

FY 2025-26

1st Quarter Budget Update

Chief Executive Officer

Darcie Antle





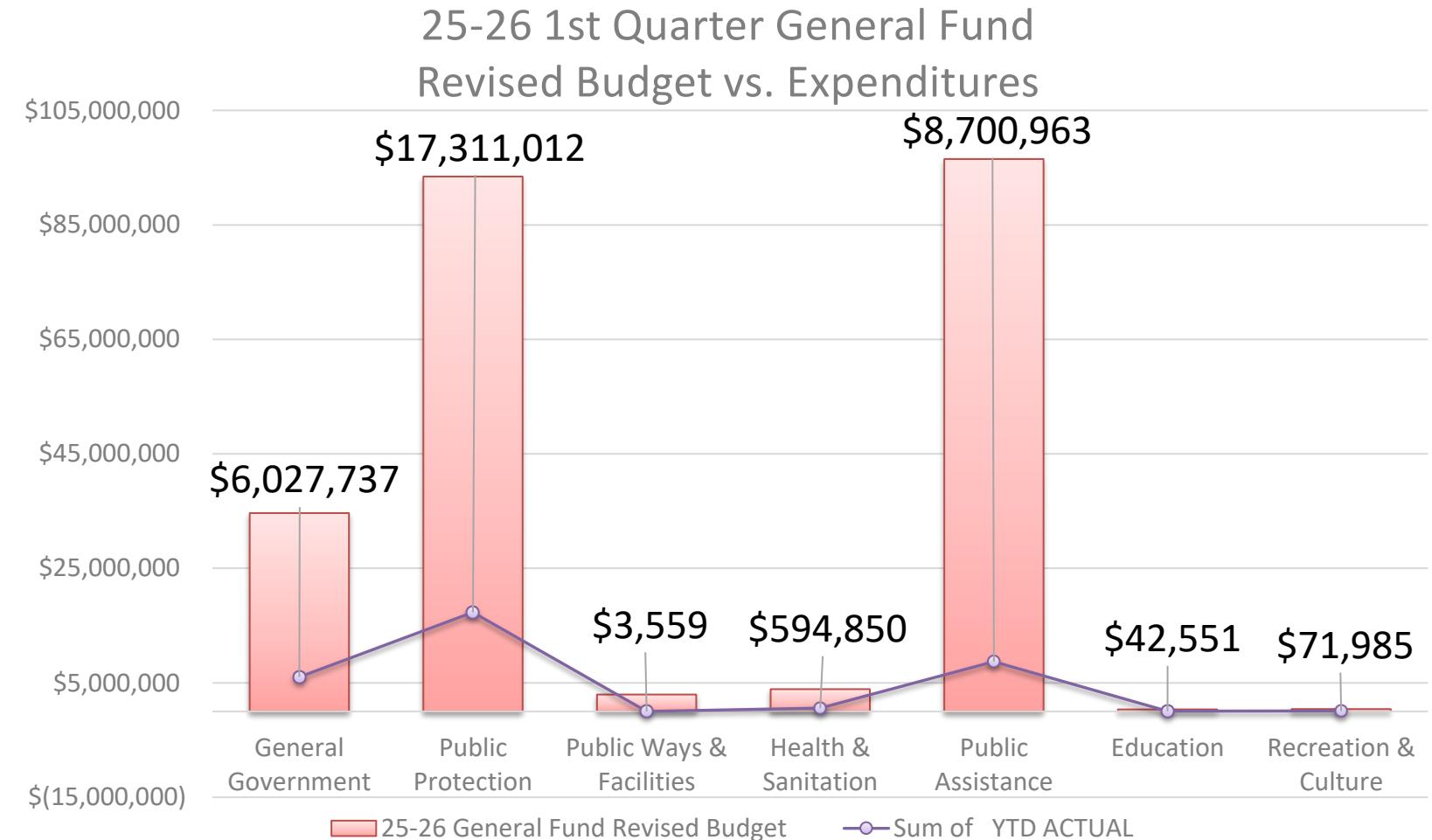
General Fund – Adopted Budget Net County Cost

- **\$84m:** Current General Fund Net County Cost (NCC)
 - Included \$17,154,003 from adjustments and deferrals to prior NCC
- **\$6.16m:** One-time funding to balance NCC
 - \$3.2M – Retirement Contribution Reserve
 - \$1.0M – FY23-24 Carryforward
 - \$533K – EOC PG&E Settlement
 - \$1.0M – Mental Health Audit Reserve
 - \$325K – Teeter Reserve



