



# Alameda County FY 2024-2025 Proposed Budget

June 24, 2024



PRESENTED BY THE COUNTY ADMINISTRATOR

# Budget Hearings Schedule

## June 24, 2024

- CAO Budget Overview
- Program Area Overviews
  - Public Assistance
  - Health Care
  - Public Protection
  - General Government
- Final adjustments & other issues

## June 25, 2024

- Board budget deliberations

## June 27, 2024

- Adoption of the Final Budget

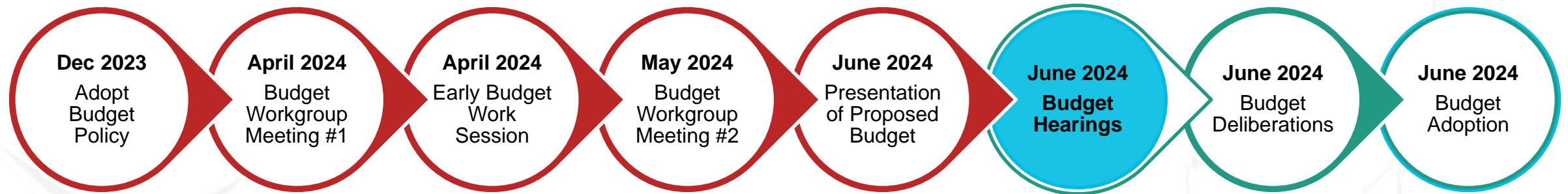


# Budget Overview



# FY 2024-25 Proposed Budget Process

As in prior years, the County's budget development process begins in December with the adoption of the budget policy.



The County has also provided Budget briefings to key stakeholders such as labor leaders and community-based providers.

# Economic Outlook

- Labor market remains tight despite tech layoffs
- High unemployment in sector specific areas impacting California growth
- Inflation and interest rates uncertainty
- Impact on real estate market and affordability
- Geopolitical tensions
- Economic damage from climate change





# State & Federal Funding Update

**Over 60% of the County's General Fund is from State & federal sources including Medicaid & Medicare Charges.**



## State Update

- Governor forecasting \$45 billion budget deficit – a \$7 billion increase from the January projection
- A stark shift from the \$98 million surplus two years ago
- The Governor and legislative leaders reached a Budget Agreement on June 22; legislature to vote next week before sending to the Governor for signature



## Federal Update

- National election results could impact economic policies and influence the long-term forecast
- The federal spending bill signed in March is fully funded through September



