



County of Humboldt Fiscal Year 2024-25 Budget In Brief

**Proposed
June 4, 2024**

**Board of
Supervisors**



Rex Bohn
First District,
Chair



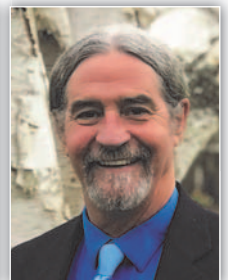
Michelle Bushnell
Second District,
Vice Chair



Mike Wilson
Third District



Natalie Arroyo
Fourth District



Steve Madrone
Fifth District



A Message from County Administrative Officer Elishia Hayes

Dear Board Members and Residents,

Welcome to the County of Humboldt's proposed fiscal year 2024-25 budget. I want to express my sincerest thank you to everyone who contributed to the budget process, including county staff, Department Heads, community partners, members of the public and your Board. Your guidance has shaped the vision for the fiscally challenging year ahead of us.

The actions that we take as a county in the coming years will be pivotal, and this year it was critical for your Board to adopt a new Strategic Plan. This plan ensures the county is prepared to effectively work toward addressing our community's essential needs and the county's workforce needs with the tools and resources we have available.

With this new plan, we seek to provide services that foster safe, healthy communities, support a diverse, equitable and robust economy, promote workforce and operational excellence, prioritize housing for all, and encourage sustainable natural resource and infrastructure stewardship. To achieve such gains, we must align our investments and actions with our goals.

Heading into this next fiscal year the county is presented with a much similar situation as we were in last year. We continue to take steps to prepare for an ongoing recession and other obstacles. At the same time, natural disasters have become an everyday part of our lives and we must address increasing community priorities with limited resources, including road repairs and emergency response.

Over the last 30 years, Sacramento has taken away more than \$500 million from the county and the state is facing its largest-ever deficit. The passage of Prop 1 diverted more mental health funding back to the state, and we can expect more attempts by the legislature to take funding away from the county and impose unfunded mandates on local government.

Locally, the economy is still showing signs of low sales tax revenues and a struggling cannabis economy, all of which continue to affect local revenues. Your Board has already taken steps to address the resulting decrease in revenue and was able to realize savings in FY 2023-24 by implementing a Voluntary Separation Incentive Program, voluntary furloughs for staff and a hiring freeze. These actions provided savings last year and may be tools to consider in the coming years.

We are facing an anticipated structural deficit of \$13.86 million in the General Fund in the coming fiscal year. Given the recent actions taken by your Board, costs are projected to remain relatively stagnant in FY 2024-25. We will face difficult decisions in the months and years ahead in order to return to a place of fiscal sustainability.

As we cope with our local budget deficit, the state faces similar circumstances. A sustained state budget deficit will undoubtedly impact county resources and services. As your Board has done in years past, we must adjust to changing conditions to ensure the county can provide the services our community needs for the long-term. Unfortunately, this may entail reducing certain services for the residents of Humboldt County.

The budget process has truly been a collaborative effort. I would like to thank members of our community, your Board, the Board's budget ad hoc and county departments for their efforts during this process to develop a comprehensive and forward-looking financial and operational strategy. Their knowledge and input are critical in the development of the budget, and we will continue to rely on their guidance moving forward as we venture into exploring new and innovative ways to deliver services.

Even with the challenges ahead of us, together we are ready to engage in the work of today to develop and sustain a healthy and prosperous future for Humboldt County.

Strategic Plan

Strategic Plan Guidelines

Mission: In Service Together for a Thriving Community

Vision: The Leader in Stewardship, Innovation and Community Investment

Values

Community: Dedicated to improving outcomes for all through a shared connection of social, economic and environmental well-being.

Accountability: Effectively communicating with the public, respect for people, and taking responsibility for our decisions and behavior.

Resiliency: Effectively planning for our future, while developing actionable measures for mitigating risk and successful recovery.

Empathy: Providing quality public services through effective communication and social awareness



Strategic Plan

Strategic Plan

Humboldt County's updated Strategic Plan was approved by the Board of Supervisors on April 9, 2024. This plan serves as part of the county's foundation to ensure that the critical needs of our diverse communities are effectively addressed.

This plan establishes a common set of values, a meaningful mission and identified five strategic areas of focus:

- Safe & Healthy Communities
- A Diverse, Equitable & Robust Economy
- Workforce & Operational Excellence
- Housing for All
- Sustainable Natural Resources & Infrastructure Stewardship

Strategic Plan, Initiatives and the County Budget

County services include both mandated services and community work. Approximately 70% of services provided annually by county departments and staff are mandated services, or core services. The remainder of the General Fund supports a wide range of services that are critical to the county's infrastructure, the community and the environment. In the development of our updated Strategic Plan, we strove to align core services with the strategic areas of focus.

The areas of focus outlined in the Strategic Plan establish overarching priorities and initiatives for the county and provide direction to departments during the budget development process. Department goals are initiated at the department level as part of the annual budget development process. These goals align with either core services they provide, or the Strategic Plan initiatives adopted by the Board.

Programs and services delivered by county staff are designed and budgeted in accordance with established budget goals. Performance measures provide a framework to assess county programs and services in relation to the Board's Strategic Plan and the priority initiatives defined in the plan. Department directors, managers and supervisors use performance data on an ongoing basis to manage for results and improve programs.



Strategic Plan

Codes Reflect Strategic Areas of Focus

Departmental goals and accomplishments listed in the 2024-25 budget directly align with core services or the strategic areas of focus outlined in the Strategic Plan. Each priority initiative has a corresponding number assigned to it, which is reflected throughout this budget document. Detailed information on the codes and what they mean are provided below.

