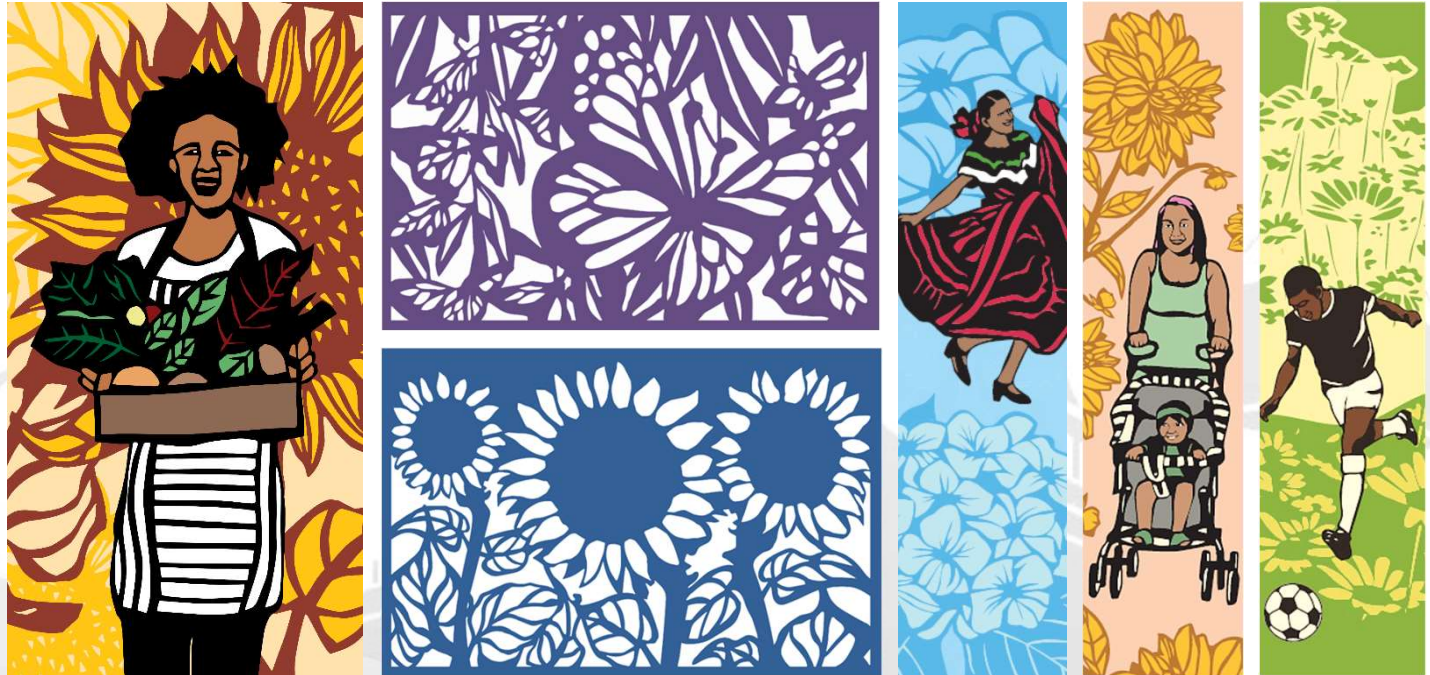




County of Alameda FY 2022-23 Proposed Budget

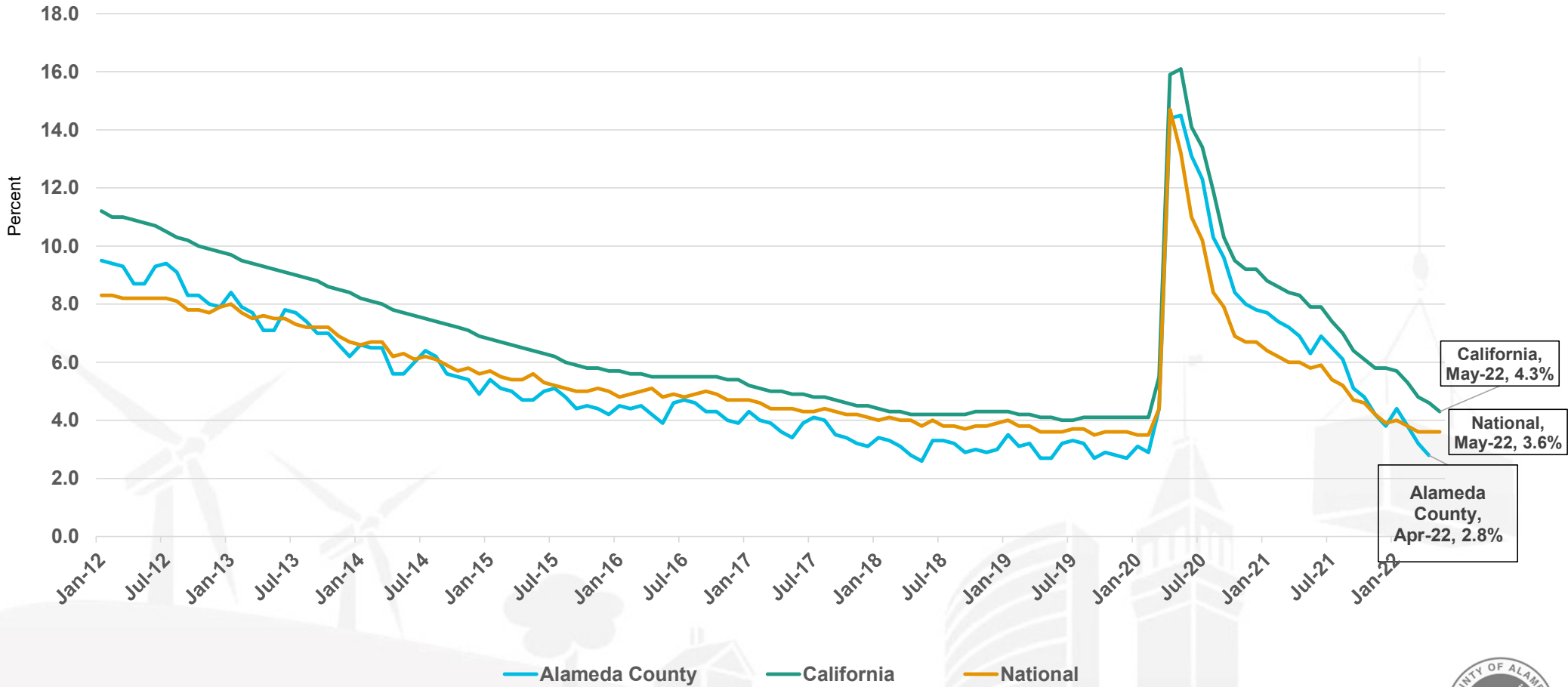
June 27, 2022



Economic Outlook



Unemployment Rate

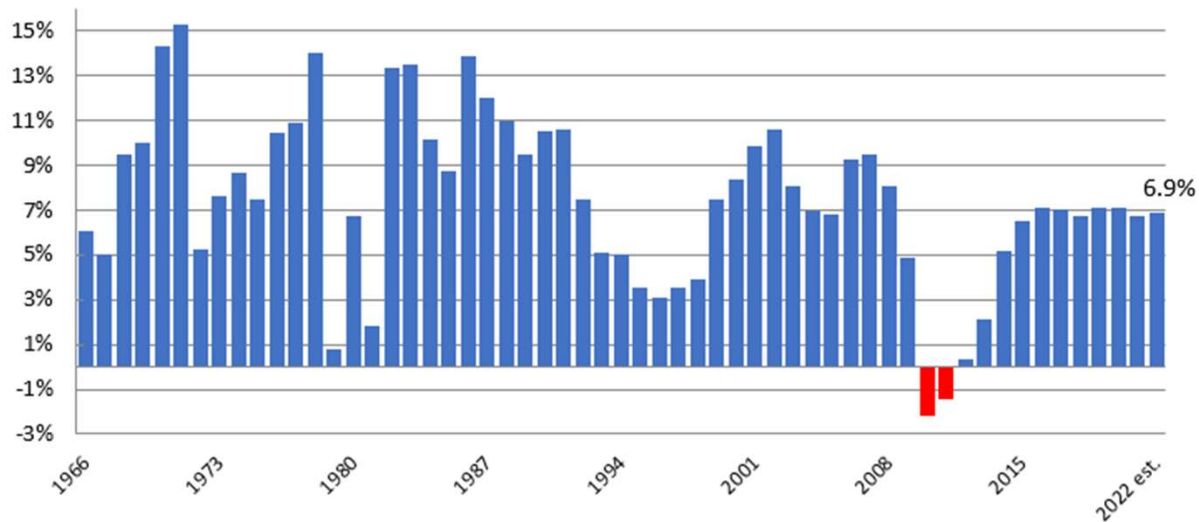


Alameda County Home Values & Assessment Roll Growth



Alameda County Median home sales price \$1.16 million

Alameda County Assessment Roll Growth



30-Year Fixed Rate Mortgage National Average



Since the end of 2021, 30-Year mortgage rates have risen over 250bps and are at the highest level since 2008.



National Housing Market Slowing

Housing Inventory Up

- Active listings up 13% from last year

Mortgage Applications

- Applications down 16% from a year ago for the week ending June 10th

Housing Starts

- May 2022 housing starts declined 3.5% year on year

Price Cuts

- 10.5% of homes had a price cut in May 2022 vs 6.2% May 2021

Industry Layoffs

- Redfin cut 8% of employees
- Compass reducing workforce by 10%



12-Month Percentage Change Consumer Price Index



Inflation, as measured by the Consumer Price Index, has risen sharply since the beginning of the year. May 2022 experienced the largest 12-month increase since the period ending December 1981.



