



FY 2024-25 Preliminary Budget

3rd Quarter FY 2023-24 Budget Update

**COUNTY EXECUTIVE OFFICE
BUDGET & FINANCE**

June 4, 2024

Budget Process

- 1) Calculation of General Fund Forecast
- 2) Develop General Fund Department Net Cost Targets
- 3) Internal Service Funds Rate Presentations – Feb 6, 2024
- 4) Budget Development Manual – Feb 6, 2024
- 5) Budget Meetings with Agencies/Departments
- 6) Agency/Department Budget Presentations – May 2024
- 7) Countywide Rates & Fees – May 21, 2024
- 8) Preliminary Budget Presentation – Jun 4, 2024
- 9) Budget Hearings – June 17, 2024



Key Budget Highlights



- Recommended Budget Includes:
 - Balanced budget for FY 2024-25
 - Funding for mandated services
 - Requirements of debt service obligations
 - Adherence to your Board's prudent financial management
- Increased labor costs and inflationary factors have impacted the FY 2024-25 budget
- Departments have mitigated these increases through operational efficiencies and modest revenue growth

Highlights & Key Budget Data

RECOMMENDED BUDGET FY2024-25: \$3.044B*

- \$186.M of 6.5% increase from FY 2023-24

General Fund Appropriations: \$1.44B

- \$89.9M or 6.7% increase from FY 2023-24

Non-General Fund Appropriations: \$1.61B

- \$96.8M or 6.4% increase from FY 2023-24

Internal Service Fund Appropriations: \$1.44B

- \$29.5M or 7.2% increase from FY 2023-24

**Excludes Internal Service Fund Appropriations*

TOTAL COUNTY BUDGET FY 2024-25 (MILLIONS)

*excludes Internal Service Funds

	FY23 Adopted	FY24 Adopted	FY25 Preliminary	Variance FY25 v FY24
Expenditures	\$2,694.80	\$2,857.16	\$3,043.78	\$186.62
Revenues	\$2,559.40	\$2,718.55	\$2,900.40	\$181.85
Net Cost	\$135.39	\$138.61	\$143.38	\$4.77

Budget Summary FY 2024-25

Key Budget Assumptions

GENERAL FUND GENERAL PURPOSE REVENUE: \$544.9M

- \$21.3M increase or up 4.1% from Current Year Adopted Budget FY 2023-24
 - Property Tax related revenues ~89% of GPR

Prop 172 Public Safety Tax Revenue: \$92.7M

- No change from Current Year Adopted Budget FY 2023-24

Realignment Revenue: \$218M

- Projected flat for FY25 however \$18.4M was utilized from Realignment Trust for FY25
- An increase of 9.2% from Current Year Adopted Budget FY 2023-24

Full-Time Equivalent Positions

TOTAL FULL TIME EQUIVALENT (FTE) POSITIONS: 10,513

- 237 FTEs or 2.3% increase from Current Year Adopted Budget FY 2023-24
 - Non-General Fund: 4,904 FTE's, net increase of 119 FTE's or 2.5%
 - General Fund: 5,609 FTE's, net increase of 118 FTE's or 2.2%

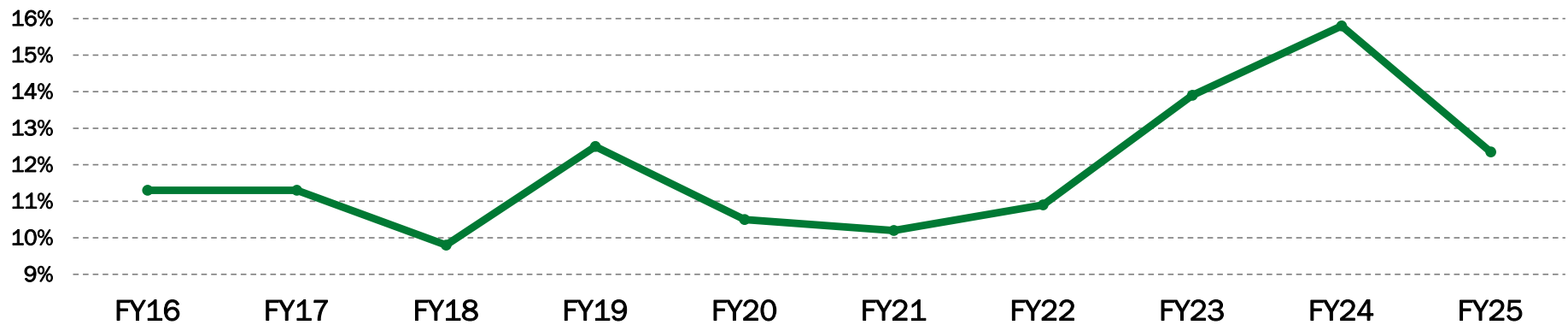
Key Factors Impacting Workforce:

