



Supplemental Changes Budget Fiscal Year 2023-24

CEO.

Fesia Davenport
Chief Executive Officer

October 3, 2023



\$46.7 billion total budget
(\$3.4 billion increase)*



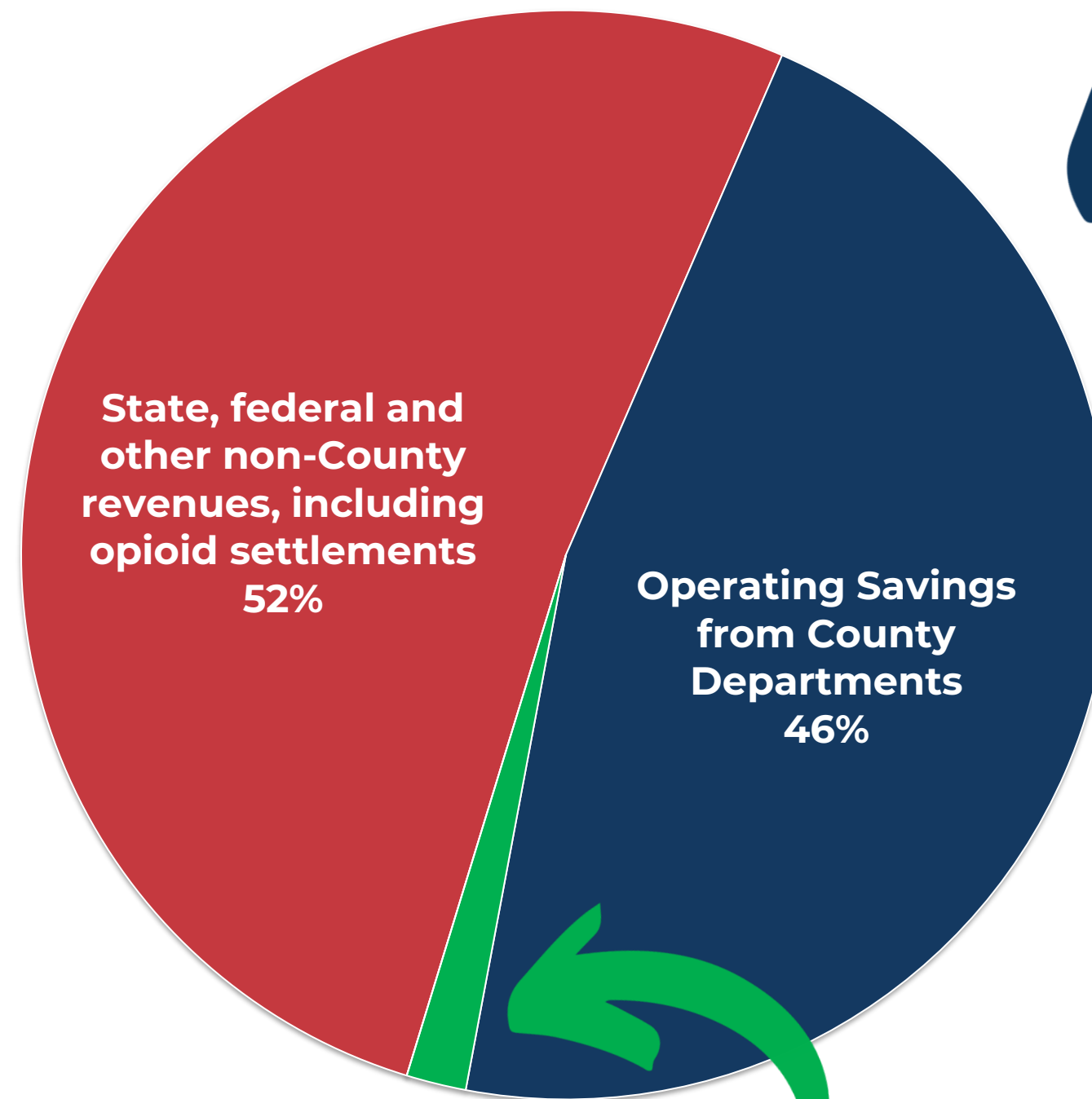
115,324 total budgeted positions
(666 new)*

*** Since the Adopted Budget was approved in June 2023**

Where the New Funding Comes From

\$3.4 Billion

State and federal dollars that are granted for specific programs cannot be reallocated.



Funding from the previous fiscal year is being used to support Board-directed priorities, multi-year capital projects and other urgent needs recommended in this budget phase.

Additional tax revenues that are available to support new ongoing programs represent less than 2% of the new funding in the Supplemental Budget.

