



CEO

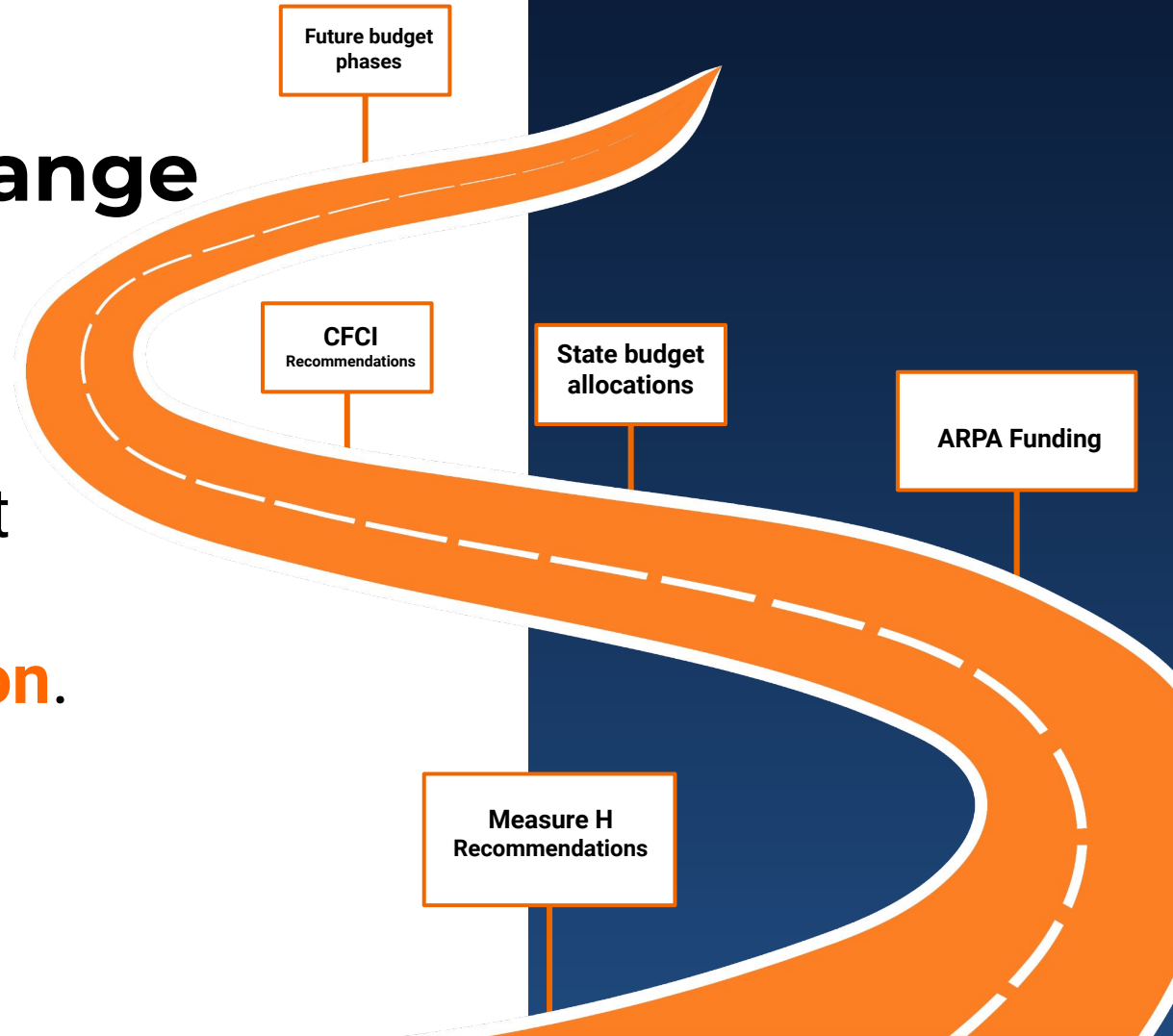
Chief Executive Office
COUNTY OF LOS ANGELES

2022-23 RECOMMENDED BUDGET

Turning the Corner to an Equity-Focused Recovery

First Step in a Blueprint for Change

This \$38.5 billion
Recommended Budget
is just a **starting point,**
not our final destination.



A Preview of Ambitious Changes Ahead

The Board's priorities include innovations that will take multiple budget phases to accomplish.

