

Solano County

675 Texas Street
Fairfield, California 94533
www.solanocounty.com



**Please see
page 2 of this
agenda for
participation
options for the
meeting**

Agenda - Final

Tuesday, May 5, 2020

9:00 AM

Board of Supervisors Chambers

Board of Supervisors

Erin Hannigan (Dist. 1) Chairwoman
(707) 553-5363

Monica Brown (Dist. 2), Vice-Chair
(707) 784-3031

James P. Spring (Dist. 3)
(707) 784-6136

John M. Vasquez (Dist. 4)
(707) 784-6129

Skip Thomson (Dist. 5)
(707) 784-6130

SOLANO COUNTY BOARD OF SUPERVISORS
HOUSING AUTHORITY, SPECIAL DISTRICTS, SOLANO FACILITIES
CORPORATION, AND
IN-HOME SUPPORTIVE SERVICES PUBLIC AUTHORITY

This meeting will be live-streamed and available to view at:

<http://www.solanocounty.com/depts/bos/meetings/videos.asp>

Due to COVID-19 and to protect County staff and members of the public, access to the Board Chambers will be restricted during Board of Supervisors meetings. This precaution is being taken pursuant to the authority conferred by Governor Newsom's Executive Order N-29-20. All or some of the Board members may attend the meeting telephonically and participate in the meeting to the same extent as if they were present.

PUBLIC COMMENTS: To submit public comments, please see the options below.

Email/Mail:

If you wish to address any item listed on the Agenda or Closed Session by written comment, please submit comments in writing to the Clerk of the Board by U.S. Mail or by email. Written comments must be received no later than 8:30 A.M. on the day of the meeting. The email address for the clerk is: clerk@solanocounty.com. The mailing address is: Clerk of the Board of Supervisors, 675 Texas Street, Suite 6500, Fairfield, CA 94533. Copies of comments received will be provided to the Board and will become a part of the official record but will not be read aloud at the meeting.

Phone:

To submit comments verbally from your phone during the meeting, you may do so by dialing: 1-415-655-0001 and using Access Code 809-855-665 on your phone. No attendee ID number is required. Once entered in the meeting, you will be able to hear the meeting and will be called upon to speak during the public speaking period.

The County of Solano does not discriminate against persons with disabilities. If you wish to participate in this meeting and you will require assistance in order to do so, please call the Office of the Clerk of the Board of Supervisors at 707-784-6100 at least 24 hours in advance of the event to make reasonable arrangements to ensure accessibility to this meeting.

Non-confidential materials related to an item on this Agenda submitted to the Board after distribution of the agenda packet will be emailed to you upon request. You may request materials by emailing clerk@solanocounty.com.

AGENDA

CALL TO ORDER - 9:00 A.M.

ROLL CALL

SALUTE TO THE FLAG AND A MOMENT OF SILENCE

PRESENTATIONS

Health and Social Services/Office of Emergency Services:

- 1 **20-354** Receive a verbal update from Dr. Bela Matyas, Public Health Officer, and Don Ryan, Emergency Services Manager, regarding the coronavirus disease 2019 (COVID-19)

ITEMS FROM THE PUBLIC

This is your opportunity to address the Board on a matter not listed on the Agenda, but it must be within the subject matter jurisdiction of the Board. Please submit a Speaker Card before the first speaker is called and limit your comments to three minutes. The Board will hear public comments for up to fifteen minutes. Any additional public comments will be heard at the conclusion of the meeting. Items from the public will be taken under consideration without discussion by the Board and may be referred to staff.

ADDITIONS TO OR DELETIONS FROM THE AGENDA

APPROVAL OF THE AGENDA

PUBLIC COMMENT ON CONSENT CALENDAR

Each speaker shall have 3 minutes to address any or all items on the Consent Calendar.

APPROVAL OF THE CONSENT CALENDAR

The Board considers all matters listed under the Consent Calendar to be non-controversial or routine and will adopt them in one motion. There will be no discussion on these items before the Board votes on the motion unless Board members request specific items be discussed and/or removed from the Consent Calendar.

CONSENT CALENDAR

GENERAL GOVERNMENT

Treasurer-Tax Collector-County Clerk:

- 2 **20-333** Accept the Solano County Treasurer's Quarterly Report for the period of January 1, 2020 through March 31, 2020
- Attachments: [A - Letter to the Board](#)
 [B - Statement of Compliance](#)
 [C - Investment Portfolio](#)
 [D - Balance Sheet and Income Statement](#)
 [E - Yield Curve](#)
 [F - PARS 115 Report](#)
- 3 **20-341** Adopt a resolution to renew the annual delegation of investment authority to the County Treasurer and approve the proposed County Investment Policy; and Adopt a second resolution to approve the proposed County PARS 115 Trust Investment Policy
- Attachments: [A - Investment Policy Resolution](#)
 [B - PARS 115 Policy Resolution](#)
 [C - Investment Policy 2020](#)
 [D - PARS 115 Policy 2020](#)
 [E - Investment Policy Redline](#)
 [F - PARS 115 Policy Redline](#)
- 4 **20-342** Approve a resolution directing the County Treasurer to transfer of up to 85% of FY2020/21 anticipated property tax revenues from the Treasury Pool funds to local school districts when requested by a district, as authorized under Article XVI Section 6 of the California Constitution
- Attachments: [A - Resolution](#)
 [B - Benicia USD Resolution](#)
 [C - Dixon USD Resolution](#)
 [D - Fairfield Suisun USD Resolution](#)
 [E - Travis USD Resolution](#)
 [F - Vacaville USD Resolution](#)
 [G - Vallejo USD Resolution](#)

Ag Commissioner/Sealer of Weights and Measures:

- 5 **20-349** Adopt a resolution amending the List of Numbers and Classifications of Positions to reclassify a 1.0 Full-Time Equivalent (FTE) Office Assistant I to a 1.0 FTE Office Assistant II in the Department of Agriculture
- Attachments: [A - Resolution](#)

HEALTH AND SOCIAL SERVICESHealth and Social Services:

- 6 **20-237** Adopt a resolution and plaque of appreciation honoring Theresa Guglielminetti, Eligibility Benefits Specialist II, upon her retirement from the Health and Social Services Department, Employment and Eligibility Division, with over 20 years of dedicated public service to Solano County
- Attachments: [A - Resolution](#)
- 7 **20-306** Approve a second contract amendment with Solano County Office of Education for \$341,261, for a total contract amount of \$1,245,413, to administer grants supporting the implementation of culturally responsive school-based Wellness Centers on campuses across the County through June 30, 2020; Authorize the County Administrator to execute the amendment; and Approve an Appropriations Transfer Request (ATR) to transfer \$341,261 in Mental Health Services Act revenue from Fund 906 to Fund 902 and increase appropriations for the amendment (4/5 vote required)
- Attachments: [A - Second Amendment](#)
 [B - Link to Contract and First Amendment](#)
- 8 **20-305** Authorize the Department of Health and Social Services to pursue an Intergovernmental Transfer (IGT) with the California Department of Health Care Services of up to approximately \$7,145,977 in FY2019/20 and FY2020/21 covering an eighteen-month period from July 1, 2019 to June 30, 2020 and July 1, 2020 to December 31, 2020; Authorize payment of a State administrative fee equal to twenty percent of the transfer amount estimated at \$1,429,195; and Authorize the County Administrator to execute the necessary agreements with the State of California and Partnership HealthPlan of California

- 9 **20-346** Adopt a resolution recognizing May 2020 as Mental Health Awareness Month in Solano County; and Adopt a resolution recognizing May 6, 2020 as World Maternal Mental Health Day in Solano County
Attachments: [A - Mental Health Awareness Month Resolution](#)
 [B - World Maternal Mental Health Day Resolution](#)
- 10 **20-347** Adopt a resolution recognizing the week of May 6-12, 2020 as National Nurses Week in Solano County
Attachments: [A - Resolution](#)
- 11 **20-320** Approve five revenue allocations and corresponding Appropriations Transfer Requests (ATRs) in the amounts of \$663,067, \$67,127, \$908,375, \$59,250, and \$106,344 to recognize unanticipated revenues from federal sources and related appropriations to support Solano County's most pressing needs to prevent and respond to the coronavirus disease 2019 (COVID-19) (4/5 vote required)

MISCELLANEOUS ITEMS

Clerk of the Board of Supervisors:

- 12 **20-348** Approve the appointment of Supervisor Vasquez as an ex-officio member of the Vacaville-Dixon Greenbelt Agency
Attachments: [A - Vacaville-Dixon Greenbelt Authority JPA](#)

First 5 Solano:

- 13 **20-321** Approve the Solano Children's Alliance membership appointment of Haley Armstrong for the term of April 28, 2020 to April 28, 2024; and Approve the appointment of alternates Conni Holloway, Liat Meitzenheimer and Agnes Perez for the term of April 28, 2020 to April 28, 2024
Attachments: [A - Membership Roster](#)

REGULAR CALENDAR

Rescheduled Consent Items

Consider the following:

- A)
- B)
- C)

GENERAL GOVERNMENT

County Administrator:

- 14 **20-345** Receive a verbal update from the County's Federal Legislative Advocates on the status of legislation of interest to the County regarding the COVID-19 response, and receive an update from the County's State Legislative Advocates on the status of legislation that is of interest to the County
- 15 **20-335** Receive a report on the Solano County 2019 Index of Economic and Community Progress
Attachments: [A - 2019 Index of Economic and Community Progress](#)
- 16 **20-319** Authorize the use of up to \$2,000,000 in General Fund Contingency to pay for costs related to COVID-19 emergency response, pending reimbursement from state and federal emergency appropriations (4/5 vote required); and Approve an Appropriation Transfer Request (ATR) increasing expenditures in Fund 282 County Disaster Fund by \$2,000,000 funded by a transfer from General Fund Contingency (4/5 vote required)
- 17 **20-351** Receive an update on initial County Fiscal Impacts from the COVID-19 Emergency and the revisions to budget assumptions for FY2020/21
Attachments: [A - COVID-19 Revenue Loss Summary Impacts](#)

First 5 Solano:

- 18 **20-292** Consider approval of a recommendation to allocate up to \$249,500 from the Community Investment Fund to five agencies in response to Request for Proposal 2020-02 - Annual Grants; and Consider approval of a recommendation to allocate up to \$99,438 from the Community Investment Fund, Deep Investments category, to two additional agencies in Response to Request for Proposal 2020-02 - Annual Grants
Attachments: [A - Annual Grant Proposals Received](#)

CLOSED SESSION

- 19** **20-356** Conference with Real Property Negotiators: Property: Mason Street Park and Ride, Vacaville, California; Agency negotiators: Birgitta E. Corsello, County Administrator, Nancy Huston, Assistant County Administrator, Megan Greve, Director of General Services, and James Bezek, Assistant Director of General Services; Negotiating parties: Mark Weaver, Deputy Director of Right of Way, Caltrans; Under negotiation: Price and terms
- Attachments:** [A - Memorandum](#)

RECONVENE**REPORT OF ACTION IN CLOSED SESSION (IF APPLICABLE)****BOARD MEMBER COMMENTS AND REPORTS ON MEETINGS****ADJOURN:**

*To the Board of Supervisors meeting of May 12, 2020 at 9:00 A.M., Board Chambers,
675 Texas Street, Fairfield, CA*



Solano County

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Fairfield, California 94533
www.solanocounty.com

Agenda Submittal

Agenda #:	1	Status:	Presentation
Type:	Presentation	Department:	Health and Social Services
File #:	20-354	Contact:	Dr. Bela Matyas, 784-8400
Agenda date:	05/05/2020	Final Action:	
Title:	Receive a verbal update from Dr. Bela Matyas, Public Health Officer, and Don Ryan, Emergency Services Manager, regarding the coronavirus disease 2019 (COVID-19)		
Governing body:	Board of Supervisors		
District:	All		
Attachments:			

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ____ No X
Public Hearing Required? Yes ____ No X

DEPARTMENTAL RECOMMENDATION:

It is recommended that the Board receive an update from Dr. Bela Matyas, Public Health Officer, and Don Ryan, Emergency Services Manager, regarding the activities and efforts relating to the coronavirus disease 2019 (COVID-19) pandemic.

For information, updates and resources on COVID-19, please visit the Solano County Public Health web page at:

[<http://www.solanocounty.com/depts/ph/ncov.asp>](http://www.solanocounty.com/depts/ph/ncov.asp)



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Agenda Submittal

Agenda #:	2	Status:	Consent Calendar
Type:	Report	Department:	Treasurer-Tax Collector-County Clerk
File #:	20-333	Contact:	Charles Lomeli, 784-3419
Agenda date:	05/05/2020	Final Action:	
Title:	Accept the Solano County Treasurer's Quarterly Report for the period of January 1, 2020 through March 31, 2020		
Governing body:	Board of Supervisors		
District:	All		
Attachments:	A - Letter to the Board, B - Statement of Compliance, C - Investment Portfolio, D - Balance Sheet and Income Statement, E - Yield Curve, F - PARS 115 Report		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ☐ No ☒
Public Hearing Required? Yes ☐ No ☒

DEPARTMENTAL RECOMMENDATION:

It is recommended that the Board accept the County Treasurer's Quarterly Report for the period of January 1, 2020 through March 31, 2020.

SUMMARY:

Submitted herein is the Treasurer's FY2019/20 Third Quarter Report, which contains the Treasurer's Statement of Compliance.

This report is provided for informational purposes only. All information contained in this report pertains to all county, district, agency and school district funds. This report is also available on the Treasurer's web site at www.solanocounty.com.

FINANCIAL IMPACT:

There is no financial impact in accepting this report; all costs associated with preparing the agenda item are nominal and absorbed by the department's FY2019/20 Adopted Budget.

ALTERNATIVES:

The Board could elect not to accept this report at this time or request a change in content or format.

OTHER AGENCY INVOLVEMENT:

This report will be promulgated to the distribution list on the Statement of Compliance and published on the Treasurer's website.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION

CHARLES LOMELI
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TREASURER-TAX COLLECTOR-COUNTY CLERK



**SOLANO
COUNTY**

LORI BUTLER-SLAPPY
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675 Texas Street, Suite 1900
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Fax (707) 784-6311

April 16, 2020

The Honorable Members of the Board of Supervisors
County of Solano County
675 Texas Street, Suite 6500
Fairfield CA 94533

Honorable Members of the Board:

It is my pleasure to present the quarterly report for the third quarter of FY2019/20.

State of the Treasury

The \$1.4 billion Treasurer's pool is managed in accordance with the tenets of California Government Code §53600.5 to provide for the safety of principal, adequate liquidity for all anticipated cash flow requirements, and a consistent rate of return commensurate with the established risk profile.

The \$813.7 million currently held in cash and investments with six months or less left to maturity should provide adequate funding for all anticipated cash needs, while also affording the Treasury an opportunity to invest excess liquidity at higher rates.

The treasury pool is maintained with a duration designed to stabilize yields and prevent rapid increases or decreases in earnings. The treasury pool is also diversified from a credit risk perspective by maintaining a mix of investments that includes 14.1% in cash and cash equivalents, 37.8% in US Treasuries, 22.4% in Government Sponsored Enterprises, 14.3% in US Corporations, and 4.2% in Municipals; with the balance of 7.2% held in a variety of assets including mutual funds, commercial paper, and other holdings allowable under §53600.5.

Current Market Conditions Impacting the Treasury Pool

Treasury managers monitor information provided by the Federal Reserve; its actions and information impact the interest rates at the short end of the curve where nearly all the treasury investments are made.

Fiscal fallout as a result of the COVID-19 virus has caused significant disruptions in global financial markets that are likely to continue for the foreseeable future. In response to the disruptions, and in anticipation of substantial increases in unemployment, the Federal Reserve Open Market Committee met in emergency session on March 3, 2020 and reduced the target range for federal funds by 50 basis points to 1 to 1 ¼ %, and again on March 15, 2020 to reduce them further by 100 basis points to 0 to ¼ %. In the meeting minutes the committee indicated they would maintain this target range until the economy has weathered recent events and is on track to achieving maximum employment and price stability. Further, the Chairman of the Federal Reserve Bank indicated the bank would use every tool at its disposal, including the wholesale buying of assets, to achieve these objectives during this crisis. As a result of this, the bank balance sheet has increased by more than \$2 trillion in less than 45 days.

Expectations going forward

For the coming quarter, treasury managers expect interest rates on the short end of the interest rate curve to remain close to zero. As investments in the pool mature and are reinvested, the yield on newly invested funds will be substantially lower, and the pool earnings will be less than in previous quarters.

Based on the comments of the Federal Reserve Chairman, the general state of the economy, and anticipated unemployment rates; it is highly likely that interest rates will be close to zero for an extended period of time. It is noteworthy to mention that certain treasury bonds on the short end of the curve traded negative during the quarter, and this trend could continue and accelerate.

Credit quality of corporate securities will continue to be monitored more closely during this crisis, and investments will continue to be diversified to mitigate risk. Given the shape of the yield curve, liquidity will be increased in the coming quarter.

Respectfully Submitted,
CHARLES LOMELI
Treasurer – Tax Collector – County Clerk

Attachment A – Letter to the Board
Attachment B – Statement of Compliance
Attachment C – Investment Portfolio
Attachment D – Balance Sheet and Income Statement
Attachment E – Yield Curve
Attachment F – PARS 115 Report

CHARLES LOMELI
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TREASURER-TAX COLLECTOR-COUNTY CLERK



**SOLANO
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STATEMENT OF COMPLIANCE

March 31, 2020

Liquidity:

The Treasury has a cash and cash equivalent position (securities maturing within 6 months) of \$813 million dollars as of March 31, 2020. Based on historical trend analysis and projections by the various school districts, it is estimated that this cash position is adequate to meet projected liquidity requirements of the pool participants for the next six months.

Should the treasury experience unusual demands on cash, the liquidity position will be adjusted accordingly.

Investments:

The investment portfolio has been reviewed by the Treasurer-Tax Collector-County Clerk on June 30, 2019 and found to be in compliance with the Investment Policy.

Reporting and Distribution:

In accordance with Government code section 53607, a monthly report is submitted to the Clerk of the Board electronically.

In accordance with the Government Code section 53646 this non-mandated quarterly report is submitted to provide full disclosure to the Board and public.

This report is also made available to the Superintendent of Schools, the business managers of each district, many pool participants and the public at large via the Internet.

Respectfully Submitted,
CHARLES LOMELI
Treasurer-Tax Collector-County Clerk

BOOK VALUE VS MARKET REPORT

Solano County Treasurer

INVESTMENT PORTFOLIO ACCOUNTING 7.80

LAST INTEREST ACCRUAL DATE: 03/31/2020

SECURITY ID/LOT NO.	DESCRIPTION	FAS115 CLASS	MATURITY/ CALL DATE	PAR VALUE	BOOK VALUE	MARKET VALUE	MARKET GAIN/LOSS	MARKET DATE
PORTFOLIO: POOL								
SECURITY TYPE: CD								
13606C3D4/001	CANADIAN IMPERIAL BANK COMM NY	AFS	04/17/2020	25,000,000.00	25,000,000.00	25,011,925.00	11,925.00	03/31/2020
65558TPL3/001	NORDEA BANK ABP NEW YORK	AFS	08/14/2020	20,000,000.00	20,001,098.25	20,041,380.00	40,281.75	03/31/2020
TOTAL FOR SECURITY TYPE CD				45,000,000.00	45,001,098.25	45,053,305.00	52,206.75	
SECURITY TYPE: CORP								
89236TDU6/001	TOYOTA MOTOR CREDIT CORP	AFS	04/17/2020	10,000,000.00	10,000,000.00	9,997,806.10	-2,193.90	03/31/2020
740189AL9/001	PRECISION CASTPARTS CORP	AFS	06/15/2020	20,000,000.00	19,985,770.28	19,979,314.00	-6,456.28	03/31/2020
931142EG4/001	WALMART INC	AFS	06/23/2020	4,725,000.00	4,726,890.78	4,729,639.76	2,748.98	03/31/2020
90331HNU3/001	US BANK NA CINCINNATI	AFS	06/24/2020	5,000,000.00	5,000,496.20	5,008,204.40	7,708.20	03/31/2020
06406HDD8/001	BANK OF NY MELLON CORP	AFS	07/17/2020	10,000,000.00	10,000,000.00	10,018,730.20	18,730.20	03/31/2020
458140AQ3/001	INTEL CORP	AFS	07/29/2020	20,000,000.00	19,992,217.33	20,024,655.40	32,438.07	03/31/2020
023135AT3/001	AMAZON.COM INC	AFS	08/21/2020	10,000,000.00	9,972,672.71	9,996,036.00	23,363.29	03/31/2020
023135AT3/002	AMAZON.COM INC	AFS	08/21/2020	1,905,000.00	1,901,520.31	1,904,244.86	2,724.55	03/31/2020
25468PDE3/001	WALT DISNEY ENTERPRISES	AFS	09/17/2020	20,000,000.00	19,993,264.59	19,905,293.40	-87,971.19	03/31/2020
191216BT6/001	COCA COLA CO	AFS	10/27/2020	10,000,000.00	9,946,577.06	10,005,059.00	58,481.94	03/31/2020
69353RFH6/001	PNC BANK NA	AFS	12/23/2020	3,492,000.00	3,511,516.36	3,498,930.05	-12,586.31	03/31/2020
037833BS8/001	APPLE INC	AFS	01/23/2021	10,000,000.00	9,923,880.60	10,100,779.60	176,899.00	03/31/2020
06051GFW4/001	BANK OF AMERICA CORP	AFS	04/19/2021	3,170,000.00	3,165,140.10	3,187,154.49	22,014.39	03/31/2020
06051GFW4/002	BANK OF AMERICA CORP	AFS	04/19/2021	20,000,000.00	19,987,022.79	20,108,230.20	121,207.41	03/31/2020
89236TEX9/001	TOYOTA MOTOR CREDIT CORP	AFS	04/26/2021	4,000,000.00	3,996,868.41	3,891,511.40	-105,357.01	03/31/2020
949746SA0/001	WELLS FARGO & COMPANY	AFS	07/26/2021	15,000,000.00	15,072,033.13	14,949,976.80	-122,056.33	03/31/2020
438516BM7/001	HONEYWELL INTERNATIONAL	AFS	11/01/2021	20,380,000.00	20,285,251.56	20,390,175.33	104,923.77	03/31/2020
90331HPC1/002	US BANK NA CINCINNATI	AFS	04/22/2022	4,000,000.00	4,072,311.88	4,075,080.96	2,769.08	03/31/2020
92826CAG7/001	VISA INC	AFS	09/15/2022	10,000,000.00	9,973,784.92	10,168,403.40	194,618.48	03/31/2020
TOTAL FOR SECURITY TYPE CORP				201,672,000.00	201,507,219.01	201,939,225.35	432,006.34	
SECURITY TYPE: FEDCOUP								
3137EADR7/001	FHLMC	AFS	05/01/2020	7,900,000.00	7,898,188.22	7,907,184.10	8,995.88	03/31/2020
3130ACN83/001	FHLB	AFS	05/15/2020	10,000,000.00	9,999,635.50	10,016,572.30	16,936.80	03/31/2020
313370E38/001	FHLB	AFS	06/12/2020	10,500,000.00	10,512,812.68	10,562,942.67	50,129.99	03/31/2020
313370E38/002	FHLB	AFS	06/12/2020	20,000,000.00	20,034,793.77	20,119,890.80	85,097.03	03/31/2020
3133ELUY8/001	FFCB	AFS	06/30/2020	10,000,000.00	10,000,000.00	10,000,620.90	620.90	03/31/2020
3130AGQU2/001	FHLB	AFS	07/15/2020	20,000,000.00	20,000,177.58	20,100,059.20	99,881.62	03/31/2020

BOOK VALUE VS MARKET REPORT

Solano County Treasurer
INVESTMENT PORTFOLIO ACCOUNTING 7.80

LAST INTEREST ACCRUAL DATE: 03/31/2020

SECURITY ID/LOT NO.	DESCRIPTION	FAS115 CLASS	MATURITY/ CALL DATE	PAR VALUE	BOOK VALUE	MARKET VALUE	MARKET GAIN/LOSS	MARKET DATE
3135G0T60/001	FNMA	AFS	07/30/2020	5,527,000.00	5,511,012.99	5,550,998.46	39,985.47	03/31/2020
313370US5/001	FHLB	AFS	09/11/2020	15,000,000.00	15,007,820.37	15,174,357.60	166,537.23	03/31/2020
313370US5/002	FHLB	AFS	09/11/2020	15,000,000.00	15,025,465.30	15,174,357.60	148,892.30	03/31/2020
742651DV1/001	PRIVATE EXPORT FUNDING	AFS	09/15/2020	11,486,000.00	11,518,304.06	11,552,200.14	33,896.08	03/31/2020
880591EL2/001	TENNESSEE VALLEY AUTHORITY	AFS	02/15/2021	20,000,000.00	20,384,926.90	20,548,841.60	163,914.70	03/31/2020
3130AF3M7/001	FHLB	AFS	04/15/2021	17,375,000.00	17,398,422.72	17,848,863.34	450,440.62	03/31/2020
3133EJNS4/001	FFCB	AFS	05/10/2021	14,500,000.00	14,670,069.45	14,873,055.28	202,985.83	03/31/2020
3130A1W95/001	FHLB	AFS	06/11/2021	19,450,000.00	19,465,605.71	19,878,458.60	412,852.89	03/31/2020
3130A1W95/002	FHLB	AFS	06/11/2021	10,000,000.00	10,075,178.32	10,220,287.20	145,108.88	03/31/2020
3130A1W95/003	FHLB	AFS	06/11/2021	2,985,000.00	3,043,880.49	3,050,755.73	6,875.24	03/31/2020
3133EJSA8/001	FFCB	AFS	06/21/2021	3,100,000.00	3,180,274.80	3,190,147.50	9,872.70	03/31/2020
3130A8QS5/001	FHLB	AFS	07/14/2021	11,525,000.00	11,451,224.32	11,641,622.28	190,397.96	03/31/2020
313378JP7/001	FHLB	AFS	09/10/2021	20,000,000.00	20,236,061.13	20,546,890.60	310,829.47	03/31/2020
313383ZU8/001	FHLB	AFS	09/10/2021	13,000,000.00	13,036,024.89	13,493,226.63	457,201.74	03/31/2020
3135G0Q89/001	FNMA	AFS	10/07/2021	5,000,000.00	5,058,406.67	5,072,727.85	14,321.18	03/31/2020
3133EKY75/001	FFCB	AFS	10/15/2021	4,250,000.00	4,303,306.59	4,314,723.12	11,416.53	03/31/2020
3130AHSR5/001	FHLB	AFS	12/20/2021	25,000,000.00	25,012,241.01	25,531,016.50	518,775.49	03/31/2020
3130AHSR5/002	FHLB	AFS	12/20/2021	10,435,000.00	10,632,993.54	10,656,646.29	23,652.75	03/31/2020
313379Q69/001	FHLB	AFS	06/10/2022	10,000,000.00	10,059,493.64	10,384,340.50	324,846.86	03/31/2020
TOTAL FOR SECURITY TYPE FEDCOUP				312,033,000.00	313,516,320.65	317,410,786.79	3,894,466.14	

SECURITY TYPE: MUNICIPAL

13066YTY5/001	CA STATE DEPT OF WATER RESOURCES	AFS	05/01/2020	1,487,877.00	1,475,053.33	1,492,742.36	17,689.03	03/31/2020
83412PDY5/001	SOLANO CTY CA CMNTY COLLEGE DISTR	AFS	08/01/2020	5,460,000.00	5,474,186.98	5,493,196.80	19,009.82	03/31/2020
79730PDE2/001	SAN DIEGO CA REDEVELOPMENT AGENCY	AFS	09/01/2020	10,000,000.00	10,246,223.50	10,250,400.00	4,176.50	03/31/2020
79771PZ65/001	SAN FRANCISCO CITY & CNTY CA REDEV AUTH	AFS	02/01/2021	7,855,000.00	8,238,047.27	8,371,937.55	133,890.28	03/31/2020
899154AT5/001	TULARE CO PENSN-TXBLE	AFS	06/01/2021	5,000,000.00	5,000,000.00	5,093,650.00	93,650.00	03/31/2020
797398DK7/001	SAN DIEGO CTY CA PENSION OBLIGATION	AFS	08/15/2021	10,905,000.00	11,441,924.54	11,589,288.75	147,364.21	03/31/2020
13063DLY2/001	CALIFORNIA STATE -TXBL-A	AFS	04/01/2022	5,000,000.00	5,063,527.45	5,090,100.00	26,572.55	03/31/2020
TOTAL FOR SECURITY TYPE MUNICIPAL				45,707,877.00	46,938,963.07	47,381,315.46	442,352.39	

SECURITY TYPE: MUNINAT

010411CM6/001	ALABAMA STATE TXBL - SER B	AFS	11/01/2020	4,720,000.00	4,720,000.00	4,765,972.80	45,972.80	03/31/2020
68607VJ97/001	OREGON ST LOTTERY REVENUE	AFS	04/01/2021	1,350,000.00	1,362,116.62	1,350,000.00	-12,116.62	03/31/2020
5946107Z4/001	MICHIGAN STATE TXBL REF A	AFS	05/15/2022	3,000,000.00	3,022,769.84	3,059,640.00	36,870.16	03/31/2020

BOOK VALUE VS MARKET REPORT

Solano County Treasurer
INVESTMENT PORTFOLIO ACCOUNTING 7.80

LAST INTEREST ACCRUAL DATE: 03/31/2020

SECURITY ID/LOT NO.	DESCRIPTION	FAS115 CLASS	MATURITY/ CALL DATE	PAR VALUE	BOOK VALUE	MARKET VALUE	MARKET GAIN/LOSS	MARKET DATE
TOTAL FOR SECURITY TYPE MUNINAT				9,070,000.00	9,104,886.46	9,175,612.80	70,726.34	
SECURITY TYPE: SOL								
834SCFCP7H/001	SOLANO CTY 2013 COPS	AFS	11/15/2020	365,000.00	365,000.00	365,000.00	0.00	03/31/2020
834SCFCP7I/001	SOLANO CTY 2013 COPS	AFS	11/15/2021	380,000.00	380,000.00	380,000.00	0.00	03/31/2020
834SCFCP7J/001	SOLANO CTY 2013 COPS	AFS	11/15/2022	390,000.00	390,000.00	390,000.00	0.00	03/31/2020
834SCFCP7K/001	SOLANO CTY 2013 COPS	AFS	11/15/2023	405,000.00	405,000.00	405,000.00	0.00	03/31/2020
834SCFCP7L/001	SOLANO CTY 2013 COPS	AFS	11/15/2024	415,000.00	415,000.00	415,000.00	0.00	03/31/2020
834SCFCP7M/001	SOLANO CTY 2013 COPS	AFS	11/15/2025	430,000.00	430,000.00	430,000.00	0.00	03/31/2020
834SCFCP7N/001	SOLANO CTY 2013 COPS	AFS	11/15/2026	445,000.00	445,000.00	445,000.00	0.00	03/31/2020
834SCFCP7O/001	SOLANO CTY 2013 COPS	AFS	11/15/2027	460,000.00	460,000.00	460,000.00	0.00	03/31/2020
TOTAL FOR SECURITY TYPE SOL				3,290,000.00	3,290,000.00	3,290,000.00	0.00	
SECURITY TYPE: SOV								
4581X0DB1/002	INTER-AMERICAN DEVEL BK	AFS	04/19/2021	20,000,000.00	20,187,904.02	20,435,105.80	247,201.78	03/31/2020
SECURITY TYPE: SUPRA								
4581X0DB1/001	INTER-AMERICAN DEVEL BK	AFS	04/19/2021	20,000,000.00	20,077,706.15	20,435,105.80	357,399.65	03/31/2020
459058GH0/001	IBRD	AFS	07/23/2021	10,000,000.00	10,138,896.88	10,287,724.20	148,827.32	03/31/2020
TOTAL FOR SECURITY TYPE SUPRA				30,000,000.00	30,216,603.03	30,722,830.00	506,226.97	
SECURITY TYPE: TREASURY								
912828X21/001	U S TREASURY	AFS	04/15/2020	20,000,000.00	19,997,902.10	20,010,860.00	12,957.90	03/31/2020
912796TR0/001	U S TREASURY	AFS	04/16/2020	50,000,000.00	49,967,217.09	49,998,450.00	31,232.91	03/31/2020
912828X96/001	U S TREASURY	AFS	05/15/2020	20,000,000.00	19,977,377.04	20,034,080.00	56,702.96	03/31/2020
912828X96/002	U S TREASURY	AFS	05/15/2020	20,000,000.00	19,981,803.73	20,034,080.00	52,276.27	03/31/2020
912828XU9/001	U S TREASURY	AFS	06/15/2020	40,000,000.00	39,913,158.52	40,115,520.00	202,361.48	03/31/2020
912828XU9/002	U S TREASURY	AFS	06/15/2020	20,000,000.00	19,996,102.05	20,057,760.00	61,657.95	03/31/2020
912796SV2/001	U S TREASURY	AFS	06/18/2020	20,000,000.00	19,992,099.40	19,995,980.00	3,880.60	03/31/2020
912828XH8/001	U S TREASURY	AFS	06/30/2020	15,000,000.00	14,955,903.92	15,056,910.00	101,006.08	03/31/2020
912828XY1/001	U S TREASURY	AFS	06/30/2020	70,000,000.00	70,330,980.02	70,416,920.00	85,939.98	03/31/2020
912828J8/001	U S TREASURY	AFS	07/15/2020	25,000,000.00	24,994,476.26	25,105,475.00	110,998.74	03/31/2020
912828VVP/001	U S TREASURY	AFS	08/31/2020	20,000,000.00	19,983,016.19	20,166,400.00	183,383.81	03/31/2020
912828V1/001	U S TREASURY	AFS	09/15/2020	20,000,000.00	19,919,091.08	20,116,400.00	197,308.92	03/31/2020
912828Z2/001	U S TREASURY	AFS	10/15/2020	25,000,000.00	24,917,690.75	25,202,150.00	284,459.25	03/31/2020
912828WG1/001	US TREASURY	AFS	04/30/2021	10,000,000.00	10,072,268.20	10,232,030.00	159,761.80	03/31/2020

BOOK VALUE VS MARKET REPORT

Solano County Treasurer

INVESTMENT PORTFOLIO ACCOUNTING 7.80

LAST INTEREST ACCRUAL DATE: 03/31/2020

SECURITY ID/LOT NO.	DESCRIPTION	FAS115 CLASS	MATURITY/ CALL DATE	PAR VALUE	BOOK VALUE	MARKET VALUE	MARKET GAIN/LOSS	MARKET DATE
9128284P2/001	U S TREASURY	AFS	05/15/2021	40,000,000.00	40,458,892.91	41,120,320.00	661,427.09	03/31/2020
9128286V7/001	U S TREASURY	AFS	05/31/2021	25,000,000.00	25,148,625.98	25,585,950.00	437,324.02	03/31/2020
912828WR7/001	U S TREASURY	AFS	06/30/2021	20,000,000.00	19,943,004.32	20,500,780.00	557,775.68	03/31/2020
912828Y20/001	U S TREASURY	AFS	07/15/2021	20,000,000.00	20,083,597.99	20,637,500.00	553,902.01	03/31/2020
9128282F6/001	U S TREASURY	AFS	08/31/2021	20,000,000.00	19,738,217.28	20,265,620.00	527,402.72	03/31/2020
912828D72/001	U S TREASURY	AFS	08/31/2021	30,000,000.00	29,952,597.40	30,766,410.00	813,812.60	03/31/2020
TOTAL FOR SECURITY TYPE TREASURY				530,000,000.00	530,324,022.23	535,419,595.00	5,095,572.77	
TOTAL FOR PORTFOLIO POOL				1,196,772,877.00	1,200,087,016.72	1,210,827,776.20	10,740,759.48	



Solano County Treasury
Treasurer Charles Lomeli
Statement of Assets
March 31 ,2020

Fiscal Year 2020
March

Cash & Cash Equivalents

Cash on Hand	\$4,947,329.78
Cash in Bank	\$5,115,846.04
Cash in Money Markets	\$132,428,451.73
LAIF	\$56,848,742.14

Total Cash & Cash Equivalents	\$199,340,369.69
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Non Cash Assets

Accrued Interest	\$6,805,511.16
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Total Non Cash Assets	\$6,805,511.16
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Investments

Securities	\$1,210,827,776.53
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Total Investments	\$1,210,827,776.53
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Total Pooled Investment At Market Value	\$1,416,973,657.38
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Mark to Market Equity	\$10,740,759.81
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Total Pooled Investments At Book Value	\$1,406,232,897.57
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Other Treasury Holdings

Other Treasury Holdings	\$13,176,000.66
PARS115	\$31,784,861.74

Total Other Treasury Holdings	\$44,960,862.40
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TOTAL ASSETS AT MARKET VALUE	\$1,461,934,519.78
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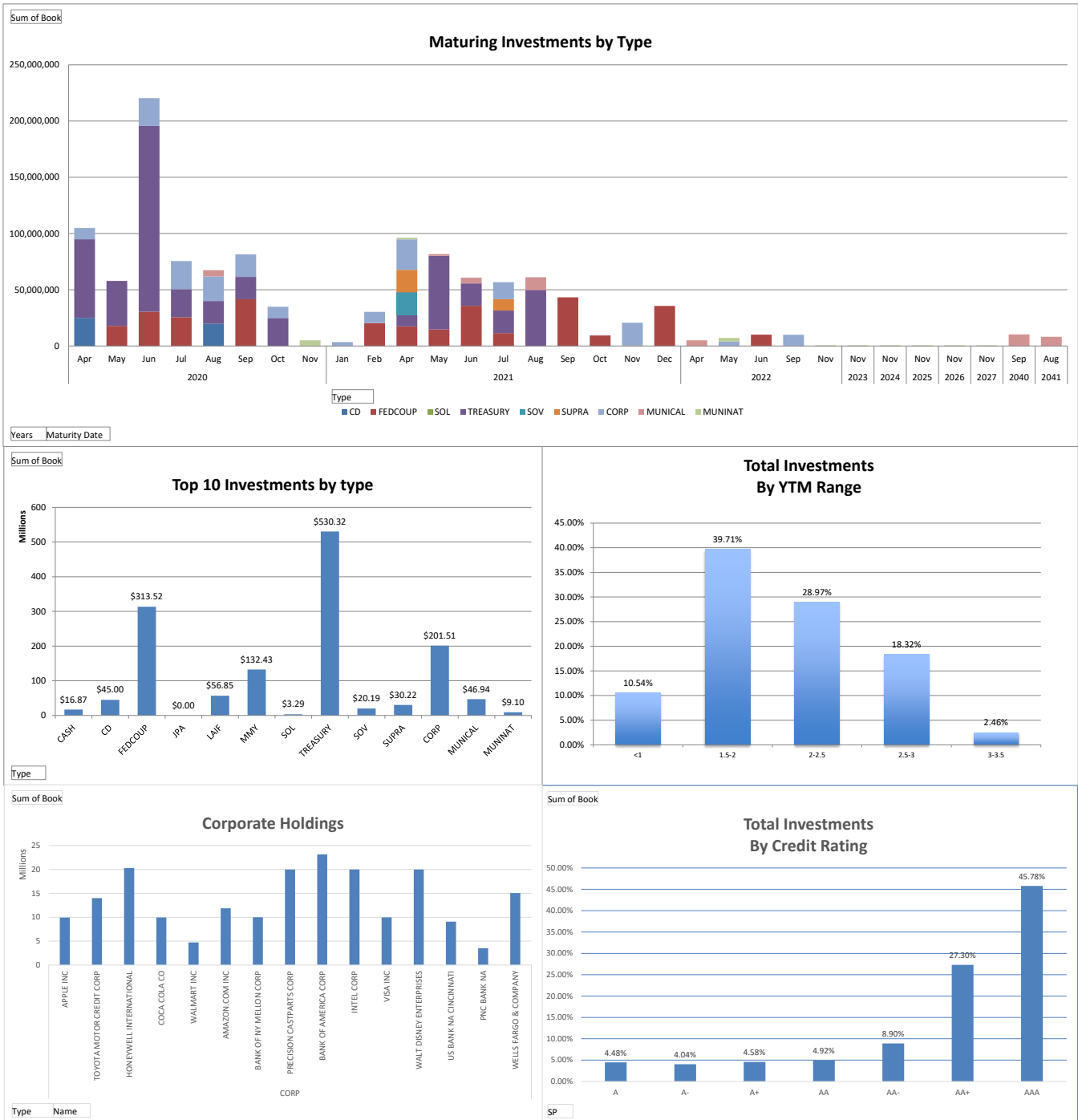
NET ASSET VALUE OF POOLED INVESTMENTS*	1.0076
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Charles Lomeli: Treasurer - Tax Collector - County Clerk

Date

*NAV is calculated by dividing Pooled Assets at Market Value by Pooled Assets at Book Value.
Bond Proceed Totals are not included in the calculation.

Solano County Treasury
Treasurer Charles Lomeli
Portfolio Statistical Graphs
March 31, 2020





Solano County Treasury
Treasurer Charles Lomeli
Balance Sheet (EOP)
March 31 ,2020

Fiscal Year 2020
March

ASSETS

Cash & Cash Equivalents

Physical Cash	\$1,002.92
Sealed Bags	\$4,946,326.86
Total Cash on Hand	\$4,947,329.78

Wells Fargo Deposit Account	\$3,583,210.00
Bank of America Deposit Account	\$1,403,639.06
First Northern Bank Lake Solano Park	\$53,261.53
Bank of Stockton	\$75,735.45
Total Cash in Bank	\$5,115,846.04

WF Money Market Account	\$2,493,650.54
UB Safekeeping Money Market Account	\$31,245.81
CAMP Money Market Account	\$47,820,161.77
CalTrust Liquidity Fund	\$39,033,393.61
CalTrust Blackrock FedFund	\$43,050,000.00
Total Cash in Money Markets	\$132,428,451.73

LAIF	\$56,848,742.14
Total LAIF	\$56,848,742.14

Total Cash & Cash Equivalents	\$199,340,369.69
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Non Cash Assets

Acc Int Money Markets	\$5,390.24
Acc Int LAIF	\$231,974.42
Acc Int Investment Securities	\$6,568,146.50
Total Accrued Interest	\$6,805,511.16

Total Items in Transit	\$0.00
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Total Non Cash Assets	\$6,805,511.16
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Mutual Funds

Total Mutual Funds	\$0.00
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Securities

Solano County Bonds Par	\$3,290,000.00
US Treasuries Par	\$530,000,000.00
US Treasuries Premium	\$1,094,365.10
US Treasuries Discount	(\$770,342.87)
US Treasuries Mk to Mkt	\$5,095,572.56
Municipals Par	\$54,777,877.00
Municipals Premium	\$1,278,796.20
Municipals Discount	(\$12,823.67)
Municipals Mk to Mkt	\$513,078.60



Solano County Treasury
Treasurer Charles Lomeli
Balance Sheet (EOP)
March 31 ,2020

	Fiscal Year 2020
	March
Fed Agencies Par	\$312,033,000.00
Fed Agencies Premium	\$1,575,259.62
Fed Agencies Discount	(\$91,938.97)
Fed Agencies Mk to Mkt	\$3,894,466.98
CD Par	\$45,000,000.00
CD Premium	\$1,098.25
CD Mk to Mkt	\$52,206.75
Corporates Par	\$201,672,000.00
Corporates Premium	\$166,248.35
Corporates Discount	(\$331,029.34)
Corporates Mk to Mkt	\$432,005.93
Supranational Banks Par	\$50,000,000.00
Supranational Banks Premium	\$404,507.05
Supranational Banks Mk to Mkt	\$753,428.99
Total Securities	\$1,210,827,776.53

Total Investments	\$1,210,827,776.53

Total Pool at Market Value	\$1,416,973,657.38
<u>Other Treasury Holdings</u>	
VCUSD iBank Muni Fund	\$12,431,863.79
VCUSD iBank Muni Fund Mk to Mkt	(\$514.50)
2005 Pension Obligation Bonds	\$582,202.84
2013 Cops	\$156,148.15
2017 Cops	\$6,300.38

Total Bond Proceeds	\$13,176,000.66
115 Trust Money Markets	\$1,864,937.31
115 Trust Accrued Interest	\$152,661.87
115 Trust Money Market Mark to Market	(\$926.52)
115 Trust US Treasuries Par	\$8,000,000.00
115 Trust US Treasuries Discount	(\$22,005.55)
115 Trust US Treasuries Mk to Mkt	\$79,177.55
115 Trust Fed Agencies Par	\$7,000,000.00
115 Trust Fed Agencies Premium	\$55,455.51
115 Trust Fed Agencies Mk to Mkt	\$174,029.25
115 Trust Corporates Par	\$11,750,000.00
115 Trust Corporates Premium	\$127,534.47
115 Trust Corporates Discount	(\$782.48)
115 Trust Corporates Mk to Mkt	(\$31,213.97)
115 Trust Municipals Par	\$2,635,000.00
115 Trust Municipals Mk to Mkt	\$994.30

Total 115 Trust	\$31,784,861.74

Total Deposits With Others	\$44,960,862.40
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Solano County Treasury
Treasurer Charles Lomeli
Balance Sheet (EOP)
March 31 ,2020

Fiscal Year 2020
March

Total Other Treasury Holdings	\$44,960,862.40
TOTAL ASSETS	\$1,461,934,519.78

LIABILITIES

Exception Items

Total Bank Exceptions	\$0.00
Total Investment Portfolio Exceptions	\$0.00
Total Auditor - Controller Exceptions	\$0.00
Total Exception Items	\$0.00

Auditor - Controller Fund Balance

OneSolution Cash in Treasury	\$1,404,046,162.51
Total OneSolution Cash	\$1,404,046,162.51
OneSolution Bond Proceeds Dep With Others	\$744,651.37
OneSolution Pars 115 Trust	\$31,562,801.14
OneSolution VCUSD iBank 5390160	\$12,431,863.79
Total OneSolution Deposits With Others	\$44,739,316.30
Total Auditor - Controller Fund Balance	\$1,448,785,478.81

TOTAL LIABILITIES	\$1,448,785,478.81
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EQUITY

Total Retained Earnings	\$0.00
Total Pool Mark to Market Equity	\$10,740,759.81
115 Trust Mark to Market Equity	\$222,060.61
VCUSD iBank Mark to Market Equity	(\$514.50)
Total Market to Market	\$10,962,305.92
Net Income	\$2,186,735.05

TOTAL EQUITY	\$13,149,040.97
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Solano County Treasury
Treasurer Charles Lomeli
Balance Sheet (EOP)
March 31 ,2020

Fiscal Year 2020

March

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TOTAL LIABILITIES & EQUITY

\$1,461,934,519.78

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Solano County Treasury

Treasurer Charles Lomeli

Balance Sheet (AVE)

March 31 ,2020

Fiscal Year 2020
March

ASSETS

Cash & Cash Equivalents

Physical Cash	\$1,002.92
Individual Checks on Hand	\$0.00
Sealed Bags	\$1,373,608.52
Deposits in Transit	\$1,371,084.28
Total Cash on Hand	\$2,745,695.73

Wells Fargo Deposit Account	\$3,759,206.06
Bank of America Deposit Account	\$1,939,483.70
First Northern Bank Lake Solano Park	\$51,134.79
Bank of Stockton	\$71,740.19
Total Cash in Bank	\$5,821,564.74

WF Money Market Account	\$8,661,354.35
BAC Money Market Account	\$1,148,598.16
UB Safekeeping Money Market Account	\$387,385.34
CAMP Money Market Account	\$49,050,240.49
CalTrust Liquidity Fund	\$4,321,471.56
CalTrust Blackrock FedFund	\$14,050,000.00
Total Cash in Money Markets	\$77,619,049.91

LAIF	\$54,332,613.11
Total LAIF	\$54,332,613.11

Total Cash & Cash Equivalents	\$140,518,923.48
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Non Cash Assets

Acc Int Money Markets	\$175.80
Acc Int LAIF	\$146,679.66
Acc Int Investment Securities	\$5,340,069.88
Total Accrued Interest	\$5,486,925.34

WF Non Check Exceptions	\$251,612.90
BAC Returned Checks	\$50.90
Mat Inv Delayed by non business days	\$1,485,282.26
Total Items in Transit	\$1,736,946.06

Total Non Cash Assets	\$7,223,871.40
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Mutual Funds

Total Mutual Funds	\$0.00
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Securities

Solano County Bonds Par	\$3,290,000.00
US Treasuries Par	\$539,032,258.06
US Treasuries Premium	\$1,187,066.34



Solano County Treasury

Treasurer Charles Lomeli

Balance Sheet (AVE)

March 31 ,2020

	Fiscal Year 2020
	March
US Treasuries Discount	(\$966,337.00)
US Treasuries Mk to Mkt	\$2,816,488.84
Municipals Par	\$54,777,877.00
Municipals Premium	\$1,402,129.57
Municipals Discount	(\$14,155.32)
Municipals Mk to Mkt	\$698,765.55
Fed Agencies Par	\$301,065,419.35
Fed Agencies Premium	\$1,434,019.25
Fed Agencies Discount	(\$118,418.98)
Fed Agencies Mk to Mkt	\$2,549,511.59
CD Par	\$45,000,000.00
CD Premium	\$1,899.28
CD Mk to Mkt	\$43,586.37
Corporates Par	\$208,472,806.45
Corporates Premium	\$176,220.16
Corporates Discount	(\$368,144.72)
Corporates Mk to Mkt	\$1,459,825.76
Supranational Banks Par	\$50,000,000.00
Supranational Banks Premium	\$433,229.34
Supranational Banks Mk to Mkt	\$516,280.25
Total Securities	\$1,212,890,327.12

Total Investments	\$1,212,890,327.12

Total Pool	\$1,360,633,122.00
 <u>Other Treasury Holdings</u>	
VCUSD iBank Muni Fund	\$7,488,091.82
VCUSD iBank Muni Fund Mk to Mkt	\$688.41
2005 Pension Obligation Bonds	\$581,534.02
2013 Cops	\$155,968.70
2017 Cops	\$6,293.08

Total Bond Proceeds	\$8,232,576.04
115 Trust Cash	\$567,033.32
115 Trust Money Markets	\$975,177.22
115 Trust Accrued Interest	\$121,678.05
115 Trust Money Market Mark to Market	\$78.19
115 Trust US Treasuries Par	\$8,000,000.00
115 Trust US Treasuries Discount	(\$24,531.15)
115 Trust US Treasuries Mk to Mkt	\$34,845.09
115 Trust Fed Agencies Par	\$7,000,000.00
115 Trust Fed Agencies Premium	\$57,553.09
115 Trust Fed Agencies Mk to Mkt	\$114,826.43
115 Trust Corporates Par	\$12,058,354.84
115 Trust Corporates Premium	\$132,596.65
115 Trust Corporates Discount	(\$890.55)
115 Trust Corporates Mk to Mkt	\$93,926.11



Solano County Treasury

Treasurer Charles Lomeli

Balance Sheet (AVE)

March 31 ,2020

	Fiscal Year 2020
	March
115 Trust Municipals Par	\$2,635,000.00
115 Trust Municipals Premium	\$1,579.53
115 Trust Municipals Mk to Mkt	(\$491.45)

Total 115 Trust	\$31,766,735.37

Total OPEB Trust	\$0.00

Total Other Treasury Holdings	\$39,999,311.41

TOTAL ASSETS	\$1,400,632,433.41
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LIABILITIES

Exception Items

In Bank Pending Permit	(\$9.03)
WF EX Payroll / Schools	\$0.00
Bank Fees	\$286.34
WF EX Tax Collector	(\$8,826.74)
Total Bank Exceptions	(\$8,549.43)

Total Investment Portfolio Exceptions	\$0.00

Total Auditor - Controller Exceptions	\$0.00

Total Exception Items	(\$8,549.43)

Auditor - Controller Fund Balance

OneSolution Cash in Treasury	\$1,351,793,777.02

Total OneSolution Cash	\$1,351,793,777.02

OneSolution Bond Proceeds Dep With Others	\$743,795.81
OneSolution Pars 115 Trust	\$31,521,982.99
OneSolution VCUSD iBank 5390160	\$7,488,091.82

Total OneSolution Deposits With Others	\$39,753,870.61

Total Auditor - Controller Fund Balance	\$1,391,547,647.63

TOTAL LIABILITIES	\$1,391,539,098.20
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EQUITY

Total Retained Earnings	\$0.00
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Solano County Treasury
Treasurer Charles Lomeli
Balance Sheet (AVE)
March 31 ,2020

	Fiscal Year 2020 March
Total Pool Mark to Market Equity	\$8,084,458.34
115 Trust Mark to Market Equity	\$243,184.36
VCUSD iBank Mark to Market Equity	\$688.41

Total Market to Market	\$8,328,331.12
Net Income	\$765,004.09

TOTAL EQUITY	\$9,093,335.21

TOTAL LIABILITIES & EQUITY	\$1,400,632,433.41
	=====



Solano County Treasury
Treasurer Charles Lomeli
Balance Sheet (Percentages)
March 31 ,2020

Fiscal Year 2020
March

TREASURY POOL

Cash & Cash Equivalents

Cash on Hand	\$4,947,329.78
	0.35%
Cash in Bank	\$5,115,846.04
	0.36%
Cash in Money Markets	\$132,428,451.73
	9.35%
LAIF	\$56,848,742.14
	4.01%

Total Cash & Cash Equivalents	14.07%

Non Cash Assets

Non Cash Assets	\$6,805,511.16
	0.48%

Total Non Cash Assets	0.48%

Mutual Funds

Mutual Funds	\$0.00
	0.00%

Total Mutual Funds	0.00%

Securities

US Treasuries	\$535,419,594.79
	37.79%
Federal Agencies	\$317,410,787.63
	22.40%
Corporates	\$201,939,224.94
	14.25%
Municipals	\$59,846,928.13
	4.22%
	0.00%
Certificates of Deposit	\$45,053,305.00
	3.18%
Supranationals	\$51,157,936.04
	3.61%

Total Securities	85.45%

TOTAL TREASURY POOL **100.00%**



Solano County Treasury
Treasurer Charles Lomeli
Balance Sheet (Percentages)
March 31 ,2020

Fiscal Year 2020
March

Cash & Cash Equivalents

0.00%

115 Trust Money Markets

\$1,864,937.31

5.87%

Total Cash and Cash Equivalents

5.87%

Non Cash Assets

115 Trust Accrued Interest

\$152,661.87

0.48%

0.00%

Total Non Cash Assets

0.48%

Mutual Funds

0.00%

Total Mutual Funds

0.00%

Securities

US Treasuries

\$8,057,172.00

25.35%

Federal Agencies

\$7,229,484.76

22.75%

Corporates

\$11,845,538.02

37.27%

Municipals

\$2,635,994.30

8.29%

Total Securities

93.66%

TOTAL 115 TRUST

100.00%



Solano County Treasury

Treasurer Charles Lomeli

Statement of Income

March 31 ,2020

Fiscal Year 2020
March

POOL INCOME

Short Term Investments

Bank Deposit Income	\$0.00
Total Bank Deposit	\$0.00

Wells Fargo	\$6,006.12
B of A	\$442.21
Union Bank	\$216.94
CAMP	\$62,251.99
CalTrust BlackRock TempFund Income	\$2,319.45
Cal Trust Money Market	\$5,390.24
Total Money Markets	\$76,626.95

LAIF	\$88,137.92
Total LAIF	\$88,137.92

Total Short Term Income	\$164,764.87
--------------------------------	---------------------

Mutual Funds

Total Mutual Fund Income	\$0.00
---------------------------------	---------------

Long Term Investments

Interest Earnings 53601A	\$9,157.16
Premium Amortization	\$0.00
Discount Accretion	\$0.00
Gain/Loss on Sale	\$0.00
Total County Bonds	\$9,157.16

Interest Earnings 53601B	\$762,857.84
Premium Amortization	(\$152,666.28)
Discount Accretion	\$207,740.60
Gain/Loss on Sale	\$0.00
Total US Treasuries	\$817,932.16

Interest Earnings 53601C	\$237,340.30
Premium Amortization	(\$127,444.48)
Discount Accretion	\$1,376.04
Gain/Loss on Sale	\$0.00
Total Municipals	\$111,271.86

Interest Earnings 53601F	\$608,953.63
Premium Amortization	(\$123,332.11)
Discount Accretion	\$14,819.90
Gain/Loss on Sale	\$13,740.58
Total Fed Agency	\$514,182.00

Interest Earnings 53601G	\$0.00
--------------------------	--------



Solano County Treasury

Treasurer Charles Lomeli

Statement of Income

March 31 ,2020

	Fiscal Year 2020
	March
Premium Amortization	\$0.00
Discount Accretion	\$0.00
Gain/Loss on Sale	\$0.00
Total Commercial Paper	\$0.00
Interest Earnings 53601H	\$68,072.60
Premium Amortization	(\$827.73)
Discount Accretion	\$0.00
Gain/Loss on Sale	\$0.00
Total Certificates of Deposit	\$67,244.87
Interest Earnings 53601J	\$390,206.31
Premium Amortization	(\$10,304.20)
Discount Accretion	\$41,543.06
Gain/Loss on Sale	\$0.00
Total Corporates	\$421,445.17
Interest Earnings 53601Q	\$110,416.67
Premium Amortization	(\$29,679.70)
Discount Accretion	\$0.00
Gain/Loss on Sale	\$0.00
Total Supranational Bonds	\$80,736.97
Total Long Term Income	\$2,021,970.19
Total Income	\$2,186,735.06
<u>Treasury Operating Costs</u>	
Interest Apportionment Expense	\$2,126,889.29
Total Treasury Apportioned	(\$2,126,889.29)
Total Expense	(\$2,126,889.29)
TREASURY POOL UNAPPORTIONED	\$59,845.77
115 TRUST	
<u>Short Term Investments</u>	
115 Trust Cash & Money Mkt Income	\$1,326.95
Total Cash & Money Markets	\$1,326.95
<u>Mutual Funds</u>	
Total Mutual Funds	\$0.00
<u>Long Term Investments</u>	
115 Trust US Treasuries Income	\$12,403.74
115 Trust Fed Agencies Income	\$11,570.01



Solano County Treasury
Treasurer Charles Lomeli
Statement of Income
March 31 ,2020

Fiscal Year 2020

March

115 Trust Corporates Income	\$19,840.79
115 Trust Municipals Income	\$2,282.36
Total Long Term Investments	\$46,096.90

Total Income	\$47,423.85
---------------------	--------------------

Management Costs

115 Trust Earnings Distribution	\$42,178.76
115 Trust Safekeeping Expense	\$1,372.00
115 Trust PARS Expenses	\$3,873.09
Total 115 Trust Management Charges	\$5,245.09

Total Expense	\$47,423.85
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115 TRUST NET INCOME	\$0.00
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Solano County Treasury
Treasurer Charles Lomeli
Yield Analysis
March 31 ,2020

Fiscal Year 2020
March
Yield

YIELDS

Bank Deposits	0.000%
Wells Fargo Money Market	0.819%
Bank Of America Money Market	0.455%
Union Bank Money Market	0.661%
Camp	1.498%
Cal Trust Money Market	0.346%

Wt Ave Of All MMY	1.166%
--------------------------	---------------

Local Agency Investment Fund	1.915%
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Cal Trust Short	0.000%
Cal Trust Short TR	0.000%
Cal Trust Medium	0.000%
Cal Trust Medium TR	0.000%

Wt Ave of All Mutual Funds	0.000%
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Wt Ave of All Mutual Funds TR	0.000%
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Solano County Bonds	3.286%
Solano County Bonds TR	3.286%
US Treasury Securities	1.791%
US Treasury Securities TR	1.791%
Municipals	2.339%
Municipals TR	2.339%
Federal Agencies	1.954%
Federal Agencies TR	2.008%
Commercial Paper	0.000%
Commerical Paper TR	0.000%
Certificates of Deposit	1.764%
Cerificates of Deposit TR	1.764%
Corporate Securities	2.389%
Corporate Securities TR	2.389%
Sovereign Securities	1.890%
Sovereign Securities TR	1.890%

Wt Ave Of All Securities	1.968%
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Wt Ave Of All Securities TR	1.981%
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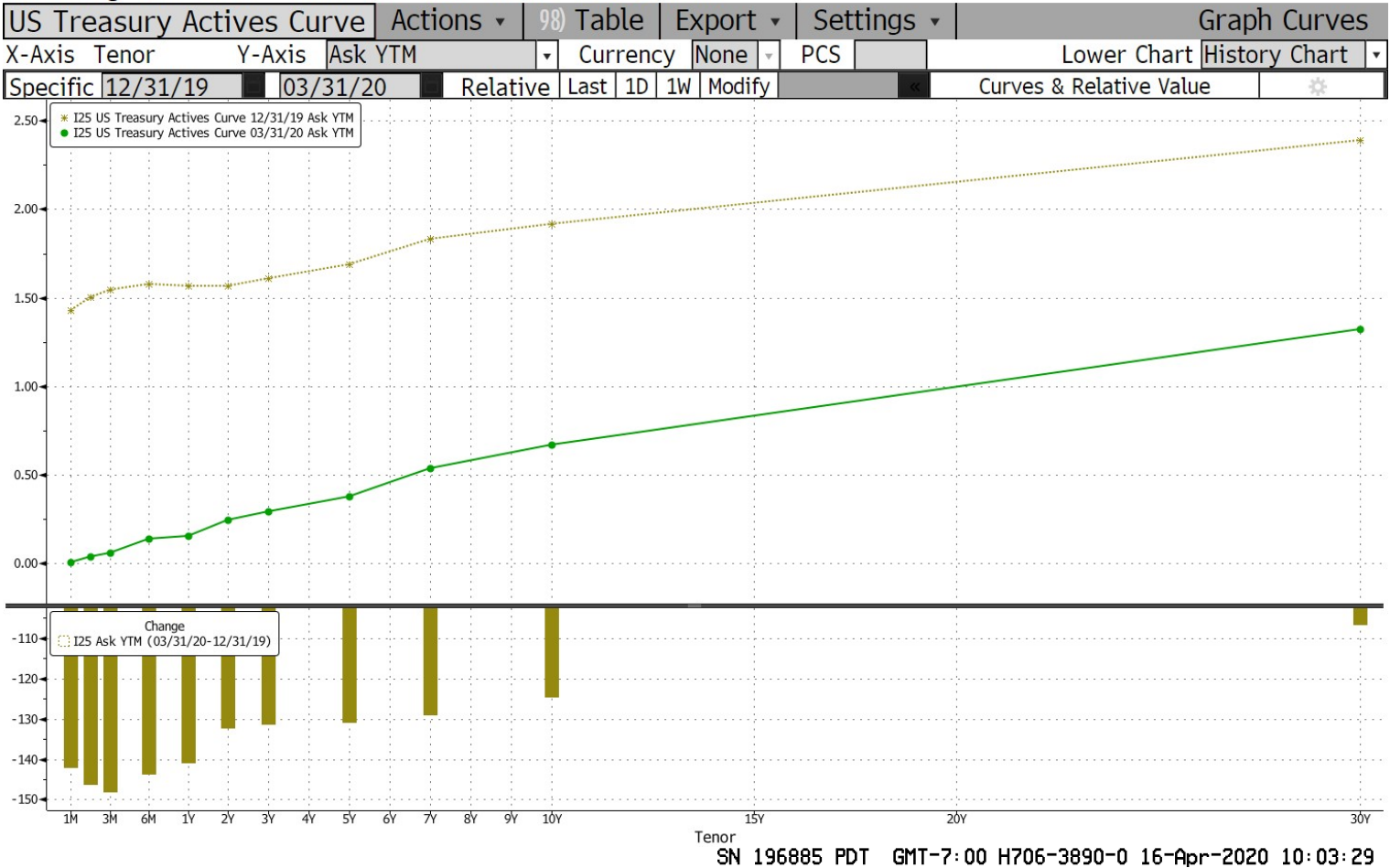
Total Pool	1.907%
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Total Pool TR	1.919%
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Bond Yield	0.000%
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PARS 115 Yield	1.763%
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Running as C15. Run GC for more features.