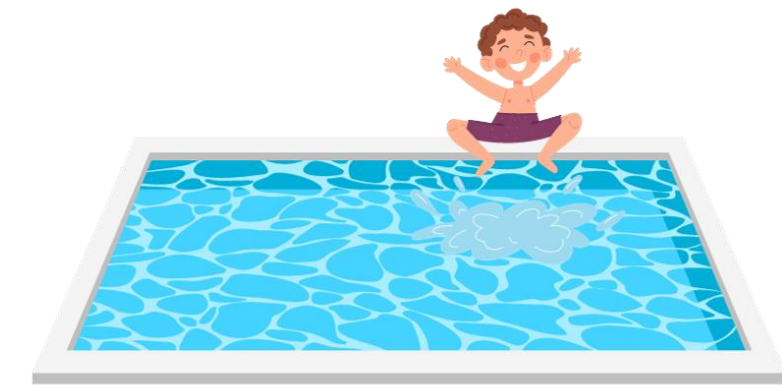
State and federal funding is enabling creation of most of the new positions in this budget. Together with some local funding, these resources support positions including:



Department of Mental Health — 167 positions to expand Homeless Outreach and Mobile Engagement (HOME) teams to support encampment resolutions and other services.



Department of Children and Family Services — 123 new positions to reduce adoption caseloads for social workers and provide support to caregivers, foster children and families.



Department of Parks and Recreation — 33 positions to support aquatics and recreation programming.

Also:

- 30+ positions across multiple departments to help move people with the highest acuity mental health needs out of jail and into more appropriate settings.
- Department of Youth Development — 14 positions
- Department of Economic Opportunity — 3 positions
- LGBTQ+ Commission — 2 positions

Priority Program: Homelessness Response

This budget includes the highest amount of Measure H funding ever allocated in a single budget year — \$870.5 million. The spending plan approved by the Board in February is being augmented in the Supplemental Budget with funding from Measure H and other sources for urgently needed additional programs such as:



\$29.8 million

to support Safe Landing interim housing and triage programs and related services for people experiencing homelessness



\$30.2 million

to support Pathway Home, including resolving RV encampments



\$7 million

to assist young adults formerly in foster care or in the probation system to secure and maintain housing



\$22.5 million

to provide permanent supportive and interim housing, as well as programs and services for transition age youth



\$10.9 million

to expand the Street Outreach program to LA Metro rails, buses, and Union Station



\$5 million

to support and expand Stay Housed LA, which offers free legal services to County residents facing eviction



In recognition of the multi-year approach needed to address this long-running crisis, of the \$870.5 million in Measure H funding, this budget also includes \$194.8 million set aside as “Committed for Homeless Programs,” which will fund the County’s new framework in future years.

Priority Program: Care First and Justice Reform

The Board's focus on justice reform is reflected in more than \$230 million in new funding for a wide range of critical justice reforms, including:



\$78.8 million

to divert more individuals found incompetent to stand trial to community-based settings



An additional \$55.2 million

for various prevention programs, ranging from diversion efforts to 24-hour youth centers



\$44 million+

to expand diversion and reentry programs overseen by the Justice, Care and Opportunities Department, the Office of Diversion and Reentry and the Department of Economic Opportunity



\$13.4 million

to hire more deputy public and alternate public defenders to support diversion and other key programs



\$20 million

in staffing incentives to bring on more clinicians and improve conditions and mental health care in our jails



\$20.1 million

to provide free phone calls for individuals in custody in County jails



\$8.5 million

Including increased County Counsel staffing to improve responsiveness to Public Records Act requests to the Sheriff's Department



\$3.6 million

for body-worn cameras and the replacement of 2,000 cameras connected to the CCTV system

Priority Programs: Help for Immigrants and Others

Support for immigrants:



\$3.9 million

for cash assistance for immigrants and refugee employment programs, bringing the annual total for these programs to more than \$105 million



\$200,000

for consultant services to help the Office of Immigrant Affairs work with departments to develop a Countywide Language Access Policy

Other key investments to support our residents:



\$55.3 million

to replace EBT benefits for victims of EBT card theft as a result of statewide skimming/scamming incidents



\$5.2 million

to provide supportive services and nutrition to older residents to address the changing needs of the growing 60+ population