Core Services

Safe & Healthy Communities Strategic Initiatives

- 1001 Support and Sustain Partnerships Between Law Enforcement and Other Agencies to Improve Public Safety
- 1002 Remove Barriers to Quality Healthcare
- 1003 Achieve Community Connectivity with Bicycle/Pedestrian Trails
- 1004 Exercise the County's Contract Right for Annual Water Releases of 50,000 Acre-feet from the Trinity Reservoir
- 1005 Implement Development Impact Fees
- 1006 Implement Live Well Humboldt - Community Health Improvement Plan
- 1007 Improve the Transportation Network to be Multi-modal, Safe, Sustainable, and Equitable
- 1008 Update General Plan Ordinances for Quality of Environment
- 1009 Expand County Infrastructure Resilience

A Diverse, Equitable & Robust Economy Strategic Initiatives

- 2001 Promote Strong Economic Resiliency and Growth
- 2002 Promote a Robust Tourism Economy
- 2003 Improve Broadband and Cellular Connectivity
- 2004 Access to Child Care
- 2005 Celebrate Successes and Foster Community Pride

Workforce & Operational Excellence Strategic Initiatives

- 3001 Support a Well-Trained Workforce
- 3002 Invest in County Facilities
- 3003 Enhance Employee Recruitment and Retention
- 3004 Strengthen Relationships with Tribal Government Entities

Housing for All Strategic Initiatives

- 4001 Provide Housing and Sheltering Solutions for People Experiencing Homelessness
- 4002 Increase and Prioritize Housing Development

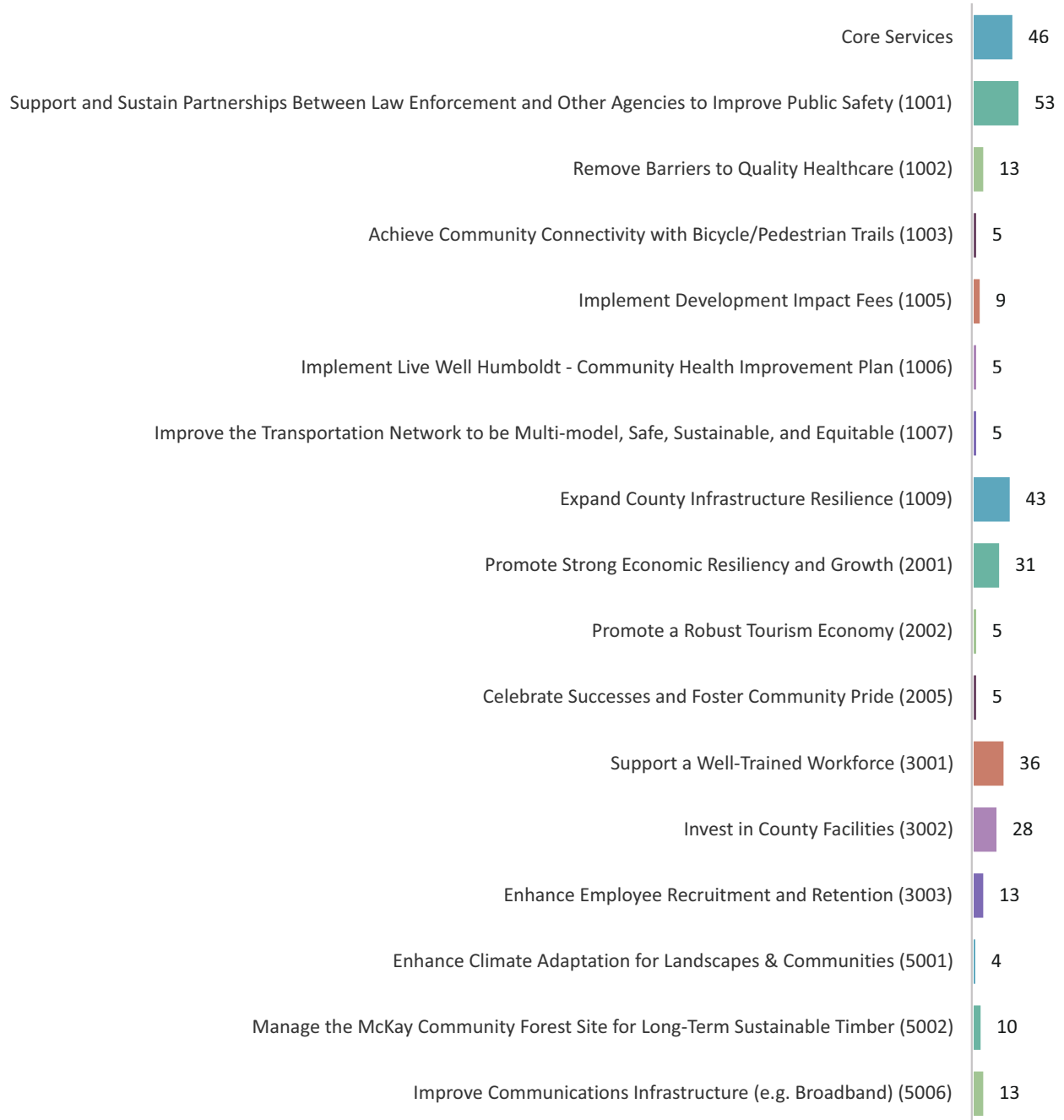
Sustainable Natural Resources & Infrastructure Stewardship Strategic Initiatives

- 5001 Enhance Climate Adaptation for Landscapes & Communities
- 5002 Manage the McKay Community Forest Site for Long-Term Sustainable Timber
- 5003 Establish Sustainable Groundwater Management Production and Recreation
- 5004 Preserve Agricultural and Timber Land
- 5005 Implement Landscape Stewardship through the General Plan
- 5006 Improve Communications Infrastructure (e.g. Broadband)



