



C O U N T Y O F T U L A R E

R E C O M M E N D E D B U D G E T O V E R V I E W

F I S C A L Y E A R 2 0 2 4 / 2 5

FY 2023/24 COUNTY BUDGET RECAP

General Fund FY 2023/24 Recap

- County ended FY 2023/24 in a strong financial position
- Improved and replaced assets and equipment
- Contributed to Strategic Reserves
- Supported economic development
- Enhanced public safety
- Completed various capital projects and building improvements
- Funded negotiated cost of living salary adjustments

FY 2023/24 COUNTY BUDGET RECAP

Accomplishments

- **\$12.6 million** assigned to the Finance Management and Debt Reduction Fund
- **\$11.1 million** assigned to the Future Construction Fund
- **\$6 million** appropriated for the Capital Improvements Plan
- **\$5 million** increase to the Strategic Reserve
- **\$5 million** contingency maintained
- **\$2 million** granted to businesses impacted by the March 2023 Storms

FY 2023/24 COUNTY BUDGET RECAP

Accomplishments Continued

- **\$1.5 million** transferred for the replenishment of the Elections Trust Fund
- **\$1.4 million** transferred for IT infrastructure upgrades and special projects
- **\$1 million** transferred to the Homelessness and Community Activity Fund
- **\$1 million** transferred to the Litigation Trust Fund
- **\$1 million** transferred for countywide equipment and vehicle replacements
- **\$1 million** appropriated to the Pension Stabilization Fund



**FY 2024/25
CALIFORNIA
STATE
BUDGET**

Total Budget: \$297.9 billion

State General Fund: \$211.5 billion

Budget Reserves: \$22.2 billion

- **\$17.6 billion** Rainy Day Fund Balance
- **\$3.5 billion** Special Fund for Economic Uncertainties
- No Safety Net Reserve
- **\$1.05 billion** Public School System Stabilization Account

FY 2024/25 CALIFORNIA STATE BUDGET

Key Impacts to Counties

- **\$1 billion** for Homeless Housing, Assistance and Prevention (HHAP) Program Round 6
- **\$600 million** preserved for various CalWORKs programs including the Single Allocation, Family Stabilization, and Enhanced Subsidized Employment
- **\$184.1 million** preserved for local public health workforce and infrastructure
- **\$160 million** preserved for various Child Welfare and Foster Care programs, including the Family Urgent Response System and Bringing Families Home

FY 2024/25 CALIFORNIA STATE BUDGET

Key Impacts to Counties Continued

- **\$119.5 million** to provide grant funding to counties to support the implementation of California Air Resource Board (CARB) Advanced Clean Fleets (ACF) regulation
- **\$103 million** for the Victim Services Program to provide financial assistance and support to ensure all victims of crime in California receive the support they need
- **\$100 million** for Active Transportation Program to provide grant funding for projects that increase the use of active modes of transportation
- **\$40 million** for the Public Defender Pilot Program to implement recently chaptered legislation related to a wide range of post-conviction services

COUNTY BUDGET FY 2024/25

COUNTY BUDGET PROTOCOLS

1. Utilize historically conservative and reasonable revenue estimates to ensure a balanced budget
2. Fund only mandated services. County General Fund will not backfill revenue losses from state-mandated or grant-funded programs
3. County departments shall minimize additional commitments requiring ongoing General Fund coverage
4. Maintain the Board's strong commitment to public safety
5. Proceeds from sales of real property are designated for future capital needs
6. One-time funds are used for one-time purposes
7. Limit the issuance of debt
8. Strive to meet the Strategic Reserve stated ratio reflected in the Financial Policies
9. Collaborate with Tulare County Employee Retirement Association to minimize significant retirement cost increases
10. Promote adoption of business practices designed to help departments function more efficiently and effectively

FY 2024/25 BUDGET HIGHLIGHTS

- Total Budgets – All Funds: **\$2.01 billion** (\$37.7 million increase)
- General Fund Budget: **\$1.24 billion** (\$52 million increase)
- Discretionary Revenues: **\$234.1 million** (\$12.3 million increase)
- General Fund Net County Cost: **\$307.3 million** (\$17.4 million increase)
- General Fund Unassigned Fund Balance: **\$73.3 million** (\$5.1 million increase)
- Strategic Reserve: **\$50 million** (\$9 million increase)
- Contingency: **\$5 million** (no change)

FY 2024/25 BUDGET HIGHLIGHTS GENERAL FUND

- Payoff Long Term Debt in the amount of **\$22 million**
- Pension Obligation Bond (POB) debt service payment of **\$19.8 million**
- Capital Improvement Plan (CIP) contribution of **\$5 million**
- PARS 115 Trust increase of **\$4 million**
- Future Electric Vehicle Infrastructure investment of **\$4 million**
- Disaster management and abatement contribution of **\$2 million**
- Jail Medical Fund contribution of **\$1.1 million**
- IT Projects contribution of **\$1.1 million**
- Equipment and Vehicle Replacement Fund increase of **\$1 million**
- Election Trust Fund replenished by **\$1 million**

