

Financial Highlights

Fiscal Year Ended June 30, 2023

Santa Barbara County, CA



one
COUNTY

one
FUTURE

Betsy M. Schaffer, CPA, CPFO
Auditor-Controller

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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, 2023. 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.

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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:

I think of accounting as a bridge and a pathway. Similar to the way sounds are translated into musical notes (a coding system) for replication and retention, accounting is a translation, too. To me, accounting is the translation of events, activities, and behaviors into a systematic coding system for controlling, measuring, and reporting. For music, this act of translating is the bridge and pathway from random sounds to intentional melodies. And, translating events, activities, and behaviors is the bridge and pathway to understanding an organization's functions and business.

In fact, accounting is known as the "language of business."

There's definitely a lot required to master accounting translation, but it's worth it, especially when the goals are to control (secure), measure, and report. In the government sector, these goals are of prime importance because the underlying purpose is to respect and protect taxpayer money that the government receives through taxes, fees, charges, and other governments. This publication is about making the translation, the bridge and pathway, an easier way to understand Santa Barbara County.

Fiscal Year 2022-23 has really been about maintaining stability through change, or bridging the gap. There's been change in leadership with five department directors turning over, several management and other executives, and an unprecedented number of front-line team members. Many are leaving the county after 30+ years of service. According to the board resolutions through March 31, 2023, 37 employees have retired, with a total of 937 years of service. Wow. That's a lot of experience leaving the County organization.

However, governments and government services have to go on even if the staff support changes. Although, it has been a stable year financially with assistance

from ARPA, FEMA, ERAP, and other governmental aide. Property taxes grew 7.8%. Countywide expenditures increased by \$95,886 or 7.9%. Fiscal year 2022-23 also marked the completion of the New Cuyama Fire Station and the Waller Park Recycled Water Project.

Bridges (translations) are necessary when there's not a direct way to move from here to where we are trying to be.

I've always considered myself as a bridge from the past to the future. The Auditor-Controller team and I support and translate both county and accounting language. We look at the story being told by the coding system. Is there music or is there disharmony? The story is the bridge and the bridge is the story. Sometimes it's a difficult way, the bridge isn't always sturdy, and there's not always a direct translation. It's an interesting journey, full of unforeseen adventures. But, the sights are extra-ordinary.

With Much Gratitude,



A handwritten signature in black ink that reads "Betsy M. Schaffer".

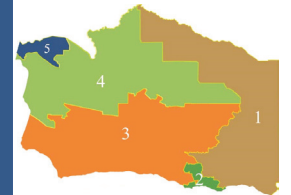
Betsy M. Schaffer, CPA, CPFO
AUDITOR-CONTROLLER

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 \$1.3 billion, adopts ordinances on local matters, and sets land use policies that affect unincorporated areas (areas outside of cities).

**County of Santa Barbara
2023 Board of Supervisors**

Joan Hartmann Third District	Laura Capps Second District	Das Williams First District CHAIR	Steve Lavagnino Fifth District VICE-CHAIR	Bob Nelson Fourth District

COUNTY DISTRICTS



HEALTH & PUBLIC ASSISTANCE

FTE: 1,652 **(2)** from FY 2021-22
Exp: \$452.0M **+\$30.8M** FY 2021-22

This functional group strives to improve the health of the community through preventive health services, aiding individuals and families to become emotionally, socially and fiscally self-sufficient, serving children and families by enforcing child support orders, and providing a comprehensive array of alcohol, drug, and mental health services.



GENERAL GOVERNMENT & SUPPORT SERVICES

FTE: 343 **+5** from FY 2021-22
Exp: \$61.4M **(\$2.9M)** FY 2021-22

This functional group provides important general government services to the citizens such as elections, property tax administration, treasury operations, and also provides support services to County operations such as information technology, payroll, and capital projects. These departments provide financial integrity for the County, as well as management of the County's assets.



PUBLIC SAFETY

FTE: 1,532 **(6)** from FY 2021-22
Exp: \$375.2M **+\$3.2M** FY 2021-22

Public Safety protects the community, including people and their property via law enforcement, fire protection, custody of adult and juvenile criminals, and probation monitoring of offenders. This function also protects the rights and the safety of citizens through criminal/civil prosecution and defense of the accused.



POLICY & EXECUTIVE

FTE: 104 **+3** from FY 2021-22
Exp: \$26.7M **+4.7M** FY 2021-22

The Policy and Executive group includes the County Board of Supervisors. The group is responsible for: setting policy, risk management programs, emergency operations, recommending and overseeing the budget, and providing legal services.



COMMUNITY RESOURCES & PUBLIC FACILITIES

FTE: 428 **+1** from FY 2021-22
Exp: \$188.3M **+\$20.4M** FY 2021-22

The departments in this functional group are devoted to enhancing the quality of life in the County. They look to preserve and protect natural resources, foster safe long-term land use, develop affordable housing, support the use of parks, protect agriculture and maintain essential public works facilities to make everyday life as safe and convenient as possible.



GENERAL COUNTY PROGRAMS

FTE: 0 **+0** from FY 2021-22
Exp: \$73.1M **+\$26.7M** FY 2021-22

This function is not directly associated with a specific department, such as organizational development. Transfers to other government entities, such as the Human Services Commission, and the Local Agency Formation Commission, are also accounted for in this functional group.



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/ceo.

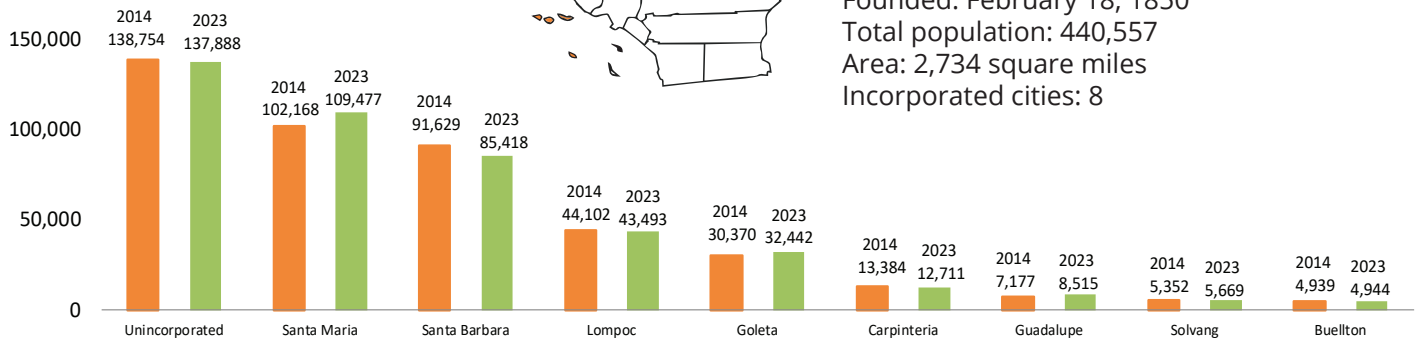
*The County has five elected department directors responsible for the offices of the Auditor-Controller, Clerk-Recorder-Assessor, District Attorney, Sheriff-Coroner, and Treasurer-Tax Collector-Public Administrator. The above organization chart reflects the various functional groups reported in the ACFR,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

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.