Solano County
PARS 115 Trust
Account Summary Report
March 31, 2020

Holdings by Security Type

	Acquisition Cost	Book Value	Market Value
Cash and Cash Equivalents	1,864,937.31	1,864,937.31	1,864,010.79
US Treasuries	7,961,562.52	7,977,994.45	8,057,172.00
US Agencies	7,062,206.00	7,055,455.51	7,229,484.76
Corporate Securities	11,899,424.00	11,876,751.99	11,845,538.02
Municipal Securities	2,675,800.00	2,635,000.00	2,635,994.30
Total Security Holdings	31,463,929.83	31,410,139.26	31,632,199.87

Accrued Income

152,661.87	152,661.87	152,661.87
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Grand Total

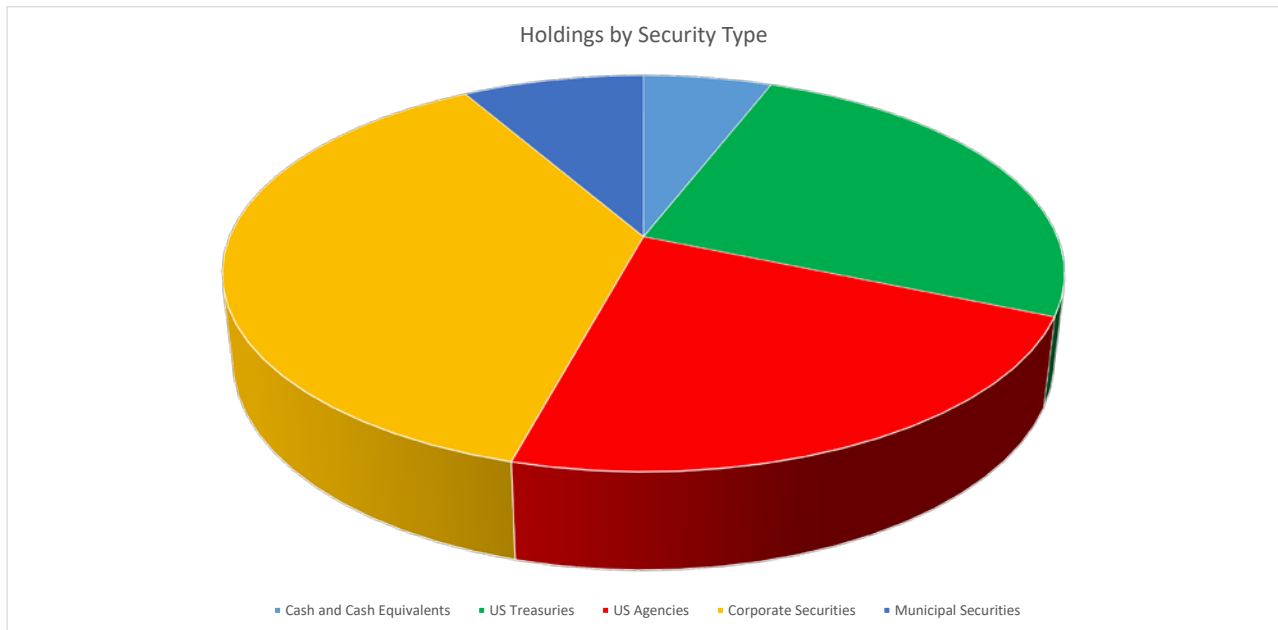
31,616,591.70	31,562,801.13	31,784,861.74
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Estimated Annual Income

558,377.59

Yield on Total Assets

1.76%



Report "of commission fees and other fees paid to persons not employed by the local agency for services in connection with investments under this article" in accordance with California Government Code §53216.4

Recipient

US Bank: Securities Custody Services

Public Agency Retirement Services (PARS): Plan Administration

Charges*

\$ 16,150.98

\$ 46,167.11

* Total fees paid to named recipient in the twelve months preceeding the reporting date.

BOOK VALUE VS MARKET REPORT

Solano County Treasurer
INVESTMENT PORTFOLIO ACCOUNTING 7.80

LAST INTEREST ACCRUAL DATE: 03/31/2020

SECURITY ID/LOT NO.	DESCRIPTION	FAS115 CLASS	MATURITY/ CALL DATE	PAR VALUE	BOOK VALUE	MARKET VALUE	MARKET GAIN/LOSS	MARKET DATE
PORTFOLIO: PARS115								
SECURITY TYPE: 115CORPS								
89236TEX9/002	TOYOTA MOTOR CREDIT CORP	AFS	04/26/2021	1,000,000.00	999,217.52	972,877.85	-26,339.67	03/31/2020
46625HRT9/001	JP MORGAN CHASE & CO	AFS	05/07/2021	2,500,000.00	2,511,440.85	2,505,151.48	-6,289.37	03/31/2020
31677QBG3/001	FIFTH THIRD BANK	AFS	05/14/2021	1,000,000.00	1,002,958.63	1,000,933.24	-2,025.39	03/31/2020
94974BFC9/001	WELLS FARGO & CO	AFS	03/08/2022	2,000,000.00	2,054,218.88	2,038,871.16	-15,347.72	03/31/2020
90331HPC1/001	US BANK NA CINCINNATI	AFS	04/22/2022	2,000,000.00	2,036,155.92	2,037,540.48	1,384.56	03/31/2020
02007GLD3/001	ALLY BANK	AFS	08/15/2022	250,000.00	250,000.00	253,571.50	3,571.50	03/31/2020
14042RNC1/001	CAPITAL ONE NA	AFS	08/22/2022	250,000.00	250,000.00	253,001.00	3,001.00	03/31/2020
14042TBZ9/001	CAPITAL ONE BANK USA NA	AFS	08/22/2022	250,000.00	250,000.00	253,001.00	3,001.00	03/31/2020
38149MEY5/001	GOLDMAN SACHS BANK	AFS	08/22/2022	250,000.00	250,000.00	253,295.00	3,295.00	03/31/2020
61760AV22/001	MORGAN STANLEY PVT BANK	AFS	08/22/2022	250,000.00	250,000.00	253,001.00	3,001.00	03/31/2020
7954503Y9/001	SALLIE MAE BANK	AFS	08/22/2022	250,000.00	250,000.00	253,295.00	3,295.00	03/31/2020
12556LBB1/001	CIT BANK NA	AFS	08/23/2022	250,000.00	250,000.00	253,297.25	3,297.25	03/31/2020
58404DFA4/001	MEDALLION BANK UTAH	AFS	08/23/2022	250,000.00	250,000.00	252,711.50	2,711.50	03/31/2020
87270LCR2/001	TIAA FSB	AFS	08/26/2022	250,000.00	250,000.00	253,300.25	3,300.25	03/31/2020
740816AJ2/001	PRES & FELLOWS OF HARVARD	AFS	10/01/2023	1,000,000.00	1,022,760.19	1,011,690.31	-11,069.88	03/31/2020
TOTAL FOR SECURITY TYPE 115CORPS				11,750,000.00	11,876,751.99	11,845,538.02	-31,213.97	
SECURITY TYPE: 115FEDAG								
911759MT2/001	HOUSING URBAN DEVELOPMENT	AFS	08/01/2020	1,000,000.00	1,000,000.00	1,007,233.94	7,233.94	03/31/2020
911759MU9/001	HOUSING URBAN DEVELOPMENT	AFS	08/01/2021	1,000,000.00	1,000,000.00	1,027,983.71	27,983.71	03/31/2020
6903536M4/001	OPIC	AFS	09/20/2021	2,000,000.00	2,004,441.05	2,069,579.04	65,137.99	03/31/2020
3130A5P45/001	FHLB	AFS	06/10/2022	3,000,000.00	3,051,014.46	3,124,688.07	73,673.61	03/31/2020
TOTAL FOR SECURITY TYPE 115FEDAG				7,000,000.00	7,055,455.51	7,229,484.76	174,029.25	
SECURITY TYPE: 115MUNI								
13063CSQ4/001	CALIFORNIA STATE TXBL GOB	AFS	04/01/2020	2,000,000.00	2,000,000.00	2,000,000.00	0.00	03/31/2020
913366HU7/001	UNIVERSITY OF CA REGENTS	AFS	05/15/2020	500,000.00	500,000.00	500,160.00	160.00	03/31/2020
697364DV6/001	PALO ALTO CA COPS	AFS	11/01/2020	135,000.00	135,000.00	135,834.30	834.30	03/31/2020
TOTAL FOR SECURITY TYPE 115MUNI				2,635,000.00	2,635,000.00	2,635,994.30	994.30	
SECURITY TYPE: 115UST								
912828XH8/002	U S TREASURY	AFS	06/30/2020	5,000,000.00	4,995,501.55	5,018,970.00	23,468.45	03/31/2020
912828S27/001	U S TREASURY	AFS	06/30/2021	3,000,000.00	2,982,492.90	3,038,202.00	55,709.10	03/31/2020

BOOK VALUE VS MARKET REPORT

Solano County Treasurer

INVESTMENT PORTFOLIO ACCOUNTING 7.80

LAST INTEREST ACCRUAL DATE: 03/31/2020

SECURITY ID/LOT NO.	DESCRIPTION	FAS115 CLASS	MATURITY/ CALL DATE	PAR VALUE	BOOK VALUE	MARKET VALUE	MARKET GAIN/LOSS	MARKET DATE
		TOTAL FOR SECURITY TYPE 115UST		8,000,000.00	7,977,994.45	8,057,172.00	79,177.55	
		TOTAL FOR PORTFOLIO PARS115		29,385,000.00	29,545,201.95	29,768,189.08	222,987.13	



Solano County

675 Texas Street
Fairfield, California 94533
www.solanocounty.com

Agenda Submittal

Agenda #:	3	Status:	Consent Calendar
Type:	Resolution	Department:	Treasurer-Tax Collector-County Clerk
File #:	20-341	Contact:	Charles Lomeli, 784-3419
Agenda date:	05/05/2020	Final Action:	
Title:	Adopt a resolution to renew the annual delegation of investment authority to the County Treasurer and approve the proposed County Investment Policy; and Adopt a second resolution to approve the proposed County PARS 115 Trust Investment Policy		
Governing body:	Board of Supervisors		
District:	All		
Attachments:	A - Investment Policy Resolution, B - PARS 115 Policy Resolution, C - Investment Policy 2020, D - PARS 115 Policy 2020, E - Investment Policy Redline, F - PARS 115 Policy Redline		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ☐ No ☒

Public Hearing Required? Yes ☐ No ☒

DEPARTMENTAL RECOMMENDATION:

It is recommended that the Board of Supervisors adopt the resolution renewing its annual delegation of investment authority to the County Treasurer for FY2020/21 and approve the proposed Investment Policy. It is further recommended that the Board of Supervisors adopt the resolution to approve the proposed PARS 115 Trust Investment Policy.

SUMMARY/DISCUSSION:

California Government Code section 27000.3 provides that the Board of Supervisors is the agent of the County that serves as a fiduciary and is subject to the prudent investor standard for the County Investment Pool unless an annual delegation of authority has occurred pursuant to Government Code section 53607. Section 27000.1 permits the Board to delegate to the County Treasurer the authority to invest funds in the County Treasury for a period of one year. When such a delegation occurs, the County Treasurer and not the Board of Supervisors serves as the fiduciary and is subject to the prudent investor standard.

On February 10, 2015 this Board acted to adopt Resolution 2015-21 establishing the PARS 115 Pension Trust (Trust). The Trust is to be used exclusively to fund contractual obligations to provide pension benefits. This Board also delegated to the Treasurer investment authority for the Trust. While not mandated, in keeping with the tenets of Section 27000.1, the Treasurer is requesting an annual reaffirmation of the delegation and investment policy as a means of providing transparency.

Background

Retirement trust funds have different objectives and statutory prohibitions than the County Treasurer's Pool and therefore require a separate investment policy that is reflective of those differences. The purpose of these

funds requires staff to manage the funds to a risk profile unique from the investment pool.

These differences include an ability to purchase and hold equities, private placement securities, and fixed income investments whose risk profiles are greater than those found in a cash management pool such as the Treasurer's Pool. Since these funds will be held for a greater length of time and with a more predictable cash flow need they can be invested in securities that provide the potential for a greater return on investment that might otherwise be achievable.

FINANCING:

The preparation cost of this report is included in the Treasurer's annual appropriations. The full cost of operations for the Treasurer's Office is paid from investment earnings of the Treasury pool, which is allocated to all pool participants proportionately to their share of the pool investments. The General Fund share in the investment pool is approximately 12%.

The costs associated with preparing the agenda item are nominal and absorbed by the department's FY2019/20 Adopted Budget.

ALTERNATIVES: _

The Board may choose not to renew the delegation of authority to the Treasurer and choose instead to keep the investment responsibilities and serve as fiduciary. The Board could elect to make changes to either of the proposed policies.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed the policies.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION

RESOLUTION NO. 2020 - ____

**RESOLUTION OF THE BOARD OF SUPERVISORS OF SOLANO
COUNTY RENEWING DELEGATION OF INVESTMENT AUTHORITY TO THE SOLANO
COUNTY TREASURER-TAX COLLECTOR-COUNTY CLERK AND APPROVING INVESTMENT
POLICY**

Whereas, California Government Code section 27000.1 provides that the Board of Supervisors may annually delegate authority to invest or reinvest the funds in the County Treasury to the County Treasurer; and

Whereas, Solano County Code section 2-27 has made such delegation subject to annual renewal by resolution of the Board of Supervisors on or before June 30 of each year to be effective the following fiscal year.

Resolved, that the Board of Supervisors of Solano County renews its delegation of authority to invest or reinvest the funds of the County and the funds of other depositors in the County Treasury, pursuant to California Government Code Section 53600, et seq., to the Solano County Treasurer-Tax Collector-County Clerk.

Resolved, the County Treasurer will assume full responsibility for such transactions.

Resolved, the Solano County Board of Supervisors approves the Investment Policy attached to this resolution and incorporated by this reference.

Passed and adopted by the Solano County Board of Supervisors at its regular meeting on May 5, 2020 by the following vote:

AYES: SUPERVISORS _____

NOES: SUPERVISORS _____

EXCUSED: SUPERVISORS _____

ERIN HANNIGAN, Chairwoman
Solano County Board of Supervisors

ATTEST:
BIRGITTA E. CORSELLO, Clerk
Solano County Board of Supervisors

By: _____
Jeanette Neiger, Chief Deputy Clerk

RESOLUTION NO. 2020 - _____

**RESOLUTION OF THE BOARD OF SUPERVISORS OF SOLANO COUNTY
APPROVING THE PARS 115 RETIREMENT TRUST FUND INVESTMENT POLICY**

Whereas, California Government Code section 53216 provides that the Board of Supervisors may establish a pension trust; and

Whereas, this Board adopted Resolution 2015-21 establishing the PARS 115 pension trust on February 10, 2015, and

Whereas, Investment authority was delegated to the Treasurer at that time.

Resolved, the Solano County Board of Supervisors reaffirms the delegation of investment authority to the Treasurer and approves the PARS 115 Pension Trust Investment Policy attached to this resolution and incorporated by this reference.

Passed and adopted by the Solano County Board of Supervisors at its regular meeting on May 5, 2020 by the following vote:

AYES: SUPERVISORS _____

NOES: SUPERVISORS _____

EXCUSED: SUPERVISORS _____

ERIN HANNIGAN, Chairwoman
Solano County Board of Supervisors

ATTEST:
BIRGITTA CORSELLO, Clerk
Solano County Board of Supervisors

By: _____
Jeanette Neiger, Chief Deputy Clerk

2020

SOLANO COUNTY TREASURER

INVESTMENT POLICY



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Purpose

In accordance with Government Code §53646, this policy is intended to provide guidance, control, and direction for the management of surplus funds entrusted to the care of the Solano County Treasurer. These funds are invested collectively and referred to as the Treasury Pool. In addition, the Treasurer is entrusted with segregated investments related to debt issuance and other sources. These funds are invested within the scope of all applicable bond issuance documents, government codes, trust agreements, or other restrictions in effect at the time of the deposit and during the holding period. Any funds entrusted and invested outside the Treasury Pool are accounted for separately.

Scope

This policy applies to all funds over which the Treasurer has been granted fiduciary responsibility and direct control for their management.

Implementation

The guidelines and restrictions found herein shall be applied to all actions taken after its adoption by the Board of Supervisors and shall remain in effect until replaced.

Participants

This investment policy generally restricts deposits to those funds mandated by law or contractual agreement to be held in care of the County Treasurer.

On the consent of the Treasurer, exemptions may be granted pursuant to Government Code §53684 for non-mandatory depositing agencies or non-mandated funds, if it is determined that the additional deposit provides a benefit to the Treasury Pool as a whole while not creating an unmanageable liquidity risk.

Non-mandated depositors or funds may be subject to specific transactional limitations that mitigate the non-mandated deposit liquidity risk. These restrictions may include but are not limited to restrictions on the number of transactions per month, on the size of individual transactions, and on the amount of notification time required before processing a transaction. Non-mandated depositors must agree to the terms and conditions of deposit prior to the Treasurer's acceptance of any non-mandated funds. As a default, these restrictions shall be not more than five transactions per month, not more than the lesser of five million dollars or one percent of the portfolio in aggregate transaction totals per month, and a minimum of thirty days' prior notification for any transaction.

General Policy Statement

It shall be the policy of the Solano County Treasurer to manage the Treasury Pool in accordance with applicable State codes and for the benefit of the pool participants. The Treasurer will make every reasonable effort to maintain the composition of the Treasury Pool within an acceptable risk – return profile. To achieve and maintain this profile, the Treasurer may direct investment purchases or sales to adjust the credit risk, interest rate risk, liquidity risk, or other risks inherent in investment pools.

Objectives

It is the objective of the Solano County Treasurer to invest public funds in a manner that provides security of principal, sufficient liquidity to ensure that the specific portfolio is able to meet its cash flow needs, and generates returns commensurate with the inherent risks being managed. This practice is generally referred to as the “SLY” principal; which is Safety, Liquidity, and Yield.

Safety: Safety of principal seeks to insure the preservation of capital. The objective will be to manage credit risk and liquidity risk

Credit risk, also known as default risk, is the risk that the issuer of a fixed income security may be unable to make timely principal and interest payments. This risk is mitigated through diversification, a process whereby funds are invested in multiple issuers as opposed to a single name.

Liquidity risk is the risk that an investment will be difficult or impossible to sell at a reasonable price relative to its potential return. Marketability risk increases or decreases based on a number of factors including the notoriety of the debt issuer and the frequency at which they issue debt. The size, structure, and complexity of the particular deal, and the size of the market it is issued in are also factors that impact marketability of the security. Market risk is mitigated in the portfolio through the purchase and holding of securities issued by larger, more well-known, and higher rated issuers, such as the United States Treasury and Federal Agencies.

Liquidity: The investment pool shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by purchasing securities from large, well known, and highly rated issuers. As well as maintaining a ladder of investment whose maturities are timed to match the historical needs of depositors. This includes structuring the ladder to provide additional maturities in summer months when cash demands exceed deposits. The Treasury Pool also maintains cash balances in several Money Market and Money Market-like instruments including the Local Agency Investment Fund.

Yield: The Treasury Pool shall be managed with the objective of maintaining a rate of return commensurate with the risk through various budgetary and economic cycles. Taking into account prevailing interest rates, liquidity needs as described above, and the limits on the types of securities the Treasury Pool is authorized to purchase.

A prudent balancing of liquidity needs results in an investment return for Treasury pool participants that is higher, under most conditions, than that which would be available to them in an overnight investment. However, as a consequence of purchasing longer maturity investments with higher yields, the yield on the Treasury Pool can be expected to lag changes in market interest rates. The result is a buffered Treasury Pool yield that moves slowly and steadily in the direction of market rates, while providing higher long-term rates of return, and an increased ability to forecast depositor yields for budgetary purposes.

Standard of Care

The following policies are designed in accordance with Government Code §53600 et al and the recommended best practices of the Government Finance Officers Association (GFOA) to provide transparency to Treasury operations while enhancing portfolio controls.

- a) **Mark to Market:** In accordance with Governmental Accounting Standard Board (GASB) Statement 40, the portfolio will be marked to market on a monthly or more frequent basis and treated as “Available for Sale” for reporting purposes.
- b) **Wires, ACH’s, and other electronic transfers:** Electronic transfers will require either dual control in the establishment of a repetitive transaction or dual control in the release of a non-repetitive transaction.
- c) **Prudent Investor:** Treasury staff will at all times be held to the “Prudent Investor Standard” when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds. The County Treasurer and his/her deputies shall act with care, skill, prudence, and diligence under the circumstances then prevailing, specifically including, but not limited to, the general economic conditions and the anticipated needs of the County and other depositors that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of investing funds of a like character and with like aims to safeguard the principal and maintain the liquidity needs of the County and other depositors.
- d) **Indemnification:** The Treasurer and his or her staff, when acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes. Investments shall be made with judgment and care under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own

affairs. Investments will not be made for speculation but for investment consistent with the stated objectives.

- e) **Ethics and Conflicts of Interest:** County officers, employees, agents and any others who may be directly involved in the investment decision making process shall adhere to all applicable laws regarding conflicts of interest and refrain from personal business activity that could conflict with the proper execution and management of the investment program or that could impair their ability to make impartial decisions. Individuals making or advising on investment decisions shall refrain from conducting personal investment transactions with the same individual firm with whom business is conducted on behalf of the County. The receipt of gifts is subject to the disclosure requirements and limitations set forth in sections §87200 and §89503 of the Government Code. In addition, the receipt of honoraria is prohibited.
- f) **Delegation of Authority – Government Code §53607:** California Government Code §53607 authorizes the County Board of Supervisors the authority to delegate the investment function to the County Treasurer for a one-year period. The Treasurer shall thereafter assume full responsibility for those transactions until the authority is revoked or expires.
- g) **Transactions Records:** All Treasury records will be maintained in accordance with the County's adopted records retention policy.

Banking

Banking services are utilized to facilitate the financial transactions required by the pool participants. The bank or banks providing these services will be selected in accordance with Government Code §53635.2. Where possible the Treasurer will strive to consolidate banking services in order to achieve the most cost-effective means of meeting the needs of the pool participants.

In addition, the Treasurer works with the County Auditor, the Department of Information Technology, and representatives from School and other districts depositing funds into the Treasury. The objective is to as far as possible automate the transfer of financial information between the disparate groups. These efforts are intended to provide enhanced internal controls, reduce staff workloads, and generate cost savings to the pool participants.

Safekeeping and Custody

Delivery vs. Payment: Purchased, or otherwise acquired, investment securities will be delivered by Fed Book Entry, DTC, or physical deliver, and to the extent feasible, held in third party safekeeping with a designated custodian. To the greatest extent possible, all

transactions will be conducted on a Delivery Versus Payment (DVP) methodology where funds for payment are released simultaneously with the arrival of the investment.

Third-party Safekeeping: The trust department of a bank or other qualified provider will be designated as custodian for safekeeping specific securities. The custodian shall provide reporting and as needed real time access to financial records that show the specific instrument, selling broker/dealer, issuer, coupon, maturity, CUSIP number, purchase or sale price, transaction date, and other pertinent information.

Reporting

In accordance with the requirements of Government Codes §53607 and §53646 the Treasurer will publish on the County public website, or make available through other electronic means, a detailed report of the investment positions on a monthly basis, and will, on an at least quarterly basis, also disclose the amount of liquidity available to meet cash flow demands for the subsequent six-month period.

In addition, it is the practice of the Treasurer to provide additional information to provide transparency in Treasury operations. This information includes:

- a) A monthly summary report showing the ending assets, monthly average assets, summary income, and net asset value of the Treasury Pool portfolio.
- b) Detailed supporting documentation for asset balances, income, and net asset values.
- c) Security level detail regarding par, book, market, premiums, discounts, and mark to markets for all securities.

Transaction records, bank statements, account reconciliations, and associated accounting materials are filed and maintained in accordance with Government Code §27000 - §27013 inclusive; and the County's adopted records retention policy.

Compensation

In accordance with Government Code §§ 27013 and 53684, the Treasurer will charge all pool participants for administrative and overhead costs. Costs include, but are not limited to, employee salaries and benefits, portfolio management, bank and custodial fees, software maintenance fees, and other direct and indirect costs incurred from handling or managing funds. Costs will be deducted from interest earnings on the pool prior to apportioning and payment of interest. The Treasurer shall annually prepare a proposed budget providing a detailed itemization of all estimated costs which comprises the administrative fee charged in accordance with California Government Code § 27013. The administrative fee will be subject to change annually. At the end of each fiscal year the amount of the administrative fee is adjusted to reflect the actual Treasury costs for the year.

Financial Dealers and Institutions

As a trustee of public funds held on behalf of other governing bodies it is the Treasurer's policy to use those financial institutions and financial service providers who provide the greatest investment benefit to the pool participants.

- a) Issues of public social concern and benefit will be evaluated on a case by case basis using the minimum criteria that to be eligible to receive County funds, all banks, savings associations or federally insured industrial loan companies must have received an overall rating of not less than "satisfactory" in its most recent evaluation by the appropriate federal financial supervisory agency of its record meeting the credit needs of California's communities, including low, moderate income neighborhoods pursuant to Section 2906 of Title 12 of the United States Code.
- b) Any decision to conduct financial transactions with an entity shall be made exercising the care, skill, prudence and diligence under the circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs.
- c) Authorization of Broker/Dealers to conduct business with the County is in the sole discretion of the Treasurer. In order to assist in the determination process, Broker/Dealers must provide reasonable proof of qualifications. The criteria for authorization of Broker/Dealers are as follows:
 - i. Any individual Broker/Dealer or Broker/Dealer firm that has made any political contribution to any agency, individual, or campaign within the potential scope of this policy, at any time during the prior 48 months that exceeds the limitations contained in Rule G-37 of the Municipal Securities Rulemaking Board shall be barred from consideration.
 - ii. Individual Broker/Dealers and Broker/Dealer firms must be in good standing with the NASD.
 - iii. Individual Broker/Dealer and Broker/Dealer firms must be licensed to conduct business in the State of California.

Constitutionally Mandated Temporary Transfers

Pursuant to Article XVI, section 6 of the California Constitution, the County Treasurer, upon resolution of the Board of Supervisors, has the power and the duty to make temporary transfers of Treasury Pool funds to districts whose funds are in the custody of and paid out solely through the Treasurer's Office. In accordance with statute, these temporary transfers will be limited to 85% of all anticipated revenues accruing to the district that are mandated for deposit with the Treasury.

Calculating and Apportioning Pool Earnings

The Solano County Investment Pool is comprised of monies from multiple units of the county, schools, agencies and districts. Each entity has unique cash flow demands, which dictate the type of investments the Treasurer must purchase. To ensure parity among the pool participants when apportioning interest, the following procedures have been developed.

- a) Interest is apportioned on an at least quarterly basis in accordance with the California Government Code §53645.
- b) Interest is apportioned to pool participants based on the participants' average daily fund balance as determined by the Auditor-Controller.
- c) Interest is calculated on an accrual basis for all investments in the Treasurer's Pool by the Treasurer and reported to the Auditor-Controller for distribution into the funds of the participants.
- d) The Auditor-Controller deducts accounting fees and makes any adjustments from the interest earning and apportions the remaining earnings to all participants based on the positive average daily balance.
- e) Negative average daily fund balance will be charged interest at the rate of interest that is being apportioned.

Deposit and Withdrawal Requests

Solano County operates a Pooled Investment Portfolio that allows optimal liquidity and diversification for depositing agencies. Unless otherwise specified, monies from all units of government, schools, agencies and districts deposited into the Treasury are combined into the Treasury Pool. The purpose of the combined portfolio is to increase participant's liquidity and not limit them to specific investments. This portfolio is managed as a unit based on a calculated combined cash flow of all the participants. See "Participants" section for additional information and restrictions on deposits.

Per Government Code §27136, the Treasurer will approve all material withdrawals from the investment pool that are made for the purpose of investing or depositing those funds outside the County Treasury Pool. Transactions by non-mandatory depositors will be at a minimum subject to the limitations as described in Treasurer's pool participants section of this policy.

Exceptions to the combined pool are allowed for bond proceeds and other funds that must be segregated by applicable bond documents, trust agreements, statutes, or other restrictions in place at or during the time the funds are entrusted to the Solano County

Treasurer. Investment and reporting of these funds will be segregated from the Treasury Pool. For additional information see “Bond Proceeds Portfolios.”

Authorized Investments and Restrictions

The Solano County Treasurer’s Pool shall be governed by the tenets of Government Code § 53600 et seq. In addition to these tenets the portfolio is further restricted to the following percentages based on book value at the time of purchase.

- a) Bonds issued by Solano County as the local agency
 - i. Not more than 20% of the portfolio
 - ii. Maximum maturity of 30 years in accordance with Resolution 2008-96
- b) Treasury Bills, Notes, Bonds, and other Certificates of Indebtedness backed by the full faith and credit of the United States Government
 - i. No restrictions above those mandated by §53601
- c) Registered state warrants or treasury notes or bonds of the State of California
 - i. Not more than 20% of the portfolio
 - ii. Maximum maturity of 30 years in accordance with Resolution 2008-96
- d) Registered treasury notes or bonds issued by any of the other 49 states in accordance with §53601 (d)
 - i. Not more than 20% of the portfolio.
 - ii. Maximum maturity of 30 years in accordance with Resolution 2008-96
- e) Bonds, notes, warrants, or other evidences of indebtedness of any local agency within the State of California not including Solano County
 - i. Not more than 20% of the portfolio
 - ii. Maximum maturity of 30 years in accordance with Resolution 2008-96
- f) Federal Agency or United States government-sponsored enterprise obligations, participations, or other instruments
 - i. Not more than 80% of the portfolio
 - ii. Not more than 50% of the portfolio in any single agency
- g) Bankers Acceptances
 - i. No restrictions above those mandated by §53601
- h) Commercial Paper
 - i. Must be credit rated the equivalent of “A-1” or higher by at least two nationally recognized statistical rating organizations.
- i) Negotiable Certificates of Deposit
 - i. Not more than 20% of the portfolio

- j) Repurchase Agreement or Reverse Repurchase Agreements Collateral
 - i. No restrictions above those mandated by §53601
- k) Corporate Bonds, Notes, or other Certificates of Indebtedness
 - i. No restrictions above those mandated by §53601
- l) Shares of Beneficial Interest
 - i. No restrictions above those mandated by §53601
- m) Bond Proceeds
 - i. No restrictions above those mandated by §53601
- n) Security Interests
 - i. No restrictions above those mandated by §53601
- o) Any mortgage or other asset backed pass-through security or collateralization
 - i. No restrictions above those mandated by §53601
- p) JPA Participations
 - i. No restrictions above those mandated by §53601
- q) International Bank for Reconstruction and Development, International Finance Corporation, Inter-American Development Bank
 - i. Dollar denominated senior unsecured unsubordinated rated AA or better.
- r) Commercial Paper, debt securities, or other obligations of a public bank, as defined by §57600
 - i. No restrictions about those mandated by §53601
- s) Other Restrictions
 - i. Currently callable securities restricted to not more than 60% of the portfolio. Restriction does not apply to make whole calls.
 - ii. Securities downgraded to below investment grade shall be reviewed and sold at market prices if the determination is made that they present a material risk to the portfolio liquidity.
- t) Commercial Bank, Savings Bank, Savings and Loan Association, or Credit Union Certificate distribution mechanisms.
 - i. No Restrictions above those mandated by §53601

Any investment currently held in the portfolio that does not meet the guidelines established in this policy is exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

In accordance with California Government Code Section §53601 the Treasurer retains the right to petition the Solano County Board of Supervisors for approval to invest

in securities with a final maturity in excess of five years. The Solano County Board of Supervisors adoption of any resolution allowing maturities beyond five years shall be considered an allowed modification to this policy and any investments made in accordance with the modification shall be allowable under this policy.

The Board's previously granted exception in the form of Resolution 2009-65 on April 07, 2009 shall remain in effect regarding the purchase of extended maturity securities, pursuant to Government Code §53601.

Other Policy Considerations

Disaster Recovery: The County Treasury maintains disaster recovery policies, procedures, and practices that are tested and updated on a regular basis as technologies and conditions change. These items are intended first and foremost to provide the maximum protection to Treasury assets in the event of a natural or manmade disaster.

The Treasury also maintains contingency operating procedures to provide business continuity in the event that key County facilities or equipment are unavailable for extended periods of time.

Auditing: Pursuant to Government Code § 26920 the Treasury undergoes a quarterly review of the Treasurer's statement of assets conducted by the Internal Audit division of the Auditor-Controller's office. The Auditor's review shall be accomplished in accordance with the appropriate professional standards, as determined by the County Auditor. The Treasurer shall prepare a statement showing the amount and type of assets in the County Treasury as of the date of the review. The review shall include:

- a) Counting cash in the Treasury.
- b) Verifying that the records of the Treasurer and Auditor are reconciled pursuant to California Government Code § 26905.
- c) Issuing a report to the Board of Supervisors in accordance with the Statements on Standards of Accounting and Review Services issued by the American Institute of Certified Public Accountants.
- d) On an annual basis, the Internal Audit Division of the Auditor-Controller's Office shall perform or cause to be performed an audit of the assets in the County Treasury and express an opinion whether the Treasurer's statement of assets is presented fairly and in accordance with generally accepted accounting principles.
- e) The report shall be addressed to the Board of Supervisors. The quarterly review referenced above need not be performed for the period when an audit is conducted.

Environmental, Social and Governance (ESG) considerations: Industry standards for ESG compliance have not been universally defined and accepted. The Treasury will monitor ESG developments and recommend future policy changes when appropriate.

Investment of Segregated Funds

As needed, the Treasurer may be entrusted to manage the proceeds of specific bond issuances or other deposited funds as separate investments from the Treasury Pool. These include but are not limited to General Obligations of the County, County TRAns, Pension Trust Fund, School General Obligations, School TRAns, and State or other entity provided loans or deposits to local agencies including School Districts.

Participation: Participation in a “segregated funds” portfolio is restricted to the terms of the specific issues trust agreement or as directed by the appropriate legal counsel. Establishment of a segregated investment will be by mutual agreement of the requesting agency and the Treasurer

Portfolio Restrictions: Funds in any segregated portfolio will be governed by the tenets of the trust agreement, and any other agreed upon governance. Segregated investment will be held to the prudent investor standard.

- a) Investments in this portfolio are not subject to the limitations of §53601 - §53609 inclusive.
- b) For tax purposes portfolio investments may be restricted to tax exempt or other specific tax treatment securities.
- c) As a result of spending restrictions, portfolio funds may be invested in securities with durations of up to forty years or as otherwise proscribed in the trust agreement

Withdrawing funds from the Portfolio: Withdrawals are subject to the limitations and restrictions as described in the trust agreement. Any gains or losses realized as a result of changes in the anticipated withdrawal schedule will be apportioned to the depositor’s fund.

Special Investments: Special investments are subject to the restrictions of the individual bond issuance as described in the trust agreement or as directed by the appropriate legal counsel.

Roles and Responsibilities: The Treasurer manages these funds on behalf of the depositor and relies on the depositor to provide accurate information with regard to liquidity and other specific investment needs. It shall be the responsibility of the depositor to notify the Treasurer of any changes in the investment requirements. Balances are validated against records maintained by the Auditor – Controller’s office.

California Government Code Sections Referenced:

§26900-26922

§27000-27137

§53600-53610

§53630-53692

§57600-57607

SOLANO COUNTY TREASURER

115 RETIREMENT TRUST

INVESTMENT POLICY

2020



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Purpose

In accordance with Government Code §53646, this policy is intended to provide guidance, control, and direction for the management 115 Retirement Trust Funds entrusted to the care of the Solano County Treasurer. These funds are invested collectively and referred to as the 115 Retirement Trust Fund. These funds are invested within the scope of all applicable government codes, trust agreements, or other restrictions in affect at the time of the deposit and during the holding period. Any funds entrusted and invested outside the 115 Retirement Trust Fund are accounted for separately.

Funds deposited in the 115 Retirement Trust Fund will be invested to optimize their earnings, within acceptable risk parameters, as recommended by the Pension Advisory Committee and adopted by the Board of Supervisors.

The parameters, recommended for adoption by the Board are no withdrawals of assets during the next fiscal year through June 30, 2021, and an expectation that the funds may be invested with a longer duration target, additional credit risk, and principal risk including exposure to equities or other non-fixed income investments. Investments of these types should be considered long term holdings and will restrict availability of 115 Trust funds.

Scope

This policy applies to all 115 Retirement funds over which the Treasurer has been granted fiduciary responsibility and direct control for their management.

Implementation

The guidelines and restrictions found herein shall be applied to all actions taken after its adoption by the Board of Supervisors and shall remain in effect until replaced.

Participants

This investment policy restricts deposits to those funds designated by the Solano County Board of Supervisors as self-directed 115 Retirement Trust Funds to be held in care of the County Treasurer.

General Policy Statement

It shall be the policy of the Solano County Treasurer to manage the 115 Retirement Trust Funds in accordance with all applicable Federal, State, or Local statutes, laws, regulations, ordinances or codes. The Treasurer will make every reasonable effort to maintain the profile of the 115 Retirement Trust Fund within an acceptable risk – return

profile based on the funds purpose and objectives. To achieve and maintain said acceptable risk – return profile, and to manage the portfolio within the guidelines and objectives outlined in this policy, the Treasurer may direct investment purchases, sales, or other investment actions to adjust the credit risk, interest rate risk, liquidity risk, or other risks inherent in investment pools.

Objectives

It is the objective of the Solano County Treasurer to invest public funds in a manner that provides security of principal, sufficient liquidity to ensure the specific portfolio is able to meet its cash flow needs, and generates returns commensurate with the inherent risks being managed. This practice is generally referred to as the “SLY” principal; which is Safety, Liquidity, and Yield.

It is the objective of this fund to be managed in a manner consistent with a retirement trust fund. Retirement trust funds will be subject to additional risk levels over and above those found in the Treasurer’s Pool. This includes the purchase and holding of equities and other securities that may be subject to substantial changes in value.

Safety: Safety of principal seeks to ensure the preservation of capital within acceptable risk tolerances. These risk tolerances will be greater than those found in the Treasurer’s Pool. Some capital risk is deemed acceptable given the longer duration and intended purpose of the 115 Retirement Trust Fund.

Within these higher risk tolerances, the Treasurer will employ management tools intended to mitigate and manage some of the credit and liquidity risks.

Credit risk, also known as default risk, is the risk the issuer of a security may be unable to make timely principal, interest, or dividend payments; resulting in a default on a fixed income; or the value of the equity investment will decline to zero. This risk is mitigated through diversification, a process whereby funds are invested in multiple issuers as opposed to a single name.

Liquidity risk is the risk an investment will be difficult or impossible to sell at a reasonable price relative to its potential return. Marketability risk increases or decreases based on a number of factors including the notoriety of the issuer and the frequency at which they issue. The size, structure, and complexity of the particular security, and the size of the market issued in are also factors that impact marketability of the security. Market risk is mitigated in the portfolio through the purchase and holding of securities issued by larger, more well-known, and higher rated issuers, such as the United States Treasury, Federal Agencies, and larger more widely recognized Corporations. Purchases of equities, either individually or as part of a mutual fund will be done in such a way as to provide earnings potential while managing overall portfolio risks.

Liquidity: The 115 Retirement Trust shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by purchasing securities from large, well known, and highly rated issuers. As well as maintaining a ladder of investment whose maturities are timed to match anticipated needs of 115 Retirement Trust. As a longer duration retirement portfolio, it is anticipated that the 115 Retirement Trust Fund will be maintained at a substantially lower liquidity position relative to a cash management pool.

Yield: The 115 Retirement Trust shall be managed with the objective of maintaining a rate of return commensurate with the risk while bearing in mind the funds are intended to be longer duration and higher risk. However, as a consequence of purchasing longer maturity investments with higher yields, and equity investments, the total return on the 115 Trust Fund can be expected to fluctuate with changes in market conditions.

Standard of Care

The following policies are designed in accordance with Government Code §53215 et al and the recommended best practices of the Government Finance Officers Association (GFOA) to provide transparency to Treasury operations while enhancing portfolio controls.

- a) **Mark to Market:** In accordance with Governmental Account Standards Board (GASB) Statement 40, the portfolio will be marked to market on a monthly or more frequent basis and treated as “Available” for Sale” for reporting purposes.
- b) **Disbursements** will be made in accordance with the Trust agreement.
- c) **Prudent Investor:** Treasury staff will at all times be held to the “Prudent Investor Standard” when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds. The County Treasurer and his/her deputies shall act with care, skill, prudence, and diligence under the circumstances then prevailing, specifically including, but not limited to, the general economic conditions and the anticipated needs of the County and other depositors a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of investing funds of a like character and with like aims to safeguard the principal and maintain the liquidity needs of the County and other depositors.
- d) **Indemnification:** The Treasurer and his or her staff, when acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes. Investments shall be made with judgment and care under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own

affairs. Investments will not be made for speculation but for investment consistent with the stated objectives.

- e) **Ethics and Conflicts of Interest:** County officers, employees, agents and any others who may be directly involved in the investment decision process shall adhere to all applicable laws regarding conflicts of interest and refrain from personal business activity could conflict with the proper execution and management of the investment program or that could impair their ability to make impartial decisions. The receipt of gifts is subject to the disclosure requirements and limitations set forth in sections §§87200 - 87210 and §§89503 - 89503.5 of the Government Code. In addition, the receipt of honoraria is prohibited.
- f) **Transactions Records:** All Treasury records will be maintained in accordance with the County's adopted records retention policy.

Banking

Banking services are not currently utilized in connection with the PARS 115 Trust. Should any such services be required, they will be selected in accordance with Government Code §53635.2.

Safekeeping and Custody

Delivery vs. Payment: Purchased, or otherwise acquired, investment securities will be delivered by Fed Book Entry, DTC, or physical deliver, and to the extent feasible, held in third party safekeeping with a designated custodian. To the greatest extent possible, all transactions will be conducted on a Delivery Versus Payment (DVP) methodology where funds for payment are released simultaneously with the arrival of the investment.

Third-party Safekeeping: The trust department of a bank or other qualified provider will be designated as custodian for safekeeping specific securities. The custodian shall provide reporting and as needed real time access to financial records that show the specific instrument, selling broker/dealer, issuer, coupon, maturity, CUSIP number, purchase or sale price, transaction date, and other pertinent information.

Reporting

In accordance with the recommendations of Government Code §53216.4 the Treasurer will publish on the County public website, or make available through other electronic means, a detailed report of the investment transactions on an at least annual basis. The report will include a description of securities held, transactions made, expenses incurred, compensation paid, fees paid, and the net profit or loss of the portfolio. In addition, the report will include the acquisition cost, book value, market value, and total assets of the trust.

Transaction records, bank statements, account reconciliations, and associated accounting materials are filed and maintained in accordance with Government Code §27000 - §27013 inclusive; and the County's adopted records retention policy.

Compensation

In accordance with Government Code 53216.6, the Treasurer will charge the County 115 Retirement Trust Fund an administrative fee of 5 basis points for administrative and overhead costs. Costs include, but are not limited to, employee salaries and benefits, portfolio management, bank and custodial fees, software maintenance fees, and other direct and indirect costs incurred from handling or managing funds. The 115 Retirement Trust Fund will also be charged any fees or direct costs related to its management imposed by the Trustee. The administrative fee will be subject to change annually.

Financial Dealers and Institutions

As a trustee of public funds held on behalf of other governing bodies, it is the Treasurer's policy to use those financial institutions and financial service providers who provide the greatest investment benefit to the agency whose funds are under management.

- a) Issues of public social concern and benefit will be evaluated on a case by case basis using the minimum criteria to be eligible to receive County funds, all banks, savings associations or federally insured industrial loan companies must have received an overall rating of not less than "satisfactory" in its most recent evaluation by the appropriate federal financial supervisory agency of its record meeting the credit needs of California's communities, including low, moderate income neighborhoods pursuant to Section 2906 of Title 12 of the United States Code.
- b) Any decision to conduct financial transactions with an entity shall be made exercising the care, skill, prudence and diligence under the circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs.
- c) Authorization of Broker/Dealers to conduct business with the County is in the sole discretion of the Treasurer. In order to assist in the determination process, Broker/Dealers must provide reasonable proof of qualifications. The criteria for authorization of Broker/Dealers are as follows:
 - i. Any individual Broker/Dealer or Broker/Dealer firm that has made any political contribution to any agency, individual, or campaign within the potential scope of this policy, at any time during the prior 48 months that

exceeds the limitations contained in Rule G-37 of the Municipal Securities Rulemaking Board shall be barred from consideration.

- ii. Individual Broker/Dealers and Broker/Dealer firms must be in good standing with the NASD.
- iii. Individual Broker/Dealer and Broker/Dealer firms must be licensed to conduct business in the State of California.

Calculating and Apportioning 115 Retirement Trust Earnings

The Solano County 115 Retirement Trust Fund is comprised of monies restricted by the Solano County Board of Supervisors for the funding of future retirement needs. All earnings from the fund, fees, costs, or expenses will be recorded and retained within the Retirement Trust Fund.

- a) Earnings apportioned on a quarterly basis in accordance with the California Government Code §53645.
- b) When appropriate, earnings are calculated on an accrual basis for all investments in the 115 Retirement Trust.
- c) Management fees and related investment expenses will be deducted from the 115 Trust as needed.

Deposit and Withdrawal Requests

Deposits to and withdrawals from the 115 Retirement Trust will be made with the approval of the Solano County Board of Supervisors.

Authorized Investments and Restrictions

The Solano County Treasurer's 115 Retirement Trust Portfolio shall be governed by Government Code §53216 et seq. In addition, the portfolio is further restricted to the following percentages based on book value at the time of purchase.

Fixed Income Securities

Long-Term

Minimum Maturity:	7 Years
Maximum Maturity:	N/A
Minimum Credit Rating:	AA-
Maximum Credit Rating:	N/A
Minimum Allocation:	0%

Maximum Allocation:	10%
Intermediate Term	
Minimum Maturity:	3 Years
Maximum Maturity:	7 Years
Minimum Credit Rating:	A-
Maximum Credit Rating:	N/A
Minimum Allocation:	0%
Maximum Allocation:	50%
Short Term	
Minimum Maturity:	1 Day
Maximum Maturity:	3 Years
Minimum Credit Rating:	BBB-
Maximum Credit Rating:	N/A
Minimum Allocation:	0%
Maximum Allocation:	20%
Cash and Cash Equivalents	
Minimum Maturity:	1 Day
Maximum Maturity:	14 Months
Minimum Credit Rating:	BBB-
Maximum Credit Rating:	N/A
Minimum Allocation:	0%
Maximum Allocation:	100%
High Yield	
Minimum Allocation	0%
Maximum Allocation	10%
Convertible Debt	
Minimum Allocation	0%
Maximum Allocation	10%
Equity Securities	
Domestic Large Cap	
Minimum Allocation	0%
Maximum Allocation	55%
Domestic Mid Cap	
Minimum Allocation	0%
Maximum Allocation	20%
Domestic Small Cap	

Minimum Allocation	0%
Maximum Allocation	15%
International	
Minimum Allocation	0%
Maximum Allocation	20%
Real Estate	
Minimum Allocation	0%
Maximum Allocation	10%

Permitted Asset Classes and Security Types

Asset Class

Fixed Income

- Domestic including private placement 144A bonds
- Global

Equities

- Domestic
- Global
- Emerging Market
- Real Estate Investment Trusts (REITS)

Security Types

Fixed Income

- US Government
- US Government Sponsored Enterprises
- US Municipal Debt including private placements
- Corporate Debt
- Mortgage Backed Securities
- Asset Backed Securities
- Unit Trusts
- International Bank of Redevelopment
- World Bank

Fixed Income Mutual Funds

- US Government
- US Government Sponsored Enterprises
- Corporate Debt
- Mortgage Backed Securities
- Asset Backed Securities
- Unit Trusts
- International Bank of Redevelopment

- World Bank
- High Yield
- International and Emerging Market
- Convertible
- Preferred

Closed End Funds

- Cash and Cash Equivalents
 - Money Market Mutual Fund
 - Commercial Paper
 - Certificates of Deposit
 - Bankers Acceptances

- Equity Securities
 - Domestic listed and unlisted securities
 - Equity and equity related securities of non-US corporations, in the form of American Depository Receipts (ADR's)

- Equity Mutual Funds
 - Large Cap Growth and Value
 - Mid Cap Core
 - Small Cap Growth and Value
 - International and Emerging Markets
 - REIT's

Exchange Traded Funds

- Prohibited Investments
 - Precious Metals
 - Venture Capital
 - Short Sales
 - Purchases of Letter Stock
 - Private Placement Stock
 - Direct Payments
 - Leveraged Transactions
 - Commodities
 - Puts, Calls, Straddles, or Similar Option Investments
 - Real Estate excluding REIT's
 - Derivatives excluding ETF's

Any investment currently held in the portfolio that does not meet the guidelines established in this policy is exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

Other Policy Considerations

Disaster Recovery: The County Treasury maintains disaster recovery policies, procedures, and practices that are tested and updated on a regular basis as technologies and conditions change. These items are intended first and foremost to provide the maximum protection to Treasury assets in the event of a natural or manmade disaster.

The Treasury also maintains contingency operating procedures to provide business continuity in the event that key County facilities or equipment are unavailable for extended periods of time.

California Government Code Sections Referenced:

§27000-27013
§53215-53224
§53630-53886
§87200-87210 & 89503-89503.5

~~2019~~2020

SOLANO COUNTY TREASURER

INVESTMENT POLICY



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Purpose

In accordance with Government Code §53646, this policy is intended to provides guidance, control, and direction for the management of surplus funds entrusted to the care of the Solano County Treasurer. These funds are invested collectively and referred to as the Treasury Pool. In addition, the Treasurer is entrusted with segregated investments related to debt issuance and other sources. These funds are invested within the scope of all applicable bond issuance documents, government codes, trust agreements, or other restrictions in affect at the time of the deposit and during the holding period. Any funds entrusted and invested outside the Treasury Pool are accounted for separately.

Scope

This policy applies to all funds over which the Treasurer has been granted fiduciary responsibility and direct control for their management.

Implementation

The guidelines and restrictions found herein shall be applied to all actions taken after its adoption by the Board of Supervisors and shall remain in effect until replaced.

Participants

This investment policy generally restricts deposits to those funds mandated by law or contractual agreement to be held in care of the County Treasurer.

On the consent of the Treasurer, exemptions may be granted pursuant to Government Code §53684 for non-mandatory depositing agencies or non-mandated funds, if it is determined that the additional deposit provides a benefit to the Treasury Pool as a whole while not creating an unmanageable liquidity risk.

Non-mandated depositors or funds may be subject to specific transactional limitations that mitigate the non-mandated deposit liquidity risk. These restrictions may include but are not limited to restrictions on the number of transactions per month, on the size of individual transactions, and on the amount of notification time required before processing a transaction. Non-mandated depositors must agree to the terms and conditions of deposit prior to the Treasurer's acceptance of any non-mandated funds. As a default, these restrictions shall be not more than five transactions per month, not more than the lesser of five million dollars or one percent of the portfolio in aggregate transaction totals per month, and a minimum of thirty days' prior notification for any transaction.

General Policy Statement

It shall be the policy of the Solano County Treasurer to manage the Treasury Pool in accordance with applicable State codes and for the benefit of the pool participants. The Treasurer will make every reasonable effort to maintain the composition of the Treasury Pool within an acceptable risk – return profile. To achieve and maintain this profile, the Treasurer may direct investment purchases or sales to adjust the credit risk, interest rate risk, liquidity risk, or other risks inherent in investment pools.

Objectives

It is the objective of the Solano County Treasurer to invest public funds in a manner that provides security of principal, sufficient liquidity to ensure that the specific portfolio is able to meet its cash flow needs, and generates returns commensurate with the inherent risks being managed. This practice is generally referred to as the “SLY” principal; which is Safety, Liquidity, and Yield.

Safety: Safety of principal seeks to insure the preservation of capital. The objective will be to manage credit risk and liquidity risk

Credit risk, also known as default risk, is the risk that the issuer of a fixed income security may be unable to make timely principal and interest payments. This risk is mitigated through diversification, a process whereby funds are invested in multiple issuers as opposed to a single name.

Liquidity risk is the risk that an investment will be difficult or impossible to sell at a reasonable price relative to its potential return. Marketability risk increases or decreases based on a number of factors including the notoriety of the debt issuer and the frequency at which they issue debt. The size, structure, and complexity of the particular deal, and the size of the market it is issued in are also factors that impact marketability of the security. Market risk is mitigated in the portfolio through the purchase and holding of securities issued by larger, more well-known, and higher rated issuers, such as the United States Treasury and Federal Agencies.

Liquidity: The investment pool shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by purchasing securities from large, well known, and highly rated issuers. As well as maintaining a ladder of investment whose maturities are timed to match the historical needs of depositors. This includes structuring the ladder to provide additional maturities in summer months when cash demands exceed deposits. The Treasury Pool also maintains cash balances in several Money Market and Money Market-like instruments including the Local Agency Investment Fund.

Yield: The Treasury Pool shall be managed with the objective of maintaining a rate of return commensurate with the risk through various budgetary and economic cycles. Taking into account prevailing interest rates, liquidity needs as described above, and the limits on the types of securities the Treasury Pool is authorized to purchase.

A prudent balancing of liquidity needs results in an investment return for Treasury pool participants that is higher, under most conditions, than that which would be available to them in an overnight investment. However, as a consequence of purchasing longer maturity investments with higher yields, the yield on the Treasury Pool can be expected to lag changes in market interest rates. The result is a buffered Treasury Pool yield that moves slowly and steadily in the direction of market rates, while providing higher long-term rates of return, and an increased ability to forecast depositor yields for budgetary purposes.

Standard of Care

The following policies are designed in accordance with Government Code §53600 et al and the recommended best practices of the Government Finance Officers Association (GFOA) to provide transparency to Treasury operations while enhancing portfolio controls.

- a) **Mark to Market:** In accordance with Governmental Accounting Standard Board (GASB) Statement 40, the portfolio will be marked to market on a monthly or more frequent basis and treated as “Available for Sale” for reporting purposes.
- b) **Wires, ACH’s, and other electronic transfers:** Electronic transfers will require either dual control in the establishment of a repetitive transaction or dual control in the release of a non-repetitive transaction.
- c) **Prudent Investor:** Treasury staff will at all times be held to the “Prudent Investor Standard” when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds. The County Treasurer and his/her deputies shall act with care, skill, prudence, and diligence under the circumstances then prevailing, specifically including, but not limited to, the general economic conditions and the anticipated needs of the County and other depositors that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of investing funds of a like character and with like aims to safeguard the principal and maintain the liquidity needs of the County and other depositors.
- d) **Indemnification:** The Treasurer and his or her staff, when acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes. Investments shall be made with judgment and care under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own

affairs. Investments will not be made for speculation but for investment consistent with the stated objectives.