FY 2024/25 BUDGET HIGHLIGHTS OUTSIDE FUNDS

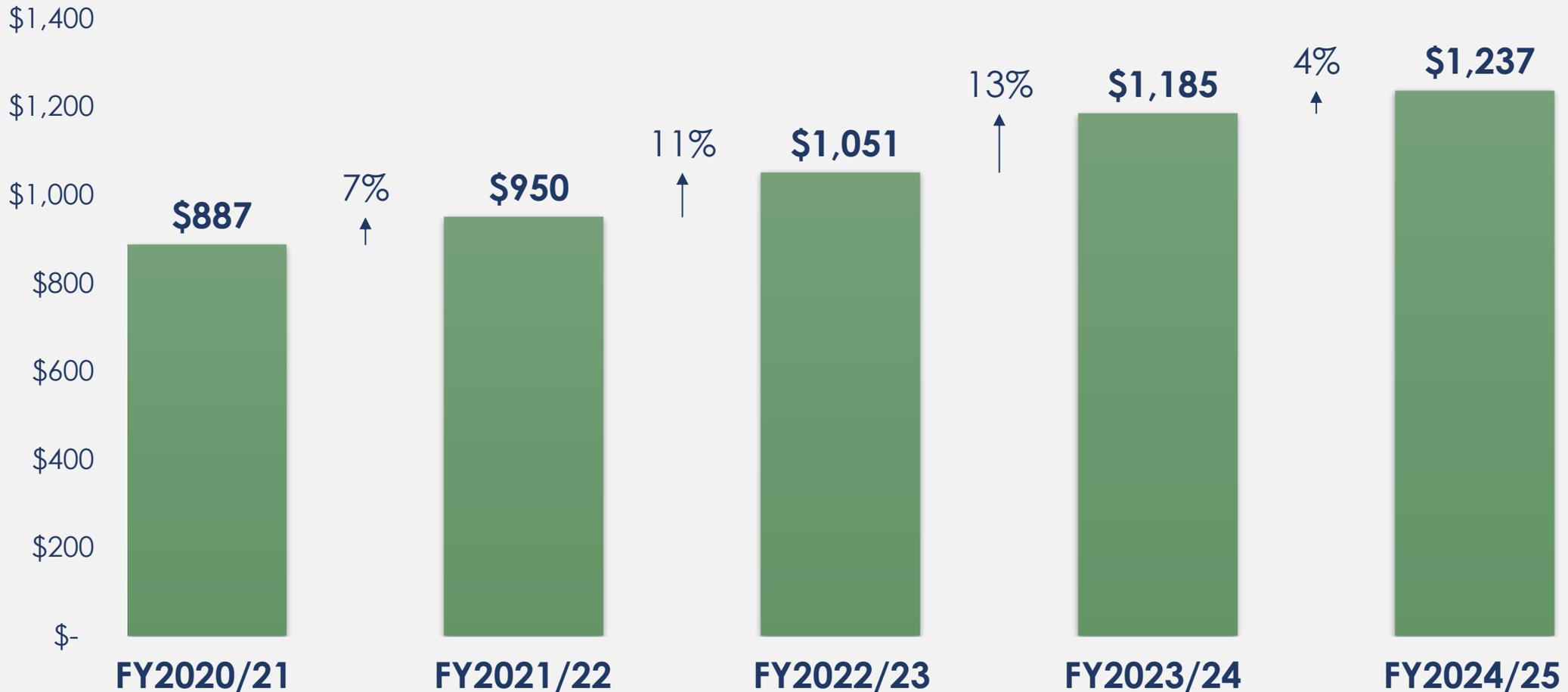
- Road Fund: County Transportation Improvement Program: **\$126.1 million**
- Solid Waste: **\$6.8 million** for the Woodville Landfill Expansion and **\$3 million** for heavy equipment
- County Fire: Newly requested capital asset purchases of **\$402 thousand**

COUNTY LONG-TERM OBLIGATIONS

(AS OF JUNE 30, 2024)

- Pension Obligation Bonds: **\$189.6 million**
- Variable Rate Demand Bonds: **\$25.4 million** (Refunded August 2024)
- Energy Lease: **\$8.4 million**
- Fire Equipment Lease: **\$3.6 million**
- Certificates of Participation for Enterprise Funds: **\$816 thousand**
- Bonds Payable for El Rancho Sewer District: **\$2 thousand**
- Total Long-term Debt: **\$227.8 million** (6.2% decrease from June 30, 2023)