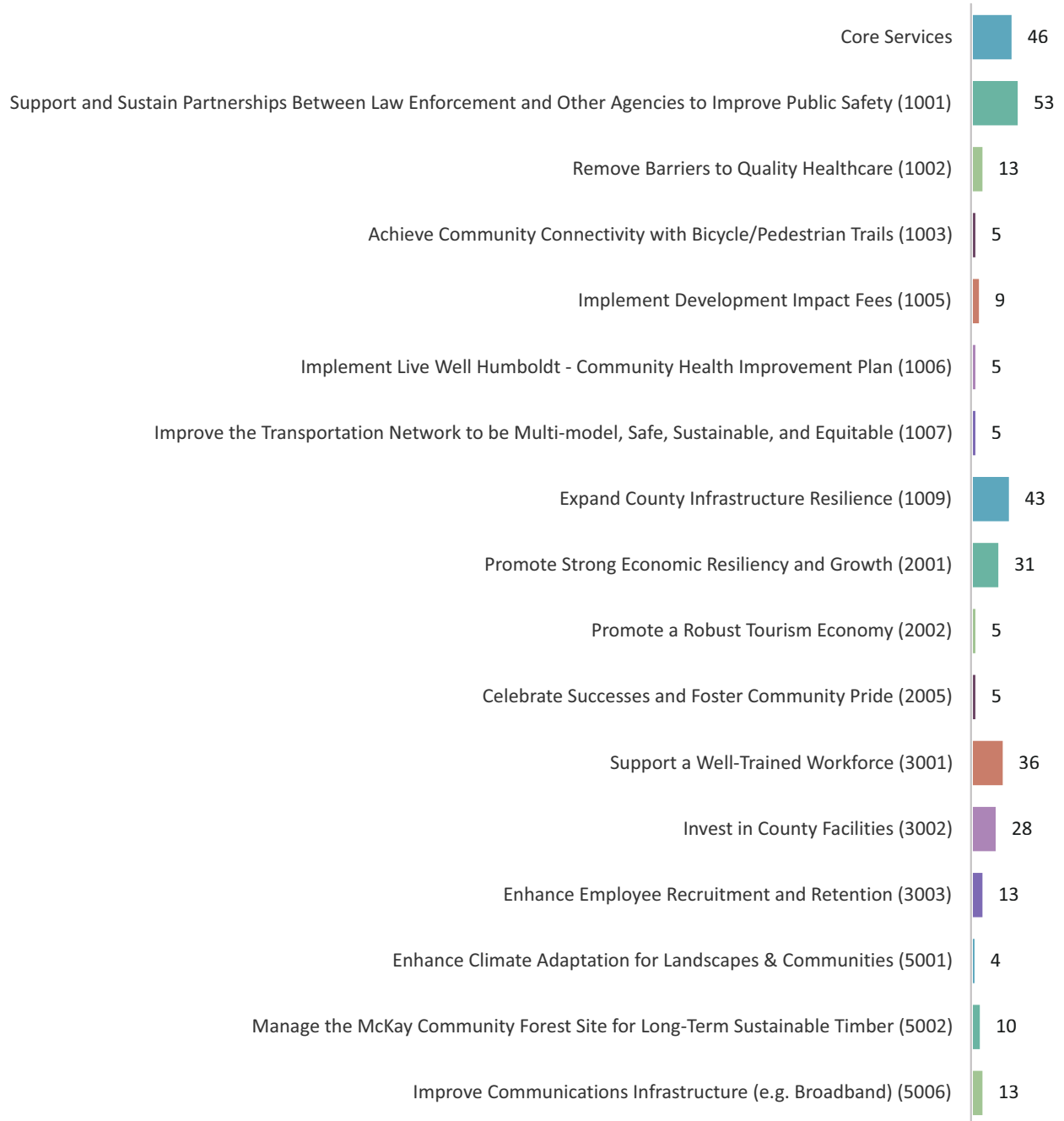
Strategic Plan

Accomplishments for Fiscal Year 2023-24



Strategic Plan

Goals for Fiscal Year 2024-25



Budget Process

County budgets are important documents, but their meaning can be difficult for residents to decipher. This is intended to provide a high-level overview of the budget, in plain terms. Giving a better idea of where public funds are being spent and a picture of the issues facing our community.

Budget Preparation

Departments receive input from the community and the Board about priorities for the new fiscal year.

The CAO verifies department requests, compiles them into a cohesive county budget and presents a recommendation to the Board.

Budget Review

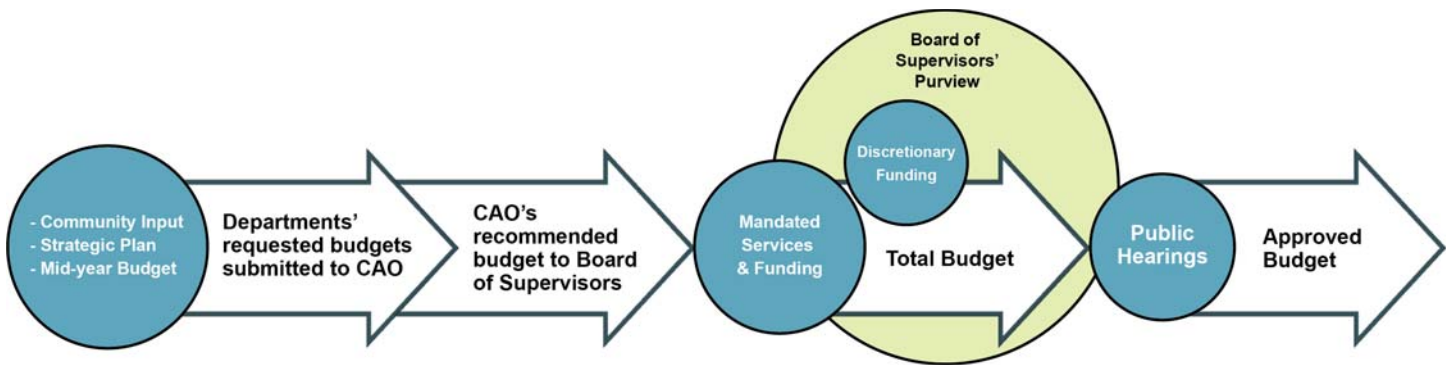
The Board is obligated to use roughly two-thirds of the budget on state and federally funded programs.

General Fund monies are under the discretion of the Board and are allocated based on the Strategic Framework, and any other specific guidelines set by the Board.

Upon presentation to the Board, the public has an opportunity to provide feedback.

Budget Adoption

Budget scheduled for approval at the end of June, 2024.

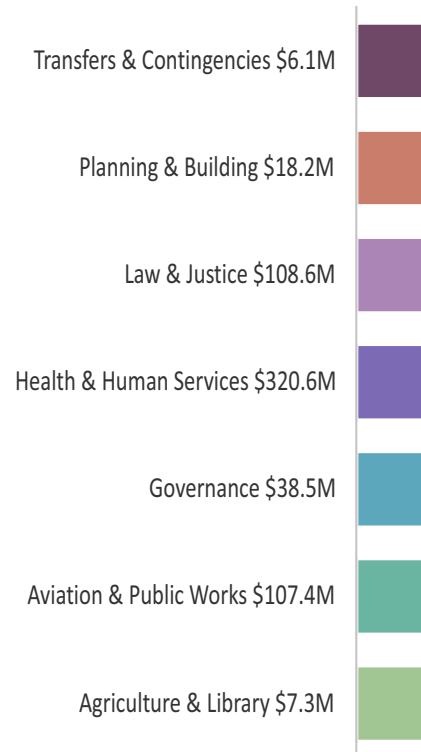


January	Feb.-March	April	May	Early June	Mid- June	Late June
Review Strategic Plan	Mid-year budget report	Departments' budgets due to CAO	Department presentations to Board	CAO presents proposed budget to Board	Budget public hearings	Board approves Budget