This budget phase alone doesn't capture the breadth of work set to launch this year:

- 4 new County departments
- A new 988 Alternative Crisis Response system
- Groundbreaking 3-year Guaranteed Income program
- A new prevention services model
- A heightened focus on equity in all programs and services



The Economic Outlook: Opportunities and Challenges

Generally positive economic outlook

- Property tax revenues projected to grow by 6%
- Estimated 7.9% increase in sales tax revenues

Many challenges and uncertainties remain

- Rapid inflation
- Ongoing labor negotiations
- Potential new COVID-19 impacts
- An unstable geopolitical climate affecting capital markets and energy prices
- Litigation



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Basic Budget Facts

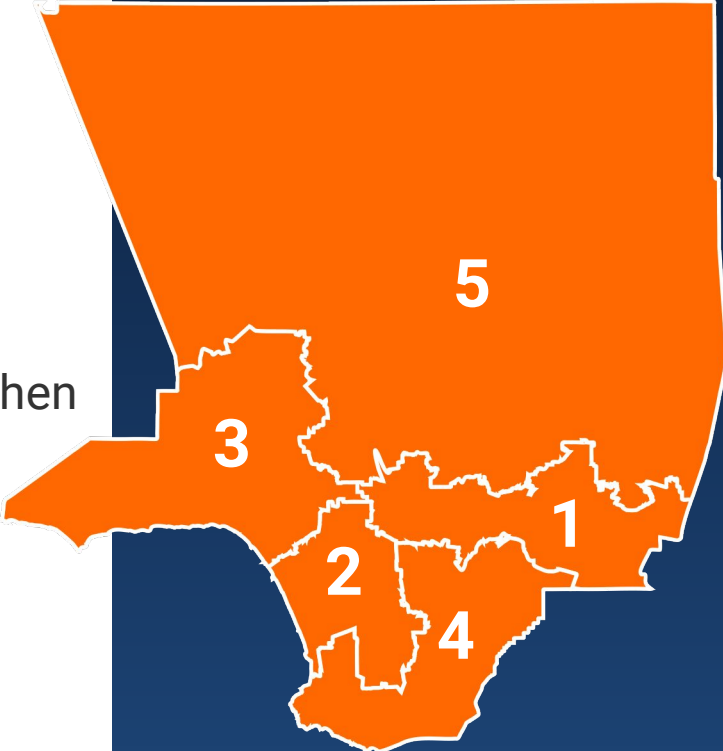


\$38.5 billion Recommended Budget



111,551 budgeted positions

Net gain of 513 budgeted positions to strengthen public service delivery in key areas, including public health, health services and safety net services



Changing the Way We Budget

There has been an intentional sea change in the way we approach the budget—**we are transforming the process to meet the moment.**

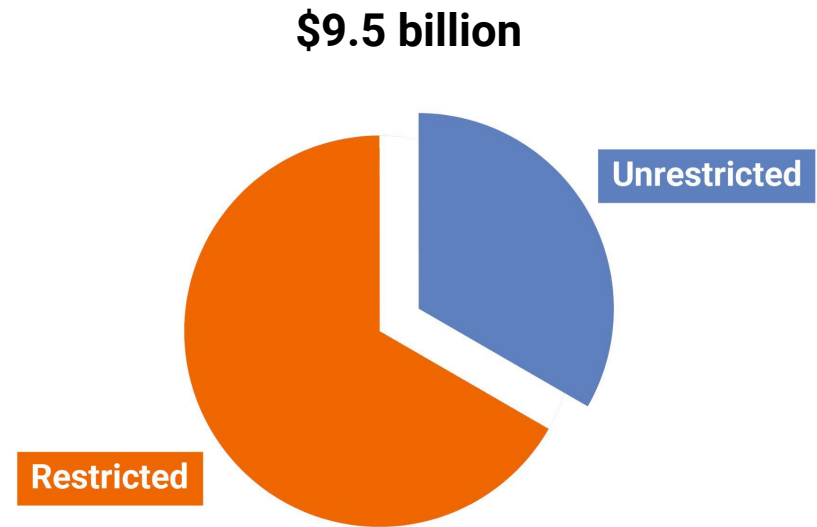
The most powerful example of this shift is our use of the Sequential Intercept Model in evaluating funding requests.



Changing the Way We Budget

This budget builds on the process approved by the Board last year to set aside **10% of locally generated unrestricted revenue** to support Care First and Community Investment (CFCI) programs.

Determination of restricted vs unrestricted revenues has been formally incorporated into the budget process as we approach **the full set-aside requirement in 2024**.