General Fund – Budget to Expenditures

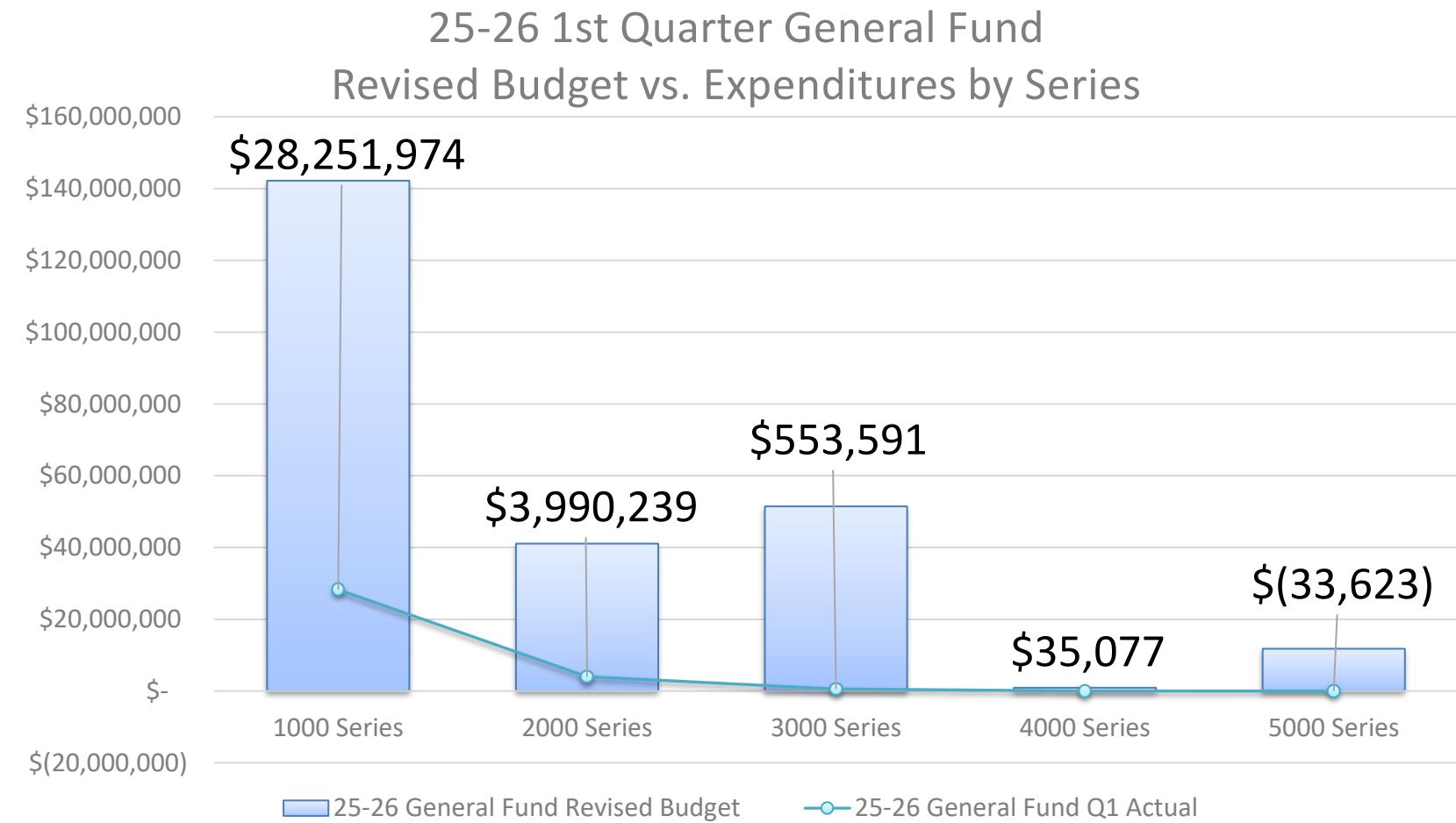
- Chart represents General Fund (Fund 1100) budgets
- **1.6%** increase from prior year Q1 expenditures.
- Public Assistance (Social Services) to net zero with State/Federal revenue





General Fund – Budget to Expenditures by Series

- **14.1%** expended to Revised Budget for all Series at Q1
- 1000: Salaries and Benefits
- 2000: Services and Supplies
- 3000: Other Charges
- 4000: Fixed Assets
- 5000: Transfer & Reimbursement
- 1000, 2000, and 3000 Series trend low in Q1