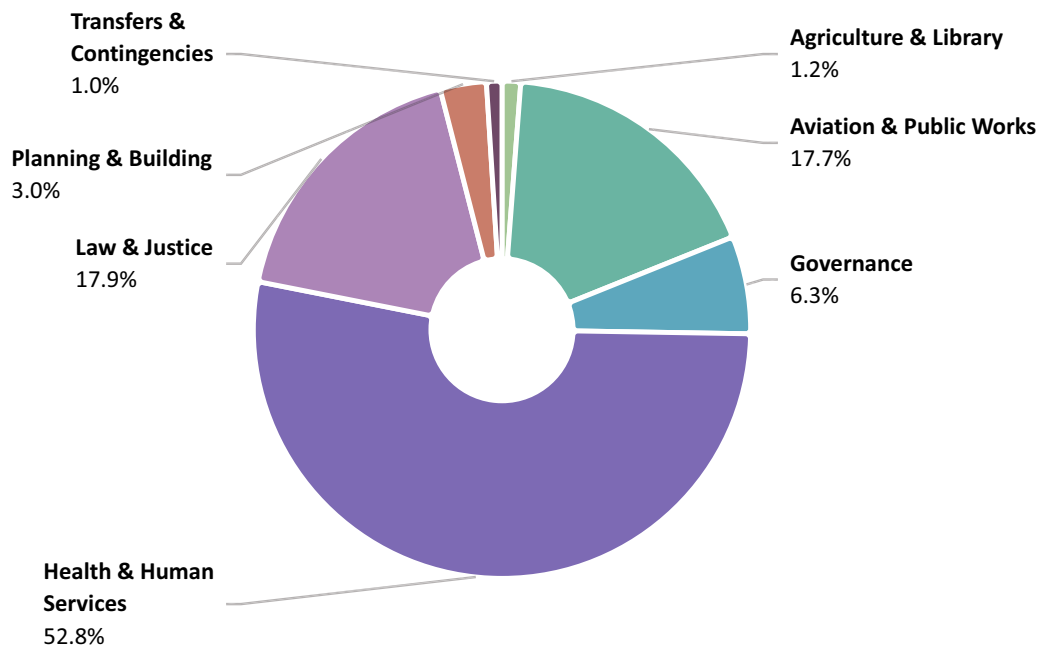
Total Budget: \$606.75M

More than half of the county's budget each year is spent on Health & Human Services. This includes vital services like CalFresh, the state's supplemental nutrition assistance program for low-income families, and Medi-Cal, which is California's health care system.

Law enforcement services, including patrol, the county jail and juvenile hall, animal shelter, investigations, prosecution and indigent defense, as well as parole make up a significant portion of spending each year. Aviation, including the county's commercial airport, and Public Works projects like road repairs and bridge maintenance are also a large part of the budget.



Expenditures by Use

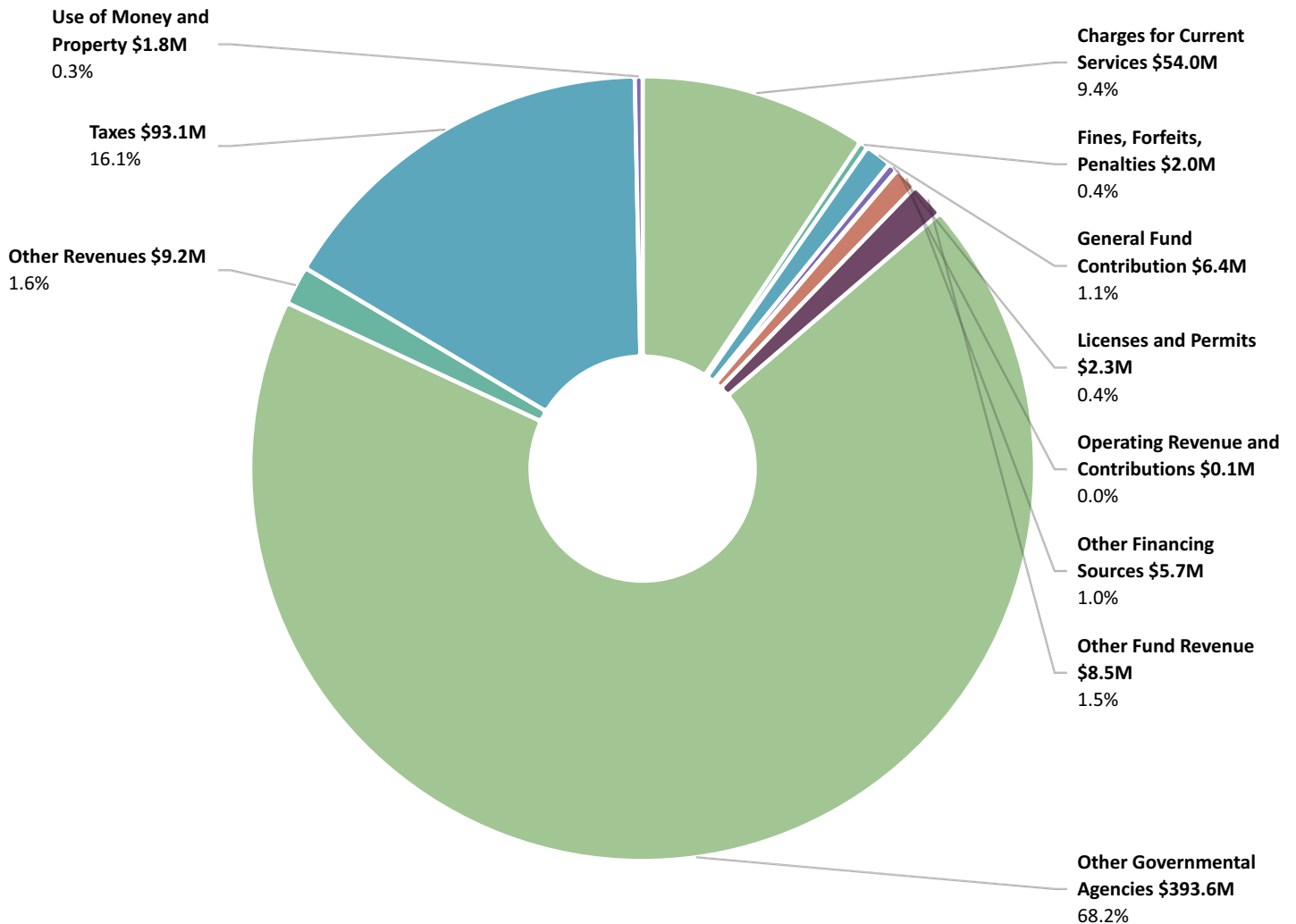


Other Financing Uses \$9.24M

Revenues: \$576.74M

Total expenditures are projected to exceed revenues in FY 2024-25. To make up the difference, the county will use \$13.9 million in General Fund fund balance, and \$4.7 million from Measure Z, or money left over from the prior year, for a total of \$18.6 million. Also, the county will use \$11.4 million from other funds available fund balance.

