



COUNTY OF HUMBOLDT

Legislation Text

File #: 24-1012, **Version:** 1

To: Board of Supervisors

From: County Administrative Office

Agenda Section: Consent

Vote Requirement: 4/5th

SUBJECT:

Adoption of the Fiscal Year (FY) 2024-25 County Budget and Special District Budgets (4/5th Vote Required)

RECOMMENDATION(S):

That the Board of Supervisors:

1. Adopt the attached resolution (Attachment 1) adopting the proposed budget, as modified by the final budget adjustments, as the Adopted Budget for FY 2024-25 (4/5th vote required);
2. Adopt the attached resolution (Attachment 2) adopting the FY 2024-25 budget, as modified by the final budget adjustments, as the Adopted Budgets for the Special Districts governed by the Humboldt County Board of Supervisors (4/5th vote required);
3. Approve the attached resolution (Attachment 3) to terminate the county's participation and opt out of the Assisted Outpatient Treatment (AOT) program;
4. Approve the allocation of 1.0 full-time equivalent (FTE) Election Specialist I/II (salary range 348, class 0132) in the Elections budget unit 1100-140; and
5. Approve the attached personnel allocation table (Attachment 4) corresponding to the budget appropriations.

STRATEGIC PLAN:

This action supports the following areas of your Board's Strategic Plan.

Area of Focus: Core Services/Other

Strategic Plan Category: 9999 - Core Services/Other

DISCUSSION:

Your Board received the proposed budget for FY 2024-25 on June 4, 2024. Pursuant to County Budget Act requirements, your Board held noticed public hearings for the FY 2024-25 county budget and special district budgets on Monday, June 10, 2024, at 1:30 p.m. and 5:30 p.m. At the conclusion of the final hearing, your Board directed staff to return today for final approval of the county budget and special district budgets. Due to delayed receipt of two special district budget submissions, your Board directed staff to incorporate those into the FY 2024-25 special district adopted budgets:

Special District Budget Adjustments

\$77,200 (Loleta Fire Protection District) - \$8,628 increase in revenues offset by \$77,200 increase in expenditures for a total use of fund balance increase of \$68,752

(\$6,355) (Whitethorn Fire Protection District) - (\$4,905) decrease in revenues offset by (\$6,355) decrease in expenditures

for a total use of fund balance decrease of (\$1,450)

Your Board directed staff to make the following adjustments to the FY 2024-25 county budget:

Budget Adjustments by Board

\$31,367 (Board of Supervisors - 1100-101) - Partial Funding of Board member and Clerk of the Board staff travel

\$107,626 (Elections - 1100-140) - Funding for additional supply costs for the 2024 Presidential General Election

\$73,715 (Elections - 1100-140) - Ongoing funding for the allocation of 1.0 Full-Time Equivalent (FTE) Election Specialist I/II

\$5,000 (Contributions to Other Funds - 1100-199) - Funding of annual contributions to McKinleyville Municipal Advisory Committee (MMAC)

\$306,514 (Public Works Measure Z - 1100-298) - Funding for carryforward of the approved FY 2022-23 Measure Z Project for chip seal road repairs

\$30,000 (Economic Development & Promotion - 1100-181) - Funding for the Humboldt-Del Norte Film Commission for the Forest Moon Days Festival funded by Transient Occupancy Tax (TOT) - Measure J

\$150,000 (Economic Development & Promotion - 1100-181) - Funding for the Ink People to continue the grant projects and promotion of local festivals funded by TOT - Measure J

\$45,000 (Economic Development & Promotion - 1100-181) - Funding for the Aviation Department for destination marketing funded by TOT - Measure J

\$25,000 (Economic Development & Promotion - 1100-181) - Funding for the County Administrative Office (CAO) - Economic Development Division for administration and oversight of the contracts funded by TOT - Measure J

\$100,000 (Economic Development & Promotion - 1100-181) - Funding to be contributed to the Housing Trust Fund funded by TOT - Measure J

\$10,000 (Economic Development & Promotion - 1100-181) - Funding for the Loleta Chamber of Commerce funded by TOT - Measure J

\$25,000 (Economic Development & Promotion - 1100-181) - Funding for the McKinleyville Chamber of Commerce funded by TOT - Measure J

\$615,000 (Economic Development & Promotion - 1100-181) - Funding held as reserved funded by TOT - Measure J while the General Fund is stabilized, funding may be allocated in the future consistent with the intent of the measure should the General Fund recover without needing it

In addition to the above adjustments, funding previously allocated for the Humboldt County Visitor's Bureau via the Economic Development & Promotion budget unit - 1100-181 in the amount of \$195,590 has been reallocated to the CAO - Economic Development Division to complete an assessment of the gateway communities, develop a marketing strategy and administer agreements. This action has no net budget impact.