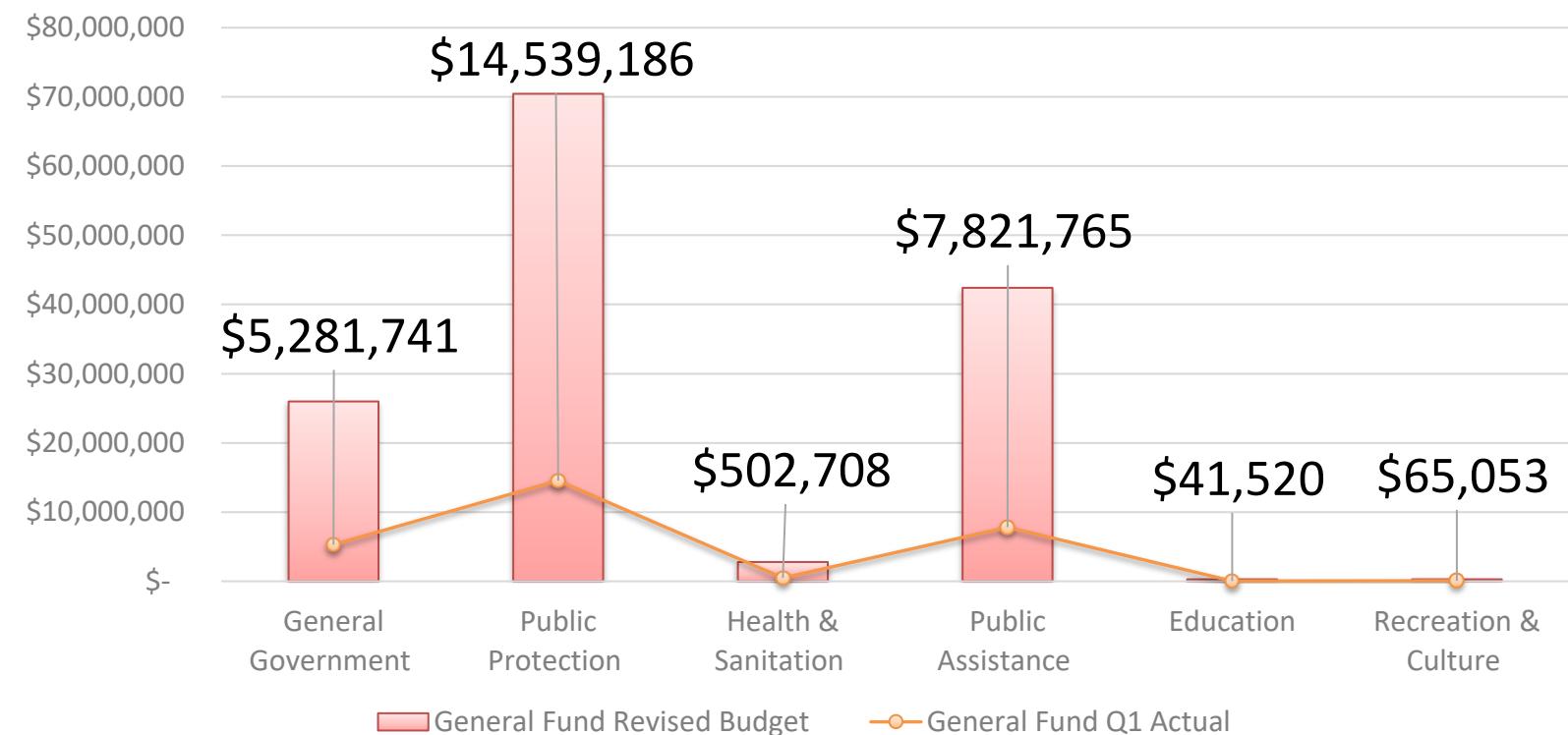




General Fund – Budget to 1000 Series Expenditures

- Salary expenses (1000 Series) increased by **2.1%** from prior fiscal year
- Represents **86%** of Revised Budget
- Overall salary expenses are **19.9%** of budget as of Q1
- Salary increases, and annual allocations in Q2 expected to narrow gap through end of fiscal year

25-26 Total 1st Quarter General Fund
Revised Budget vs. Actuals
Salaries & Benefits





Staffing Trends 2018-2025

Department		2018	2019	2020	2021	2022	2023	2024	2025	* PP21/2025	Diff to 2018
General Fund	Filled FTEs	243.90	233.40	226.30	251.30	275.60	274.60	257.75	250.70	237.80	(6.10)
General Fund	Salary & Benefits	889,481	916,095	949,910	1,045,682	1,241,535	1,343,679	1,353,861	1,354,501	1,335,150	445,668.97
Public Safety - Gen Fund	Filled FTEs	296.70	298.70	289.85	286.90	273.50	286.00	289.00	294.80	289.80	(6.90)
Public Safety - Gen Fund	Salary & Benefits	1,491,201	1,498,817	1,596,439	1,732,777	1,781,055	1,826,605	1,973,610	2,211,825	2,314,286	823,084.95
Non General Fund	Filled FTEs	566.75	582.45	584.00	543.10	543.65	548.35	530.55	517.75	489.75	(77.00)
Non General Fund	Salary & Benefits	1,902,011	1,972,617	2,121,461	2,350,594	2,437,660	2,543,969	2,460,657	2,529,274	2,456,997	554,986.34
Total	Filled FTEs	1,107.35	1,114.55	1,100.15	1,081.30	1,092.75	1,108.95	1,077.30	1,063.25	1,017.35	(90.00)
Change	Filled FTEs		7.20	(14.40)	(18.85)	11.45	16.20	(31.65)	(14.05)	(45.90)	
Change %			0.65%	-1.29%	-1.71%	1.06%	1.48%	-2.85%	-1.30%	-4.32%	-8.1%
Total	Salary & Benefits	4,282,694	4,387,530	4,667,810	5,129,053	5,460,250	5,714,252	5,788,128	6,095,600	6,106,434	1,823,740
Change	Salary & Benefits		104,836	280,281	461,242	331,197	254,002	73,876	307,472	10,834	
Change %			2.45%	6.39%	9.88%	6.46%	4.65%	1.29%	5.31%	0.18%	42.6%