# Fiscal Year 2024-25 Proposed Budget Overview



# FY 2024-25 Budget Overview (\$ in millions)

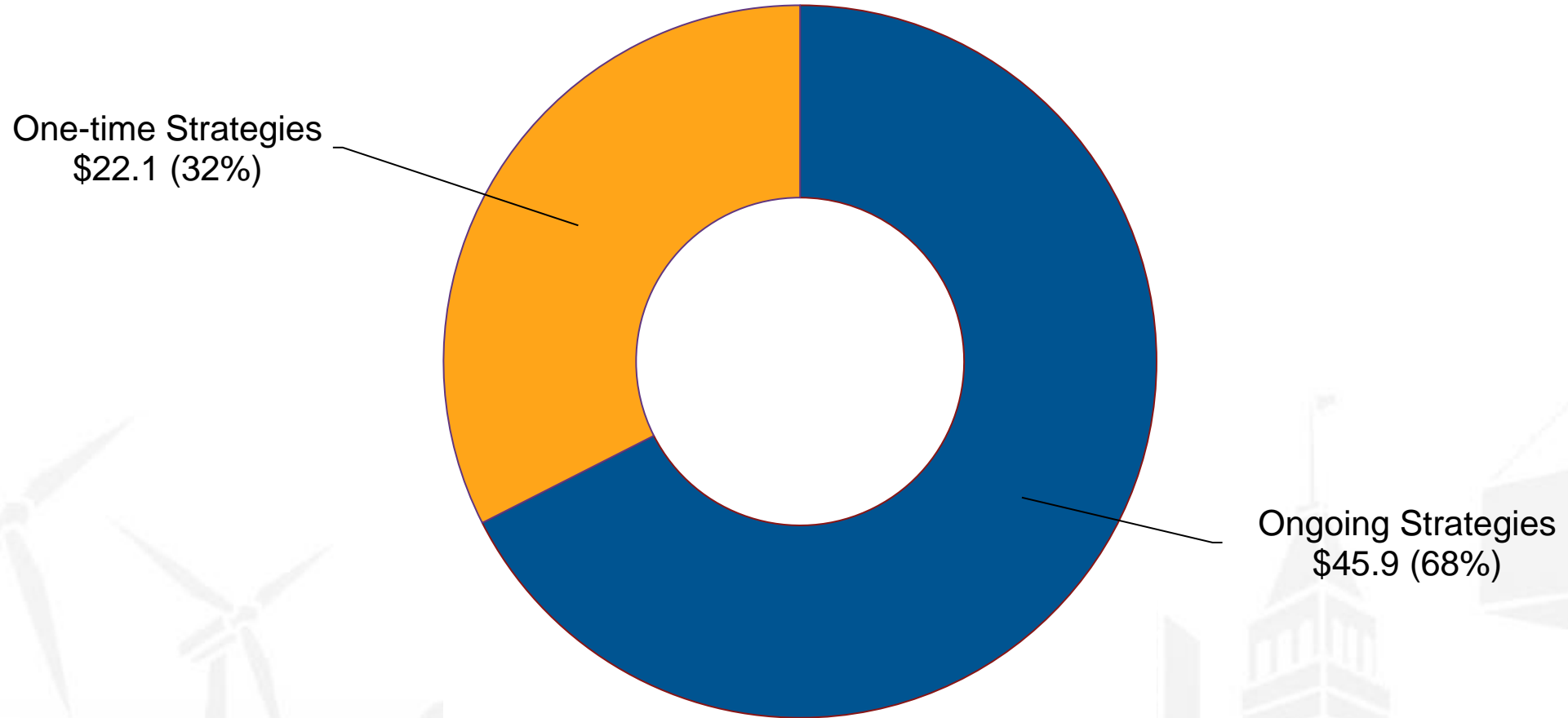
All Funds	FY 2023-24 FINAL	FY 2024-25 MOE	FY 2024-25 PROPOSED	Change from 2023-24
Appropriation	\$4,106.5	\$4,552.2	\$4,539.8	\$433.3
Revenue	\$4,106.5	\$4,484.2	\$4,539.8	\$433.3
Funding Gap	\$0	\$68.0	\$0	\$0
FTE*	10,399.80	10,498.21	10,498.21	98.41
General Fund	FY 2023-24 FINAL	FY 2024-25 MOE	FY 2024-25 PROPOSED	Change from 2023-24
Appropriation	\$3,702.1	\$3,970.1	\$3,957.7	\$255.6
Revenue	\$3,702.1	\$3,902.0	\$3,957.7	\$255.6
Funding Gap	\$0	\$68.0	\$0	\$0
FTE*	8,484.89	8,549.63	8,549.63	64.74

\*Full-time equivalent positions. General Fund FTE changes are all Board-approved and fully offset by revenue or other one-time funding.