- e) **Ethics and Conflicts of Interest:** County officers, employees, agents and any others who may be directly involved in the investment decision making process shall adhere to all applicable laws regarding conflicts of interest and refrain from personal business activity that could conflict with the proper execution and management of the investment program or that could impair their ability to make impartial decisions. Individuals making or advising on investment decisions shall refrain from conducting personal investment transactions with the same individual firm with whom business is conducted on behalf of the County. The receipt of gifts is subject to the disclosure requirements and limitations set forth in sections §87200 and §89503 of the Government Code. In addition, the receipt of honoraria is prohibited.
- f) **Delegation of Authority – Government Code §53607:** California Government Code §53607 authorizes the County Board of Supervisors the authority to delegate the investment function to the County Treasurer for a one-year period. The Treasurer shall thereafter assume full responsibility for those transactions until the authority is revoked or expires.
- g) **Transactions Records:** All Treasury records will be maintained in accordance with the County's adopted records retention policy.

Banking

Banking services are utilized to facilitate the financial transactions required by the pool participants. The bank or banks providing these services will be selected in accordance with Government Code §53635.2. Where possible the Treasurer will strive to consolidate banking services in order to achieve the most cost-effective means of meeting the needs of the pool participants.

In addition, the Treasurer works with the County Auditor, the Department of Information Technology, and representatives from School and other districts depositing funds into the Treasury. The objective is to as far as possible automate the transfer of financial information between the disparate groups. These efforts are intended to provide enhanced internal controls, reduce staff workloads, and generate cost savings to the pool participants.

Safekeeping and Custody

Delivery vs. Payment: Purchased, or otherwise acquired, investment securities will be delivered by Fed Book Entry, DTC, or physical deliver, and to the extent feasible, held in third party safekeeping with a designated custodian. To the greatest extent possible, all

transactions will be conducted on a Delivery Versus Payment (DVP) methodology where funds for payment are released simultaneously with the arrival of the investment.

Third-party Safekeeping: The trust department of a bank or other qualified provider will be designated as custodian for safekeeping specific securities. The custodian shall provide reporting and as needed real time access to financial records that show the specific instrument, selling broker/dealer, issuer, coupon, maturity, CUSIP number, purchase or sale price, transaction date, and other pertinent information.

Reporting

In accordance with the ~~requirements recommendations~~ of Government Codes §53607 and §53646 the Treasurer will publish on the County public website, or make available through other electronic means, a detailed report of the investment ~~transactions positions~~ on a monthly basis, and will, on an at least quarterly basis, ~~.-The report will~~ also disclose the amount of liquidity available to meet cash flow demands for the subsequent six month period.

In addition, it is the practice of the Treasurer to provide additional ~~and more frequent~~ information to provide transparency in Treasury operations. ~~These reports is~~ information includes:

- a) A monthly summary report showing the ending assets, monthly average assets, summary income, and net asset value of the Treasury Pool portfolio.
- b) Detailed supporting documentation for asset balances, income, and net asset values.
- b)c) Security level detail regarding par, book, market, premiums, discounts, and mark to markets for all securities.

Transaction records, bank statements, account reconciliations, and associated accounting materials are filed and maintained in accordance with Government Code §27000 - §27013 inclusive; and the County's adopted records retention policy.

Compensation

In accordance with Government Code §§ 27013 and 53684, the Treasurer will charge all pool participants for administrative and overhead costs. Costs include, but are not limited to, employee salaries and benefits, portfolio management, bank and custodial fees, software maintenance fees, and other direct and indirect costs incurred from handling or managing funds. Costs will be deducted from interest earnings on the pool prior to apportioning and payment of interest. The Treasurer shall annually prepare a proposed budget providing a detailed itemization of all estimated costs which comprises the administrative fee charged in accordance with California Government Code § 27013. The administrative fee will be subject to change annually. At the end of each fiscal year the

amount of the administrative fee is adjusted to reflect the actual Treasury costs for the year.

Financial Dealers and Institutions

As a trustee of public funds held on behalf of other governing bodies it is the Treasurer's policy to use those financial institutions and financial service providers who provide the greatest investment benefit to the pool participants.

- a) Issues of public social concern and benefit will be evaluated on a case by case basis using the minimum criteria that to be eligible to receive County funds, all banks, savings associations or federally insured industrial loan companies must have received an overall rating of not less than "satisfactory" in its most recent evaluation by the appropriate federal financial supervisory agency of its record meeting the credit needs of California's communities, including low, moderate income neighborhoods pursuant to Section 2906 of Title 12 of the United States Code.
- b) Any decision to conduct financial transactions with an entity shall be made exercising the care, skill, prudence and diligence under the circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs.
- c) Authorization of Broker/Dealers to conduct business with the County is in the sole discretion of the Treasurer. In order to assist in the determination process, Broker/Dealers must provide reasonable proof of qualifications. The criteria for authorization of Broker/Dealers are as follows:
 - i. Any individual Broker/Dealer or Broker/Dealer firm that has made any political contribution to any agency, individual, or campaign within the potential scope of this policy, at any time during the prior 48 months that exceeds the limitations contained in Rule G-37 of the Municipal Securities Rulemaking Board shall be barred from consideration.
 - ii. Individual Broker/Dealers and Broker/Dealer firms must be in good standing with the NASD.
 - iii. Individual Broker/Dealer and Broker/Dealer firms must be licensed to conduct business in the State of California.

Constitutionally Mandated Temporary Transfers

Pursuant to Article XVI, section 6 of the California Constitution, the County Treasurer, upon resolution of the Board of Supervisors, has the power and the duty to make temporary transfers of Treasury Pool funds to districts whose funds are in the custody of and paid out solely through the Treasurer's Office. In accordance with statute, these temporary transfers will be limited to 85% of all anticipated revenues accruing to the district that are mandated for deposit with the Treasury.

Calculating and Apportioning Pool Earnings

The Solano County Investment Pool is comprised of monies from multiple units of the county, schools, agencies and districts. Each entity has unique cash flow demands, which dictate the type of investments the Treasurer must purchase. To ensure parity among the pool participants when apportioning interest, the following procedures have been developed.

- a) Interest is apportioned on an at least quarterly basis in accordance with the California Government Code [§53645](#).
- b) Interest is apportioned to pool participants based on the participants' average daily fund balance as determined by the Auditor-Controller.
- c) Interest is calculated on an accrual basis for all investments in the Treasurer's Pool by the Treasurer and reported to the Auditor-Controller for distribution into the funds of the participants.
- d) The Auditor-Controller deducts accounting fees and makes any adjustments from the interest earning and apportions the remaining earnings to all participants based on the positive average daily balance.
- e) Negative average daily fund balance will be charged interest at the rate of interest that is being apportioned.

Deposit and Withdrawal Requests

Solano County operates a Pooled Investment Portfolio that allows optimal liquidity and diversification for depositing agencies. Unless otherwise specified, monies from all units of government, schools, agencies and districts deposited into the Treasury are combined into the Treasury Pool. The purpose of the combined portfolio is to increase participant's liquidity and not limit them to specific investments. This portfolio is managed as a unit based on a calculated combined cash flow of all the participants. See "Participants" section for additional information and restrictions on deposits.

Per Government Code §27136, the Treasurer will approve all material withdrawals from the investment pool that are made for the purpose of investing or depositing those funds outside the County Treasury Pool. Transactions by non-mandatory depositors will be at a minimum subject to the limitations as described in Treasurer's pool participants section of this policy.

Exceptions to the combined pool are allowed for bond proceeds and other funds that must be segregated by applicable bond documents, trust agreements, statutes, or other restrictions in place at or during the time the funds are entrusted to the Solano County

Treasurer. Investment and reporting of these funds will be segregated from the Treasury Pool. For additional information see “Bond Proceeds Portfolios.”

Authorized Investments and Restrictions

The Solano County Treasurer’s Pool shall be governed by the tenets of Government Code § 53600 et seq. In addition to these tenets the portfolio is further restricted to the following percentages based on book value at the time of purchase.

- a) Bonds issued by Solano County as the local agency
 - i. Not more than 20% of the portfolio
 - ii. Maximum maturity of 30 years in accordance with Resolution 2008-96
- b) Treasury Bills, Notes, Bonds, and other Certificates of Indebtedness backed by the full faith and credit of the United States Government
 - i. No restrictions above those mandated by §53601
- c) Registered state warrants or treasury notes or bonds of the State of California
 - i. Not more than 20% of the portfolio
 - ii. Maximum maturity of 30 years in accordance with Resolution 2008-96
- d) Registered treasury notes or bonds issued by any of the other 49 states in accordance with §53601 (d)
 - i. Not more than 20% of the portfolio.
 - ii. Maximum maturity of 30 years in accordance with Resolution 2008-96
- e) Bonds, notes, warrants, or other evidences of indebtedness of any local agency within the State of California not including Solano County
 - i. Not more than 20% of the portfolio
 - ii. Maximum maturity of 30 years in accordance with Resolution 2008-96
- f) Federal Agency or United States government-sponsored enterprise obligations, participations, or other instruments
 - i. Not more than 80% of the portfolio
 - ii. Not more than 50% of the portfolio in any single agency
- g) Bankers Acceptances
 - i. No restrictions above those mandated by §53601
- h) Commercial Paper
 - i. Must be credit rated the equivalent of “A-1” or higher by at least two nationally recognized statistical rating organizations.
- i) Negotiable Certificates of Deposit
 - i. Not more than 20% of the portfolio

- j) Repurchase Agreement or Reverse Repurchase Agreements Collateral
 - i. No restrictions above those mandated by §53601
- k) Corporate Bonds, Notes, or other Certificates of Indebtedness
 - i. No restrictions above those mandated by §53601
- l) Shares of Beneficial Interest
 - i. No restrictions above those mandated by §53601
- m) Bond Proceeds
 - i. No restrictions above those mandated by §53601
- n) Security Interests
 - i. No restrictions above those mandated by §53601
- o) Any mortgage or other asset backed pass-through security or collateralization
 - i. No restrictions above those mandated by §53601
- p) JPA Participations
 - i. No restrictions above those mandated by §53601
- q) International Bank for Reconstruction and Development, International Finance Corporation, Inter-American Development Bank
 - i. Dollar denominated senior unsecured unsubordinated rated AA or better.
- r) Commercial Paper, debt securities, or other obligations of a public bank, as defined by §57600
 - i. No restrictions about those mandated by §53601
- r)s) Other Restrictions
 - i. Currently callable securities restricted to not more than 60% of the portfolio. Restriction does not apply to make whole calls.
 - ii. Securities downgraded to below investment grade shall be reviewed and sold at market prices if the determination is made that they present a material risk to the portfolio liquidity.
 - ~~ii.~~
- s)t) Commercial Bank, Savings Bank, Savings and Loan Association, or Credit Union Certificate distribution mechanisms.
 - i. No Restrictions above those mandated by §53601

Any investment currently held in the portfolio that does not meet the guidelines established in this policy is exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

In accordance with California Government Code Section §53601 the Treasurer retains the right to petition the Solano County Board of Supervisors for approval to invest

in securities with a final maturity in excess of five years. The Solano County Board of Supervisors adoption of any resolution allowing maturities beyond five years shall be considered an allowed modification to this policy and any investments made in accordance with the modification shall be allowable under this policy.

The Board's previously granted exception in the form of Resolution 2009-65 on April 07, 2009 shall remain in effect regarding the purchase of extended maturity securities, pursuant to Government Code §53601.

Other Policy Considerations

Disaster Recovery: The County Treasury maintains disaster recovery policies, procedures, and practices that are tested and updated on a regular basis as technologies and conditions change. These items are intended first and foremost to provide the maximum protection to Treasury assets in the event of a natural or manmade disaster.

The Treasury also maintains contingency operating procedures to provide business continuity in the event that key County facilities or equipment are unavailable for extended periods of time.

Auditing: Pursuant to Government Code § 26920 the Treasury undergoes a quarterly review of the Treasurer's statement of assets conducted by the Internal Audit division of the Auditor-Controller's office. The Auditor's review shall be accomplished in accordance with the appropriate professional standards, as determined by the County Auditor. The Treasurer shall prepare a statement showing the amount and type of assets in the County Treasury as of the date of the review. The review shall include:

- a) Counting cash in the Treasury.
- b) Verifying that the records of the Treasurer and Auditor are reconciled pursuant to California Government Code § 26905.
- c) Issuing a report to the Board of Supervisors in accordance with the Statements on Standards of Accounting and Review Services issued by the American Institute of Certified Public Accountants.
- d) On an annual basis, the Internal Audit Division of the Auditor-Controller's Office shall perform or cause to be performed an audit of the assets in the County Treasury and express an opinion whether the Treasurer's statement of assets is presented fairly and in accordance with generally accepted accounting principles.
- e) The report shall be addressed to the Board of Supervisors. The quarterly review referenced above need not be performed for the period when an audit is conducted.

Environmental, Social and Governance (ESG) considerations: Industry standards for ESG compliance have not been universally defined and accepted. The Treasury will monitor ESG developments and recommend future policy changes when appropriate.

Investment of Segregated Funds

As needed, the Treasurer may be entrusted to manage the proceeds of specific bond issuances or other deposited funds as separate investments from the Treasury Pool. These include, but are not limited to General Obligations of the County, County TRAns, Pension Trust Fund, School General Obligations, School TRAns, and State or other entity provided loans or deposits to local agencies including School Districts.

Participation: Participation in a “segregated funds” portfolio is restricted to the terms of the specific issues trust agreement or as directed by the appropriate legal counsel. Establishment of a segregated investment will be by mutual agreement of the requesting agency and the Treasurer

Portfolio Restrictions: Funds in any segregated portfolio will be governed by the tenets of the trust agreement, and any other agreed upon governance. Segregated investment will be held to the prudent investor standard.

- a) Investments in this portfolio are not subject to the limitations of §53601 - §53609 inclusive.
- b) For tax purposes portfolio investments may be restricted to tax exempt or other specific tax treatment securities.
- c) As a result of spending restrictions, portfolio funds may be invested in securities with durations of up to forty years or as otherwise proscribed in the trust agreement

Withdrawing funds from the Portfolio: Withdrawals are subject to the limitations and restrictions as described in the trust agreement. Any gains or losses realized as a result of changes in the anticipated withdrawal schedule will be apportioned to the depositor’s fund.

Special Investments: Special investments are subject to the restrictions of the individual bond issuance as described in the trust agreement or as directed by the appropriate legal counsel.

Roles and Responsibilities: The Treasurer manages these funds on behalf of the depositor and relies on the depositor to provide accurate information with regard to liquidity and other specific investment needs. It shall be the responsibility of the depositor to notify the Treasurer of any changes in the investment requirements. Balances are validated against records maintained by the Auditor – Controller’s office.

California Government Code Sections Referenced:

§26900-26922

§27000-27137

§53600-53610

§53630-53692

§57600-57607

SOLANO COUNTY TREASURER

115 RETIREMENT TRUST

INVESTMENT POLICY

20192020



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Purpose

In accordance with Government Code §53646, tThis policy is intended to provides guidance, control, and direction for the management 115 Retirement Trust Funds entrusted to the care of the Solano County Treasurer. These funds are invested collectively and referred to as the 115 Retirement Trust Fund. These funds are invested within the scope of all applicable government codes, trust agreements, or other restrictions in affect at the time of the deposit and during the holding period. Any funds entrusted and invested outside the 115 Retirement Trust Fund are accounted for separately.

Funds deposited in the 115 Retirement Trust Fund will be invested to optimize their earnings, within acceptable risk parameters, as recommended by the Pension Advisory Committee and adopted by the Board of Supervisors.

The parameters, recommended for adoption by the Board are no withdrawals of assets during the next ~~three~~ fiscal years through June 30, 2021, and an expectation that the funds may be invested with a longer duration target, additional credit risk, and principal risk including exposure to equities or other non-fixed income investments. Investments of these types should be considered long term holdings and will restrict availability of 115 Trust funds.

Scope

This policy applies to all 115 Retirement funds over which the Treasurer has been granted fiduciary responsibility and direct control for their management.

Implementation

The guidelines and restrictions found herein shall be applied to all actions taken after its adoption by the Board of Supervisors and shall remain in effect until replaced.

Participants

This investment policy restricts deposits to those funds designated by the Solano County Board of Supervisors as self-directed 115 Retirement Trust Funds to be held in care of the County Treasurer.

General Policy Statement

It shall be the policy of the Solano County Treasurer to manage the 115 Retirement Trust Funds in accordance with all applicable Federal, State, or Local statutes, laws, regulations, ordinances or codes. The Treasurer will make every reasonable effort to maintain the profile of the 115 Retirement Trust Fund within an acceptable risk – return

profile based on the funds purpose and objectives. To achieve and maintain said acceptable risk – return profile, and to manage the portfolio within the guidelines and objectives outlined in this policy, the Treasurer may direct investment purchases, sales, or other investment actions to adjust the credit risk, interest rate risk, liquidity risk, or other risks inherent in investment pools.

Objectives

It is the objective of the Solano County Treasurer to invest public funds in a manner that provides security of principal, sufficient liquidity to ensure the specific portfolio is able to meet its cash flow needs, and generates returns commensurate with the inherent risks being managed. This practice is generally referred to as the “SLY” principal; which is Safety, Liquidity, and Yield.

It is the objective of this fund to be managed in a manner consistent with a retirement trust fund. Retirement trust funds will be subject to additional risk levels over and above those found in the Treasurer’s Pool. This includes the purchase and holding of equities and other securities that may be subject to substantial changes in value.

Safety: Safety of principal seeks to ensure the preservation of capital within acceptable risk tolerances. These risk tolerances will be greater than those found in the Treasurer’s Pool. Some capital risk is deemed acceptable given the longer duration and intended purpose of the 115 Retirement Trust Fund.

Within these higher risk tolerances, the Treasurer will employ management tools intended to mitigate and manage some of the credit and liquidity risks.

Credit risk, also known as default risk, is the risk the issuer of a security may be unable to make timely principal, interest, or dividend payments; resulting in a default on a fixed income; or the value of the equity investment will decline to zero. This risk is mitigated through diversification, a process whereby funds are invested in multiple issuers as opposed to a single name.

Liquidity risk is the risk an investment will be difficult or impossible to sell at a reasonable price relative to its potential return. Marketability risk increases or decreases based on a number of factors including the notoriety of the issuer and the frequency at which they issue. The size, structure, and complexity of the particular security, and the size of the market issued in are also factors that impact marketability of the security. Market risk is mitigated in the portfolio through the purchase and holding of securities issued by larger, more well-known, and higher rated issuers, such as the United States Treasury, Federal Agencies, and larger more widely recognized Corporations. Purchases of equities, either individually or as part of a mutual fund will be done in such a way as to provide earnings potential while managing overall portfolio risks.

Liquidity: The 115 Retirement Trust shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by purchasing securities from large, well known, and highly rated issuers. As well as maintaining a ladder of investment whose maturities are timed to match anticipated needs of 115 Retirement Trust. As a longer duration retirement portfolio, it is anticipated that the 115 Retirement Trust Fund will be maintained at a substantially lower liquidity position relative to a cash management pool.

Yield: The 115 Retirement Trust shall be managed with the objective of maintaining a rate of return commensurate with the risk while bearing in mind the funds are intended to be longer duration and higher risk. However, as a consequence of purchasing longer maturity investments with higher yields, and equity investments, the total return on the 115 Trust Fund can be expected to fluctuate with changes in market conditions.

Standard of Care

The following policies are designed in accordance with Government Code §53215 et al and the recommended best practices of the Government Finance Officers Association (GFOA) to provide transparency to Treasury operations while enhancing portfolio controls.

- a) **Mark to Market:** In accordance with Governmental Account Standards Board (GASB) Statement 40, the portfolio will be marked to market on a monthly or more frequent basis and treated as “Available” for Sale” for reporting purposes.
- b) **Disbursements** will be made in accordance with the Trust agreement.
- c) **Prudent Investor:** Treasury staff will at all times be held to the “Prudent Investor Standard” when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds. The County Treasurer and his/her deputies shall act with care, skill, prudence, and diligence under the circumstances then prevailing, specifically including, but not limited to, the general economic conditions and the anticipated needs of the County and other depositors a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of investing funds of a like character and with like aims to safeguard the principal and maintain the liquidity needs of the County and other depositors.
- d) **Indemnification:** The Treasurer and his or her staff, when acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes. Investments shall be made with judgment and care under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own

affairs. Investments will not be made for speculation but for investment consistent with the stated objectives.

- e) **Ethics and Conflicts of Interest:** County officers, employees, agents and any others who may be directly involved in the investment decision process shall adhere to all applicable laws regarding conflicts of interest and refrain from personal business activity could conflict with the proper execution and management of the investment program or that could impair their ability to make impartial decisions. The receipt of gifts is subject to the disclosure requirements and limitations set forth in sections [§§87200 - 87210](#) and [§§89503 - 89503.5](#) of the Government Code. In addition, the receipt of honoraria is prohibited.
- f) **Transactions Records:** All Treasury records will be maintained in accordance with the County's adopted records retention policy.

Banking

Banking services are not currently utilized in connection with the PARS 115 Trust. Should any such services be required, they will be selected in accordance with Government Code §53635.2.

Safekeeping and Custody

Delivery vs. Payment: Purchased, or otherwise acquired, investment securities will be delivered by Fed Book Entry, DTC, or physical deliver, and to the extent feasible, held in third party safekeeping with a designated custodian. To the greatest extent possible, all transactions will be conducted on a Delivery Versus Payment (DVP) methodology where funds for payment are released simultaneously with the arrival of the investment.

Third-party Safekeeping: The trust department of a bank or other qualified provider will be designated as custodian for safekeeping specific securities. The custodian shall provide reporting and as needed real time access to financial records that show the specific instrument, selling broker/dealer, issuer, coupon, maturity, CUSIP number, purchase or sale price, transaction date, and other pertinent information.

Reporting

In accordance with the recommendations of Government Code §53216.4 the Treasurer will publish on the County public website, or make available through other electronic means, a detailed report of the investment transactions on an at least annual basis. The report will include a description of securities held, transactions made, expenses incurred, compensation paid, fees paid, and the net profit or loss of the portfolio. In addition, the report will include the acquisition cost, book value, market value, and total assets of the trust.

~~In addition, it is the practice of the Treasurer to provide additional and more frequent information to provide transparency in Treasury operations.~~

Transaction records, bank statements, account reconciliations, and associated accounting materials are filed and maintained in accordance with Government Code §27000 - §27013 inclusive; and the County's adopted records retention policy.

Compensation

In accordance with Government Code 53216.6, the Treasurer will charge the County 115 Retirement Trust Fund an administrative fee of 5 basis points for administrative and overhead costs. Costs include, but are not limited to, employee salaries and benefits, portfolio management, bank and custodial fees, software maintenance fees, and other direct and indirect costs incurred from handling or managing funds. The 115 Retirement Trust Fund will also be charged any fees or direct costs related to its management imposed by the Trustee. The administrative fee will be subject to change annually.

Financial Dealers and Institutions

As a trustee of public funds held on behalf of other governing bodies, it is the Treasurer's policy to use those financial institutions and financial service providers who provide the greatest investment benefit to the agency whose funds are under management.

- a) Issues of public social concern and benefit will be evaluated on a case by case basis using the minimum criteria to be eligible to receive County funds, all banks, savings associations or federally insured industrial loan companies must have received an overall rating of not less than "satisfactory" in its most recent evaluation by the appropriate federal financial supervisory agency of its record meeting the credit needs of California's communities, including low, moderate income neighborhoods pursuant to Section 2906 of Title 12 of the United States Code.
- b) Any decision to conduct financial transactions with an entity shall be made exercising the care, skill, prudence and diligence under the circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs.
- c) Authorization of Broker/Dealers to conduct business with the County is in the sole discretion of the Treasurer. In order to assist in the determination process, Broker/Dealers must provide reasonable proof of qualifications. The criteria for authorization of Broker/Dealers are as follows:
 - i. Any individual Broker/Dealer or Broker/Dealer firm that has made any political contribution to any agency, individual, or campaign within the potential scope of this policy, at any time during the prior 48 months that

exceeds the limitations contained in Rule G-37 of the Municipal Securities Rulemaking Board shall be barred from consideration.

- ii. Individual Broker/Dealers and Broker/Dealer firms must be in good standing with the NASD.
- iii. Individual Broker/Dealer and Broker/Dealer firms must be licensed to conduct business in the State of California.

Calculating and Apportioning 115 Retirement Trust Earnings

The Solano County 115 Retirement Trust Fund is comprised of monies restricted by the Solano County Board of Supervisors for the funding of future retirement needs. All earnings from the fund, fees, costs, or expenses will recorded and retained within the Retirement Trust Fund.

- a) Earnings apportioned on a quarterly basis in accordance with the California Government Code [§53645](#).
- b) When appropriate, earnings are calculated on an accrual basis for all investments in the 115 Retirement Trust.
- c) Management fees and related investment expenses will be deducted from the 115 Trust as needed.

Deposit and Withdrawal Requests

Deposits to and withdrawals from the 115 Retirement Trust will be made with the approval of the Solano County Board of Supervisors.

Authorized Investments and Restrictions

The Solano County Treasurer's 115 Retirement Trust Portfolio shall be governed by Government Code §53216 et seq. In addition, the portfolio is further restricted to the following percentages based on book value at the time of purchase.

Fixed Income Securities

Long-Term

Minimum Maturity:	7 Years
Maximum Maturity:	N/A
Minimum Credit Rating:	AA-
Maximum Credit Rating:	N/A
Minimum Allocation:	0%

Maximum Allocation:	10%
Intermediate Term	
Minimum Maturity:	3 Years
Maximum Maturity:	7 Years
Minimum Credit Rating:	A-
Maximum Credit Rating:	N/A
Minimum Allocation:	0%
Maximum Allocation:	50%
Short Term	
Minimum Maturity:	1 Day
Maximum Maturity:	3 Years
Minimum Credit Rating:	BBB-
Maximum Credit Rating:	N/A
Minimum Allocation:	0%
Maximum Allocation:	20%
Cash and Cash Equivalents	
Minimum Maturity:	1 Day
Maximum Maturity:	14 Months
Minimum Credit Rating:	BBB-
Maximum Credit Rating:	N/A
Minimum Allocation:	0%
Maximum Allocation:	100%
High Yield	
Minimum Allocation	0%
Maximum Allocation	10%
Convertible Debt	
Minimum Allocation	0%
Maximum Allocation	10%
Equity Securities	
Domestic Large Cap	
Minimum Allocation	0%
Maximum Allocation	55%
Domestic Mid Cap	
Minimum Allocation	0%
Maximum Allocation	20%
Domestic Small Cap	

Minimum Allocation	0%
Maximum Allocation	15%
International	
Minimum Allocation	0%
Maximum Allocation	20%
Real Estate	
Minimum Allocation	0%
Maximum Allocation	10%

Permitted Asset Classes and Security Types

Asset Class

Fixed Income

- Domestic including private placement 144A bonds
- Global

Equities

- Domestic
- Global
- Emerging Market
- Real Estate Investment Trusts (REITS)

Security Types

Fixed Income

- US Government
- US Government Sponsored Enterprises
- US Municipal Debt including private placements
- Corporate Debt
- Mortgage Backed Securities
- Asset Backed Securities
- Unit Trusts
- International Bank of Redevelopment
- World Bank

Fixed Income Mutual Funds

- US Government
- US Government Sponsored Enterprises
- Corporate Debt
- Mortgage Backed Securities
- Asset Backed Securities
- Unit Trusts
- International Bank of Redevelopment

- World Bank
- High Yield
- International and Emerging Market
- Convertible
- Preferred

Closed End Funds

Cash and Cash Equivalents

- Money Market Mutual Fund
- Commercial Paper
- Certificates of Deposit
- Bankers Acceptances

Equity Securities

- Domestic listed and unlisted securities
- Equity and equity related securities of non-US corporations, in the form of American Depository Receipts (ADR's)

Equity Mutual Funds

- Large Cap Growth and Value
- Mid Cap Core
- Small Cap Growth and Value
- International and Emerging Markets
- REIT's

Exchange Traded Funds

Prohibited Investments

- Precious Metals
- Venture Capital
- Short Sales
- Purchases of Letter Stock
- Private Placement Stock
- Direct Payments
- Leveraged Transactions
- Commodities
- Puts, Calls, Straddles, or Similar Option Investments
- Real Estate excluding REIT's
- Derivatives excluding ETF's

Any investment currently held in the portfolio that does not meet the guidelines established in this policy is exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

Other Policy Considerations

Disaster Recovery: The County Treasury maintains disaster recovery policies, procedures, and practices that are tested and updated on a regular basis as technologies and conditions change. These items are intended first and foremost to provide the maximum protection to Treasury assets in the event of a natural or manmade disaster.

The Treasury also maintains contingency operating procedures to provide business continuity in the event that key County facilities or equipment are unavailable for extended periods of time.

California Government Code Sections Referenced:

§27000-27013

§53215-53224

[§53630-53886](#)

§87200-[87210 & 89503-89503.5](#)



Solano County

675 Texas Street
Fairfield, California 94533
www.solanocounty.com

Agenda Submittal

Agenda #:	4	Status:	Consent Calendar
Type:	Resolution	Department:	Treasurer-Tax Collector-County Clerk
File #:	20-342	Contact:	Charles Lomeli, 784-3419
Agenda date:	05/05/2020	Final Action:	
Title:	Approve a resolution directing the County Treasurer to transfer of up to 85% of FY2020/21 anticipated property tax revenues from the Treasury Pool funds to local school districts when requested by a district, as authorized under Article XVI Section 6 of the California Constitution		
Governing body:	Board of Supervisors		
District:	All		
Attachments:	A - Resolution, B - Benicia USD Resolution, C - Dixon USD Resolution, D - Fairfield Suisun USD Resolution, E - Travis USD Resolution, F - Vacaville USD Resolution, G - Vallejo USD Resolution		

Date:	Ver.	Action By:	Action:	Result:
Published Notice Required?	Yes ___ No <u>X</u>			
Public Hearing Required?	Yes ___ No <u>X</u>			

DEPARTMENTAL RECOMMENDATION:

It is recommended that the Board of Supervisors approve a resolution directing the County Treasurer to transfer up to 85% of FY2020/21 anticipated tax revenues from the Treasury Pool funds to local school districts, when requested by a district, under Article XVI Section 6 of the California Constitution from July 1, 2020 to April 26, 2021.

SUMMARY

In accordance with Article XVI, Section 6 of the California Constitution, the County Treasurer will make mandatory advances of up to 85% of anticipated property tax revenues accruing to the local school districts during FY2020/21 as needed by them to cover any cash deficits they may experience in meeting their operational requirements. All advances will be repaid prior to April 26, 2021 as required by law.

The attached resolution will enable the various local school districts to fulfill their educational mandates by providing them with a stable source of required operational cash from July 1, 2020 to the last Monday in April of 2021, while keeping the County in compliance with all applicable mandatory statutes. Transfers will be payable with interest at the rate the County applies to funds of the districts on deposit with the County.

The anticipated amount of property tax revenues for each local district is determined by the Auditor Controller. At the request of a district by resolution, the Treasurer will advance up to 85% of the anticipated property tax revenues accruing to the requesting district.

FINANCIAL IMPACT:

The Constitutional transfers of funds will be made using cash available in the Treasury Pool. The Treasurer has determined that the temporary transfers of funds will not adversely affect the County Treasury Pool. There is sufficient liquidity in the Treasury Pool to fund these advances. The advances will be repaid from the first available revenues accruing to the districts.

The costs associated with preparing the agenda item are nominal and absorbed by the department's FY2019/20 Adopted Budget.

ALTERNATIVES:

The Board of Supervisors could elect not to direct the transfer of funds to the school districts; however, this is not recommended as the failure to direct that a transfer be made as requested by the school districts could cause those school districts to be unable to meet their functional mandates and place the County in noncompliance with State mandates.

OTHER AGENCY INVOLVEMENT:

The Auditor-Controller, County Counsel, County Administrator, Solano County Office of Education, and the respective requesting districts have been directly involved in this request. Formal transfer request resolutions received so far from school districts are attached.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION

RESOLUTION NO. 2020 - ____

**RESOLUTION OF THE SOLANO COUNTY BOARD OF SUPERVISORS DIRECTING
THE TREASURER TO MAKE AVAILABLE TEMPORARY TRANSFERS OF MONIES TO
SOLANO COUNTY SCHOOL DISTRICTS FROM THE TREASURY POOL DURING THE
FY2020/21**

Whereas, the Benicia Unified School District, the Dixon Unified School District, the Fairfield-Suisun Unified School District, the Travis Unified School District, the Vacaville Unified School District, and the Vallejo Unified School District (collectively, the "Districts") have funds in the County Treasury Pool; and

Whereas, all of the Districts already anticipate being without sufficient funds to meet their operating expenses in FY2020/21 due to the timing of property tax apportionments and subvention payments from the State; and

Whereas, pursuant to Article XVI, section 6 of the California Constitution, the County Treasurer, upon resolution of the Board of Supervisors, has the power and the duty to make temporary transfers of Treasury Pool funds to the Districts as loans against revenues anticipated to accrue to the Districts for the purpose of meeting the Districts' operating expenses; and

Whereas, the amount of the transfers to each district may not exceed 85% of the amount of money anticipated to accrue to each district during FY2020/21; and

Whereas, the Districts may request up to \$130,083,155 million as follows:

District	Constitutional Advance
Benicia USD	\$ <u>13,509,985</u>
Dixon USD	\$ <u>8,474,137</u>
Fairfield Suisun USD	\$ <u>45,900,000</u>
Travis USD	\$ <u>4,752,098</u>
Vacaville USD	\$ <u>31,810,935</u>
Vallejo USD	\$ <u>25,636,000</u>
Total	\$ <u>130,083,155</u>

Whereas, these amounts are less than or equal to 85% of the anticipated property tax revenues accruing to the respective districts in FY2021/21 as estimated by the County Auditor - Controller; and

Whereas, each District must repay any temporary transfers from revenues accruing to the District before any other obligation is met from such revenues at an interest rate the County applies to funds of the District on deposit with the County.

Resolved, the Solano County Board of Supervisors directs the County Treasurer, beginning July 1, 2020, and ending on April 26, 2021 to make available temporary transfers of monies to the Districts at an amount not to exceed 85% of anticipated revenues accruing to each District (as certified by the Auditor-Controller), upon the Treasurer's receipt of a resolution from the District requesting a transfer. Each District must repay such transfer from revenues accruing to the District before any other obligation is met from those revenues, payable with interest at the rate the County applies to funds of the District on deposit with the County.

Passed and adopted by the Solano County Board of Supervisors at its regular meeting on May 12, 2020 by the following vote:

AYES: SUPERVISORS _____

NOES: SUPERVISORS _____

EXCUSED: SUPERVISORS _____

ERIN HANNIGAN, Chairwoman
Solano County Board of Supervisors

ATTEST:
BIRGITTA E. CORSELLO, Clerk
Solano County Board of Supervisors

By: _____
Jeanette Neiger, Chief Deputy Clerk

RESOLUTION NO. 19-20-10

**RESOLUTION OF THE Benicia UNIFIED SCHOOL DISTRICT ("District")
REQUESTING THE TREASURER TO MAKE A CONSTITUTIONAL ADVANCE
TO DISTRICT**

WHEREAS, the District requests that the County Board of Supervisors authorize a Constitutional advance under article XVI, section 6 of the California Constitution of approximately \$13,509,985.00 to the District and,

WHEREAS, the amount is less than or equal to the 85% of fiscal year 2020-21 anticipated property tax revenues for the District, as estimated by the Solano County Auditor, and,

WHEREAS, the Treasurer will make available one or more advances between July 1, 2020, and the last Monday in April of the same fiscal year, and the school district will repay the advance(s) from revenues accruing to the district before any other obligation of the district is met from such revenue.

WHEREAS, the District will be charged an interest rate equal to the rate the County applies to funds of the district on deposit with the County.

RESOLVED, the District requests the Solano County Board of Supervisors authorize the County Treasurer to transfer approximately \$13,509,985.00 in one or more loans to the school district listed above to cover one or more cash shortages caused by delays in receipt of revenues from the State to which the district is lawfully entitled.

The District adopted this resolution at its regular meeting on March 5, 2020, by the following vote:

AYES: 5 - Diane Ferrucci, Stacy Holguin, Mark Maselli, Sheri Zada, Gethsanene Moss

NOES: 0

EXCUSED: 0


Stacy Holguin
Clerk of the Governing Board

RESOLUTION NO. 20-1624

**RESOLUTION OF THE DIXON UNIFIED SCHOOL DISTRICT ("District") REQUESTING THE
TREASURER TO MAKE A CONSTITUTIONAL ADVANCE TO DISTRICT**

WHEREAS, the District requests that the County Board of Supervisors authorize a Constitutional advance under article XVI, section 6 of the California Constitution of approximately \$8,474,137 to the District and,

WHEREAS, the amount is less than or equal to the 85% of fiscal year 2020-2021 anticipated property tax revenues for the District, as estimated by the Solano County Auditor, and,

WHEREAS, the Treasurer will make available one or more advances between July 1, 2020 the last Monday in April of the same fiscal year, and the school district will repay the advance(s) from revenues accruing to the district before any other obligation of the district is met from such revenue.

WHEREAS, the District will be charged an interest rate equal to the rate the County applies to funds of the district on deposit with the County.

RESOLVED, the District requests the Solano County Board of Supervisors authorize the County Treasurer to transfer approximately \$8,474,137 in one or more loans to the school district listed above to cover one or more cash shortages caused by delays in receipt of revenues from the State to which the district is lawfully entitled.

The District adopted this resolution at its regular meeting on April 2, 2020, by the following vote:

AYES: Maseda, Fink, O'Halloran, Foster

NOES: _____

EXCUSED: Gabby



Brian Dolan
Secretary to the Board

Board Approved 4.2.2020

RESOLUTION NO. 49-1920

**RESOLUTION OF THE FAIRFIELD-SUISUN UNIFIED SCHOOL DISTRICT ("District")
REQUESTING THE TREASURER TO MAKE A CONSTITUTIONAL ADVANCE TO
DISTRICT**

WHEREAS, the District requests that the County Board of Supervisors authorize a Constitutional advance under article XVI, section 6 of the California Constitution of approximately \$45,900,000 to the District and,

WHEREAS, the amount is less than or equal to the 85% of fiscal year 2020-2021 anticipated property tax revenues for the District, as estimated by the Solano County Auditor, and,


WHEREAS, the Treasurer will make available one or more advances between July 1, 2020 the last Monday in April of the same fiscal year, and the school district will repay the advance(s) from revenues accruing to the district before any other obligation of the district is met from such revenue.

WHEREAS, the District will be charged an interest rate equal to the rate the County applies to funds of the district on deposit with the County.

RESOLVED, the District requests the Solano County Board of Supervisors authorize the County Treasurer to transfer approximately \$45,900,000 in one or more loans to the school district listed above to cover one or more cash shortages caused by delays in receipt of revenues from the State to which the district is lawfully entitled.

The District adopted this resolution at its regular meeting on the 19th day of March 2020, by the following vote:

AYES:	Judi Honeychurch, John Silva, Joan Gaut, David Isom,
	Jonathan Richardson, Bethany Smith, Craig Wilson
NOES:	N/A
ABSENT:	N/A
ABSTENTION:	N/A



Kris Corey, Secretary
Fairfield-Suisun Unified School District
Governing Board

RESOLUTION NO. 2019-20-17

**RESOLUTION OF THE TRAVIS UNIFIED SCHOOL DISTRICT ("District")
REQUESTING THE TREASURER TO MAKE A CONSTITUTIONAL ADVANCE TO
DISTRICT**

WHEREAS, the District requests that the County Board of Supervisors authorize a Constitutional advance under article XVI, section 6 of the California Constitution of approximately \$4,752,097.55 to the District and,

WHEREAS, the amount is less than or equal to the 85% of fiscal year 2020-2021 anticipated property tax revenues for the District, as estimated by the Solano County Auditor, and,

WHEREAS, the Treasurer will make available one or more advances between July 1, 2020 the last Monday in April of the same fiscal year, and the school district will repay the advance(s) from revenues accruing to the district before any other obligation of the district is met from such revenue.

WHEREAS, the District will be charged an interest rate equal to the rate the County applies to funds of the district on deposit with the County.

RESOLVED, the District requests the Solano County Board of Supervisors authorize the County Treasurer to transfer approximately \$4,752,097.55 in one or more loans to the school district listed above to cover one or more cash shortages caused by delays in receipt of revenues from the State to which the district is lawfully entitled.

The District adopted this resolution at its regular meeting on March 24, 2020, by the following vote:

AYES: Barrington, DeAnda, Forbes, Hood, Saiz


NOES: _____

EXCUSED: _____

ATTEST: _____



Janet Jackson Forbes
Clerk of the Governing Board



Pam Conklin
Superintendent and Secretary to the Governing Board
Travis Unified School District

**VACAVILLE UNIFIED SCHOOL DISTRICT
RESOLUTION NO. 23, 2019-20**

**RESOLUTION OF THE VACAVILLE UNIFIED SCHOOL DISTRICT ("District")
REQUESTING THE TREASURER TO MAKE A CONSTITUTIONAL
ADVANCE TO DISTRICT**

WHEREAS, the District requests that the County Board of Supervisors authorize a constitutional advance under article XVI, section 6 of the California Constitution of approximately \$31,810,935.00 to the District; and

WHEREAS, the amount is less than or equal to the 85% of fiscal year 2019-20 anticipated property tax revenues for the District, as estimated by the Solano County Auditor; and

WHEREAS, the Treasurer will make available one or more advances between July 1, 2020 and the last Monday in April of the same fiscal year, and the District will repay the advance(s) from revenues accruing to the District before any other obligation of the District is met from such revenue; and

WHEREAS, the District will be charged an interest rate equal to the rate the County applies to funds of the District on deposit with the County.

RESOLVED, the District requests the Solano County Board of Supervisors authorize the County Treasurer to transfer approximately \$31,810,935.00 in one or more loans to the Vacaville Unified School District to cover one or more cash shortages caused by delays in receipt of revenues from the State to which the District is lawfully entitled.

PASSED AND ADOPTED by the Vacaville Unified School District Governing Board, Vacaville, Solano County, California, this 19th day of March 2020 by the following vote:

AYES: Michele Dally, John Jansen, Michael Kitzes, Sherie Mahlberg, Michael Silva,

Tracee Stacy, Shawn Windham

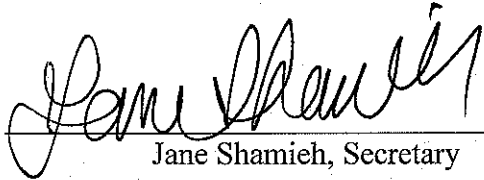
NOES:

ABSENT:

ABSTAIN:

CERTIFICATION

I, Jane Shamieh, Secretary to the Vacaville Unified School District Governing Board, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by the said Board at a regular meeting thereof at the time and by the vote above stated, which resolution is on file in the administrative offices of said school district.


Jane Shamieh, Secretary

RESOLUTION NO. 2908
VALLEJO UNIFIED SCHOOL DISTRICT ("District") REQUESTING THE TREASURER
TO MAKE A CONSTITUTIONAL ADVANCE TO DISTRICT

WHEREAS, the District requests that the County Board of Supervisors authorize a Constitutional advance under article XVI, section 6 of the California Constitution of approximately \$25,636,000 to the District and,

WHEREAS, the amount is less than or equal to the 85% of fiscal year 2020-21 anticipated property tax revenues for the District, as estimated by the Solano County Auditor, and,

WHEREAS, the Treasurer will make available one or more advances between July 1, 2020 the last Monday in April of the same fiscal year, and the school district will repay the advance(s) from revenues accruing to the district before any other obligation of the district is met from such revenue.

WHEREAS, the District will be charged an interest rate equal to the rate the County applies to funds of the district on deposit with the County.

RESOLVED, the District requests the Solano County Board of Supervisors authorize the County Treasurer to transfer approximately \$25,636,000 in one or more loans to the school district listed above to cover one or more cash shortages caused by delays in receipt of revenues from the State to which the district is lawfully entitled.

The District adopted this resolution at its regular meeting on **April 15, 2020** by the following vote:

AYES:

4

NOES:

0

EXCUSED:

1



Clerk of the Governing Board



Solano County

675 Texas Street
Fairfield, California 94533
www.solanocounty.com

Agenda Submittal

Agenda #:	5	Status:	Consent Calendar
Type:	Resolution	Department:	Ag Commissioner/Sealer of Weights and Measures
File #:	20-349	Contact:	Ed King, 784-1310
Agenda date:	05/05/2020	Final Action:	
Title:	Adopt a resolution amending the List of Numbers and Classifications of Positions to reclassify a 1.0 Full-Time Equivalent (FTE) Office Assistant I to a 1.0 FTE Office Assistant II in the Department of Agriculture		
Governing body:	Board of Supervisors		
District:	All		
Attachments:	A - Resolution		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ☐ No ☒
Public Hearing Required? Yes ☐ No ☒

DEPARTMENTAL RECOMMENDATION:

The Department of Agriculture recommends the Board of Supervisors adopt a resolution amending the List of Numbers and Classifications of Positions to reclassify a 1.0 Full-Time Equivalent (FTE) Office Assistant I to a 1.0 FTE Office Assistant II in the Department of Agriculture to support the Department's agriculture, pesticide use enforcement and weights and measures programs.

SUMMARY:

In early 2020, the Department conducted a study of administrative workloads and program support needs. This study found that Agricultural programs were lacking a higher level of administrative support within the unit. The Department asked Human Resources to review the duties and responsibilities of the Office Assistant I classification as duties had evolved due to the increasing number of agricultural program responsibilities associated with this position. Human Resources has completed the classification review and determined the appropriate classification is Office Assistant II. The Office Assistant I position is currently filled and the staff member qualifies for the Office Assistant II position.

FINANCIAL IMPACT:

Adoption of the resolution will result in a monthly salary increase of \$248 and with minimal fiscal impact that can be absorbed within the Department's current budget. Included in the Department's FY2020/21 Requested Budget was an annual salary increase of \$3,409. The costs associated with preparing the agenda item are nominal and absorbed by the Department's FY2019/20 Adopted Budget.

DISCUSSION:

In March 2020, the Ag Department asked Human Resources to conduct a classification review of the duties

and responsibilities of the Office Assistant I classification due to the increasing number of agricultural program responsibilities associated with this position. Human Resources has completed their review and determined the appropriate classification is an Office Assistant II.

During the last two years, the Agriculture Department has experienced additional contracts and expansions of existing contracts which has translated into an increase in mandated State reporting, data entry into specialized State databases and requests for complex informational reports. This position also processes claims, logs and tracks payments received, composes documents to support department managers, processes accounts receivable and makes deposits. The classification change to an Office Assistant II recognizes the appropriate classification for the current duties and responsibilities being performed in the Agriculture/Weights and Measures programs.

ALTERNATIVES:

The Board could choose not to adopt the resolution; however, this is not recommended as the Department requested the classification review of this position and Human Resources determined that another classification is the appropriate classification for the duties and responsibilities for the agricultural programs.

OTHER AGENCY INVOLVEMENT:

The Human Resources Department and the County Administrator's Office concur with the recommendation.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION


RESOLUTION NO. 2020 - _____

**RESOLUTION OF THE SOLANO COUNTY BOARD OF SUPERVISORS
AMENDING THE LIST OF NUMBERS AND CLASSIFICATIONS OF POSITIONS
WITHIN SOLANO COUNTY**

Resolved, that the Solano County Board of Supervisors authorizes the Director of Human Resources to make any technical corrections if needed; and,

Further resolved, that the Solano County Board of Supervisors does hereby amend, modify and/or alter its Allocation List of Positions of Solano County as set forth below:

Department	Budget Unit	Class No.	Position Control No.	Class Title	Effective Date	Departmental Total Positions			
						Allocated	Filled	Proposed	Change
Agriculture	2831	782030	15746	Office Assistant I	05/17/20	1.0	1.0	0.0	(1.0)
Agriculture	2831	783270	15746	Office Assistant II	05/17/20	2.0	2.0	3.0	1.0



Interim Director of Human Resources

4/23/2020

Date

Passed and adopted by the Solano County Board of Supervisors at its regular meeting on _____ by the following vote:

AYES: SUPERVISORS _____

NOES: SUPERVISORS _____

EXCUSED: SUPERVISORS _____

ERIN HANNIGAN, Chairwoman
Solano County Board of Supervisors

ATTEST:

BIRGITTA E. CORSELLO, Clerk
Solano County Board of Supervisors

By: _____
Jeanette Neiger, Chief Deputy Clerk



Solano County

675 Texas Street
Fairfield, California 94533
www.solanocounty.com

Agenda Submittal

Agenda #:	6	Status:	Consent Calendar
Type:	Resolution	Department:	Health and Social Services
File #:	20-237	Contact:	Gerald Huber, 784-8400
Agenda date:	05/05/2020	Final Action:	
Title:	Adopt a resolution and plaque of appreciation honoring Theresa Guglielminetti, Eligibility Benefits Specialist II, upon her retirement from the Health and Social Services Department, Employment and Eligibility Division, with over 20 years of dedicated public service to Solano County		
Governing body:	Board of Supervisors		
District:	All		
Attachments:	A - Resolution		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ___ No X
Public Hearing Required? Yes ___ No X

DEPARTMENTAL RECOMMENDATION:

The Department of Health and Social Services recommends that the Board of Supervisors adopt a resolution and plaque of appreciation honoring Theresa Guglielminetti, Eligibility Benefits Specialist II, upon her retirement from the Health and Social Services Department, Employment and Eligibility Services Division, with over 20 years of dedicated public service to Solano County.

SUMMARY/DISCUSSION:

Theresa Guglielminetti began her career in October 1999 as an Office Assistant II assigned to Health and Social Services, Employment and Eligibility Services Division, supporting Welfare to Work, SMART Referrals, and Eligibility programs. In 2004, Ms. Guglielminetti was promoted to Eligibility Benefits Specialist where she determined eligibility for General Assistance and ongoing eligibility for Medi-Cal, County Medical Services Program (CMSP), and CalFresh food benefits program. In 2013, after briefly being assigned to the County Healthcare Options and Insurance Coverage Enrollment (CHOICE) call center, she returned to General Assistance where she spent the remainder of her career.

Ms. Guglielminetti was a model caseworker whose years of experience and program knowledge made her a valuable resource to the General Assistance unit. She consistently completed her casework efficiently and accurately to ensure correct issuance of cash, food and medical benefits to clients in need. She retired on February 28, 2020 as an Eligibility Benefits Specialist II in the Employment & Eligibility Services Division spending most of her career in the General Assistance Unit providing cash, food, and medical assistance to those in need.

FINANCIAL IMPACT:

The costs associated with preparing the agenda item are nominal and absorbed by the Department's FY2019/20 Adopted Budget. The costs associated with preparation and purchase of the resolution materials and plaque are included in the Board's FY2019/20 Adopted Budget.

ALTERNATIVES:

The Board of Supervisors could choose not to adopt this resolution and approve this plaque of appreciation; however, this is not recommended because this is an opportunity to recognize Ms. Guglielminetti for her dedication and outstanding contributions to the County.

OTHER AGENCY INVOLVEMENT:

There is no other agency involvement.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION

Resolution No. 2020 -

RESOLUTION OF THE SOLANO COUNTY BOARD OF SUPERVISORS HONORING THERESA GUGLIELMINETTI, ELIGIBILITY SPECIALIST II, UPON HER RETIREMENT FROM THE HEALTH & SOCIAL SERVICES DEPARTMENT, EMPLOYMENT AND ELIGIBILITY DIVISION, WITH OVER 20 YEARS OF DEDICATED PUBLIC SERVICE TO SOLANO COUNTY

WHEREAS, Theresa Guglielminetti began her career in October 1999 as an Office Assistant II assigned to the Health and Social Services Department, Employment and Eligibility Division, supporting Welfare to Work, SMART referrals, and Eligibility programs; and

WHEREAS, in 2004, Ms. Guglielminetti was promoted to Eligibility Benefits Specialist determining eligibility for General Assistance and ongoing eligibility for Medical, County Medical Services Program and CalFresh benefits, and in 2013 after briefly being assigned to the CHOICE call center, she returned to General Assistance where she spent the remainder of her career; and

WHEREAS, Ms. Guglielminetti was a model caseworker whose years of experience and program knowledge made her a valuable resource to the General Assistance unit, she consistently completed her casework efficiently and accurately to ensure correct issuance of cash, food, and medical benefits to clients in need; and

WHEREAS, over the course of her career, Ms. Guglielminetti has been dedicated to meeting the needs of the most vulnerable residents of Solano County; and

WHEREAS, she is highly respected by her peers and will be deeply missed.

NOW, THEREFORE BE IT RESOLVED, that the Solano County Board of Supervisors hereby recognizes Theresa Guglielminetti for her loyal service to Solano County and wishes her well in her retirement and future endeavors.

Dated this 5th day of May, 2020

ERIN HANNIGAN, Chairwoman
Solano County Board of Supervisors

ATTEST:
BIRGITTA E. CORSELLO, Clerk
Solano County Board of Supervisors

By: _____
Jeanette Neiger, Chief Deputy Clerk



Solano County

675 Texas Street
Fairfield, California 94533
www.solanocounty.com

Agenda Submittal

Agenda #:	7	Status:	Consent Calendar
Type:	Contract	Department:	Health and Social Services
File #:	20-306	Contact:	Gerald Huber, 784-8400
Agenda date:	05/05/2020	Final Action:	
Title:	Approve a second contract amendment with Solano County Office of Education for \$341,261, for a total contract amount of \$1,245,413, to administer grants supporting the implementation of culturally responsive school-based Wellness Centers on campuses across the County through June 30, 2020; Authorize the County Administrator to execute the amendment; and Approve an Appropriations Transfer Request (ATR) to transfer \$341,261 in Mental Health Services Act revenue from Fund 906 to Fund 902 and increase appropriations for the amendment (4/5 vote required)		
Governing body:	Board of Supervisors		
District:	All		
Attachments:	A - Second Amendment, B - Link to Contract and First Amendment		

Date:	Ver.	Action By:	Action:	Result:
Published Notice Required?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>		
Public Hearing Required?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>		

DEPARTMENTAL RECOMMENDATION:

The Department of Health and Social Services (H&SS) recommends that the Board approve a second contract amendment with Solano County Office of Education for \$341,261, for a total contract amount of \$1,245,413, to administer grants supporting the implementation of culturally responsive school-based Wellness Centers on campuses across the County through June 30, 2020; authorize the County Administrator to execute the amendment; and approve an Appropriations Transfer Request (ATR) to transfer \$341,261 in Mental Health Services Act revenue from Fund 906 to Fund 902 and increase appropriations for the amendment (4/5 vote required).

SUMMARY:

The wellness center project is part of the Mental Health Services Act (MHSA) Innovation (INN) project *Interdisciplinary Collaboration and Cultural Transformation Model (ICCTM)* and the Solano County MHSA Reversion Plan. With the passage of Assembly Bill 114 (AB 114) counties received notice that previously unspent MHSA funds that were at risk of reversion to the State could be retained locally, within the originally intended funding category, upon timely development of a new plan for expenditure of the funds by June 30, 2020. INN funds were at risk of reversion in Solano County and the County's Reversion Plan emphasized the implementation of the ICCTM. The Plan was endorsed by the MHSA Steering Committee and stakeholders and approved by the Board of Supervisors on September 11, 2018.

The original contract for \$170,000 was approved by the Board of Supervisors on June 25, 2019. The second amendment for \$734,152 was subsequently approved by the Board on August 27, 2019 and allowed the

Solano County Office of Education (SCOE) to establish five pilot wellness centers and award wellness center/rooms funding to an additional 17 school sites. The proposed amendment will support the opening of up to 20 additional sites, resulting in a total of up to 42 school-based wellness centers/rooms throughout Solano County by June 30, 2020. The funding will be used for the purchase of furnishings and a variety of educational materials promoting mental health wellness. School district staff will be available for receipt and installation of all furnishings and materials by June 30, 2020, and ready for when students return to campuses. The amendment will also allow provide technical assistance and training supports to enhance the implementation of the wellness centers/rooms. The recent COVID-19 crisis and local school closures have generated additional interest in addressing student mental health through the wellness center initiative.

Schools apply for wellness center/room funds by demonstrating a plan for implementation and sustainability, and then the funds are disbursed through SCOE. Each school district is responsible for identifying suitable and sustainable space(s), providing staff to support the centers/rooms, and identifying an infrastructure to refer and link students to more intensive services as needed. SCOE has effectively garnered participation from school districts/sites, solicited community input, developed multi-sector partnerships, and formulated sustainability plans. Additionally, SCOE has demonstrated a financial commitment by securing several supplementary grants to be leveraged for the initiative.

FINANCIAL IMPACT:

The second contract amendment adds \$341,261 to the Solano County Office of Education contract for a total contract amount of \$1,245,413. The increase is funded by \$58,867 in MHSA Prevention & Early Intervention (PEI) funds and \$282,394 in MHSA INN funds. If not used by June 30, 2020, the INN funds will revert to the State. As funding for this agreement was not budgeted, an ATR to transfer \$341,261 in MHSA revenue from Fund 906 to Fund 902 and increase appropriations for this amendment is needed. There is no impact to the County General Fund.

The cost of preparing the agenda item is nominal and is included in the Department's FY2019/20 Adopted Budget.

DISCUSSION:

In FY2014/15, the Solano County Board of Supervisors and the California MHSAOAC approved the County's Innovation Component Plan to implement the Mental Health Interdisciplinary Collaboration and Cultural Transformation Model (ICCTM). The County is partnering with the University of California, Davis, Center for Reducing Health Disparities to implement the ICCTM project which aims to increase culturally competent and linguistically appropriate services for Solano County-specific unserved and underserved populations with low mental health service utilization rates: Latino, Filipino and LGBTQ communities. Solano County is the first county to design a multi-phase transformation project that combines the nationally Culturally and Linguistically Appropriate Services (CLAS) standards with community engagement in order to create a region-specific curriculum and quality improvement action plans that are intended to create a system change. The proposed amendment is associated with the third phase of the project - the implementation action plans developed in phase two.

Phase 1 included a comprehensive cultural health assessment of the local community that included the collection of qualitative data captured through key informant interviews, focus groups, community forums, organizational surveys, and analysis of service data from the County's electronic health record system.

Phase 2 included the facilitation of the three CLAS Training cohorts specific to the mental health needs of Solano County.

Phase 3 is underway and focuses on the coordination, implementation, and evaluation of the action plans.

Phase 3 is: "Taking CLAS to Schools," which is designed to increase mental health services and supports in schools through the creation of culturally responsive wellness centers/rooms in schools K-12 and adult education sites throughout Solano County. These wellness centers/rooms will provide a variety of educational materials on mental health, stigma reduction, suicide prevention, substance abuse prevention, and general wellness to prevent the development of serious behavioral health conditions. Addressing the mental health needs of students more proactively in a safe and accessible space is expected to improve attendance and academics, reduce discipline issues, and reduce students experiencing crises on school campuses that have caused a recent increase in students being placed on a Welfare and Institutions Code (WIC) section 5150 by local law enforcement, and most importantly, reduce student suicide deaths.

ALTERNATIVES:

The Board may choose not to approve the second contract amendment with SCOE. This is not recommended as the funds would revert to the State and the INN Plan is stakeholder-driven and was approved by the Board.

