavy public traffic and house valuable collections. Additionally, the position oversees the writing and management of grants for specific capital improvement projects.

Additionally, it is recommended to study one Storekeeper II position to determine if current duties and responsibilities are in alignment with the current classification designation.

DELIVERING EFFICIENT PUBLIC SERVICES



Assessor

Auditor-Controller

Board of Supervisors

Chief Executive Office

CEO-HR

Clerk-Recorder

County Counsel

County Operations

General Services Agency

Information Technology Central

Treasurer-Tax Collector

Delivering Efficient Public Services

Priority Overview

Efficiency is a critical element in the effective operation of government agencies and allows for the sustained provision of valuable services to the community. County departments provide a multitude of services to a diverse customer base and these customers expect the government to be responsive to their needs. County departments must work to understand these needs and determine how best to provide the desired services. Customer feedback is a valuable source of insight in this process and encourages departments to remain focused on continuous improvement.

Departments assigned to the Board of Supervisors' priority area of *Delivering Efficient Public Services* include the Assessor, Auditor-Controller, Board of Supervisors, Chief Executive Office, CEO – Human Relations, Clerk-Recorder, County Counsel, County Operations budgets, General Services Agency, Information Technology Central, and Treasurer-Tax Collector. These departments serve members of the community while also providing valuable services to local agencies and other County departments. The revenue used to pay for many of these services comes from local taxes such as property tax, sales tax, various fees, franchises, charges for services, and a variety of other discretionary funding sources.

Recommendations contained in this report will increase appropriations by \$209,807, revenue by \$2.2 million, and the use of fund balance/retained earnings by \$41,000, resulting in a decrease of \$2 million in Net County Cost for departments *Delivering Efficient Public Services*. These adjustments are detailed on the following pages.

Departments within this priority are on track to end the year within budget and in a positive fiscal position. Total department-identified unmet needs in this priority area equate to \$292,500. Any budget adjustments needed to ensure Board-approved service levels are fully funded per financial policy and department budget instructions and for additional critical needs that arise will be recommended at third quarter as appropriate.

Departmental Revenue

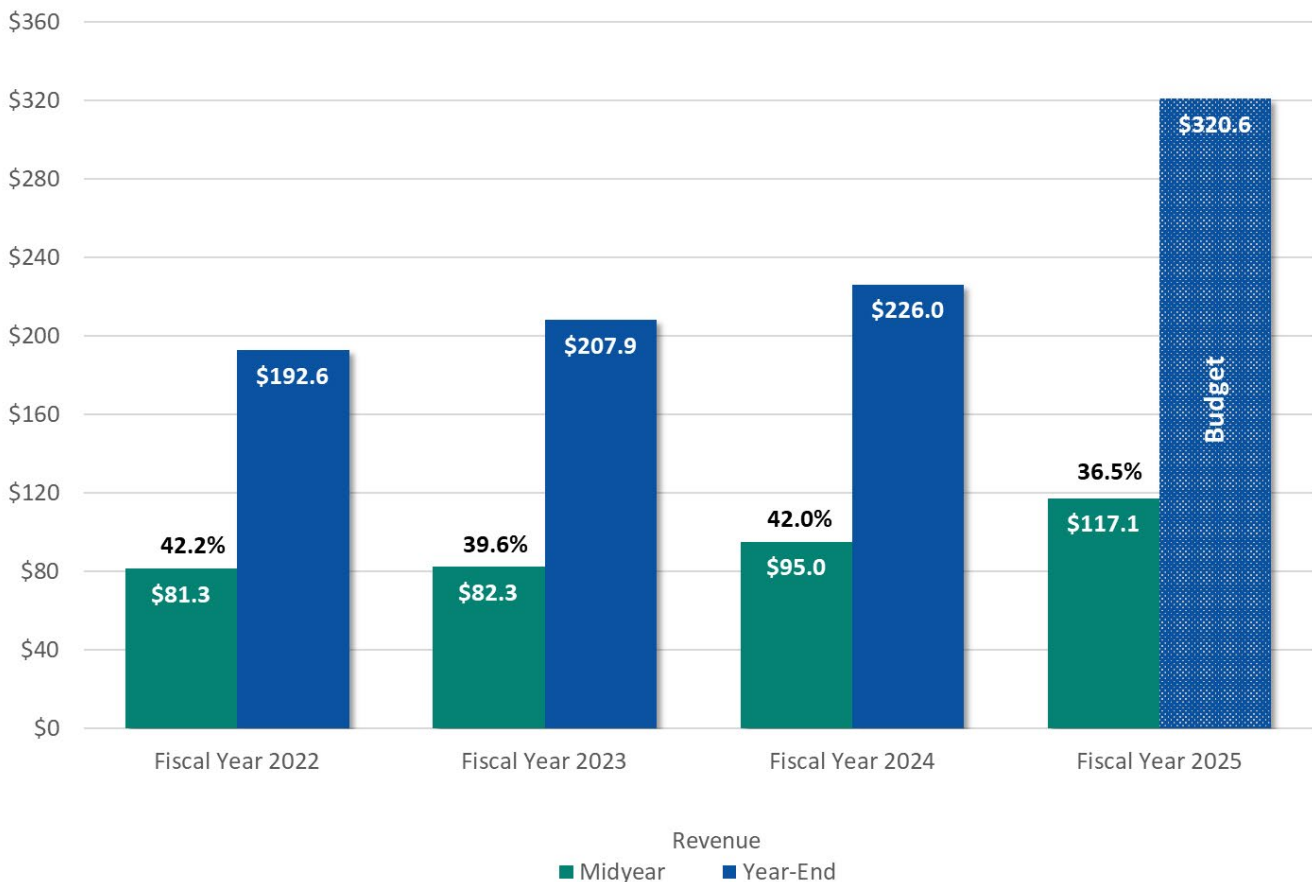
For the department budgets that make up the Board of Supervisor’s *Delivering Efficient Public Services* priority area, the actual revenue collected as of December 31, 2024, totaled \$117.1 million, which represents 36.5% of the estimated annual revenue. This is below the historical range when compared to the midyear point of the prior three years, when collections were 39.6% to 42.2% of the final actual revenue.

Budgeted revenue reflects an increase of \$94.6 million, or 41.9%, over the prior year’s actuals. This increase is primarily driven by additional budgeted activities for County Operations, including a 377% increase to the American Rescue Plan Act (ARPA) budget, and a 313% increase to the Crows Landing Industrial Business Project (CLIBP) budget, which together account for 70% of the total increase for this priority in the current fiscal year.

While year-to-date revenue is up 23.3% over the prior year, that increase trails behind the increase in the budgeted revenue of 41.9%, affecting the year-to-date revenue to budgeted revenue ratio. CLIBP revenue averaged 51.5% at midyear; however, this year’s collections only amount to 4% of that budgeted for the year. The 2025 Adopted Budget includes \$31 million of infrastructure improvements funded by various revenue sources on a cost-reimbursement basis. Construction for many of the projects has not begun as of December 31, 2024, thus impacting the current-year collections; had revenue to-date been around 50%, the year-to-date revenue to budget would be 41.1%, well within historical range.