Key Economic Takeaways

- Job market continues to be strong locally and nationally.
- Housing market remains robust locally, but national trends are more worrying.
- Central Banks shifting to tighter monetary policy to fight inflation:
 - Federal Reserve increased rates 75bps in June (largest single meeting increase in over 25 years) and has signaled a similar increase in July.
 - Higher interest rates act as a brake on the economy.
- Continued supply chain problems.
- Economic forecasters increasing odds of a recession.



State and Federal Update



State & Federal Update

- On June 13, 2022, the California Legislature met its Constitutional deadline to approve a budget by June 15th:
 - \$300 billion spending plan with reserves of \$37.5 billion.
 - Negotiations commenced with the Governor over items such as reimbursement rate increases for childcare providers and the size and eligibility of various relief programs to help Californians cope with inflation.
- On June 26, the Legislature and Governor announced they have reached an agreement on the budget package, including a \$17 billion relief package for residents.
- Earmarks requested by the County for supportive housing, All-In Eats, and Flood Control & Road infrastructure projects are included.
- CARE Court, CalAIM, and Pre-Trial funding all remain key priority areas for the County.
- After the Governor signs the budget bill, additional details will be worked out via budget trailer bills.
- With narrow majorities in Congress and upcoming elections, we are not expecting major budgetary or legislative changes that directly impact counties, but we may have some funding opportunities via federal earmarks.



COVID-19 Emergency Funding



COVID-19 Emergency Funding

This COVID-19 Emergency Funding is NOT included in the County's operating budget

CARES Act

- \$333.2 million in funding – fully expended
- \$647.8 in additional CARES-eligible expenses

American Rescue Plan Act

- \$324.6 million total over two tranches
- \$162 million allocated

Federal Emergency Management Agency

- \$60 million in expenses through March 2022
- 80% for shelter/hotels & 20% vaccination related costs



FY 2022-23 Proposed Budget Overview



FY 2022-23 Budget Overview (\$ in millions)