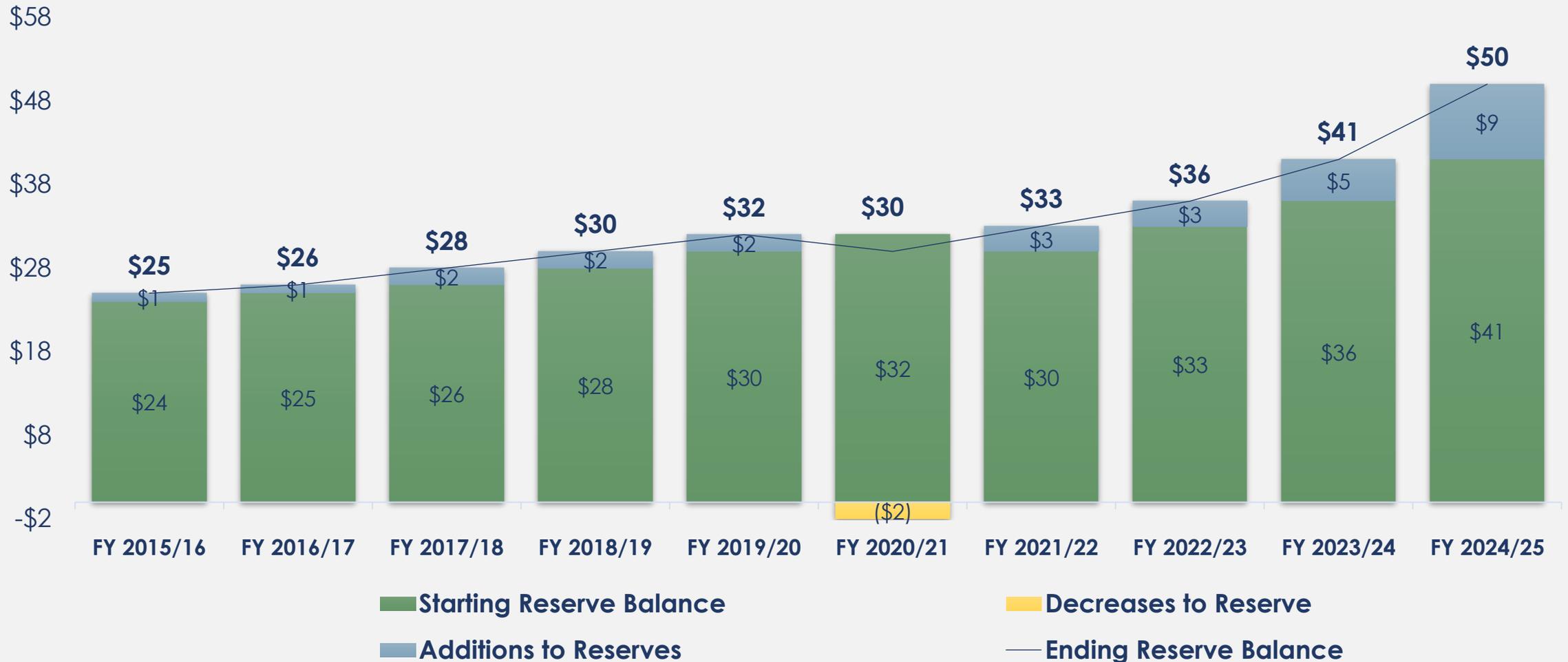
GENERAL FUND BUDGET 5-YEAR HISTORY (IN MILLIONS)



GENERAL FUND NET COUNTY COST 10-YEAR HISTORY (IN MILLIONS)