Delivering Efficient Public Services Four-Year Revenue Comparison

In Millions



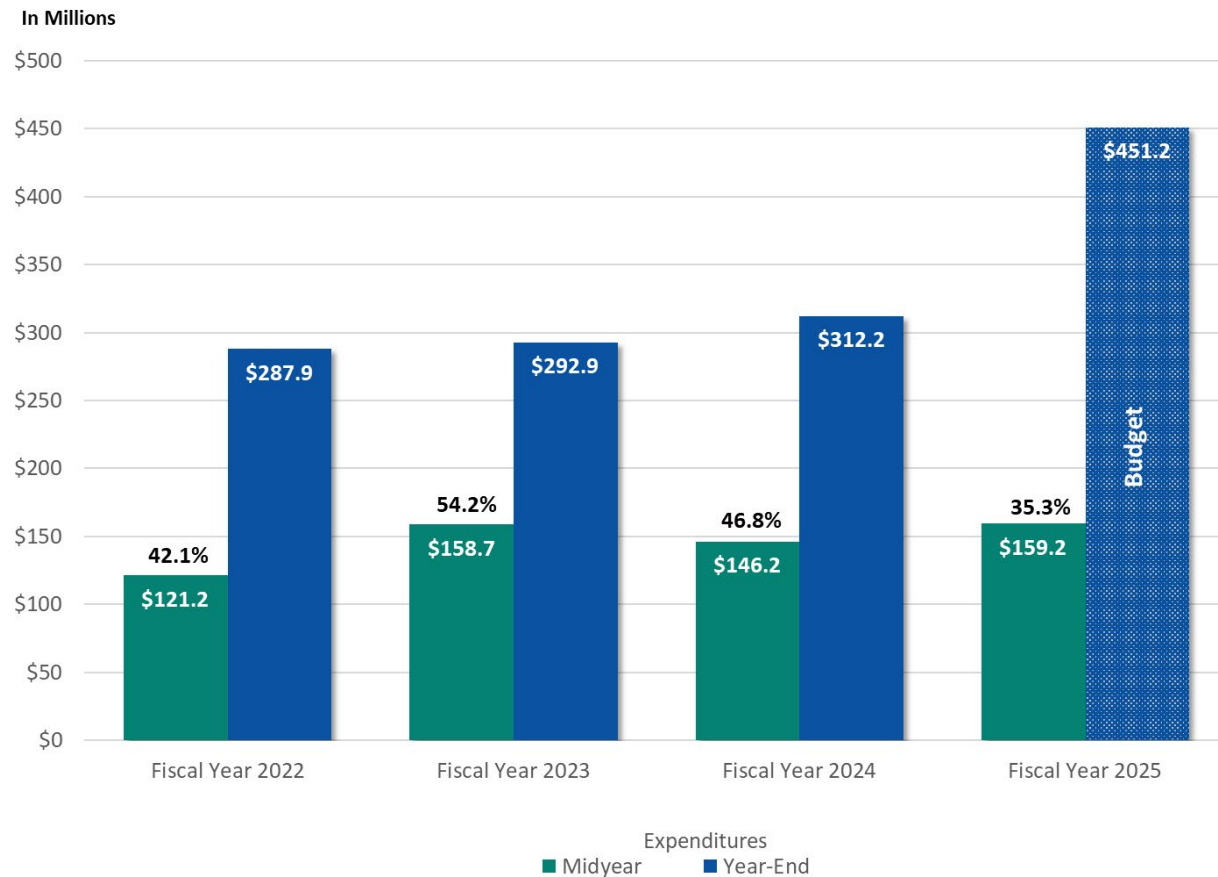
Departmental Expenditures

As of December 31, 2024, expenditures in this Board priority area totaled \$159.2 million, representing 35.3% of appropriations budgeted for the year. Expenditures at the midyear point of the previous three fiscal years ranged from 42.1% to 54.2% of the final actual expenditures, placing this year outside the historical range.

Expenditures to date increased by \$13 million compared to last year’s actuals, while the budget grew by \$139 million, or 44.5%. The increase in actual spending was driven by higher costs associated with the Primary General Election, County Court Funding, ARPA, County Match Pass-Thru Vehicle License Fees, Medical Self-Insurance, Information Technology Central (ITC) and CLIBP, offset by \$10 million in decreased expenditures in Capital Facilities. The overall budget growth in Fiscal Year 2025 is primarily attributed to ARPA (increased by \$35.5 million), and CLIBP (increased by \$34 million), with more modest increases to General Fund contributions, General Liability, Medical Self-Insurance and ITC.

Several budgets are underspending compared to historical averages. CLIBP and ARPA have spent only 7% and 6%, respectively, due to the timing of construction projects totaling \$76 million. General Services Agency Capital Facilities has used 15% of its budget at midyear, with spending expected to align by year-end as multi-year projects progress. In April, \$9 million in Building Community Services Investment (BCSI) funds will be reallocated, affecting expenditures. General Liability spending is at 57%, lower than usual, due to a Board-approved increase in the Self-Insured Retention (SIR) for Fiscal Year 2025, leading to \$7.1 million in insurance savings. These delays have pushed the expenditure-to-budget ratio below historical levels.

Delivering Efficient Public Services Four-Year Expenditures Comparison



Midyear Issues and Recommendations

Assessor

An increase in appropriations of \$56,500 is recommended for the Assessor to replace desktop computers due to Windows 10 end-of-life (EOL), funded by Net County Cost. Windows 10 will reach its EOL in October 2025, meaning it will no longer receive security updates. ITC identified 51 department desktops that can't run Windows 11 and need replacement. Initially, \$20,000 was budgeted for 20 desktops, but replacing all 51 will cost \$76,500. Therefore, a request of \$56,600 is recommended to complete the upgrade.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Assessor	\$0	\$56,500	\$0	\$56,500	Increase appropriations to replace desktop computers due to Windows 10 end-of-life (EOL), funded by Net County Cost.
Total	\$0	\$56,500	\$0	\$56,500	

Recommendation: It is recommended to increase appropriations by \$56,500 and increase Net County Cost by \$56,500.

Staffing Recommendation: A request for a classification study was submitted in the 2023 Adopted Budget. The study has been completed, concluding with a recommendation to add a new classification of Sr. Assessment Technician. The recommended salary range for the Sr. Assessment Technician is \$25.71 - \$31.26 per hour. The classification will be assigned to the Stanislaus County Employees Association (SCEA), American Federation of State, County and Municipal Employees (AFSCME Local #10). It is also recommended to reclassify one block-budgeted Assessment Technician I/II to Sr. Assessment Technician.

Chief Executive Office - Administration

An increase in appropriations of \$109,000 is recommended to support termination cash-outs, Retirement Replacement Benefits Program costs approved by the Board of Supervisors (Board Resolution 2019-0706), and associated taxes. The increase is funded with 40% Cost Allocation Plan (CAP) revenue and 60% Net County Cost.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
CEO - Administration	\$43,600	\$109,000	\$0	\$65,400	Increase appropriations for termination cashouts, retirement benefits above IRS limit, and associated tax costs for both, funded with 40% CAP revenue and 60% NCC.
Total	\$43,600	\$109,000	\$0	\$65,400	

Recommendation: It is recommended to increase appropriations by \$109,000, estimated revenue by \$43,600, and Net County Cost by \$65,400.

Chief Executive Office – Human Relations

An increase in appropriations of \$264,861 is recommended, funded by \$161,564 in estimated revenue, and \$103,297 in Net County Cost for Chief Executive Office – Human Relations related to the following adjustments.

The Department has experienced unplanned expenses for employee termination cash-outs, employee choice bonus plan costs, and associated payroll taxes which total \$193,975. In addition, the Department has an ongoing rent expense increase of \$70,886, resulting from a correction in the General Services Agency (GSA) charges allocated to CEO-Human Relations for the obligation assumed by Human Relations staff when they moved into the space in Fiscal Year 2023. All appropriation increases are funded with 61% Cost Allocation Plan revenue and 39% Net County Cost.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
CEO-Human Relations	\$118,324	\$193,975	\$0	\$75,651	Increase appropriations and estimated revenue for termination cash-outs, Employee Choice Bonus Plan costs, and associated taxes. Funded with 61% Cost Allocation Plan revenue and 39% Net County Cost.
CEO-Human Relations	\$43,240	\$70,886	\$0	\$27,646	Increase appropriations, estimated revenue, and Net County Cost for rent expense for the 1st floor retail space occupied by CEO-Human Relations staff. Funded with 61% Cost Allocation Plan revenue and 39% Net County Cost.
Total	\$161,564	\$264,861	\$0	\$103,297	

Recommendation: It is recommended to increase appropriations by \$264,861, increase estimated revenue by \$161,564, and increase Net County Cost by \$103,297.