DRAFT

All Funds	FY 2021-22 FINAL	FY 2022-23 MOE	FY 2022-23 PROPOSED	Change from 2021-22
Appropriation	\$3,607.9	\$3,775.8	\$3,755.3	\$147.4
Revenue	\$3,607.9	\$3,726.7	\$3,755.3	\$147.4
Funding Gap	\$0	\$49.1	\$0	\$0
FTE*	10,078.31	10,337.33	10,337.33	259.02

General Fund	FY 2021-22 FINAL	FY 2022-23 MOE	FY 2022-23 PROPOSED	Change from 2021-22
Appropriation	\$3,315.0	\$3,467.4	\$3,446.9	\$131.9
Revenue	\$3,315.0	\$3,418.3	\$3,446.9	\$131.9
Funding Gap	\$0	\$49.1	\$0	\$0
FTE*	8,210.64	8,454.49	8,454.49	243.85

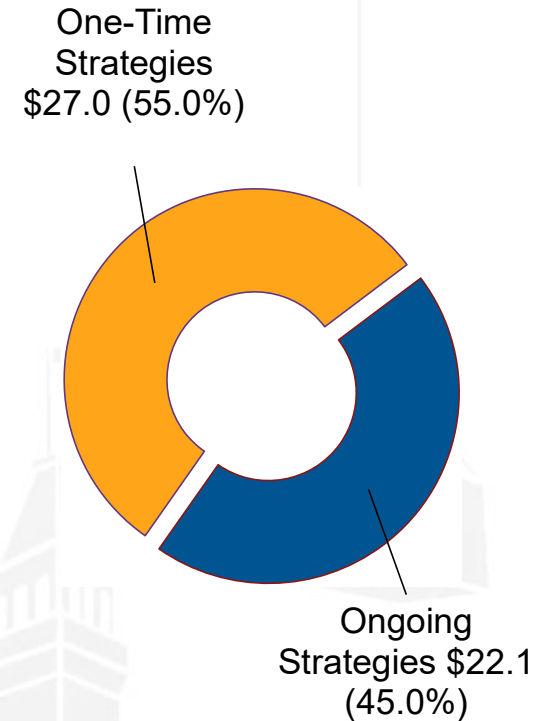
*Full-time equivalent positions



FY 2022-23 Balancing Strategies (\$ in millions)

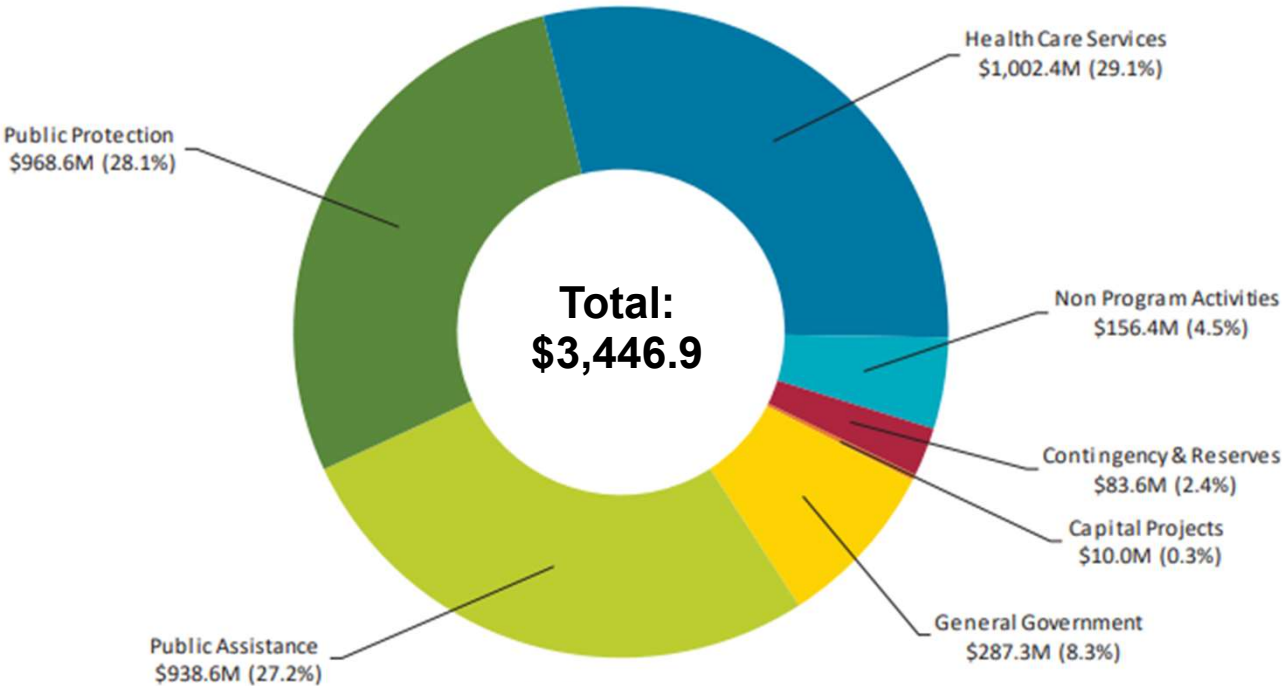
The Proposed Budget closed a \$49.1 million Funding Gap

