Alameda County Home Values & Assessment Roll Growth

Alameda County Median home sales price $1.16 million

Sources: CoreLogic & Alameda County Assessor’s Office
Since the end of 2021, 30-Year mortgage rates have risen over 250bps and are at the highest level since 2008.

Source: Freddie Mac Weekly Survey
National Housing Market Slowing

**Housing Inventory Up**
- Active listings up 13% from last year

**Mortgage Applications**
- Applications down 16% from a year ago for the week ending June 10th

**Housing Starts**
- May 2022 housing starts declined 3.5% year on year

**Price Cuts**
- 10.5% of homes had a price cut in May 2022 vs 6.2% May 2021

**Industry Layoffs**
- Redfin cut 8% of employees
- Compass reducing workforce by 10%
Inflation, as measured by the Consumer Price Index, has risen sharply since the beginning of the year. May 2022 experienced the largest 12-month increase since the period ending December 1981.

Key Economic Takeaways

• Job market continues to be strong locally and nationally.

• Housing market remains robust locally, but national trends are more worrying.

• Central Banks shifting to tighter monetary policy to fight inflation:
  • Federal Reserve increased rates 75bps in June (largest single meeting increase in over 25 years) and has signaled a similar increase in July.
  • Higher interest rates act as a brake on the economy.

• Continued supply chain problems.

• Economic forecasters increasing odds of a recession.
State and Federal Update
State & Federal Update

- On June 13, 2022, the California Legislature met its Constitutional deadline to approve a budget by June 15th:
  - $300 billion spending plan with reserves of $37.5 billion.
  - Negotiations commenced with the Governor over items such as reimbursement rate increases for childcare providers and the size and eligibility of various relief programs to help Californians cope with inflation.
- On June 26, the Legislature and Governor announced they have reached an agreement on the budget package, including a $17 billion relief package for residents.
- Earmarks requested by the County for supportive housing, All-In Eats, and Flood Control & Road infrastructure projects are included.
- CARE Court, CalAIM, and Pre-Trial funding all remain key priority areas for the County.
- After the Governor signs the budget bill, additional details will be worked out via budget trailer bills.
- With narrow majorities in Congress and upcoming elections, we are not expecting major budgetary or legislative changes that directly impact counties, but we may have some funding opportunities via federal earmarks.
### COVID-19 Emergency Funding

This COVID-19 Emergency Funding is NOT included in the County’s operating budget.

<table>
<thead>
<tr>
<th><strong>CARES Act</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• $333.2 million in funding – fully expended</td>
<td></td>
</tr>
<tr>
<td>• $647.8 in additional CARES-eligible expenses</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>American Rescue Plan Act</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• $324.6 million total over two tranches</td>
<td></td>
</tr>
<tr>
<td>• $162 million allocated</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Federal Emergency Management Agency</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• $60 million in expenses through March 2022</td>
<td></td>
</tr>
<tr>
<td>• 80% for shelter/hotels &amp; 20% vaccination related costs</td>
<td></td>
</tr>
</tbody>
</table>
FY 2022-23 Proposed Budget Overview
## FY 2022-23 Budget Overview ($ in millions)

### All Funds

<table>
<thead>
<tr>
<th></th>
<th>FY 2021-22 FINAL</th>
<th>FY 2022-23 MOE</th>
<th>FY 2022-23 PROPOSED</th>
<th>Change from 2021-22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriation</td>
<td>$3,607.9</td>
<td>$3,775.8</td>
<td>$3,755.3</td>
<td>$147.4</td>
</tr>
<tr>
<td>Revenue</td>
<td>$3,607.9</td>
<td>$3,726.7</td>
<td>$3,755.3</td>
<td>$147.4</td>
</tr>
<tr>
<td>Funding Gap</td>
<td>$0</td>
<td>$49.1</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>FTE*</td>
<td>10,078.31</td>
<td>10,337.33</td>
<td>10,337.33</td>
<td>259.02</td>
</tr>
</tbody>
</table>

### General Fund

<table>
<thead>
<tr>
<th></th>
<th>FY 2021-22 FINAL</th>
<th>FY 2022-23 MOE</th>
<th>FY 2022-23 PROPOSED</th>
<th>Change from 2021-22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriation</td>
<td>$3,315.0</td>
<td>$3,467.4</td>
<td>$3,446.9</td>
<td>$131.9</td>
</tr>
<tr>
<td>Revenue</td>
<td>$3,315.0</td>
<td>$3,418.3</td>
<td>$3,446.9</td>
<td>$131.9</td>
</tr>
<tr>
<td>Funding Gap</td>
<td>$0</td>
<td>$49.1</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>FTE*</td>
<td>8,210.64</td>
<td>8,454.49</td>
<td>8,454.49</td>
<td>243.85</td>
</tr>
</tbody>
</table>

*Full-time equivalent positions*
## FY 2022-23 Balancing Strategies ($ in millions)

The Proposed Budget closed a $49.1 million Funding Gap

<table>
<thead>
<tr>
<th>Program Areas</th>
<th>Ongoing Reductions</th>
<th>One-time Reductions</th>
<th>Total Net Reductions</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Government</td>
<td>$0.0</td>
<td>$8.0</td>
<td>$8.0</td>
</tr>
<tr>
<td>Health Care Services</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.0</td>
</tr>
<tr>
<td>Public Assistance</td>
<td>$3.5</td>
<td>$0.0</td>
<td>$3.5</td>
</tr>
<tr>
<td>Public Protection</td>
<td>$1.5</td>
<td>$4.0</td>
<td>$5.5</td>
</tr>
<tr>
<td><strong>PROGRAM TOTAL</strong></td>
<td><strong>$5.0</strong></td>
<td><strong>$12.0</strong></td>
<td><strong>$17.0</strong></td>
</tr>
</tbody>
</table>