County Counsel

Staffing Recommendation: It is recommended to study the request to add a new classification of Deputy County Counsel I and the request to block-budget one Deputy County Counsel II-V to I-V.

County Operations

A net decrease in appropriations of \$1.1 million, a net increase of \$985,000 in estimated revenue and \$41,000 in the use of departmental fund balance/retained earnings are recommended for County Operations, resulting in a savings to Net County Cost of \$2.1 million.

Appropriations for Contingencies – This budget serves as the contingency fund for the County and provides funds to meet unexpected and emergency financial exposures which may arise during the fiscal year. The transfer of funds from Appropriations for Contingencies to departmental operating budgets requires a four-fifths vote by the Board of Supervisors. The 2025 Adopted Budget included appropriations of \$9,025,205 for use during the fiscal year for General Fund cash-outs, health insurance increases, Cost Allocation Plan (CAP) charges, and other

miscellaneous unforeseen program or community needs. On November 5, 2024, the Board of Supervisor's approved Board Resolution 2024-0646, utilizing \$9,625, leaving a remaining balance of \$9,015,580.

A transfer of \$2,968,287 out of Appropriations for Contingencies is recommended to meet department Net County Cost needs recommended at midyear, transferring funds as follows:

- Transfer \$1,284,658 to General Fund Contribution to Other Programs to support various department operational increases per projections provided during the 2025 Adopted Budget;
- Transfer \$1,146,016 to the Sheriff's Office to cover health rate increases, correction of the uniform allowance, increased costs to support removing abandoned vehicles and increases in the charges;
- Transfer \$141,236 to the Office of Emergency Services for local fire support;
- Transfer \$103,297 to CEO-Human Relations to support termination cash-outs, Employee Choice Bonus Plan costs, and associated taxes and increased rent expense;
- Transfer \$65,400 to CEO-Administration for termination cash-outs, Retirement Replacement Benefit Program costs, and associated taxes;
- Transfer \$62,646 to Parks and Recreation to support Employee Choice Bonus Plan costs and enhance the department life jacket loaner program to add more stations at both reservoirs, staffed with extra-help, along with added signage, informational brochures, and increased supply of life jackets;
- Transfer \$56,500 to Assessor for information technology equipment for outdated equipment;
- Transfer \$48,550 to Stanislaus Veterans Center to support increased CAP charges;
- Transfer \$31,350 to Public Defender to support Employee Choice Bonus Plan costs and increased CAP charges;
- Transfer \$14,026 to UC Cooperative Extension to support increased CAP charges and additional ITC support;
- Transfer \$12,148 to Environmental Resources to support increased vehicle costs; and
- Transfer \$2,460 to General Services Agency – Capital Facilities to support increased CAP charges.

After midyear adjustments, a total of \$6,047,293 will remain in Appropriations for Contingencies for use throughout the remainder of Fiscal Year 2025.

Cannabis Program – Funded by fees paid by cannabis operators, the County established the Cannabis Community Benefit Contribution Program which provided funding to community programs and projects with a focus on youth. On October 17, 2023, the Board of Supervisors approved a revised program that replaced the fee-based program. In Fiscal Year 2023, Community Benefit Contribution Program funds of \$250,000 were set aside for the County Parks and Recreation Department to support youth recreation activities, including the purchase of a mobile recreation van. A \$15,000 increase in appropriations, funded by retained earnings, is necessary to recognize the Fiscal Year 2025 expenses associated with operating the mobile recreation van. On July 30, 2024, the Board of Supervisors approved the allocation of \$116,000 of program funds to Behavioral Health and Recovery Services for the Stanislaus County Opioid Safety Coalition (Board Resolution 2024-0414). A technical adjustment increasing appropriations by \$116,000, funded by retained earnings, is necessary to cover the cost of the contribution.

Court-Related Revenues – An increase of \$450,000 in appropriations and \$940,000 in estimated revenue across the County Court Funding, Courthouse Construction Fund, and Criminal Justice Facility Fund is recommended. The adjustments align the budgets with current trends in collections of court fees, vehicle code fines, forfeitures, and penalties, and account for the corresponding 50/50 split payment to the State for revenues exceeding the base Maintenance of Effort (MOE), pursuant to Government Code Section 77205. The recommended budget adjustments result in a fund balance savings of \$90,000 and a Net County Cost savings of \$400,000.

General Fund Contributions to Other Programs – A net increase in appropriations of \$1.3 million is recommended as follows, funded by Appropriations for Contingencies.

- Increase appropriations by \$1 million to support Sheriff's Office - Court Security for uniform allowance, right sizing Cost Allocation Plan (CAP) charges for Information Technology Central and to cover the shortfall for Court Security to support maintaining contracted service levels per the Sheriff's State-mandated Memorandum of Understanding (MOU) with the Stanislaus Superior Court;
- Increase appropriations by \$172,209 to support District Attorney Special Operations due to decreased recording fee revenues and offset negative fund balance for the Real Estate Fraud Program;
- Increase appropriations by \$33,990 to align with the County's Fiscal Year 2025 contribution to the Local Agency Formation Commission;
- Increase appropriations by \$25,000 to support Public Works - Road and Bridge for the projected shortfall in the Non-Highway Users Tax Account (HUTA) Alley Crew; and
- Increase appropriations by \$13,265 to support Stanislaus Animal Services Agency (SASA) for increase to General Fund contribution for the Fiscal Year 2025 budget.