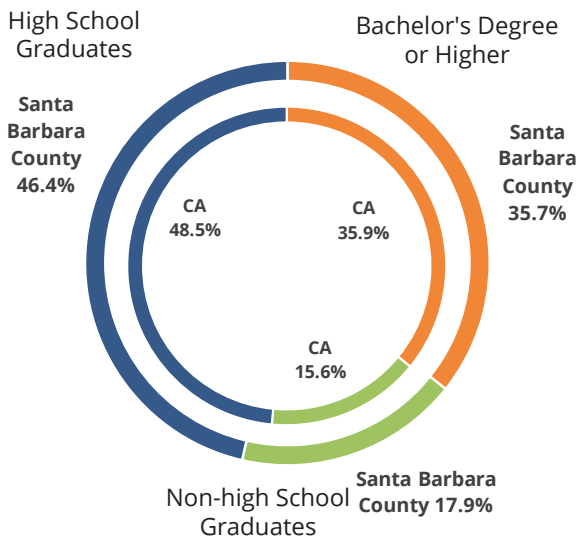
POPULATION CHANGES*

(2014 VS 2023)



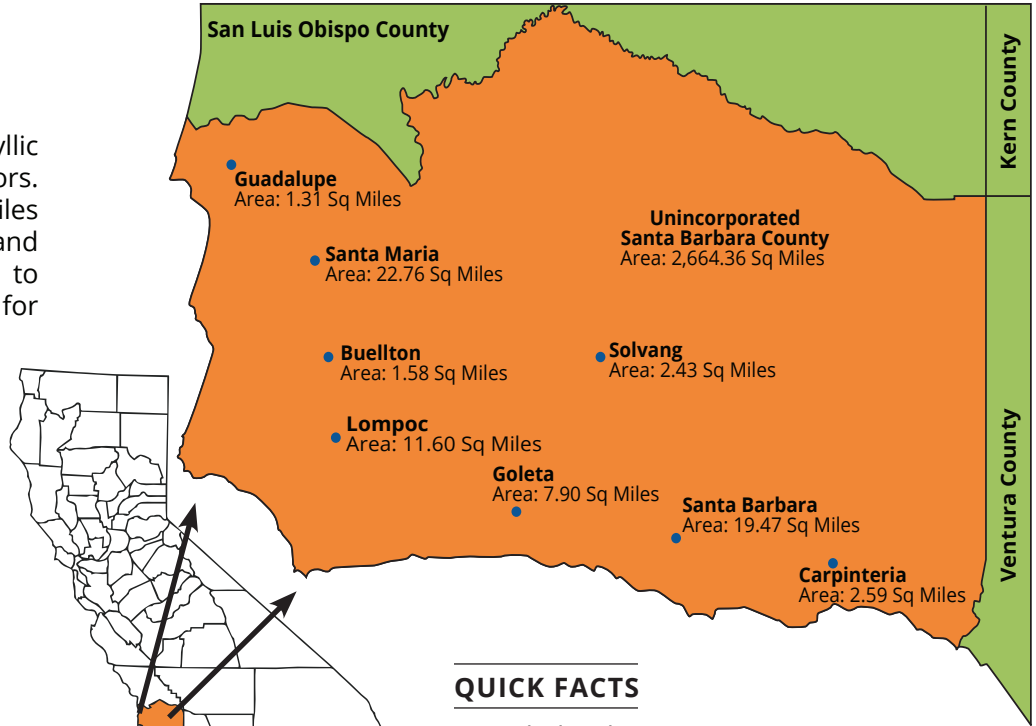
*Provided by The State of California Department of Finance

AVERAGE EDUCATION LEVELS (2018 - 2022)



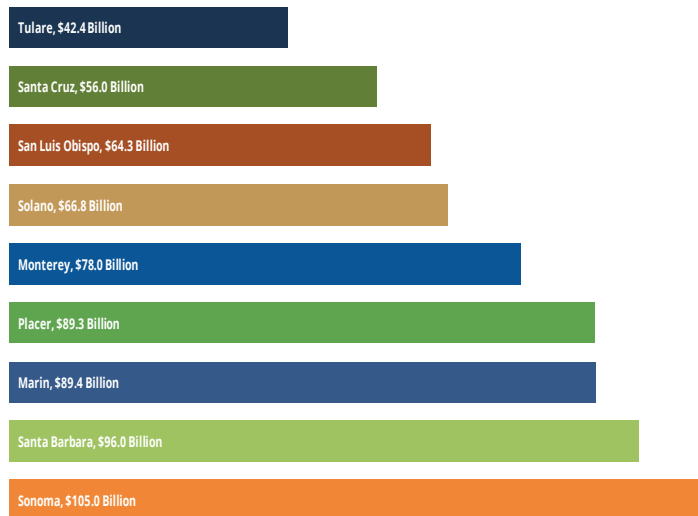
QUICK FACTS

Founded: February 18, 1850
 Total population: 440,557
 Area: 2,734 square miles
 Incorporated cities: 8



FY 2021-22 PROPERTY TAX ROLL

VALUES OF COMPARABLE COUNTIES



OPERATING INDICATORS BY FUNCTION/PROGRAM

Function/Program	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	Change	
					from PY	FY 2022-23
Public Safety						
Other:						
Filed felonies-District Attorney	2,801	2,582	2,181	2,407	56	2,463
Filed misdemeanors-District Attorney	10,065	8,935	6,534	6,886	-1,208	5,678
Public Defender's total new caseload	12,316	12,247	7,872	16,167	-3,728	12,439
Fire emergency responses	15,634	14,723	14,618	16,239	1,091	17,330
Sheriff:						
Total miles patrolled	1,441,414	1,406,295	1,362,890	1,276,095	-34,653	1,241,442
Processed and booked adult offenders	13,710	11,108	8,326	10,001	316	10,317
Probation:						
Juvenile referrals processed	2,656	1,987	722	985	-5	980
Adult and Juvenile cases supervised	6,088	7,318	4,801	4,247	-304	3,943
Institutional care for minors	22,147	16,344	6,920	7,397	1,272	8,669
Submit written reports to courts on Adults	5,238	3,911	2,538	6,234	2,698	8,932
Health & Human Services						
Behavioral Wellness clients served	14,711	14,052	10,652	11,774	30	11,804
Established orders for child support	11,227	10,964	10,458	10,159	-307	9,852
Assistance claims paid to eligible recipients	88,672	85,710	79,809	80,211	5,970	86,181
Patient encounters at Public Health clinics	118,500	113,500	121,000	112,500	-11,041	101,459
Community Resources & Public Facilities						
Building inspections	26,930	24,952	24,943	24,877	-1,228	23,649
Enhanced or maintained road lanes (miles)	44	64	46	53	3	56
General Government & Support Services						
Clerk-Recorder-Assessor:						
Recorded documents & vital copies issued	90,740	104,052	140,571	120,479	-42,050	78,429
Resource Recovery						
Waste recycled (tons per month)	7,645	7,882	8,253	7,598	-1,481	6,117
Landfill waste disposal (tons per month)	19,215	17,744	16,245	15,946	78	16,024