Staffing Trends 2018-2025

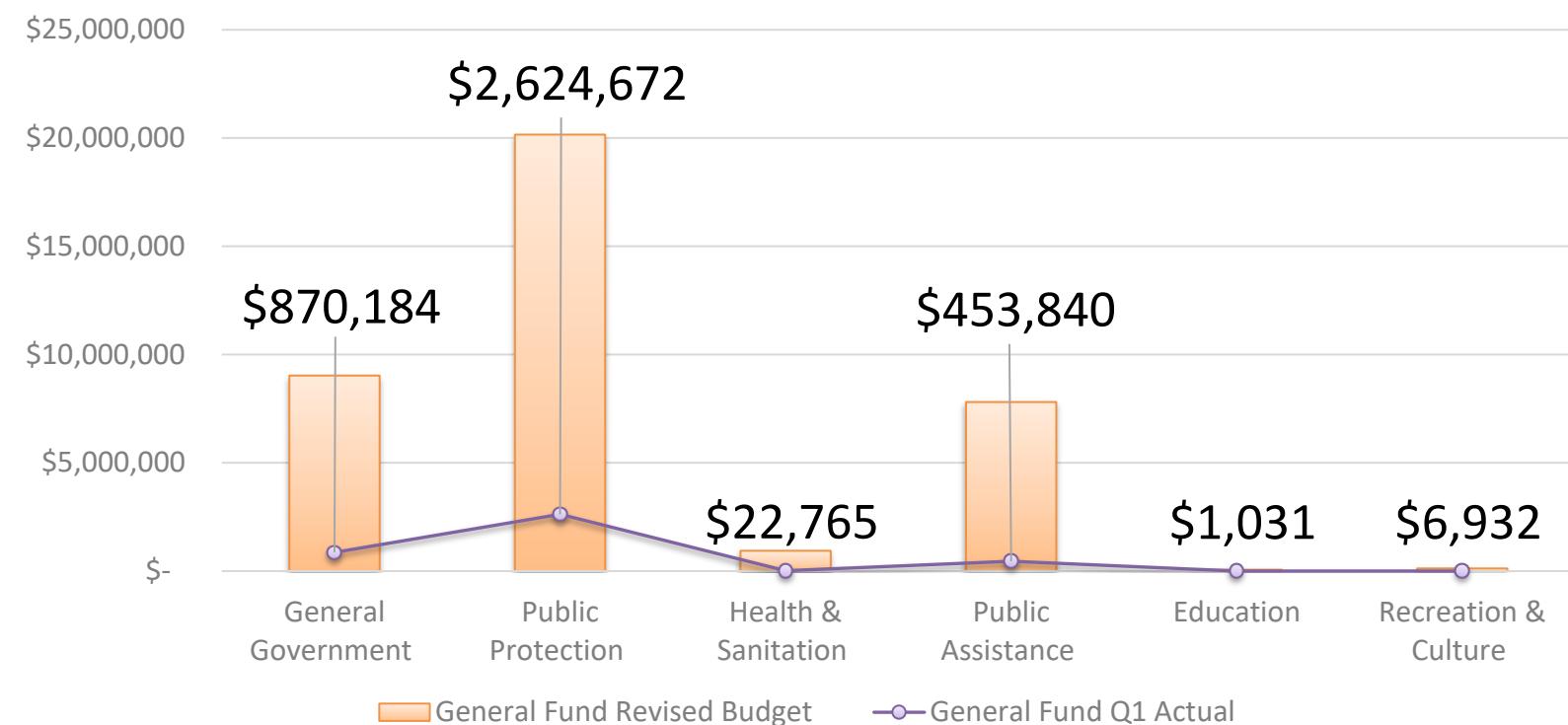
- Overall staffing has decreased by 90 Full Time Employees (FTE's), representing a -8.1% decrease from 2018
- Despite this reduction of FTE count, Salary and Benefit expenses have **risen 42.6% or \$1,823,740 per pay period** since 2018