### Countywide Strategies

<table>
<thead>
<tr>
<th>Program Areas</th>
<th>Ongoing Reductions</th>
<th>One-time Reductions</th>
<th>Total Net Reductions</th>
</tr>
</thead>
<tbody>
<tr>
<td>ITD Retained Earnings</td>
<td>$0.0</td>
<td>$15.0</td>
<td>$15.0</td>
</tr>
<tr>
<td>Revenue Adjustments</td>
<td>$17.1</td>
<td>$0.0</td>
<td>$17.1</td>
</tr>
<tr>
<td><strong>COUNTYWIDE TOTAL</strong></td>
<td><strong>$17.1</strong></td>
<td><strong>$15.0</strong></td>
<td><strong>$32.1</strong></td>
</tr>
</tbody>
</table>

| GRAND TOTAL                 | $22.1              | $27.0               | $49.1                |

One-Time Strategies $27.0 (55.0%)

Ongoing Strategies $22.1 (45.0%)
FY 2022-23 Proposed Budget ($ in millions)
Appropriation by Program - General Fund

Total: $3,446.9
FY 2022-23 Proposed Budget ($ in millions)
Appropriation by Major Object - General Fund

Total: $3,446.9

- Services & Supplies: $1,347.6M (37.8%)
- Other Charges: $486.8M (13.7%)
- Fixed Assets: $7.6M (0.2%)
- Other Financing Uses: $234.0M (6.6%)
- Salaries & Employee Benefits: $1,486.7M (41.7%)

Intra-Fund Transfers: $-115.8

NOTE: Includes Community-Based Organization contracts totaling $762.9M
FY 2022-23 Proposed Budget ($ in millions)
Available Financing by Source – General Fund

Total: $3,446.9
FY 2022-23 Proposed Budget ($ in millions)
Discretionary Revenue - Share of General Fund

- Program Revenue: $2,455.8 (71.2%)
- Discretionary Revenue: $954.5 (27.7%)
- Debt Service Revenue: $36.5 (1.1%)

Total: $3,446.9
FY 2022-23 Proposed Budget ($ in millions)

Discretionary Revenue by Source

- **Property Tax**: $568.0M (59.5%)
- **Sales & Use Tax**: $25.0M (2.6%)
- **Interest**: $10.0M (1.1%)
- **Other Revenue**: $65.1M (6.8%)
- **Vehicle License Fee (ERAF)**: $286.4M (30.0%)

**Total: $954.5M**
### Special Budgets

<table>
<thead>
<tr>
<th>Budget Type</th>
<th>Details</th>
<th>More Information</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The Children’s Services Budget</strong></td>
<td>Details the over $750 million in services to protect and promote the well-being of children.</td>
<td>beginning at page 297 of the Proposed Budget.</td>
</tr>
<tr>
<td><strong>The Unincorporated Services Budget</strong></td>
<td>Details the over $310 million in municipal services for unincorporated areas of the County.</td>
<td>beginning at page 317 of the Proposed Budget.</td>
</tr>
<tr>
<td><strong>The Human Impacts Budget</strong></td>
<td>Illustrates how budget decisions impact County residents.</td>
<td>beginning at page 325 of the Proposed Budget.</td>
</tr>
</tbody>
</table>
## Community-Based Organization (CBO) Contracts
### FY 2022-23 Proposed Budget Funding ($ in millions)

**246 CBO Contractors Total**

<table>
<thead>
<tr>
<th>Program Area</th>
<th>FY 22-23 Contracts</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Government</td>
<td>$43.6</td>
</tr>
<tr>
<td>Health Care Services*</td>
<td>$469.2</td>
</tr>
<tr>
<td>Health Care – Alameda Health System</td>
<td>$93.6</td>
</tr>
<tr>
<td>Public Assistance</td>
<td>$110.9</td>
</tr>
<tr>
<td>Public Protection</td>
<td>$45.6</td>
</tr>
<tr>
<td><strong>CBO Contracts Total</strong></td>
<td><strong>$762.9</strong></td>
</tr>
</tbody>
</table>

* excludes Alameda Health System contracts
Pending Factors
Pending Factors

- Economic Uncertainty
- State and federal Funding
- Potential CARE Court Mandates & Penalties
- Ongoing Homelessness Crisis
- Unfunded Pension Liabilities
- Health Care: CalAIM, Alameda Health System
- Public Safety: Realignment of Juvenile Justice, Pretrial Pilot Program
- Capital Project Financing & Major Maintenance Needs
- Pending Litigation
- Climate Change/Drought/Wildfires/Public Safety Power Shutoffs
- FEMA Reimbursement
ALAMEDA COUNTY VISION 2026

**SHARED VISIONS**
- SAFE AND LIVABLE COMMUNITIES
- PROSPEROUS AND VIBRANT ECONOMY
- HEALTHY ENVIRONMENT
- THRIVING AND RESILIENT POPULATION

**10X GOALS**
- EMPLOYMENT FOR ALL
- ELIMINATE HOMELESSNESS
- ACCESSIBLE INFRASTRUCTURE
- ELIMINATE POVERTY & HUNGER
- HEALTH CARE FOR ALL
- CRIME FREE COUNTY

**OPERATING PRINCIPLES**
- EQUITY
- FISCAL STEWARDSHIP
- ACCESS
- COLLABORATION
- INNOVATION
- SUSTAINABILITY
Proposed Hearing Schedule

- Public Assistance
- Health Care Services
- Public Protection
- General Government & Capital Projects
- Final adjustments/Other issues