# FY 2024-25 Proposed Budget (\$ in millions)



**Total Net County Cost Reductions: \$68.0 million**

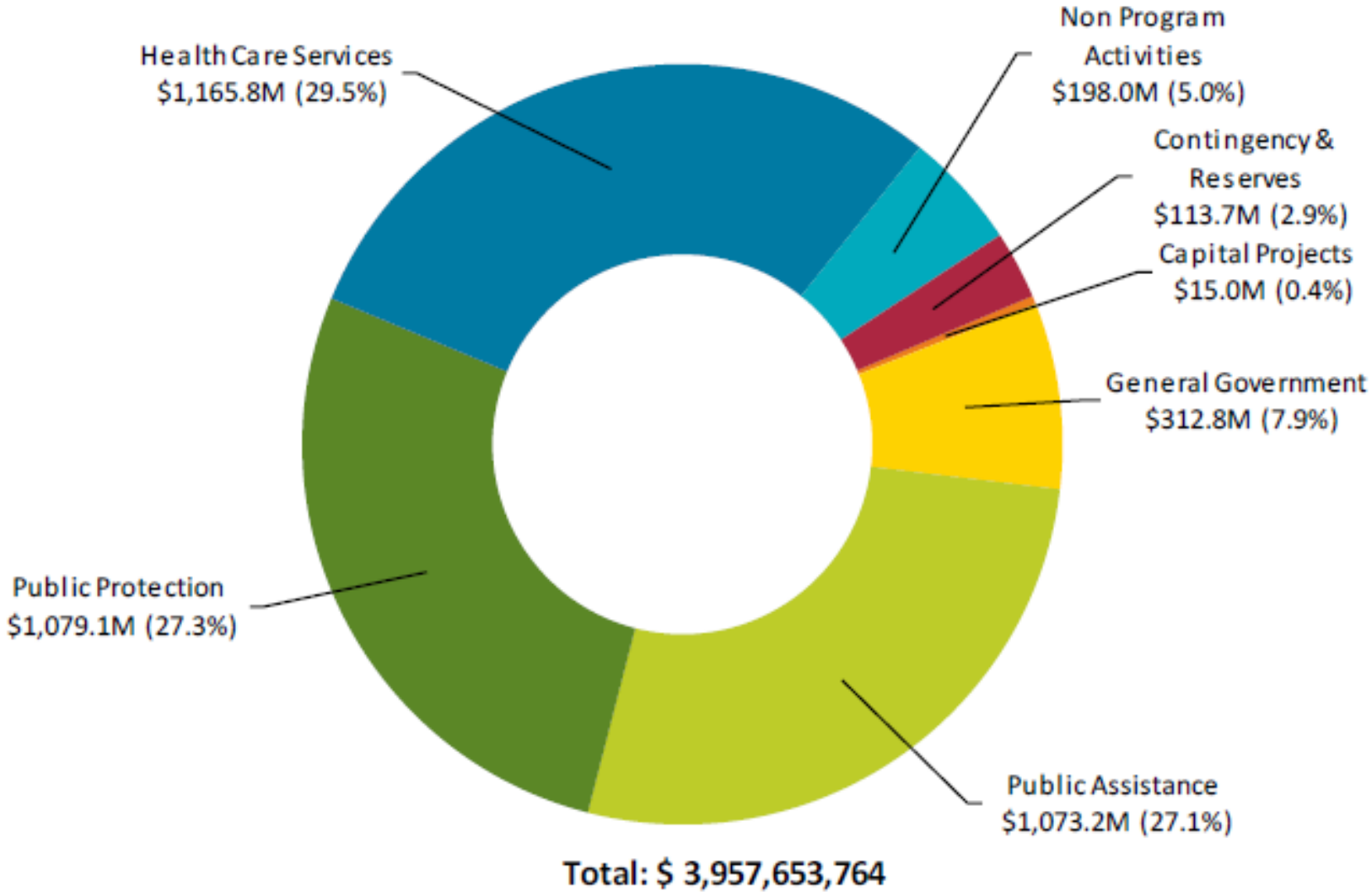
# FY 2024-25 Proposed Budget Balancing

Program Areas	Ongoing Reductions	One-time Reductions	Total Net Reductions
General Government	\$5.4	\$5.0	\$10.4
Health Care Services	5.1	6.0	11.1
Public Assistance	0.0	1.3	1.3
Public Protection	13.4	9.8	23.2
<b>PROGRAM TOTAL</b>	<b>\$23.9</b>	<b>\$22.1</b>	<b>\$46.0</b>
<b>Countywide Strategies</b>			
Non-Program Revenue Adjustments	22.0	0.0	22.0
<b>COUNTYWIDE TOTAL</b>	<b>\$22.0</b>	<b>\$0.0</b>	<b>\$22.0</b>
<b>GRAND TOTAL</b>	<b>\$45.9</b>	<b>\$22.1</b>	<b>\$68.0</b>



