

# **Attachment B**

**Financial Highlights for the fiscal year ended June 30, 2024**

**Please see the attached printed publication.**



# Financial Highlights

Fiscal Year Ended June 30, 2024  
Santa Barbara County, CA



one  
COUNTY  
one  
FUTURE



Betsy M. Schaffer, CPA, CPFO, CFE  
Auditor-Controller

C. Edwin Price, Jr., CPA, CPFO  
Assistant Auditor-Controller



This Financial Highlights publication is intended to provide the general public with an easy-to-read overview of Santa Barbara County’s (County) financial condition. The information contained in this report is derived from the County’s Annual Comprehensive Financial Report (ACFR) which is more detailed in nature and in conformance with generally accepted accounting principles (GAAP) in the United States of America. This report provides highlights of the significant financial and economic activity of the County for the fiscal year ended June 30, 2024. Copies of the ACFR can be obtained by contacting the Auditor-Controller’s office, or can be found on the Auditor-Controller’s website at [www.countyofsb.org/375/Publications](http://www.countyofsb.org/375/Publications).

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While the financial statements’ data presented within the County’s Financial Highlights conform to Generally Accepted Accounting Principles (GAAP), some statistics are taken from various sources and are not GAAP-based data.



## TO THE CITIZENS OF SANTA BARBARA COUNTY:

Fiscal health is a lot like physical health. According to Wikipedia, “[Physical] Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity.” According to the Lincoln Institute of Land Management, “...municipal fiscal health is the ability of local governments to plan, manage, and pay for critical public services and investments.”

To me, both come down to the ability to do stuff.

If we’re not physically healthy in all the ways we need to be, we won’t be able to do what we either need to do or want to do. We may want to run that marathon, but for whatever health reason (our knees are shot, or maybe we have a past bad experience with running), we won’t run that marathon.

If we’re not fiscally healthy in all the ways we need to be, we also may not be able to do what we either need to do or want to do. In government, our fiscal health is guided by principles, priorities, and actual facts and circumstances. All these things may limit, or allow for, the government’s ability to do stuff. And to complicate matters of government financial condition, the resources are not our own. All resources we have in our possession come from people through taxes, fees, or other governments (and other governments received their resources the same way), and they have to be spent on and for these same people.

In local government, fiscal health is both relative and real. It’s relative with respect to trends – are revenues growing, are costs increasing? It’s real in that there’s only so much revenue that can be generated given the population of the community. It’s also real in that there are actual service demands and expectations placed on the government. The slicing of the fiscal pie is a difficult one.

Comparatively speaking, and with respect to trends, the County is healthy and stable. Although growing slower than past years, property tax revenues are still up from prior years by \$19,599 (5.3%). Countywide expenditures increased by \$163,781 or 12.51%, with an increase in Capital Projects fund use by \$35,521 (161.21%).

My hope is that all of us on a personal and County level can do what we need to do and what we want to do without any physical or fiscal health impediments. Maybe it will take some time as good things often do. But, let’s not lose sight of our abilities. Even if it’s a penny dropped in the piggy bank for tomorrow’s electric vehicle, or a slow walk around the block for next year’s 5K, we are able. We have the ability to be healthy, within the world of reality and relativity.

With Much Gratitude,



A handwritten signature in black ink that reads "Betsy M. Schaffer". The signature is fluid and cursive.

Betsy M. Schaffer, CPA, CPFO, CFE  
AUDITOR-CONTROLLER

The County’s policymaking and legislative authority is vested in the County Board of Supervisors (Board), which consists of an elected supervisor from each of the five districts. The Board sets policy for County departments, oversees a budget of over \$1.48 billion, adopts ordinances on local matters, and sets land use policies that affect unincorporated areas (areas outside of cities).



County of Santa Barbara  
2024 Board of Supervisors



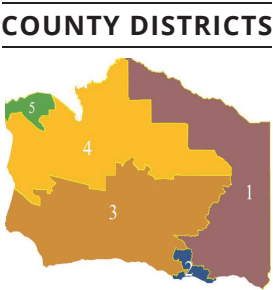
Das Williams  
First District

Laura Capps  
Second District  
VICE-CHAIR

Steve Lavagnino  
Fifth District  
CHAIR

Joan Hartmann  
Third District

Bob Nelson  
Fourth District





HEALTH & PUBLIC ASSISTANCE

\*FTE: 1,712 ↑60 from FY 2022-23  
Exp: \$493.9M ↑41.9M FY 2022-23


This group works to improve the community’s health by offering preventive care. They also support children and families by enforcing child support orders and provide services for alcohol, drug, and mental health issues.



PUBLIC SAFETY

\*FTE: 1,583 ↑51 from FY 2022-23  
Exp: \$417.0M ↑\$42.0M FY 2022-23

Public Safety works to protect the community, including people and their property, through law enforcement, fire protection, managing adult and juvenile criminals in custody, and monitoring offenders on probation. It also safeguards citizens’ rights and safety by handling criminal and civil cases and defending those accused.



COMMUNITY RESOURCES & PUBLIC FACILITIES

\*FTE: 438 ↑10 from FY 2022-23  
Exp: \$194.3M ↑\$6.3M FY 2022-23


The departments in this group work to improve life in the County. They focus on protecting natural resources, planning safe land use, creating affordable housing, encouraging park use, supporting agriculture, and maintaining public facilities to keep daily life safe and convenient.



GENERAL GOVERNMENT & SUPPORT SERVICES

\*FTE: 363 ↑20 from FY 2022-23  
Exp: \$62.7M ↑\$1.7M FY 2022-23

This group provides important services to the community, like running elections, managing property taxes, and handling treasury operations. It also supports County operations with services like information technology, payroll, and capital projects. These departments ensure the County’s finances are managed properly and take care of its assets.



POLICY & EXECUTIVE

\*FTE: 102 ↓2 from FY 2022-23  
Exp: \$25.2M ↓\$1.8M FY 2022-23

The Policy and Executive group includes the County Board of Supervisors. This group is responsible for setting policies, managing risk programs, handling emergencies, overseeing the budget, and providing legal services.



GENERAL COUNTY PROGRAMS

\*FTE: 0 no change from FY 2022-23  
Exp: \$68.3M ↓\$4.7M FY 2022-23

This group handles tasks that aren’t tied to a specific department, like organizational development. It also manages transfers to other government entities, such as the Human Services Commission and the Local Agency Formation Commission.



The County departments have dual roles in providing services to their residents. Firstly, basic local government services are provided to residents in the unincorporated areas of the County. These services include fire protection and maintenance of County roads, as well as services in some cities by contract, such as Sheriff patrol. Secondly, countywide services are provided as a regional government, such as District Attorney prosecution and Sheriff jail operations, or as agents for the State through public assistance programs and property tax administration. Details about such County

services may be found in the County's Recommended Budget publication available online at [www.countyofsb.org/4210/2024-2025](http://www.countyofsb.org/4210/2024-2025).

\*The County has five elected department directors responsible for the offices of the Auditor-Controller, Clerk-Recorder-Assessor, District Attorney, Sheriff-Coroner, and Treasurer-Tax Collector-Public Administrator. The above organization chart reflects the various functional groups reported in the ACFR, along with the names of the principal officials.