OTHER AGENCY INVOLVEMENT:

This is a collaborative project developed by ICCTM project group members representing SCOE, Adult Education Consortium, and a representative from Solano Special Education Local Areas (SELPA). The Solano Youth Voices youth leadership council facilitated youth focus groups for pilot wellness centers, and they will partner with SCOE to conduct youth focus groups for future wellness center sites. Additional partners include the local school districts, Solano Pride Center, and other community-based organizations that will provide onsite outreach, education, or training at the wellness centers.

CAO RECOMMENDATION:

APPROVE DEPARTMENT RECOMMENDATION

**SECOND AMENDMENT TO STANDARD CONTRACT
BETWEEN COUNTY OF SOLANO and SOLANO COUNTY OFFICE OF EDUCATION**

This Second Amendment is made on, April 28, 2020 between the COUNTY OF SOLANO, a political subdivision of the State of California ("County") and SOLANO COUNTY OFFICE OF EDUCATION, ("Contractor").

1. Recitals

- A. The parties entered into a contract dated July 1, 2019 (the "Contract"), in which Contractor agreed to provide prevention and early intervention school-based mental health program liaison and stigma reduction services.
- B. The parties entered into a First Amendment to the Contract on August 27, 2019, to add the administration of wellness centers/rooms grants.
- C. The County now needs to amend the Scope of Work and Budget to add additional services to the Contract regarding the wellness centers/rooms grants.
- D. This Second Amendment represents an increase of \$341,261 of the Contract.
- E. The parties agree to amend the Contract as set forth below.

2. Agreement

A. Amount of Contract

Section 3 is deleted in its entirety and replaced with: "The maximum amount of this Contract is \$1,245,413."

B. Scope of Work

Section II.1.O of Exhibit A is deleted in its entirety and replaced with:

O. ADMINISTRATION OF WELLNESS CENTERS/ROOMS GRANTS (MHSA INNOVATION PROJECT)

- 1) Coordinate with the County and participating Solano County school sites to administer grants to support the implementation of 35-42 Wellness Centers/Rooms on school campuses across the County to support a larger MHSA Innovations Project focused on increasing services for unserved/underserved community members by decreasing stigma, co-locating services for easier access, increasing education about mental health, and providing preventative services in partnership with Behavioral Health, Public Health, Substance Use Disorder services and other community organizations.
 - a. Eligible school sites to include: elementary, middle and high schools, alternative education sites, and adult education sites.
- 2) Contractor will identify school sites that have the infrastructure needed to implement wellness centers/rooms.
 - a. Review of applications received from school sites to determine if criteria has been met;
 - b. For each school that submits an application, Contractor will determine a process to evaluate and approve the location proposed for the wellness center space.
- 3) Contractor will organize and facilitate focus groups or surveys with students, parents and school personnel to broadly inform the implementation of wellness rooms;
- 4) Oversee the implementation of wellness centers/rooms by administering the funds necessary for start-up.

- a. Each school site will submit a grant application form that both County and Contractor will review and approve prior to funds being approved. Grant funds can be used to purchase the following:
 - i. One-time start up furnishings;
 - ii. Materials and supplies to include art supplies, posters, therapeutic games and activities, books, equipment to track usage of centers and data, etc.;
 - iii. Site specific trainings to support the implementation of wellness centers/rooms.
- b. Contractor will award the funds to approved school sites and submit invoices with receipts for purchases to the County in order to be reimbursed.

- 5) Contractor will provide trainings in stigma reduction, suicide prevention, how to link students to necessary resources including mental health services, trauma-informed care, etc.

C. Budget

- (1) The First Amendment's Exhibit B-1-1, which replaced Exhibit B-1 of the Contract, is deleted in its entirety and replaced with the Budget attached to and incorporated by this reference as Exhibit B-1-2.
- (2) All references in the Contract to Exhibit B-1-1 are deleted and replaced with Exhibit B-1. For purposes of Exhibit B of the Contract, all references to Exhibit B-1 shall be from now on to Exhibit B-1-2 of this Second Amendment.

3. Effectiveness of Contract.

Except as set forth in this Second Amendment, all other terms and conditions specified in the Contract remain in full force and effect.

COUNTY OF SOLANO, a Political
Subdivision of the State of California

CONTRACTOR

By _____
Birgitta E. Corsello
County Administrator

By Becky Lentz  04/15/2020 12:45 PM EDT
Becky Lentz
Director of Internal Business Services

APPROVED AS TO FORM

APPROVED AS TO CONTENT

By Daniel Wolk  04/15/2020 02:24 PM EDT
County Counsel

By Gerald Huber  04/15/2020 02:22 PM EDT
Gerald R. Huber, Director
Health and Social Services Department

EXHIBIT B-1-2
BUDGET DETAIL AND PAYMENT PROVISIONS
July 1, 2019 to June 30, 2020
DIRECT COSTS
For Service Delivery of Contracted Services

A. Personnel Expenses		
Job Title	FTE	Total
Director of Student Programs & Support	0.25	\$35,000
Clinical Services Supervisor	0.40	\$48,500
Student Wellness Specialist	1.00	\$103,500
Secretary/Program Analyst	0.10	\$5,750
Total Salaries		\$192,750
Total Fringe Benefits		\$70,000
Total Personnel Expenses (Salaries + Fringe Benefits)		\$262,750

B. Operation Expenses		
Line Item		Total
Supplies		\$5,165
Travel (Mileage)		\$4,000
Trainings related to School Wellness Centers (INN Reversion)		\$15,000
Wellness Center -Grants (INN Reversion)		\$780,000
Stigma Reduction/Suicide Prevention Mini Grants (PEI)		\$21,600
Operations (share of PGE, data line, custodial, etc.)		\$5,255
Total Operation Expenses		\$831,020

C. Subcontractors		
Solano Youth Voices (INN Reversion)		\$30,000
Consultants/Videographer		\$15,000
Total Subcontractor Expenses		\$45,000

D. Indirect Expenses		
	up to 9.75%	Total
Indirect		\$106,643
Total Indirect Expenses		\$106,643

TOTAL BUDGET		\$1,245,413
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The executed Contract and First Amendment with Solano County Office of Education (SCOE) can be accessed at the web pages linked below, in addition to being on file with the Clerk of the Board.

[A - Link to SCOE Contract # 03728-20](#)

[B - Link to SCOE Amendment 1 #3728-20 A1](#)



Solano County

675 Texas Street
Fairfield, California 94533
www.solanocounty.com

Agenda Submittal

Agenda #: 8
Type: Contract
File #: 20-305
Agenda date: 05/05/2020
Status: Consent Calendar
Department: Health and Social Services
Contact: Gerald Huber, 784-8400
Final Action:
Title: Authorize the Department of Health and Social Services to pursue an Intergovernmental Transfer (IGT) with the California Department of Health Care Services of up to approximately \$7,145,977 in FY2019/20 and FY2020/21 covering an eighteen-month period from July 1, 2019 to June 30, 2020 and July 1, 2020 to December 31, 2020; Authorize payment of a State administrative fee equal to twenty percent of the transfer amount estimated at \$1,429,195; and Authorize the County Administrator to execute the necessary agreements with the State of California and Partnership HealthPlan of California
Governing body: Board of Supervisors
District: All
Attachments:

Date:	Ver.	Action By:	Action:	Result:
Published Notice Required?	Yes	No	<u>X</u>	
Public Hearing Required?	Yes	No	<u>X</u>	

DEPARTMENTAL RECOMMENDATION:

The Department of Health & Social Services (H&SS) requests that the Board:

- 1) Authorize H&SS to pursue an Intergovernmental Transfer (IGT) with the California Department of Health Care Services (DHCS) of up to approximately \$7,145,977 in FY2019/20 and FY2020/21 covering an eighteen-month period from July 1, 2019 to June 30, 2020 and July 1, 2020 to December 31, 2020;
- 2) Authorize payment of a State administrative fee equal to twenty percent of the transfer amount estimated at \$1,429,195; and
- 3) Authorize the County Administrator to execute the necessary agreements with the State of California and Partnership HealthPlan of California.

SUMMARY:

The Board approved Intergovernmental Transfer (IGT) agreements from FY2013/14 through FY2018/19 authorizing the transfer of local funds to the California Department of Health Care Services (DHCS). These agreements allow the County to leverage additional federal Medicaid funds for the provision of healthcare services. Under the IGT, Solano County executes agreements to transfer funds to DHCS, including payment of a State administrative fee equal to twenty percent of the transfer amount. DHCS submits the IGT to the Centers for Medicare and Medicaid Services (CMS), and upon approval the federal matching funds are paid to

the State. DHCS then increases the amount of its Medi-Cal contract with Partnership HealthPlan of California (PHC), Solano's Medi-Cal Managed Care Organization, in the amount of the transferred funds plus the federal matching, less the administrative fee charged by the State. Finally, PHC pays the resulting net transferred funds to the County.

In FY2019/20, the IGT funding cycle is experiencing a bridge funding year of 18 months to shift the IGT funding from a fiscal year to a calendar year. H&SS has identified estimated qualifying expenses in FY2019/20 of \$7,145,977. Under the proposed agreement, the County will transfer up to approximately \$7,145,977 in local funds plus a 20% State administrative fee of \$1,429,195. The local funds used for the transfer are available in H&SS and will not impact cash flow on a countywide level.

It is anticipated that the federal revenues for this funding period will increase as a result of the temporary 6.2% increase in the Federal Medi-Cal Assistance Percentage (FMAP) under the Families First Coronavirus Response Act (FFCRA). The temporary increase in FMAP is effective beginning January 1, 2020 and extending through the last day of the calendar quarter in which the public health emergency declared by the Secretary of Health and Human Services for COVID-19 terminates.

FINANCIAL IMPACT:

The source of funding for this transfer and payment will be 1991 Public Health Realignment funds currently allocated to H&SS. The IGT funds and administrative fee are included in the Department's FY2020/21 Requested Budget. There is no additional impact to the County General Fund.

With Board and CMS approval, H&SS will transfer up to approximately \$7,145,977 for the FY2019/20 bridge funding year. Additionally, H&SS will make a payment in the amount of up to \$1,429,195 to DHCS as California Welfare and Institutions Code §14301.4 authorizes the State to assess a twenty percent non-refundable assessment fee on the non-federal share of an IGT to cover the administrative costs of operating the IGT program and to support the Medi-Cal program. H&SS anticipates drawing down an estimated \$14,291,954 in IGT funds, which historically, the County has received within 28 -69 days after the transfer of funds.

The cost of preparing the agenda item is nominal and included in the Department's FY2019/20 Adopted Budget.

DISCUSSION:

California counties participating in Medi-Cal Managed Care, including Partnership HealthPlan of California, may enter into prospective payment IGT agreements with the California Department of Health Care Services (DHCS). As a Medi-Cal Managed Care Plan, Solano County will transfer up to approximately \$7,145,977 in local funds covering the rate year FY2019/20 to draw down an estimated \$14,291,954 in IGT funds. An amended Health Plan Agreement between PHC and the County provides for an increase in the Medi-Cal Managed Care payment to transfer the IGT funds for services specified in the IGT spending plan. H&SS will use these funds to promote the well-being of PHC Medi-Cal beneficiaries by maintaining and/or improving current services, increasing access to services, and expanding existing services or health programs. With these funds, H&SS will support initiatives to help mitigate identified, unmet needs, including communicable disease prevention and control, home visiting, and care management programs.

H&SS has worked closely with PHC and other community partners to strategically utilize IGT funds to maintain critical services and improve the overall quality of care in the County's health system.

The IGT funds previously approved by the Board have been used by H&SS to: maintain Sexually-Transmitted Diseases (STD) and Tuberculosis (TB) control and case management services, support public health nursing

home visiting and care management services for high-risk families, support continued implementation of the Baby First/Healthy Families America program, support provision of mental health services to severely and persistently mentally ill residents at the County's Integrated Care Clinics, and support expansion of dental health services to County residents.

ALTERNATIVES:

The Board may choose not to approve H&SS pursuing IGT funds with the California Department of Health Care Services and delegation of authority to the County Administrator to sign the IGT agreements. This is not recommended because the additional IGT funds will increase healthcare services and sustain current healthcare services for Solano County residents.

OTHER AGENCY INVOLVEMENT:

H&SS worked with Partnership HealthPlan of California, the State DHCS, and County Counsel to secure the IGT funds.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION



Solano County

675 Texas Street
Fairfield, California 94533
www.solanocounty.com

Agenda Submittal

Agenda #:	9	Status:	Consent Calendar
Type:	Resolution	Department:	Health and Social Services
File #:	20-346	Contact:	Gerald Huber, 784-8400
Agenda date:	05/05/2020	Final Action:	
Title:	Adopt a resolution recognizing May 2020 as Mental Health Awareness Month in Solano County; and Adopt a resolution recognizing May 6, 2020 as World Maternal Mental Health Day in Solano County		
Governing body:	Board of Supervisors		
District:	All		
Attachments:	A - Mental Health Awareness Month Resolution, B - World Maternal Mental Health Day Resolution		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes _____ No X

Public Hearing Required? Yes _____ No X

DEPARTMENTAL RECOMMENDATION:

The Department of Health and Social Services (H&SS) recommends that the Board adopt a resolution recognizing May 2020 as Mental Health Awareness Month in Solano County; and adopt a resolution recognizing May 6, 2020 as World Maternal Mental Health Day in Solano County.

SUMMARY:

Mental Health Awareness Month, also referred to as "Mental Health Month," has been observed in May every year since it began in 1949. Mental Health Awareness month serves as a national effort to reach millions of people through the media, local events and screenings, and spread the word that mental health should be an issue of interest to everyone. Mental Health Awareness Month also focuses on different populations such as women who experience perinatal and post-partum mental health needs, referred to as Maternal Mental Health, and designates a specific date to focus on this population.

The first World Maternal Mental Health Day was launched in 2016 and is commemorated annually on the first Wednesday of May which is May 6th this year. World Maternal Mental Health Day was launched to raise awareness of maternal mental health issues so that more women seek help and receive treatment. Organizations from around the world will unite in efforts to raise awareness about maternal mental health through a collective social media drive and through events. Both the Mental Health Awareness Month and the World Maternal Mental Health Day resolutions provide an opportunity to raise public awareness of the vital role mental wellness plays in an individual's overall health and well-being.

The month of May is typically filled with community activities sponsored by the County, contract agencies, and individuals with lived experience to understand mental health and reduce the stigma associated with mental health and treatment. Because of the COVID-19 health crisis, no in-person events are scheduled. Some events may be adapted and offered in online formats, but most events will be rescheduled for September

during National Recovery Month.

FINANCIAL IMPACT:

The costs associated with preparation of this board item and related activities are included in the Department's FY2019/20 Adopted Budget. There is no additional financial impact to the County General Fund.

Discussion:

One in five adults experience mental health conditions each year, ranging from mild episodes to serious and persisting illness. According to National Alliance on Mental Illness (NAMI), three out of four of all lifetime cases of mental illness begin by age 24, and the average delay between the onset of symptoms and intervention is eleven years. The Solano County Behavioral Health Division provides a range of specialty mental health services to over 5,000 individuals, both children and adults, experiencing serious mental health conditions. Behavioral Health provides services and supports that are person-centered, safe, effective, efficient, timely and equitable, that are supported by friends and the community, and that promote wellness and recovery. Prevention and early intervention (PEI) programs and services include strategies to reduce stigma and discrimination of individuals with mental health conditions and suicide prevention. In addition, over 800 individuals are served by the Medical Services Division in the County's Federally Qualified Health Centers (FQHC).

Solano County Behavioral Health and community-based mental health providers had planned to sponsor or organize a variety of activities and events throughout the month of May to celebrate mental wellness; however, due to COVID-19 and the need for social distancing these activities and events have been postponed. Efforts will be made to utilize social media platforms to raise awareness about mental health, available services and appropriate resources.

World Maternal Mental Health Day draws attention to essential health concerns for mothers and families. Life changes around pregnancy make women more vulnerable to mental illness. As many as one in five new mothers experience some type of perinatal mood and anxiety disorder and according to California Department of Public Health, Maternal, Child and Adolescent Health (MCAH) reports, one in five women in California who recently gave birth experienced symptoms of depression during and after pregnancy, translating to approximately 100,000 women in California annually. This may have long-lasting physical, cognitive and emotional outcomes as women of every culture, age, income level and race can develop perinatal mood and anxiety disorders. The prevalence is estimated to be even higher in certain populations. For example, one in four African American and Latina mothers in the State reports depressive symptoms as do as many as half of all mothers living in poverty. Symptoms can appear any time during pregnancy and within the first twelve months after childbirth.

The Solano Public Health MCAH Bureau screens for symptoms of depression using validated tools and provides appropriate referrals and ancillary support for women in need of care. Through a partnership and braided funding between Solano County Behavioral Health and Public Health, an evidence-based intervention titled the "Mothers and Babies Perinatal Depression Prevention Program" promotes healthy mood management. Providing the intervention during the perinatal period (pregnancy through baby's first year) may also prevent adverse childhood experiences in early childhood that can have lifetime effects. By design, the curriculum is delivered by staff of varied educational and professional backgrounds, in one-on-one and group modalities. Furthermore, a mental health clinician provides crisis support, brief counseling, and linkage for women who are experiencing mild to moderate mental health conditions. For individuals that need more intensive mental health services the MCAH staff link consumers to the Behavioral Health Division.

Increasing awareness will drive social change and support the goal of improving quality of care for people who experience mental illnesses as well as women experiencing all types of perinatal mood and anxiety disorders,

thereby reducing the stigma of experiencing mental health issues and seeking supports. Solano County Behavioral Health and healthcare professionals, friends, and relatives of new moms are encouraged to listen and ask how people are truly feeling. Mental Health Awareness Month and Maternal Mental Health Day create opportunities for people to speak out about their mental health, ensure they know that seeking help is not a weakness and emphasize that they are not alone.

ALTERNATIVES:

The Board may choose not to adopt the resolutions. This is not recommended because the resolutions are an opportunity to raise awareness and promote community discussion regarding the impact of mental illness and the services available to address these issues.

OTHER AGENCY INVOLVEMENT:

The Solano County Mental Health Advisory Board endorses the resolutions and activities. Additionally, H&SS Behavioral Health Division will continue to partner with various community-based mental health providers and community organizations to support Mental Health Awareness Month in May. Similarly, the MCAH Bureau of H&SS Public Health will partner with various organizations to promote World Maternal Mental Health Day.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION

Resolution No. 2020 -

RESOLUTION OF THE SOLANO COUNTY BOARD OF SUPERVISORS RECOGNIZING MAY 2020 AS MENTAL HEALTH AWARENESS MONTH

WHEREAS, mental health is essential to overall health and well-being for all people; and

WHEREAS, mental health conditions affect children and adults regardless of race, ethnicity, language, gender identity, sexual orientation, disability, religious and spiritual beliefs, and socio-economic status; and

WHEREAS, one in five adults experience mental illness; and 17% of youth ages 6-17 experience a mental health disorder; and

WHEREAS, the average delay between symptom onset and treatment is eleven years; and 90% of the people who die by suicide have a diagnosable and treatable mental health condition that often is not recognized or treated; and

WHEREAS, 20% of people experiencing homelessness have a serious mental illness and 37% of people incarcerated in a state or federal prison have a diagnosed mental condition; and

WHEREAS, Solano County Behavioral Health is committed to equity, diversity, and inclusion with services aimed at empowering all community members throughout their journeys towards wellness and recovery; and

WHEREAS, prevention is an effective way to reduce the burden of mental health conditions and, with early and effective treatment focused on wellness and recovery, those individuals experiencing mental health conditions can recover and lead full, productive lives; and

WHEREAS, each business, school, government agency, healthcare provider, organization and citizen share the responsibility to promote mental wellness.

NOW, THEREFORE BE IT RESOLVED, that the Solano County Board of Supervisors hereby recognizes May 2020 as Mental Health Awareness Month and recognizes both mental health professionals and the individuals they serve.

Dated this 5th day of May, 2020

ERIN HANNIGAN, Chairwoman
Solano County Board of Supervisors

ATTEST:
BIRGITTA E. CORSELLO, Clerk
Solano County Board of Supervisors

By: _____
Jeanette Neiger, Chief Deputy Clerk

Resolution No. 2020 -

RESOLUTION OF THE SOLANO COUNTY BOARD OF SUPERVISORS RECOGNIZING MAY 6, 2020 AS WORLD MATERNAL MENTAL HEALTH DAY

WHEREAS, one in five new mothers experience some type of perinatal mood and anxiety disorder worldwide; and

WHEREAS, the California Department of Public Health, Maternal, Child and Adolescent Health reports one in five women in California who recently gave birth experienced symptoms of depression during and after pregnancy, translating to approximately 100,000 women in California annually; and

WHEREAS, women who are Black or Latina are more likely to have prenatal and postpartum symptoms of depression, but these women are less likely to receive necessary care; and

WHEREAS, increasing awareness will drive social change to support the goals of improving quality of care for women experiencing all types of perinatal mood and anxiety disorders, reducing the stigma of maternal mental illness and increasing the likelihood women will seek help and receive treatment; and

WHEREAS, Solano County Health and Social Services is committed to addressing maternal mental health issues by raising awareness, developing resources, implementing screening and referral processes and enhancing collaboration; and

WHEREAS, implementation of the evidence-based Perinatal Depression Prevention Program, and the use of a bilingual Mental Health Clinician, Licensed Clinical Social Worker represent some of the strategies being employed to support families with mental health services in a culturally and linguistically appropriate manner.

NOW, THEREFORE BE IT RESOLVED, that the Solano County Board of Supervisors hereby recognizes May 6, 2020 as World Maternal Mental Health Day and urges all residents to support maternal mental health wellness of mothers and families.

Dated this 5th of May, 2020

ERIN HANNIGAN, Chairwoman
Solano County Board of Supervisors

ATTEST:
BIRGITTA E. CORSELLO, Clerk
Solano County Board of Supervisors

By: _____
Jeanette Neiger, Chief Deputy Clerk



Solano County

675 Texas Street
Fairfield, California 94533
www.solanocounty.com

Agenda Submittal

Agenda #:	10	Status:	Consent Calendar
Type:	Resolution	Department:	Health and Social Services
File #:	20-347	Contact:	Gerald Huber, 784-8400
Agenda date:	05/05/2020	Final Action:	
Title:	Adopt a resolution recognizing the week of May 6-12, 2020 as National Nurses Week in Solano County		
Governing body:	Board of Supervisors		
District:	All		
Attachments:	A - Resolution		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ___ No X
Public Hearing Required? Yes ___ No X

DEPARTMENTAL RECOMMENDATION:

The Department of Health and Social Services recommends the Board adopt a resolution recognizing May 6-12, 2020 as National Nurses Week in Solano County.

SUMMARY/DISCUSSION:

National Nurses Week begins each year on May 6 and ends on May 12, which is Florence Nightingale's birthday. The American Nurses Association has declared the theme of "Compassion, Expertise, and Trust" for 2020. The year 2020 is an especially important year, as it is the 200th anniversary of Florence Nightingale's birth. In honor of this anniversary, the World Health Organization announced that 2020 will be the "Year of the Nurse and Midwife". This global spotlight on nurses and midwives is intended to be a unique opportunity to highlight the value of nurses as healthcare workers, to engage and demonstrate broad public and political support for more healthcare workers, and to address the growing worldwide healthcare worker shortage. This special year also provides an opportunity to highlight that more qualified nurses will be needed in the future to meet the increasingly complex needs of the residents of Solano County, due to the impact of social determinants of health, the aging of the population, and the continued expansion of needs for safety, healthy environments, and access to healthcare for all.

More than twenty-two million nurses make up most of the global health workforce. Nearly four million registered nurses in the United States and more than 415,000 nurses in California comprise both the nation's and the State's largest healthcare profession. Solano County currently employs 60 nurses who serve residents in a variety of program areas and settings, including Behavioral Health, Child Welfare Services, Family Health Services, and Solano Public Health's Communicable Disease Program, Maternal, Child, and Adolescent Health Bureau and Older and Disabled Adult Services. Solano County nurses provide services including provision of medical care, promotion of health, and prevention of illness to individuals of all ages, families, groups and communities.

Solano County nurses, along with many other County professionals and staff, engaged early in the COVID-19 response by going into the field to collect specimens for lab testing, and calling/monitoring infected individuals and/or contacts. Nurses continue to support the COVID-19 response along with the Solano Public Health team by responding to hundreds of daily calls from healthcare providers and the community about the coronavirus pandemic.

FINANCIAL IMPACT:

The costs associated with preparing this agenda item are nominal and are included in the Department's FY2019/20 Adopted Budget.

ALTERNATIVES:

The Board may choose not to adopt this resolution. This is not recommended as it is an opportunity to recognize the value, dedication, and commitment of all nurses throughout Solano County.

OTHER AGENCY INVOLVEMENT:

None.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION

Resolution No. 2020-

RESOLUTION OF THE SOLANO COUNTY BOARD OF SUPERVISORS RECOGNIZING THE WEEK OF MAY 6-12, 2020 AS NATIONAL NURSES WEEK IN SOLANO COUNTY

WHEREAS, nursing encompasses autonomous and collaborative care of individuals of all ages, families, groups and communities in a variety of settings, and includes the promotion of health, the prevention of illness, and the care of ill, disabled and dying people; and

WHEREAS, Solano County currently has 60 nurses who serve residents in a variety of program areas and settings, including Behavioral Health, Child Welfare Services, Family Health Services, and Solano Public Health's Communicable Disease Program, Maternal, Child, and Adolescent Health Bureau and Older and Disabled Adult Services; and

WHEREAS, more qualified nurses are needed in the future to meet the increasingly complex needs of the residents of Solano County due to social determinants of health, the aging of the population, and the continued expansion of needs for safety, health environments, and easy access to healthcare for all; and

WHEREAS, the American Nurses Association has declared May 6-12, 2020 as National Nurses Week, in honor of the 200th Anniversary of Florence Nightingale's birth, with the theme of "Compassion, Expertise, Trust"; and

WHEREAS, the World Health Organization (WHO) announced that 2020 will be the Year of the Nurse and Midwife; and

WHEREAS, the global spotlight on nurses and midwives for 2020 is an opportunity to highlight the value of nurses as healthcare workers, to engage and demonstrate broad public and political support for more healthcare workers, and to address the growing healthcare worker shortage.

NOW, THEREFORE BE IT RESOLVED, that the Solano County Board of Supervisors hereby recognizes the week of May 6-12, 2020 as National Nurses Week in Solano County.

Dated this 5th day of May, 2020

ERIN HANNIGAN, Chairwoman
Solano County Board of Supervisors

ATTEST:
BIRGITTA E. CORSELLO, Clerk
Solano County Board of Supervisors

By: _____
Jeanette Neiger, Chief Deputy Clerk



Solano County

675 Texas Street
Fairfield, California 94533
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Agenda Submittal

Agenda #: 11 **Status:** Consent Calendar
Type: ATR **Department:** Health and Social Services
File #: 20-320 **Contact:** Gerald Huber, 784-8400
Agenda date: 05/05/2020 **Final Action:**
Title: Approve five revenue allocations and corresponding Appropriations Transfer Requests (ATRs) in the amounts of \$663,067, \$67,127, \$908,375, \$59,250, and \$106,344 to recognize unanticipated revenues from federal sources and related appropriations to support Solano County's most pressing needs to prevent and respond to the coronavirus disease 2019 (COVID-19) (4/5 vote required)
Governing body: Board of Supervisors
District: All
Attachments:

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes _____ No X
Public Hearing Required? Yes _____ No X

DEPARTMENTAL RECOMMENDATION:

The Department of Health & Social Services recommends the Board of Supervisors approve five revenue allocations and corresponding Appropriations Transfer Requests (ATRs) in the amounts of \$663,067, \$67,127, \$908,375, \$59,250, and \$106,344 to recognize unanticipated revenues from federal sources and related appropriations to support Solano County's most pressing needs to prevent and respond to the coronavirus disease 2019 (COVID-19) (4/5 vote required).

SUMMARY/DISCUSSION:

The Department of Health and Social Services (H&SS) has been allocated five separate revenue allocations resulting from the passage of the federal Coronavirus Preparedness and Response Supplemental Appropriations Act of 2020 (Supplemental Act), signed by President Trump on March 6, 2020, and the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) signed by President Trump on March 27, 2020. These Acts included federal funding for prevention, preparation and response efforts to COVID-19.

The first allocation of \$663,067 is California State pass-through funding received from the California Department of Public Health (CDPH), the State's Supplemental Act allocation from the CARES Act. The County Department of Health and Social Services is requesting approval to accept the allocation to procure Solano County laboratory equipment and supplies, personal protective equipment and supplies, and supplement operating expenses and personnel costs associated with local COVID-19 response activities. This funding will also support staff responding to the needs of hospitals and healthcare facilities associated with COVID-19 response and mitigation activities. The Solano County lab has the staffing capacity to utilize the equipment and supplies once procured.

H&SS was also awarded three grants from the U.S. Health Resources and Services Administration (HRSA) including \$67,127 in COVID-19 Supplemental Act funding, \$908,375 in CARES Act funding, and \$59,250 in Ryan White HIV/AIDS Program funding. The COVID-19 Supplemental Act funding of \$67,127 will be used to support Solano County Family Health Centers (FHS) in preventing, preparing for, and responding to COVID-19. The CARES Act funding of \$908,375 will be utilized to equip the Solano County Family Health Clinics with telehealth capabilities and to cover associated personnel and operations costs. To expedite distribution of critical funding, HRSA has made funds immediately available and will collect budget and activities/costs to be supported by the funding at a later date. The performance period for these one-time funds is twelve months. Other federally qualified health centers operating in Solano County also received HRSA funding. Funding is available for immediate use, and pre-award costs are permitted to support expenses related to the coronavirus public health emergency dating back to January 20, 2020. The \$59,250 in Ryan White HIV/AIDS Program (RWHAP) funding will be used for services, activities, and supplies needed to prevent or minimize the impact of COVID-19 on RWHAP clients

The fifth revenue allocation is a Medicare enrolled provider stimulus payment from the U.S. Department of Health and Human Services as a direct deposit to the County for its share as a FQHC to provide financial assistance to physician practices, hospitals, and other providers negatively impacted by the COVID-19 pandemic. The \$106,344 received funds will be used to cover some of the revenue losses in the County's Family Health Services (FHS) clinics due to COVID-19. Each FQHC and hospital is eligible to receive direct federal assistance from this source.

FINANCIAL IMPACT:

Solano County will receive and administer federal funds of \$663,067 passed through the California Department of Public Health, \$1,034,752 directly from HRSA, and \$106,344 from HHS. Increase in appropriations as a result of the ATRs will be funded by these federal revenues with no County General Fund impact.

The costs associated with preparing the agenda item are nominal and absorbed by the Department's FY2019/20 Adopted Budget.

ALTERNATIVES:

The Board of Supervisors could choose not to authorize acceptance of these funds and not to approve the ATRs. This is not recommended, as the proceeds will fund acquisition of critical equipment and support personnel.

OTHER AGENCY INVOLVEMENT:

None.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION



Solano County

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Agenda Submittal

Agenda #:	12	Status:	Consent Calendar
Type:	Appointment	Department:	Clerk of the Board of Supervisors
File #:	20-348	Contact:	Jeanette Neiger, 784-6125
Agenda date:	05/05/2020	Final Action:	
Title:	Approve the appointment of Supervisor Vasquez as an ex-officio member of the Vacaville-Dixon Greenbelt Agency		
Governing body:	Board of Supervisors		
District:	All		
Attachments:	A - Vacaville-Dixon Greenbelt Authority JPA		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes _____ No X
Public Hearing Required? Yes _____ No X

DEPARTMENTAL RECOMMENDATION:

It is recommended that the Board of Supervisors appoint Supervisor Vasquez to the Vacaville-Dixon Greenbelt Agency Governing Board as an ex officio member.

SUMMARY/DISCUSSION:

In 1996, the cities of Vacaville and Dixon entered into a joint powers agreement (JPA) to form the Vacaville-Dixon Greenbelt Agency ("VDGA") to provide a forum for a cooperative working relationship to create a permanent greenbelt separation between the two cities. The JPA established the governing board for the VDGA to include two members from each of the respective city councils and one ex-officio member from the Solano County Board of Supervisors. Supervisor Vasquez is requesting appointment to fill that position.

FINANCIAL IMPACT:

The cost associated with preparing the agenda item are nominal and absorbed by the department's FY 2019/20 Adopted Budget.

ALTERNATIVES:

The Board could choose not to make an appointment to the VDGA; however, this is not recommended as the appointment is an opportunity for Solano County to actively participate in the discussions related to maintaining the greenbelt separating the two cities.

OTHER AGENCY INVOLVEMENT:

None.

CAO RECOMMENDATION:

APPROVE DEPARTMENT RECOMMENDATION

JOINT RESOLUTION

CITY OF DIXON
RESOLUTION NO. 1995-136

CITY OF VACAVILLE
RESOLUTION NO. 1995-131

**A JOINT CITY COUNCIL RESOLUTION APPROVING AN AGREEMENT
BETWEEN THE CITIES OF VACAVILLE AND DIXON
FOR THE FORMATION OF VACAVILLE-DIXON GREENBELT AUTHORITY
IN ACCORDANCE WITH THE JOINT POWERS PROVISION OF
GOVERNMENT CODE SECTION 6500, ET SEQ.**

WHEREAS, the City Councils of the Cities of Dixon and Vacaville have had a long-standing interest in creating an open space agricultural greenbelt between the two cities; and

WHEREAS, the two cities have approved the purchase of 1003 acres of agricultural land between them to put this policy into effect; and

WHEREAS, the two cities have concluded that it is in the public's interests to jointly own, manage, and control the agricultural/open space buffer; and

WHEREAS, the proposed Agreement is within the scope of the Environmental Impact Report prepared for the Dixon General Plan and no new environmental documentation is required in accordance with Section 15168(c)(2) of the California Environmental Quality Act; and

WHEREAS, the proposed Agreement is deemed an activity within the scope of the City of Vacaville General Plan Revision, analyzed by the Proposed General Plan EIR, and no new environmental documentation is required in accordance with Section 15168(c)(2) of the California Environmental Quality Act; and

WHEREAS, the proposed Agreement is consistent with the principles of the Vacaville-Dixon Greenbelt goals and objectives as articulated in numerous public hearings before each City Council; and

WHEREAS, the proposed Agreement is consistent with the City of Vacaville General Plan and the City of Dixon General Plan.

NOW, THEREFORE THE CITY COUNCILS OF THE CITIES OF DIXON AND VACAVILLE do resolve as follows:

1. To approve the Agreement between the Cities of Vacaville and Dixon for the Formation of the Vacaville-Dixon Greenbelt Authority, as shown in Exhibit I, attached hereto and hereby made a part of this Resolution and, thereby, to create said Joint Powers Authority under the provisions of Government Code Section 6500, et seq.

I HEREBY CERTIFY that the foregoing resolution was introduced and passed at a regular meeting of the City Council of the City of Dixon held on the 24th day of October, 1995, by the following vote:

AYES: COUNCIL MEMBERS CROSS, SALABER, FERRERO, MISTLER, ERICKSON
NOES: COUNCIL MEMBERS NONE
ABSENT: COUNCIL MEMBERS NONE
ABSTAIN: COUNCIL MEMBERS NONE

ATTEST:

Linda Crisman
Linda Crisman, City Clerk

Don Erickson
Don Erickson, Mayor

I HEREBY CERTIFY that the foregoing resolution was introduced and passed at a regular meeting of the City Council of the City of Vacaville held on the 24th day of October, 1995, by the following vote:

AYES: COUNCIL MEMBERS Kahn, Kimme, Vice-Mayor Tatum and Mayor Fleming
NOES: COUNCIL MEMBERS Clancy
ABSENT: COUNCIL MEMBERS None
ABSTAIN: COUNCIL MEMBERS None

ATTEST:

Kathleen M. Andronico
Kathleen M. Andronico, City Clerk

David A. Fleming
David A. Fleming, Mayor

AGREEMENT BETWEEN THE CITIES OF VACAVILLE AND DIXON FOR THE
FORMATION OF THE VACAVILLE-DIXON GREENBELT AUTHORITY

This Agreement is entered into pursuant to the Joint Exercise of Powers Act (Government Code sections 6500 et seq.) and becomes effective on 10/24, 1995, by and between the City of Vacaville ("Vacaville") and the City of Dixon ("Dixon");

RECITALS

1. In May, 1990, Dixon and Vacaville adopted Resolution Nos. 9045 and 1990-F-4 respectively ("Joint Resolution"), declaring the intent to preserve a permanent "Green Belt" between the cities; and
2. Cities recognize that their existing Spheres of Influence are closest together along Interstate 80, and efforts to maintain separation and identity must focus first on creating a greenbelt separator in this area; and
3. In furtherance of the intention to create a greenbelt separator, the cities have identified properties which they intend to purchase for greenbelt purposes; and
4. Each party is committed to the importance of a.) a clearly defined separator and b.) the permanence of a greenbelt which carries on the area's existing agricultural tradition; and
5. The Cities recognize the importance of the Solano County Board of Supervisor's participation in the formation of the greenbelt; and
6. The Parties believe that the most effective means to achieve their mutual goals for the Greenbelt is to provide a forum for a cooperative working relationship which would be achieved through a Joint Powers Agency (JPA). The Parties wish to establish this forum through this joint powers agreement.

NOW, THEREFORE, THE PARTIES agree as follows:

I. CREATION OF THE VACAVILLE-DIXON GREENBELT AGENCY (VDGA)

There is hereby created the Vacaville-Dixon Greenbelt Agency (VDGA) to exercise the powers common to each Party in the manner set forth in this Agreement. This agreement shall remain in effect in perpetuity unless dissolved as provided for under Section V.B.2. below.

II. CREATION OF THE GREENBELT

- A. The VDGA intends to acquire lands depicted in Exhibit A and commit them to the creation of a greenbelt separator.
- B. Lands purchased under this Agreement are intended to be maintained in productive agriculture, environmental mitigation and other open space uses mutually agreed upon by the VDGA.
- C. Additional greenbelt lands beyond those shown in Exhibit A may be added in the future.
- D. The Cities agree not to extend Spheres of Influence, city limits or urban utilities into the greenbelt area without concurrence of VDGA.

III. GOALS

- A. To provide for the preservation and conservation of viable agricultural and open space land;
- B. To provide a permanent separation between the urban areas of Dixon and Vacaville;
- C. To acquire land, create conservation easements, hold and manage land for greenbelt uses;
- D. To comply with its Solano Irrigation District Master Water Agreement commitments, Vacaville wishes to limit growth into agriculture areas.

IV. VDGA ADMINISTRATION

A. Governing Board

There is hereby created a Governing Board ("Board") to govern the VDGA. The Board shall consist of two members each from the City Councils of Vacaville and Dixon and one ex-officio member from the Solano County Board of Supervisors. Each local government shall appoint its representatives to the Board.

- 1. The Chair of the agency shall be elected by VDGA and shall hold that office for one year where upon the chair shall rotate to the other jurisdiction the following year.
- 2. The Secretary of the VDGA will be the City Manager of the agency which holds the chair.

B. Voting

1. For the purposes of this Agreement, a quorum of the Board shall be when three or more members are present. Said quorum shall at a minimum include at least one member from Vacaville and one from Dixon.
2. Each member of the VDGA Board shall have one vote.
3. A majority vote of those present and eligible to vote shall be required for those actions as described under Section V. Powers.

C. Responsibilities

Acquisition and management of property shall be the responsibility of the cities only. Division of that responsibility will be on an equal basis.

D. Meetings

The Board shall hold at least one (1) regularly scheduled meeting each year. All meetings of the Board shall be subject to the provisions of the Ralph M. Brown Act.

V. POWERS

A. The Authority shall have the following powers which shall be exercised through the Board:

1. Acquire and dispose of greenbelt lands, subject to the reservation of a conservation easement to ensure compliance with the Goals of the Authority;
2. Manage and maintain greenbelt lands;
3. Enter into contracts for services of consultants and others;
4. Develop and implement Greenbelt plans;
5. Develop and implement an Initial and Annual Budget; and,
6. Make recommendations to member jurisdictions for amendments to General Plans, Comprehensive Annexations Plans, Spheres of Influence, land use regulations and projects within the Greenbelt.

B. Restrictions

1. Any amendment or modification of this Agreement shall require approval of the governing bodies of the Parties.
2. Any acquisition or disposal of greenbelt lands shall require approval of the governing bodies of the Parties.
3. Dissolution of the VDGA will require approval by a 4/5 vote of the City Councils of both Cities. Prior to any such action a recommendation will be provided by the secretary as to the mechanism to apportion any assets of the VDGA.:

VI. FUNDS AND BUDGET

A. Expenses and Revenues

The two Parties shall share equally in VDGA operating and planning expenses and in any revenues, including interest earnings.

B. Initial Budget

Within sixty (60) days of the effective date of this Agreement, the Board shall adopt an Initial Budget for the first fiscal year. For purposes of this agreement, the fiscal year shall begin each year in July and end the following June. Within thirty (30) days of the adoption of the Initial Budgets, all parties shall contribute an equal amount to fund the Initial Budget.

C. Annual Budget

Not later than ninety (90) days before the end of each fiscal year, the Board shall adopt by resolution a budget for the following fiscal year setting forth all anticipated administrative, operational, and capital expenses and sources of funds for the VDGA. The Board may consider alternative means of raising revenue for the work of the VDGA. Within thirty (30) days of the adoption of the Annual Budget, the Parties shall each appropriate an equal amount to provide the funding required by the Annual Budget. Contributions of staff time beyond that normally expected by any Party may be made in lieu of (or partially compensating for) direct financial contributions to the Agency.

D. Audit and Accounting Services

1. Pursuant to the requirements of section 6505.5 of the Government Code, the Treasurer of Vacaville is designated to be the depository and to have

custody of all VDGA funds from whatever source, and to perform the following functions:

- a. Receive and receipt for all money of the VDGA and place it in the City Treasury of Vacaville for the credit of the VDGA;
- b. Be responsible upon official bond for the safekeeping and disbursement of all VDGA money so held in accordance with Government Code section 6505.1;
- c. Pay any sums due from VDGA money or any portion thereof, only upon warrants of the public officer performing the functions of auditor who has been so designated pursuant to this Agreement;
- d. Verify and report in writing on the first day of January, April, July and October, of each year to the VDGA and to the Parties the amount of money the Treasurer holds for the VDGA, the amount of receipts and the amount paid out since the last report to the VDGA.

2. Auditor

- a. The functions of Auditor shall be performed for the VDGA by the Auditor of the City of Dixon.
- b. There shall be strict accountability of all funds, and the Auditor of the City of Dixon shall report to the Financial Officer all receipts and disbursements. In addition, the Auditor of the City of Dixon will either make or contract for an audit of the accounts and record of the VDGA at least annually as prescribed by section 6505 of the Government Code. In each case the minimum requirements of the audit shall be those prescribed by the State Controller for special districts under section 26909 of the Government Code and audit shall conform to generally accepted auditing standards.

IN WITNESS WHEREOF, each Party has executed approval of this Agreement and filed said approval with the Clerk of the County of Solano and said signatures are listed below or attached hereto.

CITY OF DIXON
A Municipal Corporation

Date: 10/24/95

BY Don Erickson
Mayor

ATTEST:

Ainda Cresman
City Clerk

APPROVED AS TO FORM:

[Signature]
City Attorney

CITY OF VACAVILLE
A Municipal Corporation

Date: 10/24/95

BY D. A. Z. [Signature]
Mayor

ATTEST:

Kathleen M. Androsico
City Clerk

APPROVED AS TO FORM:

[Signature]
City Attorney



Solano County

675 Texas Street
Fairfield, California 94533
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Agenda Submittal

Agenda #:	13	Status:	Consent Calendar
Type:	Appointment	Department:	First 5 Solano
File #:	20-321	Contact:	Michele Harris, 784-1332
Agenda date:	05/05/2020	Final Action:	
Title:	Approve the Solano Children's Alliance membership appointment of Haley Armstrong for the term of April 28, 2020 to April 28, 2024; and Approve the appointment of alternates Conni Holloway, Liat Meitzenheimer and Agnes Perez for the term of April 28, 2020 to April 28, 2024		
Governing body:	Board of Supervisors		
District:	All		
Attachments:	A - Membership Roster		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes _____ No X

Public Hearing Required? Yes _____ No X

DEPARTMENTAL RECOMMENDATION:

First 5 Solano/County Administrator's Office recommends the Board of Supervisors approve the Solano Children's Alliance membership appointment of Haley Armstrong for the term of April 28, 2020 to April 28, 2024 and approve the appointments of alternates Conni Holloway, Liat Meitzenheimer, and Agnes Perez for the term of April 28, 2020 to April 28, 2024.

SUMMARY/DISCUSSION:

The multidisciplinary Solano Children's Alliance (SCA) was established in 1982 to advise and educate the Board of Supervisors on children's issues. The SCA consists of 20 voting members recommended by the SCA Executive Committee and appointed by the Board of Supervisors.

This item brings forward the following appointments as recommended by the SCA Executive Committee:

- Appointment of Haley Armstrong, Program Coordinator/Child Interview Specialist, Courage Center 2, to the membership category of Community Based Organization that Provides Services to Families and Youth.
- Appointment of alternate Conni Holloway, Family Support Specialist, Courage Center 2, for category of Community Based Organization that Provides Services to Families and Youth (alternate for Haley Armstrong).
- Appointment of alternate Liat Meitzenheimer, Board of Supervisors Aide, for category Board of Supervisors Member (alternate for Supervisor Monica Brown).
- Appointment of alternate Agnes Perez, Regional Manager, Uplift Family Services, for category Community Based Organization that Provides Services to Families and Youth (alternate for Jennifer MacKinnon).

The proposed appointments are included in the Proposed Membership Roster (Attachment A).

FINANCIAL IMPACT:

The cost associated with preparing this agenda item is nominal and absorbed by the Department's FY2019/20 Adopted Budget. There is no financial impact for this decision; approval will assist the SCA to reach a quorum to conduct their business.

ALTERNATIVES:

The Board could choose not to appoint the applicants. However, this is not recommended as the applicants have been brought forward in accordance with the approved Bylaws, have demonstrated an interest in the welfare of children in Solano County, and are prepared to dedicate their time to the SCA.

OTHER AGENCY INVOLVEMENT:

The membership appointments and alternates have been reviewed and recommended by the Executive Committee of the SCA.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION

Children's Alliance Membership Roster

<u>Category of Membership</u>	<u>Member/Alternate</u>
Solano County H&SS	Aaron Crutison Alternate: Neely McElroy
Solano County H&SS	Dr. Shandi Fuller Alternate: Cindy Watson
Solano County Juvenile Probation Department	Julie Musto Alternate: Amy Potter
Local Child Serving Public Agency	Pam Posehn Alternate: Rachel Rico
Presiding Judge of Juvenile Court or Representative of Juvenile Justice Services	Candy Pierce Alternate: Sara Jones
Solano County Superintendent of Schools Or Designee	Lisette Estrella-Henderson Alternate: Nicola Parr
Local School District or Designee	Stacy Burke Alternate: Cheryl Jones
Solano County District Attorney's Office	Sharon S. Henry Alternate: Angel Aguilar
Community Based Organization that Provides Services to Families and Youth	Member: VACANT Alternate: Michalle Shown-Rodriguez
Community Based Organization that Provides Services to Families and Youth	Maria Guevara Alternate: Francie McInerney-Macmillan
Community Based Organization that Provides Services to Families and Youth	Member: Jennifer MacKinnon <i>Proposed Alternate: Agnes Perez</i>
Community Based Organization that Provides Services to Families and Youth	Juan Cisneros Alternate: Debbie Peralez
Community Based Organization that Provides Services to Families and Youth	<i>Proposed Member: Haley Armstrong</i> <i>Proposed Alternate: Conni Holloway</i>
Member at Large - Parents, Grandparents and Consumers	Candice Floyd Alternate: VACANT
Member at Large - Parents, Grandparents and Consumers	Joshua Mallory Alternate: VACANT
Member of the County Board of Supervisors or Designee	Monica Brown <i>Proposed Alternate: Liat Meitzenheimer</i>
Local Law Enforcement	Gloria Diaz Alternate: Ana Isabel Montano
Regional Center	Guadalupe Lopez Alternate: Rafael Hernandez-Perez
Child Care R&R or Child Care Planning Council	Zoe Bartholomew Alternate: Kathy Lago
Community Based Organization that ties to an Ethnic Community	Maurilio Leon Alternate: Angie Lopez



Solano County

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Agenda Submittal

Agenda #:	14	Status:	Regular Calendar
Type:	Legislation	Department:	County Administrator
File #:	20-345	Contact:	Matthew A. Davis, 784-6111
Agenda date:	05/05/2020	Final Action:	
Title:	Receive a verbal update from the County's Federal Legislative Advocates on the status of legislation of interest to the County regarding the COVID-19 response, and receive an update from the County's State Legislative Advocates on the status of legislation that is of interest to the County		
Governing body:	Board of Supervisors		
District:	All		
Attachments:			

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes _____ No X
Public Hearing Required? Yes _____ No X

DEPARTMENTAL RECOMMENDATION:

It is recommended that the Board of Supervisors receive a verbal update from the County's Federal Legislative Advocates on the status of legislation of interest to the County regarding the COVID-19 response, and receive an update from the County's State Legislative Advocates on the status of legislation that is of interest to the County.

SUMMARY / DISCUSSION:

The County's Federal Legislative Advocates at Paragon Government Relations, including Joe Krahn, Tom Joseph and Hasan Sarsour will give a verbal update on developments taking place in Washington DC and key legislation of interest to the County, including COVID-19, congressional stimulus packages and benefit programs that support local government programs and service operations. The County's State Legislative Advocate, Karen Lange of SYASL Partners, Inc., will provide a verbal update on developments at the Capitol and key legislation of interest to the County.

FINANCIAL IMPACT:

The legislative program is designed to result in additional funding and cost avoidance relative to Solano County. The cost of preparing this report and compiling the information is a General Fund cost covered in the County Administrator's FY2019/20 administration budget.

OTHER AGENCY INVOLVEMENT:

Staff consulted with Paragon Government Relations and SYASL Partners, Inc. to coordinate this legislative verbal update.



Solano County

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Agenda Submittal

Agenda #:	15	Status:	Regular Calendar
Type:	Report	Department:	County Administrator
File #:	20-335	Contact:	Nancy Huston, 784-6107
Agenda date:	05/05/2020	Final Action:	
Title:	Receive a report on the Solano County 2019 Index of Economic and Community Progress		
Governing body:	Board of Supervisors		
District:	All		
Attachments:	A - 2019 Index of Economic and Community Progress		

Date:	Ver.	Action By:	Action:	Result:
Published Notice Required?	Yes ____ No <u>X</u>			
Public Hearing Required?	Yes ____ No <u>X</u>			

DEPARTMENTAL RECOMMENDATION:

It is recommended the Board of Supervisors receive a report on the *Solano County 2019 Index of Economic and Community Progress*.

SUMMARY:

The *Solano County 2019 Index of Economic and Community Progress* was prepared by Dr. Robert Eyler, a principal at Economic Forensics and Analytics in Petaluma, and working in consultation with the Solano Economic Development Corporation and the County Administrator's office. The Index tracks key economic and community indicators that are shaping the local economy. This 12th edition of the Index includes a housing "Deep Dive" as well depicts labor market, business and income, population, education, and workforce readiness indicators for Solano County for 2019. The report also provides some insight from Dr. Eyler on the potential negative economic impacts from COVID-19 in early 2020 to Solano County, the State and Nation. These futuristic predictions may help the county (and public and private sector partners) to strategize and to develop economic recovery programs to bring back the jobs and personal incomes that were lost in 2020 due to COVID-19.

The document is also available online at www.solanocounty.com/economicindex
<<http://www.solanocounty.com/economicindex>>

FINANCIAL IMPACT:

The cost for the consultant firm Economic Forensics Analysis, led by Robert Eyler, Ph.D., to prepare the 2019 Index was \$20,000, which was included as part of the County's FY2019/20 Adopted Budget.

DISCUSSION:

Background: The *Solano County Index of Economic and Community Progress* is a project that was launched

in 2007 after a series of economic summits identified a need for more fact-based information to guide efforts by leaders in both the public and private sectors to expand the long-term viability of the Solano County economy. Three comprehensive editions were produced for 2008, 2009 and 2010 by the consultant Collaborative Economics for the County of Solano and the Solano Economic Development Corporation. The Index was compiled by the County Administrator's Office for 2011 and 2012. Dr. Robert Eyler of Economic Forensics and Analytics reviewed the 2012 report and was retained to prepare the 2013, 2014, 2015, 2016, 2017, 2018, and now the 2019 Index report.

The 2019 Index highlights Solano County's economic growth since 2011 with continued expansion of jobs, incomes and government revenues. The 2019 Index shows that non-farm employment (business, government, nonprofit employers) increased in 2019 by 1,700 jobs (1.1 percent growth). Solano County employers hired/employed over 145,100 workers in 2019. The jobs growth in Solano in construction and healthcare sectors, was offset by losses of jobs in manufacturing and retail sectors. Measures such as gross domestic product (GDP) per capita, personal income per capita and median household income were all rising in 2019 after inflation adjustments (the latest data). Housing prices increased only by 0.3 percent in 2019 to \$448,200 at the median and housing affordability increased for Solano residents. Population growth in Solano County continues to grow modestly, providing housing demand and workers. The 2019 Index highlights how Solano County's communities are changing demographically and provides some thoughts on how to move forward into the future, post COVID-19.

The 2019 Index also discusses the COVID-19 crisis impacts in early 2020 that is impacting local cities, the county, the State and federal government. Solano County has gone from an unemployment rate of 3.7% in late 2019 to 5.5% in March 2020 (and we expect higher rates in April) due to the significant number of employers shutting down business activity due to the federal, state and local health orders to prevent the disease transmission of COVID-19. As a county with affordable housing when compared to the greater bay area and a with a large outbound commuter labor force, it is understandable that there are for more residents seeking unemployment benefits in our county due to the COVID-19 crisis. This significant economic slowdown may cast a shadow for years. Dr. Eyler references that the depth and duration of social policies to address COVID-19 will shape the economic recovery. He notes that all government revenues are going to be lower on multiple fronts and will lead to budget challenges in the next two fiscal years and potentially beyond. The data in this 2019 edition provides a benchmark and reference of a peak economic period, knowing that 2020 may be a very challenging year for Solano County, the State of California and the United States.

Key Highlights from the 2019 Index

Our Changing Economy

- Solano County employers hired 1,400 more workers in 2019; this is a 1.0 percent increase from 2018.
- Farm jobs fell by 300 in 2019, while non-farm jobs increased by 1,700 workers (1.1 percent growth) for Solano County businesses, government, and nonprofit employers to a total employment level of 145,100 as 2019 ended.
- Approximately 201,700 residents of Solano County were employed in 2019.
- Solano County's unemployment rate was 3.7 percent at the start of 2020, the lowest rate on record for the county.
- Based on the most recent available data, inflation-adjusted (real) gross product for Solano County grew by 2 percent in 2018, slightly slower than California and the national economy.
- Solano County's real personal income per person increased in 2018, the most recent available data. Median household income also increased after inflation, suggesting Solano County's jobs growth and income growth are occurring together.
- Employment in industries focused on sales outside Solano County ("base" or "traded" industries) increased by an estimated 267 jobs in 2019, led by government, wholesale and finance sectors.
- Solano County median wages in 2019 continue to rise and improve for local workers, though lower

than the median wages for the Bay Area and California overall.

- The latest data on poverty rates (2018), based on five-year averages for Solano County, California and the nation, showed continued progress; Solano County's poverty rate fell by more than 1 percentage point to 10.4 percent of all residents in 2018 from 2017.
- The latest data on regional cost of living show rising cost levels in Solano County, with local inflation outpacing state and national averages in 2017.
- Solano Farmers gained in 2018 (latest data) from 2017 to the highest level of reported agriculture crop value since 2010. Nursery products, processed tomatoes, alfalfa, beef cattle, and wine grapes were the top five agriculture products of value harvested.

Our Changing Community

- Solano County's population increased by 0.5 percent in 2019 and 6.8 percent since 2010; 740 new residents moved to Solano County from other places.
- Solano County's population is forecasted to grow 6.5% from 2020 to 2030, slightly faster than the state average rate.
- Solano County's graduation rate increased to 84.9% of those eligible, slightly above and the state average for the 2018-19 academic year.
- Housing prices increased 0.3 percent in 2019 to \$448,200 at the median; housing affordability in Solano County increased. Rental prices continued to rise, to a median price of \$2,109 for all rentals.
- 1,066 building permits were issued for new homes for fiscal year 2018-19, the most since 2006-07. Approximately 2.1 million square feet of commercial space was permitted during fiscal year 2018-19, over three times the square feet than the previous fiscal year.
- Commute times to work increased in 2018 by 2 minutes on average from 2017

Considerations for the Future

- Covid-19 crisis will dominate the Economic Index data for the next two years at a minimum.
- National, state and local recession likely forecasted for the remainder of 2020.
- Governmental tax related revenues will decline due to COVID-19 crisis.
- Poverty rates will likely increase in 2020 and the number of people requiring social assistance from county services/programs will rise.
- As the result of COVID-19 crisis, all standard of living indicators such as medium income is likely to fall in 2020 and 2021. Housing and rental prices may be negatively impacted.
- Economic Development for Solano County may include expanding essential production to provide import substitution for pharmaceuticals, chemicals, medical devices and other advanced materials.
- Agriculture-related industries may fare better in 2020 than other industries.
- Bay Area commercial real estate high prices may drive some employers to consider Solano County if there is a longer-term switch to teleworking programs for their employees and a need to switch to smaller offices for these businesses closer to where workers live.
- Air quality, commute time and graduation rates may be positively influenced.
- Broadband internet may become one of the most critical infrastructures needs for all households if the COVID-19 crisis lingers in 2020 and into 2021

ALTERNATIVES:

The Board could choose not to receive this report; however, this is not recommended as this is an opportunity for the Board to learn about the economic indicators shaping the local economy.

OTHER AGENCY INVOLVEMENT:

The report was prepared by the County Administrator's Office in partnership with the Solano Economic Development Corporation.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION



Solano County 2019

Index of Economic and Community Progress

County of Solano and Solano Economic Development Corporation

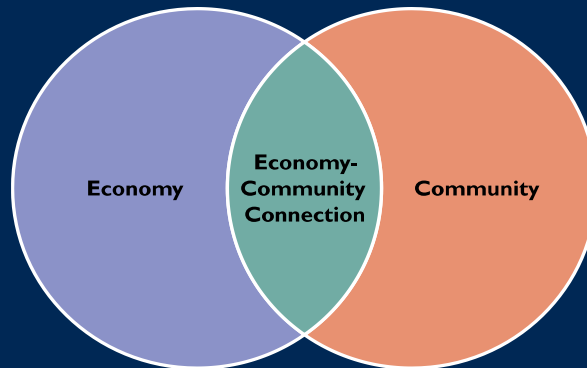
March 2020

Solano County 2019

Index of Economic and Community Progress

The *Solano County Index of Economic and Community Progress* is a project that was launched in 2007 after a series of economic summits identified a need for more fact-based information to guide efforts by public and private sector leaders to expand Solano County's economy and support its long-term viability.

Three comprehensive editions were produced for 2008, 2009 and 2010 by the consultant Collaborative Economics for the County of Solano and the Solano Economic Development Corporation. These insightful documents provided an objective analysis of key indicators shaping the local economy.



