

April 14, 2025

Dear Partners,

I hope this letter finds you well. I am writing to inform you of important updates regarding the County's budget and the potential impacts on funding for services provided by your organizations.

As part of our ongoing fiscal review, the County is closely monitoring the potential for significant decrease in the federal share for mandated services and the shortfall in the County's Vehicle License Fee Adjustment Amount (VLFAA). These challenges could affect the County's budget in the upcoming years and, in turn, impact funding allocations for critical services.

To prepare for these potential fiscal challenges, the County is evaluating how to best manage these impacts. One key element of this preparation is the possibility of reallocating Measure K funds to ensure the continued provision of essential services.

Following the approval of the Measure K Budget on March 11th, the Board of Supervisors has directed staff to notify all recipients of Measure K funds about these potential funding challenges. This letter is intended to inform you that, as part of our ongoing work to navigate this fiscal uncertainty, any Measure K awards will be reviewed annually. This process will allow us to assess whether adjustments are needed to preserve critical services in the face of these financial challenges.

This is not intended as a notice that your program's funding has been eliminated. With the Board's approval of the Measure K Budget on March 11th, Measure K funds have been allocated for each of the approved programs for Fiscal Year 2025-26. However, no funds have been allocated or approved at this time for Fiscal Year 2026-27. In addition, should events such as the ones described above have a more immediate impact on the County's revenue and budget, the County may need to re-examine its Measure K budget for Fiscal year 2025-26 and it is possible some programs could lose funding.

We understand that this may create uncertainty for your organization as well, and we want to assure you that we are committed to working collaboratively and transparently to manage these issues in a way that mitigates any disruption to the services you provide to our communities as much as possible.

Thank you for your continued partnership and understanding as we navigate together these uncertain fiscal times. Should you have any questions or need further clarification, please do not hesitate to contact me directly.

Sincerely,



Roberto Manchia
County Chief Financial Officer

