

FY 2024-25 BUDGET UPDATE Second Quarter



one
COUNTY
one
FUTURE

COUNTY OF
SANTA BARBARA

March 4, 2025
County Executive Office

Today's Report

FY 2024-25 Budget and Financial Status
Update on the County's 2nd Quarter financial
position relative to the adjusted budget

Background

- Compares second quarter financial position as of December 31, 2024 against the adjusted budget
- Reportable variance threshold:

General Fund	> \$300K per department, and;
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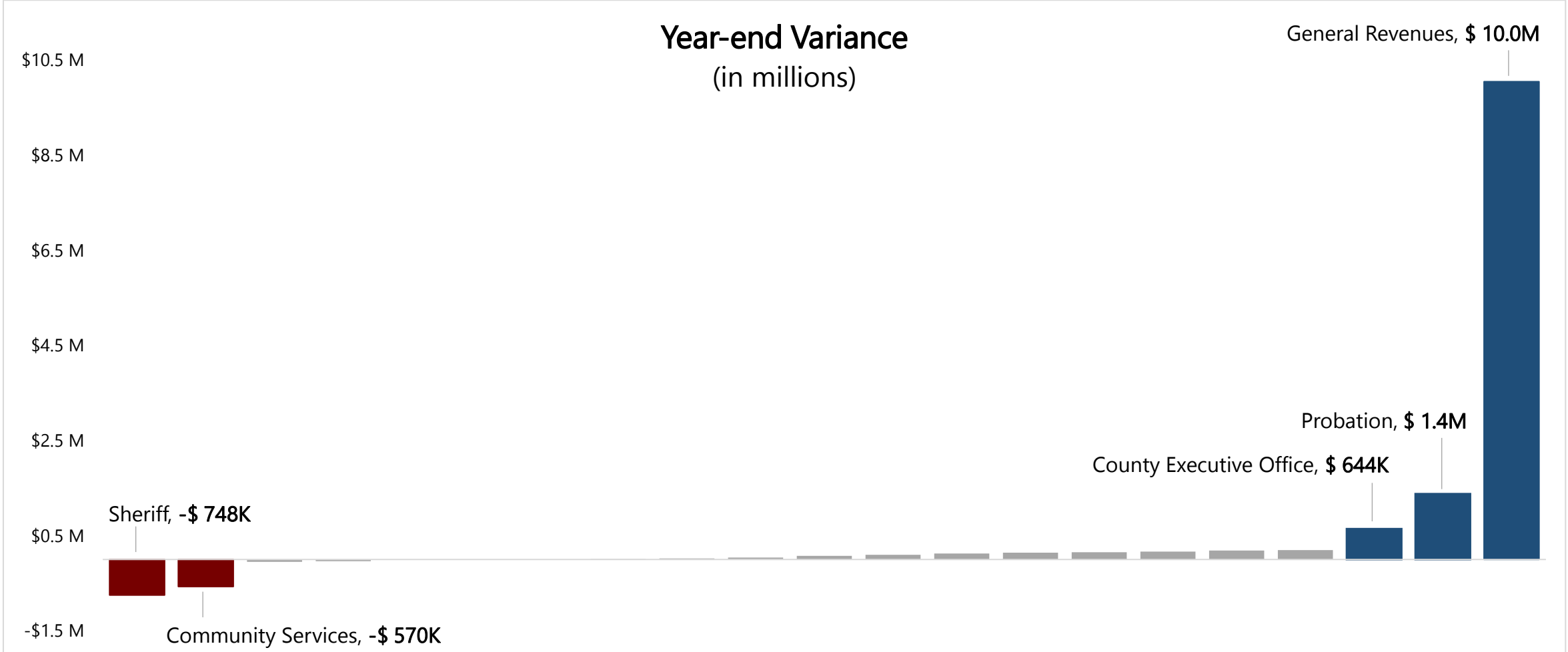
Special Revenue Funds	> \$500K per Fund
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General Fund

Summary by Department

\$11.9M Projected Positive Variance

Year-end Variance
(in millions)



General Fund
Significant Net
Financial Impacts

General Revenues
Cannabis Taxes

Variance	% Budget
\$10.0M	2.6%
\$(732K)	(12%)

Notable Variances by
Source

General Revenues Source	Variance
Property Taxes	\$5.1M
Transient Occupancy Tax	\$2.3M
Interest Income	\$1.1M
Property Transfer Tax	\$1.4M
Sales and Use Tax	\$540K
Other Revenues	\$(337K)

- Cannabis Taxes projected lower than budgeted
 - Shortfall mostly due to the attrition of licensed cultivators
 - Balanced by use of cannabis prudent reserve fund balance

General Fund
Significant Net
Financial Impacts

Probation
County Executive Office
Community Services Parks

Variance	% Budget
\$1.4M	1.5%
\$644K	6.1%
(\$570K)	(1.4%)

Probation, County Executive
Office

Savings generated by staffing
vacancies on funded positions.

Community Services-Parks

Delayed concessionaire revenues at
Goleta Beach

Decreased RV Hookup revenues due
to the Cachuma Lake RV area
improvement project

General Fund
Significant Net
Financial Impacts

Sheriff

Variance	% Budget
(\$748K)	(0.4%)

Overrun in overtime
and pharmaceutical
costs

Overtime costs projected over budget by \$16M; mostly covered by salary savings

Jail Medical Contract and
Deputy Sheriff's
Association (DSA) Side
Letter impacts

Revenue from General County Programs set aside for release at year-end to defray estimated costs of \$5M+

- Jail Medical cost increases
- Negotiated salary increases, lump-sum and longevity payments for DSA members

Internal Service Funds

Significant Net Financial Impacts

IT Shared Services (Fund 1915)

IT Communications (Fund 1919)

Variance

% Budget

\$1.2M

3.7%

(\$1.0M)

6.1%

Information Technology Shared Services

Positive \$1.2 million variance due primarily to salary savings from several vacant positions and lower than anticipated hardware and professional services costs. Will be put towards additional hardware and software costs.

Information Technology Communications

Negative \$1 million variance due to unanticipated costs from a former telephone service provider. The department plans to cover this with the use of reserves.

Q2 Funded Vacancies

Departments with rates greater than 15%

533.4 Funded
Vacancies

County Executive Office, 22% (10/45 FTE)

Child Support Services, 21% (15/74 FTE)

Information Technology, 18% (13/73 FTE)

Behavioral Wellness, 16% (74/469 FTE)

Probation, 15% (50/328 FTE)

Key Takeaways

- Total funded vacancies decreased by 25.8 FTE from Q1
- Decreases in Social Services (14), Public Works (11), Information Technology (5)
- Increases in Clerk Recorder-Assessor (4), County Executive Office (3)
- Unused funds are returned to the General Fund or associated funding source at year end

Recommended Actions

- a) Receive and file the Fiscal Year (FY) 2024-25 Second Quarter Budget and Status Report as of December 31, 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.