In 2011, the Index became a project for County staff, in cooperation with the Solano EDC, to maintain and update throughout the year. The Index was expanded to include comparisons in many instances to the Sacramento Area, the Bay Area, California and the United States. The 2012 to 2019 editions include the objective analysis of Dr. Robert Eyler from Economic Forensics and Analytics (www.econforensics.com).

All of the annual index reports, as well as several in-depth analyses of local industry clusters, can be found at www.solanocounty.com/economicindex.



Index of Economic and Community Progress

As we are in one of the difficult periods of time in modern history as a result of the COVID-19 pandemic, it seems even more important to provide to you our 12th annual Solano County Index of Economic and Community Progress. Like previous years, the intent of this report is to provide a comprehensive analysis of various indicators, capturing trends shaping our local economy while providing long-term perspectives and considerations for economic development. While most of the underlying data was gathered up to the previous twelve-month period, it was also imperative to provide current context and prospective considerations of the effects of the COVID-19 pandemic.

The purpose of the analysis is and has been to guide our policies and programs as well as aspirations to grow the health of our regional economy. Our data-based understanding of the short- and long-term effects of the current crisis will unfold in the weeks and months to come. However, having a strong grasp of our economy leading up to our recent downturn will provide a better understanding of the expected impacts and guidance on how we will emerge as a stronger and healthier region.

Solano Job Growth Continues

The County continued to add jobs in 2019, however this was at a milder growth pace than the previous year, one percent compared to 3.1 percent in 2018. Through the end of 2019, unemployment continued its downward trend to 3.7 percent, down from 4.0 percent the previous year. To gauge, unemployment is generally considered to represent full employment at four percent. Largest numerical gains occurred in the Construction, Healthcare, Bars/Restaurants and the miscellaneous “All other industries” Sectors, combined adding a net new 2,700 jobs. Sectors with a net decrease in jobs included Agriculture, Manufacturing, and Retail, with a combined 1,300 jobs lost.

Employment data will reveal significant job loss in the coming months particularly in industries effected by anxiety of virus spread and “social-distancing” orders such as retail, restaurants, business services, tourism/hospitality, and many others.

The Bigger Picture

Leading up to the COVID-19 crisis, our economy remained on a course of growth, albeit relatively mild to moderate. The analysis of the short- and long-term effects of the pandemic has only begun as traditional data sources have not yet reported on job, investment and income effects. The longer-term impacts on Solano’s economy will largely be a result of the resilience and structure of the regional economy prior to the onset of virus and policy effects. Equally as important is the need to make well-informed policy decisions based on sound economic information.

Moving Solano Forward

The 2017 launch of our countywide campaign *Solano Means Business* encompasses the idea of a collective regional action plan for economic development that is bringing more economic opportunities to the Cities and County of Solano. The strategy has had tangible positive effects on the economy. In consideration of the unfolding crisis, regional and local economic development is more important than ever, and Moving Solano Forward will be revisited in 2020 to meet the needs of our regional economy as new data emerges.

Sincerely,



Erin Hannigan
Chairwoman
Solano County Board of Supervisors



Robert Burris
President
Solano Economic Development Corporation

Index of Economic and Community Progress

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Solano County Key Facts

Area

Rural land area	675 square miles
Urban land area	150 square miles
Water area	84 square miles

2019 Population (January 1, 2019) 441,307

Benicia	27,570
Dixon	19,794
Fairfield	117,149
Rio Vista	9,416
Suisun City	29,447
Vacaville	98,807
Vallejo	119,544
Unincorporated	19,580

Population Change: 2018 to 2019 (Jan 1) +2,205

Solano County 2030 Population Est. 472,048 (CA Dept. of Finance, estimate as of Jan 2020)

Top 5 Employment Sectors (as of Dec. 2019)

Education & Health Services	29,000
All Government (incl. US Military)	24,800
Retail Trade	18,000
Leisure & Hospitality	16,100
Construction	12,600
Manufacturing	12,400

Total Industry Jobs (Dec. 2019) 145,100

Employment to Housing Units (2019) 90.9%

Employment to Housing Units (2010) 79.3%



Educational Attainment (2014–18 Avg.)

Less than high school	12.0%
High school graduate only	23.3%
Some college, no degree	28.3%
Associate's degree	10.1%
Bachelor's degree	18.3%
Graduate or Professional degree	7.9%

Age Distribution of Pop (2014–18 Avg.)

Under 5 years old	6.1%
5 to 19	18.8%
20 to 44	33.7%
45 to 64	26.7%
65 and older	14.7%

Ethnic Composition of Pop (2014–18 Avg.)

White	38.5%
Hispanic	26.1%
Asian	15.0%
African-American	13.6%
Other (incl. mixed race/Pacific Islander)	6.8%

Building Permits Issued, New Housing Units (Fiscal Year 2018–19) 1,066

Sources and Notes:

1. Population and housing data come from California Department of Finance (www.dof.ca.gov), March 2020.
2. Employment data come from California Employment Development Department (www.edd.ca.gov), March 2020.
3. Employment to housing unit ratios help city and county development planning for efficient municipalities and transit networks. A ratio of 100 percent suggests a balance in housing units and commuting workers. Ratios below 100 percent suggest the local economy has more residents working outside than those coming into the local area to work; ratios above 100 suggest rising numbers of commuters from outside the local area.
4. Demographic data from the Census Bureau's American Community Survey (factfinder.census.gov), Mar 2020.
5. Building Permits data were provided by the County of Solano for fiscal year 2018-19, ending June 30, 2019.

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Key Highlights from the 2019 Index

Our Changing Economy

- Solano County employers hired 1,400 more workers in 2019 to a total 145,100 workers; this is a 1.0 percent increase from 2018.
- Farm jobs fell by 300 in 2019, while non-farm jobs increased by 1,700 workers (1.1 percent growth) at Solano County businesses, government, and nonprofit employers.
- Approximately 201,700 residents of Solano County were employed in 2019, 700 more than 2018.
- Solano County's unemployment rate was 3.7 percent at the start of 2020, the lowest rate on record for Solano County's economy.
- Based on the most recent available data, inflation-adjusted (real) gross product for Solano County grew by 2.0 percent in 2018 (the latest data), slightly slower than both California and the national economy.
- Solano County's real personal income per person increased in 2018, the most recent available data.
- Median household income also increased in 2018 after inflation.
- Employment in industries focused on sales outside Solano County ("base" industries) increased by an estimated 267 jobs in 2019, led by more state government jobs, wholesale and finance.
- Solano County median wages in 2019 increased from 2018 for local workers, though wages remain lower than the Bay Area and California on average.
- Data on poverty rates for local residents in 2018 (the latest data), based on five-year averages, showed continued progress; Solano County's poverty rate fell by more than a full percentage point to 10.4 percent of all residents in 2018 from 2017.
- The latest data on regional cost of living show rising cost levels in Solano County by 2.8 percent in 2018 (the latest data), with local inflation outpacing state and national averages in 2017.
- Local farmers gained in 2018 (the latest data) from 2017 to the highest level of agriculture value since 2010. Nursery products, processed tomatoes, alfalfa, beef cattle, and wine grapes were the top five agriculture products in terms of value harvested.

Our Changing Community

- Solano County's population increased by 0.5 percent in 2018, and 6.8 percent since 2010.
- Population growth included 740 new residents moving to Solano County from other places.
- Solano County's population is forecasted to grow from 2020 to 2030 by approximately 6.5 percent, slightly faster than the state average.
- Solano County's graduation rate increased to 84.9 of those eligible, slightly ahead of the state average for the 2018-19 academic year.
- African-American students in Solano County continue to graduate at a higher rate than California on average.
- Housing prices increased 0.3 percent in 2019 to \$448,200 at the median; housing affordability in Solano County increased. Rental prices increased to a median price of \$2,109 for all rentals in Solano County as of January 2020.
- Recent allocations of housing units from state government assigned over 3,600 more units need to be built to balance supply and demand in Solano County.
- 1,066 building permits were issued for new homes for fiscal year 2018-19, the most since 2006-07. Approximately 2.1 million square feet of commercial space was permitted during fiscal year 2018-19, over three times the square feet from the previous fiscal year.
- Commute times to work increased in 2018 by 2 minutes on average from 2017 for Solano County residents.
- Solano County government revenue from property values and taxable sales continued to rise in 2019. Assessed property values increased to over \$57 billion in 2019.

Considerations for the Future

The COVID-19 crisis of 2020 is likely to dominate the data in the Index for two years minimum, and the evolution of Solano County's economy depends greatly on its exit from this crisis into the early 2020s. The national and state economies both started 2020 with forecasts of slower growth, with no forecasted recession until 2022 at the earliest. Forecasts for the remainder of 2020 are likely showing a national and state recession due to the COVID-19 crisis. Amid crisis, there are opportunities for Solano County after 2020.

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COVID-19 and Solano County

In February 2020, a flu outbreak (subsequently known as Coronavirus or COVID-19) in Asia began to transmit worldwide due to travel, trade and slow-moving social policies. As of March 2020 (the time of this writing), most of the world's advanced economies (and some countries in sub-Saharan Africa, Central America, and other emerging economic regions) engaged in social policies meant to reduce the potential strain on healthcare resources at the cost of potential economic recession.

The subsequent economic slowdown may cast a shadow for years. This index, since the 2012 edition, has considered 2010 as a benchmark year from which recovery from the Great Recession in Solano County began. Because Solano County has relative strong balance among goods-producing and services-producing and government employment versus California overall, silver linings for Solano County may exist relative to other counties. However, pain will be felt throughout the state economy.

The social policy of “shelter-in-place” affects California's economy in many ways, including Solano County. Most of the local economy went into hibernation, though some parts do remain open; Solano County continued to allow construction during shelter-in-place and Travis AFB may be a stabilizing factor to the economy as it continues to operate as a military installation and also as an extension of healthcare capacity. Tourism businesses (hotels, retail and restaurants focused on visitors) were hurt first and likely are the last employers to return to normal once social policies are lifted.

In the United States, economic policy reactions included the largest, “bailout” fiscal-spending package in history and new monetary policy reminiscent of the Great Recession (2008-10) policy reactions. Data such as unemployment insurance claims and notices of default on home loans – data this Index followed during the Great Recession – are likely focal data for 2020. Visitor spending data is to be keenly watched, including hotel demand (with implications on transient occupancy tax (TOT) revenues), taxable retail sales (visitor spending, cars and other consumer durables) and restaurant meals. Visitors include inbound, commuting workers that come to Solano County along Interstates 80, 505, and 680.

The short-term economic effects on Solano County depend on the **depth** and **duration** of social policies. Economics teach us that the progression of this disease's effects on the macroeconomy, given the measures in place and likely to continue in the first two quarters of 2020, affect labor markets primarily. Economic development may face a tough choice of where to focus support efforts based on strategic decisions by local businesses to remain in business due to reduced revenues and pessimistic forecasts. Housing markets are currently predicted to see some price depression; due to an inability to maintain mortgage payments from job loss or a need to move during or after this crisis, we should expect an increase in existing homes for sale and also an increase in notices of default and foreclosures.

City and county government revenues are going to be lower on multiple fronts. Reduced taxable sales, property values and transient occupancy taxes all lead to local government budget challenges in two fiscal years (2020-21 and 2021-22) minimum. Equity market downturns may also strain public pension funds both for revenue reasons (returns on investment) but also increased liability reasons (health services costs rising and rising retirements as public employees observe incentives to retire). In short, the data in this edition of the Index provides prologue and a benchmark; 2020 is likely to be a challenging year for Solano County and California, where some opportunities also exist for Solano County and discussed in this report.

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Index Overview

Solano County jobs growth continues to over 145,000 workers.

For a ninth consecutive year, non-farm employment in Solano County increased. Approximately 1,700 more workers were hired at non-farm employers in Solano County, a 1.1 percent increase; farm jobs contracted by -300. From 2010 to 2019, since the Great Recession ended, Solano County employers added a total of 24,100 jobs. New construction jobs increased by 1,400 jobs in 2019, supporting overall county employment growth. Healthcare workers, including non-profit, health services, increased by 300 jobs in 2019.

Manufacturing jobs contracted a bit in 2019 by -300 jobs, a reduction for the first time since 2011. Jobs in wholesale services increased by 300 jobs, while jobs in financial services had zero new workers. Almost 14 percent of retail jobs located in Solano County were lost in 2019, down 700 workers. The state and national economies also expanded non-farm jobs, with both areas rising slightly faster than Solano County in percentage terms.

In 2019, Solano County employment increased by 1.0%, approximately 1,400 more jobs than 2018 across farm and non-farm employers.

The Broader Context: State and National Economic Updates

Initial forecasts entering 2020 suggested a slower, but strong economy to 2023. The national and state economics are now likely to enter recession in 2020 because of the COVID-19 crisis.

The California and national economy entered 2020 with jobs and income expansions at the longest period on record. Specifically, non-farm jobs grew for California by 1.7 percent in 2019. Jobs forecasts for California's economy through 2023 were initially set by the California Department of Finance (DOF) in January 2020 at approximately 1.0 percent per year on average; the DOF baseline forecast pointed to California's labor market

remaining near full employment to 2023. Growth of personal income before inflation was forecasted to grow annually at 4.3 percent to 2023; from 2011 through 2019 growth in real personal income was approximately 5.5 percent annually for the state. Consumer spending and taxable sales growth rise with personal income levels.

The national economy experienced continued jobs growth in 2019 (+1.4 percent). However, interest rate reductions took place to bolster waning business investment and consumer spending levels to boost stable but slowing inflation rates during a time of jobs expansion; lower rates helped stock markets recover from a flat 2018 to surge ahead in 2019. As 2019 ended, the Federal Reserve signaled interest rates would be likely be left stable in 2020; the COVID-19 crisis has forced many central banks worldwide to lower

The Federal Reserve cut interest rates three times in 2019, a reflection of concerns over too low of inflation rates. The COVID-19 aftermath in March 2020 has forced the Federal Reserve to drop short-term interest rates near zero.

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interest rates to stave off major economic downturns. The effects of both fiscal and monetary stimulus in 2020 at unprecedented levels may pressure inflation upward after 2021; unfortunately, a national recession is likely as of this writing in March 2020. Future inflation pressure depends very much on national and global reactions to how the COVID-19 crisis ends in 2020. We see later that both Solano County and California have recently shown faster cost of living increases versus national costs of goods and services. Costs of living measures are influenced by housing costs.

Housing and Commercial Permits Grew Quickly in 2019, While Prices Were Flat

Zillow™ Research predicted Solano County home prices in 2020 to fall by 0.1 percent as of January 2020.

Solano County housing prices were forecasted to have a relatively flat year in 2020 as of a January 2020 forecast by Zillow™ Research. The median sale price for homes in Solano County was approximately \$448,200 in December 2019, up 0.42

percent from the previous year according to Zillow™ Research. Median home prices in California overall grew just 1.76 percent in 2019 to just under \$556,900. Regional fires in 2019 were large again -- the Kincaid Fire in Sonoma, Napa and Lake counties was one of the largest in California's history in terms of square miles -- but less destructive to property and lives; potential power shutoffs have now added more, annual uncertainty to being a resident of and business in California. Projected population and jobs growth suggest medium- to long-term support remains for home values and economic development in Solano County. The COVID-19 crisis may change Solano County's housing market in multiple ways.

Solano County's housing and commercial real estate permit and building activity rose sharply in fiscal year 2018-19 (July 1 to June 30) versus fiscal year 2017-18. Residential building permits activity in fiscal year 2018-19 saw 1,066 new housing units permitted. Commercial square feet under construction was up by approximately 2.01 million square feet between July 2018 and June 2019; 83.2 percent of new commercial real estate was in Fairfield, Vacaville and unincorporated Solano County. The COVID-19 crisis in 2020 is likely to slow down statewide construction activity through 2020 as compared to 2019; Solano County continued to allow construction work during shelter-in-place as an essential industry. Because construction in Solano County is related to goods movement, including fulfillment centers, food logistics and consumer goods, allowing construction to continue prepares Solano County for growth once the social policies lift in 2020.

Solano Economic Development Corporation faces challenges and opportunities to attract, expand and retain businesses once the COVID-19 crisis passes for Solano County.

New and expanding businesses may need more and varied commercial space. Data on vacancy and pricing come from Colliers International. Office space available in Solano County was at 19.2 percent vacancy for Class A space, and approximately 8.0 percent for Class B office space as 2019 ended. Industrial space in Solano County, including manufacturing space and warehousing, had 5.0 percent vacancy as of December 2019, continuing to trend down. Price changes were flat for Class A space ending 2019 at approximately \$2.43 per square foot, while prices for Class B increased over

Index of Economic and Community Progress

10 percent for the second year in a row to \$2.21 per square foot in Solano County. In contrast, San Francisco County has a median price of \$10.32 per square foot on average for Class A space as of Q4 2019, where there is less than 5.0 percent vacancy.

Solano Economic Development Corporation (EDC) continues with an economic development strategy focused on the following industry clusters:

- Advanced Materials;
- Biotech/Biomed;
- Food and Beverages;
- Logistics; and
- Travis Air Force Base.

As these industry clusters hire more workers, that expansion positively affect countywide demand for housing, retail sales, commercial real estate, and businesses hiring even more workers.

Solano County Labor Markets: Growth Flattened in 2019

Solano County's residents working or looking for work (the labor force) increase in 2019 by just 0.1 percent; as the county unemployment rate continued to fall, another 700 county residents in the labor force found work.

The number of employed residents grew by 14.0 percent in Solano County while the labor force has grown by only 3.5 percent since 2010. These data, and the jobs data shown above, suggest that Solano County's

Comparison of Solano County Labor Force Components, 2010 to 2019
Number of Workers and Percent Change Annual Averages

	<i>Number of Workers</i>			<i>Percent Change</i>	
	<i>2010</i>	<i>2018</i>	<i>2019</i>	<i>2010</i>	<i>2018</i>
Labor Force	202,400	209,300	209,500	3.5%	0.1%
Employed Residents	177,000	201,000	201,700	14.0%	0.3%
Unemployment Residents	25,400	8,300	7,900	-68.9%	-4.8%
Industry Employment	121,000	143,700	145,100	19.9%	1.0%

Source: EDD (<http://www.labormarketinfo.edd.ca.gov/>), Labor Market Information, Annual Averages; a new benchmark of 2019 was set with some revisions.

economy grew more due to its local businesses than its working residents in 2019. Jobs growth by industry shows how construction jobs stood out for Solano County in 2019.

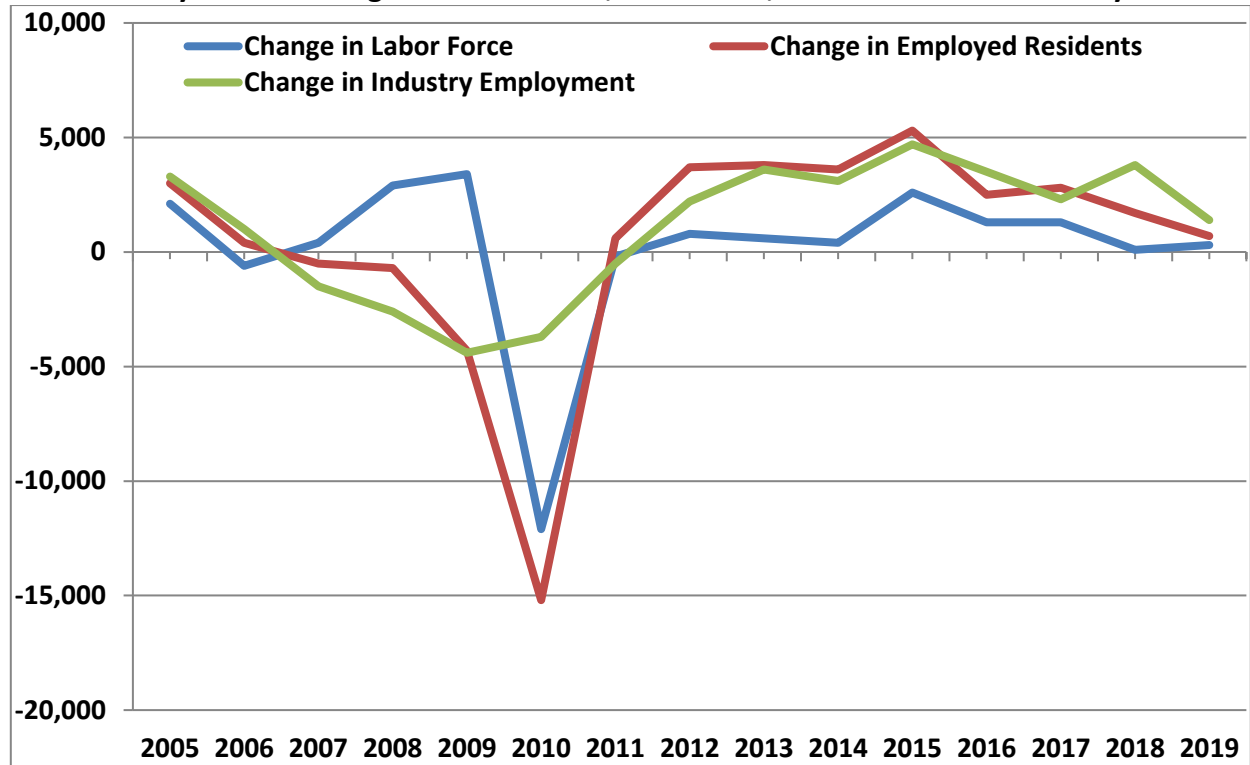
Solano County Employment 2019 Annual Average Gains and (Losses) of Jobs Since 2010, 2017 and 2018

<i>Industry</i>	<i>Since 2010</i>		<i>Since 2017</i>		<i>Since 2018</i>	
	<i>Gain/(Loss)</i>	<i>% Chg.</i>	<i>Gain/(Loss)</i>	<i>% Chg.</i>	<i>Gain/(Loss)</i>	<i>% Chg.</i>
Agriculture (Farm)	0	0.0%	-400	-22.2%	-300	-17.6%
Bars and Restaurants	2,500	24.8%	900	7.7%	500	4.1%
Construction	5,400	75.0%	2,000	18.9%	1,400	12.5%
Federal Government (incl. Travis AFB)	-1,000	-21.7%	-100	-2.7%	100	2.9%
Financial Activities	0	0.0%	100	2.0%	0	0.0%
Healthcare	5,670	38.3%	1,430	7.5%	300	1.5%
Information (Software and Publishing)	-100	-7.7%	100	9.1%	100	9.1%
Local Government Education	600	6.9%	-200	-2.1%	-200	-2.1%
Manufacturing	2,700	27.8%	100	0.8%	-300	-2.4%
Retail Trade	1,600	9.8%	-600	-3.2%	-700	-3.7%
State Government Excl. Education	200	4.3%	100	2.1%	100	2.1%
Wholesale Trade	200	4.8%	200	4.8%	0	0.0%
All Other Industries	3,700	19.4%	1,000	4.2%	400	1.0%
Total, All Industries (Farm + Non-Farm)	24,100	19.9%	5,200	3.7%	1,400	1.0%

Source: EDD (<http://www.labormarketinfo.edd.ca.gov/>), Labor Market Information, Annual Data, Chg. = Change

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Solano County Annual Changes in Labor Force, 2005–2019, Number of Solano County Residents



Source: EDD (<http://www.labormarketinfo.edd.ca.gov/>), Labor Market Information, Annual Averages

Goods-Producing Businesses at a Greater Productivity Share Than California

In 2018 (the latest data), Solano County services businesses expanded their proportion of the county economy. Solano County's public sector remains relatively large in terms of proportion of the county economy versus the state and national averages. Businesses that produce goods and provide services pay their owners, workers, creditors, and all levels of government from revenue they make, adding up to what is called gross product. Economists use the percentage change in inflation-adjusted, gross product data to assess an economy's "real" growth rate.

New businesses continued to emerge in Solano County. The California Employment Development Department (EDD) reports that there were 11,896 Solano County payroll businesses as of 2019 Quarter 2. There were almost 800 net new payroll employers in Solano County between 2018 Quarter 2 to 2019 Quarter 2. "Non-employer" businesses (i.e., businesses that are usually self-owned and operated) continue to be an important segment of Solano County's economy. Of the 1,056 new non-employer jobs for the 25,848 self-owned businesses (the latest data are from 2017) in Solano County, approximately 450 of these new workers were in transportation, likely Uber and Lyft drivers, but perhaps self-proprietor transport businesses for home deliveries.

Government's proportion of the economy is a function of local demand, employers and politics. The COVID-19 crisis is likely to affect both goods-producing and services-producing jobs, and make the government a larger jobs engine in 2020 as federal and state employment expand to assist and for Census 2020. Local government may be asked to do more for local residents and businesses as the economic downturn from the COVID-19 crisis unfolds in Solano County.

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Sector Shares of Gross Product at the County, State, and National Levels Percent of Total Gross Product in 2009 Dollars, 2010 to 2018, Selected Years

Year	<i>Goods-Producing</i>			<i>Services-Producing</i>			<i>Public Sector</i>		
	<i>Solano County</i>	<i>CA</i>	<i>US</i>	<i>Solano County</i>	<i>CA</i>	<i>US</i>	<i>Solano County</i>	<i>CA</i>	<i>US</i>
2010	28.7%	17.6%	19.1%	52.3%	69.4%	67.2%	19.0%	13.0%	14.0%
2015	31.7%	17.1%	19.0%	52.3%	71.4%	68.3%	16.0%	11.5%	12.3%
2016	32.7%	17.3%	18.8%	51.2%	71.3%	68.5%	16.1%	11.4%	12.2%
2017	32.4%	17.3%	18.8%	51.9%	71.6%	68.6%	15.8%	11.1%	12.1%
2018	31.7%	17.1%	18.9%	52.9%	72.1%	68.8%	15.4%	10.8%	11.8%

Source: Bureau of Economic Analysis (<http://www.bea.gov/regional/index.htm>)

Standards of Living Adjusting: Incomes and Costs both Rising

Cost of living indexes measure relative prices of goods and services and also the cost of doing business locally. Standards of living fall when costs of living rise quickly versus growth of incomes. Standard of living measures include income measures in **real** (inflation-adjusted) terms per person or household; higher values are considered progress. Beyond real gross product per person, real personal income per person is another indicator of changing standards of living, as is real median household income. The Bureau of Economic Analysis tracks gross product and personal income changes; median household income is estimated by the Census Bureau, based on a household of four people.

In 2018, real personal income per person in Solano County outpaced the national economy but was slightly slower than California. Median household income (MHI) grew almost 2.6 percent, another increase as in 2017. Solano County continues to have MHI levels above statewide and national averages. Solano County remains below the state of California average for gross product and personal income per capita after inflation adjustments. These three measures of living standards increased in 2018 (the latest data) exhibited continued progress for Solano County residents and households. In inflation adjusted terms, Solano County is now better off than before the Great Recession ended (2010) across the standard of living measures in this Index.

Standard of Living Measures at the County, State, and National Levels 2010, 2017 and 2018 (latest available data), in 2009 Dollars

Place	<i>Gross Product per Capita</i>			<i>Personal Income per Person</i>			<i>Median Household Income</i>		
	<i>2010</i>	<i>2017</i>	<i>2018</i>	<i>2010</i>	<i>2017</i>	<i>2018</i>	<i>2010</i>	<i>2017</i>	<i>2018</i>
Solano County	\$47,203	\$54,684	\$55,450	\$37,723	\$48,364	\$51,664	\$62,169	\$62,210	\$63,825
California	\$58,603	\$70,415	\$73,115	\$43,634	\$60,156	\$63,557	\$56,950	\$57,280	\$58,577
United States	\$53,967	\$59,601	\$60,967	\$40,546	\$51,885	\$54,446	\$49,238	\$50,459	\$51,512

Sources: Bureau of Economic Analysis (<http://www.bea.gov>) and Census Bureau (<http://factfinder.census.gov>); there have been changes in benchmarking that make these data different than previous Index versions for the same date and place.

Because standard of living data lag by one year, the 2019 data are likely to show an increase again, but the 2020 data are likely to show a decline due to lost incomes from the COVID-19 crisis. When the 2019 data are available, there is more information about the baseline as 2020 started. Population growth can also affect these standards of living for Solano County.

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Community Indicators: Continued Gains and Some Challenges

Graduation rates at Solano County high schools were higher than the state on average, with gains also made in the number of UC/CSU eligible students.

Population is estimated twice annually by the California Department of Finance, once for the calendar year to compare to annual Census estimates and again for county and state fiscal-year counts (July to June) and the components of any changes. Between July 1, 2018 and June 30, 2019, Solano County's population grew by an estimated 2,170

people; for the calendar year 2018, the estimated population growth was 2,205. Demographic data for 2018 (the latest data available) show that Solano County's population is now 37.9 years old at the median (1.6 years older than California).

Data on high-school graduates estimated Solano County schools produced graduates at a rate over 84.9 percent of eligible students, with 43.7 percent of graduates leaving high school eligible for UC or CSU admission. Solano County is likely to see K-12 enrollments slowly fall over this decade, and then begin to rebound slightly toward 2030. In terms of workforce education levels, Solano County's population over 25 years old has a bachelor's degree 26.2 percent of the time, slightly less than the state average.

Solano County's population gained 740 new residents from other places.

Like much of northern California, and the state overall, there was a net outflow of residents due to movement of people. A natural increase in Solano County's population balanced the population change for a net increase. Between July 1, 2018 and June 30, 2019, the California Department of Finance estimated people moving to Solano County increased by 740 net new residents. Births exceeded deaths by and estimated 1,430 in the 2018-19 fiscal year. Updated forecasts for all 58 California counties by the California Department of Finance (new as of Jan 2020) for 2020 to 2030 estimate that Solano County's population will be 472,048 (down from 507,219 predicted in 2019).

Solano County's graduation rate was 84.9 percent.

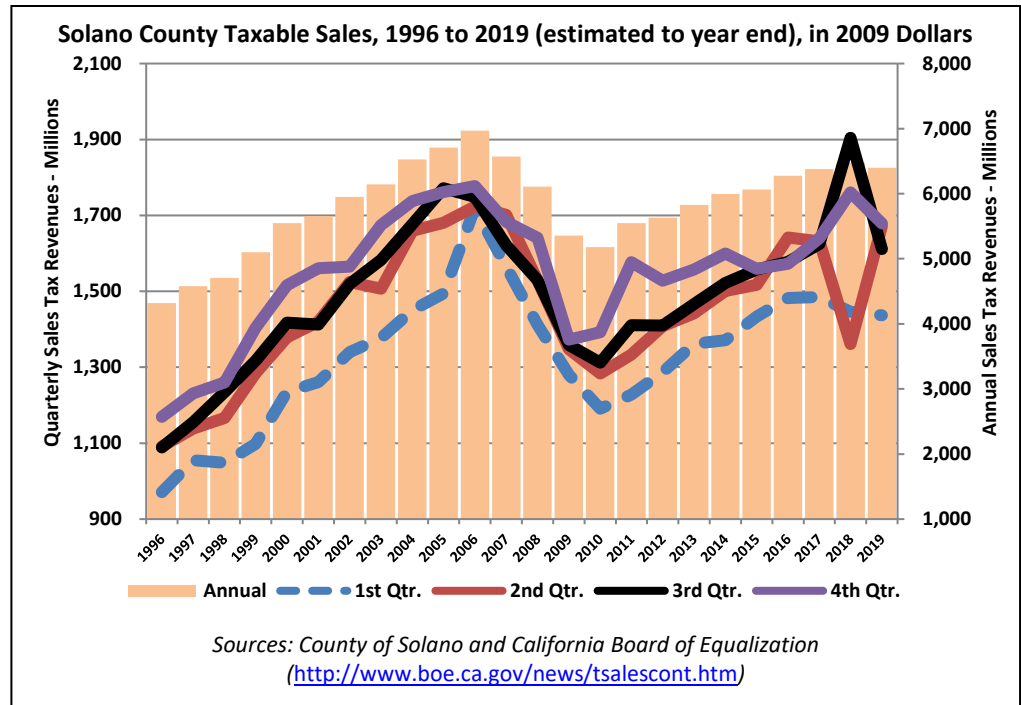
During the 2018-19 academic year (the latest year for which data are available), Solano County's graduation rate increased to 84.9 percent from 81.4 percent in 2017-18, ahead of California's average that increased slightly from 83.0 to 84.5 percent (methodology changes do not allow historic comparisons to graduates data before 2016-17 easily, including data on students preparing for college). The percent of graduates that were UC/CSU-ready was 43.7 percent of Solano County graduates in 2018-19 versus 50.5 percent of graduates for the state of California.

Graduation-rate levels recently achieved are likely to be tested in 2020 and 2021 due to the COVID-19 crisis. If family incomes drop and high-school students are forced to consider working versus school, there may be short-term challenges for local high schools. Further, housing market changes may shift demography toward older residents and slow down new student growth in the early 2020s versus current forecasts. Local government is also going to be challenged due to changing levels of sales tax and property tax revenues.

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Taxable sales and assessed property value continue to rise

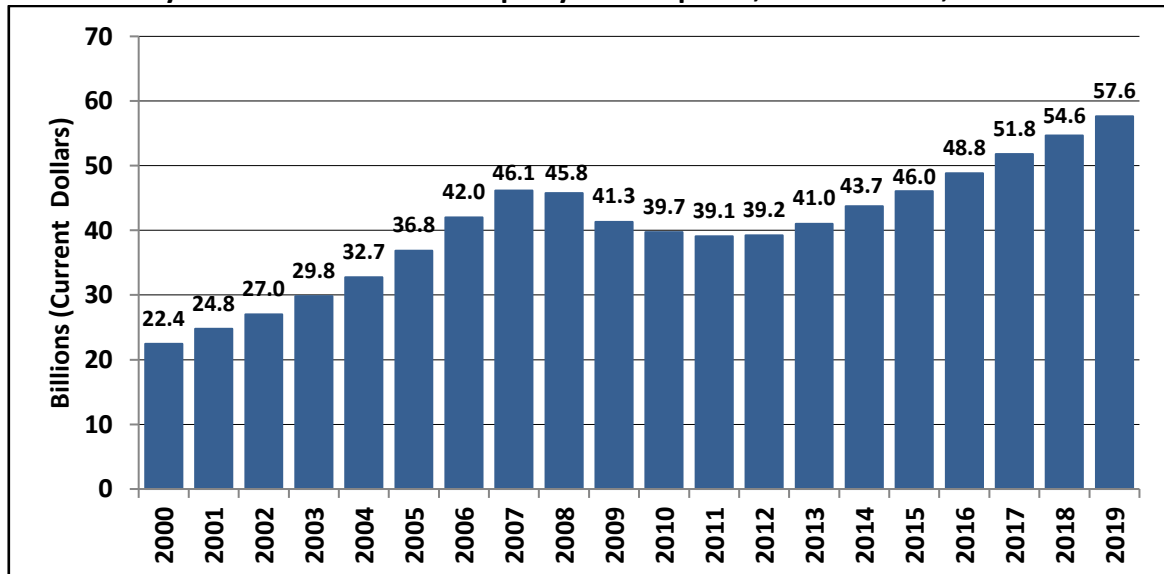
The combination of rising home prices and more taxable sales suggests more revenue for Solano County's city and county governments in 2019. Overall, taxable sales grew slightly after inflation adjustments; inflation-adjusted, taxable sales have grown by 23.9 percent from fiscal year 2009-10 to 2018-19 for the



County of Solano. Solano County should expect lower taxable sales in 2020 due to the COVID-19 crisis; the crisis' shadow also affects transient occupancy tax (TOT) revenues in Solano County's cities.

Solano County's assessed property values in the aggregate continued to grow in the 2018-19 fiscal year; current values are used by the Solano County Assessor's Office to set the annual tax roll. As of June 30, 2019, the assessed value of property in Solano County was \$57.6 billion, the seventh year of increased property tax rolls in a row. Housing market fluctuations, like those during the Great Recession (2008-10), may force property tax rolls down again due to the COVID-19 crisis.

Solano County Assessed Values for Property Tax Purposes, 2000 to 2019, in Current Dollars



Source: Solano County Assessor's Office (current assessed value)

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Travel Times to Work and Laborshed

Worsening traffic and rising employment opportunities combine for potential, negative effects on Solano County residents. Solano Transportation Authority (STA), Metropolitan Transportation Commission (MTC) and Solano Economic Development Corporation (Solano EDC) continue to partner and seeking funding for projects to make other infrastructure upgrades to Solano County's roadway systems. Between 2010 and 2018 (the latest data available), Solano County residents spent an extra 3.2 minutes going to work on average; the average time it takes someone who lives in Solano County to get to work is 32.6 minutes. 60.3 percent of commuters spend a minimum of 20 minutes getting to and from work each work day. Most commuters leaving Solano County go to San Francisco, Contra Costa, Alameda, and Sacramento counties according to the Census Bureau. Commute patterns remain similar to the period since 2010, but the COVID-19 crisis may have effects on where and how people work after 2020.

Geographic Comparisons

Unless stated otherwise, the 2019 Index groups counties into the following three areas in California for the purpose of making comparisons. All of these counties, including Solano County, can also be defined as a "super region".

- Bay Area Other: San Francisco, Santa Clara, Alameda, San Mateo, Contra Costa, and Marin counties;
- North Bay: Sonoma and Napa counties;
- Sacramento Metropolitan Statistical Area (MSA): Sacramento, Placer, El Dorado, and Yolo counties.

Takeaways and What Is Important

In previous versions of this Index, the author has ended each of the following subsections with a brief "**TAKEAWAY**" and either an "**OPPORTUNITY**" or a "**CHALLENGE**" for Solano County economic development. Due to COVID-19 and the global economy slowing down as a result of social policies to restrict movement of workers and disease spread, 2020 is likely to be a challenging economic year. If there is a true opportunity or a serious challenge seen by the author, it is identified after the subsection's **TAKEAWAY**. If not, we use "**For 2020**" and try to point the reader to the most likely scenario for 2020 and what next year's Index report may reveal. The report starts with a look at Solano County's economy followed by community indicators.

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Our Changing Economy

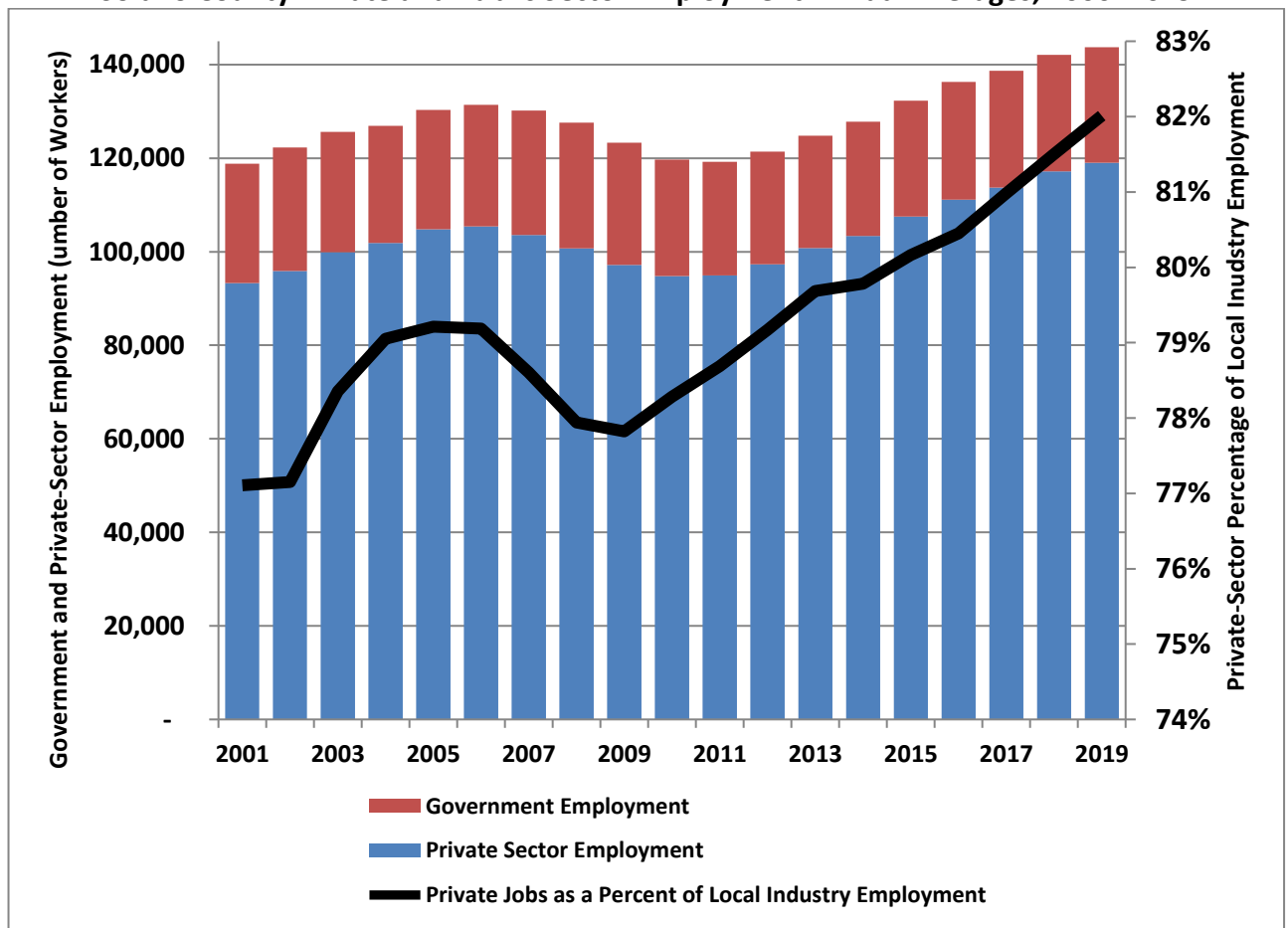
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Labor Markets

Annual Local Industry Employment

Solano County employers increased the number of workers hired in 2019 from the previous year by 1,400 workers. Total payroll workers employed by Solano County businesses, governments and non-profits (employers that are not self-employed) was 145,100 workers at the end of 2019. This change of 1,400 more workers is a 1.0 percent increase from 2018 and the eighth year of continuous jobs growth for Solano County. Government employment fell (due to 100 fewer workers) as a proportion of total employment versus private-sector jobs growth.

Solano County Private and Public Sector Employment Annual Averages, 2000–2019



Source: California Employment Development Department (www.edd.ca.gov). Private- and public-sector employment levels are indicated on the left-hand axis; share of private-sector (%) jobs to total employment is indicated on the right-hand axis.

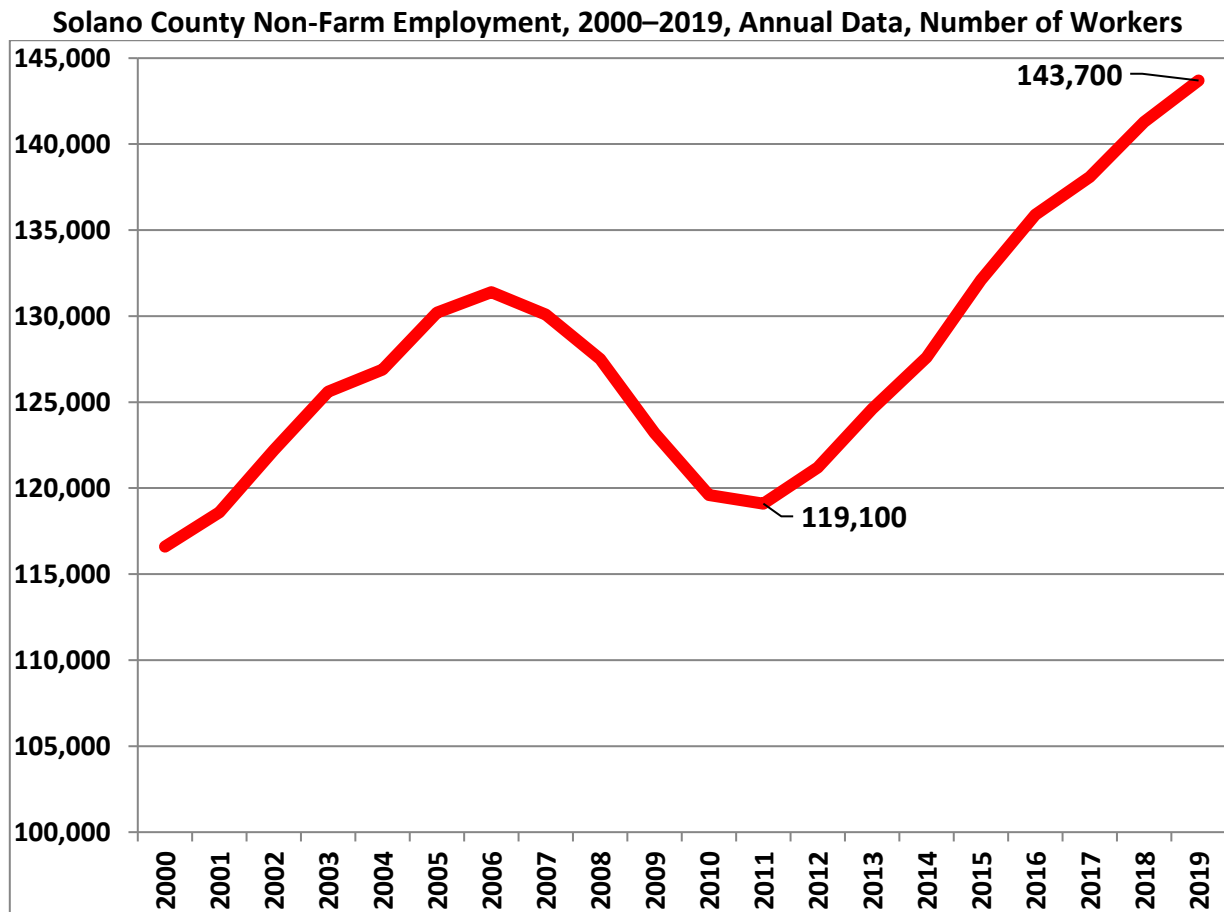
TAKEAWAY: Solano County payroll employers hired 1,400 more workers in 2019 (1.0 percent gain), and have hired over 24,000 more workers since 2010.

For 2020: As the aftermath of COVID-19 affects Solano County, it is likely that in 2020 and 2021, public employment rises as a percentage of employment for Solano County as private-sector employment falls.

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Total Non-Farm Employment

Agricultural jobs in Solano County slipped again in 2019 (-300 jobs); however, Solano County employers hired 1,700 more workers in non-farm jobs in 2019 (1.1 percent gain). Since 2011, there are 24,600 more people working at jobs in Solano County (15.6 percent growth, see figure). Healthcare hiring led to 300 more jobs; Solano County's healthcare sector has annual jobs gains for thirty (30) years in a row, including three recessions. Construction employment in Solano County saw another robust year with 1,400 new jobs in 2019. Solano County's gain in non-farm jobs in 2019 was in spite of 700 jobs lost in retail. Manufacturing and public education also slipped slightly in 2019. Counties in the Bay Area Other category grew non-farm jobs at 2.0 percent in 2019, including San Francisco County. The North Bay counties of Sonoma and Napa had non-farm jobs growth of 1.2 percent overall in 2019, while Sacramento County grew by 1.6 percent; the statewide average was 1.8 percent growth in 2019.



Source: California Employment Development Department (www.edd.ca.gov)

TAKEAWAY: Jobs in Solano County continued to grow in 2019, though at a percentage change slower than the state on average, the Bay Area and the North Bay counties.

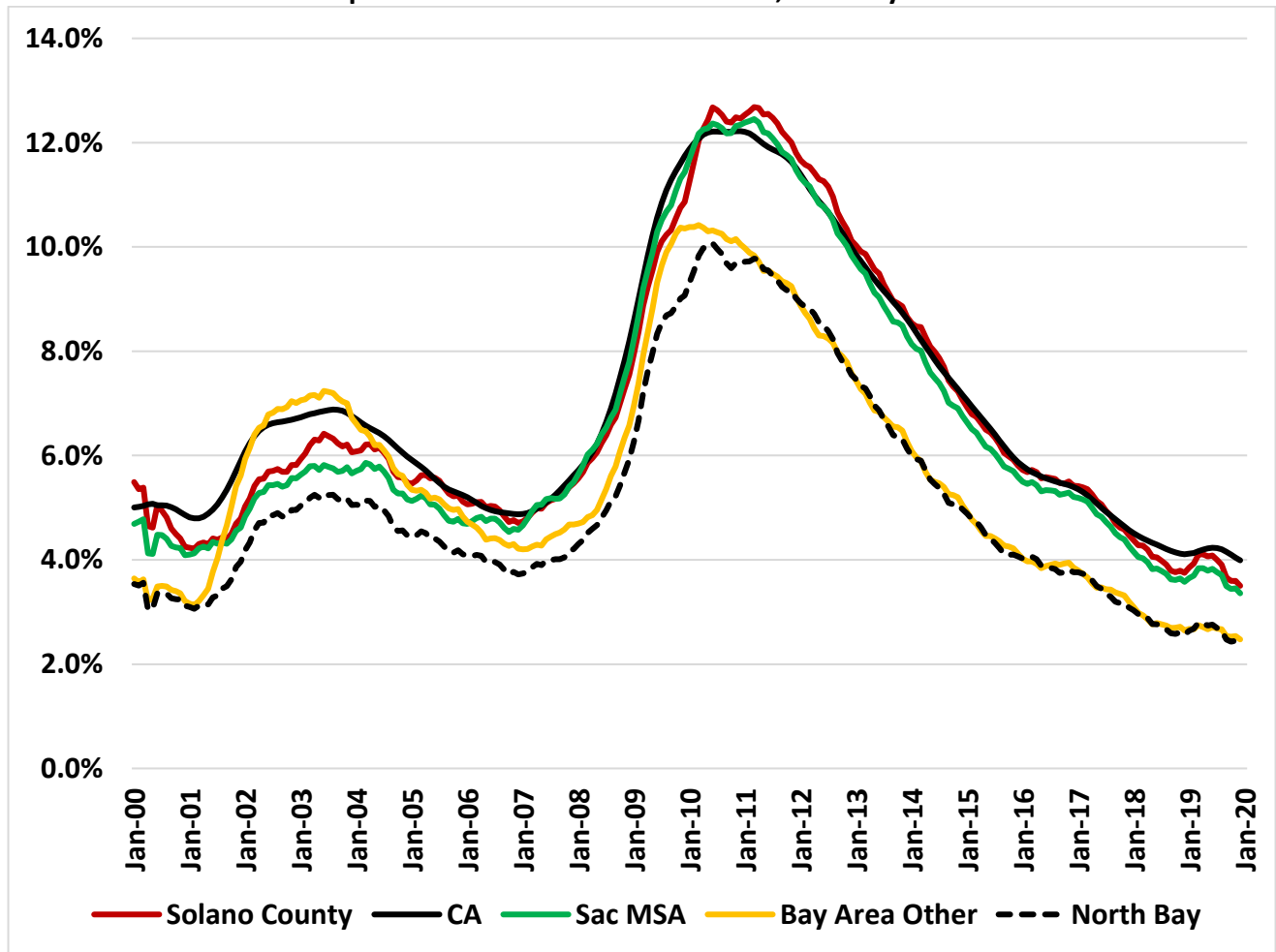
OPPORTUNITY: Because non-farm jobs in Solano County are less-dominated by services than the state of California on average, non-farm employment may see a larger percentage drop for the state than for Solano County because of the COVID-19 crisis.

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Unemployment Rate Comparisons

Solano County's unemployment rate was 3.7 percent as 2020 began, compared to 4.0 percent one year earlier. The drop in the unemployment rate was due to jobs growth and approximately 200 fewer Solano County residents in the labor force in 2019 and 400 fewer unemployed. The state of California had 4.1 percent unemployment, while the United States overall had 3.5 percent unemployment as of January 1, 2020. San Francisco and the Bay Area Other counties dropped below 2.5 percent unemployment as 2019 ended.

Unemployment Rate (%), January 2000 – December 2019
Comparisons Between Selected Areas, Monthly Data



Source: California Employment Development Department (<http://www.edd.ca.gov>)

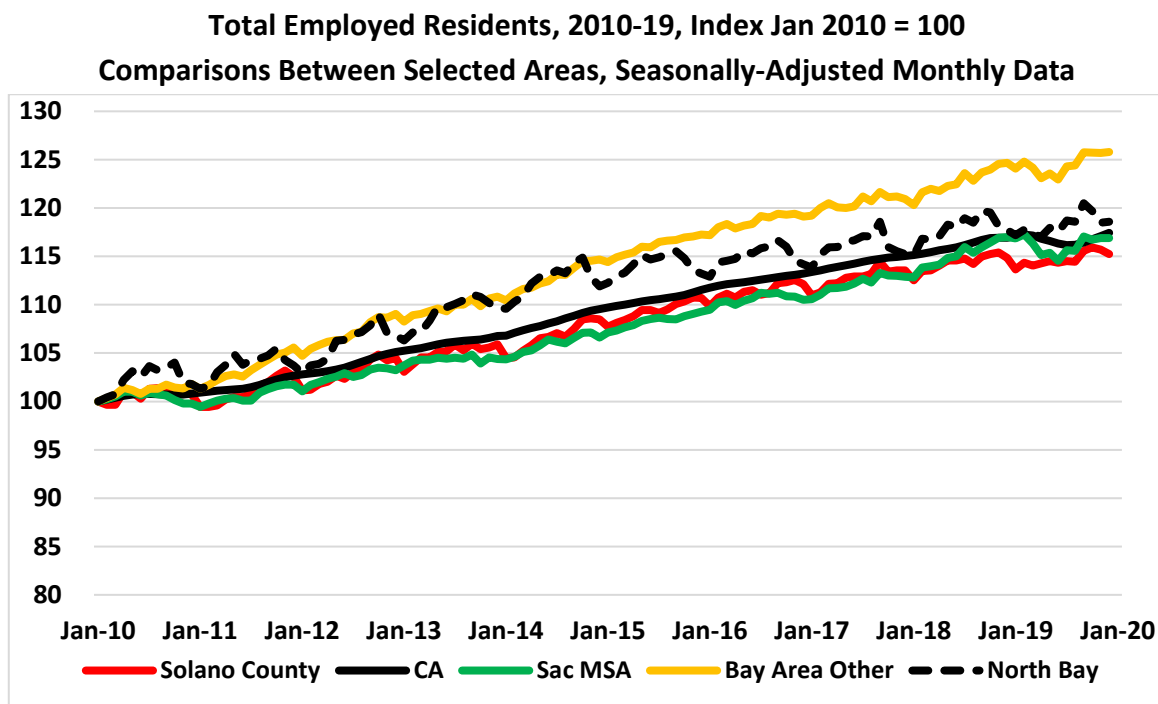
TAKEAWAY: Unemployment rates in Solano County and California were at their lowest levels on record (since 1976) as of December 2019.

FOR 2020: After years of low unemployment, Solano County is likely to see some of the largest jumps in unemployment rate history in 2020 due to the COVID-19 crisis, but potentially remain at lower unemployment rates than the state on average.

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Total Employed Residents Comparisons

In 2019, Solano County experienced 0.3 percent more employed residents, an increase of approximately 700 Solano County residents working. The figure below compares Solano County's employed residents by index numbers to employed workers in other, selected areas. Changes in the index are monthly, percentage changes from January 2010, the index base month equal to 100. In December 2019, the index was 114.9, thus 14.9 percent growth since 2010 (annual averages suggest slightly higher growth than the monthly data).



Source: California Employment Development Department (<http://www.edd.ca.gov>)

Percent Change in Employed Residents, Jan 2010 and Dec 2018 Compared to Dec 2019

Employed Residents	2010-19	2018-19
Solano County	14.9%	0.3%
California	16.5%	1.3%
Sacramento MSA	16.2%	1.6%
Bay Area Other	24.8%	2.7%
North Bay (Napa/Sonoma counties)	15.7%	0.5%

Source: California EDD (www.edd.ca.gov)

TAKEAWAY: Solano County has more residents working in 2019 than 2018; county residents work in multiple counties throughout northern California.

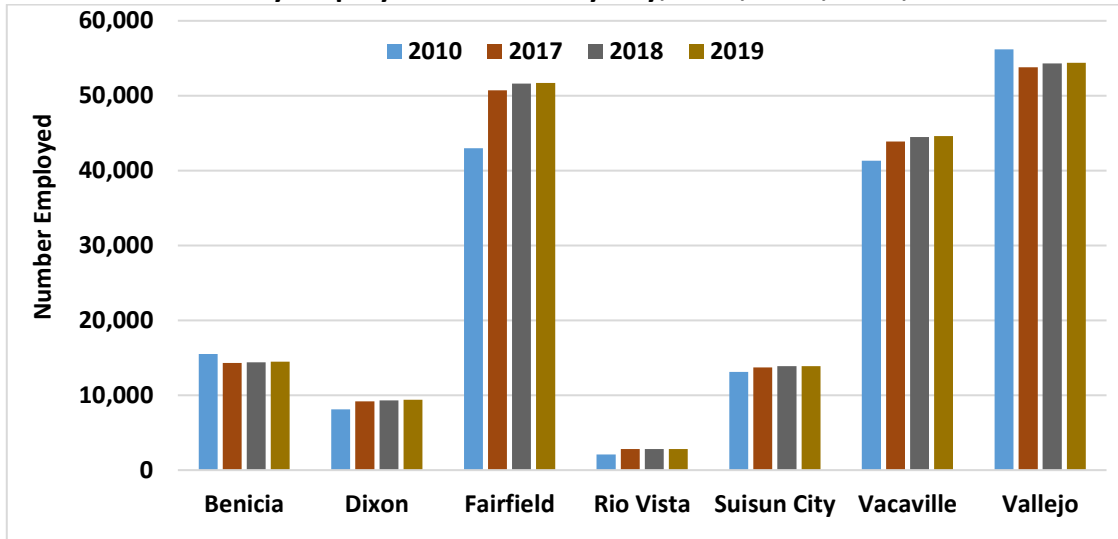
FOR 2020: Levels of employed residents are likely to be lower in 2020 as the COVID-19 crisis evolves. Solano County's residents that commute away from Solano County to jobs elsewhere, especially to urban areas such as core Bay Area counties like San Francisco and Alameda, may have longer, negative effects than those with jobs within Solano County. Cities may see two rounds of social distancing and business closures if COVID-19 returns toward the end of 2020.

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Cities Overview: Labor Markets

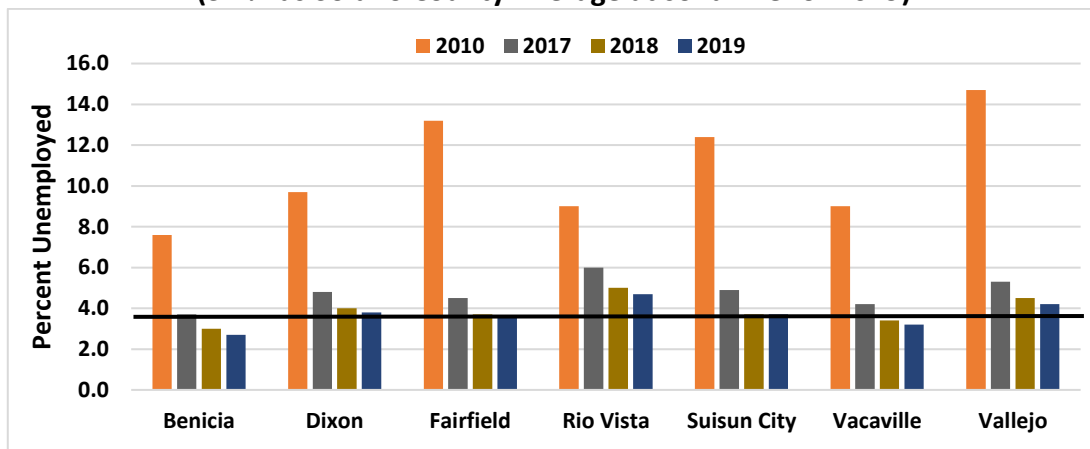
Data on Solano County's incorporated cities and their labor markets come from California's Employment Development Department (EDD). Jobs growth in 2019 increased slightly for all Solano County's cities except Rio Vista and Suisun City that had zero percent growth; unemployment rates also fell in all cities due to both slight jobs growth and reduced labor force levels. Solano County's unemployment rate had an annual average of 3.7 percent.