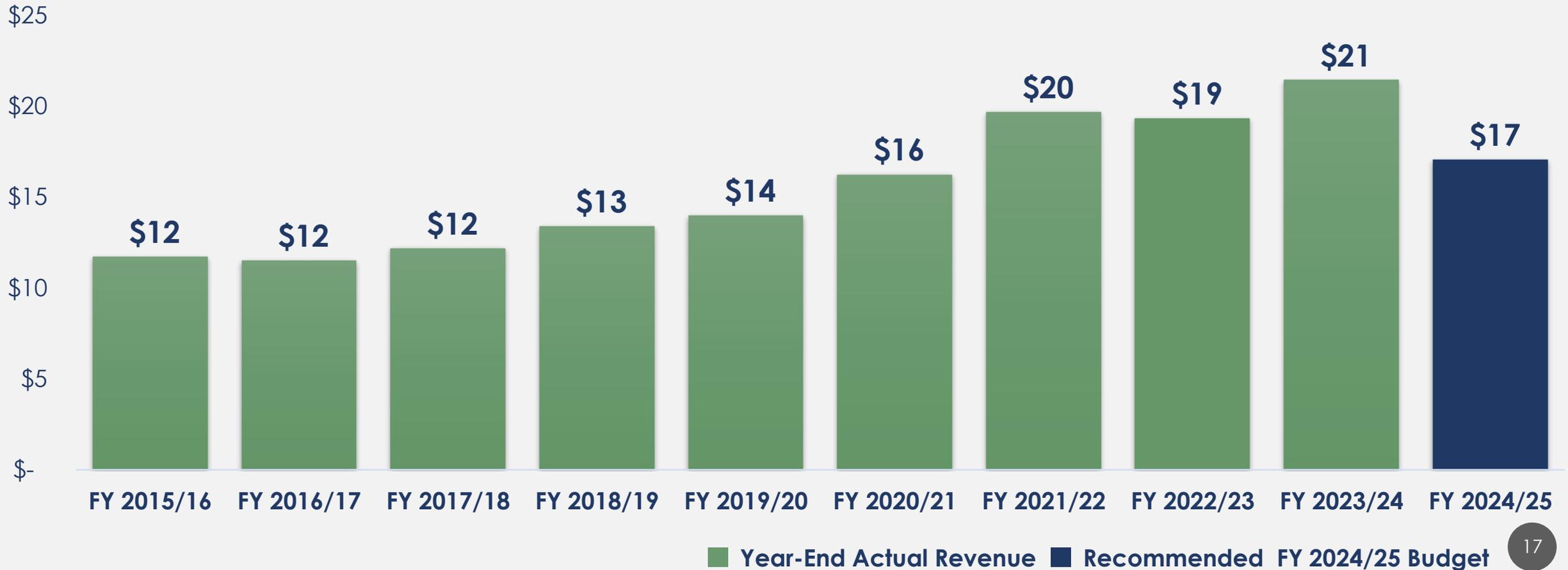


STRATEGIC RESERVE 10-YEAR HISTORY (IN MILLIONS)



SALES AND USE TAX ALLOCATION

(IN MILLIONS)



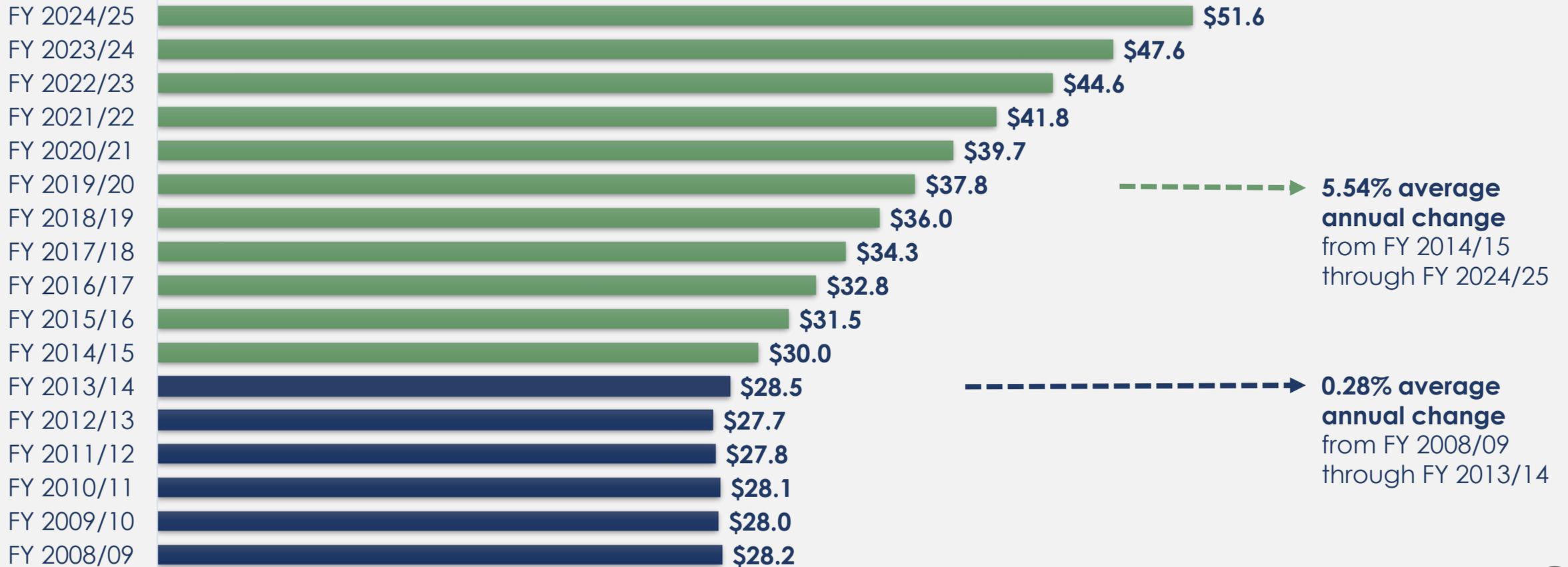
PROPOSITION 172 - PUBLIC SAFETY ONE-HALF CENT SALES TAX (IN MILLIONS)



LOCAL ASSESSED VALUE & PROPERTY TAXATION

- Assessed Valuation Growth without Exemptions
 - FY 2024/25: **\$51.6 billion** (\$3.97 billion increase)
 - Growth Rate: **8.331%**
 - Growth Rate since 2016: **5.60%**
- Assessed Valuation Growth with Exemptions
 - FY 2024/25: **\$49.9 billion** (\$3.88 billion increase)
 - Growth Rate: **8.417%**
 - Growth Rate since 2016: **5.66%**
- New Unincorporated County Building Permits for FY 2023/24: **3,948** (284 decrease)