DNA Identification Fund Prop 69 – Proposition 69, Section 76104.6 of the California Government Code, mandates the collection of a surcharge on fines, penalties, or forfeitures imposed for criminal offenses to implement the DNA Identification Fund. The funds can be used to support DNA identification efforts, including analysis, tracking and storage of DNA crime scene samples, and to reimburse local law enforcement agencies and crime labs for related expenses. In Stanislaus County, the revenue is equally distributed to the Probation and Sheriff departments. An increase in appropriations of \$45,000 is recommended to distribute an equal increase in estimated revenue.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
County Operations - Appropriations for Contingencies	\$0	(\$1,284,658)	\$0	(\$1,284,658)	Transfer appropriations to General Fund Contribution to Other Programs to support various department operational increases per projections provided during the 2025 Adopted Budget.
County Operations - Appropriations for Contingencies	\$0	(\$1,146,016)	\$0	(\$1,146,016)	Transfer appropriations to the Sheriff's Office to cover health rate increase, correction of the uniform allowance, increase costs to support removing abandoned vehicles and increase in the Cost Allocation Plan (CAP) charges.
County Operations - Appropriations for Contingencies	\$0	(\$141,236)	\$0	(\$141,236)	Transfer appropriations to Office of Emergency Services for local fire support
County Operations - Appropriations for Contingencies	\$0	(\$103,297)	\$0	(\$103,297)	Transfer appropriations to CEO-Human Relations to support termination cash-outs, Employee Choice Bonus Plan costs, and associated taxes and increased rent expense.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
County Operations - Appropriations for Contingencies	\$0	(\$65,400)	\$0	(\$65,400)	Transfer appropriations to CEO-Administration for termination cash-outs, Retirement Replacement Benefit Program costs, and associated taxes.
County Operations - Appropriations for Contingencies	\$0	(\$62,646)	\$0	(\$62,646)	Transfer appropriations to Parks and Recreation to support Employee Choice Bonus Plan costs and enhance the department life jacket loaner program to add more stations at both reservoirs, staffed with extra-help, along with added signage, informational brochures, and increased supply of life jackets.
County Operations - Appropriations for Contingencies	\$0	(\$56,500)	\$0	(\$56,500)	Transfer appropriations to Assessor for Information Technology equipment for outdated equipment.
County Operations - Appropriations for Contingencies	\$0	(\$48,550)	\$0	(\$48,550)	Transfer appropriations to Stanislaus Veterans Center to support increased CAP charges.
County Operations - Appropriations for Contingencies	\$0	(\$31,350)	\$0	(\$31,350)	Transfer appropriations to Public Defender to support Employee Choice Bonus Plan costs, and increased CAP charges.
County Operations - Appropriations for Contingencies	\$0	(\$14,026)	\$0	(\$14,026)	Transfer appropriations to UC Cooperative Extension to support increased CAP charges.
County Operations - Appropriations for Contingencies	\$0	(\$12,148)	\$0	(\$12,148)	Transfer appropriations to Environmental Resources to support increased vehicle costs.
County Operations - Appropriations for Contingencies	\$0	(\$2,460)	\$0	(\$2,460)	Transfer appropriations to General Services Agency – Capital Facilities to support increased CAP charges.
County Operations - Cannabis Program	\$0	\$116,000	\$116,000	\$0	Increase appropriations to allocate funds to the Stanislaus County Opioid Commission (Board Resolution 2024-0414).
County Operations - Cannabis Program	\$0	\$15,000	\$15,000	\$0	Increase appropriations to Parks and Recreation for expenses related to the Mobile Recreation Van.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
County Operations - County Court Funding	\$800,000	\$400,000	\$0	(\$400,000)	Increase revenue due to trends in Vehicle Code and Court fines, and recording fees, and increase appropriations for corresponding split payment due to the State for revenues exceeding the base Maintenance of Effort (MOE) amount.
County Operations - Courthouse Construction Fund	\$70,000	\$25,000	(\$45,000)	\$0	Increase estimated revenue due to trends in forfeitures and penalties and increase appropriations for corresponding split payment due to the State for revenues exceeding the base MOE amount.
County Operations - Criminal Justice Facility Fund	\$70,000	\$25,000	(\$45,000)	\$0	Increase estimated revenue due to trends in forfeitures and penalties, and interest pool, and increase appropriations for corresponding split payment due to the State for revenues exceeding the base MOE amount.
County Operations - General Fund Contribution to Other Programs	\$0	\$13,265	\$0	\$13,265	Increase appropriations to Stanislaus Animal Services Agency for increase to General Fund contribution for Fiscal Year 2025.
County Operations - General Fund Contribution to Other Programs	\$0	\$33,990	\$0	\$33,990	Increase appropriations to align with the County's Fiscal Year 2025 contribution to the Local Agency Formation Commission.
County Operations - General Fund Contribution to Other Programs	\$0	\$172,209	\$0	\$172,209	Increase appropriations to DA Special Ops - Real Estate Fraud Program due to decreased recording fee revenues and offset negative fund balance for the Real Estate Fraud Program.
County Operations - General Fund Contribution to Other Programs	\$0	\$5,249	\$0	\$5,249	Increase appropriations to Sheriff's Office - Court Security for uniform allowance.
County Operations - General Fund Contribution to Other Programs	\$0	\$1,034,945	\$0	\$1,034,945	Increase appropriations to Sheriff's Office - Court Security for right-sizing ITC CAP charges, and to cover the shortfall for Court Security to support maintaining contracted service levels per the Sheriff's state mandated Memorandum of Understanding with the Stanislaus County Superior Court.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
County Operations - General Fund Contribution to Other Programs	\$0	\$25,000	\$0	\$25,000	Increase appropriations to Public Works - Road and Bridge for the projected shortfall in Non-Highway Users Tax (HUTA) Alley Crew.
County Operations - Prop 69 DNA Identification Fund	\$45,000	\$45,000	\$0	\$0	Increase appropriations and estimated revenue due to an extension of the revenue source via AB 3042 and its related expenditure to transfer out to departments.
Total	\$985,000	(\$1,057,629)	\$41,000	(\$2,083,629)	

Recommendation: It is recommended to reduce appropriations by \$1.1 million, increase estimated revenue by \$985,000 and the use of departmental fund balance/retained earnings by \$41,000, resulting in a net decrease of \$2.1 million in the use of Net County Cost.

General Services Agency

Adjustments increasing appropriations by \$786,360, funded with \$929,931 in estimated revenue, resulting in a Net County Cost savings of \$143,571, are recommended for the General Services Agency.

Facilities Maintenance – It is recommended to increase estimated revenue and appropriations by \$270,000 to ensure a positive fiscal position at year-end and provide sufficient organizational support for safety trainings, Personal Protective Equipment (PPE), and safety equipment.

Central Services - It is recommended to increase estimated revenue and appropriations by \$40,690 to add one block-budgeted Contracts Manager I/II position in the Purchasing Division. This position will streamline and centralize contract management under one manager to meet the organization’s growing needs. The estimated impact to General Fund departments is 37% of the full cost of the position, which will be distributed to departments through Cost Allocation Plan (CAP) charges, totaling \$15,055 for the remainder of Fiscal Year 2025 and \$55,339 ongoing.

Tenth Street Place - It is recommended to increase appropriations by \$20,000, funded by Net County Cost, for a lighting improvement project completed in a first-floor retail space.

Technical Adjustments - Technical adjustments are recommended to increase estimated revenue by \$619,241 and increase appropriations by \$455,670, resulting in a Net County Cost savings of \$163,571.

- An adjustment to increase estimated revenue and appropriations by \$300,000 in the Fleet Services budget unit is recommended to address increased costs for parts and services required to support equipment and vehicles. Labor costs are up \$35,000 over budget and equipment parts have increased by \$265,000, with costs tracking 41% higher than the prior year.
- An increase in estimated revenue and appropriations of \$100,000 in the Central Services budget unit is recommended to account for metered postage cost increases. Metered costs have risen by 25% over the

prior fiscal year, and the volume of metered postage pieces processed has increased by 16% over the same period.