COUNTY TIMELINE & ECONOMIC CONDITION

FY 2022-23

HEADLINES

JULY
2022

Santa Barbara County, Cities Take on Governor's Homelessness Challenge
- Santa Maria Times - Aug. 22, 2022

Santa Barbara County Ag Revenues Almost Hit \$2 Billion Ceiling
- Santa Barbara Independent - Jul. 27, 2022

AUGUST
SEPTEMBER

Cruise Ships Returning to Santa Barbara in Record Numbers Following Pandemic Pause
- Santa Barbara Independent - Sept. 28, 2022

OCTOBER

Santa Barbara County Supervisors Concerned About Impacts of Staff Vacancies
- Santa Maria Times - Oct. 12, 2022

NOVEMBER

Santa Barbara's Housing Crisis: How Bad Is Bad?
- Santa Barbara Independent - Nov. 1, 2022

Busy Year For SpaceX to Continue with Falcon Rocket Launch at Vandenberg
- Noozhawk - Nov. 16, 2022

DECEMBER

Gov. Newsom visits Santa Barbara County, Calls Community's Resilience an 'Inspiration'
- The Tribune - Jan. 14, 2023

State Commission Funds a Historic \$80 Million for Santa Barbara Transportation Projects
- KEYT - Dec. 9, 2022

JANUARY
2023

FEBRUARY

Coming Storm Upgraded to 'Blizzard' in Santa Barbara County
- Santa Barbara Independent - Feb. 22, 2023

MARCH

Santa Barbara Supes Approve 94 Transitional Cabins
- Santa Barbara Independent - Mar. 1, 2023

APRIL

Santa Barbara County Reportedly Financially Stable as 2023-24 Budget Workshops Begin
- Santa Maria Times - Apr. 25, 2023

MAY

Amid the Cannabis Glut, Growers are Pulling out
- Noozhawk - May. 13, 2023

JUNE

Big Changes Approved for Ambulance Services in Santa Barbara County
- The Santa Barbara Independent - Jun. 13, 2023

ECONOMIC CONDITION

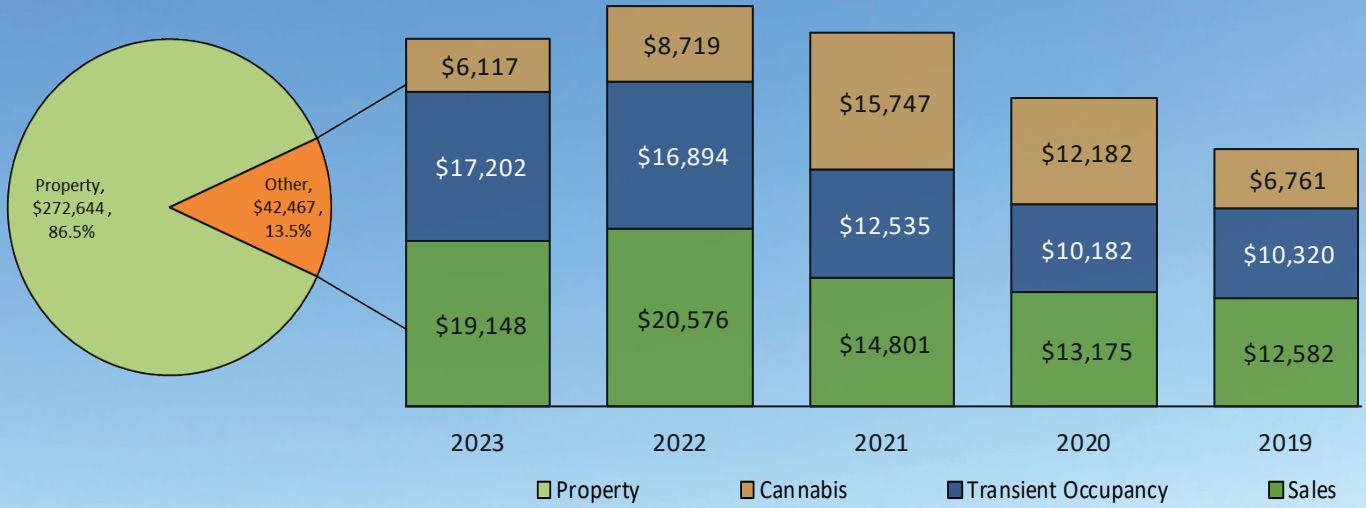
The California Fiscal Outlook report indicates that the US economy underwent a rapid but potentially unsustainable expansion in 2020-2021 due to significant federal aid post-pandemic. Locally, the 2023 University of California Santa Barbara Economic Forecast Project highlights persisting housing-driven employment challenges, leading to stagnant retail jobs and sales, resulting in a slower recovery compared to some areas. Despite this, the local economy displays resilience with increasing employment, notably in leisure and hospitality, though retail employment continues its decline.

The Arts and Professional and Business services emerge as the fastest-growing industries, while agriculture, valued at nearly \$2 billion, plays a pivotal role, led by strawberries, broccoli, wine grapes, and avocados. Retail sales, particularly in food

services and bars, are improving, with all cities in the County experiencing growth, including Solvang, posting an impressive growth of over 45%. Home values continue to grow, although at a slower pace, and commercial real estate sales are robust due to low inventory and high demand, especially through off-market transactions. The office market, however, faces challenges with surplus inventory and a vacancy rate over 9%.

In conclusion, the County is experiencing a stable fiscal situation, although there is an uncertain environment where the State is faced with a \$31.5 billion deficit, and the Federal Government continues to temper inflation with interest rate hikes. The fiscal consciousness of Board-adopted budget policies has continued to help mitigate risks and prepare for future challenges during uncertain economic times.

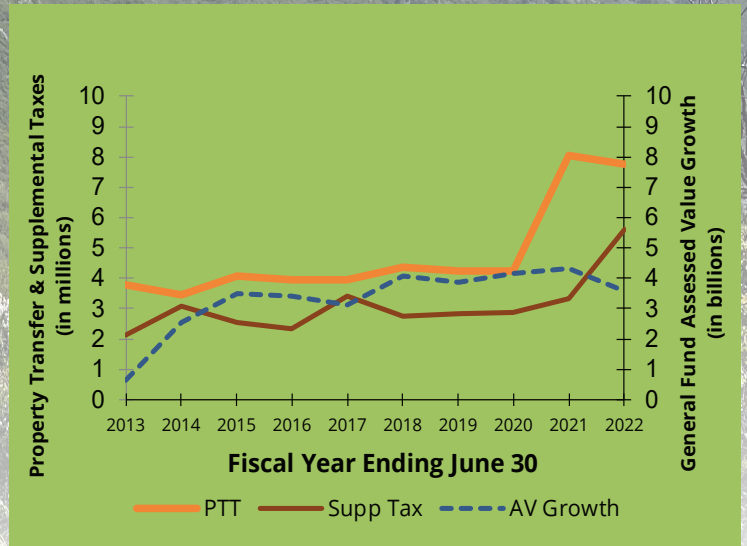
FY 2022-23 GENERAL TAX REVENUE AND TRENDS (IN THOUSANDS)



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

INTERGOVERNMENTAL TAX REVENUE (IN MILLIONS)

Fiscal Year	2022-23	2021-22	Change	PCT % Change
Revenue				
State	\$ 353.8	\$ 338.9	\$ 14.86	(4.4%)
Federal	172.8	166.2	6.6	4.0%
Other	6.6	5.9	0.72	(12.2%)
Total Revenue	\$ 533.2	\$ 511.0	\$ 22.2	



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.

