



# Financial Update

# 2024-25

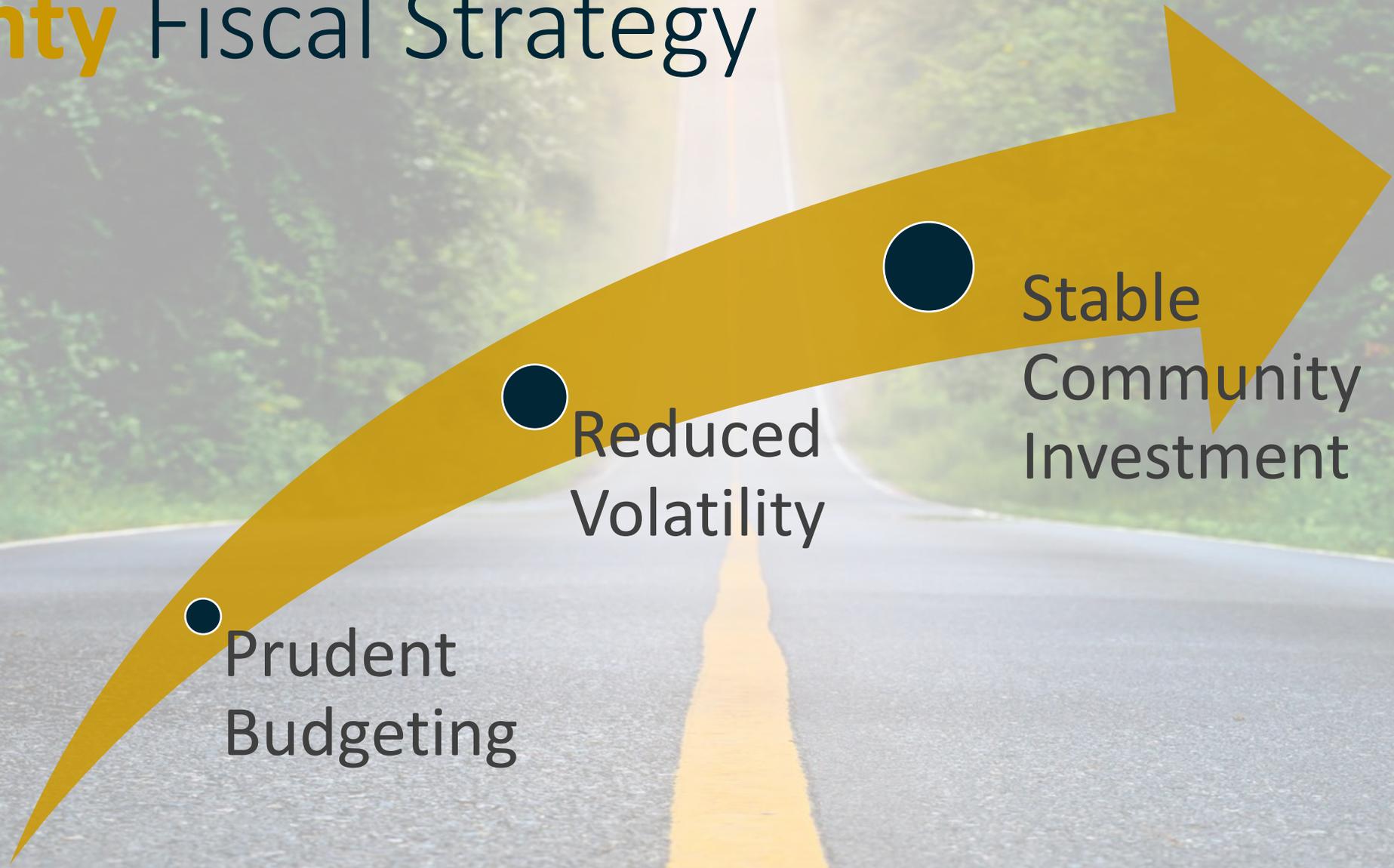
Luther Snoke, *Chief Executive Officer*  
County Administrative Office

May 7, 2024

## Topics:

- County Fiscal Strategy
- Updated 5-Year Forecast
- 2024-25 Funding Priorities
- Next Steps in 2024-25 Budget

# County Fiscal Strategy



Prudent  
Budgeting

Reduced  
Volatility

Stable  
Community  
Investment

# 5-Year General Fund Ongoing Forecast



- Property Tax Growth Model

- 3% 2024-25 and Beyond
- Over The Last 10 Years = 6.6% Average Annual Assessed Valuation Growth Rate