- An increase in estimated revenue of \$98,531, resulting in a Net County Cost savings, is recommended for temporary and ongoing occupancy of lease space on the first floor of 10th Street Place. This includes the temporary relocation of the Assessor’s Office (\$9,780), the 18-month, time-limited pop-up Library (\$17,865 for this fiscal year), and the Chief Executive Office – Human Relations space not previously included in the budget (\$70,886).
- An increase in estimated revenue of \$67,500, resulting in a Net County Cost savings, is recommended in the Capital Facilities budget unit for the City of Modesto’s remaining share of costs for the Office of Emergency Services Fire-Life Safety Panel Replacement project. This cost-sharing arrangement was outlined in Board Resolution 2024-0273.
- An increase in estimated revenue of \$53,210 and an increase in appropriations of \$55,670, resulting in a Net County Cost of \$2,460, is recommended to address additional need due to a calculation error in the Information Technology Central (ITC) original Fiscal Year 2025 Cost Allocation Plan (CAP) charge estimates. These adjustments affect the 10th Street Place, Administration, Capital Facilities, Central Services, Facility Maintenance, and Fleet Services budget units.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
General Services Agency - 10th Street Place	\$2,010	\$2,010	\$0	\$0	Technical adjustment to increase appropriations and revenue for Information Technology Central cost allocation charges, funded by charges for services.
General Services Agency - 10th Street Place	\$98,531	\$0	\$0	(\$98,531)	Increase revenue for leased space in first floor retail spaces, effecting contribution to Net County Cost.
General Services Agency - 10th Street Place	\$0	\$20,000	\$0	\$20,000	Increase appropriations for a lighting improvement project completed in a first floor retail space, funded by Net County Cost.
General Services Agency - Administration	\$5,570	\$5,570	\$0	\$0	Technical adjustment to increase appropriations and revenue for Information Technology Central cost allocation charges, funded by charges for services.
General Services Agency - Capital Facilities	\$67,500	\$0	\$0	(\$67,500)	Technical adjustment to increase revenue for City of Modesto's remaining share of cost for the Office of Emergency Fire-Life Safety Panel Replacement Project.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
General Services Agency - Capital Facilities	\$3,700	\$6,160	\$0	\$2,460	Technical adjustment to increase appropriations and revenue for Information Technology Central cost allocation charges, funded by charges for services and Net County Cost.
General Services Agency - Central Services	\$8,180	\$8,180	\$0	\$0	Technical adjustment to increase appropriations and revenue for Information Technology Central cost allocation charges, funded by charges for services.
General Services Agency - Central Services	\$100,000	\$100,000	\$0	\$0	Increase appropriations and revenue for metered postage increases, funded by charges for services.
General Services Agency - Central Services	\$40,690	\$40,690	\$0	\$0	Increase appropriations and revenue for new Contract Manager I/II position and office supplies, funded by charges for services.
General Services Agency - Facility Maintenance	\$270,000	\$270,000	\$0	\$0	Increase appropriations and revenue for cost increases of goods and services, funded by charges for services.
General Services Agency - Facility Maintenance	\$26,150	\$26,150	\$0	\$0	Technical adjustment to increase appropriations and revenue for Information Technology Central cost allocation charges, funded by charges for services.
General Services Agency - Fleet Services	\$7,600	\$7,600	\$0	\$0	Technical adjustment to increase appropriations and revenue for Information Technology Central cost allocation charges, funded by charges for services.
General Services Agency - Fleet Services	\$300,000	\$300,000	\$0	\$0	Increase appropriations and revenue for cost increases in staff labor and parts, funded by charges for services.
Total	\$929,931	\$786,360	\$0	(\$143,571)	

Recommendation: It is recommended to increase appropriations by \$786,360 and to increase estimated revenue by \$929,931, resulting in a Net County Cost contribution of \$143,571.

Staffing Recommendation: It is recommended to add one block-budgeted Manager I/II in Central Services to serve as the Contracts Manager to create a streamlined and comprehensive process for contract management.

Information Technology Central

Adjustments increasing appropriations and estimated revenue by \$37,504 are recommended for Information Technology Central.

Information Technology Central (ITC) - It is recommended to increase estimated revenue and appropriations by \$37,504 to add one Accountant III position to support growing departmental needs in response to the expanding ITC Managed Model. This position will provide additional administrative support for payroll, billing, contract management, and budget coordination while also assisting ITC leadership with succession planning efforts. The estimated impact to General Fund departments is 37% of the full cost of the position, which will be distributed to departments through Cost Allocation Plan (CAP) charges, totaling \$13,876 for the remainder of Fiscal Year 2025 and \$53,286 ongoing.

Technical Adjustments – Technical adjustments are recommended to align appropriations with operational needs, including a transfer of \$250,000 from Services and Supplies to Fixed Assets (Capital Outlays) to increase storage capacity in support of the growing organizational need under the department’s Managed Model. This transfer ensures sufficient infrastructure to accommodate expanding demands while maintaining budgetary alignment.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Information Technology Central	\$37,504	\$37,504	\$0	\$0	Add one new Accountant III position to support growing departmental needs in response to the expanding Information Technology Central (ITC) Managed Model.
Information Technology Central	\$0	(\$250,000)	\$0	(\$250,000)	Transfer from Services and Supplies into Fixed Assets
Information Technology Central	\$0	\$250,000	\$0	\$250,000	Transfer from Services and Supplies into Fixed Assets
Total	\$ 37,504	\$ 37,504	\$0	\$0	

Recommendation: It is recommended to increase appropriations and estimated revenue by \$37,504.

Staffing Recommendation: It is recommended to add one Accountant III to support the financial operations of the Department due to growth in the ITC Managed Model. Over the past 12 months, the Department has implemented its Managed Model across six departments, resulting in a 49% increase in ITC allocated positions. The position will provide support in payroll, billing, contract management and budget coordination to maintain operational efficiency and ensure that financial processes can keep pace with departmental growth. Additionally, the position will oversee the ITC Cost Allocation Plan (CAP).



ENHANCING COMMUNITY INFRASTRUCTURE



Environmental Resources

Parks and Recreation

Planning and Community Development

Public Works

Enhancing Community Infrastructure

Priority Overview

The Board of Supervisors' priority area *Enhancing Community Infrastructure* is essential to the quality of life for the residents of Stanislaus County and to the maintenance and expansion of a robust economy. Water quality, effective liquid and solid waste disposal, recreational opportunities, and regional approaches to transportation circulation are critical to community infrastructure. Departments in this priority area include Environmental Resources, Parks and Recreation, Planning and Community Development, and Public Works. The major funding sources for these departments include State and Federal funding, fees and charges for services, the General Fund, special revenue grants, and a 1/2-cent local transportation sales tax commonly referred to as Measure L. In Fiscal Year 2025, key initiatives such as the Building Community Services Investment (BCSI) were continued with Parks and Recreation receiving its year-three \$3 million allocation along with \$5 million remaining from years one and two. BCSI provided additional General Fund support to address various needs in the community as part of an organization-wide three-year strategic initiative. This funding will continue to go toward targeted one-time investments which will directly contribute to the local quality of life, community wellness, and strategic facility planning.

Recommendations contained in this report will decrease appropriations by \$4 million and estimated revenue by \$4.6 million, resulting in an increased use of Net County Cost by \$40,583 and an increased use of fund balance in the amount of \$497,383 for departments *Enhancing Community Infrastructure*.

The departments within *Enhancing Community Infrastructure* are on track to end the year within budget and in a positive fiscal position. Total department-identified unmet needs in this priority area equate to \$259,294. Any budget adjustments needed to fully fund Board-approved service levels per financial policy and department budget instructions will be recommended at third quarter.