Solano County Employed Residents by City; 2010, 2017, 2018, and 2019



Source: California EDD (www.edd.ca.gov)

Solano County Unemployment Rate by City, 2010, 2017, 2018, and 2019
(3.7% as Solano County Average at solid line for 2019)



Source: California EDD (www.edd.ca.gov)

TAKEAWAY: For Solano County cities, the number of employed residents increased in 2019 except for zero change in Rio Vista and Suisun City; with unemployment rates falling in all cities, city residents may be leaving the labor force due to retirements.

FOR 2020: As unemployment rises in the wake of the COVID-19 crisis, all the cities in Solano County are likely to be affected negatively, regardless of the city's size.

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Employment in Base Industries and Locally-Serving Industries

Economic development generally focuses on attraction, retention and expansion of “base” or “traded-sector” industries, businesses with markets beyond Solano County’s borders. Base-industry employment increased slightly as of 2019 Quarter 2 versus 2018 Quarter 2. Solano County jobs growth tilted toward government jobs over those four quarters. Warehousing and transportation, as well as visitor services (accommodation and food services) industries also increased jobs.

Construction saw a big increase in jobs (+14.8 percent or 1,632 more jobs), as did educational services over these four quarters. Healthcare jobs also saw a continued increase. While generally not the primary focus of economic development efforts, locally-serving businesses provide local options for residents and reduce income leakages to other counties.

Efforts such as Moving Solano

Forward

(www.solanomeansbusiness.com)

continue to support base-industry jobs growth. Because such businesses draw from global markets, more base jobs can stimulate more locally-serving jobs.

Solano County Base Industry Employment
Second Quarter Data for 2010, 2017, 2018, and 2019

	2010 Q2	2017 Q2	2018 Q2	2019 Q2
Base Industries Total	32,401	36,740	36,537	36,804
Agriculture	1,489	1,919	1,673	1,572
Mining	223	240	560	524
Wholesale Trade	3,986	4,098	4,203	4,212
Information	612	244	267	237
Finance and Insurance	991	1,001	1,047	1,070
Real Estate and Rental and Leasing	119	241	275	316
Prof., Scientific, Technical Services	266	263	306	283
Management/Consulting	1,217	966	797	763
Arts, Entertainment, and Recreation	2,455	2,860	2,833	2,822
Accommodation and Food Services	701	703	702	886
Federal government	4,975	3,702	3,548	3,579
State government	4,618	6,043	5,400	5,982
Manufacturing	6,109	9,378	9,816	9,559
Retail Trade	2,334	2,360	2,249	2,070
Transportation and Warehousing	2,306	2,722	2,861	2,929
Locally-Serving Industries Total	68,902	83,937	86,804	92,771
Utilities	480	586	585	593
Construction	7,119	9,993	11,047	12,679
Information	586	244	267	237
Finance and Insurance	2,323	1,001	1,047	1,070
Real Estate and Rental and Leasing	1,218	241	275	316
Prof, Scientific, Technical Services	3,121	263	306	283
Admin/Waste Management Services	6,579	5,607	6,059	5,387
Educational Services	1,537	1,217	1,322	2,034
Healthcare and Social Assistance	12,777	23,406	24,068	25,914
Arts, Entertainment, and Recreation	222	2,860	2,833	2,822
Accommodation and Food Services	438	349	437	496
Other Services	3,097	3,847	3,734	4,475
Local Government	15,380	16,061	16,077	15,847
Local Portion of Retail Trade	13,281	15,540	15,886	17,689
Local Portion, Trans and Warehouse	744	2,722	2,861	2,929
Jobs in industries unassigned	21,332	18,141	18,315	14,591

Sources: Bureau of Labor Statistics (www.bls.gov) and its Quarterly Census of Wages and Employment (QCEW), Calculations by Author (“Unassigned” jobs in industries that serve a mix of local and export markets).

TAKEAWAY: Base industries employment increased by 267 jobs between Quarter 2 2018 and Quarter 2 2019 (the latest data), while total workers at Solano County employers increased by 2,433 over these four quarters.

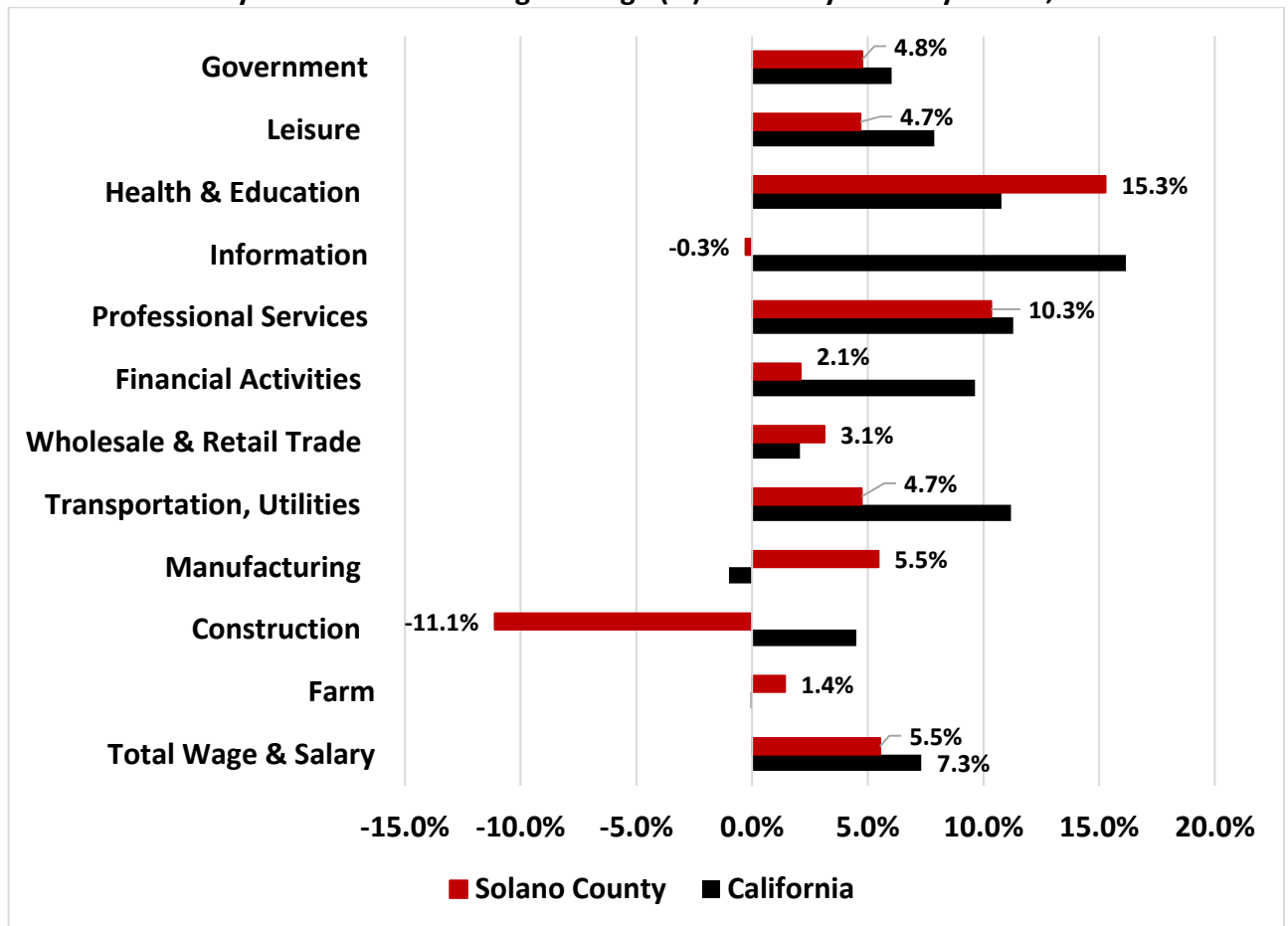
OPPORTUNITY: The COVID-19 crisis shows that having businesses essential to sustaining households. Economic development opportunities may expand in “essential” production as a way to provide import substitution: pharmaceuticals; chemicals; medical devices; and other advanced materials.

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Long-Term Jobs Forecast to 2030

CalTrans, the California Department of Transportation, forecasts socioeconomic indicators for all 58 California counties and the state overall annually. Projected jobs growth from 2019 to 2030 in Solano County is shown here as positive but slower growth than the state overall to 2030. Construction jobs in Solano County are forecasted to contract; such a change may be due to assumed growth in the early 2020s, followed by a slowdown as home and commercial construction reaches a short-term peak. Farm jobs and all other industries, except for Information (software and publishing), are forecasted to grow positively to 2030. These data change each year as CalTrans gains new information; the forecasts can be seen as opportunities for economic development professionals.

Solano County Estimated Percentage Change (%) in Jobs by Industry Sector, 2019 to 2030



Sources: California EDD (www.edd.ca.gov) and CalTrans (www.caltrans.org)

TAKEAWAY: As of 2019, Solano County had a positive jobs-growth forecast of 5.5 percent in net from 2019 to 2030, slower than for the state overall (7.3 percent).

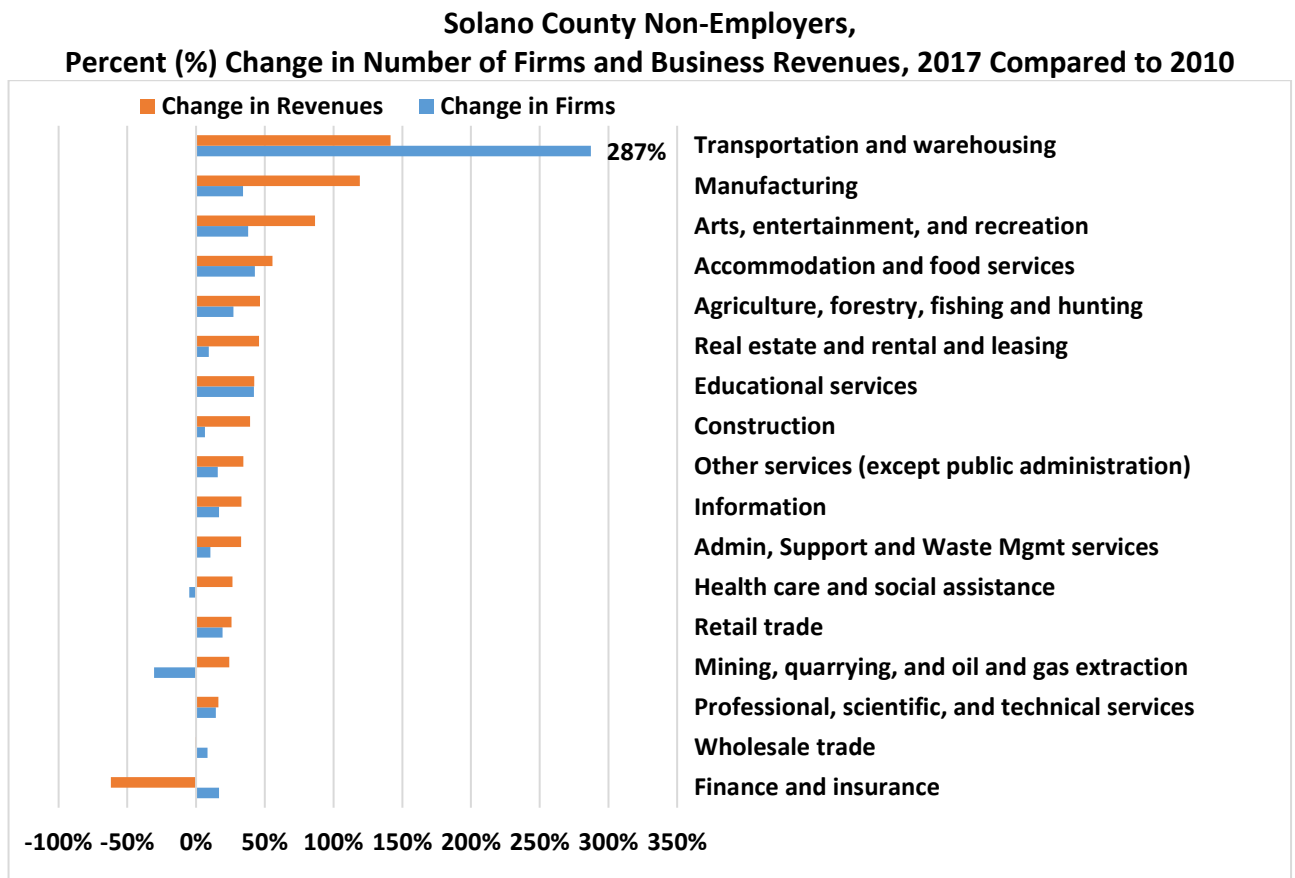
OPPORTUNITY: For economic development, Solano County has opportunities to attract and expand industries that have portable jobs (workers can work from home) and also essential businesses (e.g., healthcare and construction). While this forecast is from before the COVID-19 crisis in 2020, California's and Solano County's emergence from the crisis may ultimately lead to little change in jobs growth predictions to 2030.

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Businesses and Incomes

Non-Employer Businesses

The growth of transportation and warehousing businesses for self-employed, “non-employer” businesses since 2010 to 2017 (the latest data available) outpace the sum of all other new self-employed businesses created for Solano County (287 percent growth as shown in the figure). This is likely due to drivers being workers for businesses such as Uber, Lyft, and Amazon Prime. Non-employer businesses hire fewer than four (4) workers, and are generally self-employed businesses. The Census Bureau estimates the number of non-employer businesses to track total business entities in the United States. Of Solano County’s 1,056 self-employed businesses that newly opened in 2017, 42.6 percent were transportation/warehousing businesses. As of 2017, there were approximately 25,850 such businesses operating in Solano County.



TAKEAWAY: Jobs in transportation as Uber and Lyft drivers continue to dominate growth of new, small business formation of firms with less than four, non-payroll employees since 2010. The data continue to lag 24 to 36 months.

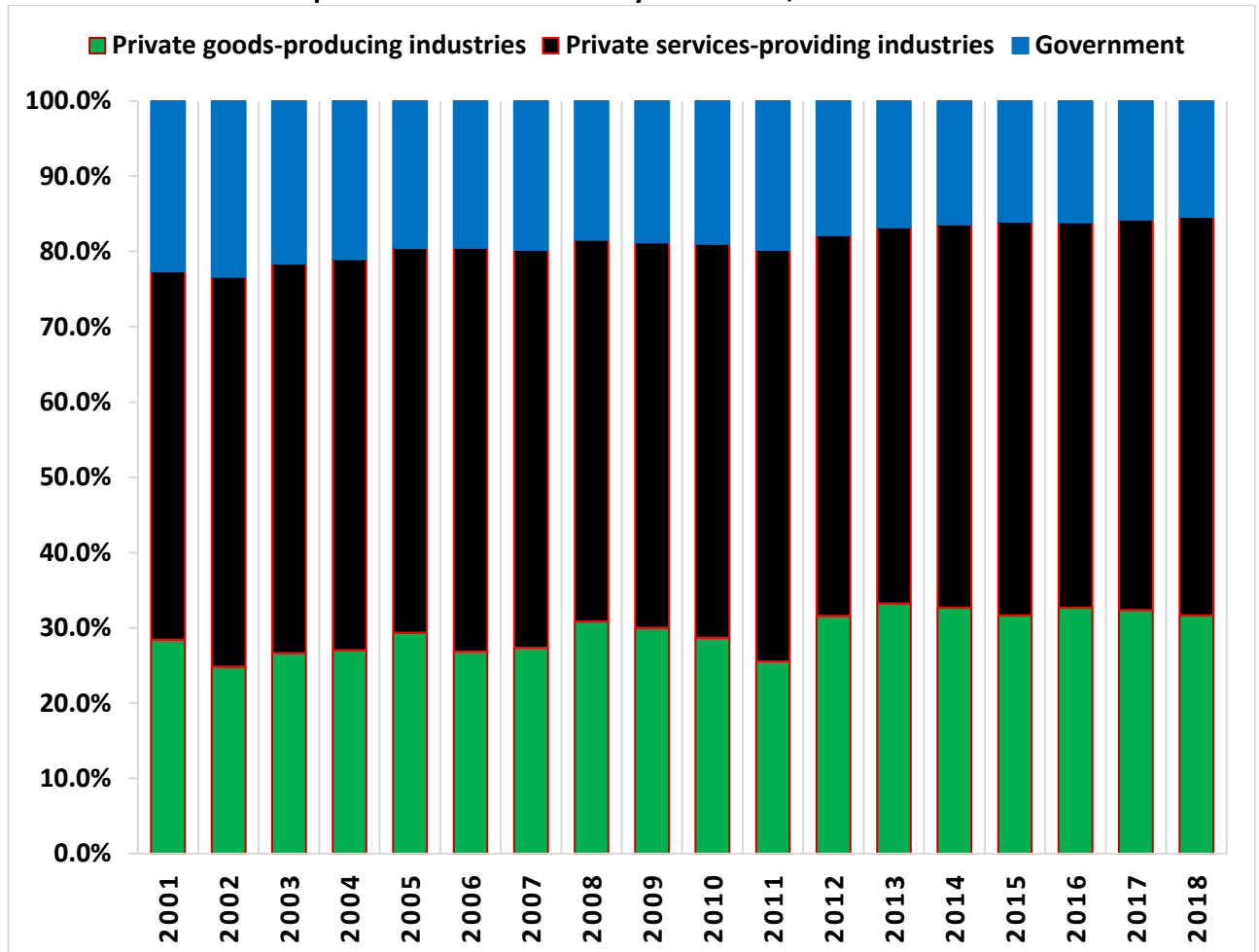
FOR 2020: While these data lag, the COVID-19 crisis and implications from 2019’s Assembly Bill (AB) 5’s definition of a worker may change how these workers approach remains in business. These smaller businesses may not be as plentiful after 2020 for some time due to the COVID-19 crisis hitting smaller, self-owned businesses harder than larger businesses.

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Gross Product Change by Industry Sector

Gross product measures how employers add value to raw materials and create goods and services. Gross County Product (GCP) data show Solano County continued to grow across industry sectors and countywide in 2018 (the latest data available). While public-sector employers remain important, including Travis Air Force Base, private-sector services have grown in terms of their proportion of income generated for county business.

Gross Product Share (%) by Major Sector, 2001-18
Proportions in Solano County Over Time, in 2009 Dollars



Source: Bureau of Economic Analysis (www.bea.gov)

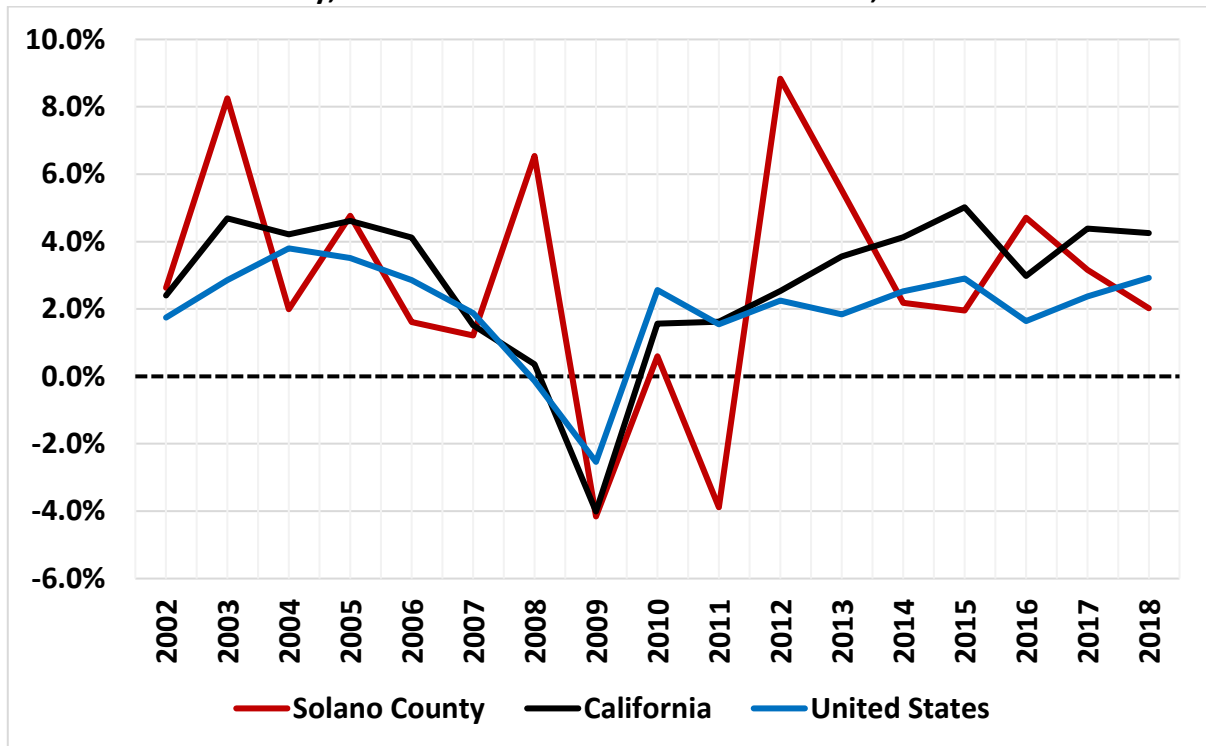
TAKEAWAY: Since 2010, the public sector has become smaller as a proportion of Solano County's economy to 2018, as private-sector services businesses saw more gross product growth during 2018 than goods-producing or public-sector employers.

FOR 2020: Due to the COVID-19 crisis, 2020 is likely a year where the public sector increases as a percentage of the total gross product for Solano County versus private-sector industries due to an economic contraction.

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Gross product growth rates slowed down in 2017 and 2018 for Solano County, where county gross product growth was 2.0 percent in 2018. Healthcare, advanced manufacturing, retail, and construction remain foundations of Solano County's economy; finance and non-durable manufacturing gross product (food and beverage mainly) contracted a bit in 2018. Government is approximately 15.4 percent of gross product in Solano County in 2018 (the latest data available) down from 15.8 percent in 2017.

**Gross Product Growth Annually, 2002–2018, Percent (%) Growth
Solano County, California and the United States Overall, in 2009 Dollars**



Source: Bureau of Economic Analysis (www.bea.gov)

TAKEAWAY: Solano County's gross product growth after inflation at 2.0 percent in 2018 (the latest data available) was slower than the national economy (2.9 percent), and almost half the growth of California (4.3 percent) on average. The increase in the gross product deflator (see below) in Solano County partially accounts for slower growth.

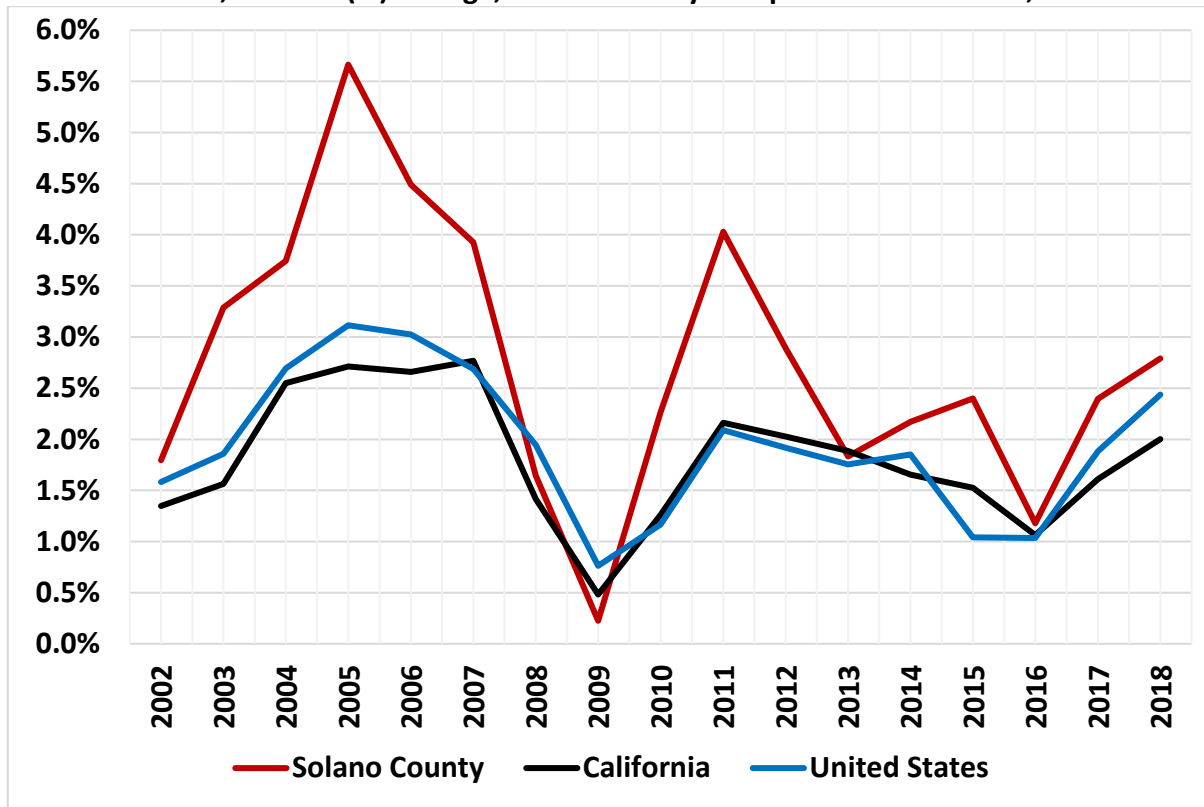
FOR 2020: Increasing unemployment from reduced consumer and business demand for goods and services in 2020 due to the COVID-19 crisis is likely to make gross product growth negative for Solano County in 2020. This is similar to the depths of the Great Recession (2008-10). Much depends on the number of jobs and businesses lost as a result of COVID-19 social restrictions and the supportive effects of fiscal and monetary stimulus packages by federal and state governments.

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Gross Product Deflator and Local Cost of Living

The Gross Product Deflator (GP Deflator) is technically the ratio of nominal to real (inflation-adjusted) gross product; the GP Deflator is a price index that converts the value of production today to its purchasing-power level as of a base year from the past. The Consumer Price Index (CPI) is closely related to the GP Deflator; while there is no official CPI data available for Solano County, the GP Deflator can act as a proxy. Changes in this deflator index may or may not suggest economic expansion or contraction alone. The GP Deflator is the percentage change in the cost of living from the last year **locally**. For Solano County, a 2.8 percent change (as in 2018, the latest data available) means, it is 2.8 percent more expensive to live in Solano County since the previous year, but does not suggest how expensive it is to live in Solano County versus national, state or other regional economies.

GP Deflator, Percent (%) Change, Solano County Compared to US and CA, 2002-18



Source: Bureau of Economic Analysis, Regional Data (<http://www.bea.gov/regional>)

TAKEAWAY: Solano County's cost of living (2.8 percent) grew slightly faster than the state and national rates of change (2.0 percent and 2.4 percent) respectively.

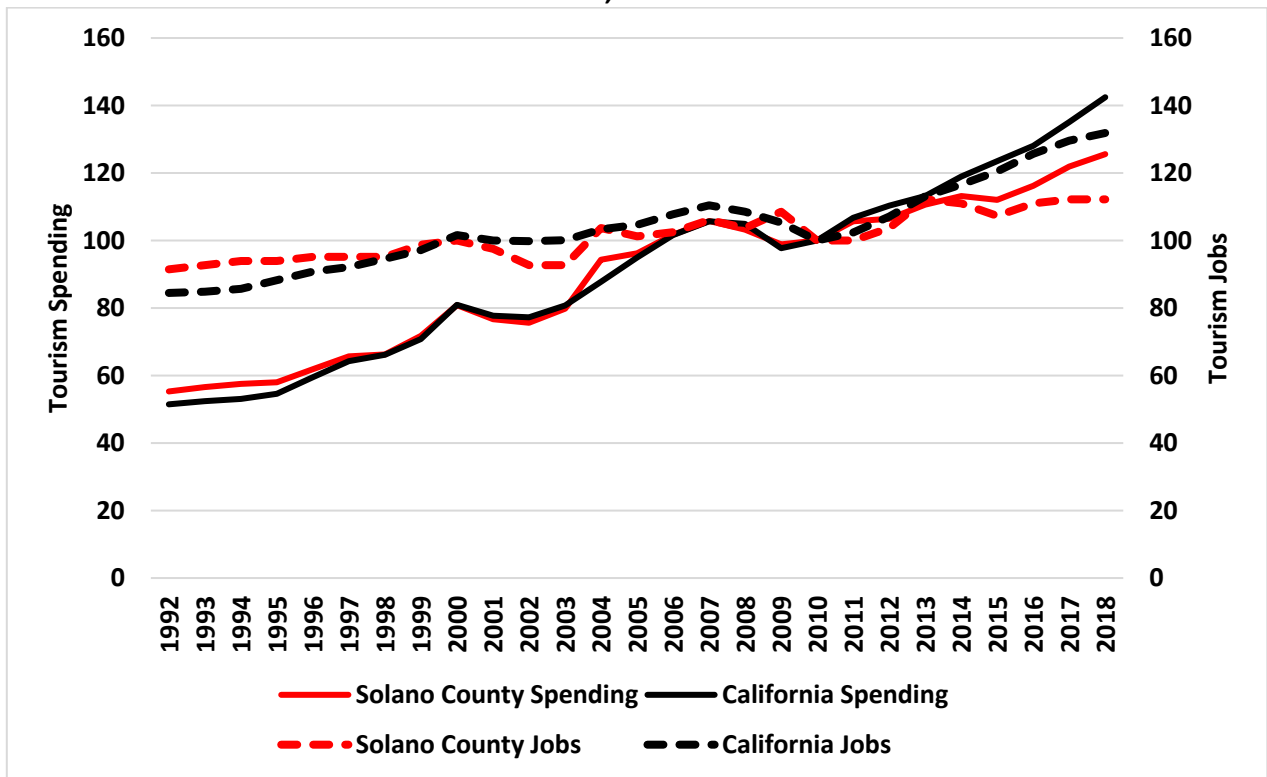
OPPORTUNITY: Demand and jobs contraction in Solano County due to the COVID-19 crisis in 2020 may generally lower costs for consumers and businesses, providing incentives to spend. Lower prices also reduce the cost of living for lower-income residents and families in Solano County to offset potential income reductions.

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Tourism Industry: Supporting Visitors

Recent, regional fires in northern California reduced the number of visitors to places like Sonoma, Napa, Butte, and Shasta counties in 2018; the fires' effects were also felt in Solano County. Spending by visitors to Solano County support an array of local attractions, retail and restaurant employers, and their workers. The figure compares Solano County business revenues from visitors to the state overall, as well as visitor-related employment. Solano County has over 6.5 percent of non-farm jobs in 2018 (the latest data available) directly supporting visitors.

**Tourism Jobs and Spending, Visitors Spending in Solano County and California
1992 to 2018, Index 2010 = 100**



Source: Dean Runyan Associates (<http://www.deanrunyanassociates.com>)

TAKEAWAY: Solano County tourism jobs did not grow or shrink in 2018, while statewide jobs supporting visitors grew slightly. Tourism spending in Solano County increased in 2018 versus 2017.

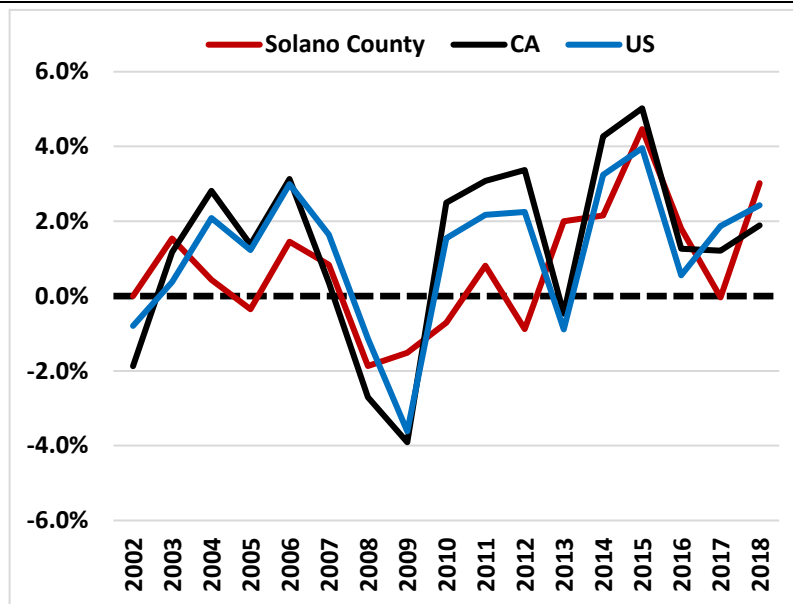
CHALLENGE: Because of social restrictions on gathering and travel due to the COVID-19 crisis in 2020, Solano County's visitor industries are likely (as for most of the state of California) to have economic development challenges (businesses and jobs lost) for a longer period during and after 2020 than other industries.

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Personal Income

Solano County saw higher levels of per-person personal income in 2018 (the latest year data available) compared to the state and national economies. This was after a year in 2017 of basically no per capita income changes for local residents. Personal income estimates in Solano County are the sum of wages and salaries, transfer payments from all levels of government, investment income (dividends, interest, and rents), income from owning a business (proprietor's income), and other income sources for county residents. Transfer payments, what residents receive from government, increased slightly in 2018, but less quickly than wage/salary, investment and other sources. Solano County's taxable sales rise with local personal income growth and visitor spending in Solano County.

Percent (%) Change in Per Capita Personal Income (PI), Solano County, California (CA) and United States (US), 2005–2018, in 2009 Dollars



Source: Bureau of Economic Analysis (www.bea.gov)

Percent (%) Change in Per Capita PI, 2009 Dollars, Compared to 2018 Solano County, CA and US

Comp to 2018	Solano County	CA	US
2010	14.0%	21.3%	16.6%
2015	4.8%	4.4%	4.9%
2016	3.0%	3.1%	4.3%
2017	3.0%	1.9%	2.4%

Source: BEA (www.bea.gov)

TAKEAWAY: Personal income per capita after transfer payments grew more quickly than the state or national economies in 2018, bouncing back after a flat 2017. Equity market growth (or lack thereof) reduced the state and national growth rates more than Solano County.

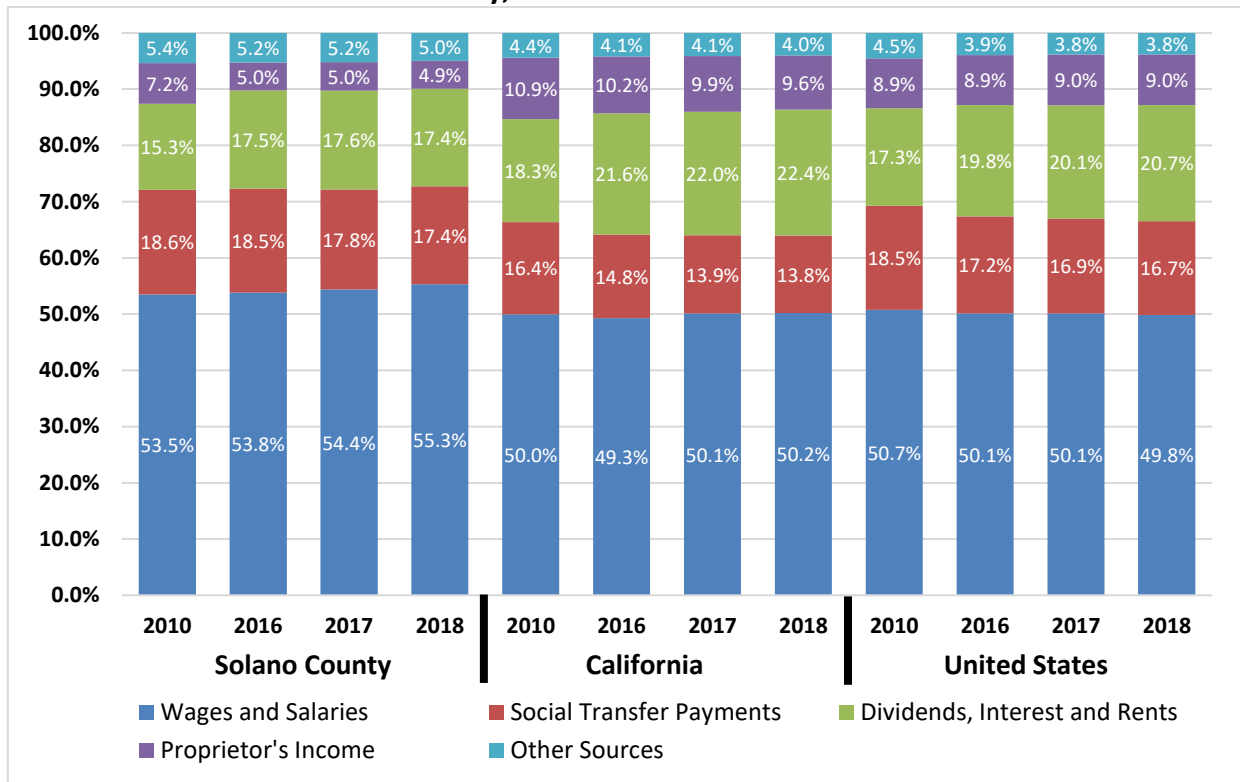
For 2020: Given the potential contraction of equity markets, jobs and income in 2020 due to the COVID-19 crisis, per-capita personal income is likely to decline for Solano County (and the state and national economies), likely following a year of rising per-capita income due to jobs growth and equity market gains in 2019.

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Sources of Personal Income

What Solano County's residents earn at work is historically the largest proportion of their personal income. Some wage and salary income are made by Solano County residents outside Solano County and also made internally by those that commute into Solano County for work. This amount is due to outbound commuting in net, a so-called "Adjustments for Residence". Workers that live in Solano County and work elsewhere bring their incomes home, augmenting county personal income levels. The figure shows California and the United States had slight growth in investment income (dividends, interest) proportions while Solano County was slightly lower at 17.4 percent of total personal income. Governmental transfer payments fell to 18.2 percent of Solano County's total; transfers payments include social assistance from county government.

**Sources of Personal Income (Percent (%) of Total), 2010–2018, in 2009 Dollars, Selected Years
Solano County, California and the United States**



Source: Bureau of Economic Analysis (www.bea.gov)

TAKEAWAY: Earnings from work increased in 2018 as a percentage of personal income more than government transfers, creating positive, personal-income growth from private sources; investment income fell in 2018 as a proportion of personal income.

CHALLENGE: Government transfers are projected to rise in 2020 (rising use of social assistance, federal stimulus payments and extended/expanded unemployment insurance) such that the proportion of county personal income derived from public sources would quickly against modest changes likely from 2019.

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Business Affordability: Wages

Data on hourly wages is available by occupation and by industry employer from California's Employment Development Department (California EDD). Occupational wage data for jobs in Solano County helps compare to other regional economies and the state overall by categorical occupation. San Francisco and San Jose are over 140 percent of California's median wage level in 2019, while Solano County's median wage of \$20.32 remains just under that median wage of \$20.86. Solano County's labor market remains a place to earn higher wages across many occupations than the state average.

**Solano County and California 2019 Wages and Occupations, 2019 Dollars
Compared to Other Areas as a Percent (%) of Median Wages (\$/hour) in California**

<i>Occupational Categories</i>	<i>CA</i>	<i>Solano County Wages</i>	<i>Solano County</i>	<i>Napa County</i>	<i>Sonoma County</i>	<i>Sacra- mento MSA</i>	<i>Alameda County</i>	<i>San Jose MSA</i>	<i>San Francisco County</i>
Total all occupations	\$20.86	97.4%	\$20.32	98.4%	99.3%	101.2%	115.8%	141.7%	142.9%
Management Services	\$58.54	86.2%	\$50.46	92.2%	88.1%	88.5%	109.8%	131.6%	129.1%
Business and Financial Operations	\$36.31	99.0%	\$35.93	97.7%	93.9%	96.6%	108.6%	119.1%	121.4%
Computer and Mathematical	\$50.53	82.0%	\$41.45	75.7%	83.7%	85.4%	104.0%	119.5%	117.9%
Architecture and Engineering	\$46.65	90.1%	\$42.02	88.7%	97.7%	102.3%	100.6%	117.8%	108.9%
Life, Physical, and Social Science	\$38.84	124.4%	\$48.31	112.9%	98.7%	95.4%	105.3%	108.0%	123.0%
Community and Social Services	\$25.20	92.6%	\$23.33	105.8%	95.2%	104.7%	109.1%	111.6%	111.8%
Legal Services	\$49.59	81.8%	\$40.57	123.2%	97.3%	101.3%	95.2%	140.3%	136.7%
Education, Training, and Library	\$27.59	89.0%	\$24.55	94.3%	96.9%	93.9%	98.4%	107.0%	106.1%
Arts, Design, Entertainment, Sports, and Media	\$28.88	80.5%	\$23.25	81.4%	94.0%	80.4%	87.4%	111.9%	121.3%
Healthcare Practitioners and Technical	\$43.35	101.9%	\$44.18	104.7%	96.0%	111.6%	112.6%	119.5%	129.5%
Healthcare Support Services	\$17.61	112.1%	\$19.74	108.4%	112.2%	104.2%	107.0%	116.1%	143.7%
Protective Services	\$23.22	188.3%	\$43.72	101.9%	116.7%	100.6%	105.5%	90.3%	98.0%
Food Preparation and Serving-Related	\$12.60	100.2%	\$12.63	109.0%	103.7%	97.0%	109.1%	108.4%	121.2%
Building and Grounds Cleaning and Maintenance	\$15.22	93.8%	\$14.27	97.4%	108.3%	101.2%	118.6%	112.0%	109.4%
Personal Care and Services	\$12.49	100.6%	\$12.56	104.6%	111.4%	98.8%	107.2%	107.4%	113.1%
Sales and Related Services	\$15.48	93.4%	\$14.46	119.5%	111.6%	95.3%	108.3%	129.8%	138.0%
Office and Administrative Support	\$19.38	100.8%	\$19.53	107.9%	104.5%	99.8%	111.0%	117.6%	126.1%
Farming, Fishing, and Forestry	\$11.95	114.4%	\$13.67	136.2%	124.7%	99.2%	135.6%	99.3%	131.6%
Construction and Extraction	\$27.02	103.1%	\$27.87	111.6%	109.1%	95.7%	115.8%	111.8%	115.2%
Installation, Maintenance, and Repair	\$24.51	107.1%	\$26.24	100.0%	102.2%	98.6%	112.9%	111.3%	119.7%
Production Jobs	\$16.82	124.9%	\$21.00	122.5%	108.0%	100.8%	111.2%	114.9%	111.4%
Transportation and Material Moving Services	\$16.32	102.2%	\$16.68	109.8%	109.9%	97.9%	115.6%	112.9%	123.9%

Source: Employment Development Department, Occupations Data (www.edd.ca.gov), Q1 2019, 2010 Data Adjusted for Inflation
Wages in GREEN are for occupations where Solano County median wages are greater than California wages.

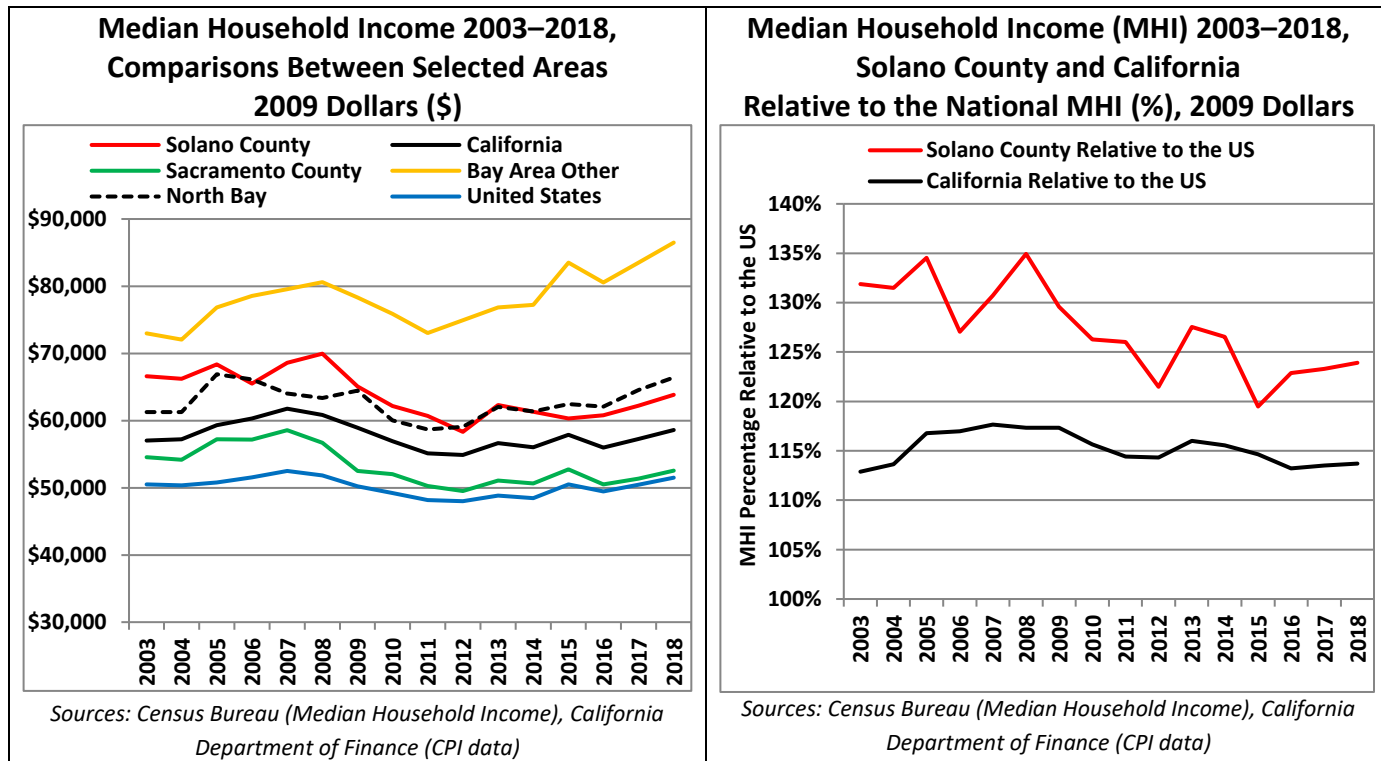
TAKEAWAY: The gap between Solano County's median wage per hour (\$20.32) and the state median wage (\$20.86) grew in 2019, with many occupations are now paying higher median wages in Solano County (shown in **GREEN**), mainly in services jobs.

FOR 2020: One of the unknowns to come from the COVID-19 crisis is how many people will remain out of work for a sustained period of time. Such increases in unemployment put downward pressure on wages; we may also see the legislated, minimum-wage ascension slowed by the Governor's Office in California per Senate Bill 3 (SB 3) from 2017 to support employers and provide incentives to re-hire.

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Median Household Income Comparisons

For Solano County, inflation-adjusted, median household income increased in 2018 (the latest data) as compared to the state and national averages, adding to gains from 2017. 2018 was a year of median household income gains across Solano County and across California. As shown in the Index Overview, median household income (MHI) is a standard of living measure for local residents. The median “household” here represents four people in one housing unit. In 2018, Solano County’s MHI was \$63,825 after an inflation adjustment.



TAKEAWAY: Since 2015, median household income (MHI) after inflation adjustments has increased for Solano County each year; in 2018, MHI in Solano County after inflation was \$63,825, or \$1,615 more in purchasing power dollars than 2017 per household.

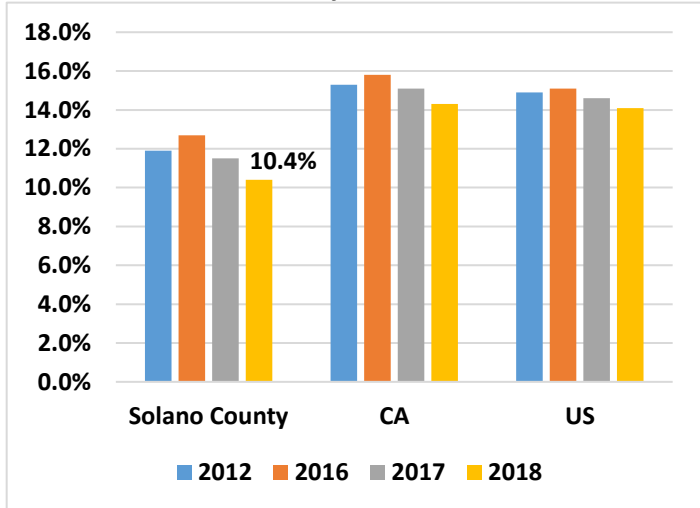
For 2020: It is likely that median household income in 2020 will fall due to the COVID-19 crisis, after inflation adjustments, for Solano County. California and the United States overall are all likely to also experience a drop. What is critical is how Solano County falls versus its regional neighbors and the state average; a larger decrease reflects relatively more jobs and business income losses locally versus other California counties.

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Poverty Rates

Poverty rates continued to improve across Solano County. The American Community Survey (ACS) of the Census Bureau tracks poverty rates, the percent of people with annual incomes below the federal poverty line. These poverty rates are based on averages over five years from Census-style surveys. Solano County has a lower poverty rate than both the United States and California on average since 2010; in 2018 (the latest data) the rate was 10.4 percent. Since 2010, Vallejo continues to have a relatively high poverty rate among Solano County cities.

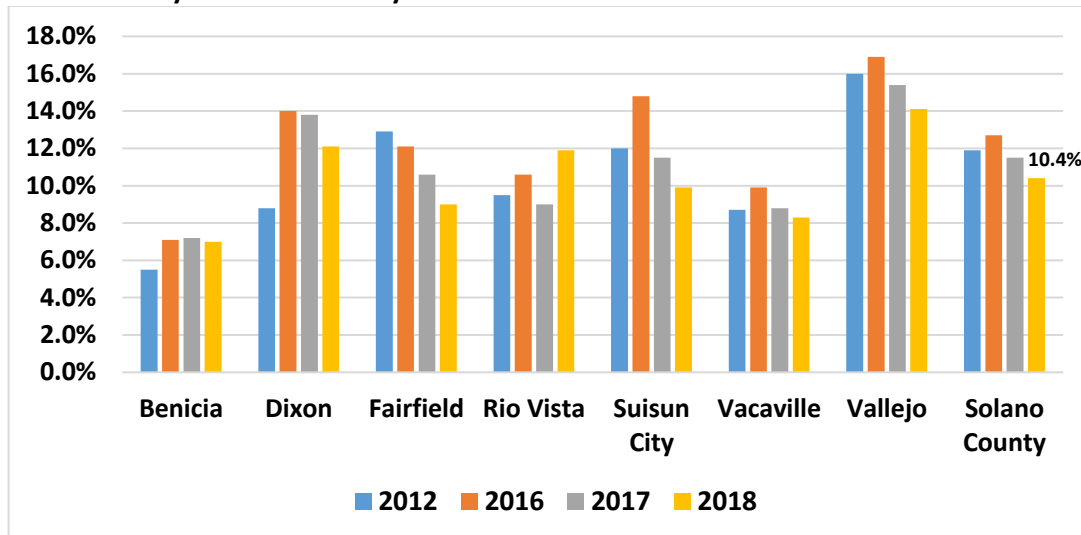
Poverty Rates, 2012, 2016, 2017, 2018; Percent (%) of Residents in Solano County, California and United States



Source: American Community Survey (ACS) Table DP03:

<http://factfinder.census.gov>

**Poverty Rates, 2012, 2016, 2017, 2018
Percentage of Residents (%),
Solano County Cities and County Overall**



Source: American Community Survey (ACS) Table DP03: <http://data.census.gov>

TAKEAWAY: Poverty rates continue to fall across Solano County in 2018 (the latest data). **For 2020:** Poverty rates in 2020 and perhaps 2021 in Solano County are likely to rise and hit already high-rate places like Dixon, Rio Vista and Vallejo first and hardest, but such a change depends greatly on changes in income levels and the number of jobs for local residents.

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Agriculture

**Solano County Top 10 Agricultural Industry Revenues (\$)
2010, 2015, 2016, 2017, and 2018 Sorted by 2018 Values**

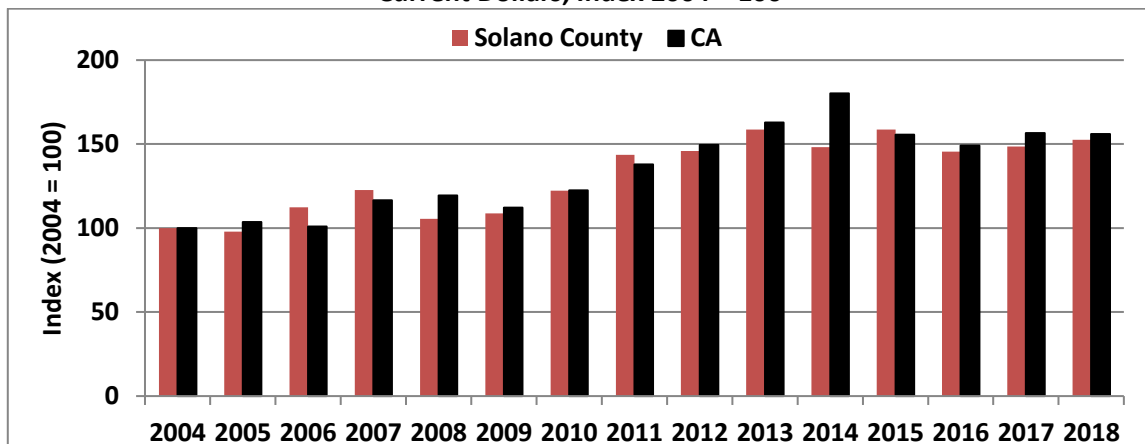
<i>Agricultural Product</i>	<i>2010</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>
Total Solano County	\$259,398,000	\$353,869,000	\$347,172,000	\$354,556,000	\$363,977,000
Nursery Products	\$23,352,000	\$37,648,000	\$39,754,000	\$44,627,000	\$43,248,000
Tomatoes (Processed)	\$36,901,400	\$42,156,000	\$33,843,000	\$27,022,000	\$34,720,000
Alfalfa	\$19,742,700	\$34,821,000	\$22,267,000	\$25,612,000	\$31,746,000
Cattle/Calves	\$22,608,000	\$27,556,000	\$9,192,000	\$25,113,000	\$30,367,000
Grapes	\$9,274,800	\$14,988,000	\$19,560,000	\$20,369,000	\$29,404,000
Almonds	\$8,468,100	\$23,603,000	\$35,917,000	\$38,619,000	\$29,299,000
Sunflower Seeds	\$7,845,300	\$6,904,000	\$11,414,000	\$17,233,000	\$25,203,000
Walnuts	\$31,161,700	\$37,912,000	\$44,822,000	\$47,358,000	\$25,133,000
Wheat	\$9,672,700	\$9,092,000	\$7,428,000	\$7,261,000	\$7,580,000
Sheep	\$6,355,600	\$6,684,000	\$9,339,000	\$6,032,000	\$3,721,000
All Other Ag Products	\$81,895,800	\$112,505,000	\$113,636,000	\$95,310,000	\$103,556,000

Source: Solano County Agricultural Commissioner

(http://solanocounty.com/depts/agriculture/crop_report/2009_2018.asp)

Agricultural values continued to climb in 2018 (the latest data), with rising harvest volumes and revenue for ranchers. Agriculture is a base industry for Solano County, focused primarily on markets outside Solano County. Solano County maintains food and beverage manufacturing, which connect to local farmers through a supply chain. The Solano County Agricultural Commissioner's annual data (the Crop Report) showed processed tomatoes sharply increased in value (+28.4 percent) in 2018. Grapes experienced also increased in value, as did calves and cattle. After another strong winter of rain in 2019 and continued, global economic growth, values are likely to improve again in the 2019 data.

**Total Agricultural Value, Solano County and California, 2004 to 2018
Current Dollars, Index 2004 = 100**



Sources: BEA (www.bea.gov) and Solano County Agricultural Commissioner

TAKEAWAY: Agricultural values increased in 2018 for the third year in a row.

OPPORTUNITY: As the wine industry goes through a cyclic glut of wine due to large harvests in 2018 and 2019, Solano County may be a place where agricultural processing and warehousing/distribution becomes a larger part of Solano County and the wine industry. Further, as an essential industry, agriculture may fare better in 2020 than other industries for Solano County.

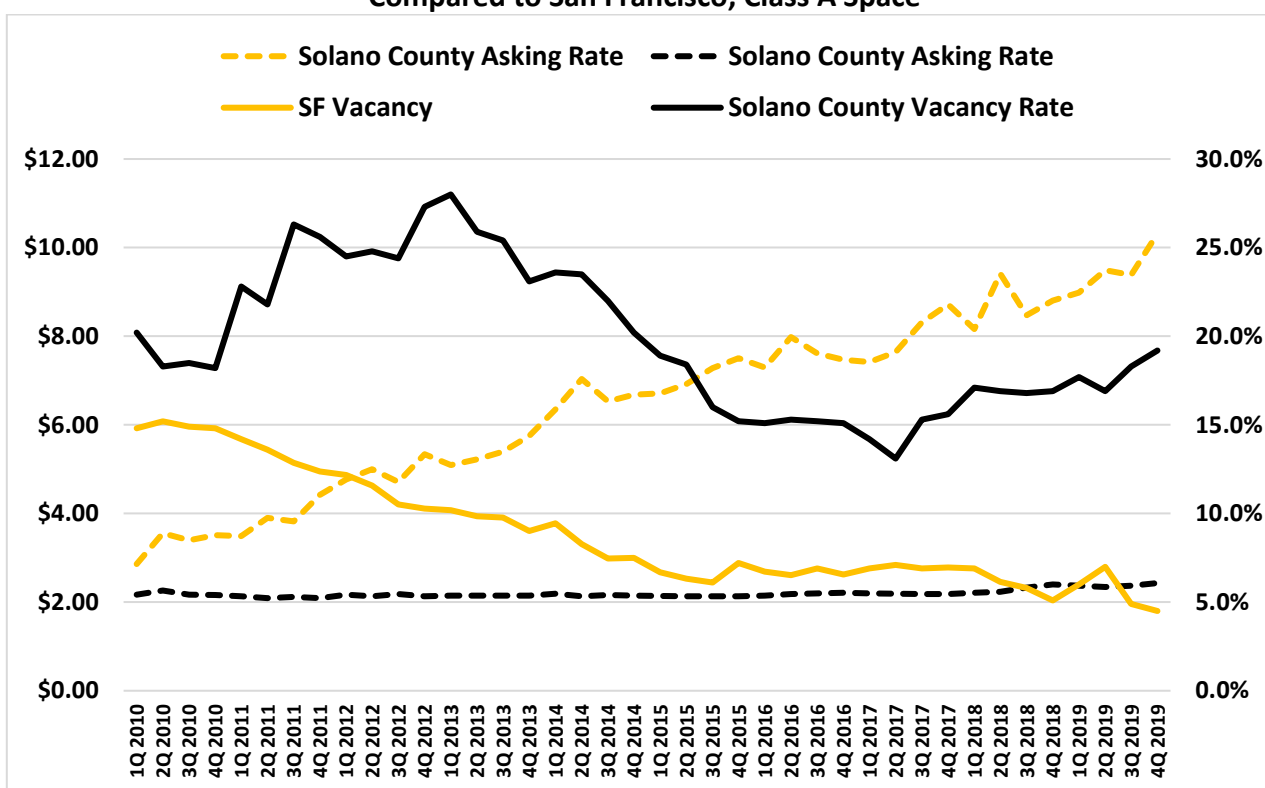
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Housing and Commercial RE Demand

Commercial Real Estate Pricing and Vacancy

Solano County saw commercial real estate vacancy in office space increased a bit in 2019 while commercial leasing rates also slowly increased according to Colliers Research. Commercial real estate markets are regional; San Francisco's office space markets saw prices rise and vacancy fall in 2019, as the Bay Area economy continued to expand. Prices for office space in San Francisco County were approximately \$10.32 per square foot (sq ft) as of Quarter 4 2019 compared to \$2.43 per sq ft in Solano County for Class A space (as shown in the figure). Industrial space vacancy in Solano County was at 5.0% as 2019 ended, priced at \$0.63 per square foot on average.