- Sales Tax Slow-Down (Proposition 172 Half Cent)

- 2019-20 Through 2022-23 – 33% Increase (10% Annual Growth)
- 2023-24 (6 Months Receipts) – 1.2% Decline



- Strategic Investments

- Community Concerns Funding (\$3.0 million Ongoing)
- Maintain County Facilities (\$5.0 Million New Ongoing, \$17.0 Million Ongoing Total)

Prior Years  
Funding for  
Economic  
Uncertainty

• • •  
**\$69 Million  
Ongoing**

# 5-Year General Fund Ongoing Forecast

Planning for  
the Future

- Employee Investments (Recruitment and Retention)
  - \$188.2 Million Ongoing General Fund For MOUs Through 2028-29
- Human Service Programs
  - \$54.1 Million Ongoing General Fund Through 2028-29
    - Primarily For Projected Adoptions and Foster Care Caseload Costs
- Public Safety
  - \$9.3 Million Ongoing Set-Aside For Potential Law Enforcement/Detention Needs

# 5-Year General Fund Plan (in millions)

	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>2028-29</u>	<u>Total Five Year</u>
1. <b>2022-23 Ongoing Carryover</b>	<b>78.2</b>					<b>78.2</b>
2. <b>Revenue Change:</b>						
3. Property Tax	26.2	27.0	27.9	28.6	29.4	139.1
4. Proposition 172	6.5	7.0	7.0	7.3	7.5	35.3
5. Other Revenue	28.1	1.3	1.3	1.4	1.5	33.6
6. <b>Total Revenue Change</b>	<b>60.8</b>	<b>35.3</b>	<b>36.2</b>	<b>37.3</b>	<b>38.4</b>	<b>208.0</b>
7. <b>Cost Change:</b>						
8. Total Ongoing Costs To Maintain Services	(36.8)	(36.1)	(11.8)	(16.0)	(1.3)	(102.0)
9. Ongoing Requests	(42.7)	-	-	-	-	(42.7)
10. Total Future Estimated Costs	(10.7)	(16.1)	(38.5)	(46.6)	(49.3)	(161.2)
11. <b>Total Cost Change</b>	<b>(90.2)</b>	<b>(52.2)</b>	<b>(50.3)</b>	<b>(62.6)</b>	<b>(50.6)</b>	<b>(305.9)</b>
12. <b>Ongoing Available/(Deficit)</b>	<b>(29.4)</b>	<b>(16.9)</b>	<b>(14.1)</b>	<b>(25.3)</b>	<b>(12.2)</b>	<b>(19.6)</b>
13. <b>Cumulative Ongoing Available/(Deficit)</b>	<b>48.8</b>	<b>31.9</b>	<b>17.9</b>	<b>(7.5)</b>	<b>(19.6)</b>	

Note: Numbers may not add due to rounding

# 2024-25 New County Priorities

**\$373.8 Million Investment**

## Board Operations and Priority Funding



**\$16.0 Million**  
- \$15M for Board Directed Priority Projects and Programs

## Infrastructure



**\$32.8 Million**  
- \$17.8M for Public Works Projects

## Support Vulnerable Populations



**\$2.2 Million**  
- \$1.8M support of Office of Homeless Services/Comm. Dev. & Housing

## Economic Development



**\$2.9 Million**  
- \$2.0M for various projects & programs under development by Econ. Dev.

## Land Use Support



**\$6.5 Million**  
- Long-Term Planning Projects and Dept. Staffing Needs

## Community Services



**\$40.0 Million**  
- \$20M for Parks & Community Services Improvements

## Capital Replacement Needs



**\$84.5 Million**  
- \$32.2M for County Office/Operations Improvements

## Innovation/Technology



**\$27.9 Million**  
- \$5.0M towards New Human Capital Management System

## Public Safety



**\$63.8 Million**  
- \$40.9M towards Sheriff's Department Priorities

## Human Services



**\$1.7 Million**  
- Includes funding share for staffing to establish Foster Youth support facility

## Financial Security



**\$63.0 Million**  
- \$42.7M to establish 5% Contingency fund

## Department Needs/Mandates



**\$32.5 Million**  
- Various needs requested by departments for staffing, systems, and projects

## Next Steps:

Stay up to date using the County's budget website (<https://main.sbcounty.gov/about-cao/finance/>)

May 21, 2024:

Budget Book Delivery

June 11, 2024:

2024-25 Budget Hearing and Adoption

# QUESTIONS



THANK YOU