*Amounts may differ from the ACFR due to rounding.

Fiscal Year	Governmental Activities			Business-Type Activities			Total		
	2020-21	2021-22	2022-23	2020-21	2021-22	2022-23	2020-21	2021-22	2022-23
Assets									
Current and other assets	\$ 827.0	\$ 935.3	\$ 1,004.0	\$ 169.9	\$ 136.3	\$ 128.9	\$ 997.0	\$ 1,071.6	\$ 1,132.9
Capital assets, net of depreciation	843.6	891.3	957.3	252.2	284.6	291.8	1,095.8	1,175.9	1,249.1
Total assets	1,670.6	1,826.6	1,961.2	422.1	420.9	420.7	2,092.8	2,247.4	2,381.9
Deferred outflows of resources	345.9	232.2	210.4	6.2	4.2	3.9	352.1	236.3	214.3
Liabilities									
Current and other liabilities	152.9	230.7	253.1	19.6	11.9	6.5	172.5	242.6	259.7
Long-term liabilities	1,152.4	620.4	875.9	248.1	234.1	235.2	1,400.6	854.5	1,111.0
Total liabilities	1,305.3	851.1	1,128.9	267.7	246.0	241.7	1,573.1	1,097.1	1,370.6
Deferred inflows of resources	68.9	396.4	44.3	0.7	6.7	0.4	69.6	403.1	44.6
Net position									
Net investment in capital assets	782.4	819.2	876.9	98.6	112.0	125.4	881.1	931.2	1,002.4
Restricted	364.8	394.9	445.1	--	--	--	364.8	394.9	445.1
Unrestricted	(504.9)	(402.8)	(323.7)	61.3	60.4	57.1	(443.6)	(342.4)	(266.5)
Total net position	\$ 642.3	\$ 811.3	\$ 998.3	\$ 159.9	\$ 172.4	\$ 182.6	\$ 802.3	\$ 983.7	\$ 1,180.9

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.

*Amounts may differ from the ACFR due to rounding.

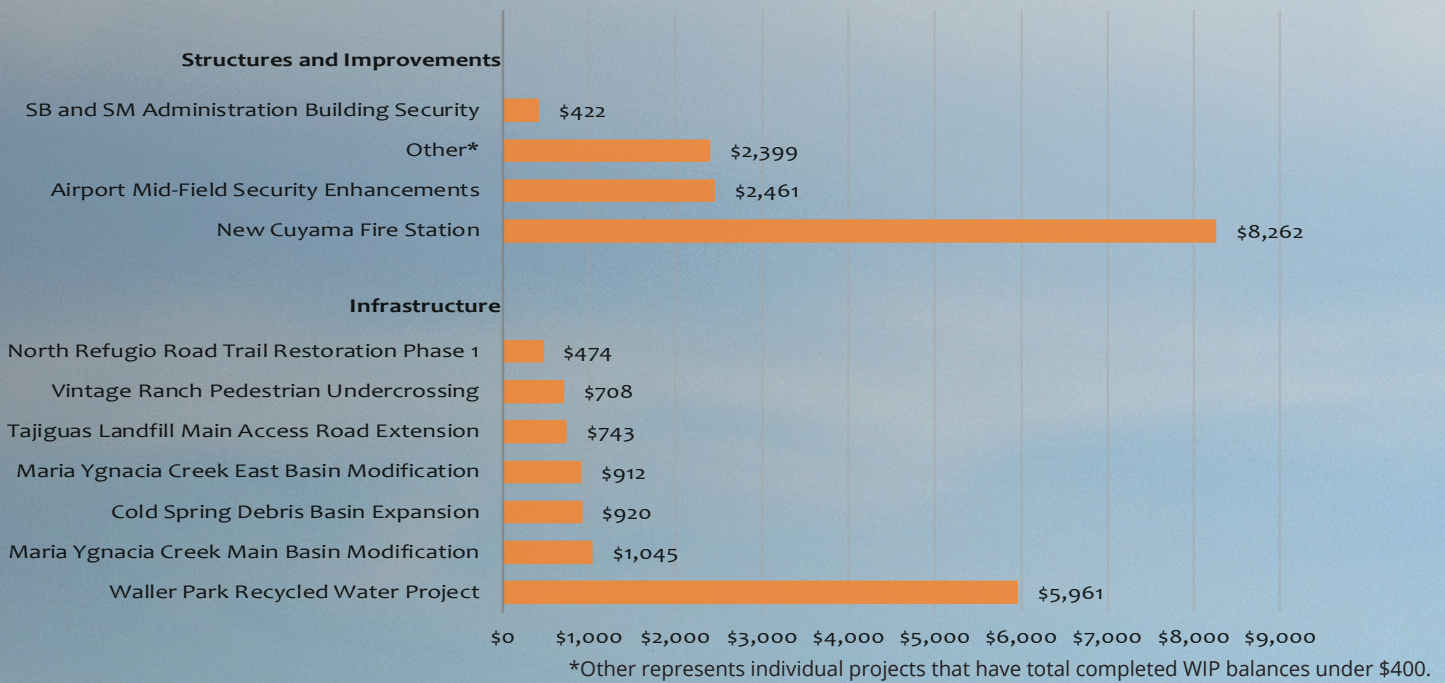
Fiscal Year	Governmental Activities			Business-Type Activities			Total		
	2020-21	2021-22	2022-23	2020-21	2021-22	2022-23	2020-21	2021-22	2022-23
Revenues									
Program Revenues	\$ 734.6	\$ 743.0	\$ 806.7	\$ 55.7	\$ 66.3	\$ 67.8	\$ 790.3	\$ 809.4	\$ 874.6
General Revenues	380.0	391.4	429.0	0.4	(4.5)	\$ 1.2	380.3	386.7	430.3
Total revenues	1,114.6	1,134.4	1,235.8	56.1	61.8	69.1	1,170.7	1,196.2	1,304.8
Expenses									
Policy & Executive	19.7	13.2	17.9	--	--	--	19.7	13.2	17.9
Public Safety	389.2	328.4	341.0	--	--	--	389.2	328.4	341.0
Health & Human Services	412.1	375.4	428.5	--	--	--	412.1	375.4	428.5
Community Resources & Public Facilities	147.7	133.6	153.2	--	--	--	147.7	133.6	153.2
General Government & Support Services	49.0	38.5	40.0	--	--	--	49.0	38.5	40.0
General County Programs	9.6	46.1	65.7	--	--	--	9.5	46.1	65.7
Interest on long-term debt	1.6	2.2	2.5	--	--	--	1.6	2.2	2.5
Resource Recovery	--	--	--	34.0	40.5	49.5	34.0	40.5	49.5
Laguna Sanitation	--	--	--	8.7	8.8	9.4	8.7	8.8	9.4
Total expenses	1,028.8	937.5	1,048.8	42.7	49.3	58.9	1,071.5	986.8	1,107.7
Transfers In -Out	(0.1)	--	--	0.1	--	--	--	--	--
Change in net position before special item	85.7	196.9	187.0	13.5	12.5	10.2	99.2	209.4	197.2
Special item	--	(28.0)	--	--	--	--	--	(28.0)	--
Change in net position	85.7	168.9	187.0	13.5	12.5	10.2	99.3	181.4	197.2
Net position - beginning	534.6	642.3	811.2	146.4	159.9	172.4	681.0	802.2	983.6
Prior period adjustment	22.0	--	0.1	--	--	--	22.0	--	0.1
Net position - beginning, as restated	556.6	642.3	811.3	146.4	159.9	172.4	703.0	802.2	983.7
Net position - ending	\$ 642.3	\$ 811.2	\$ 998.2	\$ 159.9	\$ 172.4	\$ 182.6	\$ 802.2	\$ 983.6	\$ 1,180.9

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 \$88,696 were offset by project completions of \$24,307.

