



Financial Update

2024-25

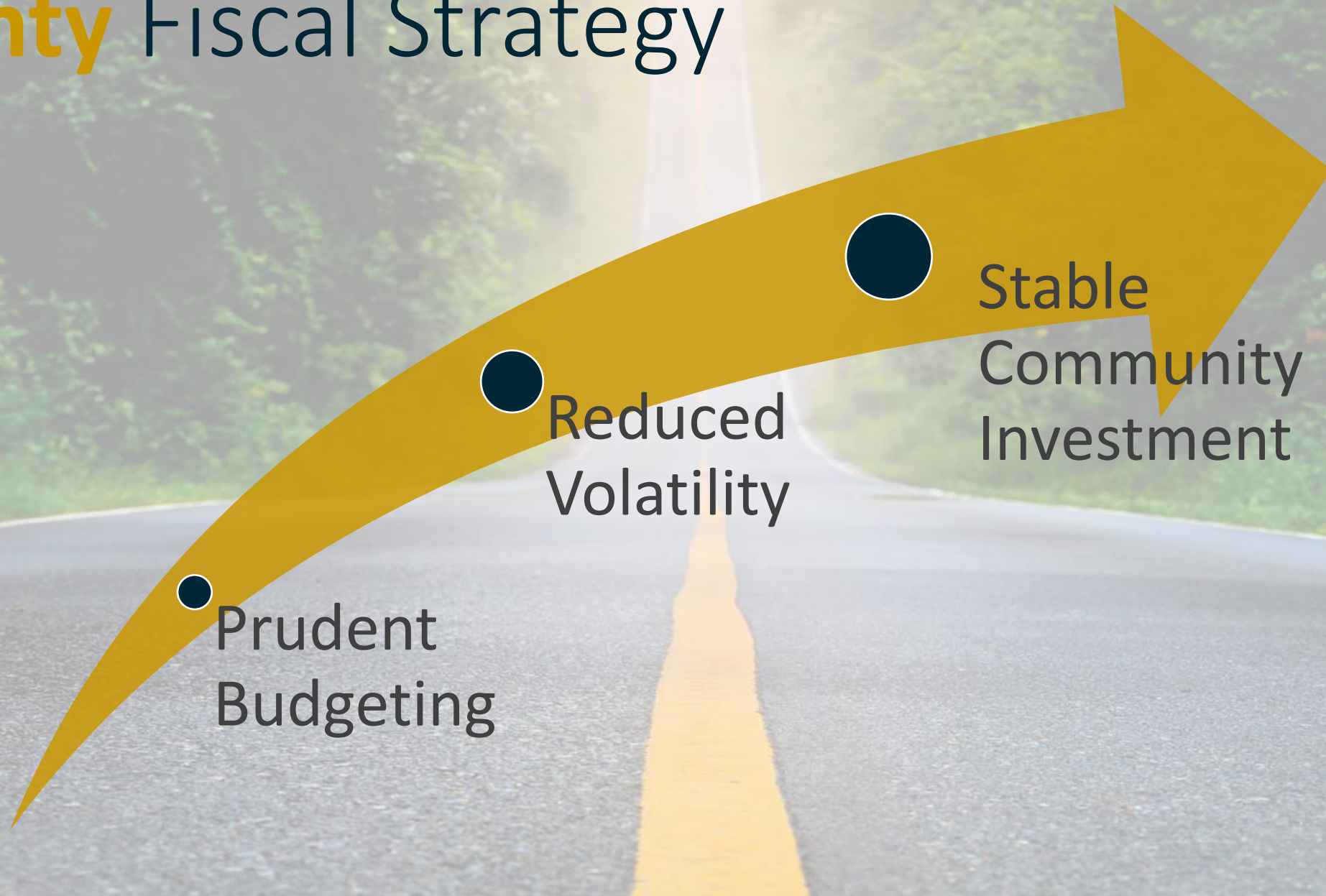
Luther Snoke, *Chief Executive Officer*
County Administrative Office

May 7, 2024

Topics:

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

County Fiscal Strategy



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 Services 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. 2022-23 Ongoing Carryover	78.2					78.2
2. Revenue Change:						
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. Total Revenue Change	60.8	35.3	36.2	37.3	38.4	208.0
7. <u>Cost Change:</u>						
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. Total Cost Change	(90.2)	(52.2)	(50.3)	(62.6)	(50.6)	(305.9)
12. Ongoing Available/(Deficit)	(29.4)	(16.9)	(14.1)	(25.3)	(12.2)	(19.6)
13. Cumulative Ongoing Available/(Deficit)	48.8	31.9	17.9	(7.5)	(19.6)	

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