- Human Services Agency program shifts, increased service demand, rising caseloads
- Additional resources in support of County's efforts to:
 - Prevent/address homelessness
 - Combat opioid crisis
- Correcting various Health Care Agency allocations coded as 0.0 FTE
- Securing of external funding (grants & other supplemental funding) to address needs in public safety, health care and social services

Vacancy Trends - Countywide

Countywide	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23 *Clinic Integration	FY24	FY25
Filled	7,684.33	7,893.83	8,099.49	7,809.75	8,040.24	7,994.23	8,032.29	8,600.05	8,612.27	9,070.82
Vacant	976.28	1,005.08	876.22	1,114.4	944.21	903.44	981.88	1,389.23	1,615.81	1,278.26
Total FTE	8,660.61	8,898.91	8,975.71	8,924.15	8,984.45	8,897.67	9,014.17	9,989.28	10,228.08	10,349.08
Vacant %	11.3%	11.3%	9.8%	12.5%	10.5%	10.2%	10.9%	13.9%	15.8%	12.4%

Vacant %



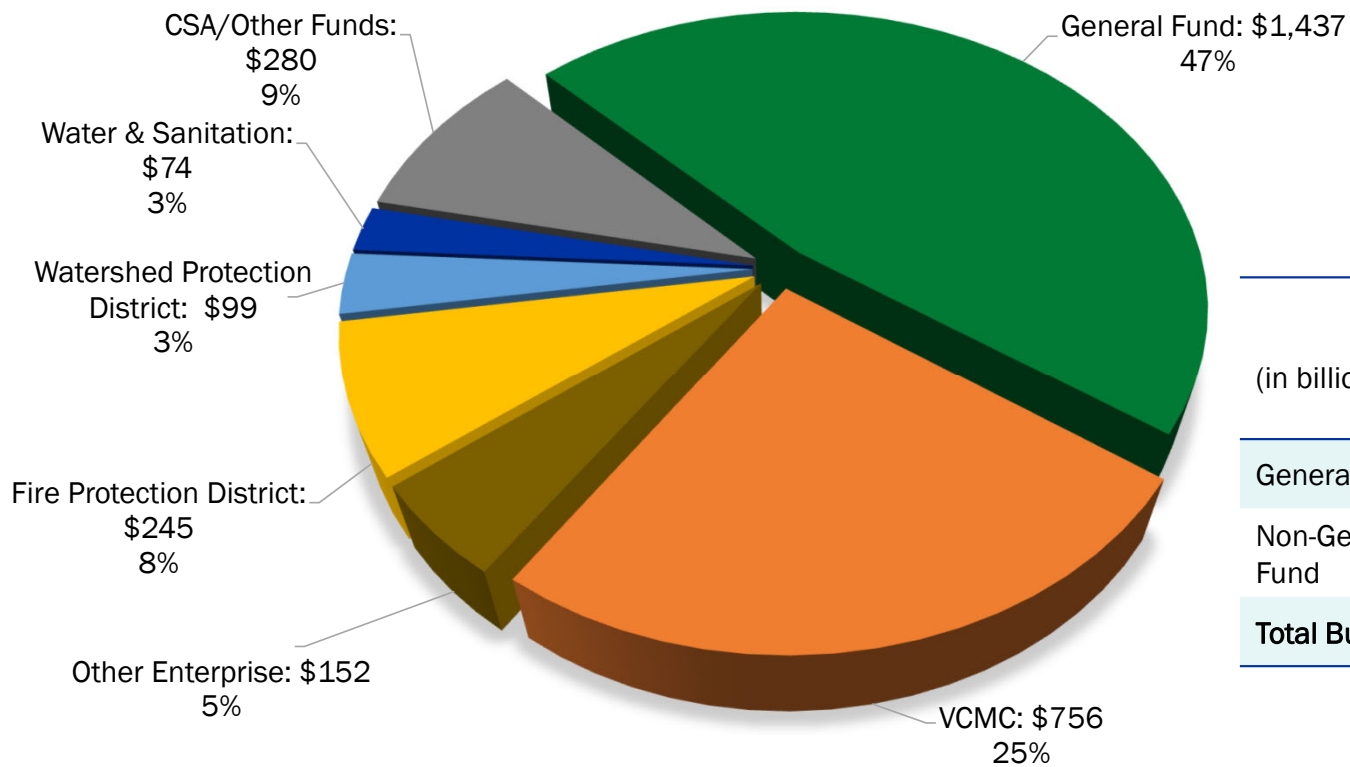
Note: Values are at the time of the Salary and Benefit Forecast for comparability

