



For Immediate Release

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San Joaquin County Approves 2021-2022 Final Budget

Structurally-balanced budget to begin the rebuilding process following destructive pandemic

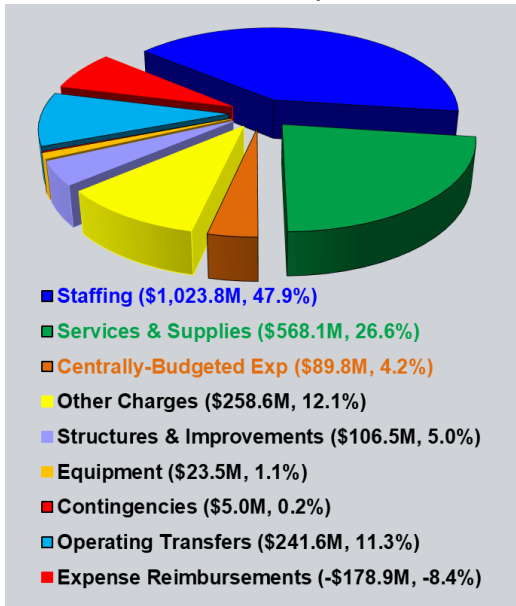
STOCKTON – On June 23, the San Joaquin County Board of Supervisors unanimously approved the proposed \$2.14 billion structurally-balanced budget for Fiscal Year 2021-2022, which provides a \$158.4 million increase from the previous year. The approved Budget reflects the County’s continuing determination to achieve a structurally-balanced budget while continuing to increase County reserves and invest in local resources to address required mandates. The approved Budget also focuses on carrying out the Board’s directive that all departments establish homelessness as an operational priority and implement the five Board strategic priorities of fiscal responsibility, good governance, public safety, economic development, and water.

“On behalf of the Board of Supervisors, we are proud to approve the 2021-2022 final budget,” said San Joaquin County Board of Supervisors Chairman, Tom Patti. “County staff were diligent and thoughtful in presenting Department budgets that take the challenging impacts of COVID-19 into account while planning for a future that will help get our economy and lives back on track. One thing is for certain, our homelessness crisis must be addressed. It is clear from the budget presentations that this humanitarian crisis impacts all Departments and demands a comprehensive solution so that our most vulnerable unsheltered residents can get out of dangerous, unhealthy, and inhumane conditions.”

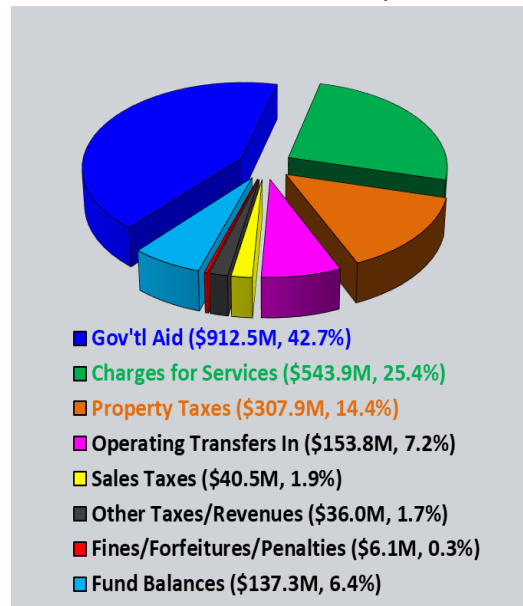
2021-2022 PROPOSED BUDGET HIGHLIGHTS

- The 2021-2022 Proposed Budget is a structurally- balanced budget totaling \$2.14 billion. This represents an increase of \$158.4 million from the 2020-2021 Adopted Budget. Costs and revenues by account include:

2021-2022 Use of Funds - \$2.14 Billion



2021-2022 Source of Funds - \$2.14 Billion



- **General Fund:** The estimated general fund year-end balance for June 30, 2021 is estimated at \$177.8 million.
- **Reserve for Contingencies:** The Proposed Budget adds \$11.4 million to the Reserve for Contingencies in order to achieve the Board's policy of five percent of total appropriations.
- **Unfunded Retirement Liability:** Funds the full five percent contribution toward the unfunded retirement liability at a cost of \$25.9 million, with a net County cost of \$8.5 million, primarily financed from ongoing funding sources.
- **Staff Positions:** Net staff positions increased by 204.5 which includes San Joaquin General Hospital (34 positions), Public Health (32 positions), and Sheriff (31 positions).
- **Investment in Public Improvement Projects (new or multiyear):** Projects include Behavioral Health Services Adult Residential Treatment Modular Building; County Detention (SB 1022 Facility); Public Health Services Facility Replacement; and the County Facilities Master Plan.
- **Homelessness Response:** The 2021-2022 Proposed Budget includes funds to build a low-barrier shelter in the County to accommodate 250-400 homeless individuals. In addition, the Crossways Residences Project is now open and fully occupied – this project began in 2019 and converted offices to 35 housing units and on-site supportive services for Behavioral Health Services clients.

OTHER NOTABLE 2021-2022 PROPOSED BUDGET ITEMS:

- **Law and Justice:** \$416.0 million, an increase of \$29.9 million.
- **Health Services:** \$834.4 million, an increase of \$24.9 million.
- **Environmental Protection:** \$24.8 million, an increase of \$1.7 million.
- **Human Services:** \$472.0 million, a decrease of \$10.9 million.
- **Roads and Facilities:** \$107.7 million, a decrease of \$2.7 million.
- **Capital Maintenance and Improvements:** \$25.1 million, a decrease of \$7.7 million.
- **Water:** Directs \$670,000 toward the County's effort to defeat the California Delta Conveyance single tunnel project.
- **Economic Development:** Directs \$152,230 of transient occupancy tax to \$2.3 million economic development reserve.

Other Major Impacts

- **Labor Costs:** Employee salary and benefit costs comprise approximately 47.9% of the County's Proposed Budget. The County has current labor agreements with 100% of the County labor force.

- **Realignment of Division of Juvenile Justice (DJJ):** Last year, the Legislature passed legislation which eliminated the DJJ realigning responsibility for youth offenders to County Probation Departments beginning January 1, 2021. However, in May 2021, SB 92 (Committee on Budget) was passed, which delayed the realignment until July 1, 2023.
- **LPS Conservatorship Realignment to Counties:** In the Governor’s May Revision, he proposed halting contracts with counties to the State Hospital for Conservatorship, which would realign these individuals back to counties. This would increase costs to counties since most counties do not have the appropriate treatment facilities for these patients. It is unclear at this time whether this proposal will be passed.

“When we put the budget together, we were aiming to uphold four pillars including economic development and recovery, addressing the increase in crime, homelessness, and COVID-19. The 2021-2022 budget addresses these four pillars as well as our commitment to San Joaquin County residents to support essential programs and services,” said San Joaquin County Administrator, Jay Wilverding. “As the County moves forward in the coming months with a one-time windfall of state and federal funding, we plan to hold a strategic planning session with the Board to ensure the money is spent prudently and will provide the greatest amount of benefits over the long term.”

The Board of Supervisors allocated an additional \$222,186 from contingency provision funding for the following Non-County Organizations:

- Clinton McCausland American Legion - \$50,000
- Tracy Interfaith Ministries - \$60,000
- Mexican Heritage & Cultural Society - \$8,000
- San Joaquin Historical Society - \$100,000
- World of Wonders Science Center - \$4,186

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

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