Solano County Office Space Asking Prices (\$)/Sq Ft and Vacancy Rates (%), 2010 Q1 to 2019 Q4, Compared to San Francisco, Class A Space



Source: Colliers International (<http://www.colliers.com/en-us/fairfield/insights>)
 Asking Price is indicated on the left-hand axis; Vacancy Rate is indicated on the right-hand axis.

TAKEAWAY: Vacancy rates in Solano County ticked up a little in 2019 for Class A office space, while prices increased slightly; industrial space remained close to five (5) percent vacancy as of Quarter 4 2019.

OPPORTUNITY: The Bay Area commercial real estate markets' continued high prices may drive some cost-conscious employers to consider Solano County, especially if there is a switch to more telecommuting workers for jobs and employers that utilize portability of work in the wake of the COVID-19 crisis in 2020 to reduce urban real estate costs and shift offices to where their workers live and smaller volumes of square feet leased.

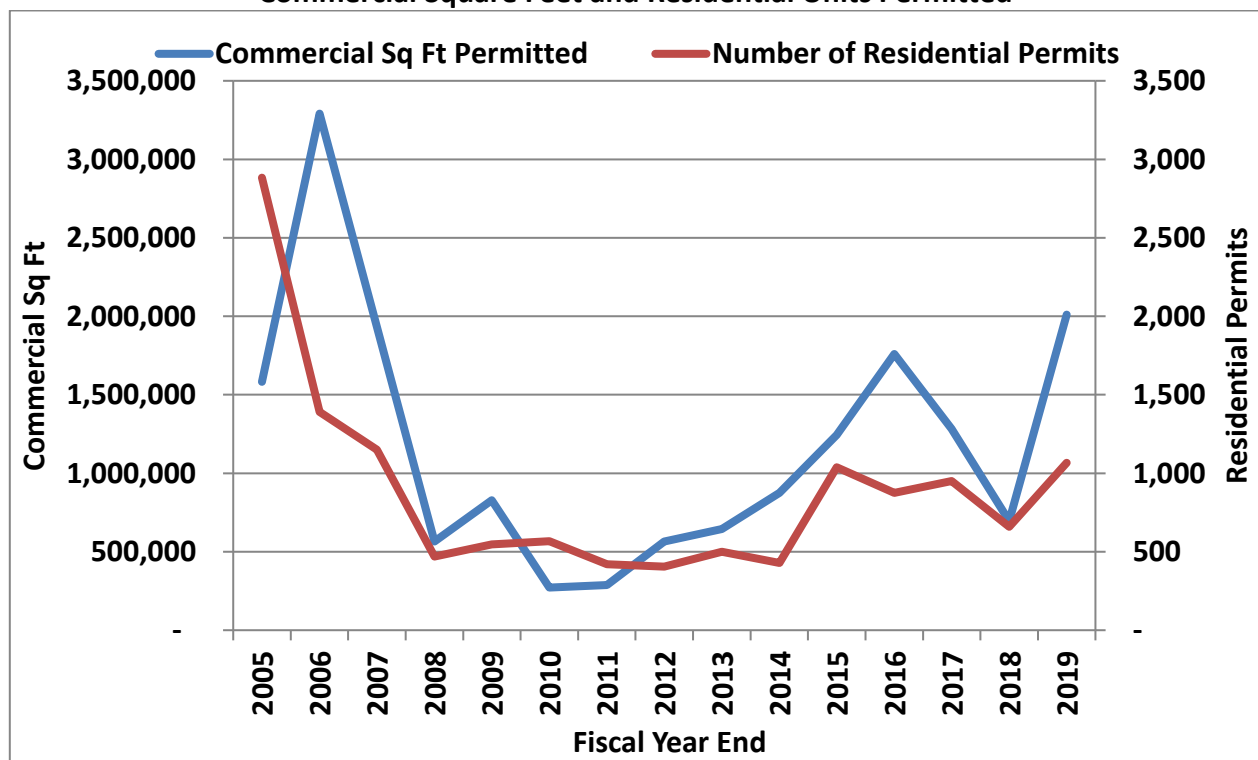
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Building Permits

Building permits for residential units in Solano County increased at a faster pace in fiscal year 2018-19, as did permitted, commercial square feet from the previous fiscal year. As interest rates increased in fiscal years 2016-17 and 2017-18, slower growth in permits seemed likely. As interest rates fell in 2019, a subsequent uptick in housing permits and permitted commercial square feet took place fiscal year 2018-2019. Economic development efforts also likely drove building activity, as did prospects for more jobs growth at the national and state levels.

Approximately 2,010,200 square feet of new commercial space was permitted in the period of July 2018 to June 2019. There were 1,066 residential building permits issued, 927 of which were for single-family houses. Fairfield, Vacaville and Dixon are where 81.2 percent of commercial permits were pulled; Fairfield, Vacaville and Vallejo were where 81.9 percent of new housing permits were pulled in the 2018-19 fiscal year for Solano County. The County of Solano tracks both data series.

Solano County Residential and Commercial Building Permits, Fiscal Years 2004-05 to 2018-19
Commercial Square Feet and Residential Units Permitted



Source: County of Solano, data provided by county staff

TAKEAWAY: Building permits for both residential and commercial space increased in fiscal year 2018-19 compared to the previous fiscal year.

For 2020: Both commercial real estate and residential permit levels are likely to growing more slowly in fiscal year 2020-21 versus fiscal year 2019-20, even though construction was not restricted by Solano County during social distancing and isolation policies per COVID-19. Lower interest rates may help support more construction once constrictive social policies are relaxed generally, if the economic outlook for 2021 and beyond is positive.

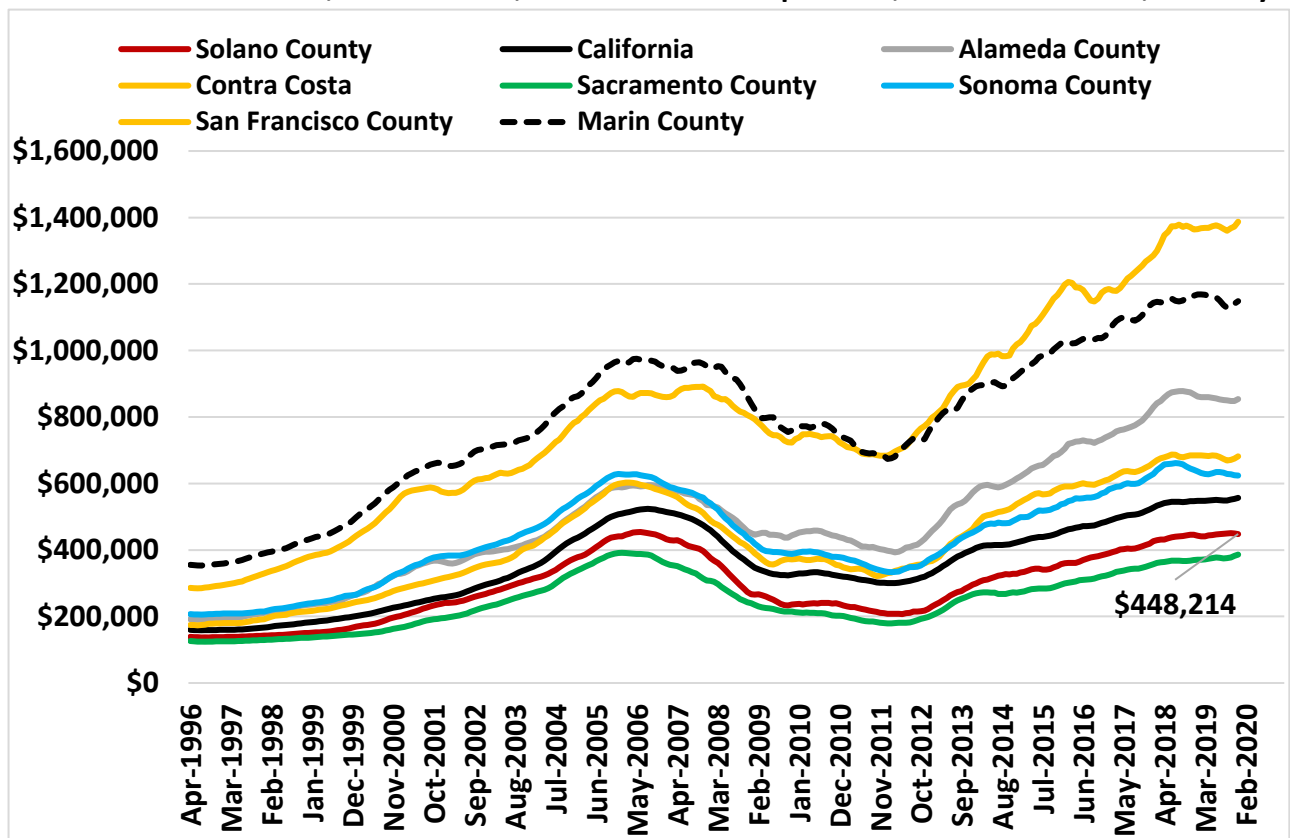
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Housing “Deep Dive”

Median Home Prices: Two Perspectives

Solano County’s median home price ended 2019 at approximately \$448,200, up 0.3 percent from December 2018. The statewide median home price was \$556,815 according to Zillow™ Research. An estimated 6,799 single-family homes in Solano County for 2019 were sold, fewer than in 2018 by just 35 homes. The figure shows home prices in current dollars for selected places and the state on average as compared to Solano County.

Median Home Price, 1996 to 2019, Selected Area Comparisons, in Current Dollars, Monthly



Source: California Association of REALTORS® (<http://www.car.org>), Single-Family Homes Only

Note: Sacramento County is shown alone (rather than the Sacramento MSA) because there is not similar data over time for Placer, Yolo, and El Dorado counties.

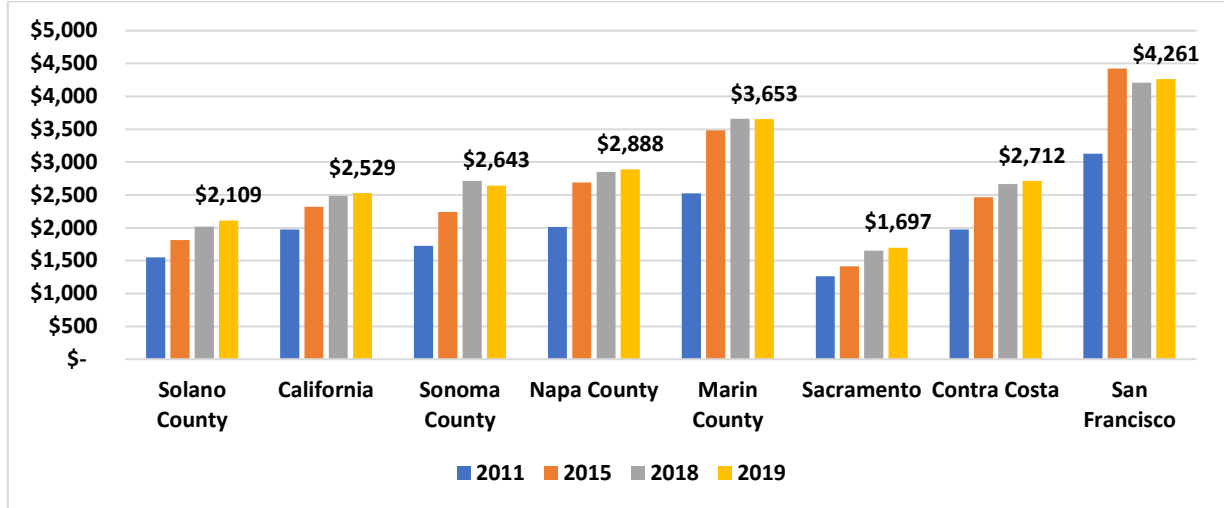
Rental Prices

Rental prices continued to trend higher in Solano County and regionally, though 2019 saw some reductions in median rental prices for Sonoma and Marin counties. Solano County’s median rental price for any style of home available for rent was approximately \$2,109 as of December 2019, according to Zillow™ Research. Notice that San Francisco County rental prices are down from recent peaks, but median prices are still relatively high at approximately \$4,261 per month. Sacramento County has been consistently between \$200 and \$300 less than Solano County since 2011 in terms of rental prices, and is slightly more than \$400 less as of December 2019.

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Housing “Deep Dive” (cont.)

Rental Prices (\$/month), Annual Average of All Rentals, 2011, 2015, 2018, 2019, Current Dollars



Source: <http://www.zillow.com/research/data/#rental-data>

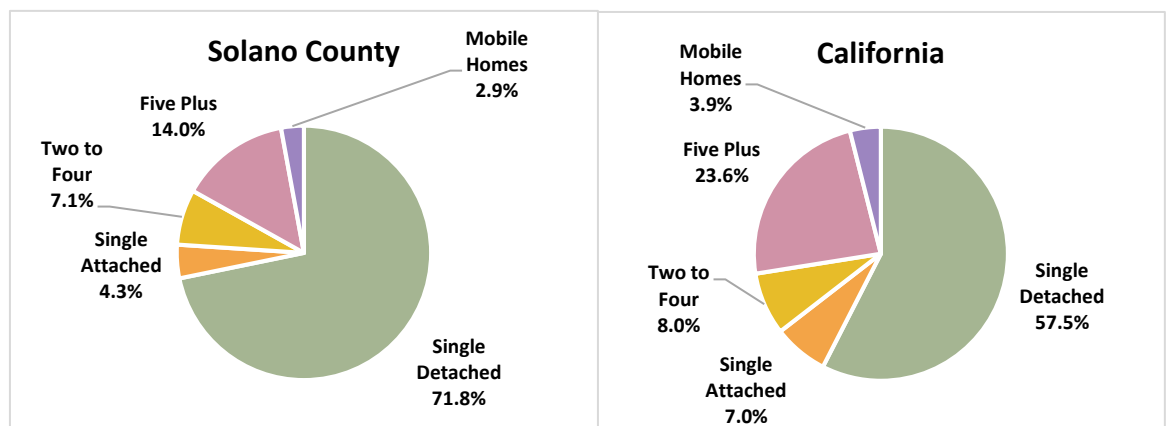
TAKEAWAY: While homes to purchase had flat prices in 2019, rental prices continued to rise in Solano County.

For 2020: Home prices and rental prices may fall in 2020 as more existing units go up for sale and as people potentially leave rental properties due to an inability to afford current rents, lack of short-term job opportunities and move away from Solano County. It is also possible that low interest rates and federal stimulus payments to households and employers may stabilize housing markets otherwise in 2020.

Housing Stock

The mix of housing may be as important as its availability to attracting and retaining workers. The growth of housing units in Solano County since

Housing Stock, Types of Homes as % of Total, Solano County and California, 2019



Source: California Department of Finance (<http://www.dof.ca.gov/Forecasting/Demographics/Estimates/e-5/>)

County since

2010 has affected little change in the housing mix as more units have been built. Approximately 75.2 percent of Solano County's housing stock as of 2019 is single-family, predominantly detached homes versus condominiums. California, due to larger, urban areas, has more of a mix of multifamily (apartment) units.

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Housing “Deep Dive” (cont.)

Housing Prices Versus Median Household Income: Affordability

Home price stability in Solano County helped local housing become more affordable in 2019, according to California Association of REALTORS®. This measure is a “Housing Affordability Index” or HAI, a ratio of households that can pay the cost of owning a home (mortgage, average cost of utilities and maintenance, etc.) at the current median household income in an area. The threshold between affordable and unaffordable for a household is a monthly cost of housing that exceeds 30 percent of household income.

If household incomes do not keep pace with rising, local housing prices, affordability falls; as of Quarter 3 2019, approximately 47 percent of households in Solano County could afford to purchase a home at the median home price based on median household income, given current rates of interest and the average monthly cost of home ownership. This positive outcome was up from 2018, suggesting Solano County’s housing prices were more affordable in 2019. A higher percentage here is an improvement.

Housing Affordability Index, 2010 Q3 to 2019 Q3
Percent (%) of Households That Can Afford a Median-Priced Home

Quarter	Solano	Sacramento	Calif.	Sonoma	Napa	Santa Clara	Alameda	Contra Costa	Marin	San Francisco
2010.Q3	71%	68%	46%	40%	41%	30%	31%	21%	23%	22%
2011.Q3	75%	72%	52%	46%	48%	34%	36%	27%	25%	26%
2012.Q3	77%	73%	49%	46%	45%	32%	34%	28%	27%	25%
2013.Q3	56%	50%	32%	31%	28%	22%	21%	22%	18%	16%
2014.Q3	49%	48%	29%	29%	21%	21%	21%	20%	15%	12%
2015.Q3	45%	47%	29%	26%	23%	19%	20%	34%	19%	11%
2016.Q3	43%	43%	30%	26%	24%	21%	23%	36%	18%	13%
2017.Q3	43%	43%	28%	25%	26%	17%	20%	33%	18%	13%
2018.Q3	38%	42%	27%	22%	24%	17%	18%	32%	19%	15%
2019.Q3	47%	45%	31%	28%	29%	22%	26%	39%	22%	18%

Source: California Association of REALTORS® (<http://www.car.org/marketdata/data/haitraditional/>),
 Quarter 3 2019 is the latest data point

TAKEAWAY: Solano County’s housing mix is primarily single-family, detached houses. Price affordability increased for such homes in 2019 strongly from the recent past due to rising incomes and slower price ascension in housing markets.

For 2020: Housing affordability in Solano County remains a way to attract workers and businesses. Workers that have portable employment and change how they spend their time commuting versus remaining at home to work may increase housing demand. Housing affordability challenges are likely to persist, where the opportunity cost may be rising vacancy rates in rental, lower median home prices (thus lower housing wealth), or both.

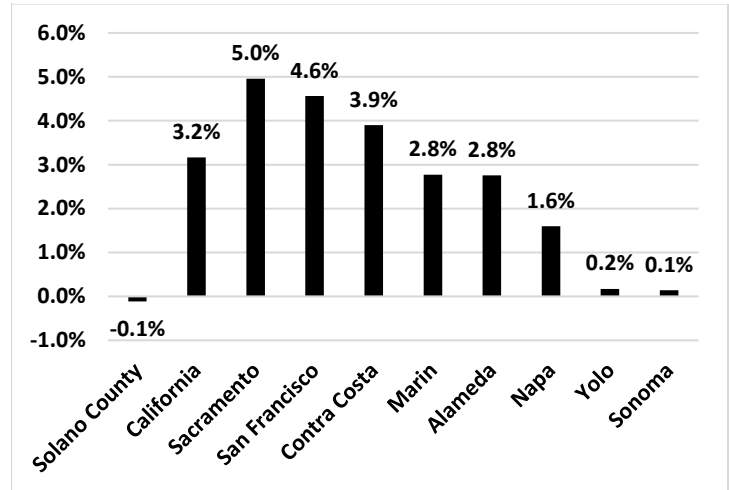
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Housing “Deep Dive” (cont.)

Market Dynamics: Housing Forecasts

Solano County was forecasted for a slight drop in housing prices for 2020 (-0.1 percent) as of January 2020 per a forecast by Zillow™ Research. Housing, like all other markets, is an interaction between supply and demand. For the state overall, the forecast was 3.2 percent growth for 2020. Sacramento and San Francisco and Contra Costa are set to see housing prices rise faster than the state average, while Yolo and Sonoma counties have forecasted prices that are relatively flat. We are likely to see forecasts revised downward for 2020 and perhaps 2021 due to COVID-19.

Housing Forecast for 2020, January 2020, Selected Counties and California, Percent (%) Change for Year



Source: <http://www.zillow.com/research/data/#rental-data>

Market Dynamics: Housing Burden, Owners and Renters

Housing debates about affordability throughout California include an issue called housing “burden”. The federal department of Housing and Urban Development (HUD) defines housing burden as a situation where a household spends more than 30 percent of its monthly gross income on housing payments (rent or mortgage). The estimated burden data shown here are from 2010 and 2018 as five-year averages. Notice that Solano County started the 2010s with renters more households burdened than the state on average; Solano County has seen better conditions in the latest data from 2018; a lower percent of households here is an improvement. Housing burden can fall, however, from either lower housing prices and rents or from rising household incomes or both. We saw above housing costs and incomes have increased, suggesting that Solano County’s household income growth outpaced housing costs for owners more than renters, but both groups experienced lower levels of burden in 2018.

Rent Burden, Percent (%) of Households that pay at least 30 percent of household income for housing

Place	2010	2011	2012	2013	2014	2015	2016	2017	2018
Solano County	56.2	55.6	55.7	57.9	56.3	60.6	59.2	58.0	56.4
California	55.1	55.7	56.5	56.9	57.2	59.6	59.1	58.5	58.1
Benicia	46.9	46.9	45.3	54.0	53.8	60.1	63.9	61.2	61.0
Dixon	55.1	62.6	58.9	63.6	68.8	69.5	62.4	57.5	49.3
Fairfield	57.4	56.1	56.7	58.7	54.5	62.5	61.4	58.6	56.7
Rio Vista	56.3	50.5	55.3	57.2	59.5	60.5	62.1	50.1	52.1
Suisun City	60.3	59.3	62.3	64.6	57.1	61.7	59.4	55.1	49.6
Vacaville	57.4	55.2	53.5	52.8	51.7	55.6	51.5	52.3	53.6
Vallejo	57.0	58.1	58.6	61.4	60.9	61.9	61.4	61.8	59.8

Source: American Community Survey (ACS) Table DP03: <http://data.census.gov>

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Housing “Deep Dive” (cont.)

Owners Burden, Percent (%) of Households paying at least 30 percent of household income for housing

Place	2010	2011	2012	2013	2014	2015	2016	2017	2018
Solano County	52.3	50.1	47.7	44.7	41.5	38.4	35.5	34.5	33.8
California	52.3	51.9	50.3	48.1	45.7	43.3	41.2	39.7	39.0
Benicia	44.5	45.2	42.2	38.5	35.0	31.9	29.6	29.9	30.8
Dixon	53.9	48.7	46.7	40.3	39.1	35.3	33.4	36.9	35.8
Fairfield	54.3	53.8	52.3	49.0	45.0	40.0	35.6	32.9	30.5
Rio Vista	56.9	50.7	45.2	43.7	41.7	37.9	40.6	38.0	34.4
Suisun City	56.1	51.9	49.5	43.8	38.7	36.2	33.5	34.1	34.5
Vacaville	48.5	44.7	43.2	40.3	37.7	34.3	31.9	31.9	31.7
Vallejo	55.2	52.9	49.9	47.7	44.3	43.1	40.3	38.2	37.9

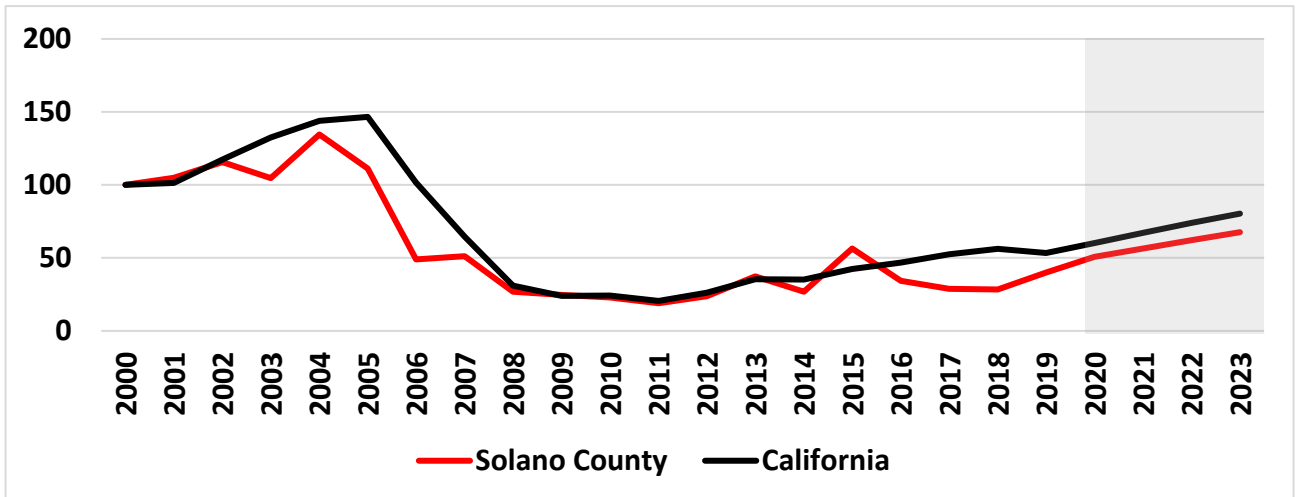
Source: American Community Survey (ACS) Table DP03: <http://data.census.gov>

Market Dynamics: Building Permits for Housing through 2023

We now look at the potential future of housing permits pulled by developers and contractors, a signal that housing units are going to be built. The California Department of Finance (DOF) forecasts the number of residential building permits annually for the state of California; the latest forecast as of January 2020 is through December 2023. Notice in the figure that Solano County and California have closely followed each other over time in terms of changes in the number of building permits from a baseline year (2000). The forecast shown here is for Solano County to have residential permits grow at a slower pace than the state on average to 2023. The index number is the percent change from the year 2000.

Building Permits, Solano County and California, 2000-2023,

Residential Permits Annually, Index, Year 2000 = 100 (Shaded Area = Forecast)



Sources: Census Bureau (<https://www.census.gov/construction/bps/>) and County of Solano

TAKEAWAY: Housing forecasts are for relatively flat prices growth in 2020, while housing burden remains across owners and renters at relatively high proportions with some relief in 2018.

For 2020: Housing burden may be exacerbated as incomes fall in 2020 unless there is either stabilization of rents, rising incomes after the COVID-19 crisis, or both. It is also not clear if lower interest rates motivate renters to consider home purchases or developers to build more units or both.

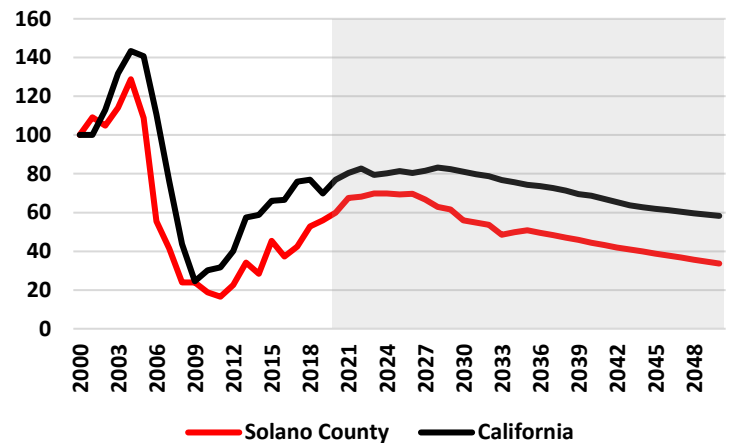
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Housing Deep Dive (cont.)

CalTrans Forecast for Housing Units versus MTC

Demographers estimate a slowdown in population growth for California. CalTrans, per its transportation infrastructure planning, estimates a rise in housing units permitted through 2026, and then a gradual decline in residential construction to 2050. With estimates of slower population growth, and rising costs of living for California, an assumption behind this gradual decline is a slowly, aging population in California. Decisions on where to build new homes, and designing new homes, are likely tied to transportation system access and multi-family dwellings more in the future than in the past. The index number is the percent change from the year 2000.

Actual and CalTrans Forecast of Housing Units Permitted, 2000 – 2050, Index, Year 2000 = 100 (Shaded Area = Forecast)



Source: CalTrans (www.dot.ca.gov)

**Change in Housing Units by Type, 2000-09 and 2010-19
Solano County and its Cities and California**

Place	2000-09 Single	2000-09 Multifamily	2010-19 Single	2010-19 Multifamily
Solano County	13,244	4,393	5,702	1,155
Benicia	442	371	38	0
Dixon	613	376	224	177
Fairfield	4,644	745	2,346	317
Rio Vista	1,890	-94	988	0
Suisun City	1,073	93	95	10
Vacaville	2,725	1,201	1,736	545
Vallejo	1,206	1,874	202	106
Unincorporated	651	-173	73	0
California	1,057,766	334,727	260,142	302,474

Source: California Department of Finance (<http://www.dof.ca.gov>)

Housing Type Comparison, 2010 to 2019: What was built?

One of the effects of the 2000s increase in single-family homes was a slow comeback to building more in the 2010s. Statewide construction of homes from 2010 to 2019 generated more multifamily units than single-family (the figure shows that California built over 40,000 more multifamily units than single-family units from 2010 to 2019). Solano County did not follow that trend. There were almost 5,702 new, single-family homes built since 2010 and only an additional 1,155 multifamily (apartment) units built.

TAKEAWAY: Housing forecast are for relatively flat prices growth in 2020, while housing burden remains across owners and renters at relatively high proportions.

For 2020: The number of new houses to be built during 2020 depends greatly on how the construction industry returns to work after the COVID-19 crisis and how California reacts to new housing market conditions in 2020 and beyond. With rental demand rising, and a shift to more renters proportionately since 2010, developers may be tempted and have incentives to build more rental than homes to own, which can exacerbate wealth inequality and increase housing burden without the commensurate gains in wealth.

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Housing “Deep Dive” (cont.)

Homeownership since 2010

Percent (%) Occupied Housing Units, Owner vs Rental, 2010 and 2018 compared, Solano County, Cities and California

Place	2010 Owner	2010 Rental	2018 Owner	2018 Rental
Solano County	72.9%	27.1%	60.7%	39.3%
Benicia	65.8%	34.2%	71.0%	29.0%
Dixon	63.6%	36.4%	68.7%	31.3%
Fairfield	64.2%	35.8%	58.4%	41.6%
Rio Vista	77.0%	23.0%	82.7%	17.3%
Suisun City	66.5%	33.5%	60.8%	39.2%
Vacaville	62.1%	37.9%	60.6%	39.4%
Vallejo	57.4%	42.6%	54.9%	45.1%
California	71.0%	29.0%	54.6%	45.4%

Source: American Community Survey (ACS) Table DP03:
<http://data.census.gov>

Home prices may outpace a typical household’s ability to easily afford to buy a home. Rental markets are a complement and substitute for home ownership in all communities. Lower proportions of homeowners in an area can negatively affect worker retention for local employers. Data shown are from the American Community Survey for Solano County, its cities, and California as of 2018 (the latest data available). Only Rio Vista and Dixon had an increase in home ownership as a proportion of the total from 2010 to 2018; California has now experienced a shift toward more renters.

Regional Housing Needs Allocation (RHNA)

Each of Solano County’s cities faces a regional policy allocation for new housing units from the state of California. Because each city has different zoning and general plans concerning housing units, the regional housing needs allocation or RHNA estimates are sometimes highly debated by the Bay Area’s city and county governments. These numbers inform Plan Bay Area, regional planning for employment, housing and ultimately transportation infrastructure by Metropolitan Transportation Authority (MTC). As of March 2020, the following estimates are the assessment of new housing needed from 2015 to 2023. The number of new, net housing units by city are also shown here based on California Department of Finance estimates. For Solano County, as of March 2020, the estimated housing units needed is 3,646.

RHNA Estimates, Solano County, March 2020, MTC 5th Cycle, as of March 2020, Housing Units

City	Permits Issued 2015-2019	RHNA Estimates	Remaining To meet RHNA levels
Benicia	22	327	305
Dixon	260	197	50
Fairfield	2,073	3,100	1,279
Rio Vista	476	299	77
Suisun City	84	505	421
Vacaville	1,334	1,084	277
Vallejo	146	1,362	1,216
Unincorporated Solano County	141	103	21

Source: RHNA Subregional Delegation, report by Placeworks Consulting for MTC, data provided by County of Solano

TAKEAWAY: Solano County continued to see homeownership decrease in 2018, as did California overall. **For 2020:** While Solano County had no construction restrictions during the shelter-in place, the forecasted economic downturn for all of California and Solano County may reduce developer incentives and put pressure to meet the RHNA estimates below. Changes in renter income versus homeowner income, as well as incentives to put existing units up for sale in the wake of the COVID-19 crisis in 2020 may shift the tenure (renter vs. owner) percentages.

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Our Changing Community

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People

Population Growth

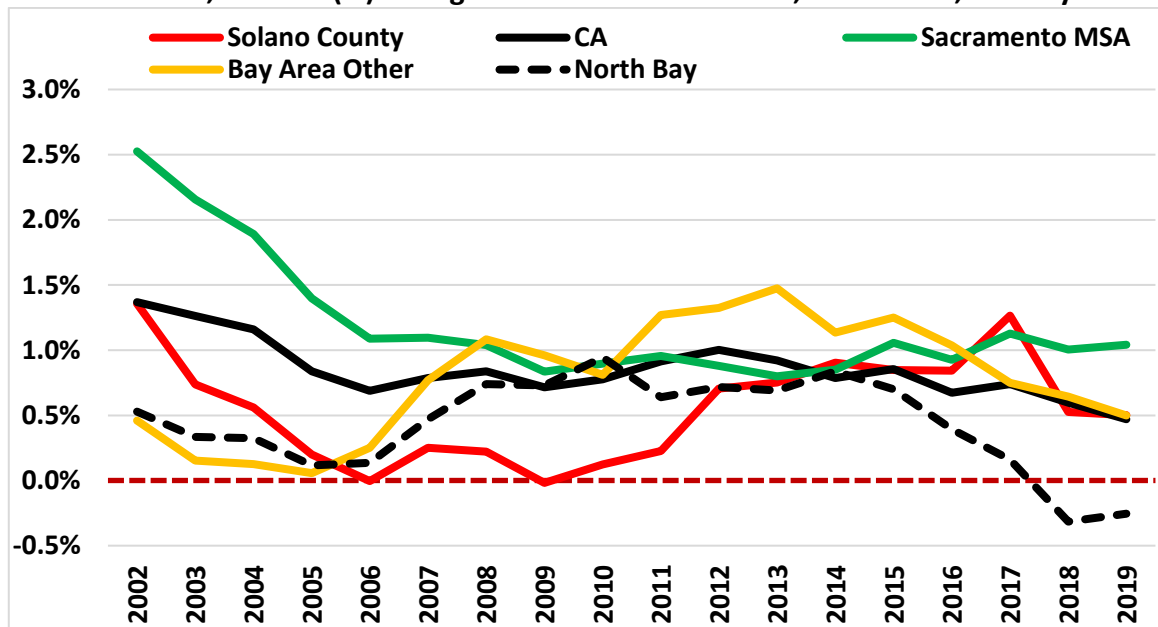
Population growth slowed regionally, with some counties and areas experiencing population losses. In calendar-year measures by the California Department of Finance, Solano County's population grew by 2,205 residents from January 1, 2018 to January 1, 2019; the growth rate was approximately 0.5 percent, as was California overall. The Bay Area Other counties grew by 31,907 people, a growth rate that was 0.5 percent. Sacramento's population growth remained robust at over 1.0 percent in 2018. The recent fires likely contributed to Sonoma and Napa counties' (the North Bay) population decline in 2018; some of those 2,302 people leaving those two counties likely moved to Solano County.

**Change in Total Population, compared to 2019, Number of People and Percent (%) Change
Solano County and Selected Comparison Areas**

Place	2010	2018	2010	2018
Solano County	27,963	2,205	6.8%	0.5%
California	2,673,359	186,807	7.2%	0.5%
Sacramento MSA	127,386	15,932	9.0%	1.0%
Bay Area Other	573,196	31,907	9.8%	0.5%
North Bay	31,562	-2,302	3.6%	-0.3%

Source: California Department of Finance, Demographic Research Unit (www.dof.ca.gov)

Population Growth, Percent (%) Change from the Previous Year, 2002–2019, January 1 Estimates



Source: California Department of Finance, Demographic Research Unit (www.dof.ca.gov)

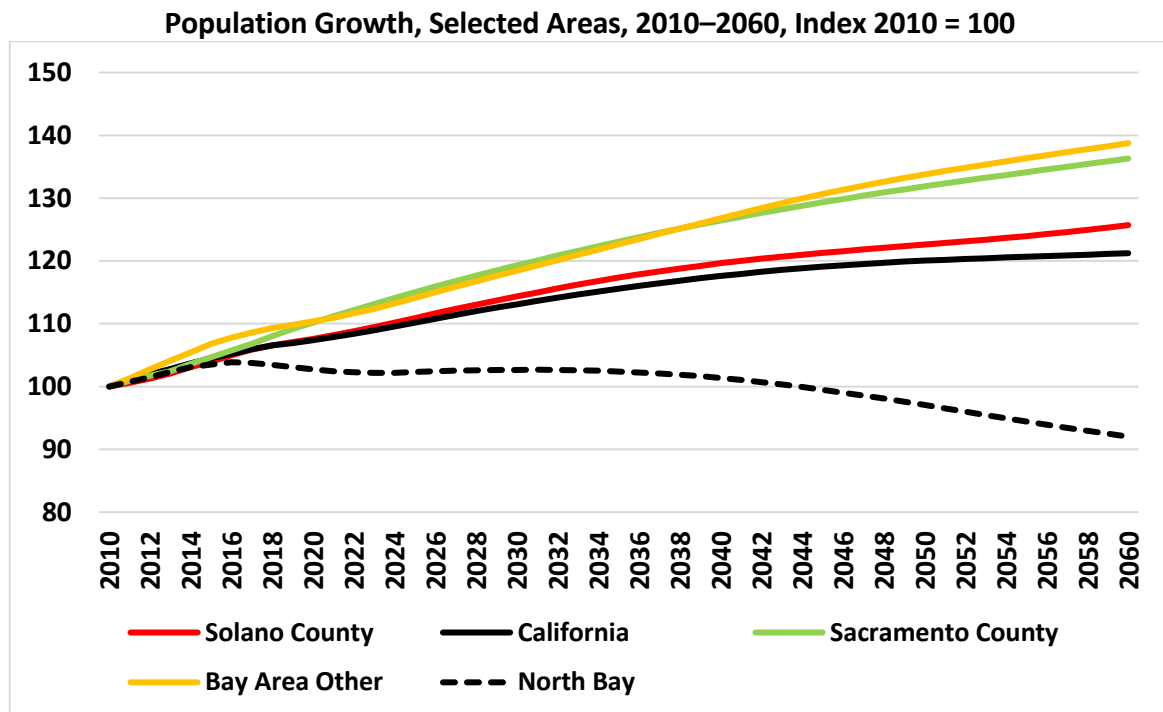
TAKEAWAY: Population growth in Solano County increased in 2018 by 0.5 percent more residents as of January 1, 2019.

OPPORTUNITY: As more people leave both fire-affected and rising cost-of-living areas, Solano County may be a place where more working families and self-employed workers come to live.

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Population Growth Projections

The California Department of Finance (DOF) updated its county forecasts on population growth to 2060 in January 2020. Solano County is compared to other areas in the figure reflecting these updated forecasts. Notice the dramatic drop in the North Bay counties of Sonoma, Marin and Napa; this estimated population change is new to the 2020 DOF forecasts. Population forecasts help build employment and housing forecasts based on assumed labor-force participation rates, people per household and the number of children that become local students and potentially local workers.



Source: CA Department of Finance, Demographics Unit, Revised Jan 2019

(<http://www.dof.ca.gov/Forecasting/Demographics/Projections>)

TAKEAWAY: Solano County's population growth is forecasted to grow at a decreasing rate toward 2060, slower than the urban Bay Area counties and Sacramento County. The North Bay counties (Sonoma and Napa specifically) are to see population decline.

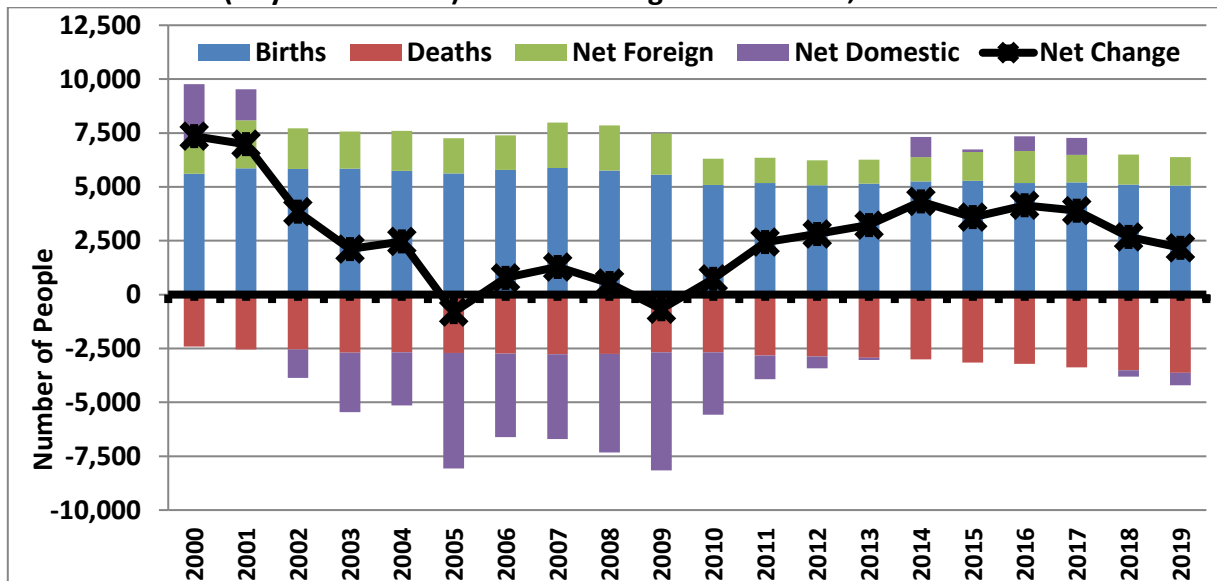
For 2020: As the effects of the COVID-19 crisis slowly unfold, Solano County's population may rise due to outmigration from cities to suburban/rural areas such as Dixon, Vacaville, Fairfield, and Vallejo. After 2020, labor-force participation challenges and strains on both public and private health systems may come to Solano County depending on the types of households that come to Solano County.

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Components of Population Change

Solano County's population increased over fiscal year 2018-19 from the previous fiscal year; for the period July 2018 to June 2019, Solano County's population was estimated to have grown by 2,170 people. Births outpaced deaths and new residents moved to Solano County from other places worldwide in net. However, more people moved away from Solano County to other parts of the United States in net. Fiscal year (July to June) measures are used by the state of California to predict tax revenues and also education data (number of students and graduates). It is also when adjustments are made to the calendar year figures to benchmark the following year's estimates. The 2020 Census data will help show the types of households that migrated to and away from Solano County.

Solano County Components of Population Change (People) from Previous Fiscal Year (July 1 to June 30) and Net Change in Residents, 2000–2019



Source: California Department of Finance, Demographic Research Unit (www.dof.ca.gov)

Solano County Change in Population Compared to 2019, Number of People

Fiscal Year End	Births	Deaths	Net New Residents from the United States (Net Domestic)	Net New Residents from other Countries (Net Foreign)	Net New Residents Moving to Solano County
2010	46,454	-28,519	-80	11,417	11,337
2013	31,075	-19,884	1,661	7,949	9,610
2014	25,823	-16,881	723	6,816	7,539
2015	20,542	-13,733	607	5,473	6,080
2016	15,365	-10,520	-80	3,985	3,905
2017	10,156	-7,144	-873	2,712	1,839
2018	5,058	-3,628	-575	1,315	740

Source: California Department of Finance, Demographic Research Unit (www.dof.ca.gov)

TAKEAWAY: Solano County's population grew in fiscal year 2018-19 by a mix of natural change and also in-bound migration from places outside the United States.

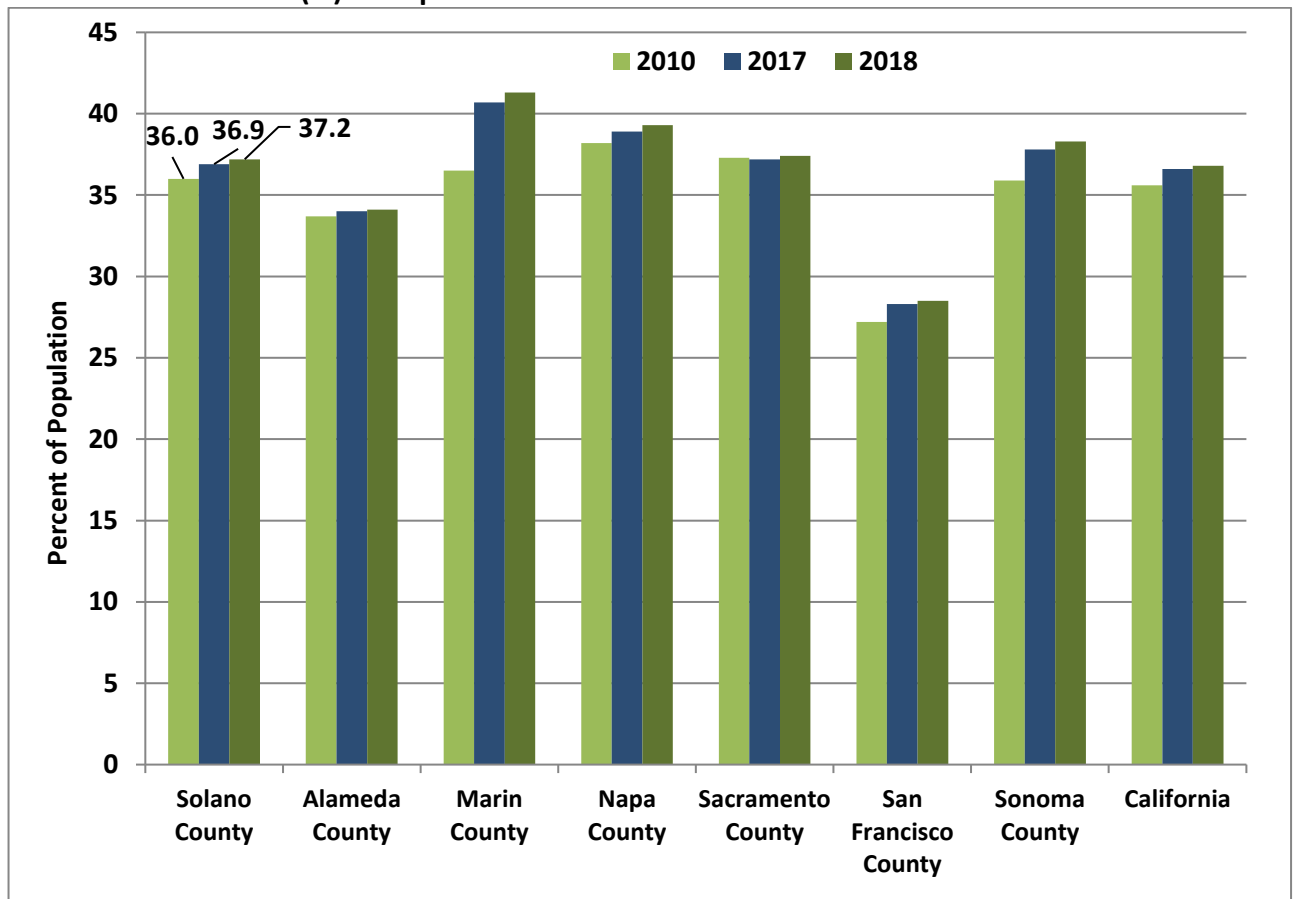
For 2020: Strains on county social assistance are affected by migration patterns (trading workers for retirees and also families for single-person households). As the COVID-19 crisis effects urban more than suburban/rural areas, migration patterns may change.

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Dependency Ratios

An area's total dependency ratio measures the percentages of area residents 65 and older and also those under 18 years of age. As the dependency ratio rises, it signals that fewer local residents are of classic working age (between 18 and 64 years old). Solano County's dependency ratio was 36.0 percent in 2010 and increased in 2018 to 37.2 percent from 36.9 in 2017 (2018 data are the latest available). San Francisco County continues as relatively young versus regional counterparts, with all other comparison counties experiencing a rising dependency ratio in 2018.

Total Dependency Ratio, Comparison Between Selected Areas, 2010, 2017 and 2018
Percent (%) of Population Under 18 Years Old and 65 Years and Older



Source: Census Bureau (www.census.gov) at <http://factfinder.census.gov>

TAKEAWAY: Solano County's dependency ratio increased at a slow rate in 2018 (0.3 percent), as did all other comparison counties.

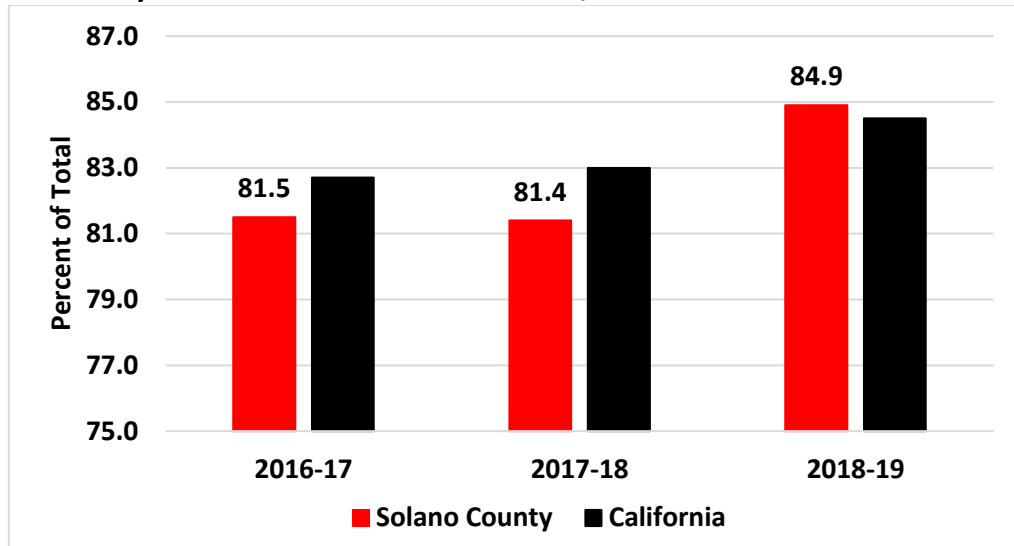
CHALLENGE: If migration patterns change due to the COVID-19 crisis in 2020 such that more families **and** more senior households come to Solano County, the dependency ratio may rise in 2020 and afterward. The number of people that receive social assistance from the County of Solano may also rise as a result of a larger dependency ratio, the core reason why policy makers follow this data point.

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High School Graduation Rates

Solano County's graduation rate increased in 2018-19 (the latest data available) from the previous academic year and exceeded the state of California's graduation rate on average. Graduation rates also increased for the state of California in academic year 2018-19. Labor market incentives are connected to graduation rates; when wages and job opportunities rise, students have incentives to leave high school. Solano County remained a place of African-American student success in the 2018-19 academic year at 1.82 percentage points higher than the state average.

Solano County and California Graduation Rates, 2016-17 to 2018-19 Academic Years



Source: California Department of Education (www.cde.ca.gov)

Note: There was a methodological change at the Department of Education that does not allow a comparison before 2016-17 academic year with the most recent data.

Solano County and California Graduation Rates (%) by Ethnicity, 2018-19 Academic Year Compared

<i>Ethnicity</i>	<i>Solano County</i>	<i>California</i>	<i>Difference</i>
African American	78.6%	76.8%	1.8%
American Indian or Alaska Native	77.4%	74.8%	2.6%
Asian	93.0%	94.0%	-1.0%
Filipino	95.2%	94.1%	1.1%
Hispanic or Latino	80.2%	82.1%	-1.9%
Pacific Islander	85.7%	84.6%	1.1%
White	88.9%	88.4%	0.5%
Two or More Races	92.6%	85.5%	7.1%

Source: California Department of Education (www.cde.ca.gov)

Note: There was a methodological change warning at the California Department of Education against comparisons before 2016-17 with the most recent data.

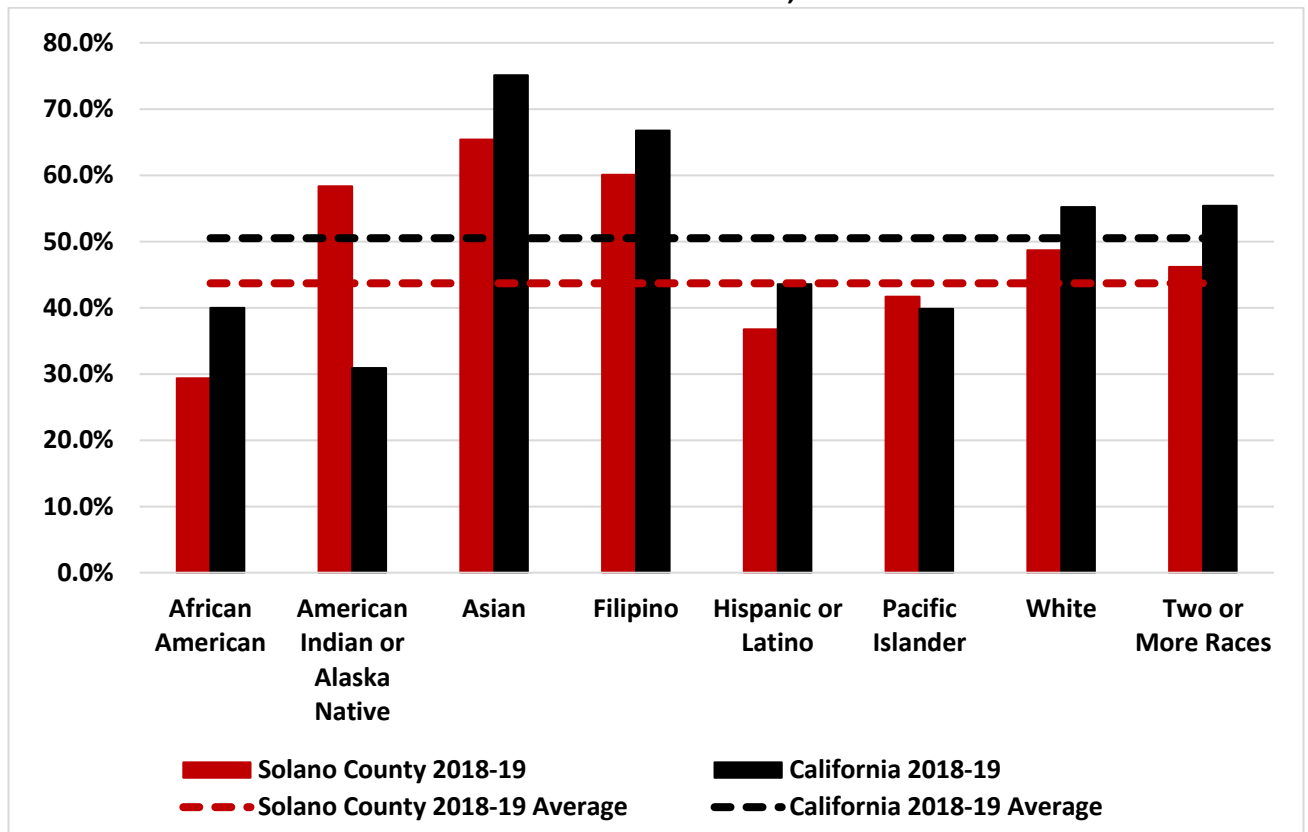
TAKEAWAY: Overall, Solano County had 84.9 percent of those eligible to graduate did so in academic year 2018-19 (the latest data), up sharply from one year before; California's statewide rate increased also, but is now lower than Solano County.
For 2020: Graduation rates are likely to be as good or better in 2019-20, but with a potential contraction in the economy and online learning as the norm, higher dropout rates may occur to earn resources for lower-income households.

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UC/CSU-Readiness

California's public university systems prepare students for professional careers. Solano County is home to CSU Maritime. UC Davis, Touro University and Solano Community College are also located within or next to Solano County. In the 2018–19 academic year (the latest data available), Solano County increased its percentage of 2018-19 academic year, college-ready graduates to 43.7 percent from 43.3 percent. The state overall also increased to 50.5 percent from 49.9 percent from the 2018-19 academic year versus 2017-18.

**Comparisons of Percentages (%) of UC/CSU-Ready Solano County High School Graduates
Selected Races and Ethnicities, 2018-19**



Source: California Department of Education (www.cde.ca.gov)

Note: There was a methodological change warning at the California Department of Education against comparisons before 2016-17 with the most recent data.

TAKEAWAY: Solano County had more high-school graduates for UC or CSU admission in the 2018-19 academic year than the previous year, though the average remains behind the state.

OPPORTUNITY: The increase in African-American and Hispanic student readiness for university admission is rising, providing more employment possibilities for these Solano County students that ultimately attend UC or CSU campuses. Support for these students, especially students with financial need, is critical to convert readiness into career and earnings potential.

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Workforce Readiness and Supply

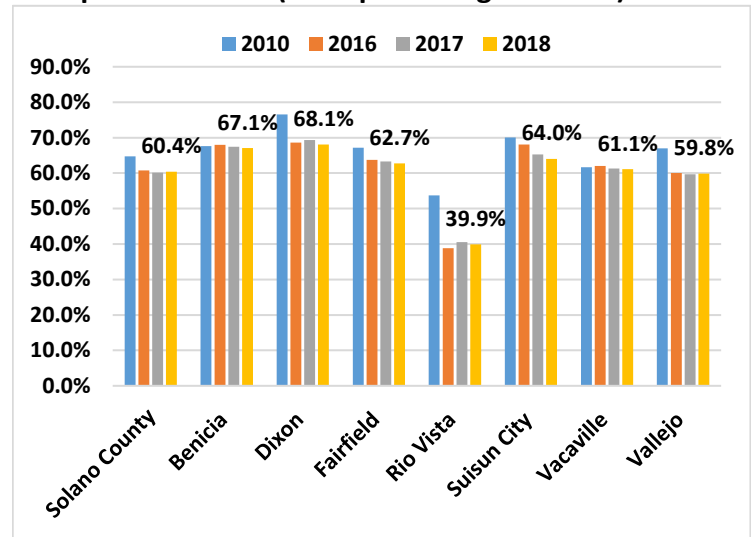
Labor Force Participation Rates

Labor force participation rates increased across California and the United States in 2018 (the latest data on population by age from the Census Bureau), as measured by the percentage of the working age (over 18 years old) population that is employed or considered actively seeking work (collecting unemployment insurance). For Solano County, labor-force participation only recently began to increase after a decade of falling levels. In 2018, this measure increased from 60.2 to 60.4 percent.