	FY24	FY25*	Variance	Variance %
Safety	31.00%	32.43%	1.43%	4.6%
General	14.53%	14.64%	0.11%	0.8%
Combined	18.23%	18.56%	0.33%	1.8%
Est. Total Contribution	\$159M	\$175M	\$16M	10.1%

*Actuarial Savings of Alameda Decision Not Incorporated into Actuarial Rates

Retirement – VCERA Rate

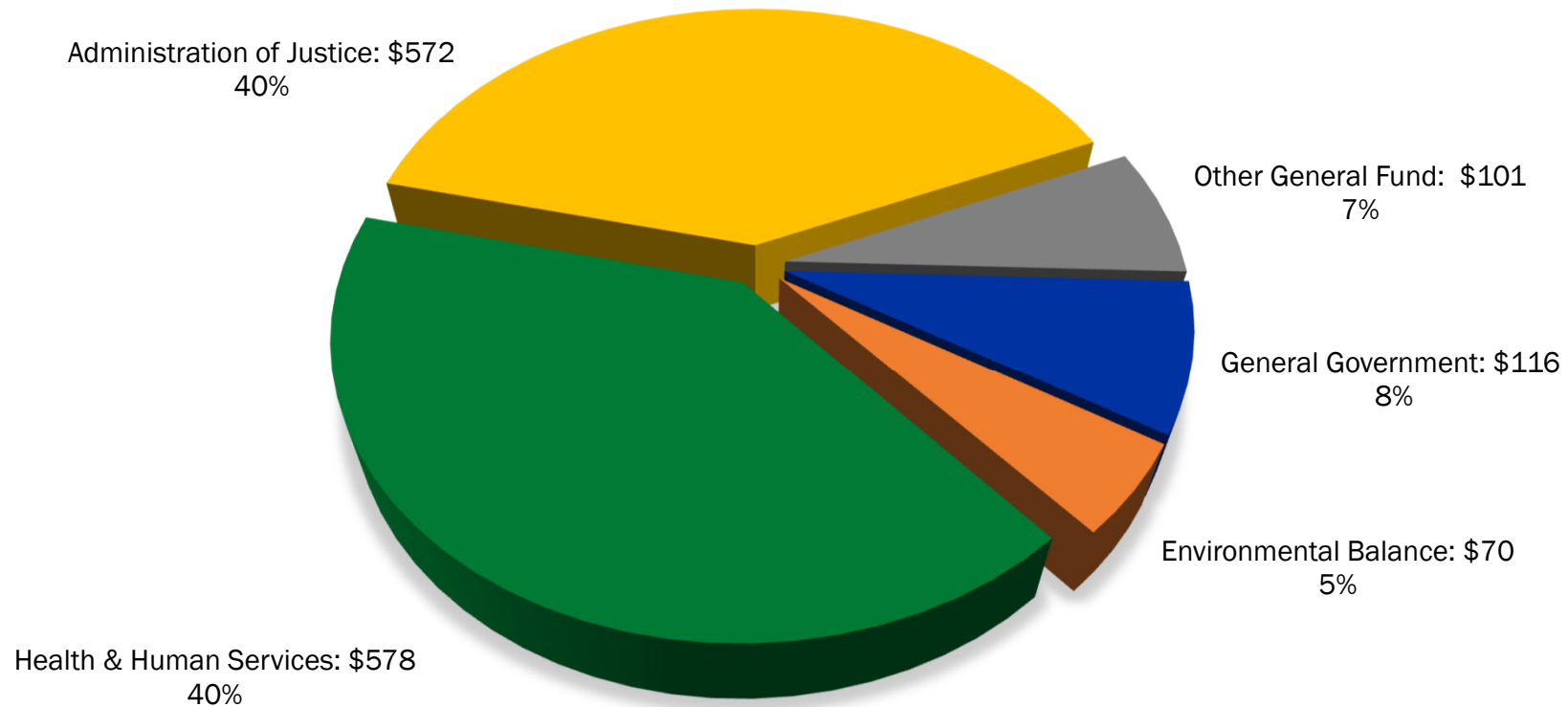
Countywide Appropriations by Fund: \$3.044B