Departmental Revenue

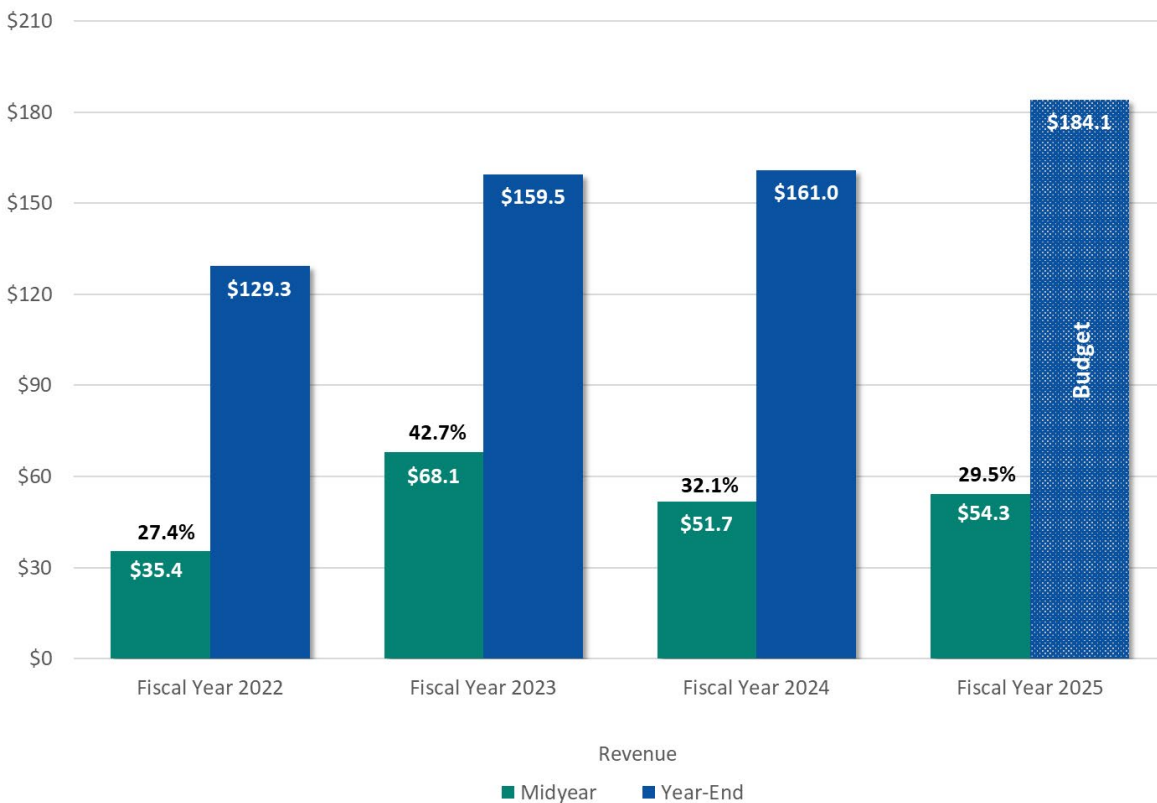
For the budgets representing the Board’s priority *Enhancing Community Infrastructure*, actual revenue collected as of December 31, 2024, totaled \$54.3 million, representing 29.5% of the estimated annual revenue. This is within historical range when compared to the midyear point of the prior three years when collections ranged from 27.4% to 42.7% of final actual revenue.

Budgets within this priority include revenue for various projects that impact both actual revenue collected and budgeted depending on project status and progress. Budgeted revenue is \$23.1 million to \$54.8 million more than in the prior three fiscal years. These variances are largely due to the project-based revenue in the Public Works Road and Bridge budget. The Road and Bridge budget includes \$120 million in estimated revenue for over 90 projects. Project revenue is received on a cost-reimbursement basis and costs have not yet materialized. As projects enter the construction phase, cost reimbursement revenue should increase. In addition, the Planning and Community Development Special Revenue Grants and Housing Programs budgets have a combined estimated revenue of \$15.1 million; however, only \$679,724 has been collected to date, which is significantly lower than in past years. This is due to a slight delay in processing Federal grants. The Department anticipates catching up in processing by January 2025. Conversely, the Department of Environmental Resources has experienced increased revenue due to the closure of the Waste-to-Energy facility.

Of note, Public Works’ Fiscal Year 2022 actuals were impacted by the transfer of local transit activities to a separate regional transit authority, including an accounting entry tied to the transfer of fixed assets, decreasing revenue by nearly \$9.2 million at midyear and \$27 million by year-end.

Enhancing Community Infrastructure Four-Year Revenue Comparison

In Millions



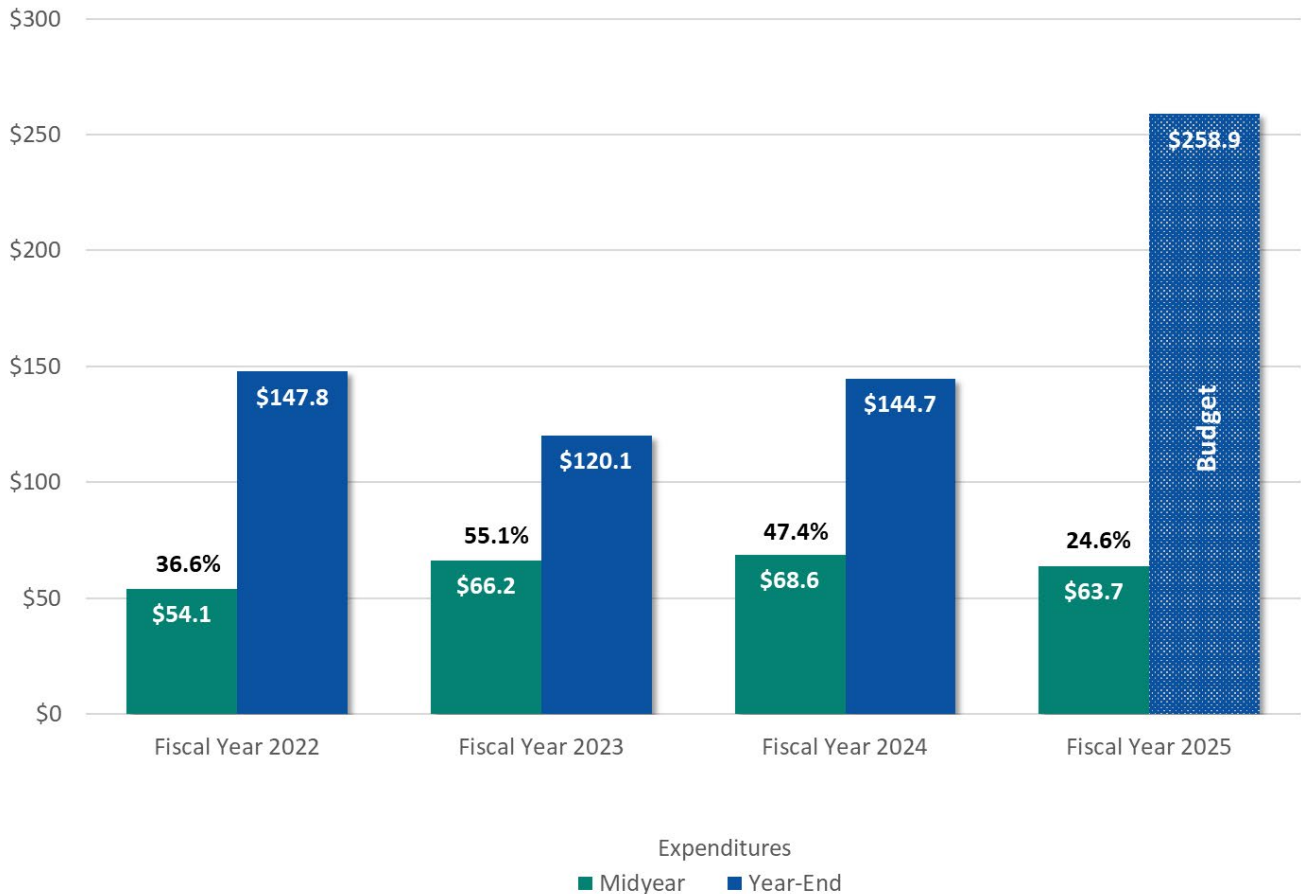
Departmental Expenditures

As of December 31, 2024, expenditures in this priority total \$63.7 million, representing 24.6% of the budgeted appropriations. Expenditures at midyear of the prior three years ranged from 36.6% to 55.1% of the final actual expenditures, placing this year’s expenditures below the historical range.

The shift is primarily due to the increase in overall budget compared to that realized in prior years’ actual expenditures. While Fiscal Year 2025 year-to-date actual expenditures are in line with prior years, departments in this priority have budgeted for expenses associated with various projects that have not yet materialized. Environmental Resources – Fink Road Landfill has planned several large one-time expenses for heavy equipment purchases, depreciation, landfill closure costs, and operating transfers that have not yet occurred. Parks and Recreation’s budget includes \$8.1 million of Building Community Services Investment funding and \$3.9 million in State funding for parks projects. Planning and Community Development has funded appropriations related to housing programs and the Public Works budget includes provisions for over 90 projects.