During a recession, labor force participation may fall because people struggling to find and maintain work, which can lead an exit from the labor force. For

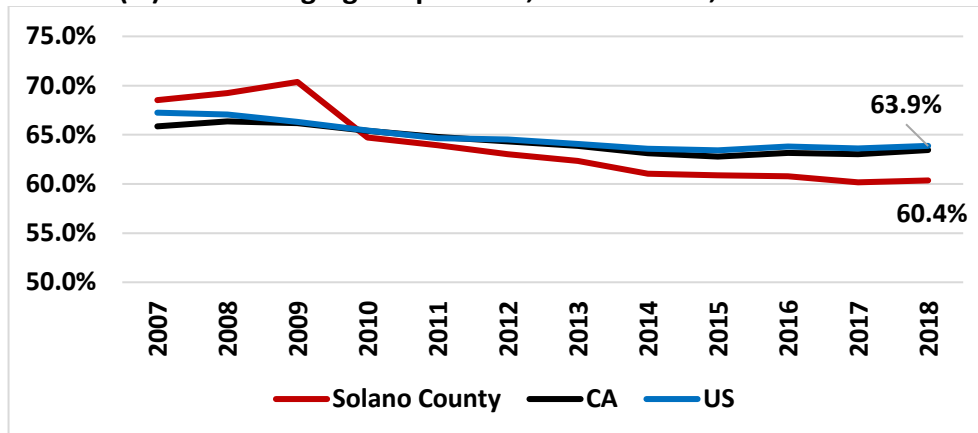
Solano County, uncertain economic futures for older residents may all lead to more local residents trying to find work. The data here compare national, state and Solano County data.

Labor Force Participation Rates, Workers 18 and older, 2006, 2016, 2017, and 2018, Solano County and its Incorporated Areas (2018 percentages shown)



Source: Census Bureau (factfinder2.census.gov)

Labor Force Participation Rates, 2007 to 2018, Solano County, California and US
Percent (%) of Working Age Population, 18 and older, in Labor Force



Sources: American Community Survey, Census Bureau (<http://factfinder.census.gov>),

Bureau of Labor Statistics for Labor Force (<http://www.bls.gov>), where 2019 the latest population estimates.

TAKEAWAY: Labor force participation in Solano County grew again in 2018.

OPPORTUNITY: If unemployment rises quickly and remains relatively high in 2020, there are training and career-transition services needed for displaced workers and those trying to re-enter the workforce. The effects of the COVID-19 crisis in 2020 is likely to have a mixed effect on labor force levels, as some workers retire and others exit and re-enter the labor force.

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City Overview: Education, Housing and Income

Solano County continues to show improvements in occupied housing units, new construction and residential education levels across its cities. These data are five-year averages (2014-18 is the latest data available from the Census Bureau).

Median Age (Years) in Solano County and Its Cities, 2000, 2010, 2016, 2017, 2018

<i>Place</i>	<i>2000</i>	<i>2010</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>
Solano County	33.9	36.5	37.5	37.7	37.9
United States	35.3	36.9	37.5	37.8	37.9
California	33.3	34.9	36.0	36.1	36.3
Benicia	38.9	45.0	44.2	44.9	45.7
Dixon	31.5	32.3	34.0	35.0	34.0
Fairfield	31.1	32.8	34.4	34.8	35.0
Rio Vista	40.7	55.8	62.3	62.3	62.2
Suisun City	31.7	32.7	33.1	33.7	34.4
Vacaville	33.9	36.7	37.1	37.4	37.3
Vallejo	34.9	37.5	38.3	37.8	38.0

Source: American Community Survey, Census Bureau (<http://factfinder.census.gov>)

Housing and Occupancy, 5-Year Averages Ending in Stated Year: 2010, 2017 and 2018 (How many homes are there and what percentage (%) are occupied or vacant.)

<i>Place</i>	<i>Total Housing Units</i>			<i>Occupied (%)</i>			<i>Vacant (%)</i>		
	<i>2010</i>	<i>2017</i>	<i>2018</i>	<i>2010</i>	<i>2017</i>	<i>2018</i>	<i>2010</i>	<i>2017</i>	<i>2018</i>
Solano County	151,616	155,973	156,896	91.7%	94.5%	95.0%	8.3%	5.5%	5.0%
United States	130,038,080	135,393,564	136,384,292	87.8%	87.8%	87.8%	12.2%	12.2%	12.2%
California	13,552,624	13,996,299	14,084,824	91.4%	92.1%	92.1%	8.6%	7.9%	7.9%
Benicia	11,905	11,717	11,649	91.7%	95.5%	95.5%	8.3%	4.5%	4.5%
Dixon	6,124	6,204	6,304	94.2%	95.1%	95.4%	5.8%	4.9%	4.6%
Fairfield	36,283	37,461	37,892	91.7%	95.5%	95.9%	8.3%	4.5%	4.1%
Rio Vista	3,592	4,506	4,629	92.7%	93.3%	92.6%	7.3%	6.7%	7.4%
Suisun City	9,291	9,448	9,495	93.3%	97.9%	98.1%	6.7%	2.1%	1.9%
Vacaville	31,780	33,812	34,195	94.4%	95.9%	96.3%	5.6%	4.1%	3.7%
Vallejo	45,297	45,026	44,869	88.9%	92.5%	93.6%	11.1%	7.5%	6.4%

Source: American Community Survey, Census Bureau (<http://factfinder.census.gov>)

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Income, Household Size, and Education, 2010, 2017, and 2018, Five-Year Averages

Place	Median Household Income (2009 Dollars)			Average Household Size (People/Housing Unit)			Percent (%) of Residents with HS Diploma or Better			Percent (%) of Residents with Bachelor's Degree or Better		
	2010	2017	2018	2010	2017	2018	2010	2017	2018	2010	2017	2018
Solano County	\$67,559	\$62,196	\$63,782	2.83	2.88	2.87	85.8%	87.6%	88.0%	24.0%	25.6%	26.2%
United States	\$51,269	\$50,450	\$51,461	2.61	2.63	2.63	85.0%	87.3%	87.6%	27.9%	30.9%	31.5%
California	\$60,127	\$57,267	\$58,537	2.93	2.96	2.96	80.7%	82.5%	83.0%	30.1%	32.6%	33.3%
Benicia	\$85,937	\$81,187	\$81,376	2.53	2.50	2.52	94.7%	96.3%	96.5%	41.2%	42.2%	43.4%
Dixon	\$68,876	\$62,279	\$63,448	3.00	3.30	3.28	82.1%	77.0%	78.3%	19.6%	19.6%	17.4%
Fairfield	\$67,164	\$64,193	\$66,527	3.00	3.10	3.09	84.8%	85.6%	85.6%	22.2%	25.6%	26.5%
Rio Vista	\$53,890	\$56,097	\$57,528	2.04	1.98	2.01	93.1%	92.1%	95.3%	25.3%	23.1%	29.2%
Suisun City	\$70,903	\$64,110	\$65,548	3.23	3.15	3.14	86.1%	88.4%	88.9%	19.3%	19.9%	20.5%
Vacaville	\$69,958	\$66,337	\$67,552	2.71	2.79	2.77	85.4%	88.6%	89.1%	21.0%	23.4%	23.5%
Vallejo	\$60,717	\$53,092	\$54,739	2.85	2.86	2.85	84.7%	87.7%	87.9%	24.7%	25.5%	26.1%

Source: American Community Survey, Census Bureau (<http://factfinder.census.gov>)

TAKEAWAY: Housing occupancy increased as number of people per housing units leveled off a bit in 2018. Educational levels are rising as are median household incomes. Solano County continues to age, following changes in the state median at approximately 1.5 years older.

CHALLENGE: As a result of the COVID-19 crisis, all standards of living are likely to fall in 2020 and perhaps 2021. Median household income, in inflation-adjusted terms, was still below 2010 levels in Solano County and California as of 2018; the 2019 data will likely show inflation-adjusted levels for 2010.

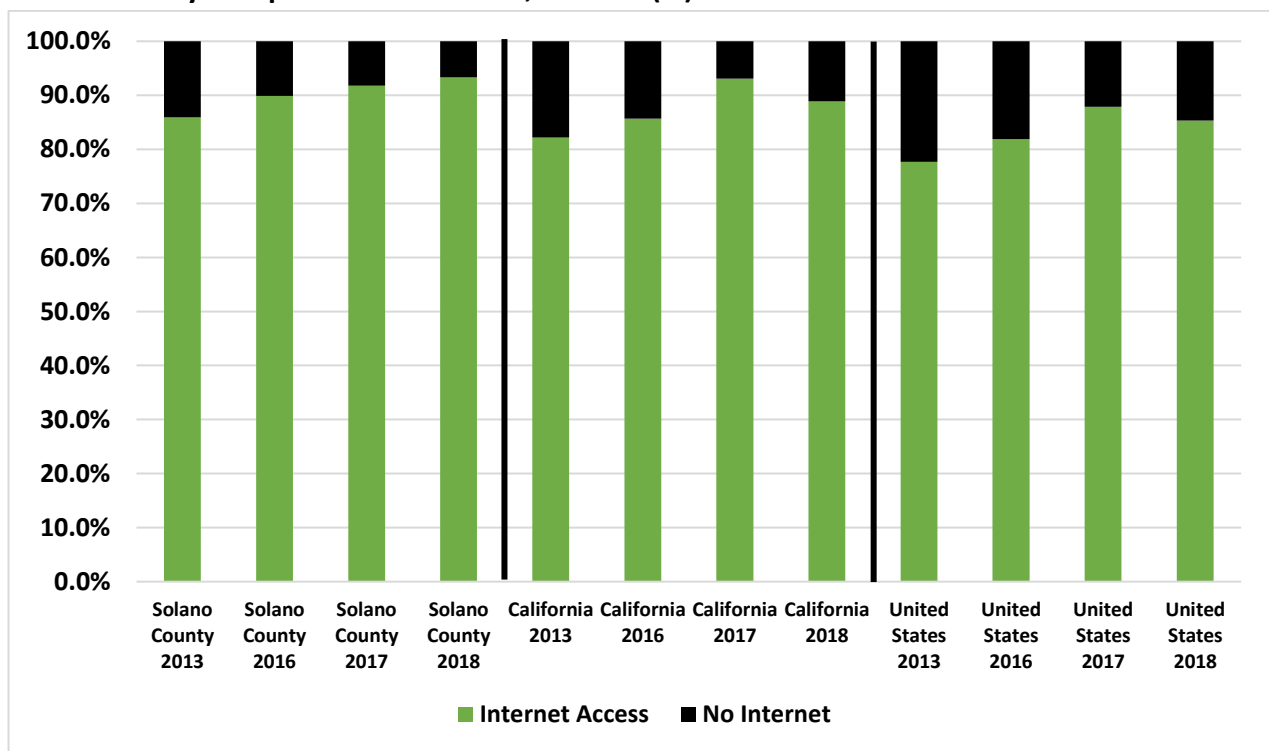
Index of Economic and Community Progress

Broadband and Computer Access

The American Community Survey of the Census Bureau provides data on broadband and computer access for households. Such access helps households become places for a home-based business, connecting students to resources for their education, and potential telehealth connections for residents and families. Data here compare Solano County to the national and state economies overall. As expected, there was continued improvement in the 2018 data (the latest data) compared to 2017, 2016 and 2013 data (2013 was the first year these data were tracked by the American Community Survey); as also expected, Solano County is well connected versus its state and national counterparts.

Broadband and Computer Access, 2013, 2016, 2017, and 2018

Solano County Compared to CA and US, Percent (%) of Households



Source: American Community Survey, 1-year Survey Samples (<http://factfinder.census.gov>)

TAKEAWAY: Solano County households increased the proportion of the population that has internet access versus the national and state averages again in 2018, showing almost full coverage across the county population.

OPPORTUNITY: Broadband internet may become one of the most critical, infrastructure needs for all households if the COVID-19 crisis lingers in 2020 and into 2021 affecting schools, employers, healthcare systems, and many other industries. Education and healthcare opportunities for rural communities and those less mobile can take advantage of this connectedness and expand workforce training and health services.

Index of Economic and Community Progress

Commuting: Time to Work in the Car

Time to work data can provide ways of understanding length of commuting and also potential traffic conditions. As the Solano County economy has experienced more hiring and more economic growth, the time to work has increased (from 2009 to 2018 as shown, where 2018 data are the latest available). Notice the proportion of working residents in Solano County has gone up for those traveling 60 minutes or more work; since 2009, due to both a rising proportion and residential growth of workers, there are over 9,600 more Solano County residents that work driving 60 minutes or more each way to and from work.

Time to Get to Work, Solano County Residents, 2009, 2010, 2016, 2017, and 2018 Count (People) and % Share of Annual Total

Time to Work (minutes)	2009		2010		2016		2017		2018	
	Count	Share	Count	Share	Count	Share	Count	Share	Count	Share
Less than 10 minutes	22,948	13.10%	22,618	12.70%	21,827	12.00%	21,805	11.70%	21,478	11.20%
10 to 14 minutes	26,101	14.90%	26,714	15.00%	27,070	15.20%	27,956	15.00%	27,614	14.40%
15 to 19 minutes	24,524	14.00%	25,111	14.10%	24,933	14.00%	26,278	14.10%	27,039	14.10%
20 to 24 minutes	18,919	10.80%	19,056	10.70%	18,700	10.50%	19,010	10.20%	19,177	10.00%
25 to 29 minutes	7,357	4.20%	7,480	4.20%	8,192	4.60%	8,014	4.30%	8,821	4.60%
30 to 34 minutes	19,619	11.20%	20,837	11.70%	18,878	10.60%	19,196	10.30%	19,944	10.40%
35 to 44 minutes	12,262	7.00%	12,110	6.80%	11,576	6.50%	12,487	6.70%	12,848	6.70%
45 to 59 minutes	17,167	9.80%	17,631	9.90%	17,275	9.70%	18,078	9.70%	18,985	9.90%
60 or more minutes	26,276	15.00%	26,536	14.90%	30,097	16.90%	33,547	18.00%	35,860	18.70%
Mean travel time to work (minutes)	29.4		29.5		30.4		31.8		32.6	

Source: American Community Survey, Census Bureau (<http://factfinder.census.gov>)

TAKEAWAY: Commute times and distances continued to rise in 2018 to 32.6 minutes as jobs growth continued.

OPPORTUNITY: The COVID-19 crisis in 2020 may provide an opportunity to reduce commuter time in the car because more people are working from home. As economic development continues to attract, retain and expand businesses in Solano County, matching commuting workers to local job opportunities can be part of a broader, community development strategy.

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Quality of Place Index

This final section looks at comparison data describing quality of place compared to California (the Bay Area in the case of housing prices) on average: high-school graduation rates; commute times; air quality; educational attainment; home purchase and rental prices; and taxable sales per person. There are 58 counties in California; the data below in many cases are rankings out of these 58 counties. Key takeaways are given by element.

Quality of Place Elements, 2018 (2017 is the latest data in some cases)

Element			Key Takeaway
Graduation Rates for High School			Graduation rates were up in Solano County in 2018-19, gaining ground on many CA counties.
2010-11 44 th in CA	2017-18 43 rd	2018-19 33 rd in CA	
Commute Times			Solano County experienced rising commute times in 2018 and is now in the top 7 worse counties for minutes to work.
2010 49 th in CA	2017 50 th in CA	2018 52 nd in CA	
Air Quality			Air quality remained relatively similar to 2018 in 2019 for Solano County, as the Air Quality Index for Solano County was 18 th lowest of the 58 counties in CA. (lower is better).
2010 20 th in CA	2018 18 th in CA	2019 18 th in CA	
Educational Attainment: % of Pop, 25 years old or more, BA min			Solano County population above 25 years old remains in the top half of California County for residents with a BA degree minimum.
2010 29 th in CA	2017 24 th in CA	2018 25 th in CA	
Home and Rental Prices (as a % of San Francisco County)			Solano County's home prices increased quickly in percentage terms versus rents in 2019. Solano County remains an affordable real-estate market versus the core Bay Area.
2010 Rent: 50% of SF Buy: 28% of SF	2018 Rent: 48% of SF Buy: 32% of SF	2019 Rent: 51% of SF Buy: 32% of SF	
Taxable Sales/Capita			Solano County residents and visitors continued making taxable purchases as their incomes rise increasing the total versus the state average.
2010 98.6% of State Avg	2018 100% of State Avg	2019 102% of State Avg	

Sources: California Department of Education; American Community Survey; Zillow™ Research; California Air Resources Board; California Board of Equalization and County of Solano

Quality of Index indicators suggest **opportunities** when in green and **challenges** for policy makers and the community when in red.

OVERALL TAKEAWAY: For both economic and workforce development, Solano County has many advantages for businesses and residents compared to other parts of California, and also similar challenges. For 2019, quality of place was slightly better than 2019. The COVID-19 crisis in 2020 is likely to positively affect air quality, commute times, graduation rates. It is likely to negatively affect taxable sales and education attainment of the population older than 25, and may be neutral or negative on home and rental prices.

Index of Economic and Community Progress

Data Sources and Methodology

Solano County Key Facts

Area

Data provided by the Solano Economic Development Corporation (EDC).

Population

Data are from the E-1: City/County Population Estimates with Annual Percent Change report by the California Department of Finance and for Solano County. Estimates available in 2020 are for January 1, 2019, and also for fiscal year 2018-19 in certain data comparisons.

Jobs

Solano County employment data are provided by the California Employment Development Department (EDD). The industry data may include employees who live outside the county. December 2019 and Annual 2019 data are preliminary estimates.

Foreign Immigration and Domestic Immigration

Data are from the E-6: Population Estimates and Components of Change by County – July 1, 2010–2019 report by the California Department of Finance and are for Solano County, the Bay Area Other (including Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara counties), the North Bay (Napa and Sonoma counties), and for California overall. Estimates for 2019 are preliminary. Net migration includes all legal and unauthorized foreign immigrants, residents who left the state to live abroad, and the balance of hundreds of thousands of people moving to and from California from within the United States.

Adult Educational Attainment, Age Distribution, and Ethnic Composition

Data are provided by the U.S. Census Bureau American Community Survey in 2019 is an average of data over the years 2014 to 2018 for Solano County.

Taxable Sales and Assessed Property Value

Data for taxable sales are from the State of California Board of Equalization and the Solano County Department of Finance. Data on the assessed value of residential properties are from the Solano County Assessor's office.

Our Changing Economy

Annual Employment

Solano County employment data are provided by the California Employment Development Department (EDD). The industry data reflects the number of jobs in the county that may pay employees who live outside of the county. <https://www.labormarketinfo.edd.ca.gov/data/industries.html>

Change in Annual Jobs

Solano County employment data are provided by the California Employment Development Department (EDD). The industry data reflect the number of jobs in the county that may pay employees who live outside of the county. The data are as of December 2019 and are estimates, see <https://www.labormarketinfo.edd.ca.gov/data/industries.html>.

Total Employed Residents and Total Unemployed Residents

Solano County resident employment data is provided by the California Employment Development Department (EDD) Local Area Unemployment Statistics (LAUS). The data reflects the number of residents employed and unemployed in the county. Monthly data reports for Solano County and selected areas originate at the Bureau of Labor Statistics (www.bls.gov) and EDD reports the estimates.

Non-Employer Firm Growth and Percentage of Non-Employers by Industry

Data for Non-employers are from the U.S. Census Bureau. Non-employer statistics originate from tax return information of the Internal Revenue Service. Data are subject to tax forms data, as well as errors of response, non-reporting and coverage. Values provided by each firm are slightly modified to protect the respondent's confidentiality. The latest Census Bureau data are from 2017.

Median Household Income

Data for Median Household Income are from the 2003-2018 American Community Survey data reports from the U.S. Census Bureau, including the decennial Census in 2010. All income values are inflation-adjusted and reported in 2009 dollars, using the California CPI from the California Department of Finance. This California CPI is a weighted average of consumer price index (CPI) data that the Bureau of Labor Statistics (BLS) reports for the San Francisco, Los Angeles, and San Diego metropolitan areas.

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Tourism and Visitor Support

Estimated data on visitor spending, jobs that support visitors and tax receipts generated from tourism and hotel stays are provided for all 58 California counties and the state overall by [Dean Runyan Associates](#). Data are from 1992 to 2018.

Gross Product

Data are provided by the U.S. Bureau of Economic Analysis through 2018 Bureau of Economic Analysis (www.bea.gov). Values are inflation-adjusted and reported in 2009 dollars.

Real Per Capita Personal Income

Total personal income and population data are from the [Bureau of Economic Analysis](#). Income values are inflation-adjusted and reported in 2009 dollars, using the California CPI from the California Department of Finance. See

Sources of Personal Income

Data are provided by the [Bureau of Economic Analysis](#) (BEA) through 2018. Data are from Personal Income by Major Source and Earnings by NAICS Industry through 2018. Personal income has been adjusted into 2009 dollars using either the California CPI from the California Department of Finance or the U.S. City Average Consumer Price Index (CPI) of all urban consumers, published by the Bureau of Labor Statistics, when data are national.

Economic Base and Locally-Serving Industries: Moving Solano Forward Phase II

These data come from the Quarterly Census of Employment and Wages (QCEW) which allows for a look at employment, wages, and establishments data at the NAICS-4-digit level. The North American Industry Classification System (NAICS) allows analysis for major industry sectors. These data are the official estimates from the Bureau of Labor Statistics (<http://www.bls.gov/cew>).

Agriculture

Data on county agriculture and the industries within that sector come from the Solano County Agricultural Commissioner and the Bureau of Economic Analysis (BEA). The BEA tracks farm incomes, almost like an income statement, annually with a one-year lag. The latest data are from 2018.

Poverty Rates

Poverty rates represent the percentage of households under the federal poverty level in terms of household income in a given year. Five-year averages for Solano

County are provided by the American Community Survey of the Census Bureau. The latest data are from 2018.

Wages by Occupation

Wages data are available from The California Employment Development Department (www.edd.ca.gov) and the U.S. Bureau of Labor Statistics (www.bls.gov) by occupation following Standard Occupation Classification (SOC) codes. Wages are adjusted to 2009 dollars using the California CPI from the California Department of Finance or the U.S. City Average Consumer Price Index (CPI) of all urban consumers, published by the Bureau of Labor Statistics, when the data are national. These data are from May 2019.

Commercial Real Estate

Data on Solano County's commercial real estate comes from author contact with Colliers International's research department. The tracking of office space, both class A and B, as well as industrial space, is from a survey instrument that is proprietary to Colliers. Other commercial real estate firms, such as Cushman-Wakefield, will likely have different estimates, but there is not a governmental source for these data. The latest data are from Quarter 4 2019.

Housing Deep Dive

Data on forecasted housing units need come from both Metropolitan Transportation Commission (MTC) and from California Department of Transportation (CalTrans). Housing type is estimated by the California Department of Finance as part of its demographic research and housing tenure (own versus rental) data comes from the Census Bureau's American Community Survey. Regional Housing Needs Allocation (RHNA) estimates were provided by County of Solano staff for 2020.

Our Changing Community

Population Growth and Domestic and Foreign Immigration

Data are from the E-6: Population Estimates and Components of Change by County – July 1, 2000–2019 report by the [California Department of Finance](#) and are for Solano County, the Bay Area Other (including Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara counties), the North Bay (Napa and Sonoma counties) and California overall. Net migration includes all legal and unauthorized foreign immigrants, residents who left the state to live abroad, and the balance of hundreds of thousands of people moving to and from California from within the United States. For the population projections, the data used comes from the [California Department of](#)

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[Finance](#), P-3 report (State and County Population Projections by Race/Ethnicity, Detailed Age, and Gender, 2010–2060 (by year)). The latest estimates are from January 2020.

Dependency Ratios

Data for the dependency ratios, which are the percentage of the population that is either under 18 years of age or over 65 years of age, come from the American Community Survey from the U.S. Census Bureau, including the decennial Census in 2010, covering years between 2005 and 2018.

High School Dropout Rates

Data for the 2018–2019 academic year are provided by the [California Department of Education](#) Educational Demographics Office. The 4-year derived dropout rate is an estimate of the percent of students who would drop out in a four-year period based on data collected for a single year. There has been a recent change in methodology such that time periods before 2016-17 are not comparable to those after 2016-17.

High School Graduation Rates and UC/CSU-Readiness

Data for the 2018–2019 academic year are provided by the [California Department of Education](#). In theory, the methodology used calculates an approximate probability that one will graduate on time by looking at the number of 12th grade graduates and number of 12th, 11th, 10th and 9th grade dropouts over a four-year period. There has been a recent change in methodology such that time periods before 2016-17 are not comparable to those after 2016-17.

Home Sales and Housing Affordability

Data were provided by the California Association of REALTORS® (CAR) for median home prices, sales volume of single-family homes and also by Zillow™ Research (Rental Prices). CAR also calculates the percentage change in homes sales by county, compares numerous counties across the state, and also has a housing affordability index (HAI) it publishes quarterly at www.car.org. Data on housing burden are available from the Census Bureau (<http://data.census.gov>).

Labor Force Participation Rates

This is a ratio of the population over 16 years old and under 65 years of age to the total population traditionally. Some measures have expanded that to 16 years and above as a way of measuring local working-age residents and their engagement in local labor markets.

Broadband and Computer Access

The Census Bureau, in its American Community Survey, is now tracking the number of households with a computer or with broadband access of both. These data are shown here as a way to consider Solano County versus the state and nation and the ability to use tools at home to increase labor supply readiness and learning opportunities. The latest data is as of 2018.

Building Permits

Building permits data are available from both the County of Solano and the Census Bureau at the metropolitan statistical area (MSA) level. The County of Solano provided both residential permit counts and square footage of new commercial construction permitted. The building permits database at the Census Bureau can be found at:

<http://www.census.gov/construction/bps/>

City Data: Economics and Demographics

Data on the cities and their demographics come from the [American Community Survey](#) (ACS) of the Census Bureau through 2018. While this survey has some data limitation for smaller municipalities and the unincorporated portions of counties, it is the best current source of information on cities and towns between the ten-year Census dates. Data shown here are five-year averages.

CalTrans/CA Economic Forecast

Data for the forecasts of jobs and population for all 58 California counties has been performed by CalTrans in partnership with the California Economic Forecast from the UCLA Anderson School of Business. This forecast is to provide CalTrans with planning data for new roadways and infrastructure as California's economy and population grow. The 2019 to 2050 version is available at [CalTrans](#).

Rental and Home Prices

Home rental prices come from Zillow™ Research, which has information on rental price estimates for most metropolitan areas and counties in the United States. <http://www.zillow.com/research/data/#rental-data>

Time to Work

Data on commuting workers come from the Census Bureau and its partnership with the Bureau of Labor Statistics and the QWI called the Longitudinal Employer-Household Dynamics (LEHD) database. These data are from 2002 to 2018 as of January 2020.

The 2019 Solano County Index of Economic and
Community Progress can be found at:

www.solanocounty.com/economicindex

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Agenda Submittal

Agenda #:	16	Status:	Regular Calendar
Type:	ATR	Department:	County Administrator
File #:	20-319	Contact:	Ian Goldberg, 784-6116
Agenda date:	05/05/2020	Final Action:	
Title:	Authorize the use of up to \$2,000,000 in General Fund Contingency to pay for costs related to COVID-19 emergency response, pending reimbursement from state and federal emergency appropriations (4/5 vote required); and Approve an Appropriation Transfer Request (ATR) increasing expenditures in Fund 282 County Disaster Fund by \$2,000,000 funded by a transfer from General Fund Contingency (4/5 vote required)		
Governing body:	Board of Supervisors		
District:	All		
Attachments:			

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ____ No X
Public Hearing Required? Yes ____ No X

DEPARTMENTAL RECOMMENDATION:

The County Administrator's Office recommends that the Board of Supervisors:

1. Authorize the use of up to \$2,000,000 in General Fund Contingency to pay for costs related to COVID-19 emergency response, pending reimbursement from state and federal emergency appropriations (4/5 vote required); and
2. Approve an Appropriation Transfer Request (ATR) increasing expenditures in Fund 282 County Disaster Fund by \$2,000,000 funded by a transfer from General Fund Contingency (4/5 vote required).

SUMMARY/DISCUSSION:

In response to the COVID-19 outbreak the following actions have occurred:

On February 27, 2020, Birgitta Corsello, County Administrator, signed a Proclamation of Local Emergency in response to an extreme threat to public health that now exists in Solano County due to the identification of the Novel Coronavirus (COVID-19) in Solano County.

On March 3, 2020 your Board ratified this Proclamation of Local Emergency making Solano County eligible for any available State and federal relief funds as may be available to reimburse the County for expenses it incurs in addressing this emergency.

On March 4, 2020 the Governor of California declared a State of Emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments,

and help the state prepare for broader spread of COVID-19.

On March 6, 2020, President Trump signed the Coronavirus Preparedness and Response Supplemental Appropriations Act of 2020. This bill provides \$8.3 billion for COVID-19 response activities. To support governmental public health, the Centers for Disease Control and Prevention has awarded funding to eligible jurisdictions to provide resources to prevent, prepare for and respond to COVID-19. The funding is intended for state, local, territorial and tribal health departments to carry out surveillance, epidemiology, laboratory testing, infection control, mitigation, communications and other preparedness and response activities.

On March 18th, 2020 the Solano County Health Officer issued an order directing residents in Solano County to “shelter at home” through April 6, 2020 and prohibiting any public or private gatherings, including places of work, that do not allow for participants to maintain a minimum of six feet distance apart.

On March 19, 2020 the Governor of California issued Executive Order N33-20 directing all individuals living in the State of California to stay home or at their place of residence except as needed to maintain continuity of operation of the federal critical infrastructure sectors as outlined in the order. This order remains in place until further notice from the Governor.

On March 30, 2020 the Solano County Health Officer issued order No. 2020-04 directing individuals to continue to “shelter at home” through April 30, 2020, except that they may leave to provide or receive certain essential services or engage in certain essential activities and work for essential business and essential governmental services, exempting individuals experiencing homelessness from this order but urging them to find shelter and government agencies to provide it, directing all businesses and governmental agencies to cease no essential operations at physical location in the County, prohibiting all non-essential gatherings of any number of individuals, and prohibiting all non-essential travel. This health order has been extended until May 17, 2020.

Situational updates continue from Dr. Bela Matyas, Public Health Officer, regarding the activities and efforts relating to the Coronavirus Disease 2019 (COVID-19) epidemic. In response to the public health emergency, Solano County is continuing to operate a virtual Emergency Operations Center through the Solano County Sheriff's Office, and a Department Emergency Operations Center through Public Health. In the Emergency Operations Centers and directly through County Departments, costs related to COVID-19 response are being incurred and tracked.

As County Departments are incurring costs related to COVID-19, the County Administrator has established a Budget Unit for tracking purposes in the County Disaster Fund (Fund 282). It is recommended that the Board authorize the use of up to \$2,000,000 in General Fund Contingency to pay for costs related to COVID-19 emergency response, thereby funding the COVID-19 Budget in the Disaster Fund. COVID-19 costs may be subject to reimbursement from the Federal and State government.

FINANCIAL IMPACT:

The County's actual costs reported for COVID-19 as of April 28, 2020 are approximately \$795,000. However, additional costs are expected as response to COVID-19 continues.

Based on the declaration of emergency by both the Federal & State government, costs related to COVID-19 response are anticipated to be reimbursed. At this time reimbursement rates and determination of reimbursable costs continue to be under review. In typical emergency declarations the Federal government reimburses up to 75% of reimbursable costs incurred. State reimbursements typically cover the remaining 25% however, at this time the State actions related to approval of reimbursement are not yet complete. County Emergency Operations staff are working closely with CalOES and are monitoring Statewide authorization for reimbursement.

It is recommended that the Board authorize the use of up to \$2.0 million in General Fund Contingency to pay

for costs related to COVID-19 emergency response. The General Fund Contingency current balance is \$12.0 million. The use of up to \$2.0 million is anticipated to provide sufficient funding for COVID-19 emergency response, based on costs incurred as of April 28, 2020. This funding would also allow for the County to incur additional costs as the COVID-19 response continues. County staff will continue to track and monitor COVID-19 costs and return to the Board should additional funds be required.

The costs associated with preparing the agenda item are nominal and absorbed by the department's FY2019/20 Adopted Budget.

ALTERNATIVES:

The Board could choose not to authorize use of General Fund Contingencies to cover costs associated with COVID-19 emergency response. This is not recommended as these funds are established by the Board of Supervisors to be used for one-time, unexpected needs that arise outside of the regular budget process.

OTHER AGENCY INVOLVEMENT:

The Solano County Office of Emergency Services and the Public Health Department will provide updates to the Board as the recovery effort continues.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION



Solano County

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Agenda Submittal

Agenda #:	17	Status:	Regular Calendar
Type:	Report	Department:	County Administrator
File #:	20-351	Contact:	Ian Goldberg, 784-6116
Agenda date:	05/05/2020	Final Action:	
Title:	Receive an update on initial County Fiscal Impacts from the COVID-19 Emergency and the revisions to budget assumptions for FY2020/21		
Governing body:	Board of Supervisors		
District:	All		
Attachments:	A - COVID-19 Revenue Loss Summary Impacts		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ____ No X

Public Hearing Required? Yes ____ No X

DEPARTMENTAL RECOMMENDATION:

It is recommended that the Board of Supervisors receive an update on initial County Fiscal Impacts from the COVID-19 Pandemic Emergency and revisions to budget assumptions for FY2020/21.

SUMMARY:

At this time, roughly three months into the COVID-19 pandemic medical emergency and the related actions and reactions locally, statewide, nationally and worldwide, the County of Solano and the cities are planning not only for emerging from the restrictions and anticipating the reopening of businesses but also working on the new challenges that the economic shutdown has had. While it is difficult to predict accurately the extent of all the impacts, closures and reductions that business activities have or will have throughout the State, County or locally, especially when we are still operating under State restrictions, we do anticipate reduced revenues. The County General Fund, the main budget that accounts for general purpose revenues such as interest income, real estate related revenues and property taxes, is expected to see reductions in several sources before year end. We anticipate additional impacts to program specific revenues that draw their funding from sale tax revenues, including Prop 172. Fortunately, during the FY2019/20 midyear projections, County departments had identified salary savings from vacancies and improved revenue receipts which will help to offset the immediate revenue shortfall in other areas. As a result, the County Administrator does not currently expect additional cuts in the current fiscal year, and we can absorb the loss of revenue within the midyear projected year-end fund balance.

The challenge for FY2020/21 is different, in preparing for both the close of the fiscal year and the adoption of a new fiscal year budget, there are many unknowns including uncertainty over the State and Federal funding on many mandated programs and uncertainty in the disbursement of statewide sale tax revenues that fund many county programs and services. County staff continue to evaluate potential impacts, even as circumstances continue to change. To address the status in key areas for the preparation of a budget, the County Administrator is recommending the Board receive an update on Preliminary Revenue Impacts and revisions to

the FY2020/21 Budget Assumptions and consider a change to the FY2020/21 Budget Adoption Process.

FINANCIAL IMPACT:

The costs associated with preparing the agenda item are nominal and absorbed by the department's FY2019/20 Adopted Budget. Attachment A reflects the current & initial revenue changes for FY2019/20 and FY2020/21.

DISCUSSION:

Background

The COVID-19 pandemic has taken a human toll locally, statewide, nationally and internationally. Little was known about the virus before January 2020, and as it spread at a much faster rate than the international or national medical community had experienced in recent decades, the World Health Organization and the U.S. Center for Disease Control (CDC) warned of the risks and human losses other countries were experiencing from the spread of the virus. Governments at all levels around the world took extraordinary and unprecedented actions intended to manage and slow the spread of the COVID-19 virus including the U.S., the State of California, and counties throughout our State. The actions taken included the restriction on travel to various parts of the world, the closure of international borders, the suspension of non-essential travel, the closure of schools, requirements for businesses to close if not deemed essential and restriction on those that were identified as essential.

Public health orders for people to shelter at home, the use social distancing, to practice good hygiene with frequent hand washing, to avoiding touching the face and wearing some type of face masks when out, were issued all with the intent to safeguard human life. These actions have had profound impacts on people and the economy including the stock markets, money markets, small businesses, large businesses, employers, employees, the elderly, families and children. Very few, if any, have not felt the impact directly or indirectly from the COVID-19 pandemic and the related actions. The economy worldwide has been on hold as we have waited and watched and hoped that the scientific and medical communities could manage to keep up with the COVID-19 virus spread, to rapidly develop testing capabilities and search for treatments as they worked to bend the curve which the models were projecting.

As businesses closed or reduced their operations locally and statewide, we have seen increased claims for unemployment, increased enrollment in social service SafetyNet programs like Cal Fresh, losses in earnings and numerous Federal and State funding authorizations intended to address costs and losses. Locally, we have had businesses seek assistance either from Federally funded programs directly or through the Small Business Administration local office as they try to manage through the economic challenge the COVID-19 pandemic has created.

Beginning in late January 2020, the World Health Organization and U.S. news stations were discussing and reporting on a coronavirus that had impacted parts of China and was feared to be spreading through other parts of the world at an incredible pace. Then in February 2020, Solano County and the medical community were pushed into the world spotlight initially due to an arrangement between the U.S. Department of Defense (DOD) and the CDC which resulted in the selection of the hotel on Travis Air Force Base (TAFB) as an isolation and COVID-19 quarantine site for Americans being airlifted and transported from various COVID-19 impacted areas. The County became the location of the first confirmed community acquired COVID-19 case. That community acquired case was a female who had no contact or affiliation with the CDC efforts or with anyone from TAFB and was not diagnosed for several days, creating an impact on a local hospital and a regional hospital in Sacramento before it was determined that it she had COVID-19.

In the weeks and months that have passed since that first local case in February, the COVID-19 pandemic has had, and continues to have, immense impacts on lives and livelihoods, it has and will have economic impacts in the State, nation and the world and there remains uncertainty as to trajectory and lingering impacts of the COVID-19 virus and the economy.

Preliminary Revenue Impacts from COVID-19

The FY2019/20 County revenue remains under review as we look at what has happened in the past 3 months due to the COVID19 pandemic and the actions taken to address the risk to human life. The requirements and restrictions influencing the projections, such as the Shelter at Home order, State and federal commerce, business and travel restrictions, impact revenue and earnings generated, as well as the investment markets, and more profoundly local business. To date, staff has evaluated the main revenue sources that fund county operations.

FY2019/20 Property Tax Projections:

Secured property tax and other taxes based on the secured property tax roll, collected in FY2019/20 are based on base year value as of January 1, 2018. Therefore, we do not project any negative impact in either the current fiscal year or FY2020/21. The impacts of COVID-19 may impact the based year value as of January 1, 2021, which would impact the FY2021/22 tax roll.

Other property taxes, including unsecured and supplemental taxes, will be impacted beginning in FY2020/21, with preliminary estimates shown below.

FY2019/20 Sales & Use Tax Projections:

Sales tax reductions resulting from COVID-19 will impact FY2019/20 and FY2020/21. The estimates in Attachment A are based on a preliminary analysis of our sales tax revenue from various sections and are applied to the most recent monthly estimates received from our sales tax consultants, HdL Companies. For FY2019/20, we are assuming reductions in collections for the remainder of the fiscal year. For FY2020/21, we are assuming a slow recovery, starting in the first quarter, growing by the 4th Quarter. These assumptions are largely dependent on how long the public health orders are in place and estimates will be re-evaluated in the coming weeks as we work to finalize our preliminary budget.

FY2019/20 Prop 172 Public Safety Sales Tax Revenue Projections

Proposition 172 is a key revenue source for our County Public Safety Departments and is based on ½ cent statewide sales tax funding for Public Safety Services. As of Midyear Prop 172 was projected at \$40 million and accounts for 58% of Intergovernmental revenues in FY2019/20. Prop. 172 is generated by a statewide sales tax and a statewide distribution formula. The swift reaction by consumers and businesses to the outbreak of COVID-19 in the U.S. has caused a huge decrease in spending on certain goods and services. The national and state response, combined with the uncertainty of how long the presence of the virus will disrupt the U.S. economy, has made revenue forecasting particularly challenging.

Staff is working with HDL, the County Sales Tax consultant, to monitor the statewide trend in Prop. 172 funding and anticipate bringing additional information to the Board during budget hearings, if appropriate.

FY2019/20 Interest Income

Interest income in the General Fund is not anticipated to be materially impacted in FY2019/20 as budgeted interest earnings for the fiscal year have been substantially achieved prior to COVID-19. However we have adjusted our anticipated revenue earnings for FY2020/21.

Supplemental Secured and Property Transfer Tax

Supplemental Property Tax is a tax on the purchase of new property or on new construction to residential property. Supplemental Property Tax is in addition to the standard property taxes that are required and are based on the value of the new property or the new construction. Property Transfer Tax is a documentary

transfer tax or sales transfer tax levied on property transfers that occur in the County. Both of these tax revenue sources are dependent on home sales and new construction. It remains unclear if the COVID-19 emergency has negatively affected the housing market and the construction industry, but it has slowed it and staff is anticipating a decline.

FY2020/21 Budget Assumptions

Revenue projections from key funding sources have been adjusted to reflect initial reductions in the FY2020/21 due to COVID-19 lingering effects. Interest Income, Supplemental Taxes, Unsecured Taxes, Sales & Use Taxes, and Disposal Fees are all anticipated to decline due to COVID-19 and have been adjusted down in the Recommended Budget. The actual decline in these revenue sources are dependent on the investment markets, construction and housing market, and the impact on local businesses. While these revenue sources have been reduced based on an initial evaluation, the actual impact will depend on the short- and long-term impacts of COVID-19 related restrictions, such as the length of the shutdown, the effect on consumer spending, and a number of other factors that cannot currently be determined. Department staff will continue to evaluate COVID-19 impacts and will provide any necessary revisions prior to final adoption of the FY2020/21 Budget.

FY2020/21 Budget Adoption Process

There are uncertainties surrounding the State and Federal budgets for FY2020/21 given the decisions to postpone the due date for income taxes and first quarter of sales taxes, and the unknown and uncertain impacts to the businesses that were required to close or modify their operations. These State and Federal uncertainties in turn create uncertainty in the County budget, therefore we are recommending the Board modify the budget process as follows: The FY2020/21 Preliminary Recommended Budget Hearings will commence Thursday, June 25, 2020 and continue for a period not to exceed 14 calendar days as originally approved by the Board of Supervisors. However, during the Preliminary Recommended Budget Hearings, the Board will be asked to authorize spending within the Preliminary Recommended Budget, subject to supplemental budget adjustments that the Board will need to consider in the fall once there is a State and Federal budget. The Board would then be asked to adopt a final budget for FY2020/21 in the fall of 2020. Given the yet to be determined and calculated financial impacts of the COVID-19 pandemic, the extended supplemental budget process will allow departments time to determine any necessary adjustments to the Preliminary Recommended Budget and bring any adjustments forward in a Supplemental Budget. Following the issuance of the FY2020/21 Supplemental Budget no later than September 8th, which will include any necessary adjustments to the Preliminary Recommended Budget, it is recommended that the Board commence Adopted Budget Hearings in mid-September, and at the conclusion of which will approve the Adopted Budget prior to the October 2, 2020 State deadline.

ALTERNATIVES:

The Board could choose not to receive an update on preliminary revenue impacts from the COVID-19 pandemic on FY2020/21 budget assumptions and the FY2020/21 budget adoption process, however this is not recommended as these areas are key to understanding the identified revenue impacts on County operations as the CAO staff continues to develop a budget for FY2020/21.

OTHER AGENCY INVOLVEMENT:

The County Administrator and Other County Departments were involved in developing the information included in the report.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION

COVID-19 DRAFT Estimated Revenue Impacts in FY2019/20 As of April, 2020

FY2019/20	Prior Year Actual	Midyear Estimate	Updated Estimate	Projected Revenue Reduction	Percentage Reduction
Sales & Use Tax**	2,500,227	2,600,000	1,881,756	(718,244)	-28%
Prop 172 - Public Safety Tax *	38,492,234	40,838,846	35,816,907	(5,021,939)	-13%
Interest Income - GF	3,934,182	2,800,000	2,800,000	-	0%
Disposal Fees	7,906,536	7,700,000	7,425,000	(275,000)	-3%
Property Taxes - Supplemental Secured and Property Transfer Tax	5,990,639	5,800,000	5,000,000	(800,000)	-13%
Total	58,823,818	59,738,846	52,923,663	(6,815,183)	-12%

* Based on shelter in place through end of May 2020 for estimating purposes.

** Includes potential loss in Sales tax for Governor executive order N-40-20.

NOTE:

1. COVID 19 Revenue losses outlined herein do not reflect any offsetting increases in revenues in FY2019/20 which will reduce potential loss impact.

COVID-19 Estimated Revenue Impacts in FY2020/21 As of April, 2020

FY2020/21	February Projection For FY2020/21	Updated Estimate	Projected Revenue Reduction	Percentage Reduction
Sales Tax	2,350,000	2,109,357	(240,643)	-10%
Prop 172 - Public Safety Tax *	41,208,108	35,293,526	(5,914,582)	-14%
Interest Income - GF	2,500,000	500,000	(2,000,000)	-80%
Disposal Fees	7,700,000	6,930,000	(770,000)	-10%
Property Taxes - Supplemental Secured and Property Transfer Tax	5,000,000	4,400,000	(600,000)	-12%
Total	58,758,108	49,232,883	(9,525,225)	-16%

NOTE:

2. COVID -19 Revenue losses outlined for FY2020/21 have been reflected in the Recommended Budget FY2020/21 as of 4-9-20



Solano County

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Agenda Submittal

Agenda #:	18	Status:	Regular Calendar
Type:	Miscellaneous	Department:	First 5 Solano
File #:	20-292	Contact:	Michele Harris, 784-1332
Agenda date:	05/05/2020	Final Action:	
Title:	Consider approval of a recommendation to allocate up to \$249,500 from the Community Investment Fund to five agencies in response to Request for Proposal 2020-02 - Annual Grants; and Consider approval of a recommendation to allocate up to \$99,438 from the Community Investment Fund, Deep Investments category, to two additional agencies in Response to Request for Proposal 2020-02 - Annual Grants		
Governing body:	Board of Supervisors		
District:	All		
Attachments:	A - Annual Grant Proposals Received		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes _____ No X

Public Hearing Required? Yes _____ No X

DEPARTMENTAL RECOMMENDATION:

The County Administrator's Office recommends that the Board of Supervisors consider approval of a recommendation to allocate up to \$249,500 from the Community Investment Fund to five agencies in response to Request for Proposal 2020-02 - Annual Grants and consider approval of a recommendation to allocate up to \$99,438 from the Community Investment Fund, Deep Investments category, to 2 additional agencies in Response to Request for Proposal 2020-02 - Annual Grants.

SUMMARY:

On behalf of the Board of Supervisors, the County Administrator's Office initiated a Human Services Needs Assessment (HSNA) to identify the greatest human services needs in the county. This effort resulted in the creation of a durable framework of desired outcomes with clearly defined indicators to support a process that directs limited county resources via a \$2 million Community Investment Fund.

The Community Investment Fund is a three-pronged approach to funding which includes Legacy Programs, Deep Investments and One-Time Investments. For the one-time investments category, staff issued Request for Proposal (RFP) 2020-02. This RFP solicited proposals for grants of up to \$50,000 for one year to address one of the top 6 needs identified in the HSNA. Those needs are: mental health, housing, homelessness, youth development, safe and stable environments for children and early care and education.

This staff report brings forward a recommendation to fund five proposals submitted in response to Request for Proposal (RFP) 2020-02. Additionally, this staff report brings forward a second recommendation to fund an additional two proposals with savings due to delays in implementation of the entire Community Investment Fund related to COVID-19 response efforts.

FINANCIAL IMPACT:

The costs associated management and implementation of the Community Investment Fund are included in First 5 Solano FY2019/20 budget. The costs associated with preparing this agenda item are nominal and absorbed by the department's FY2019/20 Adopted Budget. The costs associated with the seven total contracts are included in the Board's \$2 million Community Investment Fund for FY2020/21.

DISCUSSION:

In September 2018, the County Administrator's Office recommended, and the Board of Supervisors endorsed, the development of a formal process to utilize qualitative and quantitative data to identify the highest needs in the county. The goal of the 3-step process was to create a durable framework of desired outcomes with clearly defined indicators and use the findings to:

1. Guide decision-making during the budget process toward priority outcomes
2. Leverage other county resources.

The Human Services Needs Assessment (HSNA) process was conducted by Applied Survey Research, a Bay Area research and evaluation firm, and was guided by a planning team that consisted of two Board of Supervisor members, Department Heads that engage in service delivery as part of their role, and the County Administrator. The planning team reviewed extensive community data, conducted key informant interviews and considered data results from a community survey before recommending that the Board of Supervisors establish a Community Investment Fund to address the top human services needs in Solano County.

The top community needs that were identified in this process were:

Priority Need 1: Mental Health - Increase access to Solano County's mental health system of care with dual strategies of increasing community understanding of how to access mental health services and increasing provider understanding of how to respond to residents with mental health needs.

Priority Need 2: Affordable Housing - Work with cities to increase the supply of affordable housing under the community goal of "reducing homelessness."

Priority Need 3: Homelessness - Reduce homelessness with dual strategies strengthening capacity to address homelessness and increasing community and provider understanding of how to connect to available resources.

Priority Needs 4-6: Early Education, Youth Development, Safe and Stable Environments for Children - While mental health, housing, and homelessness rose to the top priorities, early education, youth development, and safe and stable environments for children were also highly ranked in the prioritization.

Community Investment Fund:

In June 2019, the Board of Supervisors approved the recommendation from the planning team to create a Community Investment Fund (CIF). The CIF is a 3-pronged approach which includes:

1. Legacy Programs-3-year commitment to sustain programs funded by the Board to serve a specific population.
2. Deep Programming-3-year commitment to address the top 3 priority needs. Community partners will be selected following the County's Purchasing Policy, including competitive Request for Proposals

process, to implement strategies that were selected as part of an outcomes framework to evaluate progress toward the selected needs over time.

3. One-Time Investments-Smaller annual grants to address the top 6 priority needs. Community partners will be selected by a competitive Request for Proposals process.

For the one-time investments category, your Board allocated \$250,000 annually. Staff issued Request for Proposal (RFP) 2020-02 to solicit proposals for grants of up to \$50,000 for one year (July 1, 2020-June 30, 2021) to address one of the top 6 needs identified in the HSNA.

In response to this RFP over 80 agencies attended the mandatory bidders conference to learn and ask questions about this funding opportunity. A total of 27 organizations submitted proposals that addressed one or more of the top six needs in the county. That list of applicants is included as Attachment A to this staff report. A panel with expertise in the top areas identified in the HSNA reviewed and scored all of the proposals. A total of 13 proposals were scored as eligible for funding.

The review panel for the annual grant RFP identified the top 5 grants for funding with the \$250,000 available for annual grants in the Community Investment Fund. This staff report brings forward a recommendation to fund the top five eligible proposals submitted in response to Request for Proposal (RFP) 2020-02. Additionally, this staff report brings forward a second recommendation to fund an additional two proposals with savings due to delays in implementation of the entire Community Investment Fund related to COVID-19 response efforts.

The top 5 proposals recommended for funding are:

1. La Clinica De La Raza - Up to \$50,000 to increase access to Solano County's mental health system of care through the hiring of a case manager to support patients with mental health concerns.
2. Dixon Unified School District - Up to \$50,000 to improve supports for the social, emotional, behavioral, health, and mental health needs of students and integrate those supports with their academic instruction by staffing their new Wellness Center
3. On the Move - Up to \$49,500 to serve 400 system-involved youth transition into healthy adulthood.
4. Fairfield Police Activities League - Up to \$50,000 to implement their Earn and Learn Internship program to provide low income or disconnected/underserved teens with a quality paid internship experience to position the youth on a career or college path.
5. Community Medical Centers - Up to \$50,000 to enhance and increase behavioral health services and screenings for low-income residents.

In addition to the above five proposals recommended for funding, a total of \$105,000 of the Community Investment Fund has been identified as available, due to delays in implementation of the RFP for services under the Deep Investment funding category. The delay in the RFP is related to the COVID-19 response and will result in programs awarded in the Deep Investments beginning services 1 to 2 months later than initially anticipated. This delay will result in one-time savings which Staff are recommending being used to support the next two highest ranking proposals, as described below totaling \$99,438:

6. Napa/Solano SANE/SART - Up to \$49,754 to provide expanded emergency housing support and temporary shelter services for marginalized crime victim populations.
7. Fairfield-Suisun Unified School District Family Resource Center - Up to \$49,684 to provide intensive case management for at-risk families, including supporting their basic needs.

Should the Board concur with the recommendations, staff will negotiate contracts with the awarded agencies. As these contracts are approximately \$50,000 each, the Board has delegated authority to the County Administrator for approval of the final contracts.

Future Funding Opportunities:

There are several funding opportunities coming forward in future months to further implement the Community Investment Fund. The notifications for these funding opportunities will be shared widely, to encourage a broad array of proposals for your Board to consider. Those funding opportunities are as follows:

1. Mental Health First Aid Training: An RFP for approximately \$260,000 per year for 3 years will be issued in mid-May to identify provider(s) to offer Mental Health First Aid Training within Solano County. The proposals under this RFP will be due at the end of June, with recommendations considered by your Board in July. The anticipated start date for these proposals is August 1.
2. Homelessness Innovation Ideas: An RFP for approximately \$500,000 per year for 3 years will be issued in mid-June to solicit for proposals that offer innovative solutions to address Homelessness in Solano County. Multiple proposals of up to \$100,000 per year for 3 years will be made available under this RFP, allowing your Board to tackle homelessness in a variety of ways. These proposals will be due at the end of July, with recommendations considered by your Board in August. The anticipated start date for these proposals is September 1.

These RFP processes are intentionally staggered, so that any agency whose mission aligns with addressing both mental health and reducing homelessness can apply for both opportunities and will not be expected to apply for 2 opportunities at once.

ALTERNATIVES:

1. The Board could choose not to approve the recommendation to allocate up to \$249,500 from the Community Investment Fund to five agencies in response to Request for Proposal 2020-02 - Annual Grants; however, this is not recommended as the CIF was approved by the Board of Supervisors after being developed through a nine-month process with cross sector input to guide the board in decision making and the Board requested staff implement this CIF on its behalf.
2. The Board could choose not to approve the recommendation to allocate up to \$99,438 from the Community Investment Fund, Deep Investments category to two additional agencies in Response to Request for Proposal 2020-02 - Annual Grants and instead fully fund the RFP for Deep Investments, recognizing that program awards will be delayed and successful proposals will need to fully spend the amounts allocated within the reduced grant period; however this is not recommended as programs awarded under the Deep Investments RFP may not be able to fully expend the award in the reduced timeframe, resulting in an underutilization of funding.

OTHER AGENCY INVOLVEMENT:

First 5 Solano is administering the CIF on behalf of the County Administrator's Office.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION

**Community Investment Fund Annual Grants
RFP 2020-02 Proposals Received**

	Agency	Amount Requested
1	Casa Nova Mobile Home Park	\$50,000
2	Napa Solano SANE SART/Solano Trauma Recovery Center	\$49,765
3	Vacaville Family Resource Center	\$48,158
4	On the Move	\$49,500
5	United Way Bay Area	\$50,000
6	Preschool Collaborative PTA	\$50,000
7	CARE4EM	\$46,010
8	Leaven Program	\$50,000
9	Fairfield Police Activities League	\$50,000
10	Community Action Northbay	\$50,000
11	La Clinica de la Raza	\$50,000
12	BayNorth Church of Christ	\$41,469
13	Shelter Inc.	\$50,000
14	Mass Movement Mentoring M3	\$49,970
15	Fairfield Suisun Unified FRC	\$49,684
16	Rio Vista CARE	\$50,000
17	Planned Parenthood Northern California	\$50,000
18	Child Start	\$50,000
19	Community Medical Centers	\$50,000
20	Dixon Family Services	\$31,843
21	Solano County Office of Education	\$50,000
22	California Institute for Behavioral Health Solutions	\$49,720
23	Dixon Unified School District	\$50,000
24	Kyle Hyland Foundation for Teen Support	\$49,914
25	Harvest House Transitional Residence	\$50,000
26	God will Provide	Did not pass compliance review
27	Vacaville Social Services Corporation	\$34,063



Solano County

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Agenda Submittal

Agenda #:	19	Status:	Closed Session
Type:	Closed Session	Department:	County Counsel
File #:	20-356	Contact:	Bernadette S. Curry, 784-6151
Agenda date:	05/05/2020	Final Action:	
Title:	Conference with Real Property Negotiators: Property: Mason Street Park and Ride, Vacaville, California; Agency negotiators: Birgitta E. Corsello, County Administrator, Nancy Huston, Assistant County Administrator, Megan Greve, Director of General Services, and James Bezek, Assistant Director of General Services; Negotiating parties: Mark Weaver, Deputy Director of Right of Way, Caltrans; Under negotiation: Price and terms		
Governing body:	Board of Supervisors		
District:	All		
Attachments:	A - Memorandum		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ☐ No ☒

Public Hearing Required? Yes ☐ No ☒

CLOSED SESSION MEMO

- A. LICENSE/PERMIT DETERMINATION (GC § 54956.7)
 - a. Number of applicants:_____
- B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (GC § 54956.8)
 - a. Conference with Real Property Negotiators: Property: Mason Street Park and Ride, Vacaville, California; Agency negotiators: Birgitta E. Corsello, County Administrator, Nancy Huston, Assistant County Administrator, Megan Greve, Director of General Services, and James Bezek, Assistant Director of General Services; Negotiating parties: Mark Weaver, Deputy Director of Right of Way, Caltrans; Under negotiation: Price and terms
- C. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION
 - a.
- D. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION (GC § 54956.9)
 - a. Significant exposure to litigation pursuant to GC § 54956.9 (b):
 - b. Initiation of litigation pursuant to GC § 54956.9(c):
- E. LIABILITY CLAIMS-JOINT POWERS AUTHORITY (GC § 54956.95)
 - a. Claimant:_____
 - b. Agency against whom claim filed:_____
- F. THREAT TO PUBLIC SERVICES OR FACILITIES (GC § 54957)
 - a. Consultation with:_____
- G. PUBLIC EMPLOYEE APPOINTMENT
 - a. Title:
- H. PUBLIC EMPLOYMENT (GC § 54957)
 - a. Title:
- I. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (GC § 54957)
 - a. Title:
- J. PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE (GC § 54957)
 - a. No information required
- K. CONFERENCE WITH LABOR NEGOTIATORS (GC § 54957.6)
- L. CASE REVIEW/PLANNING (GC § 54957.8)
- M. REPORT INVOLVING TRADE SECRET (GC § 54962, etc.)
 - a. Estimated year of public disclosure:_____
- N. HEARINGS
 - a. Subject matter:_____
(nature of hearing, i.e. medical audit comm.,
quality assurance comm., etc.)