Pie Chart values (in Millions)

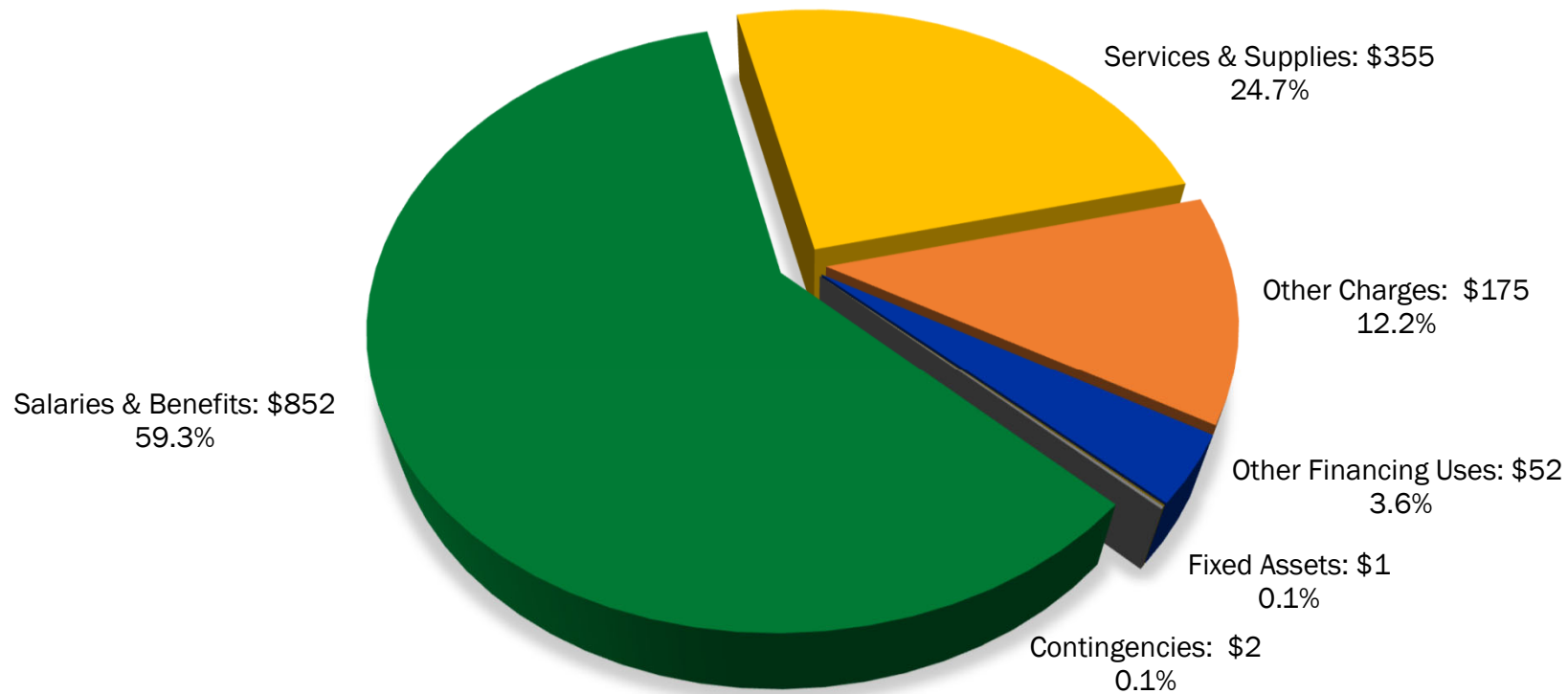
(in billions)	2023-24 Adopted Budget	2024-25 Prelim Budget	Change \$	Change %
General Fund	\$1.347	\$1.437	\$0.090	6.7%
Non-General Fund	1.510	1.607	0.097	6.4%
Total Budget	\$2.857	\$3.044	\$0.187	6.5%

