



# Sustaining Commitments, Building Momentum

2023-24 Recommended Budget

**CEO.**

**Fesia Davenport**  
Chief Executive Officer

April 18, 2023

As the County's COVID-19 emergency ends and our response to the homelessness emergency accelerates, this Recommended Budget focuses on sustaining programs and innovations underway and building our workforce's momentum in realizing the Board's ambitious policy agenda.

Building 4 new departments focused on:



**Alternative Crisis Response**



**Prioritizing Equity In County Processes**



**Care First, Jails Last**



**Justice**



**Economic Opportunity**



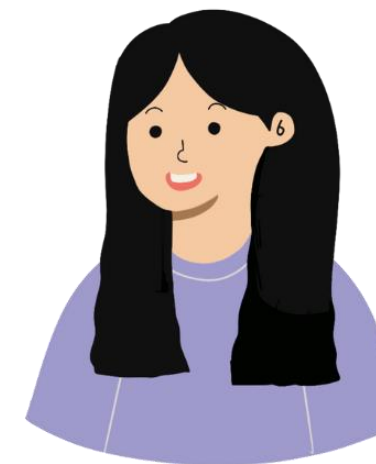
**Affordable Housing**



**Poverty Alleviation/ "Breathe"**



**Expanding mental health services**



**Youth**



**Aging/Disabilities**

This Recommended Budget reflects a near-term positive outlook but also takes into consideration risks on the horizon.



Projections show moderate growth in the year ahead

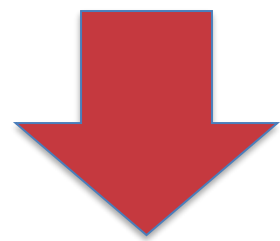
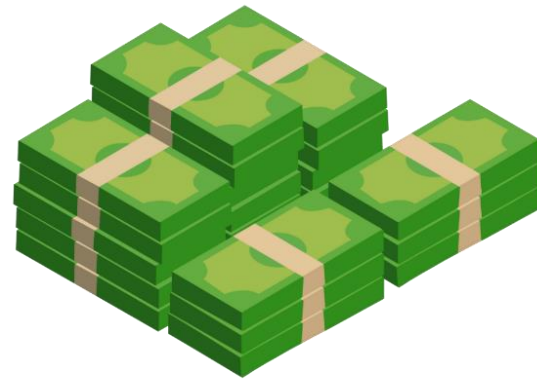
BUT



Significant near- and long-term risks on the horizon

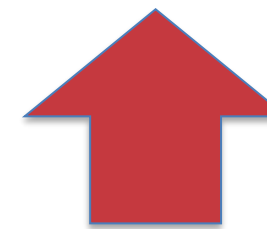
As a result, most funding for critical new programs will be considered in future budget phases.

**TOTAL BUDGET:  
\$43.0 BILLION**

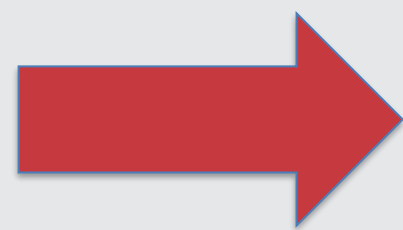


**\$1.6 Billion less** than last year's Final Adopted Budget

**TOTAL BUDGETED POSITIONS:  
114,106**



**514 more** than last year's Final Adopted Budget



- **\$1.9 billion+ in unmet needs** requests from County departments
- **\$813.2 million** of those deferred to future budget phases
- **\$1.1 billion** in unmet needs remaining

**\$692.0 MILLION** to mobilize an emergency response to homelessness

- Extensive investments in mental health outreach, supportive services, and a wide range of housing programs

**\$288.3 MILLION** of ongoing funding for Year Three of Care First Community Investment

- Represents full 10% of ongoing locally generated unrestricted revenues, as promised by Measure J

**\$49.6 MILLION** to improve unacceptable conditions in County jails

- Supports Integrated Correctional Health Services and Sheriff's Department in collaborating to meet the terms of the DOJ consent decree