### HEADLINES

**JULY**  
2023

Why Are So Many Roosters Living in Santa Barbara County?  
– Santa Barbara Independent – Jul. 12, 2023

'Hurriquake' and Wildfire Make for Eventful Weekend in Santa Barbara County  
– Santa Barbara Independent - Aug. 21, 2023

**AUGUST**

**SEPTEMBER**

Santa Barbara County Gives \$4.6M to Libraries  
– Santa Barbara Independent- Sept. 20, 2023

BeWell Wins \$9 Million Grant for Two Years of Interim Homeless Housing  
– Santa Barbara Independent - Oct. 12, 2023

**OCTOBER**

**NOVEMBER**

County Approves \$30,000 Hiring Incentive for Custody Deputies to Address Vacancy, Overtime Issues  
– Noozhawk - Nov. 9, 2023

Hotels in Santa Barbara County Continue to Struggle Through November  
– Santa Barbara Independent - Dec. 30, 2023

**DECEMBER**

**JANUARY**  
2024

Santa Barbara County's Adopted Housing Element Certified by State  
– Santa Barbara Independent - Jan. 23, 2024

Getting to Bottom of Goleta's Million-Gallon Sewage Spill  
– Santa Barbara Independent - Feb. 27, 2024

**FEBRUARY**

**MARCH**

County Supervisors Approve Expanding Tajiguas Landfill to Increase Waste Capacity  
– Noozhawk - Mar. 20, 2024

Santa Barbara County receives AAA credit rating from S&P Global Tuesday  
– KEYT - Apr. 16, 2024

**APRIL**

**MAY**

Santa Barbara County Board of Supervisors selects future housing sites  
– KEYT - May. 04, 2024

Santa Barbara County to Receive \$22.2M Settlement for Nearly 1,000 Opioid ODs  
– The Santa Barbara Independent - Jun. 18, 2024

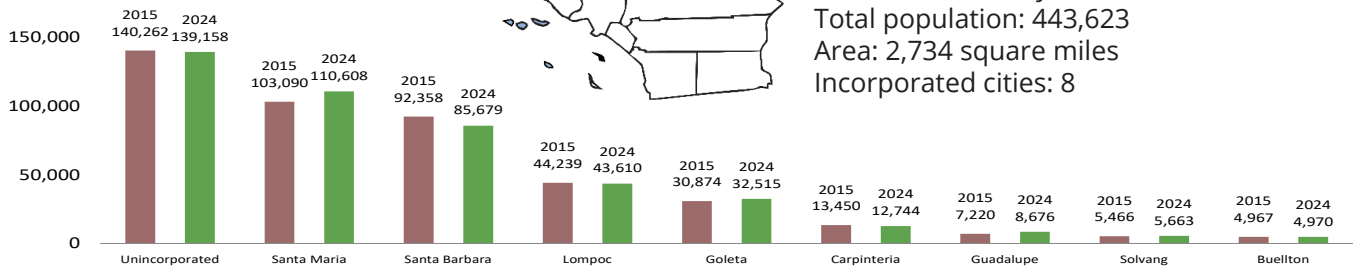
**JUNE**

## SANTA BARBARA COUNTY

Santa Barbara County offers idyllic settings for residents and visitors. Located approximately 100 miles northwest of Los Angeles and bordered by the Pacific Ocean to the west and south, it is known for its mild climate, picturesque coastline, vineyards, abundant agriculture, scenic mountains, and numerous parks and beaches – including the richly biodiverse marine habitat of the Channel Islands.

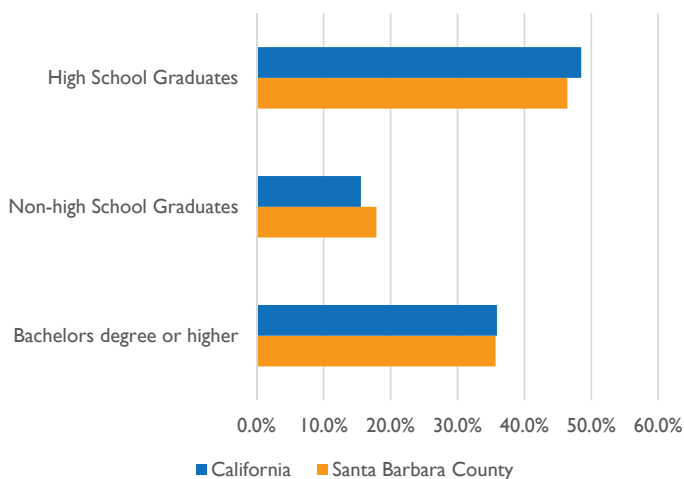
## POPULATION CHANGES\*

(2015 VS 2024)



\*Provided by The State of California Department of Finance

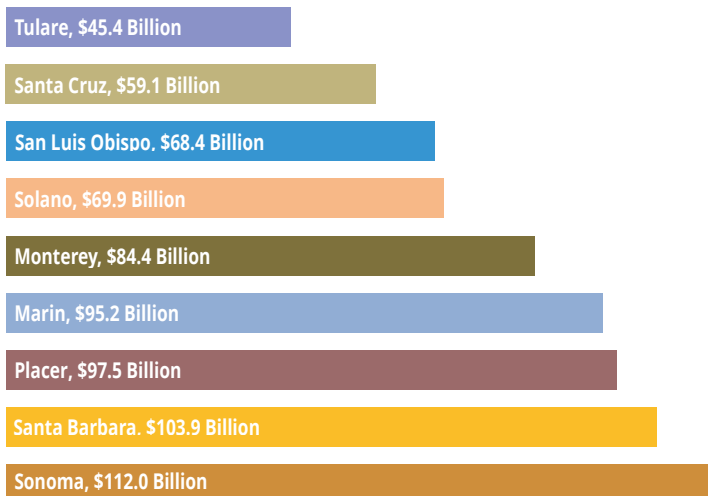
## AVERAGE EDUCATION LEVELS FOR ADULTS 25+ YRS (2018-2023)

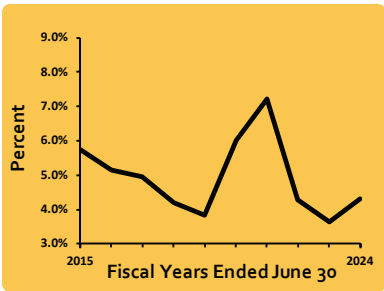


## QUICK FACTS

Founded: February 18, 1850  
Total population: 443,623  
Area: 2,734 square miles  
Incorporated cities: 8

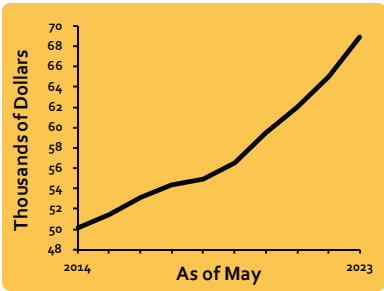
## FY 2022-23 PROPERTY TAX ROLL VALUES OF COMPARABLE COUNTIES





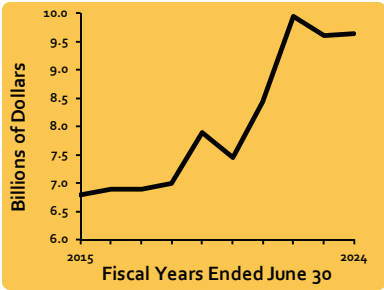
**AVERAGE UNEMPLOYMENT RATE: 4.3%**  
**+0.7% from FY 2022-23**

The County's Leisure and Hospitality employment decreased by 0.3% compared to last year.



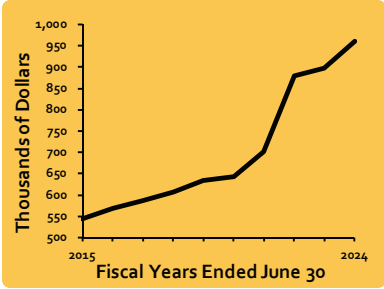
**AVERAGE SALARY: \$68.9K**  
**+\$3.8K from FY 2022-23**

The County's average annual wages continued to increase in calendar year 2023.



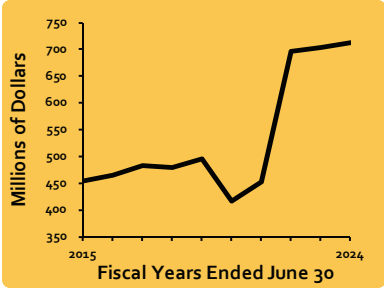
**RETAIL SALES: \$9.64B**  
**+\$0.04B from FY 2022-23**

The County estimated retail sales increased by 0.4%.



**MEDIAN HOME PRICE: \$961K**  
**+\$63K from FY 2022-23**

The County's median home price growth slowed down compared to recent years.



**HOTEL/MOTEL ROOM SALES: \$713M**  
**+\$9.9M from FY 2022-23**

The County's room sales increased as available hotel rooms and occupancy rates increased.