General Fund Appropriations by Program Area: \$1.437B



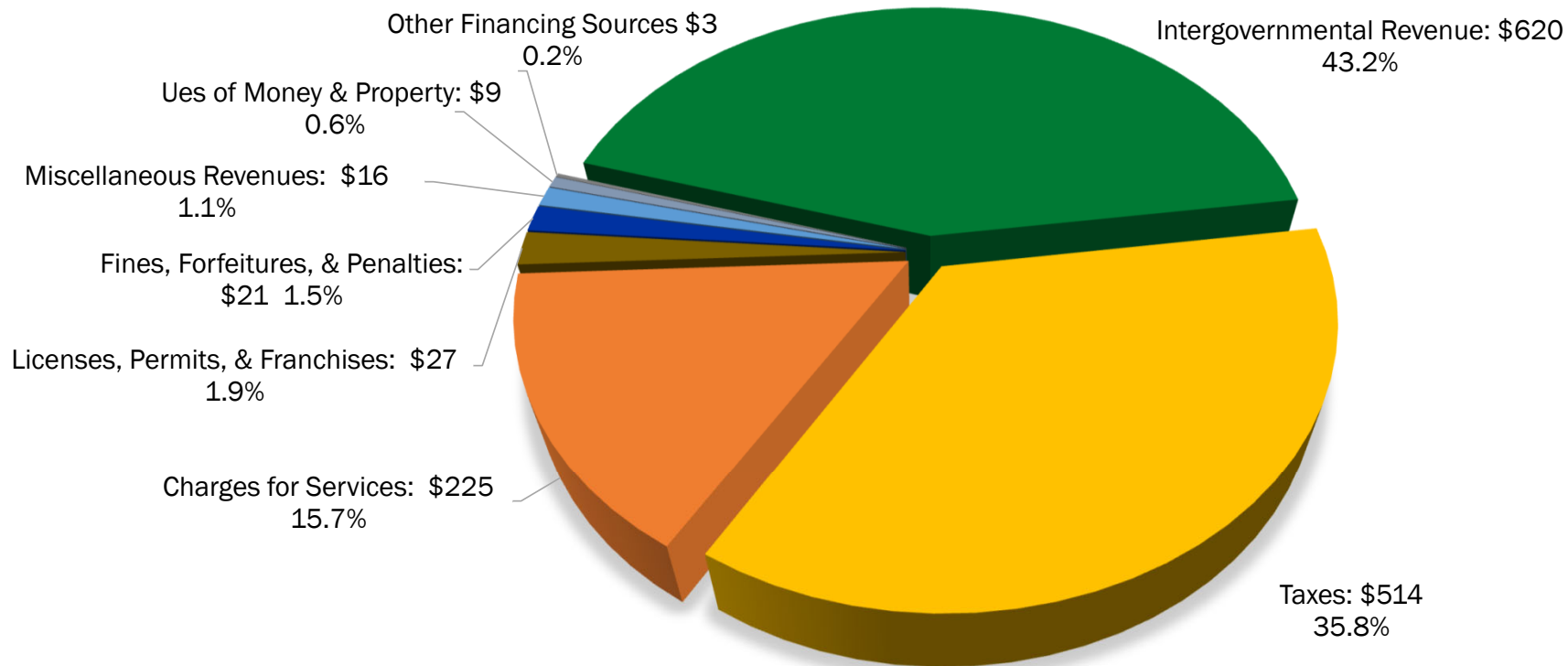
Pie Chart values (in Millions)

General Fund Appropriations by Expenditure Type: \$1.437B



Pie Chart values (in Millions)

General Fund Revenue by Financing Source: \$1.435B



Pie Chart values (in Millions)

	Balance as of May 22, 2024	Prelim Budget Allocation of Fund Balance	Prelim Budget Use of Reserves FY 2024-25	Prelim Budget FY 2024-25
Non-Spendable	\$2,051,385			\$2,051,385
Restricted	11,108,918	\$229,192		11,338,110
Assigned	131,474,359	26,770,808	(\$2,390,000)	155,855,167
Unassigned	175,000,000	10,000,000		185,000,000
Total	\$319,634,662	\$37,000,000	(\$2,390,000)	\$354,244,662

General Fund Reserves

General Fund Assigned Fund Balance Detail

	Balance as of May 22, 2024	Prelim Budget Allocation of Fund Balance	Prelim Budget Use of Reserves FY 2024-25	Prelim Budget FY 2024-25
Attrition Mitigation	\$3,000,000			\$3,000,000
Audit Disallowance	10,000,000			10,000,000
Bike Lane Projects	4,500,000			4,500,000
Fiscal Recovery Projects	7,206,806			7,206,806
Fixed Assets	30,000,000	\$13,000,000		43,000,000
Litigation	1,000,000			1,000,000
Pension Mitigation	40,000,000			40,000,000
Program Mitigation	35,536,153	13,770,808	(\$2,390,000)	46,916,961
Public Protection Revolving Credit	231,400			231,400
Total Assigned Fund Balance	\$131,474,359	\$26,770,808	(\$2,390,000)	\$155,855,167