Revenue by Source



Other Financing Sources \$5.71M

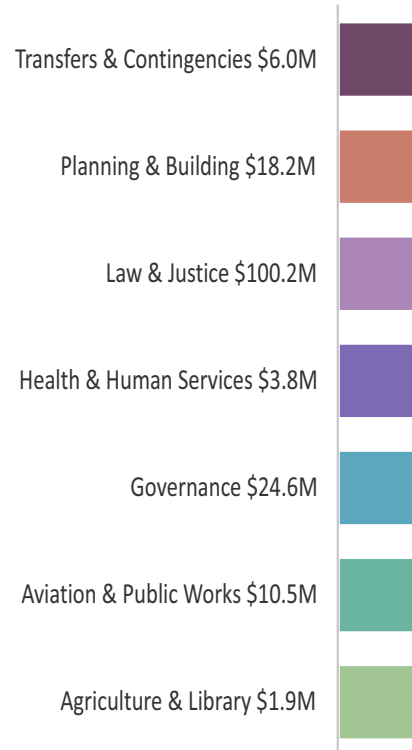
General Fund: \$165.27M

Much of the revenue that comes into the General Fund is not tied to a specific activity and can be spent on local needs, which can change from year to year. In Humboldt, roughly half of those dollars are spent on law and justice services, such as the Sheriff, District Attorney, Public Defender, Probation and Child Support Services.

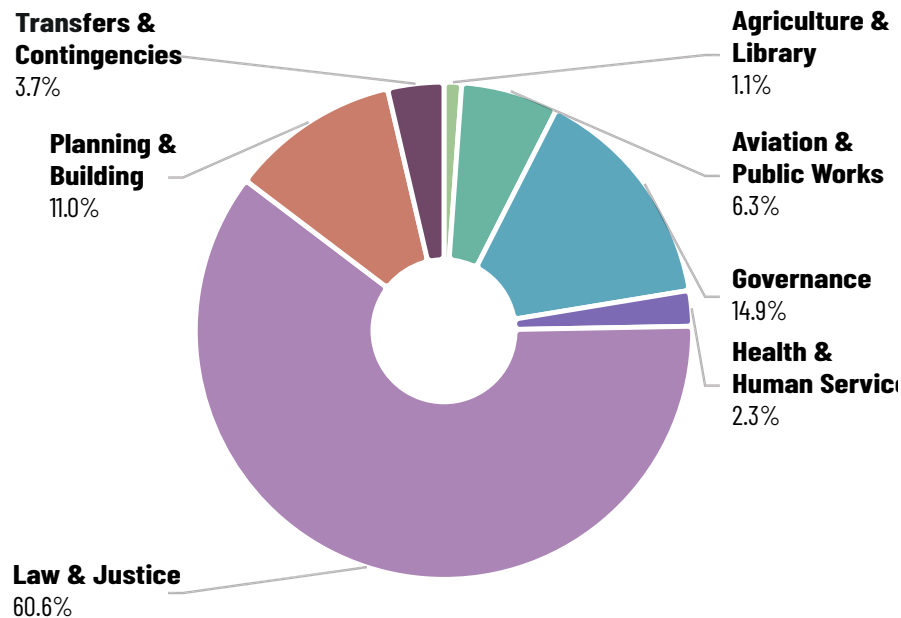
General Reserves is a rainy-day fund to be used in cases of financial hardship or emergency. Government Finance Officers Association (GFOA) recommends maintaining a balance of 16 percent of General Fund revenues/ expenditures in this fund. For Humboldt, that would equal \$26.3 million. Currently, the county has \$10.6 million in General Reserves. Due to budget constraints, this budget does not include a contribution to the General Reserves.

Contingency Reserves is funding set aside in a yearly budget to be used for unforeseen circumstances. Recommended levels for this fund are between 2 percent of General Fund revenues, or \$1.4 million.