**TOP 10 INDUSTRY**

| INDUSTRY                                 | EMPLOYEES |
|--|-----------|
| 1. Government                            | 37,200    |
| 2. Farm                                  | 37,000    |
| 3. Private Education and Health Services | 32,000    |
| 4. Leisure and Hospitality               | 29,000    |
| 5. Professional and Business Services    | 27,800    |
| 6. Trade, Transportation, and Utilities  | 26,500    |
| 7. Manufacturing                         | 12,200    |
| 8. Mining, Logging and Construction      | 10,600    |
| 9. Financial Activities                  | 7,000     |
| 10. Information                          | 4,300     |



## TOP 10 PROPERTY TAXPAYERS

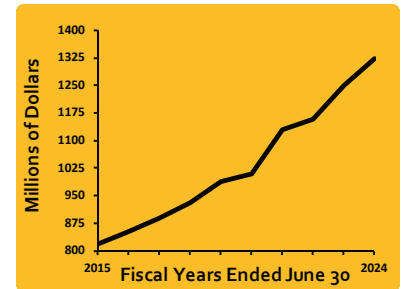
(IN THOUSANDS)

| TAXPAYER   | SECURED TAX<br>LEVY (FY 2023-24) | PERCENTAGE<br>OF TOTAL |
|--|----------------------------------|------------------------|
| 1. RUBY SB Hotel LLC (Bacara)<br><i>Hotel</i>            | \$513,136                        | 0.46%                  |
| 2. Southern California Edison<br><i>Utility</i>          | \$477,394                        | 0.43%                  |
| 3. Southern California Gas<br><i>Utility</i>             | \$433,561                        | 0.39%                  |
| 4. 1260 BB Property,<br>LLC (Biltmore)<br><i>Hotel</i>   | \$243,394                        | 0.22%                  |
| 5. Pacific Gas & Electric Co<br><i>Utility</i>           | \$243,269                        | 0.22%                  |
| 6. Windset Farms<br>California Inc<br><i>Agriculture</i> | \$233,357                        | 0.21%                  |
| 7. Islay Investments<br><i>Real Estate Holdings</i>      | \$209,135                        | 0.19%                  |
| 8. Regency Tropicana, LLC<br><i>Residential Rentals</i>  | \$180,129                        | 0.16%                  |
| 9. Fairway BB Property, LLC<br><i>Residential Estate</i> | \$170,834                        | 0.15%                  |
| 10. Celite Corporation<br><i>Mining</i>                  | \$170,616                        | 0.15%                  |

## TOTAL REVENUES: \$1,332.2M

+\$83.0M from FY 2022-23

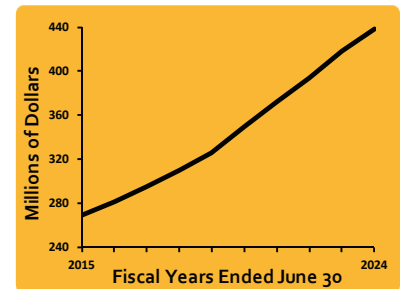
The County continues to see an overall increase in revenues due to the positive effect on property taxes as the result of increases to home values.



## TAXES: \$438.2M

+\$20.0M FROM FY 2022-23

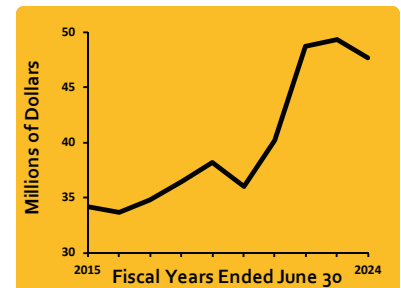
The County's main source of discretionary revenue is local property taxes which is experiencing stable growth.



## PROP 172: \$47.7M

-\$1.6M from FY 2022-23

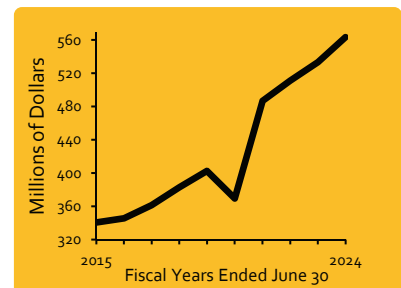
Proposition 172 is a portion of sales tax that is collected for local public safety. Prop 172 has decreased by 3.34%.



## STATE &amp; FEDERAL: \$563.2M

+\$30.1M from FY 2022-23

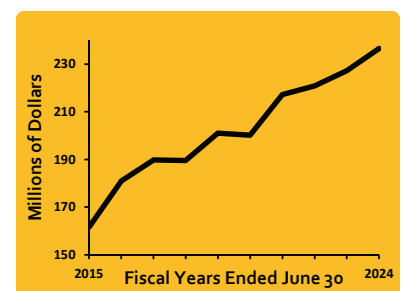
The County continued to receive a significant amount in State and Federal programmatic revenues in the FY 2023-24 to help address the economic impacts of COVID-19.



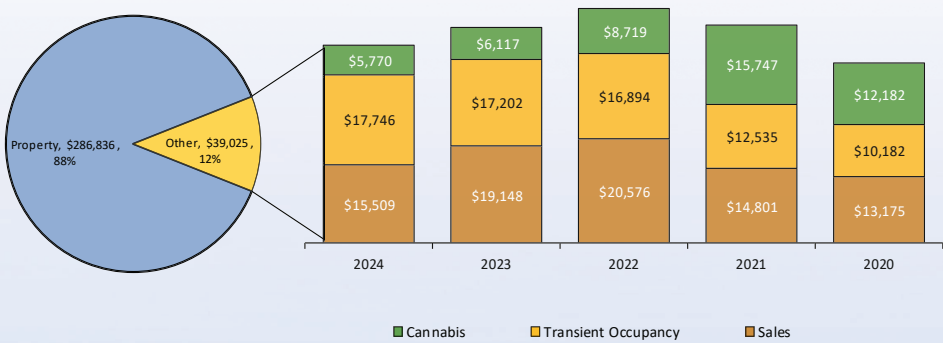
## CHARGES FOR SERVICES: \$236.6M

+\$9.4M from FY 2022-23

Charges for services primarily represent user fees charged for fee-based government services (permits, trash, parks, etc.). There is a continuing countywide effort to align fees with costs, resulting in an increase to charges for services.

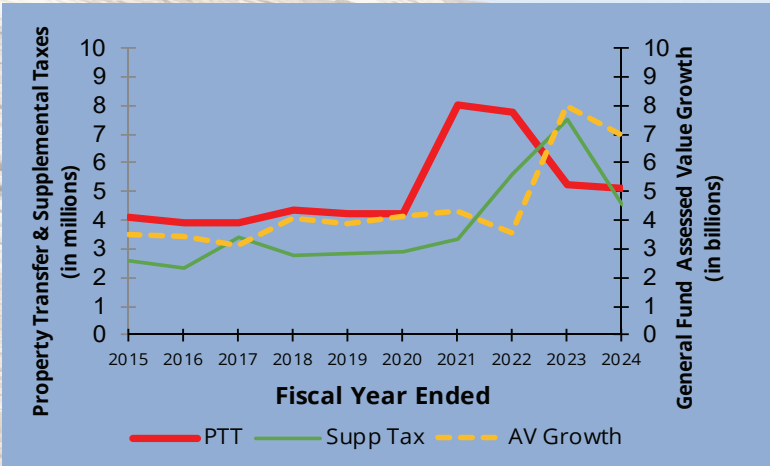


FY 2023-24 GENERAL TAX REVENUE AND TRENDS (IN THOUSANDS)



Sales and Transient Occupancy Taxes (TOT) have increased after a sharp drop during the COVID-19 pandemic. As tourism has recovered in recent years, TOT taxes have grown along with it. However, cannabis tax revenue has declined because of lower sales. The recovery of tourism has been a key factor in boosting the County's tax revenue.

COUNTY GENERAL FUND ASSESSED VALUE (AV) GROWTH VS. PROPERTY TRANSFER TAX (PTT) & SUPPLEMENTAL TAXES (SUPP TAX)



After a big spike in property transfers during the pandemic, Assessed Value and property tax revenues increased significantly. However, the number of property sales has now returned to pre-pandemic levels. This has caused property transfer tax revenues to level off. Supplemental taxes have also stabilized as property sales slowed down. The recent decline in sales activity marks a return to more typical patterns for the County.

INTERGOVERNMENTAL TAX REVENUE (IN MILLIONS)

| Fiscal Year   | 2023-24  | 2022-23  | Change   | PCT % Change |
|---------------|----------|----------|----------|--------------|
| Revenue       |          |          |          |              |
| State         | \$ 380.4 | \$ 353.8 | \$ 26.65 | (7.5%)       |
| Federal       | 164.9    | 172.8    | (8)      | (4.6%)       |
| Other         | 17.9     | 6.6      | 11.33    | 171.7%       |
| Total Revenue | \$ 563.2 | \$ 533.2 | \$ 30.05 |              |

Intergovernmental revenues make up a large part of the County's budget. These funds come from State and Federal programs. The amount of money the County receives depends on how these agencies decide to allocate their resources. It also depends on how much funding is available overall. This makes intergovernmental revenues an important but unpredictable part of the budget.