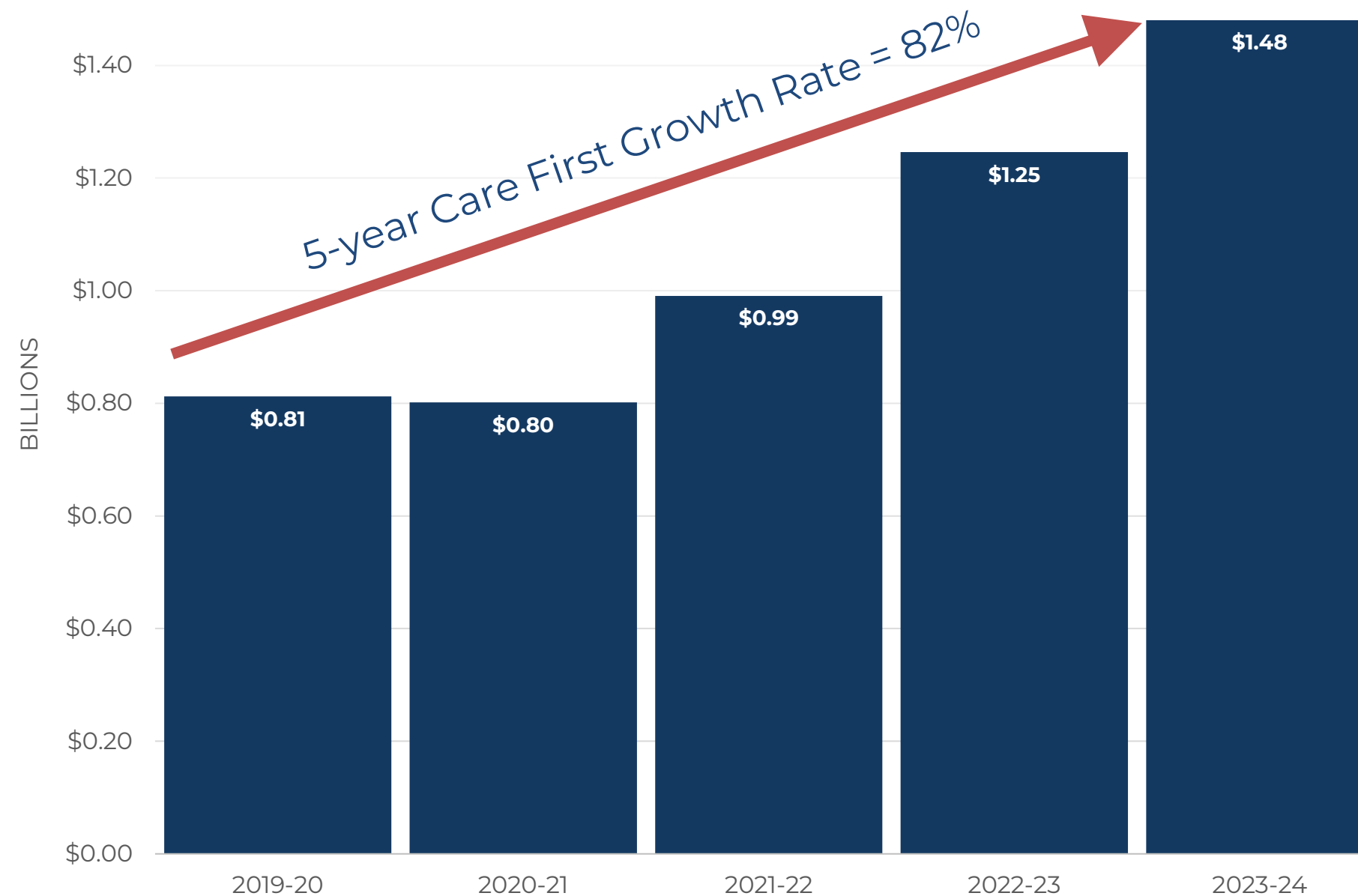


\$600,000

to establish a doula hub to provide technical support to the doula provider workforce and expand access throughout the County

Five Years of Care First: A Trajectory of Change

While funding for the Sheriff's and Probation departments has grown more slowly than the overall County budget over the last five years, the Board's approval of funding for Care First programs has grown dramatically—well beyond this year's \$288.3 million investment in CFCI alone.



Since 2019-2020, ongoing funding for all Care First departments and programs* has grown from \$812 million to an estimated \$1.48 billion in 2023-24—an increase of 82%.

During the same five years, funding for Sheriff and Probation has grown from \$4.4B to \$5B—an increase of 14%, primarily attributable to COLAs and accountability measures. This growth is well below the pace of inflation and the growth of the County budget during this time period.

* Care First Departments and programs included in this total are Care First Community Investment, Office of Diversion & Reentry, Correctional Health Services, Justice, Care and Opportunities, Public Defender, Alternate Public Defender and Youth Development.

Looking forward, the County faces sobering budget challenges:

- \$3.0+ billion in potential liability and settlements from Childhood Sexual Assault (AB 218) Claims.
- DOJ consent decree and other jail-related court actions could require a new and uncertain budgetary obligation.
- Homeless and Housing Crisis and Expiration of Measure H in 2027.
- Departmental Structural Deficits – Fire, Library, DCFS & DHS.
- Housing market continues to cool from the rise in mortgage interest rates, with January to July sales down 35%, reflecting a 10-year low. This will impact revenues in our 2024-25 budget year and beyond.



CAUTION AHEAD

The Board's approval of the Supplemental Budget, along with a Budget Resolution that formally directs the Auditor-Controller to adjust various fund balances in line with these recommendations, will result in the **Final Adopted Budget** for Fiscal Year 2023-24.

This balanced budget and all of the accompanying documents will be filed with the State Controller.

Questions?

Thank you.