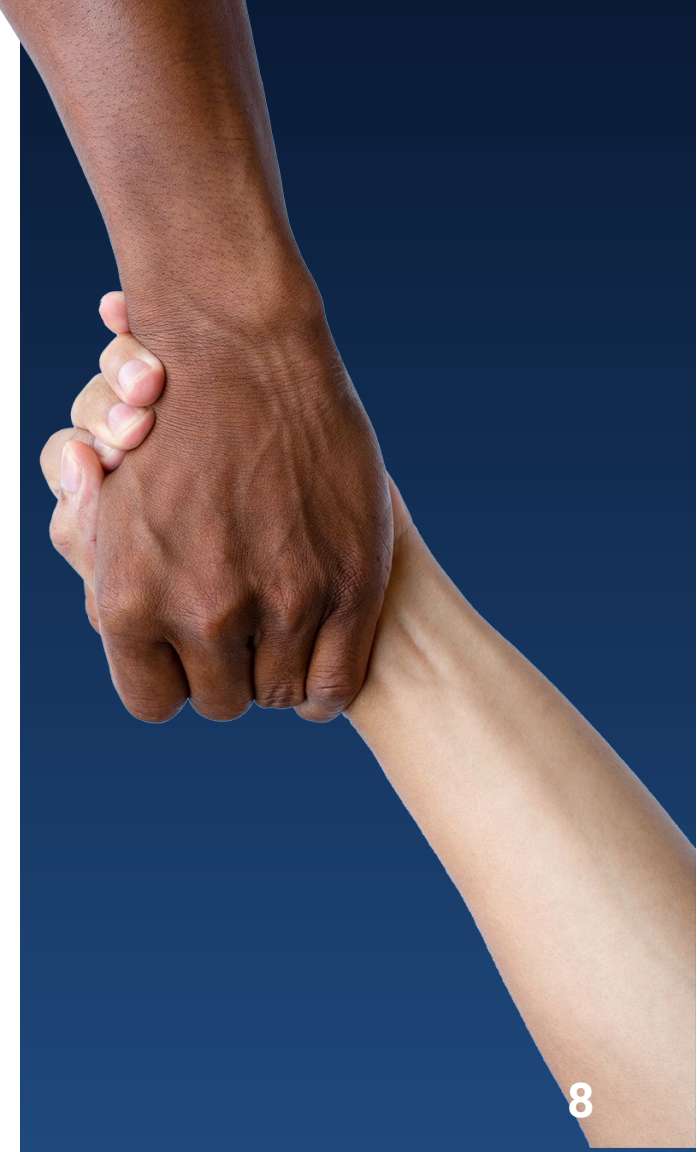
Resourcing the Care First, Jails Last Vision

Committing another \$100 million to the Care First, Community Investment plan.

- Addresses racial disparities in the justice system
- Provides a total of **\$200 million in Year 2 spending**

In addition:

- \$30 million to address structural deficit in the Office of Diversion and Reentry
- Increase in the number of public defenders and alternate public defenders
- Launch of new Justice, Care and Opportunities Department



Innovating Our Approach to Homelessness

Collaborating across departments to provide more housing AND more mental health services

- **\$493.9M in Measure H spending** for an array of strategies plus ...
- Mental Health Services Act funds to expand crisis intervention services and homeless care teams
- **41 DHS positions** to support four mobile clinics to provide street medicine
- **\$100 million balance** for affordable housing
- Streamlining ADU permitting to increase housing supply



Building a Healthier LA County

From fortifying the public health system to investing in parks and aquatic facilities, we're helping residents get and stay healthier:

- **\$22.6 million and 116 positions** to strengthen critical public health infrastructure
- **Adding 196 nursing staff** for critical care units
- Extensive capital and program investments in parks and aquatic programs to improve residents' quality of life, **particularly in underserved communities**
- **\$6 million** in renewed commitments to Parks After Dark
- Sustaining the public health ***promotoras*** program



Protecting and Empowering Youth

- **\$22.8 million** to DPSS to meet increased demand for full-time childcare services for CalWORKs participants
- **\$15.7 million** for the Youth@Work Program
- **\$14.1 million** for DCFS medical hub services
- **Funding to identify relatives as foster families**, keep kids in their original school and support LGBTQ+ foster youth
- **A department of youth development** is being established



Assisting and Caring For an Aging Population

- Underscoring the **commitment to the LA Found program**, which helps return individuals suffering from dementia, Alzheimer's disease or autism
- **A new department, which will focus on aging and disabilities**, is set to launch July 1.