General Fund – Budget to 2000 Series Expenditures

- Expenses for 2000 series decreased by approximately **2.9%** from prior year Q1
- Represents **17.7%** of Revised Budget
- Overall service and supply expenses at **9.7%** of budget as of Q1
- 2000 Series - services and supplies trend low in Q1 and higher by Mid-year and Q3

25-26 Total 1st Quarter General Fund
Revised Budget vs. Actuals
Service and Supply Expenses





General Fund – 6% Attrition Update

- **\$5,246,657:** 6% Attrition Factor included in FY 2025-26 General Fund Budget
 - Amount excludes Social Services (\$1,062,922)
 - 5 Department budgets not expecting to meet 6% attrition savings
 - Auditor Controller
 - Treasurer-Tax Collector
 - Sheriff's Office
 - Jail
 - District Attorney

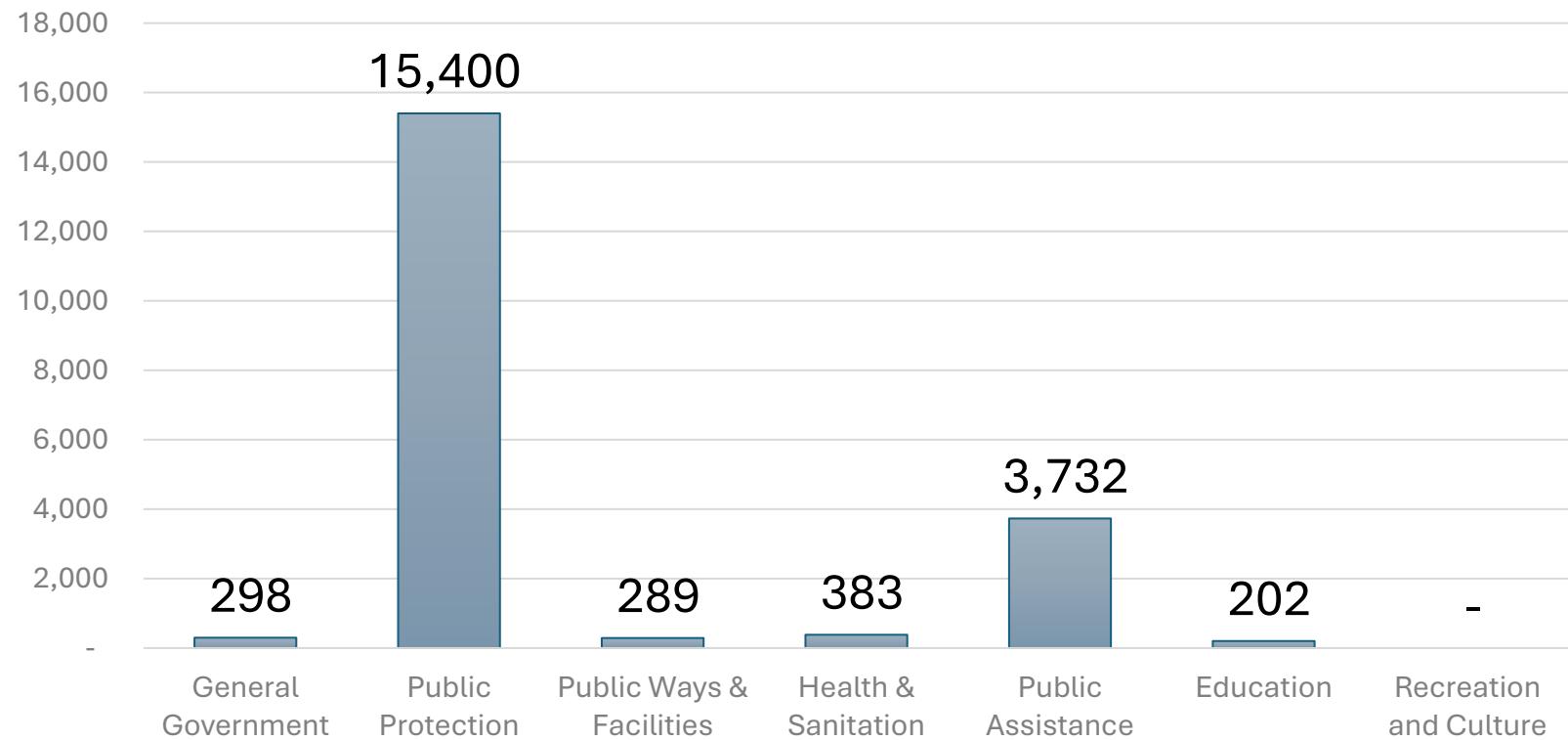


Overtime Hours

- Average overtime hours per pay period 2,543
- 93% of Public Protection overtime hours occur in Sheriff's Office or Jail