**OPERATING INDICATORS BY FUNCTION/PROGRAM**

| Function/Program  | FY 2018-19 | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 | Change | Change % | FY 2023-24 |
|---|------------|------------|------------|------------|------------|--------|----------|------------|
| <b><u>Public Safety</u></b>                               |            |            |            |            |            |        |          |            |
| <b>Other:</b>   |            |            |            |            |            |        |          |            |
| Filed felonies-District Attorney                          | 2,801      | 2,582      | 2,181      | 2,407      | 2,463      | 208    | 8.44%    | 2,671      |
| Filed misdemeanors-District Attorney                      | 10,065     | 8,935      | 6,534      | 6,886      | 5,678      | 1,396  | 24.59%   | 7,074      |
| Public Defender's total new caseload                      | 12,316     | 12,247     | 7,872      | 16,167     | 12,439     | 1,092  | 8.78%    | 13,531     |
| Fire emergency responses                                  | 15,634     | 14,723     | 14,618     | 16,239     | 17,330     | -99    | -0.57%   | 17,231     |
| <b>Sheriff:</b>   |            |            |            |            |            |        |          |            |
| Total miles patrolled                                     | 1,441,414  | 1,406,295  | 1,362,890  | 1,276,095  | 1,241,442  | 188    | 0.02%    | 1,241,630  |
| Processed and booked adult offenders                      | 13,710     | 11,108     | 8,326      | 10,001     | 10,317     | 951    | 9.22%    | 11,268     |
| <b>Probation:</b>   |            |            |            |            |            |        |          |            |
| Juvenile referrals processed                              | 2,656      | 1,987      | 722        | 985        | 980        | 171    | 17.45%   | 1,151      |
| Adult and Juvenile cases supervised                       | 6,088      | 7,318      | 4,801      | 4,247      | 3,943      | 848    | 21.51%   | 4,791      |
| Institutional care for minors                             | 22,147     | 16,344     | 6,920      | 7,397      | 8,669      | -447   | -5.16%   | 8,222      |
| Submit written reports to courts on Adults                | 5,238      | 3,911      | 2,538      | 6,234      | 8,932      | 196    | 2.19%    | 9,128      |
| <b><u>Health &amp; Human Services</u></b>                 |            |            |            |            |            |        |          |            |
| Behavioral Wellness clients served                        | 14,711     | 14,052     | 10,652     | 11,774     | 11,804     | -595   | -5.04%   | 11,209     |
| Established orders for child support                      | 11,227     | 10,964     | 10,458     | 10,159     | 9,852      | -882   | -8.95%   | 8,970      |
| Assistance claims paid to eligible recipients             | 88,672     | 85,710     | 79,809     | 80,211     | 86,181     | -5,690 | -6.60%   | 80,491     |
| Patient encounters at Public Health clinics               | 118,500    | 113,500    | 121,000    | 112,500    | 101,459    | 1,627  | 1.60%    | 103,086    |
| <b><u>Community Resources &amp; Public Facilities</u></b> |            |            |            |            |            |        |          |            |
| Building inspections                                      | 26,930     | 24,952     | 24,943     | 24,877     | 23,649     | -18    | -0.08%   | 23,631     |
| Enhanced or maintained road lanes (miles)                 | 44         | 64         | 46         | 53         | 56         | 3      | 5.36%    | 59         |
| <b><u>General Government &amp; Support Services</u></b>   |            |            |            |            |            |        |          |            |
| <b>Clerk-Recorder-Assessor:</b>                           |            |            |            |            |            |        |          |            |
| Recorded documents & vital copies issued                  | 90,740     | 104,052    | 140,571    | 120,479    | 78,429     | -4,287 | -5.47%   | 74,142     |
| <b><u>Resource Recovery</u></b>                           |            |            |            |            |            |        |          |            |
| Waste recycled (tons per month)                           | 7,645      | 7,882      | 8,253      | 7,598      | 6,117      | 5,657  | 92.49%   | 11,774     |
| Landfill waste disposal (tons per month)                  | 19,215     | 17,744     | 16,245     | 15,946     | 16,024     | -1,582 | -9.87%   | 14,442     |



# STATEMENT OF NET POSITION

(IN MILLIONS)\*

## STATEMENT OF NET POSITION

The **Statement of Net Position** presents the County's financial position from a long-term perspective. It reports all of the County's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. Over time, increases or decreases in net position may serve as a useful indicator of how the County's financial position is trending. The largest component of the County's net position is net investment in capital assets which cannot be used to liquidate the County's debt. The second largest component is restricted net position. These resources are subject to external restrictions on how they may be used, for example, restrictions imposed by grantors, contributors, laws or regulations of other governments, or restrictions imposed by law through constitutional provision or legislation, including those passed by the County itself. The final component of net position is unrestricted net position, a resource that can be used to meet ongoing obligations to citizens and creditors.

### Net Investment in Capital Assets

In 2024, the County's Net Investment in Capital Assets decreased as the debt incurred to fund major projects, such as infrastructure improvements and technology upgrades, exceeded the value of the new assets added.

### Restricted Net Position

Restricted net position increased, driven by funding for capital improvements, community resource programs, and health and housing initiatives.

### Unrestricted Net Position

Unrestricted net position showed improvement due to funding from the Public Safety Realignment Act of 2011 and unrealized investment gains. Despite this progress, it remains negative, largely due to substantial unfunded pension and retiree benefit liabilities.

| Fiscal Year                            | Governmental Activities |                        |                   | Business-Type Activities |                 |                 | Total           |                        |                   |
|--|-------------------------|------------------------|-------------------|--------------------------|-----------------|-----------------|-----------------|------------------------|-------------------|
|  | 2021-22                 | 2022-23<br>as restated | 2023-24           | 2021-22                  | 2022-23         | 2023-24         | 2021-22         | 2022-23<br>as restated | 2023-24           |
| <b>Assets</b>                          |                         |                        |                   |                          |                 |                 |                 |                        |                   |
| Current and other assets               | \$ 935.3                | \$ 1,007.1             | \$ 1,132.6        | \$ 136.3                 | \$ 128.9        | \$ 126.8        | \$ 1,071.6      | \$ 1,136.0             | \$ 1,259.4        |
| Capital assets, net of depreciation    | 891.3                   | 960.8                  | 1,033.7           | 284.6                    | 291.8           | 305.2           | 1,175.9         | 1,252.6                | 1,338.9           |
| <b>Total assets</b>                    | <b>1,826.6</b>          | <b>1,967.9</b>         | <b>2,166.3</b>    | <b>420.9</b>             | <b>420.7</b>    | <b>432.0</b>    | <b>2,247.5</b>  | <b>2,388.6</b>         | <b>2,598.3</b>    |
| <b>Deferred outflows of resources</b>  | <b>232.2</b>            | <b>210.4</b>           | <b>256.4</b>      | <b>4.2</b>               | <b>3.9</b>      | <b>4.4</b>      | <b>236.4</b>    | <b>214.3</b>           | <b>260.8</b>      |
| <b>Liabilities</b>                     |                         |                        |                   |                          |                 |                 |                 |                        |                   |
| Current and other liabilities          | 230.7                   | 254.2                  | 234.9             | 11.9                     | 6.5             | 7.9             | 242.6           | 260.7                  | 242.8             |
| Long-term liabilities                  | 620.4                   | 878.2                  | 998.2             | 234.1                    | 235.2           | 221.2           | 854.5           | 1,113.4                | 1,219.4           |
| <b>Total liabilities</b>               | <b>851.1</b>            | <b>1,132.4</b>         | <b>1,233.1</b>    | <b>246.0</b>             | <b>241.7</b>    | <b>229.1</b>    | <b>1,097.1</b>  | <b>1,374.1</b>         | <b>1,462.2</b>    |
| <b>Deferred inflows of resources</b>   | <b>396.4</b>            | <b>47.2</b>            | <b>46.6</b>       | <b>6.7</b>               | <b>0.4</b>      | <b>0.2</b>      | <b>403.1</b>    | <b>47.6</b>            | <b>46.8</b>       |
| <b>Net position</b>                    |                         |                        |                   |                          |                 |                 |                 |                        |                   |
| Net investment in capital assets       | 819.2                   | 877.3                  | 829.0             | 112.0                    | 125.4           | 145.4           | 931.2           | 1,002.7                | 974.4             |
| Restricted                             | 394.9                   | 445.1                  | 550.4             | --                       | --              | --              | 394.9           | 445.1                  | 550.4             |
| Unrestricted                           | (402.8)                 | (323.7)                | (236.4)           | 60.4                     | 57.1            | 61.7            | (342.4)         | (266.6)                | (174.7)           |
| <b>Total net position, as restated</b> | <b>\$ 811.3</b>         | <b>\$ 998.7</b>        | <b>\$ 1,143.0</b> | <b>\$ 172.4</b>          | <b>\$ 182.5</b> | <b>\$ 207.1</b> | <b>\$ 983.7</b> | <b>\$ 1,181.2</b>      | <b>\$ 1,350.1</b> |

\*Amounts may differ from the ACFR due to rounding.

