

Sustaining Commitments, Building Momentum

2023-24 Recommended Budget

CEO.

Fesia Davenport Chief Executive Officer

April 18, 2023 REVISED

CEO. Supporting Ambitious Work Underway

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.



Alternative Crisis Response



Prioritizing **Equity In County Processes**



Care First. Jails Last



Affordable Housing



Poverty Alleviation/ "Breathe"

Expanding mental health services

Building 4 new departments focused on:



Justice



Economic Opportunity



Youth

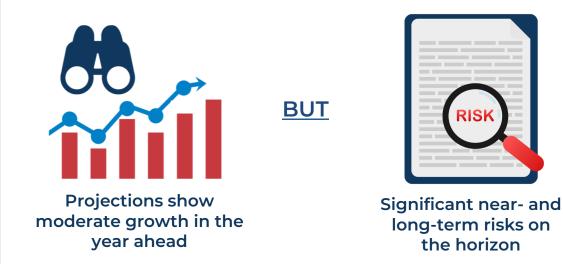


Aging/Disabilities



CEO. Balancing Positive Factors / Future Risks

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



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

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Recommended Budget at a Glance

TOTAL BUDGET:
\$43.0 BILLIONTOTAL BUDGETED POSITIONS:
14,106Image: Star Stress Stress

- \$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

CEO.

CEO. Funding Our Most Urgent Priorities

\$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



CEO. 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.

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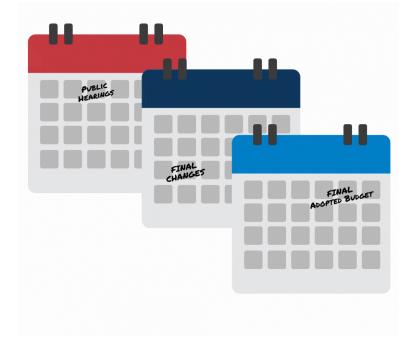
CEO. Impacts of Today, Risks of Tomorrow

Î	CRITICAL		 \$22.4M and growing: GR caseload DCFS structural deficit (\$200M) TBD: Probation facilities 	 \$1.6 - 3.0 Billion: 3,000+ legal claims alleging childhood sexual assault at County facilities Additional mental health beds Fire and Library deficits \$233.3 mllion: Higher County wages (\$459.6M over 3 contract years) \$496 million: DOJ Consent Decree (\$109.6M plus over 5 years) LASD litigation (\$84M growing to \$164M over 5 years) \$51.6 million: HSS Wage Increase
DNIMIT	ONGOING	 \$6.3M: Youth jobs \$8.6M: Voting system technology 	 Cannabis enforcement \$34.6M: LASD Academy 	• \$288.3 million: Full phase-in of CFCI 10% set aside
	EMERGING	Project-level deficits	 IHSS health plan deficit Affordable housing Energy plant 	 Stormwater conservation (\$432M over 5 yrs) \$52.2 million: Retiree health benefits/insurance (\$223.6M over 5 years) IT upgrades and maintenance Seismic retrofits \$1.9 billion of ARP funding will not be renewed Measure H funding will expire in 2027

Larger font indicates funding solutions with higher complexity

	STABLE (BUDGETED)	HIGH		VERY HIGH		
	IMPACT					
	\$1 TO \$19 MILLION	\$20 TO \$49 MILLION		\$50 MILLION AND UP	7 / 8	

CEO. Next Steps



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.