LOCAL ASSESSED VALUE & PROPERTY TAXATION (IN BILLIONS)



Source: Tulare County Assessor Preliminary Tax Roll Statistical Data Summary (Net Value Total without Homeowner Exemptions)

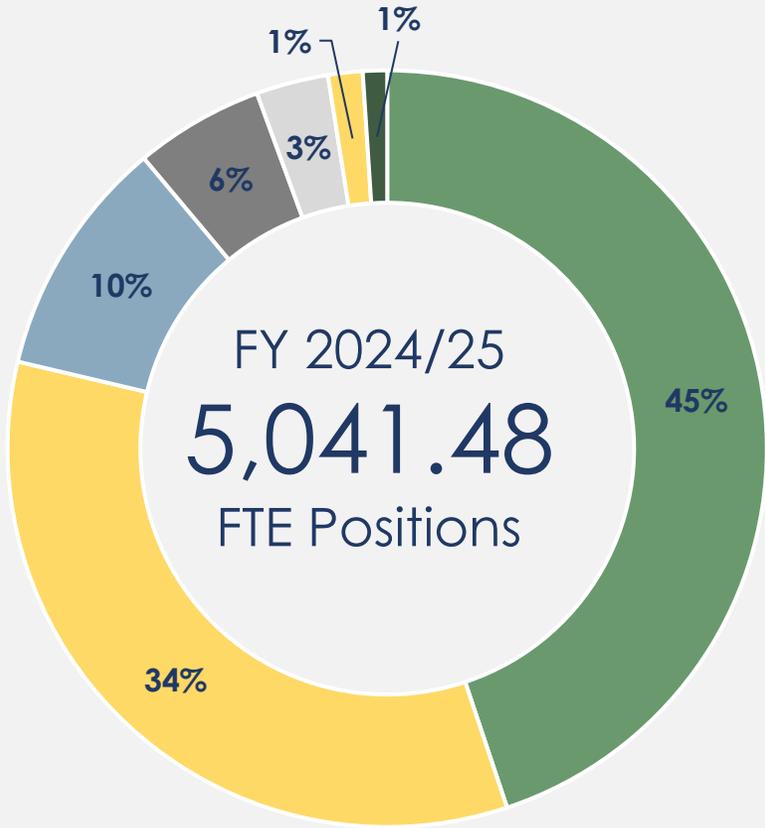
GENERAL COUNTY REVENUES

DESCRIPTION	FY 2022/23 ADOPTED BUDGET	FY 2023/24 ADOPTED BUDGET	FY 2024/25 RECOMMENDED	ONE-YEAR % CHANGE
Secured Property Taxes	\$54,145,126	\$57,315,257	\$60,043,622	4.76%
Motor Vehicle Fees	\$61,249,877	\$64,247,554	\$67,647,139	5.29%
Local Sales Tax	\$14,988,902	\$16,232,539	\$17,044,165	5.00%
Prop 172 Sales Tax	\$38,001,410	\$41,495,550	\$43,131,112	3.94%
All Other	\$39,271,984	\$42,470,172	\$46,187,290	8.75%
Total	\$207,657,299	\$221,761,072	\$234,053,328	5.54%

COMPARISON OF COUNTY FUNDS

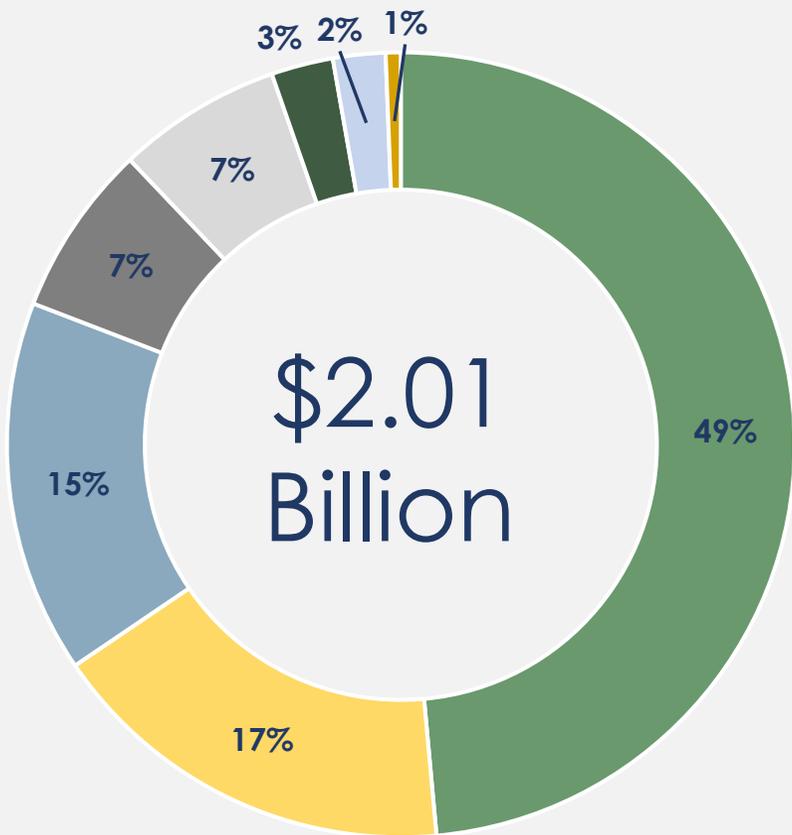
FUND TYPE	FY 2023/2024 ADOPTED BUDGET	FY 2024/2025 RECOMMENDED	DIFFERENCE	% CHANGE
General Fund	\$1,184,550,836	\$1,236,516,677	\$51,965,841	4.4%
Other Operating Funds	\$569,266,957	\$550,923,777	(\$18,343,180)	(3.2%)
County Service Areas	\$1,302,717	\$3,553,451	\$2,250,734	172.8%
Enterprise Funds	\$49,033,430	\$48,364,679	(\$668,751)	(1.4%)
Internal Service Funds	\$164,984,274	\$166,477,755	\$1,493,481	0.9%
Special Districts	\$7,784,166	\$8,754,383	\$970,217	12.5%
Total	\$1,976,922,380	\$2,014,590,722	\$37,668,342	1.9%