General Fund Expenditures



Expenditures

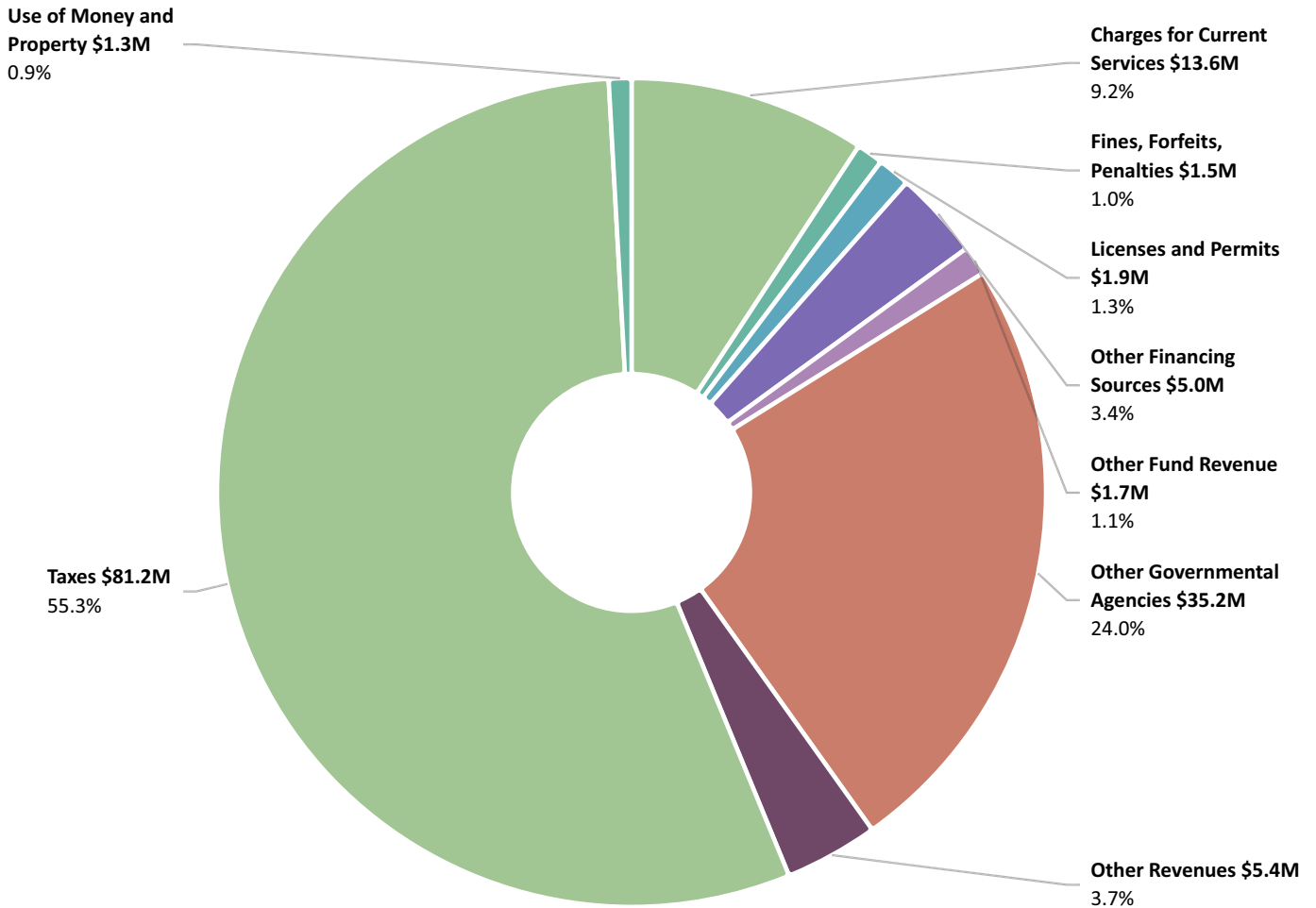


Other Financing Uses \$7.03M

General Fund Revenues: \$146.7M

Taxes, such as property taxes, vehicle license fees in lieu of property taxes, sales and hotel taxes make up the largest General Fund revenue sources each year. In addition, Other Government Agencies contribute a significant portion to the General Fund from sources like funding from the state in the form of Proposition 172 for public safety services and community corrections. Charges for Current Services includes fees for service like permitting, as well as trial court security funding and other services.

Revenue by Source

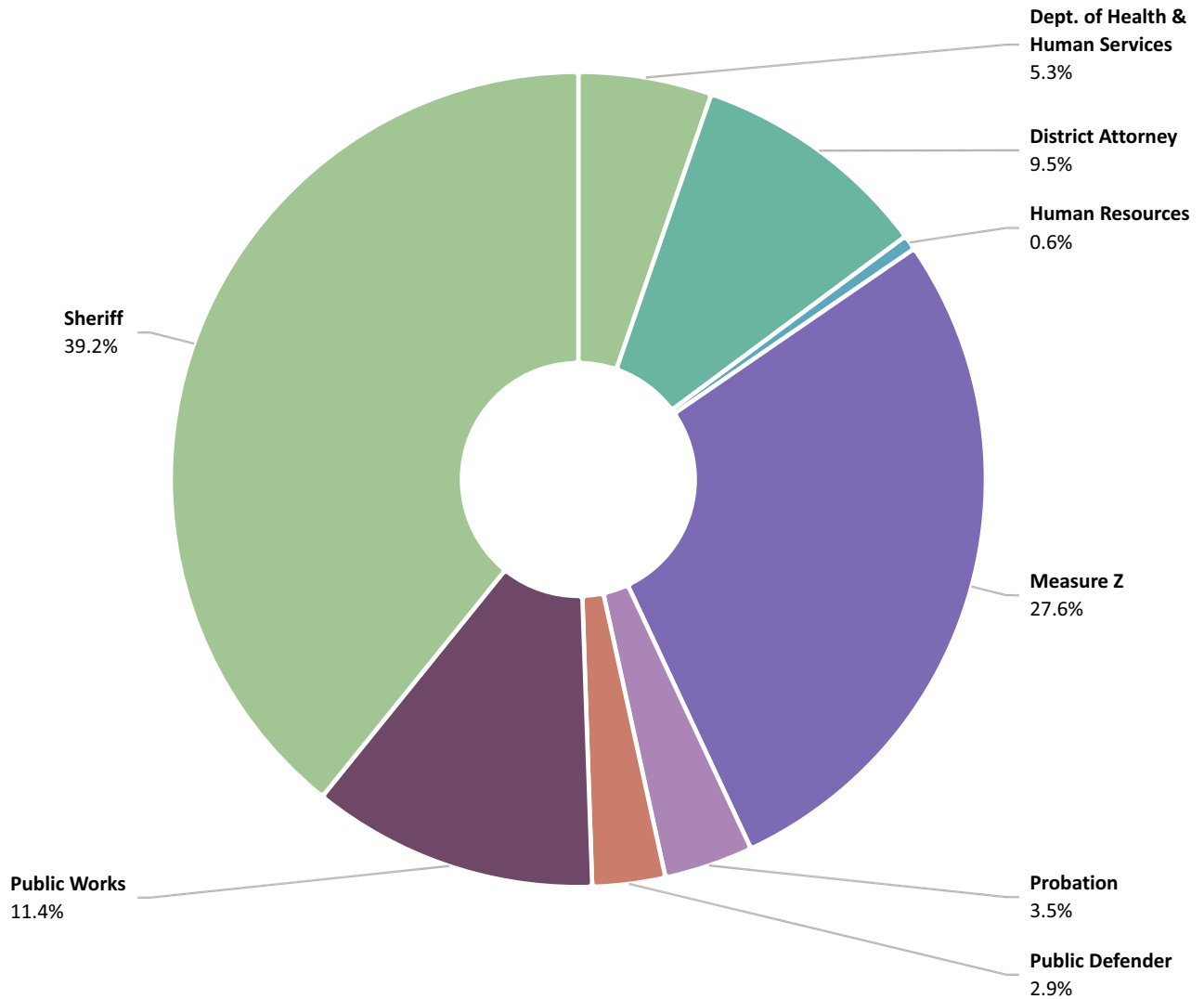


Other Financing Sources \$5.02M

Measure Z

Measure Z is a half-cent local sales tax passed by voters in 2014 and renewed in 2018. Funds from Measure Z are intended for public safety and essential services. This funding has been used to maintain and improve services for roads, law enforcement, behavioral health intervention, prosecution, probation, indigent defense and more. Volunteer fire departments have received necessary equipment including breathing apparatuses, wildland and structural turnouts, rescue tools, funding for dispatch services and training towers. This local revenue source is also providing funding for rural ambulance, drug task force services, brush cutting along roadways to prevent wild fires and juvenile diversion services in our schools.