Supporting Workers and Small Businesses

New Office of Labor Equity, a place for workers to:

- Report violations
- Receive education
- Get relief through investigations and enforcement

A new department of economic opportunity will intensify the focus on **providing critical resources** to workers and businesses, especially those in under-resourced communities.



Balancing Public Safety with Reforms

This is not a zero-sum game.

This budget reflects a commitment **to closing Men's Central Jail** and protecting the rights of those who are incarcerated

- **\$15.3 million to support compliance** with a federal consent decree regarding the treatment of individuals with mental illness in County jails

It also reflects a commitment **to public safety**

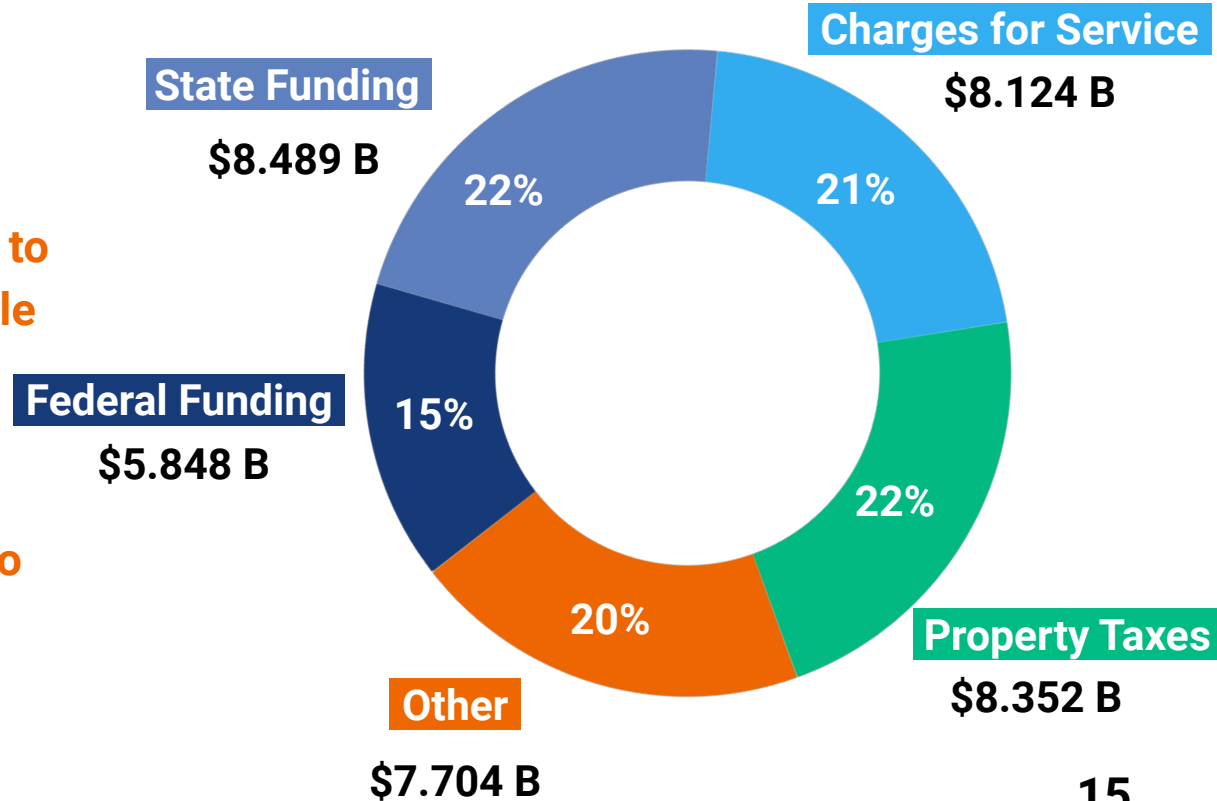
- **\$12.3 million in new funding for additional LASD Academy classes**, supporting the recruitment and training of a new generation of deputies
- **Complements existing investments** in CFCI, MET and HOST teams, and a new Justice, Care and Opportunities Department



A Closer Look: Where the Money Comes From

Most of LA County's budget is funded from state and federal sources or from fees for services provided. **These revenues are tied to specific programs and not available for other purposes.**

Similarly, **the bulk of locally generated revenue is committed to ongoing programs and services** previously approved by the Board.



A Closer Look: Where the Money Goes

Hospitals, healthcare and public assistance make up the majority of the budget.