COMPARISON OF COUNTY STAFF BY FUNCTIONAL CATEGORY



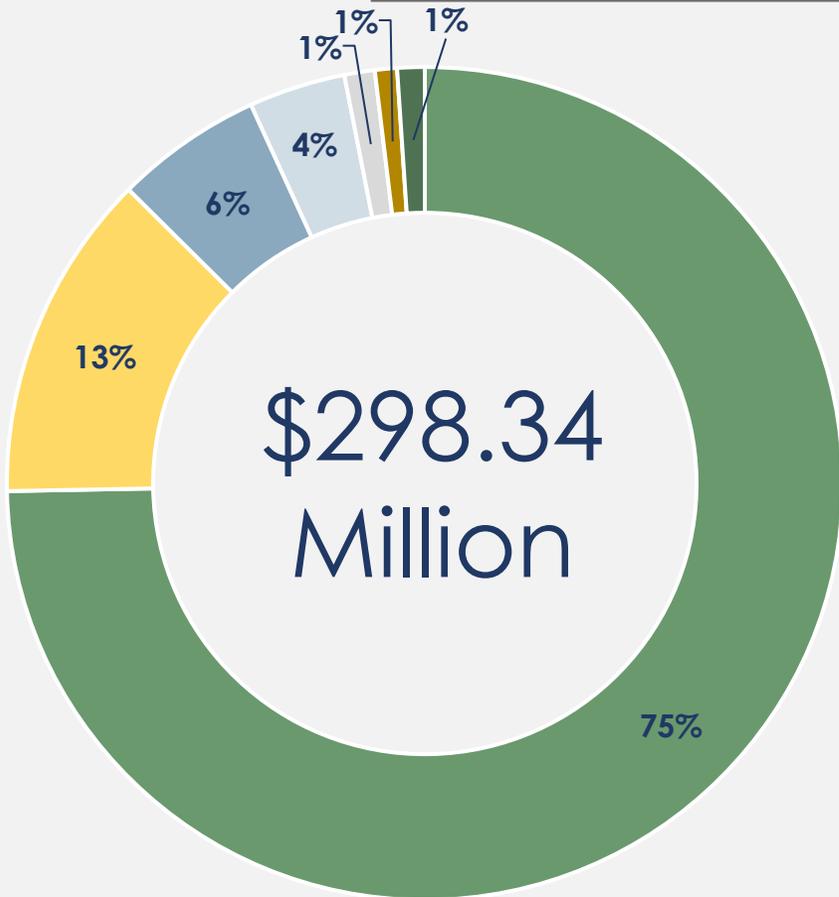
FUNCTIONAL CATEGORY	FY 2023/2024 ADOPTED	FY 2024/25 RECOMMENDED	CHANGE
Health & Human Services	2,286.00	2,263.00	(23.00)
Public Safety	1,690.48	1,704.48	14.00
General Government, Internal, & Support Services	523.00	516.00	(7.00)
Land Use, Development, Infrastructure, & Transportation	269.00	277.00	8.00
Property, Assessment, Public Finance, & Accounting	156.00	155.00	(1.00)
Agriculture, Fish & Wildlife	75.00	74.00	(1.00)
Assessment Districts, CSAs, Special Districts, & Solid Waste	52.00	52.00	-
Total	5,051.48	5,041.48	(10.00)
Year-End Vacancy Rate	16%	13%	(3%)

COUNTY BUDGET BY FUNCTIONAL CATEGORY



FUNCTIONAL CATEGORY	FY 2024/25 RECOMMENDED	%
Health and Human Services	\$961,969,184	48%
Public Safety	\$343,699,229	17%
Internal Operations	\$284,493,836	14%
Transportation	\$133,900,002	7%
General Government and Operations	\$168,331,432	8%
Land Use, Development, and Infrastructure	\$64,843,422	3%
Assessment Districts, CSAs, Special District, Solid Waste	\$44,527,433	2%
Agriculture and Fish and Wildlife	\$12,826,184	1%
Total	\$2,014,590,722	100%