SIGNIFICANT CAPITAL PROJECTS COMPLETED FROM WORK IN PROGRESS



WORK IN PROGRESS ADDITIONS



*All other represents individual projects that have total WIP balances under \$5,000.

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		
	2020-21	2021-22	2022-23	2020-21	2021-22	2022-23	2020-21	2021-22	2022-23
Bonds and notes payable	\$ 5.9	\$ 4.5	\$ 3.6	\$ 2.7	\$ 1.8	\$ 0.9	\$ 8.6	\$ 6.3	\$ 4.6
Certificates of participation	23.5	22.0	20.5	191.5	186.2	180.4	214.9	208.3	200.9
Total	\$ 29.4	\$ 26.5	\$ 24.1	\$ 194.1	\$ 188.1	\$ 181.4	\$ 223.5	\$ 214.6	\$ 205.4

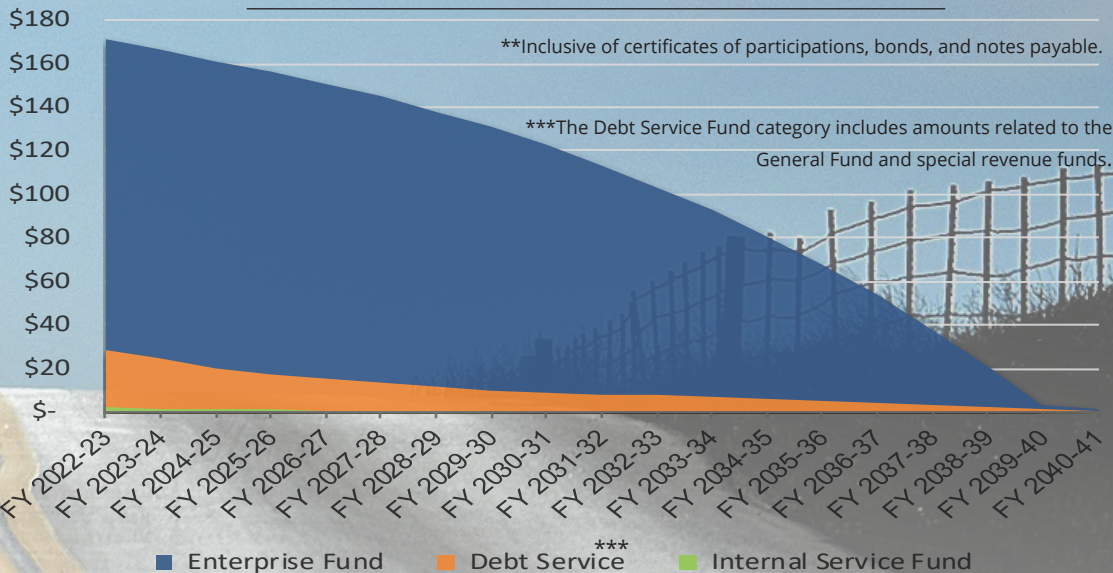
*Amounts may differ from the ACFR due to rounding.

The County maintains a Standard & Poor’s ‘SP-1+’ rating for short-term notes (this scale ranges from SP-1, the highest, to D, the lowest) and a Standard & Poor’s ‘AA+’ for long-term Certificates of Participation (COP) (this scale ranges from AAA, the highest, to D, the lowest). In addition, the County maintains a Moody’s ‘A1’ rating (this scale ranges from Aaa1, the highest, to Caa3, the lowest) and an S&P ‘AA+’ rating on its most recent series 2020 COP. The County’s strong credit ratings with Standard & Poor’s and Moody’s results in reduced borrowing costs for new capital asset construction.

The rationale behind the ratings reflects the rating agencies’ view of:

- The long-term general creditworthiness of the County;
- The County’s covenants to budget and appropriate lease payments;
- A stable, moderately growing economic base with access to the broader Ventura and Los Angeles area economies;
- Maintenance of very strong unreserved General Fund balances despite limited financial flexibility due to State mandates;
- An experienced management team that has implemented strong financial policies and prudent expenditure controls;
- Low overall debt levels; and
- The County’s very strong underlying general credit characteristics.