Enhancing Community Infrastructure Four-Year Expenditures Comparison

In Millions



Midyear Issues and Recommendations

Environmental Resources

Adjustments in Environmental Resources will decrease appropriations by \$815,781 and estimated revenue by \$1.4 million and will increase the use of fund balance by \$614,077, resulting in \$33,852 savings to Net County Cost.

Code Enforcement – The Code Enforcement program is experiencing higher than anticipated costs related to vehicles. An \$8,339 increase is necessary to cover maintenance charges due to wear and tear on vehicles. In addition, a \$3,809 increase for fuel charges is needed due to an overall increase in vehicle usage.

Fink Road Landfill – In December 2024, the Waste-to-Energy facility ceased operations, redirecting a significant amount of waste to the Fink Road Landfill. After a review of staffing organization structure, it was determined to delete one Manager I position and add one Landfill Lead Worker position. This change is expected to enhance efficiency in the landfill operations as well as provide the division with succession planning opportunities. Annual savings related to this change are estimated at \$30,000, and no budget adjustment is recommended at this time.

Technical Adjustments – Recommended technical adjustments will reduce appropriations by \$827,929 and estimated revenue by \$1.4 million, increasing the use of fund balance by \$614,077 and reducing the use of Net County Cost by \$46,000.

- The Groundwater program is increasing revenue by \$46,000 to recognize a reimbursement from Tuolumne County for activities related to Groundwater Sustainability Agency activities.
- The AB 939/Source Reduction and Recycling and Household Hazardous Waste programs received funding from surcharges placed on waste delivered to the Waste-to-Energy facility. The Waste-to-Energy facility ceased operations in December 2024; therefore, these program budgets need to be right-sized to anticipated funding levels. It's recommended to reduce AB 939/Source Reduction and Recycling appropriations by \$931,003 and estimated revenue by \$827,929, increasing the use of fund balance by \$103,074. In addition, the Household Hazardous Waste program budget requires a \$511,003 reduction to estimated revenue, which will be offset by an increased use of fund balance.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Environmental Resources - AB 939/Source Reduction & Recycling	(\$931,003)	(\$827,929)	\$103,074	\$0	Decrease estimated revenue and appropriations to reflect the closure of the Waste-to-Energy facility, funded with fund balance.
Environmental Resources - Code Enforcement	\$0	\$8,339	\$0	\$8,339	Increase appropriations to fund vehicle maintenance costs, funded with Net County Cost.
Environmental Resources - Code Enforcement	\$0	\$3,809	\$0	\$3,809	Increase appropriations to fund increase fuel charges, funded with Net County Cost.
Environmental Resources - Groundwater Program	\$46,000	\$0	\$0	(\$46,000)	Increase estimated revenue to recognize revenue from Tuolumne County related to Groundwater Sustainability Agency activities, reducing Net County Cost.
Environmental Resources - Household Hazardous Waste	(\$511,003)	\$0	\$511,003	\$0	Reduce estimated revenue to reflect the closure of the Waste-to-Energy facility, funded with fund balance.
Total	(\$1,396,006)	(\$815,781)	\$614,077	(\$33,852)	

Recommendation: It is recommended to reduce appropriations by \$815,781 and estimated revenue by \$1.4 million, funded by \$614,077 in fund balance, resulting in a decrease to Net County Cost by \$33,852.

Staffing Recommendation: It is recommended to add one Landfill Lead Worker to help manage the increase in waste volume due the closure of the Waste-to-Energy facility operated by Reworld (formerly Covanta). To offset the addition, it is recommended to delete one vacant Manager I. Additionally, it is recommended to block-budget two Manager III positions to Manager I/II/III to provide the Department flexibility to fill the positions at a lower classification as needed. This will enhance alignment with succession planning within the Department.

Parks and Recreation

Adjustments in Parks and Recreation will reduce appropriations by \$3.1 million and estimated revenue by \$3.2 million, funded by \$62,646 in Net County Cost.

Extra Help – A \$20,000 increase, funded by Net County Cost, is recommended to cover Extra Help costs. Historically, the Department hired seasonal extra help staff at the Park Aide level. Starting in the summer of 2024, the Department began to bring on some seasonal staff at the higher Park Maintenance Worker level, as this classification is better suited in certain situations. The higher classification level resulted in an increase in costs requiring the adjustment.

Life Jacket Loaner Program – The Department operates a life jacket loaner program at the Modesto and Woodward reservoirs. In the most recent summer season, Stanislaus County experienced a total of ten drownings, eight of

which were at the reservoirs. Currently the program relies on grant funding; however, the program is impacted by the loss of volunteers and a low supply of available life jackets. An infusion of \$34,360 in funding would enhance the program for the 2025 summer season by adding four extra help to staff the life jacket loaner stations, purchase additional life jackets, increase signage and pamphlets to increase awareness, and to add additional stations at the reservoirs. This increase will be funded by Net County Cost in the current fiscal year; the Department will continue to seek other grants and donations to fund the program in future years.

Technical Adjustments – Recommended technical adjustments will decrease appropriations by \$3.1 million and estimated revenue by \$3.2 million and will increase Net County Cost by \$8,286.

- It is recommended to reduce appropriations and estimated revenue by \$2.8 million to right size the Parks and Recreation budget. Funding for the Bonita Pool project was originally included in this budget unit; however, funding has been moved to a capital project fund (Board Resolution 2024-0193).
- It is recommended to increase appropriations by \$8,286, funded by Net County Cost, in the Parks and Recreation budget for Employee Recruitment and Retention Plan impacts.
- In the Off Highway Vehicle budget, a \$356,405 reduction to appropriations and estimated revenue is needed to right-size the budget to updated grant award amounts.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/General Fund Contribution	Description
Parks and Recreation	\$0	\$20,000	\$0	\$20,000	Increase appropriations to fund Extra Help costs, funded with Net County Cost.
Parks and Recreation	\$0	\$34,360	\$0	\$34,360	Increase appropriations to fund an expanded Life Jacket Loaner program, funded with Net County Cost.
Parks and Recreation	(\$2,800,000)	(\$2,800,000)	\$0	\$0	Decrease appropriations and estimated revenue for the Bonita Pool project, which is now funded in a capital project fund.
Parks and Recreation	\$0	\$8,286	\$0	\$8,286	Increase appropriations for the Employee Bonus Choice Plan, funded with Net County Cost.
Parks and Recreation -Off Highway Vehicle	(\$356,405)	(\$356,405)	\$0	\$0	Reduce appropriations and estimated revenue to right-size budget to updated grant award amount.
Total	(\$3,156,405)	(\$3,093,759)	\$0	\$62,646	

Recommendation: It is recommended to reduce appropriations by \$3.1 million and estimated revenue by \$3.2 million, funded by a \$62,646 increase in Net County Cost.

Staffing Recommendation: It is recommended to reclassify one block-budgeted Park Maintenance Worker I/II to Administrative Clerk III to right-size the position.

Public Works

Adjustments in Public Works will reduce appropriations by \$91,694 and the use of fund balance by \$116,694, increasing Net County Cost by \$25,000.

Administration – A decrease to appropriations in the amount of \$116,694 is recommended to reflect the deletion of one vacant Accountant I/II position. The Administration Division conducts complex accounting of the Road and Bridge fund and capital projects. The workload of the Department is managed at the current staffing level without the need for additional staff. Therefore, the deletion of one vacant Accountant I/II position is recommended.

Alley Crew – The Public Works Alley Crew is fully funded by a contribution from the General Fund. Since its inception, funding for the crew has remained flat. A \$25,000 increase in appropriations, funded by Net County Cost, is recommended to address a projected shortfall in the program. Through November, the crew has disposed of 291.5 tons of waste.