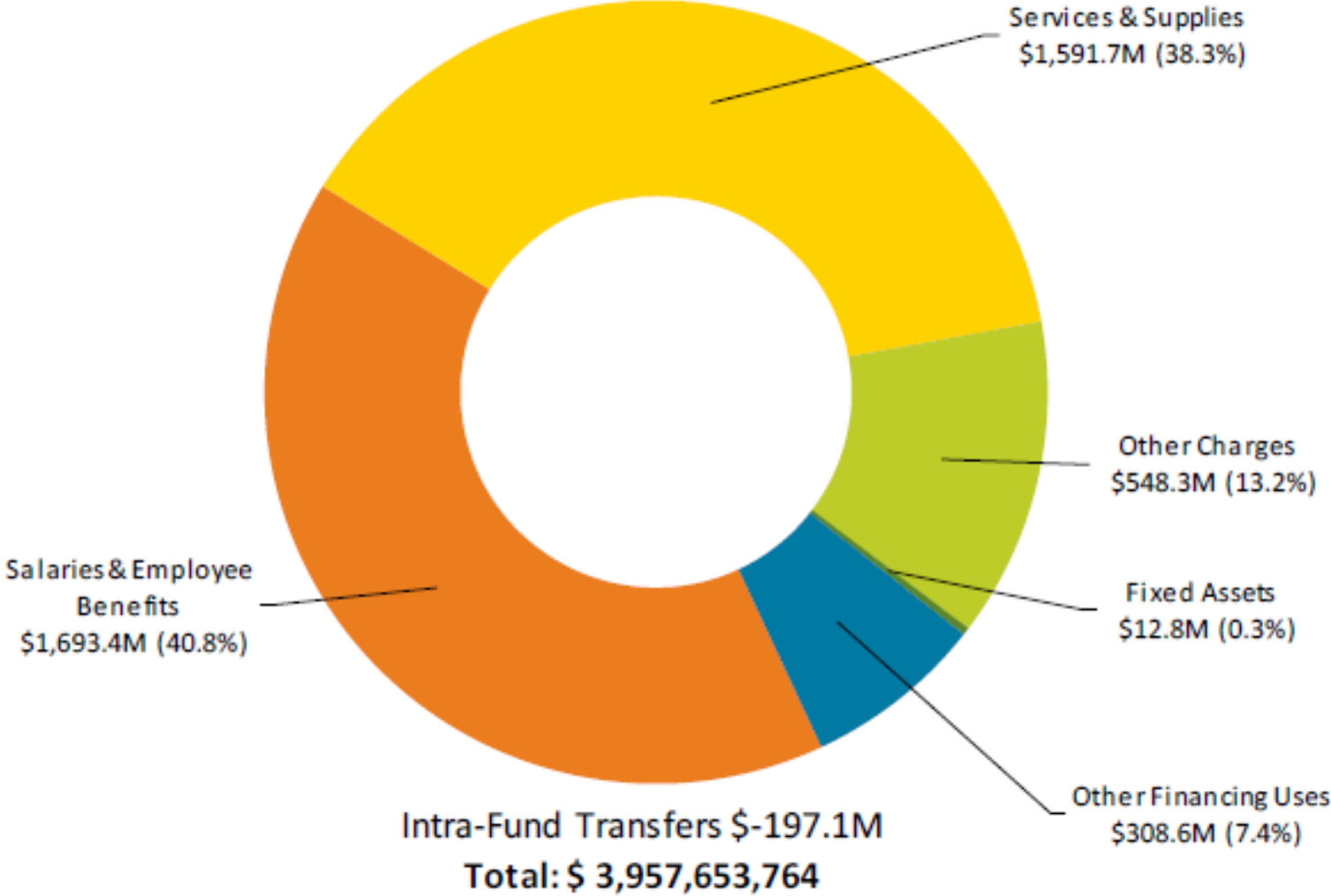
# FY 2024-25 Proposed Budget

## Appropriation by Program - General Fund



# FY 2024-25 Proposed Budget

## Appropriation by Major Object - General Fund



# Community-Based Organization (CBO) Contracts

## FY 2024-25 Proposed Budget Funding (\$ in millions)

### 278 CBO Contractors Total

Program Area	FY 24-25 Contracts
General Government	\$20.0
Health Care Services*	\$564.1
Health Care – Alameda Health System	\$99.2
Public Assistance	\$123.1
Public Protection	\$60.7
<b>CBO Contracts Total</b>	<b>\$867.3</b>

\* excludes Alameda Health System contracts



# Key Investments

## Health & Homelessness

Nearly **\$750M** for mental health including **\$14M** to support operationally possible Forensic Plan services and over **\$200M** in Mental Health Services Act programs

**\$47M** in Measure A1 Housing Bond projects

**\$80M** for Housing and Homelessness Services

## Social Services

Over **\$174M** to fund the In-Home Supportive Services program supporting over 29,000 recipients in their homes with the services from over 36,000 providers