Program Areas	Ongoing Reductions	One-time Reductions	Total Net Reductions
General Government	\$0.0	\$8.0	\$8.0
Health Care Services	\$0.0	\$0.0	\$0.0
Public Assistance	\$3.5	\$0.0	\$3.5
Public Protection	\$1.5	\$4.0	\$5.5
PROGRAM TOTAL	\$5.0	\$12.0	\$17.0
Countywide Strategies			
ITD Retained Earnings	\$0.0	\$15.0	\$15.0
Revenue Adjustments	\$17.1	\$0.0	\$17.1
COUNTYWIDE TOTAL	\$17.1	\$15.0	\$32.1
GRAND TOTAL	\$22.1	\$27.0	\$49.1



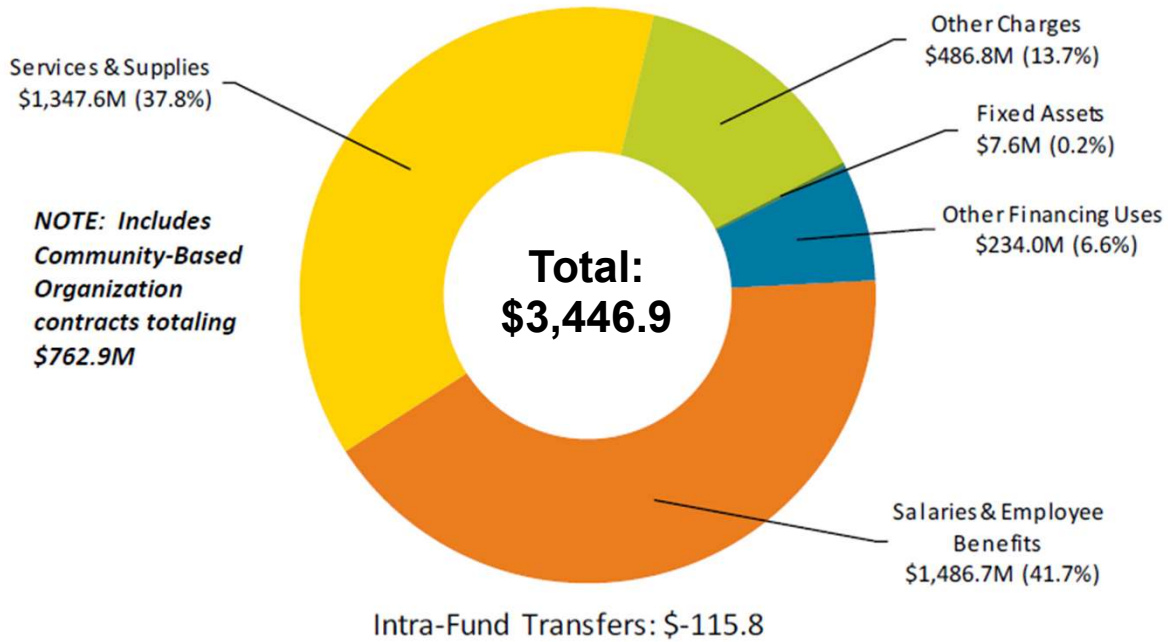
FY 2022-23 Proposed Budget (\$ in millions)