FY25.26 Overtime Hours

All Departments by Functional Area

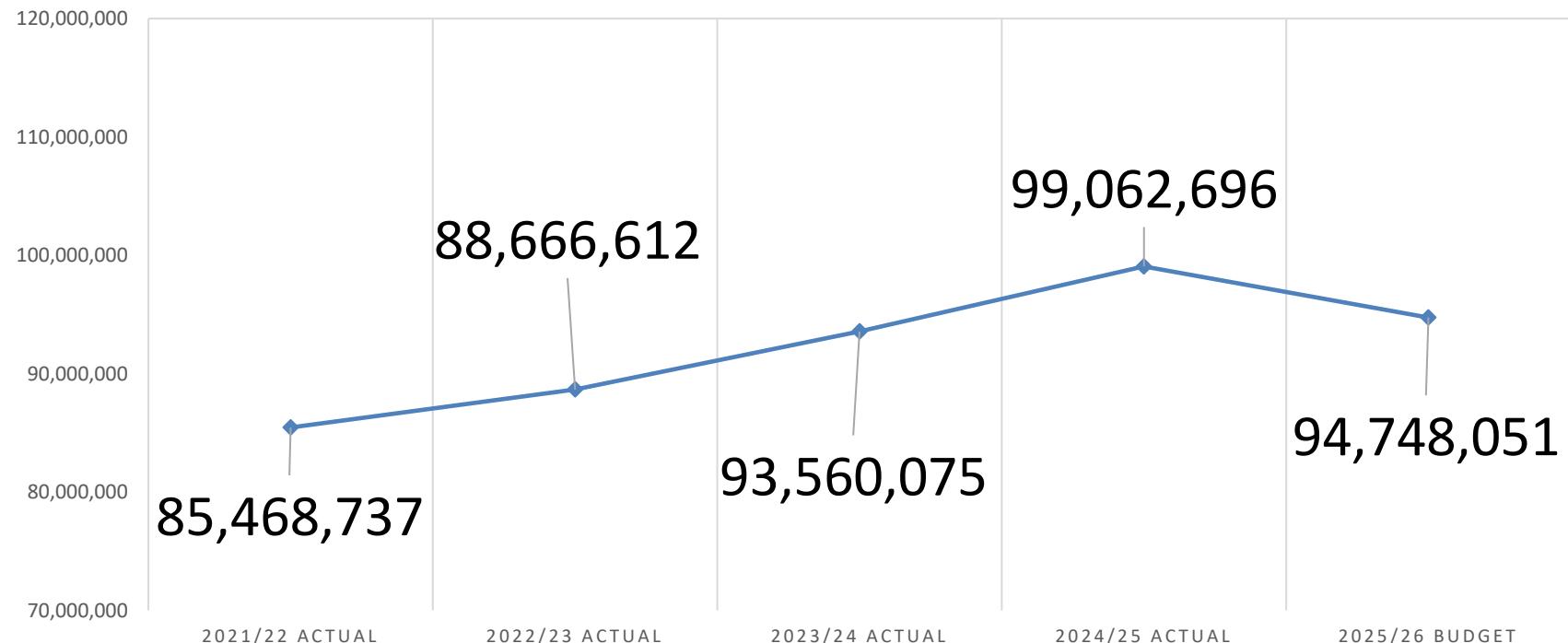




Revenue Projections – FY 2025-26

- FY 2025-26 Budgeted Revenue **\$94,748,051**
- FY 2025-26 Budgeted Revenue is **4.4%** lower than FY 2024-25 Actual
- Projected revenue may be revised throughout fiscal year