Investments of **\$4** million for Refugee Assistance and Supportive Services

## Public Safety

Nearly **\$35M** in AB 109 CBO contracts

An additional **\$3M** for Indigent Defense contract costs

Redirection of salary savings from funded vacancies within the Sheriff's Office to augment the Office of Emergency Services

## Infrastructure

Increasing major maintenance and life-safety projects by \$35M for a total of **\$65M**

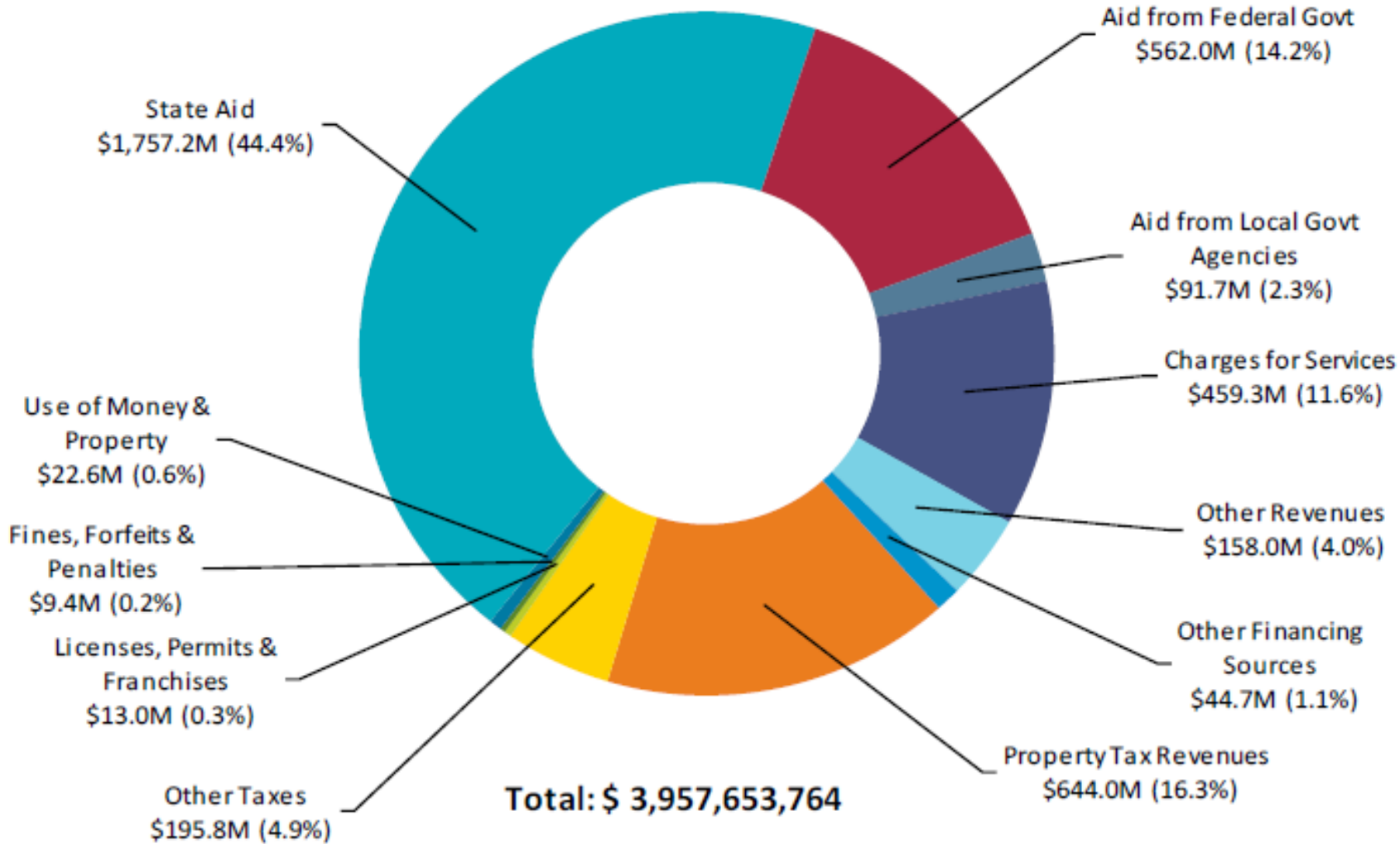
**\$15M** (or 1.5% of discretionary revenue) for general reserve

