

FY 2023-24

BUDGET UPDATE

Fourth Quarter



one
COUNTY
one
FUTURE

COUNTY OF
SANTA BARBARA

September 10, 2024
County Executive Office

Today's Report

FY 2023-24 Budget and Financial Recap
Update on the County's 4th Quarter financial
position relative to the adjusted budget

Background

- Compares 4th quarter financial position as of June 30, 2024 against the adjusted budget
- Reportable variance threshold:

General Fund

>\$300K per department, and;
Departments that would have ended negative without additional assistance

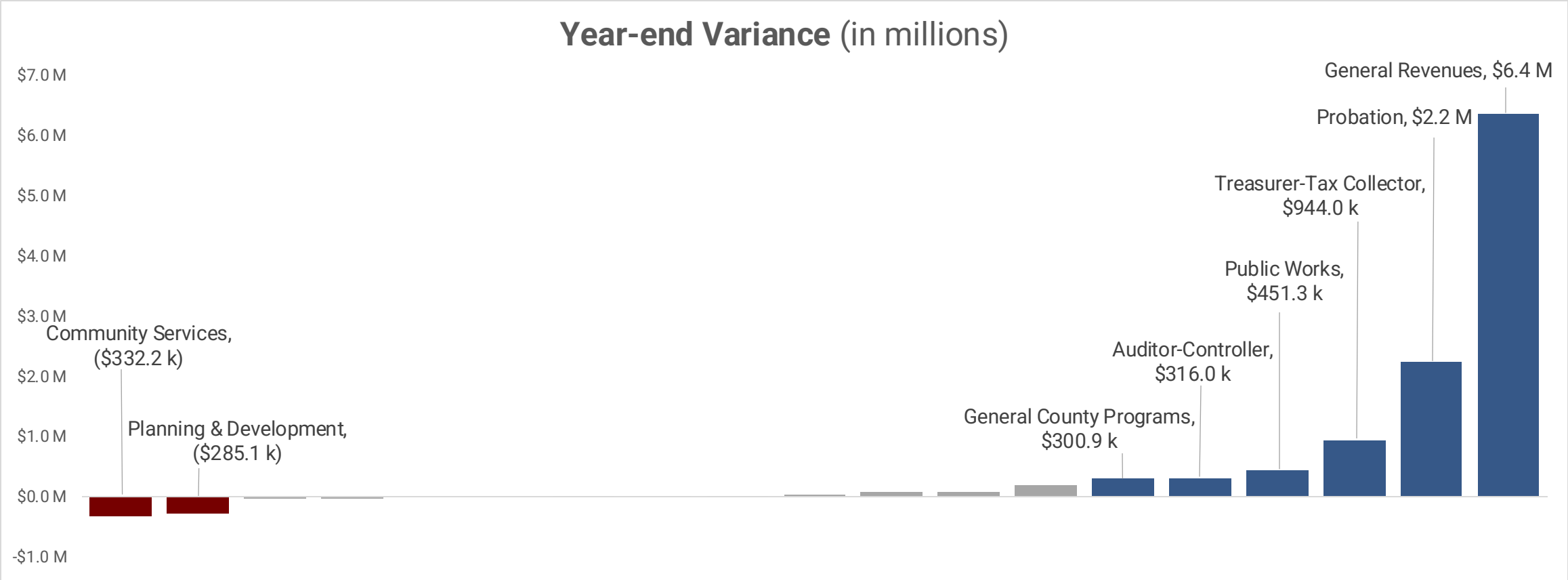
Special Revenue Funds

End the fiscal year balanced

General Fund Summary by Department

\$10.3M

Positive Variance



General Fund Significant Net Financial Impacts

General Revenues Cannabis Taxes

Variance	% Budget
\$6.3M	1.7%
(\$1.7M)	(23%)

Notable Variances by Source

General Revenues Source	Variance
Property Taxes	(\$1.3M)
Interest Income	\$4.6M
Sales and Use Retail State Tax	\$551K
Franchise Fees	\$530K
Property Transfer Taxes	\$461K
Other Revenues	\$437K

- Cannabis Taxes projected lower than budgeted
 - Shortfall is due to timing of retail operators completing land use entitlement and business licensing process, and lower than anticipated retail storefront receipts

General Fund
 Significant Net
 Financial Impacts

Probation
Treasurer-Tax Collector
Public Works
Auditor-Controller

Variance	% Budget
\$2.2M	2.5%
\$944K	8.9%
\$451K	2.3%
\$316K	2.8%

Probation Savings generated by staffing vacancies

Treasurer-Tax Collector, Auditor-Controller Positive variance driven by higher-than-anticipated administrative revenues and staffing vacancies

Public Works Positive variance due to staffing vacancies and lower-than-anticipated services and supplies costs in the Project Clean Water Program and Surveyor Division

General Fund Significant Net Financial Impacts

Sheriff

\$935K Q3 projected deficit addressed

Variance

% Budget

\$31K

0.015%

Opioid settlement funds reimbursed some Medically Assisted Treatment program costs

State grants reimbursed some costs incurred in the jail related to medical treatment for inmates

ARPA funding reimbursed criminal justice data program eligible costs

Contract negotiations with Wellpath held costs at status quo for Q4

Deficit was primarily driven by overtime and pharmaceutical costs in excess of budget

General Fund
 Significant Net
 Financial Impacts

Public Health - Animal Services
Community Services - Parks

Variance	% Budget
\$0	N/A
(\$332K)	(0.7%)