## STATEMENT OF ACTIVITIES

The **Statement of Activities** reports the County's revenues and expenses during the fiscal year, as well as any transactions that increase or decrease its net position. Revenues are classified by source and expenses are classified by function. Transfers are an allocation of monies from one area of the government to another.

**Program Revenues** increased due to higher charges for services, such as fire incident services and litigation settlements, as well as increased funding from state programs, flood protection projects, and Behavioral Health Bridge Housing grants. General Revenues increased mainly because of higher property tax collections and increased investment income, although cannabis tax revenue decreased due to reduced operations.

**Expenses** increased due to higher pension costs, salaries, road services, and retirement contributions. The County's largest expense is salaries and benefits, which make up over half of total costs, and the average number of full-time employees also increased.

| Fiscal Year   | Governmental Activities |                        |            | Business-Type Activities |          |          | Total    |                        |            |
|---|-------------------------|------------------------|------------|--------------------------|----------|----------|----------|------------------------|------------|
|   | 2021-22                 | 2022-23<br>as restated | 2023-24    | 2021-22                  | 2022-23  | 2023-24  | 2021-22  | 2022-23<br>as restated | 2023-24    |
| <b>Revenues</b>   |                         |                        |            |                          |          |          |          |                        |            |
| Program Revenues  | \$ 743.0                | \$ 806.7               | \$ 855.7   | \$ 66.3                  | \$ 67.8  | \$ 67.7  | \$ 809.3 | \$ 874.5               | \$ 923.4   |
| General Revenues  | 391.4                   | 429.3                  | 460.9      | -4.5                     | 1.2      | 4.8      | 386.9    | 430.5                  | 465.7      |
| <b>Total revenues</b>                                   | 1,134.4                 | 1,236.0                | 1,316.6    | 61.8                     | 69.0     | 72.5     | 1,196.2  | 1,305.0                | 1,389.1    |
| <b>Expenses</b>   |                         |                        |            |                          |          |          |          |                        |            |
| Policy & Executive                                      | 13.2                    | 17.9                   | 15.3       | --                       | --       | --       | 13.2     | 17.9                   | 15.3       |
| Public Safety   | 328.4                   | 341.0                  | 403.6      | --                       | --       | --       | 328.4    | 341.0                  | 403.6      |
| Health & Human Services                                 | 375.4                   | 428.4                  | 467.9      | --                       | --       | --       | 375.4    | 428.4                  | 467.9      |
| Community Resources & Public Facilities                 | 133.6                   | 153.2                  | 176.3      | --                       | --       | --       | 133.6    | 153.2                  | 176.3      |
| General Government & Support Services                   | 38.5                    | 39.9                   | 45.6       | --                       | --       | --       | 38.5     | 39.9                   | 45.6       |
| General County Programs                                 | 46.1                    | 65.7                   | 60.3       | --                       | --       | --       | 46.1     | 65.7                   | 60.3       |
| Interest on long-term debt                              | 2.2                     | 2.5                    | 3.2        | --                       | --       | --       | 2.2      | 2.5                    | 3.2        |
| Resource Recovery                                       | --                      | --                     | --         | 40.5                     | 49.5     | 38.8     | 40.5     | 49.5                   | 38.8       |
| Laguna Sanitation                                       | --                      | --                     | --         | 8.8                      | 9.4      | 9.2      | 8.8      | 9.4                    | 9.2        |
| <b>Total expenses</b>                                   | 937.4                   | 1,048.6                | 1,172.2    | 49.3                     | 58.9     | 48.0     | 986.7    | 1,107.5                | 1,220.2    |
| Transfers In -Out                                       | --                      | --                     | (0.1)      | --                       | --       | 0.1      | --       | --                     | --         |
| <b>Change in net position before special item</b>       | 197.0                   | 187.4                  | 144.3      | 12.5                     | 10.1     | 24.6     | 209.5    | 197.5                  | 168.9      |
| Special item  | (28)                    | --                     | --         | --                       | --       | --       | (28)     | --                     | --         |
| <b>Change in net position</b>                           | 169.0                   | 187.4                  | 144.3      | 12.5                     | 10.1     | 24.6     | 181.5    | 197.5                  | 168.9      |
| <b>Net position - beginning, as previously reported</b> | 642.3                   | 811.2                  | 998.3      | 159.9                    | 172.4    | 182.5    | 802.2    | 983.6                  | 1,180.8    |
| Error correction adjustment                             | --                      | 0.1                    | 0.4        | --                       | --       | --       | --       | 0.1                    | 0.4        |
| <b>Net position - beginning, as restated</b>            | 642.3                   | 811.3                  | 998.7      | 159.9                    | 172.4    | 182.5    | 802.2    | 983.7                  | 1,181.2    |
| <b>Net position - ending</b>                            | \$ 811.3                | \$ 998.7               | \$ 1,143.0 | \$ 172.4                 | \$ 182.5 | \$ 207.1 | \$ 983.7 | \$ 1,181.2             | \$ 1,350.1 |

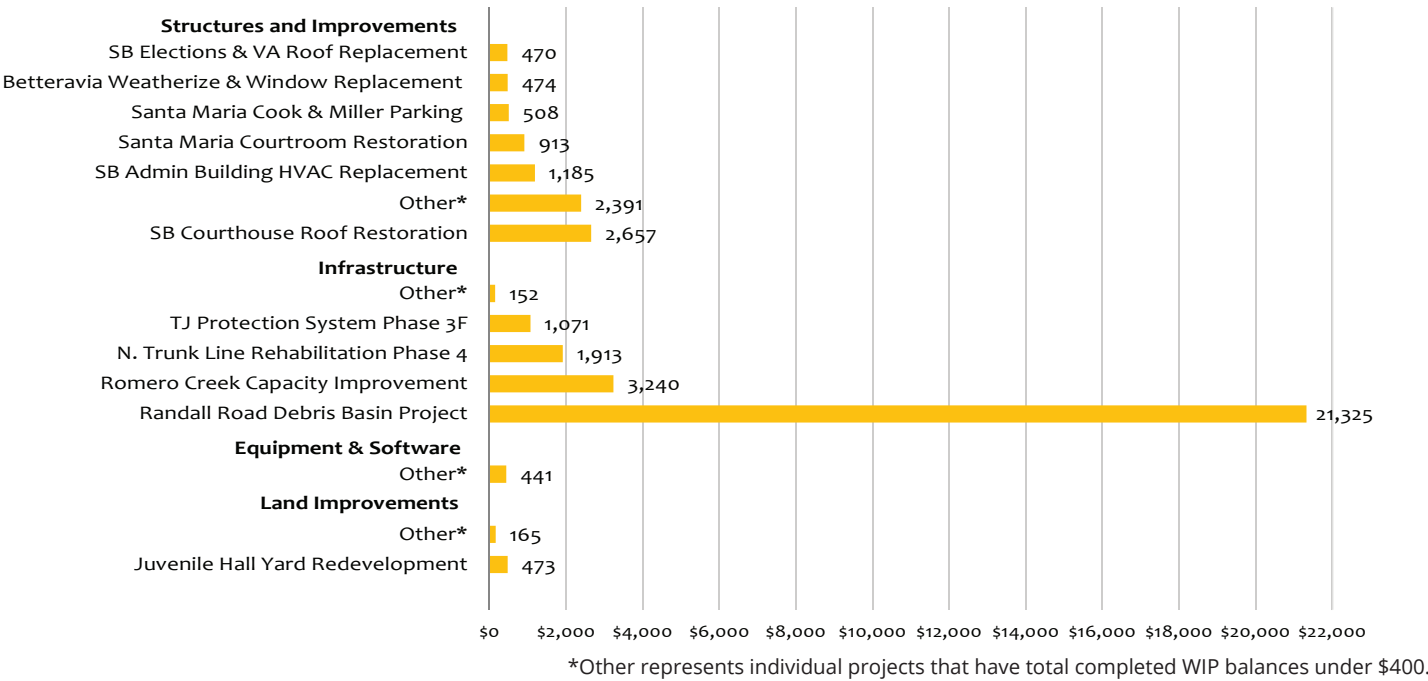
\*Amounts may differ from the ACFR due to rounding.