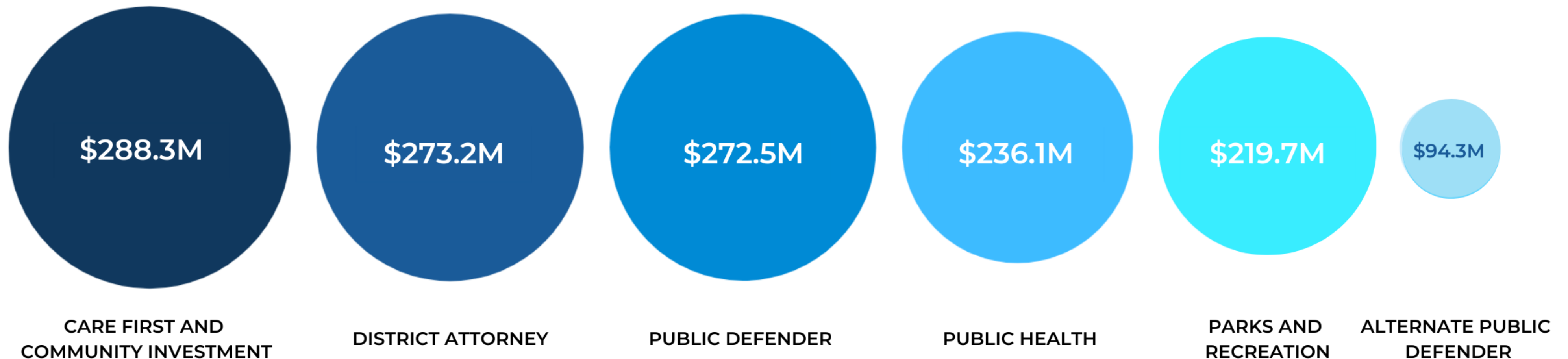
**\$6.6 MILLION** to support Sheriff's Department reforms

- Funds the re-establishment of the Office of Constitutional Policing



## A Closer Look at One Urgent Priority: CFCI Funding

If CFCI were a County Department, it would account for more ongoing Net County Cost than all but 5 of our 38 Departments. Here's how it compares:

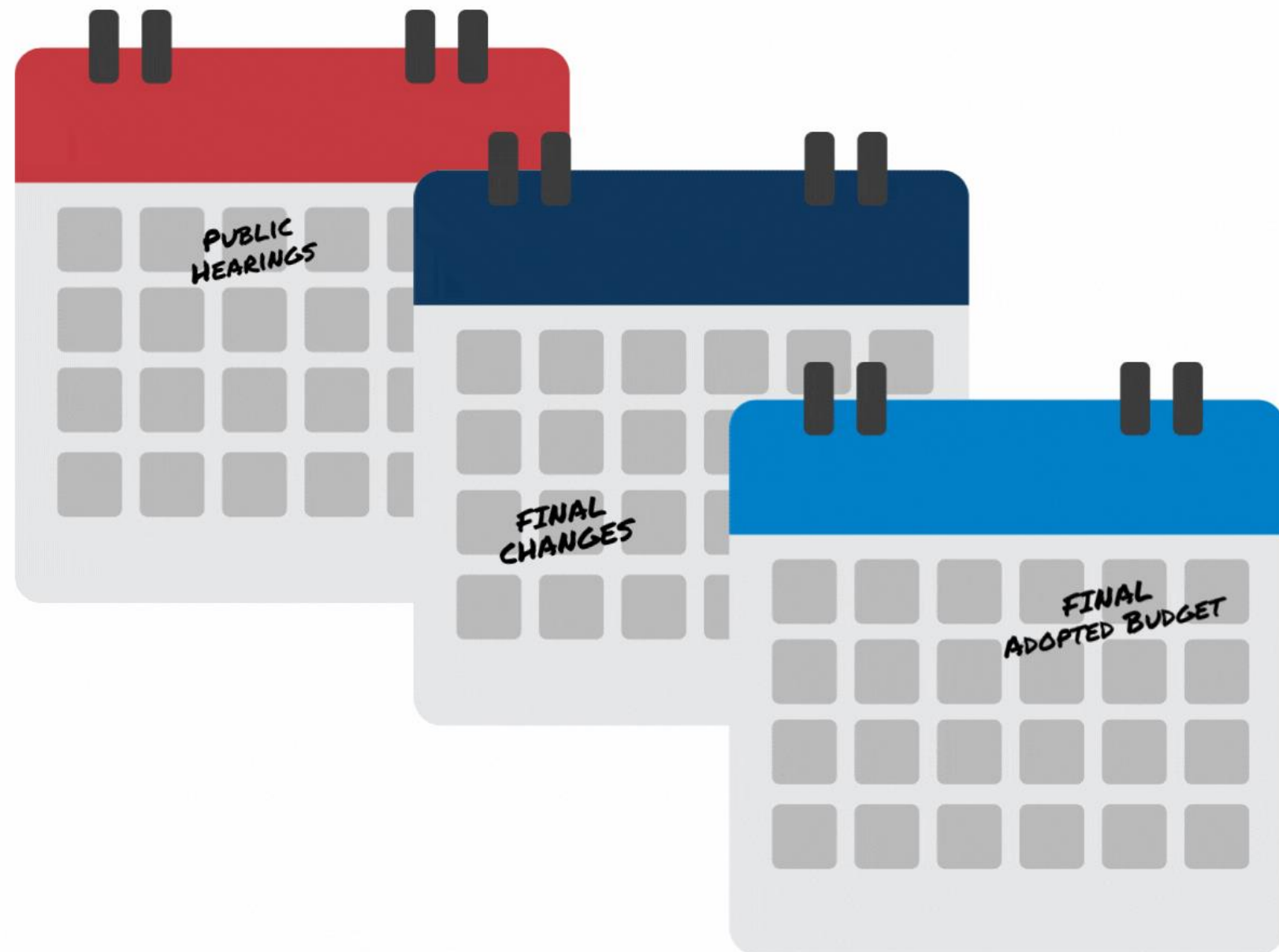


The 5 departments allocated greater ongoing NCC include the Sheriff's Department and the departments of Health Services, Children and Family Services, Public Social Services, and Probation, ranked in that order.

TIMING ↑	<b>CRITICAL</b>	<ul style="list-style-type: none"> <li>• <b>\$22.4M and growing: GR caseload</b></li> <li>• DCFS structural deficit (\$20M)</li> <li>• TBD: Probation facilities</li> </ul>	<ul style="list-style-type: none"> <li>• <b>\$1.6 – 3.0 Billion: 3,000+ legal claims alleging childhood sexual assault at County facilities</b></li> <li>• <b>Additional mental health beds</b></li> <li>• <b>Fire and Library deficits</b></li> <li>• \$233.3 million: Higher County wages (\$459.6M over 3 contract years)</li> <li>• \$49.6 million: DOJ Consent Decree (\$109.6M plus over 5 years)</li> <li>• LASD litigation (\$84M growing to \$164M over 5 years)</li> <li>• \$51.6 million: IHSS Wage Increase</li> </ul>	
	<b>ONGOING</b>	<ul style="list-style-type: none"> <li>• \$6.3M: Youth jobs</li> <li>• \$8.6M: Voting system technology</li> </ul>	<ul style="list-style-type: none"> <li>• Cannabis enforcement</li> <li>• \$34.6M: LASD Academy</li> </ul>	<ul style="list-style-type: none"> <li>• \$288.3 million: Full phase-in of CFCI 10% set aside</li> </ul>
	<b>EMERGING</b>	<ul style="list-style-type: none"> <li>• Project-level deficits</li> </ul>	<ul style="list-style-type: none"> <li>• <b>IHSS health plan deficit</b></li> <li>• <b>Affordable housing</b></li> <li>• Energy plant</li> </ul>	<ul style="list-style-type: none"> <li>• Stormwater conservation (\$432M over 5 yrs)</li> <li>• \$52.2 million: Retiree health benefits/insurance (\$223.6M over 5 years)</li> <li>• IT upgrades and maintenance</li> <li>• Seismic retrofits</li> <li>• <b>\$1.9 billion of ARP funding will not be renewed</b></li> <li>• <b>Measure H funding will expire in 2027</b></li> </ul>

Larger font indicates funding solutions with higher complexity





This is only the first step in our annual budget process.

Although future phases typically add opportunities for additional programming and funding, only the most critical new programs and services are likely to be considered this fiscal year.

Key dates:

- Public Hearings begin May 10
- Final Changes Budget set for June 26
- Supplemental/Final Adopted Budget scheduled for October 3



Questions?

Thank you.