Appropriation by Program - General Fund



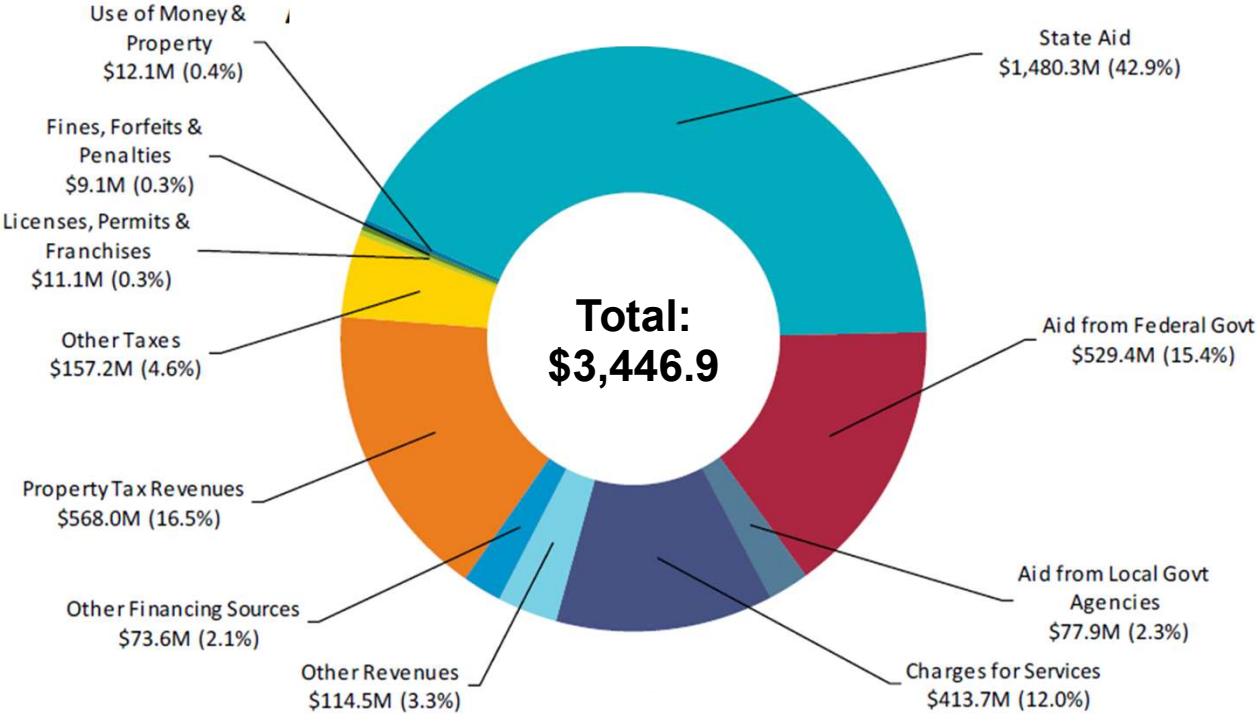
FY 2022-23 Proposed Budget (\$ in millions)