Capital Projects Update

ACCOMPLISHMENTS 2023-24

- Acquisition of Oxnard Family Justice Center Property (\$4.1M)
- Government Center Fuel Tank Replacement Project (\$4.5M)
- County Financial Management System Upgrade (\$5M)
- Acquisition of New Fire Protection District Headquarters (\$14.9M)

PROJECTS IN PROCESS

General Fund

- Recuperative Care Beds (50) at Knoll Drive building (\$5M)
- Ojai Valley Trail (\$4.1M)
- Property Tax Assessment & Collection System (\$18.8M)
- Tenant Improvements at Sheriff Administrative Building (Camarillo) (\$9M)

Capital Projects Update - Continued

PROJECTS IN PROCESS

General Fund

- Ventura County Integrated Justice Information System Upgrade (\$55M)
- South Lewis Road Campus, Multiple Development Projects (\$TBD)
- Nyeland Acres Community Center (\$10.5M)
- East County Crisis Stabilization Unit/Psychiatric Hospital Facility (\$TBD)
- Camarillo Animal Shelter & Resource Center Project (\$30-35M)

Non-General Fund

- Foster Library Renovation (\$13M)
- Thousand Oaks Fire Station #34 (\$14M)
- Santa Paula Fire Station #29 (\$11.7M)
- Fire Protection District Training Facility at Camarillo Airport (\$20M)

Capital Projects Update - Continued

PROJECTS IN PROCESS

- Ventura County Medical Center Helipad (\$4.5M)
- Behavioral Health Youth & Wellness Center (\$6.4M)
- Next Generation Public Safety Radio Communication System (\$50M)
- Vanguard Property Conversion – Permanent Supportive Housing/Other Vital Services (\$30M)

PROJECTS UNDER CONSIDERATION

- East County Family Justice Center (\$TBD)
- Mondos Cove Public Beach Access (\$1M)
- Health Care Facility in Santa Paula (\$TBD)
- Emergency Power Generator Installations at Three (3) County Facilities (\$2.9M)

3rd Quarter FY 2023-24 Budget Update

ON TRACK

General Fund: Fund Balance Estimate \$37M

- Based on projections at end of 3rd Quarter
- Savings due to higher Property Tax revenue & Interest Earnings; Unutilized Contributions; Salary & Benefit savings
- Recommendation: Increase Reserves

PEPRA Impact

- 5,671 Employees or 61% of County workforce
- 12% increase from prior year

Future Potential Impacts



- Labor Costs (filled positions)
- Capital Requirements
- Cost of Debt
- State Budget Impacts
 - Human Services Agency \$1.3B reduced state-wide
 - CalWORKS (21% single allocation cut); Child Welfare Services; Adult Protective Services
 - Public Health → Future of Public Health (FoPH), \$3.8M to County, 26 filled positions
 - Proposition 1 → Repositioning of operational funding to support more housing
 - CalAIM → Multi-departmental impacts (payment reform, fee-for-service, etc.)
 - LAO Reports - Challenges at State level expected to impact County for several years to come
 - On May 29th the State Legislature announced a two-party deal that rejects several cuts that were included in the May Revise – deadline is June 15th to pass a budget

Summary



DILIGENT MANAGEMENT AND STAFF EFFORTS...

- Agencies/Departments managed their budgets
- Board of Supervisors direction & support
- Managing Salary & Benefit and Services & Supplies cost increases
- Service Excellence Program

HAVE RESULTED IN...

A BALANCED BUDGET FOR FY 2024-25

- Sustains core County services such as health, social services, and public safety
- Significantly enhances public health & mental health capacity for the long term

Recommendations

- 1) Receive Budgets
- 2) Public Notice
- 3) Schedule FY 2024-25 Budget Hearings
- 4) Approve Grant Applications and Awards
- 5) Receive and File Capital Projects Recommendations
- 6) Direct CEO to Revise FY 2024-25 Preliminary Budget as Necessary During Budget Hearings
- 7) Receive and File 3rd Quarter FY 2023-24 Budget Update



Thank you



County Executive Office
Budget and Finance Team