# CAPITAL ASSETS

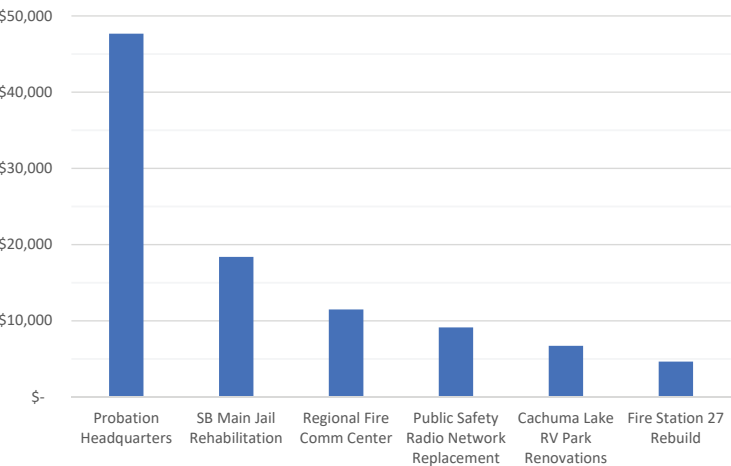
(IN THOUSANDS)

A significant portion of the County's assets are capital assets which include land, land improvements, structures and improvements (e.g., office buildings and building improvements), equipment (e.g., vehicles, machinery and computers), infrastructure (e.g., roads, bridges, sidewalks, and similar items), and intangible assets (e.g., land easements and computer software). Capital assets under construction at the end of the fiscal year are reported as work in progress (WIP). Total WIP additions of \$98,054 were offset by project completions of \$39,998.

## SIGNIFICANT CAPITAL PROJECTS COMPLETED FROM WORK IN PROGRESS



## 2024 COP FUNDED PROJECTS



Santa Barbara County is making significant investments in public safety and recreational facilities. At Cachuma Lake, the RV park is being renovated with upgraded utilities, new concrete pads, a modern restroom and shower facility, and improved landscaping to enhance visitor experiences. The Santa Barbara County Main Jail will undergo renovations to improve inmate recreation, accessibility, and operational efficiency while extending the facility's lifespan. Additionally, the County is upgrading its Public Safety Radio Network and building a new Regional Fire Communication Center to improve emergency response and streamline dispatch services. These projects demonstrate a commitment to enhancing public safety and recreational opportunities for the community. Fire Station 27 in New Cuyama has been rebuilt to include fire and law enforcement facilities, ensuring better emergency services for the region.



The County's debt represents monies borrowed to facilitate the acquisition, installation, and construction of capital projects.

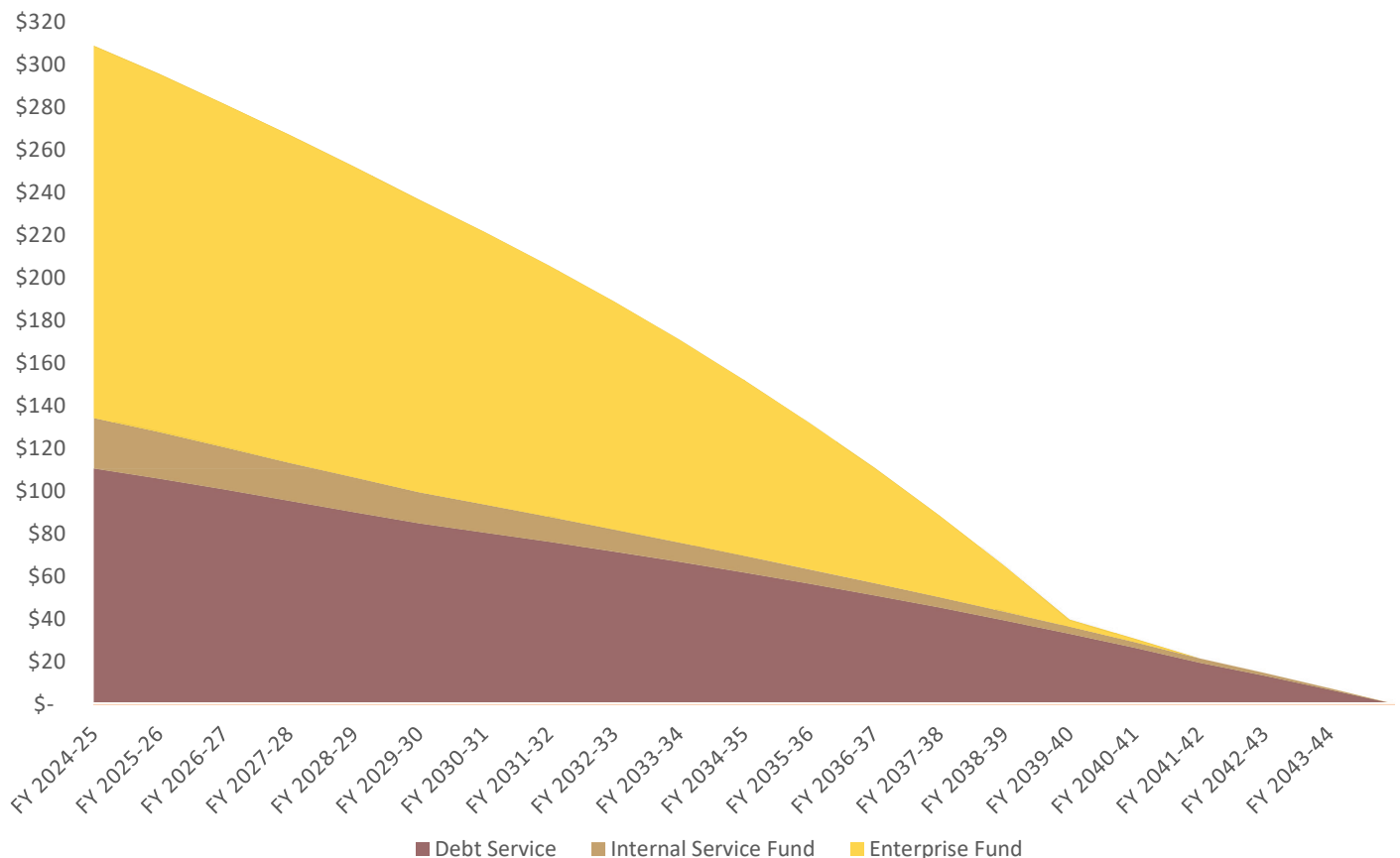
| Fiscal Year                   | Governmental Activities |                |                 | Business-Type Activities |                 |                 | Total           |                 |                 |
|-------------------------------|-------------------------|----------------|-----------------|--------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                               | 2021-22                 | 2022-23        | 2023-24         | 2021-22                  | 2022-23         | 2023-24         | 2021-22         | 2022-23         | 2023-24         |
| Bonds and notes payable       | \$ 4.5                  | \$ 3.6         | \$ 5.8          | \$ 1.9                   | \$ 0.9          | \$ 0.7          | \$ 6.3          | \$ 4.6          | \$ 6.4          |
| Certificates of participation | 22.0                    | 20.5           | 128.6           | 186.2                    | 180.5           | 174.2           | 208.3           | 200.8           | 302.8           |
| <b>Total</b>                  | <b>\$ 26.5</b>          | <b>\$ 24.1</b> | <b>\$ 134.4</b> | <b>\$ 188.1</b>          | <b>\$ 181.4</b> | <b>\$ 174.9</b> | <b>\$ 214.6</b> | <b>\$ 205.4</b> | <b>\$ 309.2</b> |

\*Amounts may differ from the ACFR due to rounding.

The County's total balance of bonds, notes, and Certificates of Participation (COP) increased significantly during the fiscal year, primarily due to the issuance of the 2024 COP. This increase accounted for most of the overall change in the County's debt balance.

On April 12, 2024, S&P Global Ratings (S&P), assigned its 'AAA' issuer credit rating to the County. Additionally, S&P assigned its 'AA+' issue rating to the County's 2024A-1 (tax-exempt) and 2024A-2 (taxable) COP while affirming its 'AA+' rating on the County's outstanding COPs. The S&P scale ranges from AAA, the highest, to D, the lowest.