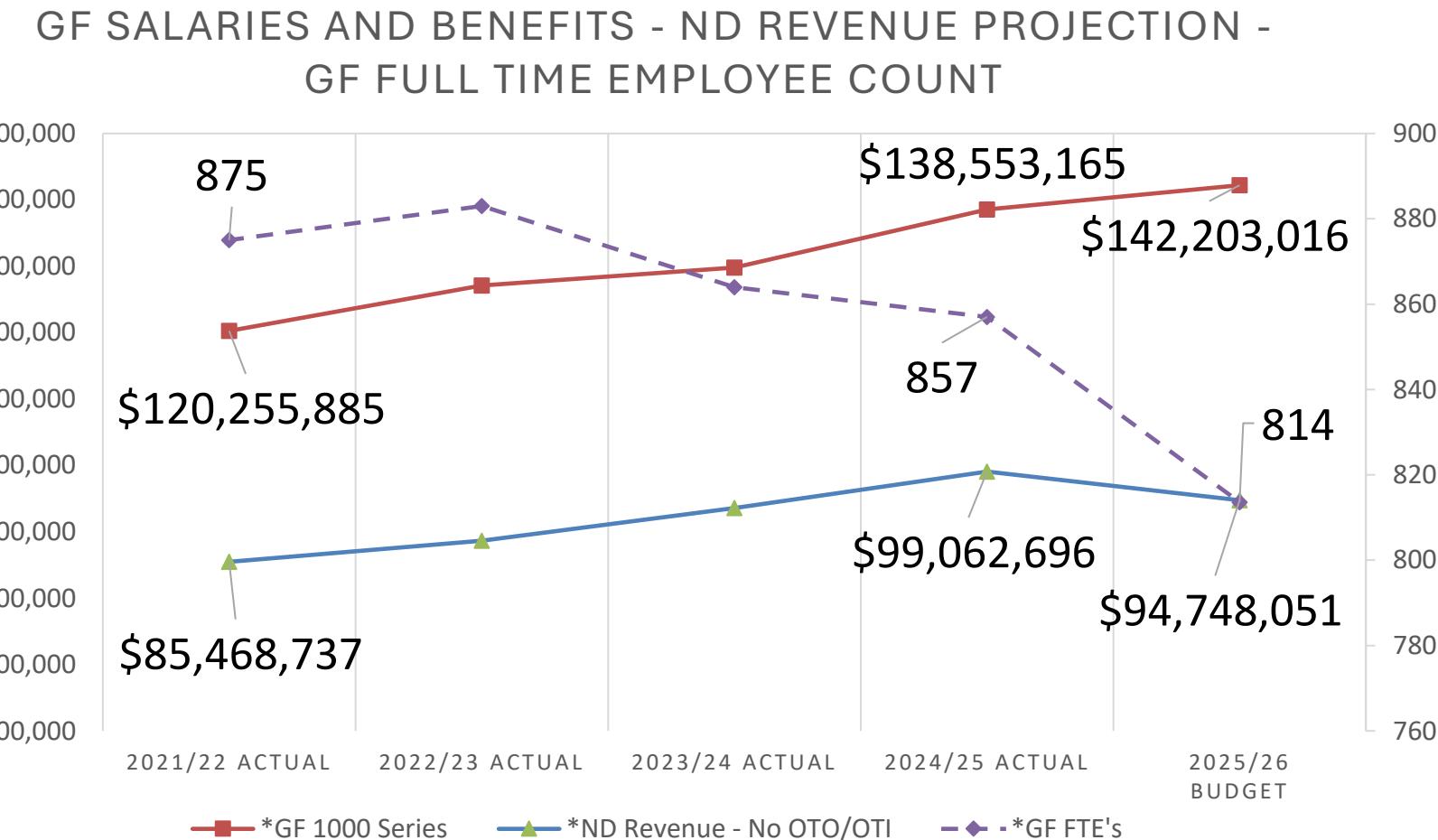
NON-DEPARTMENTAL REVENUE
NO OPERATING TRANSFER IN/OUT





Revenue Projections – General Fund FTE FY 2025-26

- Slower projected GF Salary & Benefit expenses resulting from lower FTE count
- FY 2025-26 FTE based on pay period 21-25
- Continued attention to GF staffing levels is critical to align County revenues with expenses