Technical Adjustments – It is recommended to transfer one Staff Services Analysis position from Administration to Road and Bridge. This transfer will reduce appropriations in Administration by \$35,393 and increase the Road and Bridge budget by the same amount.

Recommended Budget Adjustment					
Budget Unit Name	Revenue	Appropriations	Fund Balance/ Retained Earnings	Net County Cost/ General Fund Contribution	Description
Public Works - Administration	\$0	(\$116,694)	(\$116,694)	\$0	Decrease revenue and appropriations related to the deletion of one Accountant I/II position.
Public Works - Administration	\$0	(\$35,393)	(\$35,393)	\$0	Decrease appropriations to transfer a Staff Services Analyst to Road and Bridge.
Public Works - Road and Bridge	\$0	\$35,393	\$35,393	\$0	Increase appropriations to transfer in a Staff Services Analyst from Administration, funded by fund balance.
Public Works - Road and Bridge	\$0	\$25,000	\$0	\$25,000	Increase appropriations for the Alley Crew, funded by a General Fund contribution.
Total	\$0	(\$91,694)	(\$116,694)	\$25,000	

Recommendation: It is recommended to reduce appropriations by \$91,694 and the use of fund balance by \$116,694, increasing Net County Cost by \$25,000.

Staffing Recommendation: It is recommended to delete one block-budgeted Accountant I/II in Administration. Additionally, it is recommended to transfer one Staff Services Analyst from Administration to Road and Bridge.

Special Districts

At the time of the 2025 Adopted Budget, spending plans were estimated, and appropriations and estimated revenues were approved for the dependent special districts governed by the Board of Supervisors to allow them to operate in the fiscal year. Special Districts receive revenue from property taxes and/or special assessments. The funds can only be used for the purpose for which they were collected and only those residents who benefit from services provided by a special district pay for them.

County Service Areas

Subsequent analysis during the development of the assessment rates and related operations for the first five months of Fiscal Year 2025 resulted in the requested changes to the Adopted Budgets for nine County Service Areas (CSA). A net increase of appropriations of \$198,999 is recommended for the following:

- \$65,000 for CSA 4 to cover the cost of pump repair and to replace a new pump for the drainage system.
- \$2,779 for CSA 7 for the stormwater pump rebuild/repair.
- \$56,720 for CSA 10 to cover the cost of vandalized irrigation and playground equipment.
- \$7,000 for CSA 16 to cover Parks’ increased costs in landscaping services.
- \$19,000 for CSA 19 to replace a vandalized slide.
- \$3,000 for CSA 22 to cover Parks’ increased costs in landscaping services.
- \$2,500 for CSA 23 to cover the increased maintenance costs.
- \$3,000 for CSA 24 to cover Parks’ increased costs in landscaping services.
- \$40,000 for CSA 26 to cover Parks’ increased costs in landscaping services and replacement of nonoperational drinking fountains and to cover the cost of vandalized irrigation in Bonita Ranch Park.

The changes requested bring the previously approved engineers reports, budget schedule, and the projects’ development and maintenance plans in line with the CSA’s budgets.

Fund	County Service Area	Estimated Revenue			Appropriations/Expenditures		
		2025 Adopted Budget	Recommended 2025 Midyear Budget Adjustment	Recommended Mid-Year Budget	2025 Adopted Budget	Recommended 2025 Midyear Budget Adjustment	Recommended Mid-Year Budget
1807	County Service Area No. 4 - Salida Storm Drain	\$163,306	\$0	\$163,306	\$163,306	\$65,000	\$228,306
1810	County Service Area No. 7 - Modesto Aut Center	\$1,985	\$0	\$1,985	\$5,400	\$2,779	\$8,179
1814	County Service Area No. 10 - Salida	\$410,066	\$0	\$410,066	\$410,066	\$56,720	\$466,786
1823	County Service Area No. 16 - Olive Ranch	\$16,649	\$0	\$16,649	\$22,000	\$7,000	\$29,000
1826	County Service Area No. 19 - Sterling/Runyan	\$55,817	\$0	\$55,817	\$55,817	\$19,000	\$74,817
1829	County Service Area No. 22 - Old School North	\$7,933	\$0	\$7,933	\$7,933	\$3,000	\$10,933
1830	County Service Area No. 23 - Hillsborough Shutz	\$3,796	\$0	\$3,796	\$3,796	\$2,500	\$6,296
1831	County Service Area No. 24 - Hideaway Terrace	\$8,297	\$0	\$8,297	\$8,297	\$3,000	\$11,297
1833	County Service Area No. 26 - Keyes	\$224,286	\$0	\$224,286	\$224,286	\$40,000	\$264,286
Total		\$892,135	\$0	\$892,135	\$900,901	\$198,999	\$1,099,900

Recommendation: It is recommended to increase appropriations by \$198,999, funded by fund balance.

Lighting and/or Landscape Districts

Subsequent analysis during the development of the assessment rates and related operations for the first five months of Fiscal Year 2025 resulted in the requested changes to the Adopted Budgets for four Lighting Districts (LD). A net increase of appropriations of \$67,300 is requested for the following.

- \$4,300 for Deo Gloria LD to replace a light pole.
- \$10,000 for Airport LD to cover the increase in utilities.
- \$50,000 for Salida LD for the Installation of new lights to improve public and traffic safety.
- \$3,000 for Del Rio LAD to cover the Parks and Recreation increase in labor and utilities.

Fund	Landscape and Lighting Maintenance Districts	Estimated Revenue			Appropriations/Expenditures		
		2025 Adopted Budget	Recommended 2025 Midyear Budget Adjustment	Recommended 2025 Mid-Year Budget	2025 Adopted Budget	Recommended 2025 Midyear Budget Adjustment	Recommended 2025 Mid-Year Budget
1801	Del Rio LAD	\$5,151	\$0	\$5,151	\$5,151	\$3,000	\$8,151
1855	Deo Gloria LD	\$5,693	\$0	\$5,693	\$9,880	\$4,300	\$14,180
1850	Airport LD	\$21,615	\$0	\$21,615	\$28,111	\$10,000	\$38,111
1872	Salida LD	\$118,854	\$0	\$118,854	\$147,680	\$50,000	\$197,680
Total		\$151,313	\$0	\$151,313	\$190,822	\$67,300	\$258,122

Recommendation: It is recommended to increase appropriations by \$67,300, funded by fund balance.

Midyear Financial Report Conclusion

The 2025 Midyear Financial Report shows the County budget is balanced, inclusive of updated information, and actual performance is tracking within the 2025 Legal Budget and year-end projections for most departments. County staff will continue to monitor current fiscal year budget operations and be prepared to make appropriate recommendations and changes informed by substantial analysis in the 2025 Third Quarter Financial Report targeted to go before the Board of Supervisors on May 20, 2025.

Staff will continue to closely watch external factors, including evolving policy direction at the Federal level, the monthly cash report issued by the State Controller to monitor State inflows of revenue, and the upcoming May Revise State Budget for any impacts to current and future budget year finances and/or strategic policy.

Budget Schedule

For planning purposes, the following schedule for upcoming reports to the Board of Supervisors is recommended.

Budget Cycle Activity	2025 Third Quarter Financial Report	2026 Proposed Budget	2026 Adopted Budget
Budget Instructions Issued	March 3, 2025	January 13, 2025	June 16, 2025
Budget Submissions Due	March 21, 2025	March 6, 2025	July 9, 2025
Board Briefings	N/A	April 15-17, 2025	August 5-7, 2025
Document Published for the Public	May 16, 2025	May 30, 2025	September 5, 2025
Presentation to the Board of Supervisors	May 20, 2025 <i>Consent</i>	June 10, 2025 <i>Public Hearing</i>	September 16, 2025 <i>Public Hearing</i>