Public protection includes a **wide range of services from multiple departments**

including:

LASD

Fire

Public Works

Probation

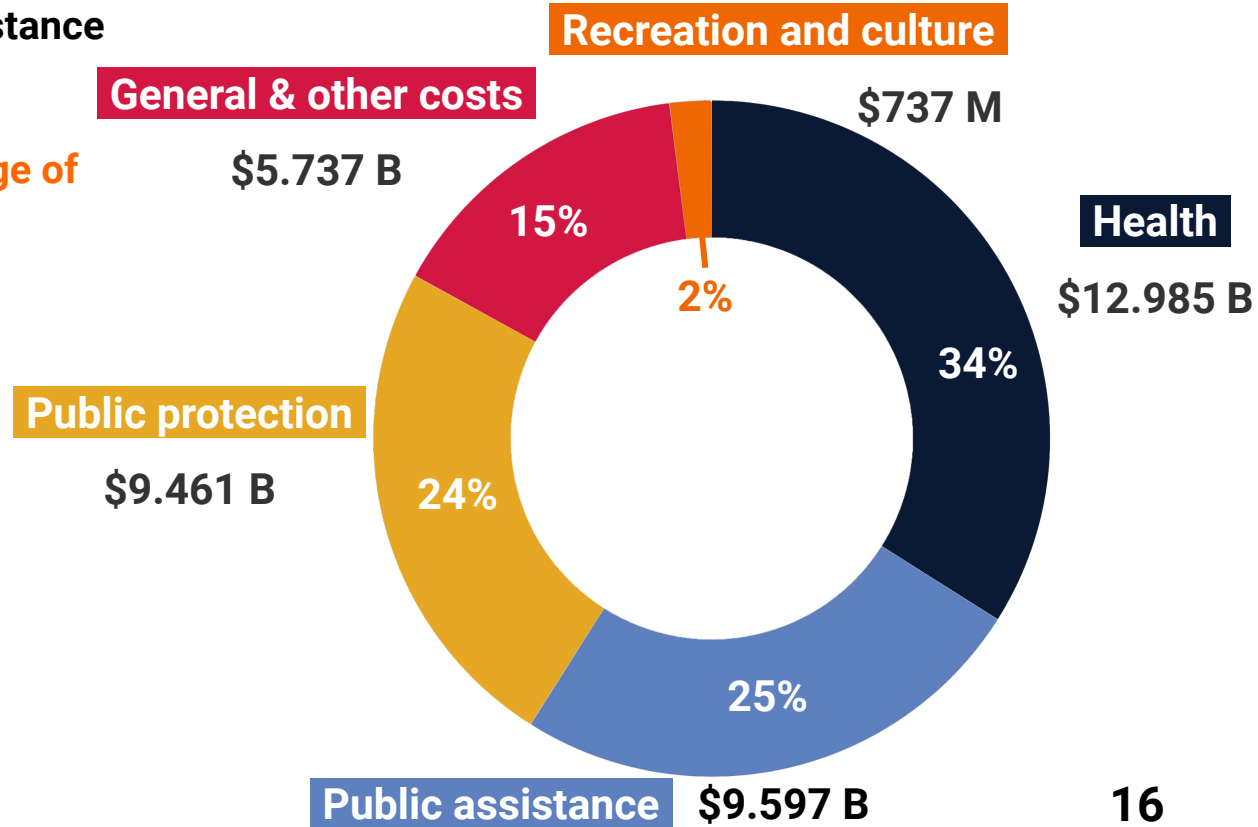
District Attorney

Trial Courts

Public Defender/Alternate PD

Diversion and Reentry

and more



Greater Unmet Needs Than We Can Fund

County Departments submitted nearly \$2.5 **billion** in unmet needs requests.

- **\$564 million** were recommended for funding.
- **\$603 million** were deferred for later consideration.
- Nearly **\$1.3 billion** remain unfunded.



Available Funding



Unmet Needs



Budgetary Pressures

There are a number of issues that could **substantially limit our future ability to fund the Board's priorities**, including:

- Insufficient special district funding to cover ongoing and future operational expenses for our Fire Department
- Structural deficit in DCFS caused by several factors, including unfunded state mandates and implementation of the Family First Act
- Requests for negotiated labor increases
- Additional structural deficits, including for the County Library and long-standing programs like Parks After Dark and Nurse Home Visiting



What's Next

Public Budget Hearings begin May 11

Board Budget Deliberations—June 27

Supplemental Budget adjustments
culminate in Final Adopted Budget in
October



THANK YOU

Questions?