#### LONG-TERM DEBT OBLIGATIONS BY FUND TYPE

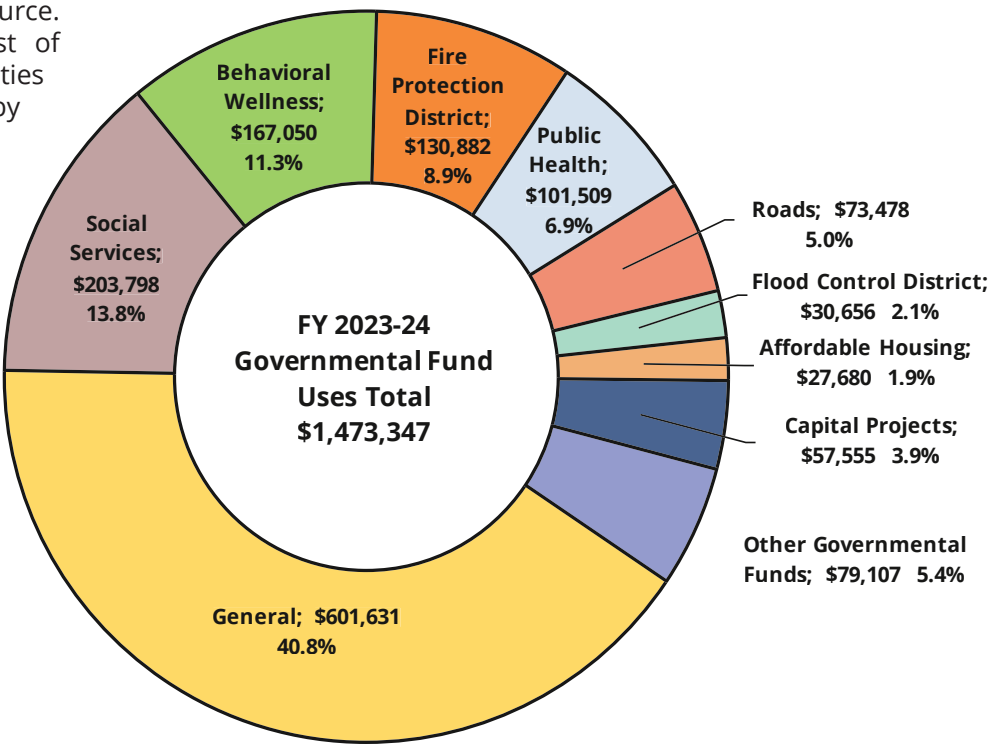


# GOVERNMENTAL FUNDS

(IN THOUSANDS)

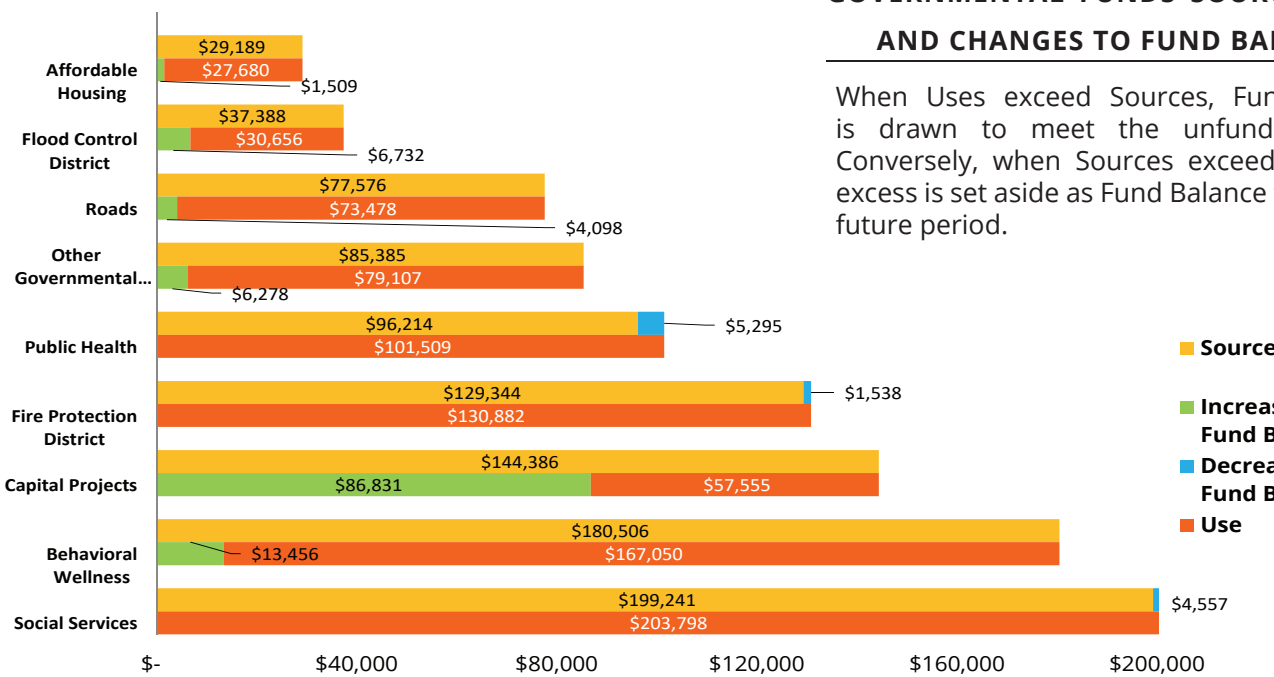
## FY 2023-24 GOVERNMENTAL FUND USES

Governmental funds track the inflows and outflows of the County's resources based on their primary funding source. The General Fund represents most of the County's discretionary activities that are funded primarily by local property taxes while the other governmental funds are mostly State funded activities that the County performs under its role as an arm of the State government. The bottom line for each fund is the net change in fund balance – sources minus uses. When this amount is positive, a fund will increase its fund balances for use in a future period.



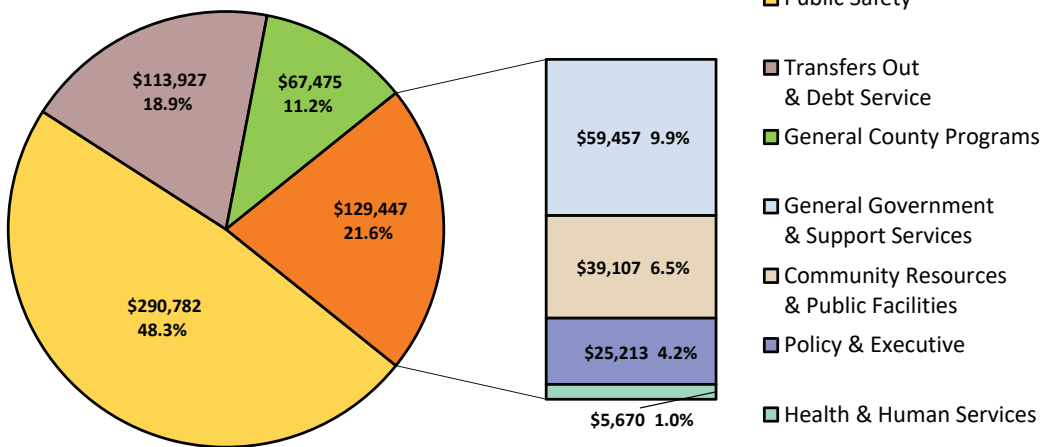
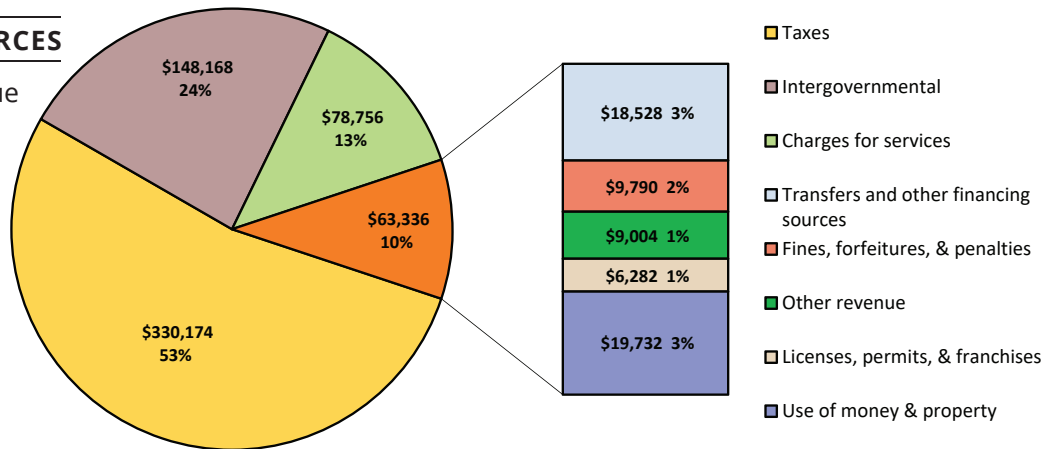
## GOVERNMENTAL FUNDS SOURCES, USES, AND CHANGES TO FUND BALANCE

When Uses exceed Sources, Fund Balance is drawn to meet the unfunded needs. Conversely, when Sources exceed Uses, the excess is set aside as Fund Balance for use in a future period.