FY 2024-25 Close Out

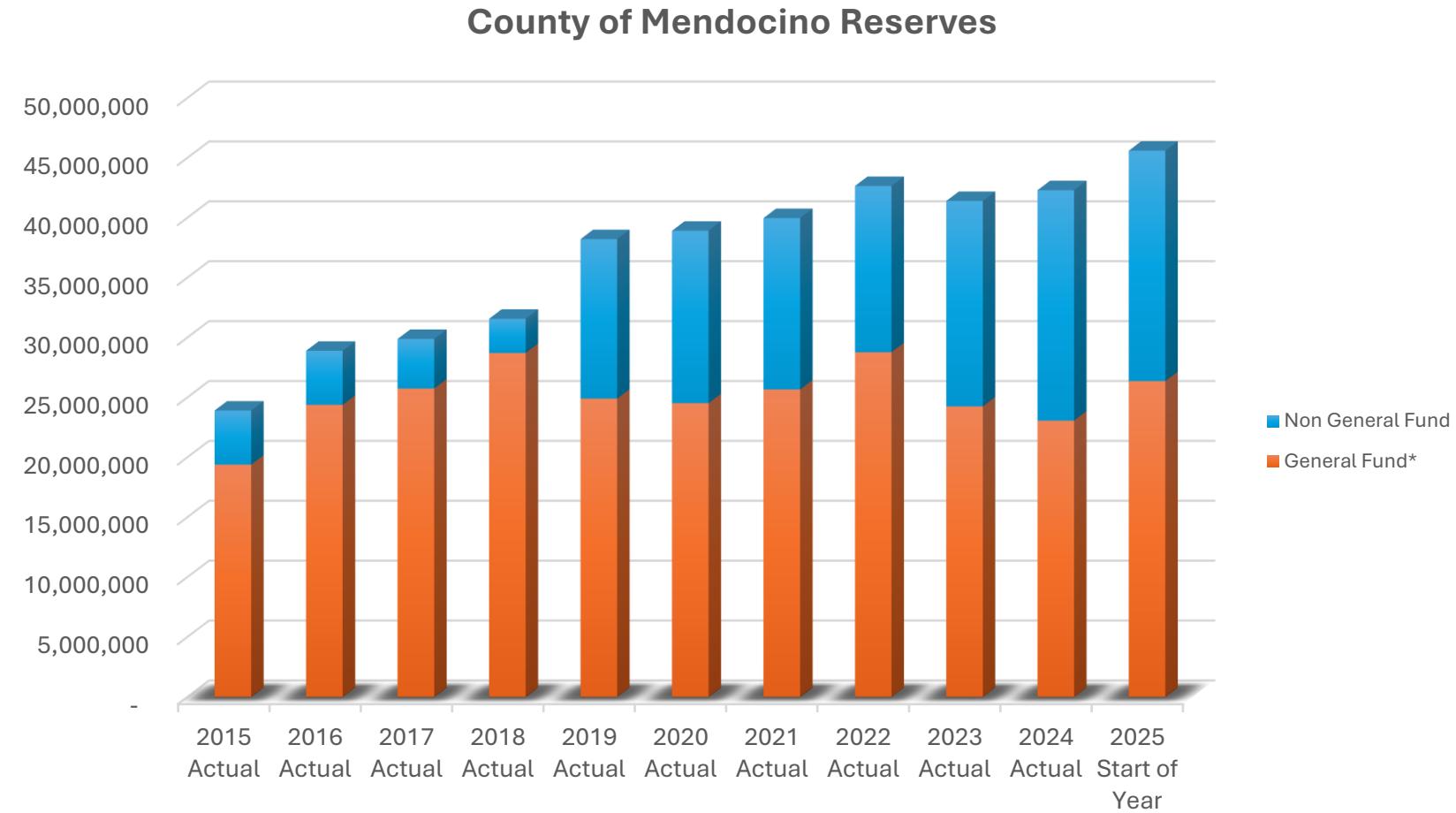
- **\$99,062,696:** Year End Non-Departmental Revenue
 - Property Taxes – increase of \$4.15 million
 - Property Tax in lieu of VLF revenues - \$815 thousand
 - Cost Plan – increase of \$1.36 million
 - Transient Occupancy Tax – increase of \$805 thousand
 - Interest – increase of \$2.5 million
- **\$83,623,205:** Year End Actuals Excluding Operating Transfers
- **\$12,157,765*** FY 2024-25 unaudited General Fund carryforward

*Includes unavailable Fair Market Value in the amount of \$1,024,187 for a total of \$11,133,578.



County Reserves Fund Balance

- County General Reserve fund balance is currently **\$14,042,921**
- General Reserve target balance per Policy #32 is **\$15,950,368**
- Target General Fund balance, per GFOA recommendations is **\$27,136,712**
- General Fund includes County General Reserve, Retirement Contribution Reserve, and other Designated Reserves





Functional Areas Defined

General Government

- Assessor Clerk
- Recorder
- Auditor
- Board of Supervisors
- County Counsel
- Executive Office
- Human Resources
- Tax Collector

Public Protection

- Agriculture
- Animal Care and Control
- Cannabis
- Child Support
- District Attorney
- Planning and Building
- Probation
- Public/Alternate Defender
- Sheriff - Coroner

Public Way & Facilities

- Department of Transportation

Health & Sanitation

- Behavioral Health
- Public Health
- Solid Waste (DOT)

Public Assistance

- Social Services

Education

- Farm Advisor
- Library

Recreation & Culture

- Museum



Budget Schedule

- December 2025 - Fee Hearing
- February 2026 - Mid-Year Report
- April 2026 - Fee Hearing
- Spring Budget Workshops
- May 2026 - 3rd Quarter Report
- June 2026 - Budget Hearings and Adoption



Recommendations

- Accept the Fiscal Year 2025-26 First Quarter Report as presented
- Approve 1st Quarter Department Net Zero Adjustments and Administrative Clean Up (Attachment A)
- Approve any Funded Fixed Assets on the Fiscal Year 2025-26 1st Quarter Fixed Assets Requests (Attachment B)
- Direct staff to present a plan for the use of Fiscal Year 2024-25 Fund Balance Carryforward at the Mid-Year budget report in February 2026

FY 2025-26 1st Quarter Budget Update

Questions

Discussion