LONG-TERM DEBT OBLIGATIONS BY FUND TYPE**

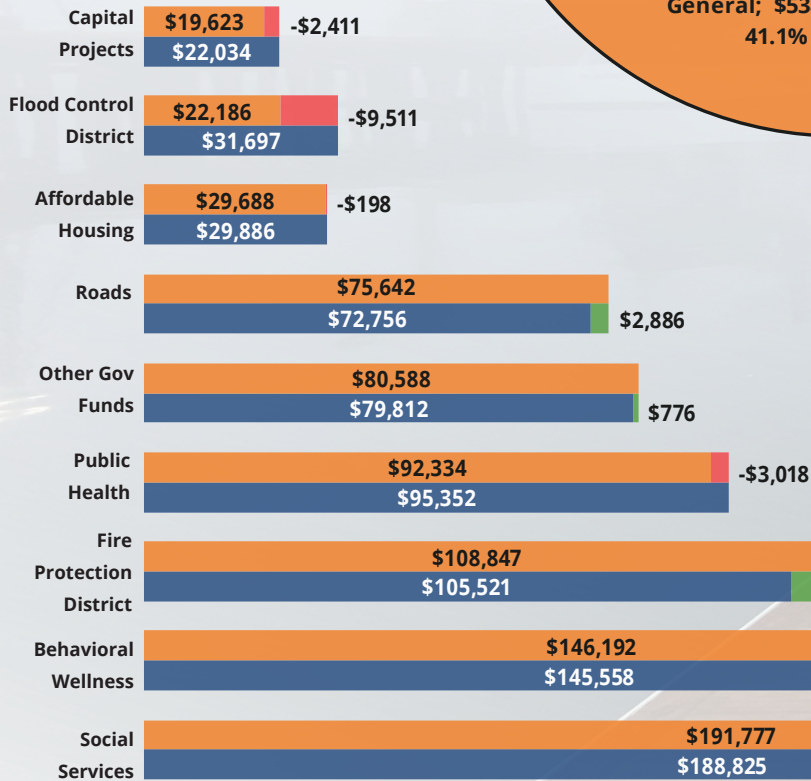
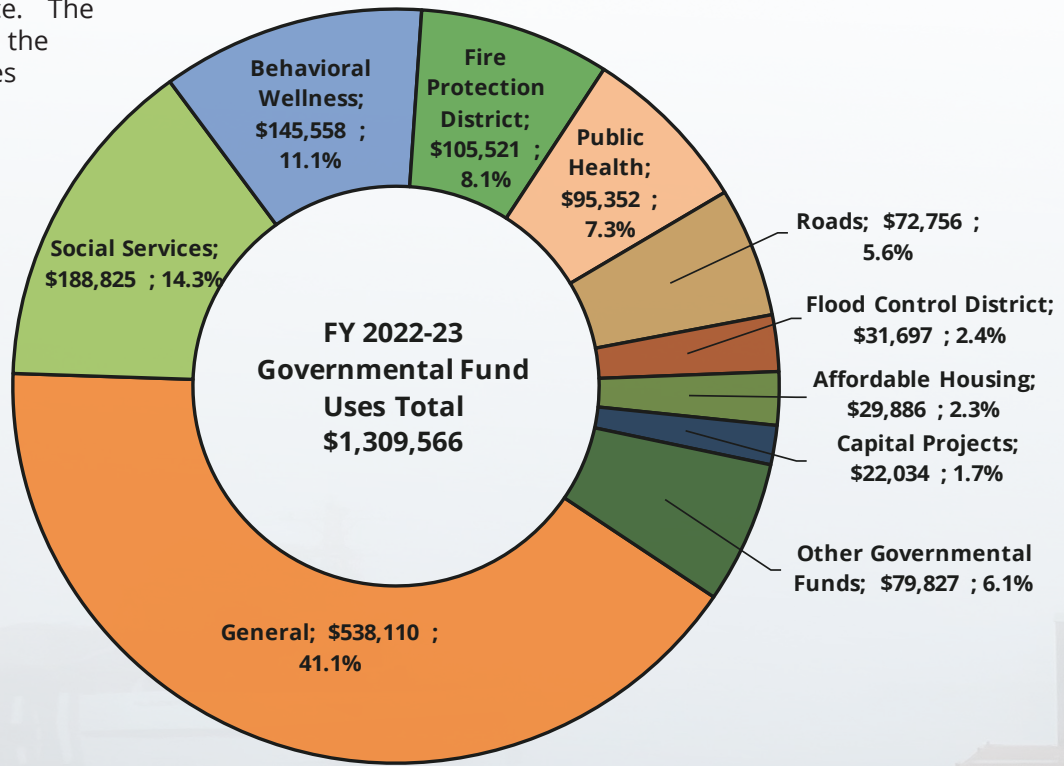


GOVERNMENTAL FUNDS

(IN THOUSANDS)

FY 2022-23 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

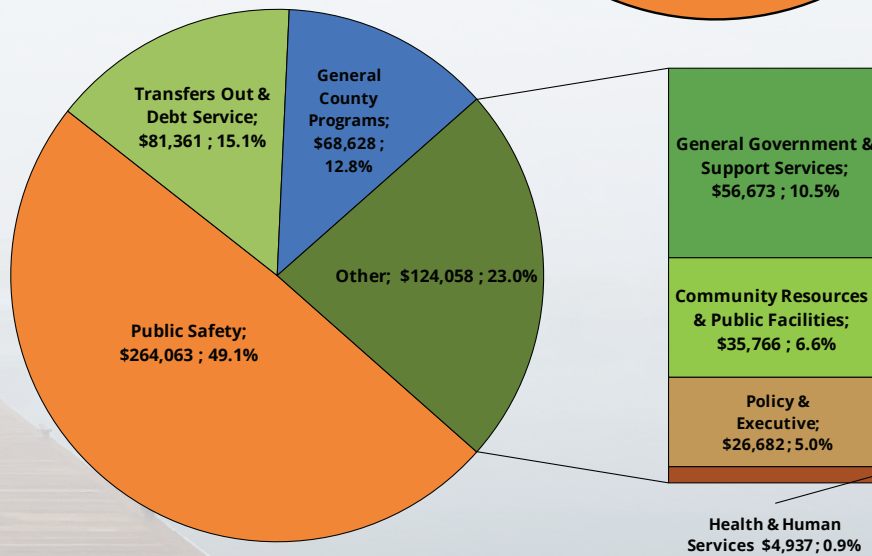
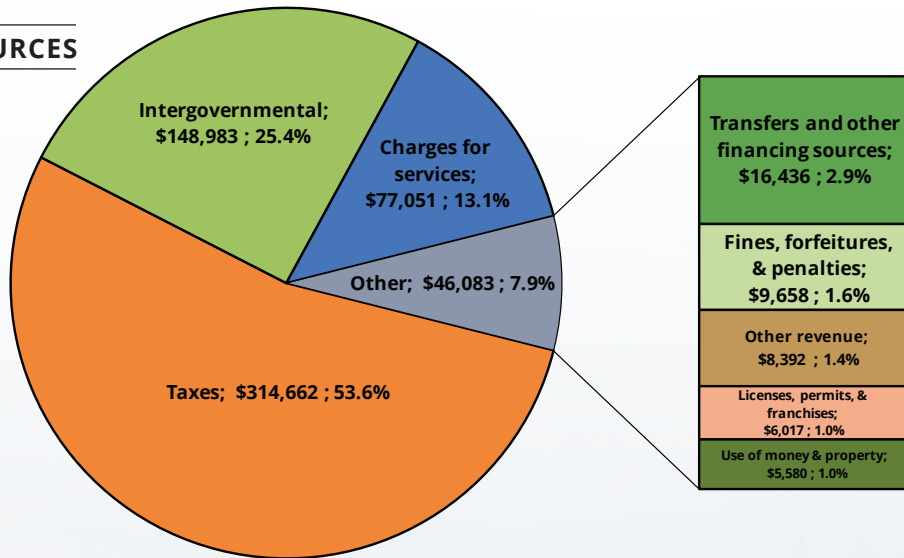
When Uses exceed Sources, Fund Balance is drawn to meet the unfunded needs. Conversely, when Sources exceed Uses, the excess is set aside as Fund Balance for use in a future period.

- Use
- Increase to Fund Balance
- Source
- Decrease to Fund Balance

\$- \$40,000 \$80,000 \$120,000 \$160,000 \$200,000

FY 2022-23 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).



FY 2022-23 GENERAL FUND USES

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.