GENERAL FUND NET COUNTY COST BY FUNCTIONAL CATEGORY



FUNCTIONAL CATEGORY	FY 2024/25 RECOMMENDED	%
Public Safety	\$222,882,892	74.7%
General Government and Operations	\$38,069,006	12.8%
Health & Human Services	\$17,014,830	5.7%
Property, Assessment, Public Finance and Accounting	\$11,154,241	3.7%
Agricultural and Fish and Wildlife	\$3,505,664	1.2%
Supporting County Departments	\$2,548,409	0.9%
Land Use, Development, and Infrastructure	\$3,162,187	1.1%
Total	\$298,337,229	100%

* Total excludes \$9 million transfer to reserves.

FORWARD LOOKING

SIGNIFICANT FINANCIAL CHALLENGES

- Rising labor costs and growing wage pressure
- Rising cost of law enforcement and fire services
- Growing operational costs due to impacts of inflation and interest rates
- Potential increase in annual retirement contributions
- New or underfunded and increasing financial share of mandated programs
- Uncertain impacts of Sustainable Groundwater Management Act (SGMA)
- Impacts of March 2023 Storms on County roads and bridges

COUNTY BUDGET PROTOCOLS

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4. Maintain the Board's strong commitment to public safety
5. Proceeds from sales of real property are designated for future capital needs

COUNTY BUDGET PROTOCOLS

6. One-time funds are used for one-time purposes
7. Limit the issuance of debt
8. Strive to meet the Strategic Reserve stated ratio reflected in the Financial Policies
9. Collaborate with Tulare County Employee Retirement Association to minimize significant retirement cost increases
10. Promote adoption of business practices designed to help departments function more efficiently and effectively

**THANK
YOU!**

- Board of Supervisors
- Board of Supervisors Staff
- County Administrative Office Staff
- Clerk of the Board Staff
- County Counsel
- Auditor-Controller/Treasurer-Tax Collector
- Human Resources & Development
- All County Agencies and Departments:
Leadership, Management, and Staff

FY 2024/25 BUDGET HEARING

**ADJOURN AS THE
TULARE COUNTY BOARD OF SUPERVISORS
AND CONVENE AS THE
TERRA BELLA SEWER MAINTENANCE DISTRICT**

Enterprise Funds

(Budget Book Pages 283-285)

Terra Bella Sewer Maintenance District

1. Conduct a Public Hearing on the FY 2024/25 Recommended Budget and adopt the FY 2024/25 Final Budget for the Terra Bella Sewer Maintenance District as modified during the hearings; and
2. Authorize the Auditor-Controller to make necessary minor adjustments in order to bring the FY 2024/25 Budget into final balance.

**ADJOURN AS THE
TERRA BELLA SEWER MAINTENANCE DISTRICT
AND CONVENE AS THE
TULARE COUNTY FLOOD CONTROL DISTRICT**

Special Districts

(Budget Book Pages 313-315)

Tulare County Flood Control District

1. Conduct a Public Hearing on the FY 2024/25 Recommended Budget and adopt the FY 2024/25 Final Budget for the Tulare County Flood Control District as modified during the hearings; and
2. Authorize the Auditor-Controller to make necessary minor adjustments to bring the FY 2024/25 Budget into final balance.

**ADJOURN AS THE
TULARE COUNTY FLOOD CONTROL DISTRICT
AND RECONVENE AS THE
TULARE COUNTY BOARD OF SUPERVISORS**

Enterprise and Assessment District Funds – Consent Budgets

(Budget Book Pages 277-282 and 286-301)

Transit

Solid Waste

L & M Funds-Assessment Districts

L01 Orosi Lighting/Landscape 92-01
L05 Orosi Storm Drain 95-720
L10 Orosi Storm Drain 98-722
L16 Earlimart Lighting/Landscape 02-01
L17 Goshen Storm Drain 2A 23-19-003
L18 Goshen Storm Drain 4 23-19-003
L60 Tipton Storm Drain 02-748
L65 Earlimart Storm Drain 02-746
L70 Cutler Storm Drain 05-764
L75 Teviston Storm Drain 04-752
L80 Earlimart Storm Drain 04-744
L85 Orosi Storm Drain 04-754
L86 Visalia Storm Drain 07-792
L87 Visalia Storm Drain 07-767
L88 Visalia District 13-792

L89 Traver Storm Drain 14-830
L90 Visalia Storm Drain 14-792
L91 Visalia Storm Drain 16-767
L92 Goshen Storm Drain 18-789
L93 Orosi District 19-17-003
L94 Pixley 20-770
L95 Goshen Storm Drain 19-789
L96 Goshen Storm Drain 20-19-003
L97 Goshen Storm Drain 21-789
M03 Strathmore Road 05-773
M04 Porterville Road 06-781
M06 Visalia Road 06-772
M17 Goshen Road Maintenance 2A 23-19-003R
M18 Goshen Street Maintenance 23-20-003R
M19 Goshen Street Maintenance 23-20-003R