**\$2.3M** to support Property Tax system modernization



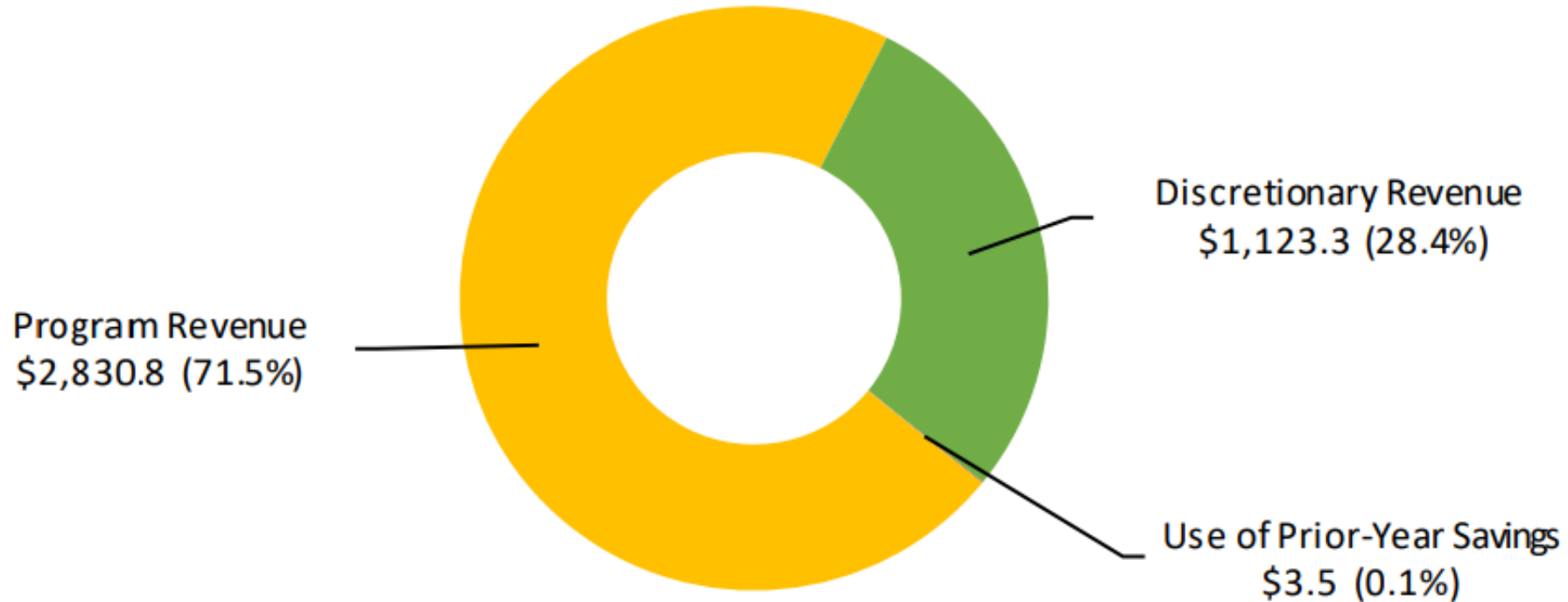
# Proposed 2024-25 Budget

## Available Financing by Source - General Fund



# Proposed FY 2024-25 Revenue By Type

## Share of Total General Fund (in millions)

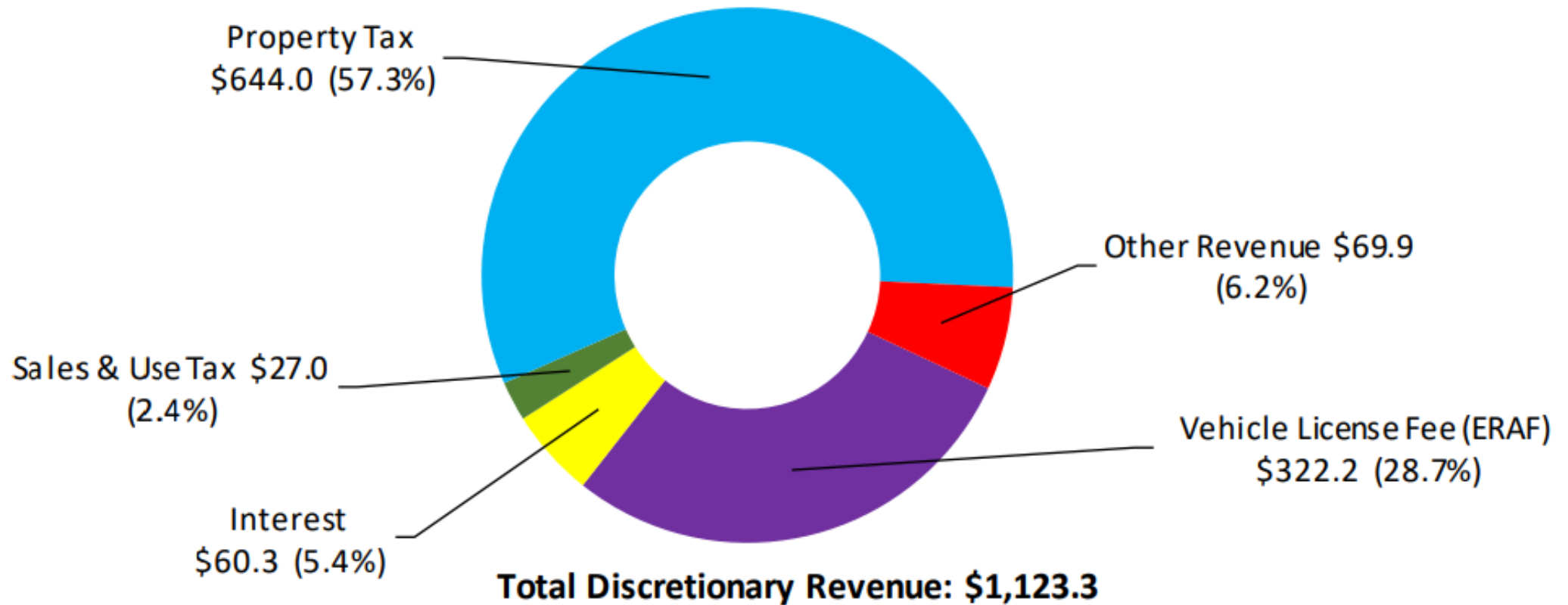


**Total General Fund: \$3,957.7**



# Proposed FY 2024-25 Discretionary Revenue By Source

## Discretionary Revenue by Source (in millions)

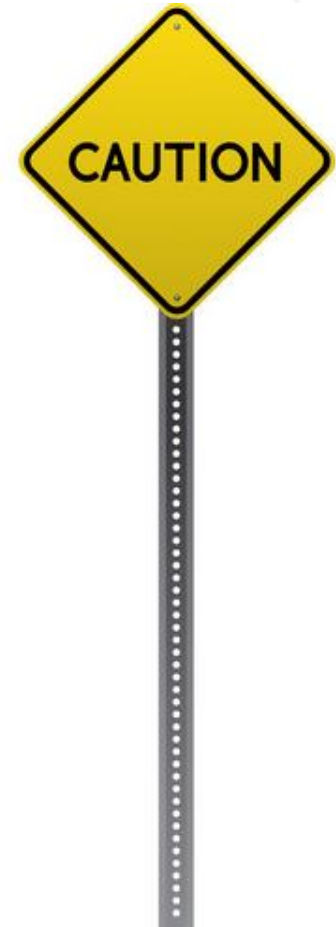


# Funding Challenges

- Homelessness Crisis
- Health Care
  - Proposition 1
  - Mandates without dedicated revenue sources – Senate Bill 43
- In-Home Supportive Services program Maintenance of Effort financing
- Public Safety
  - Rising costs with inadequate State & federal funding
  - Racial Justice Act
- Infrastructure and Capital needs

# Pending Factors

- State budget
- Workforce challenges
- Pending litigation and settlement costs
- Rising liability and property insurance costs
- Potential federal and State audit disallowances
- Reimagining Adult Justice initiatives
- Special election costs
- Ballot initiatives and pending State legislation
- Global finances and climate change
- Economic downturn



# Vision 2026



## Our Shared Vision



- Safe and Livable Communities
- Thriving and Resilient Population
- Healthy Environment
- Prosperous and Vibrant Economy





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