**FY 2023-24 GENERAL FUND SOURCES**

The General Fund's primary revenue sources are property taxes, intergovernmental revenues (primarily State grants), and charges for services (primarily the revenues from fee based services).



Expenditures are reported by function with the current operating expenditures presented apart from debt service and capital expenditures. Other financing sources (uses) include the cash received when bonds are issued, as well as transfers between funds. Apart from the fact that these resource flows are not revenues or expenditures, they are shown separately to assist the reader of the statement in assessing the balance between ongoing revenues and expenditures related to the basic operation of the government.

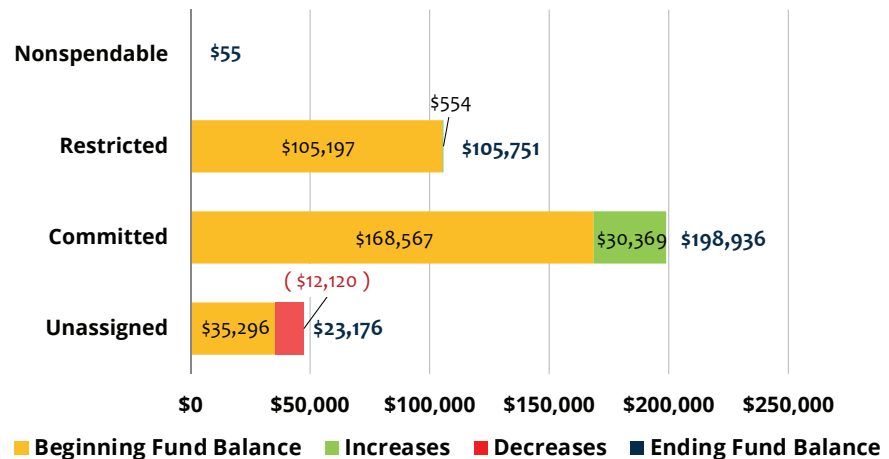
**FUND BALANCE COMPONENTS**

**NONSPENDABLE** - not spendable due to form (inventory) or law (endowment).

**RESTRICTED** - can only be spent for specific purposes required by external parties (State grants) or enabling legislation (California Constitution).

**COMMITTED** - can only be used for the purposes determined by the formal action of the County's Board of Supervisors, increases and decreases to committed fund balances requires varying levels of approval by the County's Board of Supervisors.

**UNASSIGNED** - can be used for any purpose as this amount represents the residual balance of the General Fund and includes all amounts not contained in the other classifications.



COUNTY PILLARS OF WELLNESS

Life expectancy is the average number of years a person is expected to live based on current age and demographic factors. For Santa Barbara County, the life expectancy is **81 years**, which is higher than both the state and national averages.

Several factors contribute to this higher life expectancy:

- **Healthy Lifestyle Choices:** Locally grown food and mild weather assist many residents in making healthy choices, such as eating nutritious foods, staying physically active, and avoiding smoking and excessive alcohol consumption.
- **Access to Healthcare:** The County has good access to healthcare services, ensuring residents receive timely medical care and preventive services.
- **Clean Environment:** The County benefits from a generally clean environment, with good air quality and access to outdoor recreational areas.
- **Socioeconomic Status:** Higher median household incomes and educational attainment levels contribute to better overall health and well-being.
- **Community Support:** Strong social connections and community engagement promote mental and emotional



Identified Areas for Focus:

- **Health Disparities:** Certain demographic groups, including those with lower incomes and less education, experience varied health outcomes, highlighting the need to further support equitable health improvements.
- **Mental Health:** Expanding mental health support and services can enhance overall community well-being.

These considerations complement the factors contributing to the longer life expectancy of Santa Barbara County.

Sources:  
<https://www.cottagehealth.org/population-health/community-health-needs-assessment/2022/overview>  
<https://www.countyofsb.org/274/Behavioral-Wellness>

This was written with the assistance of Copilot



## Whistleblower Hotline

The purpose of the Whistleblower Hotline is to encourage employees and citizens of the County to report any suspected cases of fraud, waste, or abuse of County resources of which they become aware. The Whistleblower Hotline is provided as an alternative reporting mechanism to ensure concerns are properly addressed and as a means for anonymous, confidential reporting.

Issues to be reported include:

- ◇ **Fraud** - A dishonest, unethical, irregular or illegal act or practice. It can be any intentional act or omission designed to deceive others that results in the County suffering a loss of money, property, or other disadvantage to the County's resources or rights and /or the perpetrator achieves a gain of money, property or an advantage to which the person would not normally be entitled.
- ◇ **Waste** - The intentional or unintentional thoughtless, reckless or careless expenditure, consumption, mismanagement, use, or squandering of County resources. Waste also includes incurring unnecessary costs because of inefficient or ineffective practices, systems, or controls.
- ◇ **Abuse** - Intentional destruction, diversion, manipulation, misapplication, maltreatment, or misuse of County resources. Extravagant or excessive use as to abuse one's position or authority. Abuse can occur in a financial or non-financial setting.

There are two ways to access the Whistleblower Hotline:

1. Call toll-free, **(844) 413-4025**, 24 hours a day, 7 days a week to speak to a third-party representative.
2. Submit an online report at the Whistleblower Web Reporting Portal: <https://secure.ethicspoint.com/domain/media/en/gui/56538/index.html>

Purposeful misrepresentation of reporting allegations may be construed as a malicious act. Allegations made frivolously, in bad faith or without factual basis may constitute defamation and may be legally actionable.

## Glossary

**Assets** - What the County owns.

**Business Type Activities** - Activities financed in whole or in part through fees charged to external parties for goods and services.

**Component Units** - Legally separate organizations for which the County is financially accountable.

**Deferred Inflow of Resources** - An inflow (source) of resources into the government that is applicable to a future reporting period.

**Deferred Outflow of Resources** - An outflow (use) of resources consumed by the government that is applicable to a future reporting period.

**General Revenues** - General Revenues include property and sales taxes. This is the primary form of funding for the General Fund.

**Liabilities** - What the County owes.

**Net Position** - Difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources.

**Program Revenues** - Program Revenues represent the County's main source of funding (inflow of assets) and is made up mostly of charges for services (both governmental and business-type activities), but also includes operating and capital grants (State or Federal).

**WIP** - Work-In-Progress capital projects that have accumulated costs but that were not yet usable or placed in service by fiscal year end.

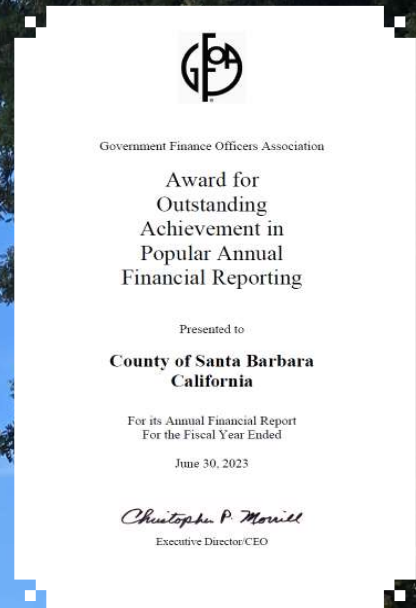


## Award for Outstanding Achievement

Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Santa Barbara County for its Popular Annual Financial Report for the fiscal year ended June 30, 2023. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of State and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. This award has been achieved annually by the County since 1995. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we will be submitting it to the GFOA to determine its eligibility for another Award.



Betsy M. Schaffer, CPA, CPFO, CFE  
Auditor-Controller

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