FY 2024-25 Recommended Measure Z Requests



Challenges

Road Conditions & Natural Disasters

Over the past 30 years, Sacramento has taken over \$500 million in revenue from Humboldt County's budget, and the current state deficit will likely lead to additional clawbacks. This year, the combination of unfunded mandates and state takeaways is costing the county \$25 million and this amount continues to rise.

According to a recent study, Humboldt County has some of the worst pavement conditions in the state. When it comes to our roads, it's no secret that we have \$500 million in road repair needs over the next 10 years. At current levels of funding, most county roads will be rated as "failed" by 2033. Delaying maintenance and repairs to our roads only increases costs in the long run – letting conditions worsen until roads have to be replaced entirely.



A Humboldt County Public Works roads crew works to repair Centerville Rd. in Dec. 2023.

Natural disasters have become a fact of everyday life in Humboldt. Humboldt County needs to repair and upgrade our storm drains, roads, and public infrastructure to ensure residents can stay safe and evacuate quickly if there is an earthquake, fire, snow or flooding.

There were three local emergency proclamations in the past year and a half related to natural disasters resulting in emergency road conditions. In the last 3 years alone, the county suffered an estimated \$14 million in roads damages from storms and the earthquake. Disaster reimbursements from the state and federal governments for emergency road repairs often take more than 5 years to receive if communities receive anything at all.



Flood damage sustained on Bair Rd. in January 2024.

This is an ongoing challenge for the county.

In the fall 2023, the county conducted an updated community survey to obtain initial resident input on service priorities. Some of the priorities identified included:

- Maintaining 911 emergency response times
- Maintaining local streets and roads to reduce the need for future repairs
- Providing communications services for medical and first responders after natural disasters
- Repairing deteriorating county roads
- Becoming eligible for additional state and federal matching funds for road repair
- Climate action, including transit
- Maintaining and expanding bus services for seniors, low-income and people with disabilities
- Providing services to address homelessness

Understanding this, the Board of Supervisors directed county staff to explore the potential placement of a local revenue measure, such as a sales tax, on the November 2024 ballot. This work is aligned with the strategic initiative outlined in the Strategic Plan to expand county infrastructure resilience (1009).

The county is in the process of conducting a new survey and engaging the community to learn more about residents' service priorities in light of these ongoing challenges. It is critical to hear from our residents on what

Challenges

is important to them so we can identify creative solutions to these ongoing challenges that align with our community values, while addressing the fiscal challenges ahead of us.

Behavioral Health Triage Center

Funding for Behavioral Health Crisis Triage Center Awarded

In June, state officials announced the award of more than \$12.3 million in a unique partnership between Humboldt County Department of Health & Human Services (DHHS) Behavioral Health, Mad River Community Hospital, Cal Poly Humboldt and the City of Arcata.

The funding will be used to build a Behavioral Health Crisis Triage Center.

Inspired by the Be Well Orange County campus facility in Orange County, and driven by the need for mental health crisis triage services in Humboldt County, the Crisis Triage Center will include a sobering center, mental health care and crisis stabilization. The facility will serve all people and all ages, regardless of insurance, with stays ranging from less than 24 hours to 90 days.

Mad River Community Hospital donated land to the project, while the county allocated funding from the American Rescue Plan Act, and a grant was received from the County Medical Services Program. Additional funding will be needed to complete the project.

DHHS Director Connie Beck said she appreciates the work of everyone who helped make this possible, including state and local representatives Sen. Mike McGuire and Assemblymember Jim Wood. "This is a big deal for Humboldt," she said. "We're so grateful to our Board and our partners for the hard work that has gone into this. This project will mean so much to our community."

DHHS Behavioral Health Director Emi Botzler-Rodgers said, "The facility will offer the opportunity for individuals and families in crisis to receive prompt care in an environment built for privacy, healing and dignity."

Director of Initiatives for Cal Poly Humboldt Connie Stewart said, "There will be many opportunities for the community to engage as the project moves forward."

The Behavioral Health Crisis Triage Center is expected to be open by the end of 2026.

This project is aligned with the strategic initiative outlined in the Strategic Plan to promote safe and healthy communities by removing barriers to quality healthcare (1002).



Thanks to a multi-agency partnership, Humboldt County own Behavioral Health Crisis Triage Center is expected to be completed by the end of 2026. The facility will be based on the Be Well Orange County facility which is located in the Southern California town of Orange and offers a variety of co-located mental health and substance use treatment services to residents of Orange County.



From left, Cal Poly Humboldt Executive Director of Initiatives Connie Stewart, DHHS Director Connie Beck, DHHS Behavioral Health Director Emi Botzler-Rodgers, Dr. Ruby Bayan, former Mad River Community Hospital Chief Executive and Nursing Officer David Neal, DHHS Behavioral Health Deputy Branch Director Paul Bugnacki and DHHS Assistant Director Michele Stephens visited Be Well Orange County in fall 2022.

Aleutian Solution

North Coast Recovery of the Aleutian Goose: From Great Success to Significant Pest

Aleutian cackling geese are one of the greatest wildlife management success stories to date in North America. The Aleutian goose was listed as endangered in 1967 with total population counts estimated below 800 individuals into the mid-1970s before the population recovered to what it is today. This species of goose nests on the Aleutian Islands of Alaska and undergoes a 2000-mile transoceanic flight to and from California's North Coast. The North Coast is an important staging area for the birds where they benefit from nutrient-rich agricultural pasture lands for energy reserves.

Local agriculturalists have been integral partners in restoration efforts by providing habitat and protections for this species. After population recovery was declared and the species was completely delisted in 2001, the Aleutian Goose Working Group was formed to help agriculturalists, hunters, environmentalists, scientists and regulators to actively manage geese and ensure no negative effect to the population from new management actions. Now, 22 years later, UC Cooperative Extension of Humboldt County helped to revive the Aleutian Goose Working Group to navigate the legislative hurdles to shift management to meet the changes in goose migration patterns and associated agricultural losses.

Migratory waterfowl have limited opportunities for management, with hunting being one of the only options. The Aleutian Goose Working Group worked with local interest groups and agricultural trade organizations to find compromise to adjust the annual goose season to better match fall goose migration timing. Ultimately, the hunting season for geese was moved forward one month in fall 2023 to help alleviate losses to irrigated pasture lands in Humboldt County.

