



June 4, 2024

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, California 93009

Subject: Fiscal Year 2024-25 Recommended Budget for the County of Ventura General Fund and for the Ventura County Fire Protection District, Ventura County Watershed Protection District, Ventura County Waterworks Districts, County Service Areas and All Other Non-General Funds; Approve Applications for and Acceptance of Specified Grants; Receive and File Fiscal Year 2024-25 Capital Projects and Summary of Recommended Priority Capital Projects; Receive and File Fiscal Year 2023-24 Third Quarter Budget Update

RECOMMENDATIONS:

1. Receive the Fiscal Year (FY) 2024-25 Preliminary/Recommended Budget to be used in the FY 2024-25 Budget Hearings for the County of Ventura General Fund, Ventura County Fire Protection District, Ventura County Watershed Protection District, Ventura County Waterworks Districts, County Service Areas and all other Non-General funds.
2. Instruct the Clerk of the Board to publish a notice as prescribed in Government Code section 29080 and make available a copy of the FY 2024-25 Recommended Budget to members of the public pursuant to Government Code sections 29065.
3. Direct the Clerk of the Board to schedule budget hearings on all budgets listed in Recommendation #1 above to begin on Monday, June 17th, 2024, at 5:00 p.m., and continue during the week as necessary thereafter beginning daily at 9:00 a.m. until the FY 2024-25 budget hearings are closed. By law, the public hearings must be completed within fourteen days after the budget hearings begin.
4. Approve the filing of applications for and the acceptance of the grants listed in Exhibit 2 – Grants Listing in accordance with the guidelines of the Administrative Policy Manual Chapter II-5.
5. Receive and file Exhibit 3 - Capital Projects to be incorporated into the FY 2024-25 to FY 2028-29 Five-Year Capital Improvement Plan.

6. Direct the County Executive Office (CEO) to revise the Recommended Budget to reflect the actions of the Board in developing the Adopted Budget during the budget hearings pursuant to Government Code section 29083(b).
7. Receive and File FY 2023-24 Third Quarter Budget Report.

Discussion

Per Government Code, budget allocation authority resides solely with the Board of Supervisors. In conjunction with that authority, the Board of Supervisors must annually adopt a county budget. The Board of Supervisors also serves as the Board of Directors for the Fire Protection District, Watershed Protection District, and various other special districts and must also adopt budgets for these organizations.

The Fiscal Year 2024-25 Preliminary Budget contains preliminary appropriations, revenue, and positions for the General Fund and all Non-General Funds. It presents an initial budgetary plan for the coming fiscal year and identifies various policy issues for Board consideration. It is a comprehensive document developed using your Board's priorities and principles as set forth in the Strategic Plan, for your Board's use in budget adoption.

The attached County Executive Office Preliminary Budget document constitutes the Recommended Budget. Also attached is the Auditor-Controller's Recommended Budget, which is based on the same figures as the CEO's Preliminary Budget but is formatted in accordance with State Controller guidelines. Details regarding some of the key changes and primary impacts are discussed in Exhibit 1.

Budget monitoring constitutes an essential practice for tracking assumptions and making recommendations for future budget cycles. Projections for Fiscal Year 2023-24 are on track for year end. Any adjustments requiring Board action will be presented to your Board as part of the annual year-end budget adjustment board letter at the end of June.

We are projecting a General Fund Year-End Fund Balance from ongoing operations of approximately \$37 million. The primary sources driving these savings are Salary and Benefits, Property Taxes, and Interest Earnings. In accordance with County fiscal policy, one-time year-end savings are not used to fund on-going expenditures. As such, we are recommending that estimated General Fund savings be allocated as follows: \$10,000,000 to Unassigned Fund Balance, also referred to as our "Rainy Day Reserve", \$229,192 to Restricted for Health Care, \$13,000,000 to Assigned Fixed Asset Acquisition; \$13,770,808 to Assigned Program Mitigation.

Many of the revenue streams built into the proposed budget are based on a variety of grant sources. For purposes of administrative efficiency, we are requesting that your Board approve the filing of applications and the acceptance of grants that are listed in Exhibit 2. This action is in conformance with Administrative Policy, Chapter II-5, and

allows the County Executive Officer or designee, the authority to accept grants and amendments and to sign grant award and amendment documents, subject to review and approval by County Counsel.

Another key component of the proposed budget is investments in capital. We are requesting that Exhibit 3 be incorporated into the FY 2024-25 through FY 2028-29 Five-Year Capital Improvement Plan (CIP). Projects included in this attachment have been identified as high priority, but each project will be presented to your Board for specific consideration and approval prior to proceeding.

The recommended CIP will be combined with projects by the Watershed Protection District, Waterworks District, and Public Works Agency (PWA) - Transportation and placed into a consolidated CIP that will be brought to your Board by PWA for receipt and filing independently. All consolidated projects were distributed to affected city/County planning agencies for review to ensure General Plan consistency per Government Code Section 65402(a) and will be presented to your Board on June 18th, 2024.

Strategic Plan

The actions outlined in this board letter directly facilitate the Strategic Plan's Priority of Fiscal Responsibility and Economic Vitality, specifically "Goal 1: Maintain a transparent and balanced budget, while funding essential services and implementing cost-saving measures."

Conclusion

The budget is a living document, and during the year adjustments will need to be made. Our office will work with departments throughout the year to monitor budgets and maintain a balanced financial plan. These financial management efforts will be essential for the County to address the on-going needs associated with Federal funding, State Funding, and other revenues. We will continue to monitor the County's financial condition with quarterly updates to the Board and recommend adjustments to appropriations and revenues as needed.

Final Budget Hearings are scheduled to begin on Monday, June 17th at 5:00 p.m. Agency/department management will be in attendance and prepared to respond to any Board questions.

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If you have any questions regarding this item contact Scott Powers at (805) 677-8761.

Respectfully,



Scott Powers
Interim County Chief Financial Officer



Sevet Johnson, PsyD
County Executive Officer

Attachments:

Exhibit 1 - Major Budget Issues, Highlights and Potential Future Impacts

Exhibit 2 - Grant Listing

Exhibit 3 - Capital Projects

FY 2024-25 Preliminary Budget (County Executive Office)

FY 2024-25 Recommended Budget (Auditor-Controller's Office)