Appropriation by Major Object - General Fund



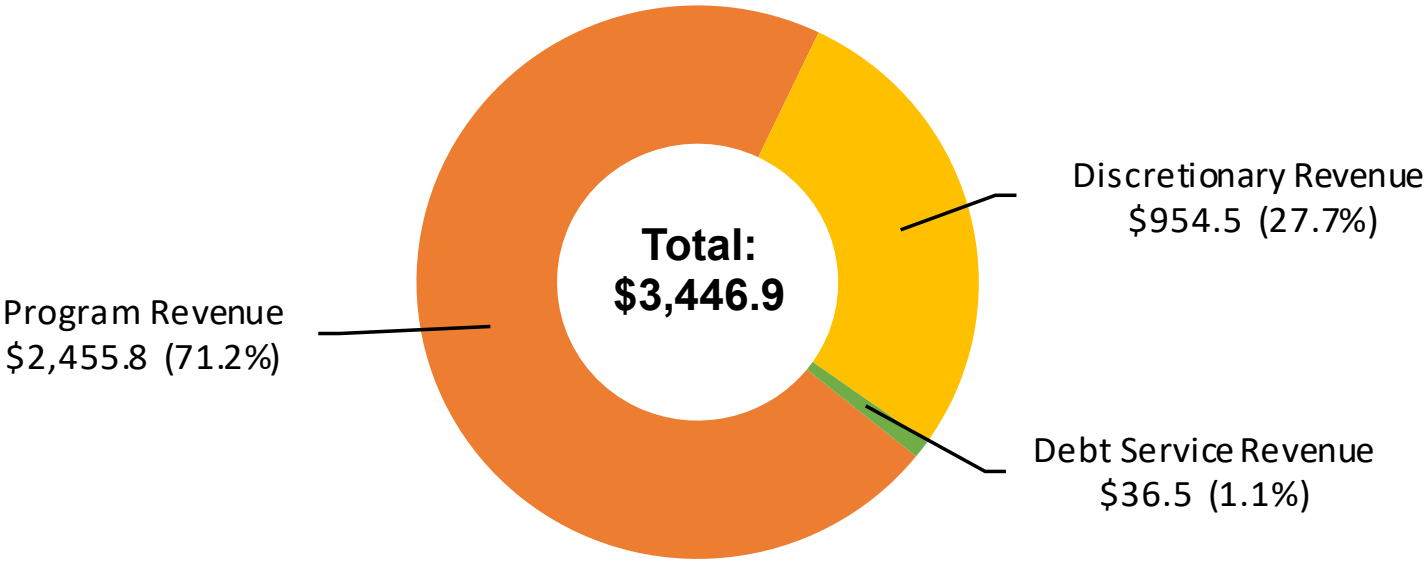
FY 2022-23 Proposed Budget (\$ in millions)

Available Financing by Source – General Fund



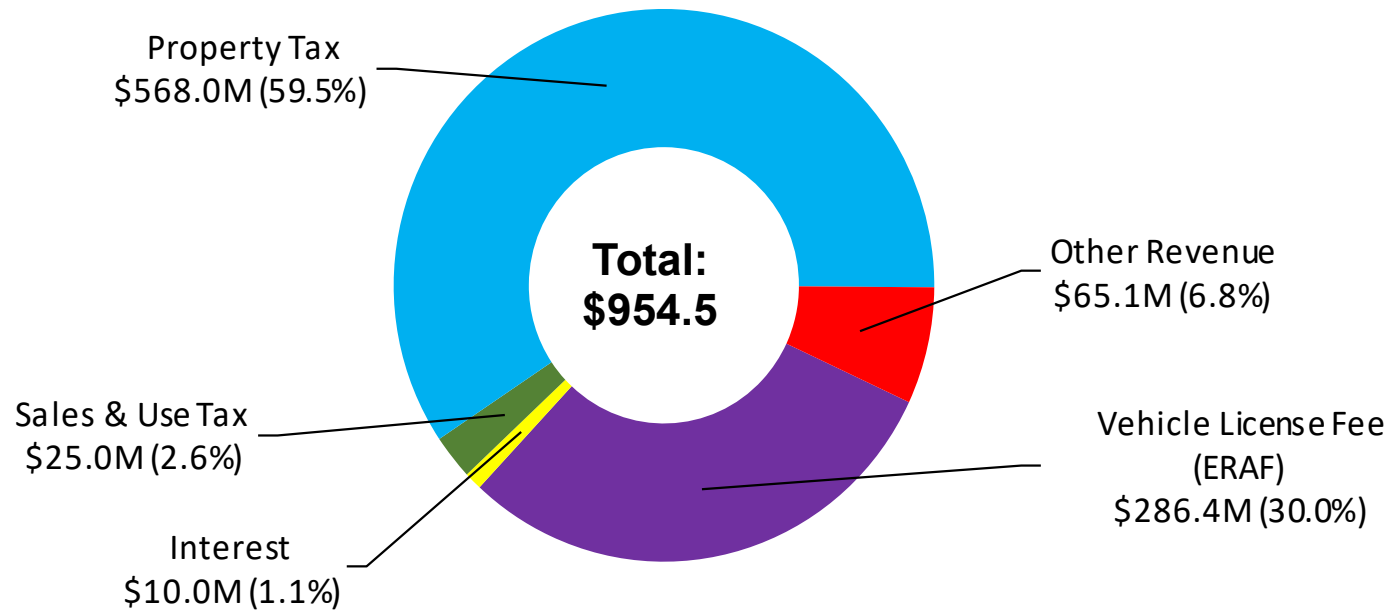
FY 2022-23 Proposed Budget (\$ in millions)