Public Health-Animal Services

\$393K budget deficit addressed through the release of fund balance combined with greater-than-expected donation revenue and lower-than-anticipated services and supplies expenditures

Deficit was primarily driven by decreased animal licensing revenues; increases in food, pharmaceuticals and contracted support

Community Services-Parks

Delayed concessionaire revenues at Goleta Beach; decreased day use and camping revenues due to winter 2024 storms

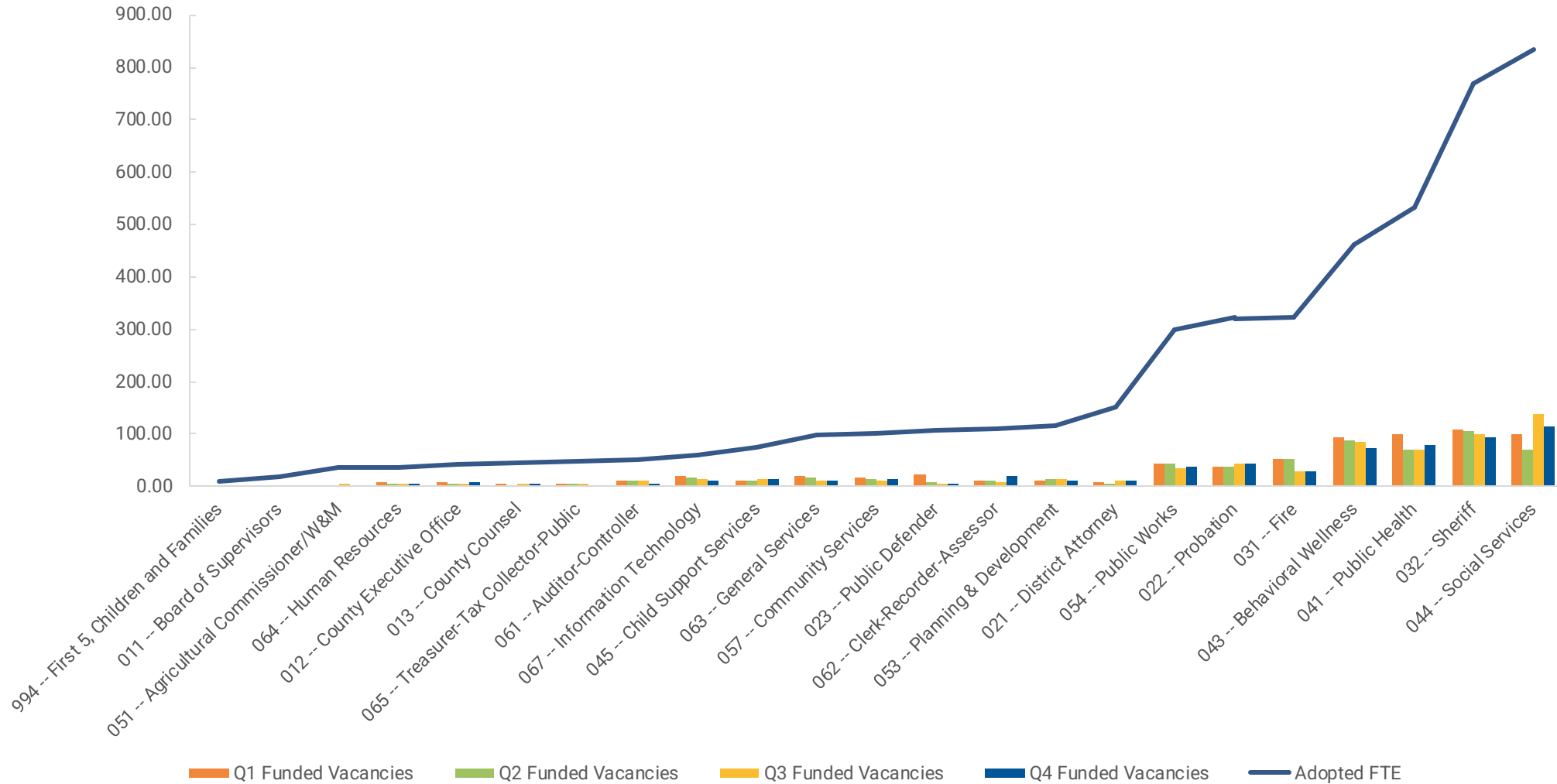
Pursuing business interruption insurance to recover some losses; any remaining year-end deficit is absorbed by General Fund; General Fund will be reimbursed if insurance payments are received

Funded Vacancies

Summary by Department

592.53 Funded Vacancies

FY 2023-24 Funded Vacancies by Quarter



Anticipated FY 2025-26 One-time Needs

- New capital projects
- Deferred maintenance projects
- Cost inflation on previously approved capital projects
- Enterprise resource planning system implementation costs (e.g., Workday, and Sherpa)
- Countywide plans implementation costs (e.g., Climate Action Plan, and Recreation Master Plan)

Recommended Actions

- a) Receive and file the Fiscal Year (FY) 2023-24 Fourth Quarter Budget and Status Report as of June 30, 2024, showing the status of appropriations and financing for departmental budgets adopted by the Board of Supervisors; and
- b) Determine that the above actions are not a project under the California Environmental Quality Act (CEQA), because pursuant to sections 15378(b)(4) and 15378(b)(5) the recommended actions consist of organizational, administrative, or fiscal activities of government that will not result in direct or indirect physical changes in the environment.