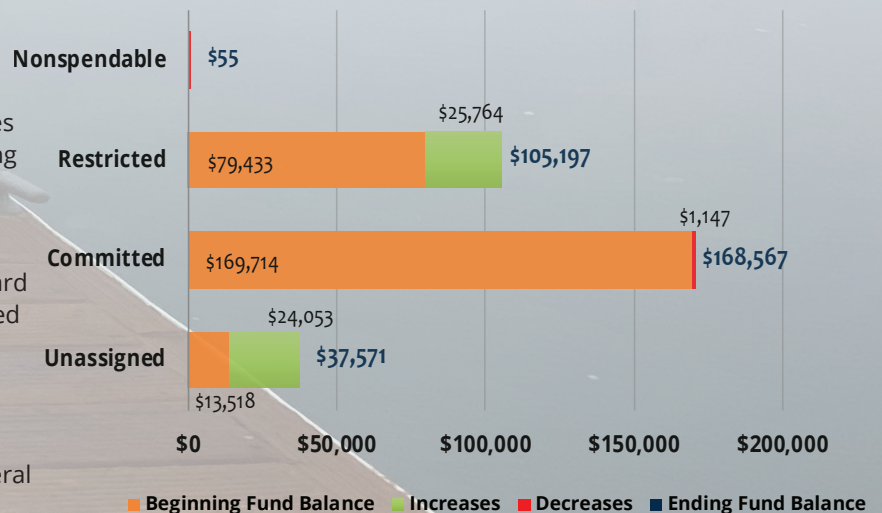
FUND BALANCE COMPONENTS

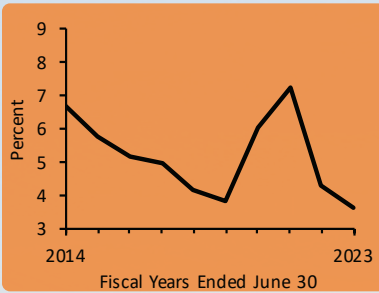
NONSPENDABLE - not spendable due to form (inventory) or law (endowment).

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.

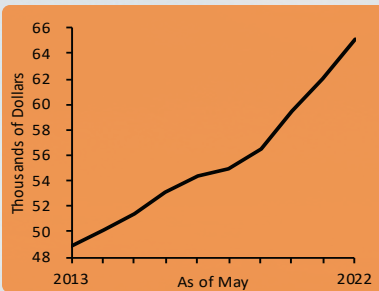
UNASSIGNED - can be used for any purpose as this amount represents the residual balance of the General Fund and includes all amounts not contained in the other classifications.





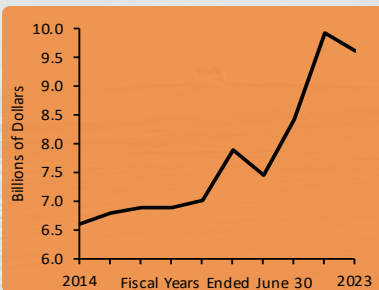
AVERAGE UNEMPLOYMENT RATE: 3.6%, -0.7% from FY 2021-22

The County's average unemployment rate steadily declined from peak at beginning of FY 2021-2022.



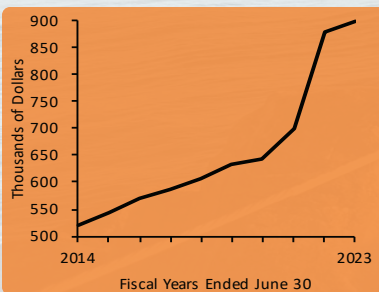
AVERAGE SALARY: \$65K, +\$3K from FY 2021-22

The County's average annual wages continued to increase in calendar year 2022.



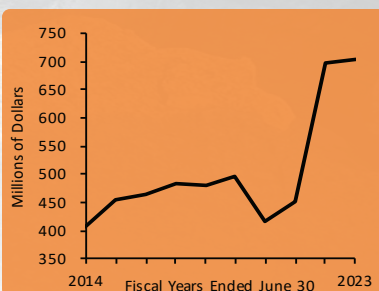
RETAIL SALES: \$9.6B, -0.3B from FY 2021-22

The County experienced a slight decrease in retail sales.



MEDIAN HOME PRICE: \$898K, +19K from FY 2021-22

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



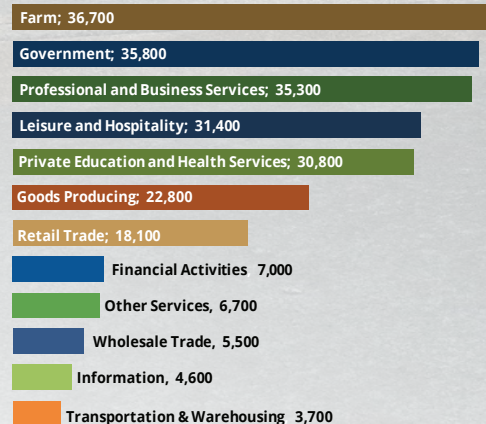
HOTEL/MOTEL ROOM SALES: \$703.1M, +\$6.7M from FY 2021-22

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

TOP 10 EMPLOYERS

EMPLOYER	EMPLOYEES
1. Vandenberg Space Force Base <i>Industry - Defense, Location - Lompoc</i>	16,000
2. University of California, Santa Barbara <i>Industry - Education, Location - Santa Barbara</i>	10,973
3. County of Santa Barbara <i>Industry - Government, Location - Santa Barbara</i>	6,308
4. Cottage Health <i>Industry - Health, Location - Santa Barbara</i>	3,611
5. Santa Maria-Bonita School District <i>Industry - Education, Location - Santa Maria</i>	2,554
6. Santa Barbara Unified School District <i>Industry - Education, Location - Santa Barbara</i>	2,500
7. Marian Regional Medical Center <i>Industry - Health, Location - Santa Maria</i>	2,177
8. Chumash Casino Resort <i>Industry - Recreation/Hospitality, Location - Santa Ynez</i>	2,000
9. Santa Barbara City College <i>Industry - Education, Location - Santa Barbara</i>	1,909
10. Lompoc Valley Medical Center <i>Industry - Health, Location - Lompoc</i>	1,644

JOBS BY INDUSTRY

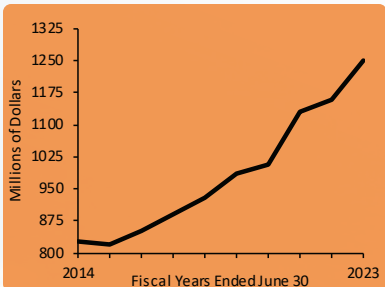


TOP 10 PROPERTY TAXPAYERS
(IN THOUSANDS)

TAXPAYER	SECURED TAX LEVY (FY 2022-23)	PERCENTAGE OF TOTAL
1. CWI Santa Barbara Hotel LP (Bacara) <i>Hotel</i>	\$477,216	0.46%
2. Southern California Gas Company <i>Utility</i>	\$394,841	0.38%
3. Miramar Acquisition Co, LLC <i>Hotel</i>	\$391,504	0.38%
4. 1260 BB Property, LLC (Biltmore) <i>Hotel</i>	\$296,407	0.29%
5. Windset Farms California Inc <i>Agriculture</i>	\$238,865	0.23%
6. Pacific Gas & Electric Co <i>Utility</i>	\$226,078	0.22%
7. Islay Investments <i>Real Estate Holdings</i>	\$224,092	0.22%
8. Regency Tropicana, LLC <i>Residential Rentals</i>	\$205,043	0.20%
9. Celite Corporation <i>Mining</i>	\$170,607	0.16%
10. Fairway BB Property, LLC <i>Residential Estate</i>	\$165,303	0.16%

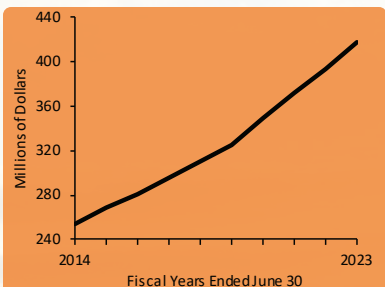
TOTAL REVENUES: \$1,249.2M,
+\$92.0M from FY 2021-22

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.