Discretionary Revenue - Share of General Fund



FY 2022-23 Proposed Budget (\$ in millions)

Discretionary Revenue by Source



Special Budgets

Alameda County Children's Services Budget Fiscal Year 2022-23



The Children's Services Budget details the over \$750 million in services to protect and promote the well-being of children.

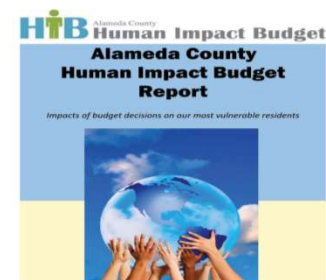
More information is available beginning at page 297 of the Proposed Budget.

Alameda County Unincorporated Services Budget Fiscal Year 2022-23



The Unincorporated Services Budget details the over \$310 million in municipal services for unincorporated areas of the County.

More information is available beginning at page 317 of the Proposed Budget.



The Human Impacts Budget illustrates how budget decisions impact County residents.

More information is available beginning at page 325 of the Proposed Budget.



Community-Based Organization (CBO) Contracts

FY 2022-23 Proposed Budget Funding (\$ in millions)

246 CBO Contractors Total

Program Area	FY 22-23 Contracts
General Government	\$43.6
Health Care Services*	\$469.2
Health Care – Alameda Health System	\$93.6
Public Assistance	\$110.9
Public Protection	\$45.6
CBO Contracts Total	\$762.9

* excludes Alameda Health System contracts



Pending Factors



Pending Factors

- Economic Uncertainty
- State and federal Funding
- Potential CARE Court Mandates & Penalties
- Ongoing Homelessness Crisis
- Unfunded Pension Liabilities
- Health Care: CalAIM, Alameda Health System
- Public Safety: Realignment of Juvenile Justice, Pretrial Pilot Program
- Capital Project Financing & Major Maintenance Needs
- Pending Litigation
- Climate Change/Drought/Wildfires/ Public Safety Power Shutoffs
- FEMA Reimbursement



Alameda County Vision 2026



ALAMEDA COUNTY VISION 2026

SHARED VISIONS

SAFE AND LIVABLE
COMMUNITIES

PROSPEROUS
AND VIBRANT
ECONOMY

HEALTHY
ENVIRONMENT

THRIVING AND
RESILIENT
POPULATION

10X GOALS

EMPLOYMENT FOR ALL
ACCESSIBLE INFRASTRUCTURE
HEALTH CARE FOR ALL

ELIMINATE HOMELESSNESS
ELIMINATE POVERTY & HUNGER
CRIME FREE COUNTY

OPERATING PRINCIPLES

EQUITY
COLLABORATION

FISCAL STEWARDSHIP
INNOVATION

ACCESS
SUSTAINABILITY



Proposed Hearing Schedule

- Public Assistance
- Health Care Services
- Public Protection
- General Government & Capital Projects
- Final adjustments/Other issues