M86 Visalia Road 07-792R
M87 Visalia Road 07-767R
M88 Goshen Road 09-804R
M89 Goshen 12-804R
M90 Visalia 13-792R
M91 Visalia 14-792R
M92 Visalia Road 16-767R
M93 Goshen Road 18-789R
M94 Orosi District 19-17-003R
M95 Pixley 20-770R
M96 Goshen Road 19-789R
M97 Porterville Street Maintenance 20-20-002R
M98 Goshen Street Maintenance 20-19-003R
M99 Goshen Street Maintenance 21-789R

TULARE COUNTY BOARD OF SUPERVISORS

County Service Areas #1 and #2 – Consent Budgets

(Budget Book Pages 303-311)

C15 Lemon Cove Water

Z01 El Rancho Sewer

Z10 Delft Colony Sewer

Z11 Delft Colony Water

Z50 Seville Sewer

Z60 Tonyville Sewer

Z70 Tooleville Sewer

Z80 Traver Sewer

Z90 Yettem Sewer

Z91 Yettem Water

Z95 Wells Tract Water

Z96 Wells Tract Sewer

TULARE COUNTY BOARD OF SUPERVISORS

Internal Service Funds – Consent Budgets

(Budget Book Pages 245-276)

General Services Agency

Grounds Services

Facilities

Custodial Services

Fleet Services

Property Management

Mail Services

Print Services

Utilities

County Counsel – Risk Management

General Liability

Property Insurance

Medical Malpractice

Workers' Compensation

Information & Communications Technology

Communications

Information & Communications Technology

Copier Services

TULARE COUNTY BOARD OF SUPERVISORS

Operating Funds – Consent Budgets

(Budget Book Pages 194-244)

Aviation

Building Debt Service

Capital Projects

Child Support Services

Community Development Block

Grants

County Fire

Fish and Wildlife

Health Realignment

HOME Program

Housing Successor Agency

ICT Special Projects

Indigent Health Care

Library

Mental Health Realignment

Pension Obligation Bond

Road Fund

Social Services Realignment

Tobacco Settlement

Workforce Investment Board

TULARE COUNTY BOARD OF SUPERVISORS

General Fund - Consent Budgets

(Budget Book Pages 107-193)

Agricultural Commissioner/Sealer of Weights &
Measures

Assessor/Clerk-Recorder

Auditor-Controller/Treasurer-Tax Collector

Board of Supervisors

Capital Acquisitions

Central Telephone Services

Citizens' Option for Public Safety (COPS)

County Administration

County Counsel

District Attorney

General Services Agency

Health and Human Services Agency

Human Resources and Development

TULARE COUNTY BOARD OF SUPERVISORS

General Fund - Consent Budgets

(Budget Book Pages 107-193)

Juvenile Justice Crime Prevention Act

Miscellaneous Administration

Miscellaneous Criminal Justice

Probation

Public Defender

Registrar of Voters

Resource Management Agency

Rural Crime Prevention

Sheriff-Coroner

UC Cooperative Extension

General Fund – General Revenues (Budget Book Pages 124-125)

General Revenues

General Fund – Contingency (Budget Book Pages 126-127)

Contingency

Others as Needed

REQUESTED ACTION

Approve Final Action Items Requested in the Agenda Submitted for this Budget Hearing:

1. Conduct a Public Hearing on the Fiscal Year 2024/25 Recommended Budget and adopt the Fiscal Year 2024/25 Final Budgets for all funds and activities as modified during the hearings for the Enterprise and Assessment District Funds, County Service Areas #1 and #2, Special Districts, Internal Service Funds, Operating Funds, and the General Fund;
2. Amend the Personnel Class Specifications, Class Designations, and Proposed Compensation Changes, subject to meet and confer;
3. Amend the Position Allocation List reflecting adds, deletes, amends, and reclassifications, subject to meet and advise;

REQUESTED ACTION

4. Approve a 3% cost-of-living adjustment for the following county elected officials: Sheriff-Coroner, District Attorney, County Assessor/Clerk-Recorder, and Auditor-Controller/Treasurer-Tax Collector, effective at the adoption of the Final Budget for Fiscal Year 2024/25, per Ordinance Code section 1-07-1060(d);
5. Approve a 3% cost-of-living adjustment for the Board of Supervisors, pursuant to the Tulare County Ordinance No. 3558, effective sixty (60) days after the adoption of the Final Budget for Fiscal Year 2024/25, per Ordinance Code section 1-07-1060(d);
6. Approve the Capital Asset Purchase List; and
7. Authorize the Auditor-Controller to make necessary minor adjustments to bring the Fiscal Year 2024/25 Budget into final balance.