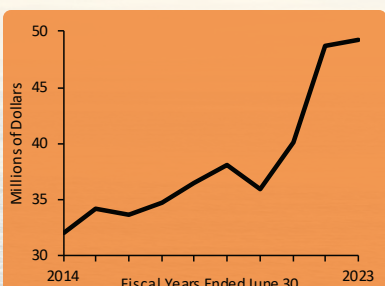
TAXES: \$418.3M,
+\$24.5M FROM FY 2021-22

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



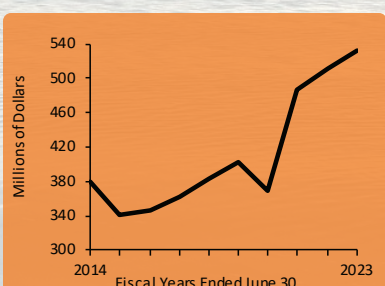
PROP 172: \$49.3M,
+\$0.6M from FY 2021-22

Proposition 172 is a portion of sales tax that is collected for local public safety. Prop 172 has increased along with retail sales as post-pandemic recovery continues.



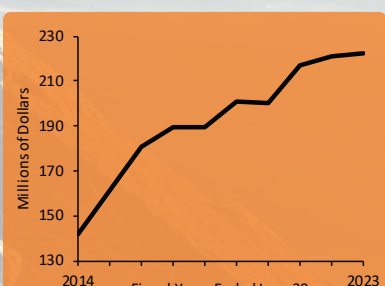
STATE & FEDERAL: \$533.2M,
+\$22.2M from FY 2021-22

The County continued to receive a significant amount in State and Federal programmatic revenues in the FY 2022-23 to help address the economic impacts of COVID-19.



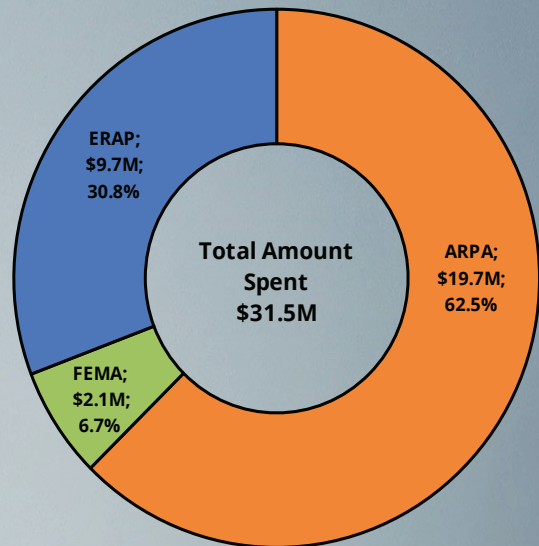
CHARGES FOR SERVICES: \$227.2M,
+\$6.3M from FY 2021-22

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



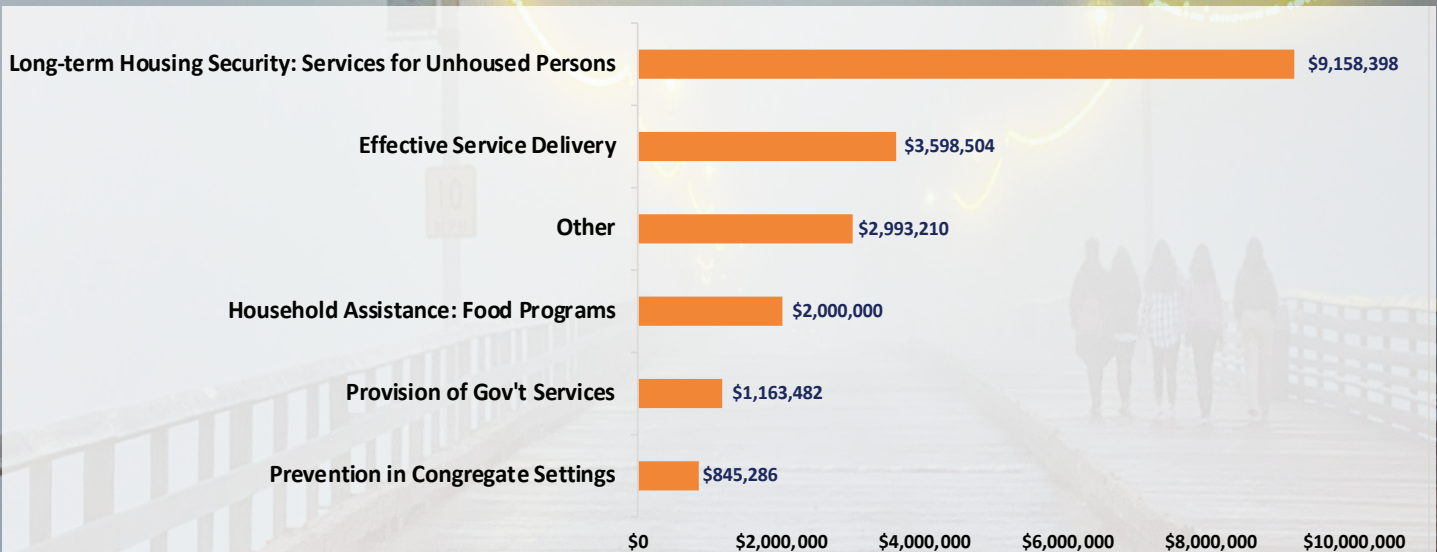
FY 2022-23 COVID RECOVERY

Due to the widespread impacts of Coronavirus (COVID), the County received multiple state and federal funds to offset the increased costs of operating programs during the pandemic. Monies received included funding from the American Rescue Plan Act (ARPA), the Federal Emergency Management Agency (FEMA) and the Emergency Rental Assistance Program (ERAP). The County has spent \$31.5M of COVID funding for FY 2022-23. For more information on COVID-19 Recovery Resources please visit: <https://www.readysbc.org/699/COVID-Recovery>.



The Emergency Rental Assistance Program is an ongoing program that is designed to keep families housed. Santa Barbara County has provided thousands of households with rent and utility assistance. Through a sub-recipient agreement with United Way, the County reimburses United Way for rental assistance paid to landlords on behalf of tenants. The Federal Emergency Management Agency funds were used primarily for emergency sheltering in non-congregate environments and public health expenses.

In Fiscal Year 2022-23 the Board continued its funding allocations, focusing on addressing critical health and human services needs to underserved populations and areas disproportionately impacted by COVID-19, urgent infrastructure needs for water or sewer, and necessary costs as well as for required administration, compliance, and reporting associated with ARPA funds. Of the \$19.7M in ARPA funds spent, the top five ARPA expenditures incurred to date are presented below. The remaining funds are categorized under "other," representing individual projects with balances under \$800,000.



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: <http://sbhome.co.santa-barbara.ca.us/auditor/whistleblower.sbc>

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, 2022. 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.



Government Finance Officers Association

Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting

Presented to

County of Santa Barbara
California

For its Annual Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill
Executive Director/CEO

Betsy M. Schaffer, CPA, CPFO
Auditor-Controller
105 East Anapamu Street, Room 303
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other financial publications at:
www.countyofsb.org/auditor