



FY 2023-24

1ST QUARTER REPORT

Chief Executive Officer: Darcie Antle
Executive Office Fiscal Unit

November 7, 2023

INTRODUCTION

Fiscal Year (FY) 2023-24's budget is relying on over \$7 million in one-time funding and is not a sustainable approach to any future budgeting for the County.

The Executive Office continues to work with department heads and elected officials to seek ways to reduce waste, improve efficiency, and reduce costs.



PRESENTATION OUTLINE

- One-time Funding and Reserve Accounts
- End of Year FY 2022-23
- FY 2023-24 Budget
- Trending Revenue & Expenses
- FY 2023-24 Funding
- Grants Unit
- CEO Recommendations
- Future Budget Schedule



ONE-TIME FUNDING AND RESERVE ACCOUNTS

- FY 2023-24 Budget Hearings – Board of Supervisors allocated \$7 million in one-time funds to balance the budget. The use of one-time funding is needed due to the disproportionate growth of revenues to expenses. Salaries and benefits are projected to grow by 8.78%, general expenses, including utilities and fuel, are projected to grow by 22.56%, and revenues are only projected to grow by 1.27% in FY 2023-24.
 - American Rescue Plan (ARPA) – Approximately \$3.2 million
 - Local Assistance and Tribal Consistency Fund (LATCF) – \$1 million
 - PG&E Settlement Funds – \$1.2 million
 - Information Technology Internal Service Fund –Holiday – \$600,000
 - Supplemental Property Tax Backlog – \$500,000
 - General Reserve – \$500,000–fund staffing, training, and support for property tax assessments
 - Teeter Reserve – \$325,000

END OF YEAR FY 2022-23

As of the publication of this report, the end of year activities for FY 2022-23 and the outside audit for FY 2021-22, have yet to be completed. Carry forward/fund balance and unanticipated revenues cannot be determined until year end activities are finalized. When that data becomes available, it will be brought before the Board of Supervisors.



FY 2023-24 BUDGET

- Ongoing Labor Negotiations
- Use of One-time Monies from FY 2022-23 Carry Forward/Fund Balance on Future Budgets



TRENDING REVENUE & EXPENSES

- Revenue for the Non-Departmental General Fund – Trending Lower by 7% – Sales Tax, Property Transfer Tax, and Cannabis Tax
- General Fund Departments Salary Expenses– Approximate Increase of \$650K
- All of FY 2023-24 1st Quarter Entries Have Not Been Posted to the County's Accounting System, Munis – Current Departmental Projections Estimate the County will be Approximately \$1 million Over Budget in FY 2023-24–Largely in Facilities and Public Safety Salaries



FY 2023-24 FUNDING

- Two Budget Units in Social Services, will have Full A-87 Cost Plan Charges Applied for an Additional \$1.2 million in General Fund Revenues
- CalWorks and In-Home Support Services Have Funding to Cover the Maintenance of Effort (MOE) Costs, Returning \$2.5 million to the General Fund
- Unobligated PG&E Settlement Funds for Emergency Medical Services (EMS) and Carbon Reduction, Strongly Recommended that \$2 million be Placed in a Designated Reserve
- Transfer of the Unneeded Mental Health Audit Reserve to a Designated Reserve.

GRANTS UNIT

- Assisted with \$109,058,566 in Grants to Support the Community During the 1st Quarter
 - Regional Climate Collaborative, Strategic Growth Council - \$994,300
 - NOAA Climate Resilient Regional challenge- \$50,383,900
 - Wildlife Community Resilience Project - FEMA- \$50,116,590
 - Rural EVCS Development Project, US Dept of Transportation - \$5,907,296
 - Multi-Jurisdiction Hazard Mitigation Plan, CalOES - \$328,570

CEO RECOMMENDATIONS

- Accept the Fiscal Year 2023-24 First Quarter Report as Presented
- Approve the 1st Quarter Department Net Zero Adjustments and Administrative Clean up (Attachment A)
- Approve any Funded Fixed Assets on the Fiscal Year 2023-24 1st Quarter Fixed Assets Requests (Attachment B)
- Direct the Auditor/Controller/Treasurer-Tax Collectors Office to Charge Social Services and all Eligible Departments Full A-87 Cost Plan Charges
- Direct Social Services to Fund the Maintenance of Effort (MOE) Agreements, Leveraging State Dollars to Fund Budget Unit 5130 (CalWorks), and Budget Unit 5170 (In-Home Support Services) in the Amounts Designated in Attachment A
- Direct that Unobligated PG&E Settlement Funds of \$1 million from Emergency Medical Services (EMS) and \$1 million from Carbon Reduction, be Transferred to a General Fund Designated Reserve
- Direct that the Mental Health Audit Adjustment Reserve be Transferred to a General Fund Designated Reserve

FUTURE BUDGET SCHEDULE

- December 5, 2023- Fee Hearing
- March 2024 – Mid-year Report
- April 2024 – Fee Hearing
- Spring Budget Workshops
- May 2024 – 3rd Quarter Report
- June 2024 – Budget Hearings and Adoption





FY 2023-24 1st Quarter Report

QUESTIONS?

Courtesy of Visit Mendocino