Termination of AOT

Your Board elected not to fund the AOT program in FY 2024-25. The program requested carryforward funds in the amount of \$135,655 which are included in the FY 2024-25 budget before your Board for adoption. These funds will allow for a transition period for the program to sunset. Staff recommends that your Board approve the attached resolution (Attachment 3) in order to opt out of the program and sunset the county's participation.

Personnel Adjustments by Board

Allocate 1.0 FTE Election Specialist I/II (Elections 1100-140)

All personnel adjustments have been included in the Personnel Allocation Table (Attachment 4).

SOURCE OF FUNDING:

All county funds and dependent special district funds

FINANCIAL IMPACT:

The California Government Code requires each special district to adopt a balanced budget on an annual basis. The budgets presented in the attached resolution meet the legal requirements for FY 2024-25.

The total county budget for adoption today is \$608,248,353 in expenditures and \$22,400 in Other Financing Use. There is an increase in expenditures from the proposed to adopted budget of \$1,524,222, all attributed to the General Fund, represented in the discussion above. With the increase in General Fund expenditures, the use of fund balance has increased to \$20.09 million in the FY 2024-25 adopted budget, of which \$5.01 million is Measure Z. This results in a budget deficit of \$15.08 million in the coming year. To be clear, Measure Z is not being used to cover any General Fund deficit.

Pursuant to Board policy, the county’s General Reserve should be equal to 10 to 16% of total General Fund expenditures, as averaged by the current and prior year adopted budgets, or a minimum of roughly \$16.5 million. The county’s current General Reserve balance is \$10.5 million. The adopted budget does not include a contribution at this time in accordance with the provision of the General Reserve Policy authorizing your Board and the County Administrative Officer to hold on contributions should financial conditions not allow for it. Your Board directed staff to return at mid-year with consideration of a contribution at that time. Pursuant to the Board policy, General Fund contingencies are \$1,467,573, or 2% of General Fund discretionary revenues.

Pursuant to the provisions of the County Budget Act, the Auditor-Controller will file the budget schedules in the Clerk of the Board’s Office and submit to the State Controller by Dec. 1 per Government Code (GC) §29093. State Controller Budget Schedule 9 and 15 without final actuals for FY 2023-24 are included as Attachments 5 and 6, all schedules will be submitted by the deadline.

STAFFING IMPACT:

<i>Position Title</i>	<i>Position Control Number</i>	<i>Monthly Salary Range (1A-E Step)</i>	<i>Additions (Number)</i>	<i>Deletions (Number)</i>
Elections Specialist I/II	140-0132	1A	1.0	

Narrative Explanation of Staffing Impact:

Staffing is as shown in the Humboldt County FY 2024-25 Proposed Budget document (Attachment 7). The total proposed county staffing allocation is 2,344.73 positions, a decrease of 98.54 positions over the FY 2023-24 adopted positions. Your Board directed staff to allocate one additional position in the Elections budget, 1100-140. The final adopted staffing allocation for FY 2024-25 is 2,345.73 as reflected in the Personnel Allocation Table (Attachment 4).

OTHER AGENCY INVOLVEMENT:

All county departments and agencies, as well as several community organizations that receive county funding, are affected.

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could make additional changes to the final budget or continue this item to a later meeting date. These alternatives are not recommended because the final budget as presented conforms to previous Board direction.

ATTACHMENTS:

1. Adopted Budget Resolution
2. Special District Budget Resolution
3. AOT Opt Out Resolution
4. FY 2024-25 Personnel Allocation Table

5. State Budget Schedule 9
6. State Budget Schedule 15
7. FY 2024-25 Proposed Budget Document

PREVIOUS ACTION/REFERRAL:

Meeting of: 6/4/24, 6/10/24

File No.: 24-902, 24-956