In a survey administered by UC Cooperative Extension in spring 2024, asked agriculturalist to assess their perceptions of how a change in the goose hunting season impacted their agricultural business. North coast agriculturalists, representing approximately 10,512 acres of production agriculture, reported average losses of \$98.74/acre and \$45.45/acre in the fall/winter of 2022-23 and 2023-24, respectively. Just including data reported by these 22 respondents sums to approximately \$560,000 in savings between the two years. This case study demonstrates how minor adjustments to hunting seasonality to better meet the needs of agriculturalist,

hunters and regulators was perceived by 62% of respondents to have worked to reduce negative human-wildlife interactions with this waterfowl species.

One caveat from the fall 2023 season changes and its proclaimed success, is that the fall of 2023 was unusually productive for our rangelands and irrigated pastures due to the frequent rains we received in both Humboldt and Del Norte counties. It was noted by many survey respondents and by members of the hunting community that these frequent rains made pastures that otherwise may not be suitable to goose grazing, available for goose foraging, increasing the dispersal of geese to more areas than just irrigated pastures. The UC Cooperative Extension team will continue to monitor these depredation issues and hope to continue an adaptive management strategy into the future.

This project is aligned with work the strategic initiative outlined in the Strategic Plan to preserve agricultural and timber land (5004). This study was shared with the permission of Jeffery Stackhouse with University of California Cooperative Extension – Humboldt/Del Norte counties.



Aleutian cackling geese take flight in Loleta.

Public Health Lab

Land Secured for New Public Health Laboratory

A new Public Health Laboratory is expected to be built in the next few years, after a multi-year search ended when the county found and purchased land less than two miles up the street from the existing location.

The property consists of two lots on I Street in Eureka which are located next to each other and across the street from Behavioral Health’s main campus.

The Humboldt County Public Health Laboratory provides laboratory testing services and support for community health providers to aid in the diagnosis and control of communicable diseases. The laboratory also plays a key role in emergency preparedness by providing testing services, training and support for area laboratories.

The existing lab at Public Health’s main location is currently split into three separate areas of the 90-year-old building at 529 I St., making it difficult to add services and do upgrades. The new location will make it possible to modernize and consolidate into an efficient, single facility.

The new facility is expected to be a two-story building between 7,000 and 10,000 square feet and will house Biosafety Level 2 and Biosafety Level 3 laboratory spaces and associated office spaces with an emphasis on implementing advanced molecular detection with genomic sequencing testing and creating a cohesive space where staff can easily work together.

Work for this project is aligned with the strategic initiative outlined in the Strategic Plan to remove barriers to quality healthcare (1002).



Public Health Laboratory staff at the lab’s future location, back row from left: Public Health Lab Director Pepper Stockton, Supervising Public Health Microbiologist Roy Fuller and Laboratory Technician IIs Vannia Pena, Janene Romero, Paula Moon and Alex Romero.

Front row from left: Laboratory Technician II Jessica Reynolds, Public Health Microbiologist II Heather Maddox, Laboratory Assistant II Kelsey McMahan and Senior Laboratory Technician Kylee Hee.

Accessibility

County Facility Access Improvements Recent Projects

Humboldt County remains committed to ensuring county programs, services and activities are in compliance with the Americans with Disabilities Act (ADA).

In fiscal year 2023-24, the ADA compliance team successfully completed ADA barrier remediation at the Clark Complex. The complex houses Planning & Building and Public Works Land Use and was a building specially called out in the 2016 Department of Justice Consent decree. Through this project the county was able to provide access for all to the Planning & Building office through the addition of a wheelchair lift. Additionally, this project included an accessible parking stall, restrooms and drinking fountain. This project also allowed the county to address deferred maintenance issues in the employee restroom and make additional improvements for staff at that location.

The Humboldt County Courthouse Restrooms ADA Project has completed the renovations of 16 out of the 20 public restrooms in the building. This project modernized the look at feel of the restrooms, provided touchless features, changing tables, established accessible and non-accessible all gender restrooms and made each accessible restroom fully compliant with the ADA. This project was also able to address deferred maintenance issues.

The Humboldt County Courthouse Fourth Street ADA Modification Project completed and provided an accessible path of travel to the Fourth St. entrance of the courthouse, which serves as the accessible courthouse entrance. The entrance and exit doors were replaced with automatic sliding doors, new parking stalls at the Fourth St. lot were added and security bollards were installed. All of this not only provided improved access, but it also created an inviting look and feel for the public visiting the courthouse. This project provided for deferred maintenance work by replacing the worn and damaged flooring on the ground floor and painting of the security vestibule area and hallway.

Compliance of the county's website is a responsibility of the ADA Compliance. As such, in FY 2024-25 time will also be focusing on ensuring that documents, flyers and other materials posted to the website, intranet and social media is in compliance with the ADA. This will be made possible with the help and support of county staff, development and revision of county website policies and creation of accessible documents policy and procedure.

These ADA projects are aligned with the strategic initiative outlined in the Strategic Plan to expand county infrastructure resilience (1009).



Staying Involved

Staying Involved

Online at [Humboldt.gov](https://www.humboldt.gov)

- Sign up for the county’s “NewsFlash” press releases and “Calendar” updates
- Follow us on social media to connect with us and with your neighbors

In Person

- Watch and make public comment at a Board of Supervisors meeting on Tuesdays. Meetings begin at 9 a.m.
- Participate in the budget hearings in June

Photography Credits

Cover	Rainbow	Lisa Wilhelmi-Perkins
A2-4	College Cove	DHHS Communications Group
A2-5	Lyons Ranch	Martin Swett
A2-6	Elk Grazing around Little Red School House in Orick	Molly Isaacson
A2-16	Public Works roads crew on Centerville Rd.	Public Works Department
A2-16	Jan. 2024 flood damage on Bair Rd.	Humboldt County Office of Emergency Services
A2-17	Be Well Orange County facility	DHHS Communications Group
A2-17	Humboldt County DHHS staff visit the Be Well Orange County facility	DHHS Communications Group
A2-18	Aleutian cackling geese take flight in Loleta	Jeffery Stackhouse
A2-19	Public Health Laboratory staff at the new lab’s future location	DHHS Communications Group
A2-20	Humboldt County Courthouse Restrooms ADA Project	ADA Compliance Team
A2-20	Humboldt County Courthouse Fourth St. Entrance	ADA Compliance Team



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