

FY 25/26 Budget Workshop

April 22nd, 2025

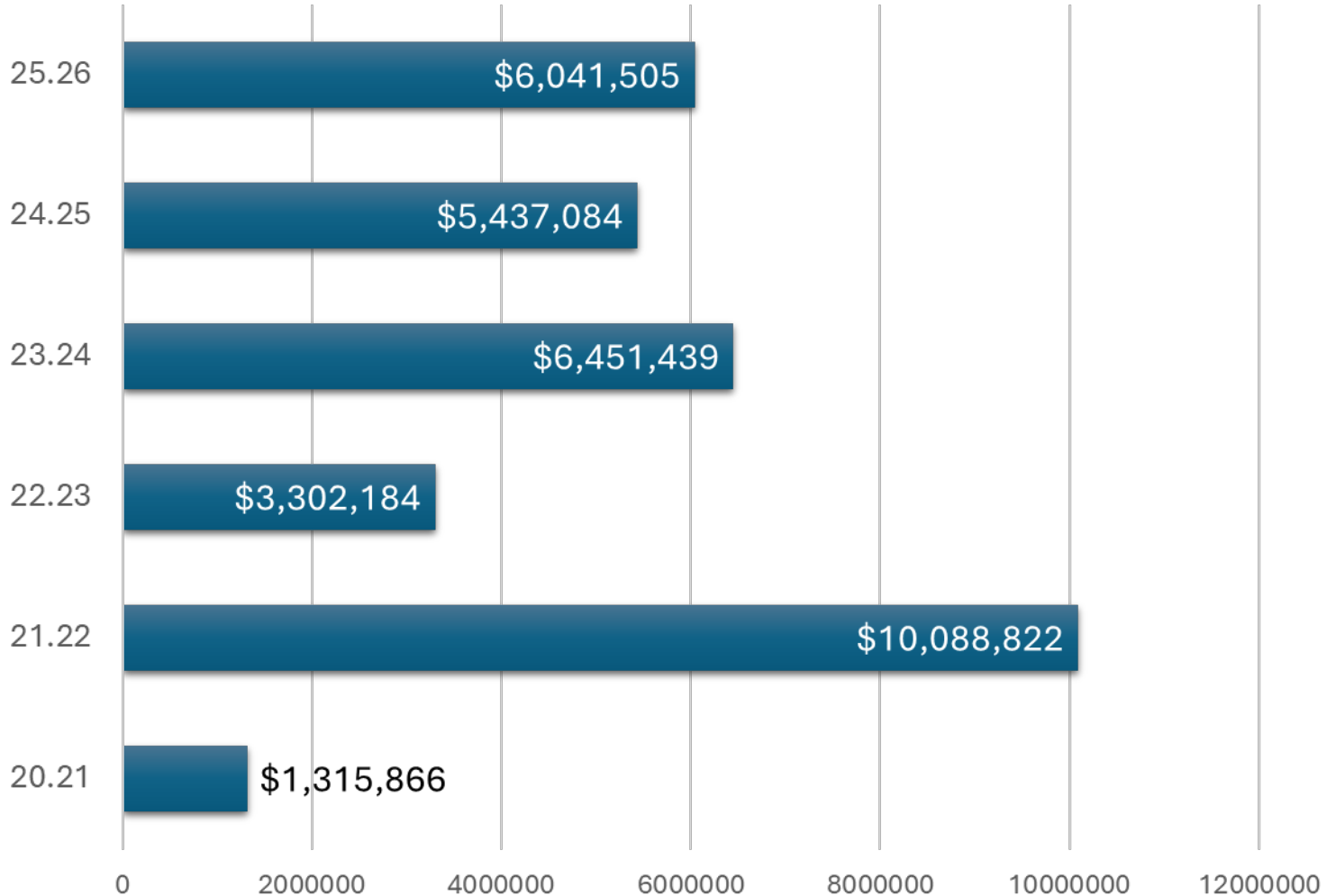


Chief Executive Officer Darcie Antle



Fire and Ambulance – General Fund Obligations

- Total: **\$32,636,900**
- FY 21-22 largely due to PG&E Settlement funds (\$8,730,369)





FY25/26 - County Prop 172 Allocations

Changes in Prop 172 allocations require a redistribution of Prop 172 revenue between District Attorney, Sheriff's Office, Jail, Probation

- Current year allocation percentages
 - DA: 10.09%
 - SO: 43.03%
 - Jail: 32.60
 - Probation: 9.86%
 - **Total FY25.26 Reduction: \$91,001**
- As per direction on April 8, and additional \$87k of General Fund has been allocated to Fire Agencies.



Request for Direction

- Regarding Prop 172 allocation reductions for County offices as shown on Slide 3
- Regarding where to pull \$87k additional General Fund to Fire Agencies



Measure AI Apportionments

At the April 8th Board Meeting, staff was directed to prioritize funding Cannabis Department (MCD) with Cannabis Tax Revenues first, then other service categories*

Based on current FY 25.26 budget:

- \$1million is budgeted for Cannabis Tax Revenue
- MCD currently budgeted at \$991,582

This means that for FY25.26 only Cannabis Regulation Enforcement will be covered by Cannabis Tax revenues, according to current projections.

Measure AJ (2016) advised that the majority of revenues generated from the Cannabis business tax be utilized for the following services: Cannabis Regulation Enforcement, Roads repair, Mental Health Services, and Fire and Medical Emergency Services.



FY25/26 Budget Update - Reductions

From April 8th Budget Workshop, an additional **\$624,327** in Department budget reductions have been submitted to CEO Budget from 6 departments. CEO Budget team will continue to work with remaining departments to identify additional savings.

Reductions include held vacancies and reductions in services and supplies.



Voluntary Separation Incentive Program (VSIP)

- Offer Voluntary Separation Incentive Program to all employees – incentive payment amounts based on years of service
- Subject to CEO/Department review and Board of Supervisors' approval
- Position will be frozen for 2 years and VSIP employees cannot be rehired for 2 years



Vacant Positions

- Remove all vacant positions from the position allocation table that are not public safety (Sheriff/Jail, District Attorney, Public Defender, Alternate Defender or Probation/Juvenile Hall) or currently in recruitment as of 4/22/25- regardless of funding status
- Projected reduction in vacant positions from 281 to 78
- Funded not filled = 78 vacant
 - Of the 78 vacant, 26 = Sheriff, Jail, and Probation
- Any positions that are vacant for 10 months are to be deleted from the position allocation table, except for public safety



Turnover Rate and Hiring Freeze

- County General Fund Turnover Rate estimated at 6%.
- 6% turnover is equivalent to approximately \$8 million in General Fund savings if paired with Hiring Freeze



FY25/26 Budget – Recommendations

- Prioritize funding County roads with excess Cannabis Tax Revenue after funding Cannabis Department
- Utilize one-time funds from Retirement Contribution Reserve (\$3.2million) to offset one-time expense for General Fund portion of Pension Obligation Bond.
- Direct Department Heads to review utilization of extra help.



FY25/26 Budget – Recommendations

- Remove all vacant positions from the position allocation table—regardless of funding status that are not in public safety (Sheriff/Jail, District Attorney, Public Defender, Alternate Defender or Probation/Juvenile Hall) and not actively in recruitment as of April 22, 2025.
- Direct staff to implement the Voluntary Separation Incentive Program offering to all employees.
- Delete from the position allocation table any vacant positions that are vacant for 10 months, except for those in public safety.



FY25/26 Budget – Next Steps

- Potential use of Measure B and Opioid settlement funds to offset Naphcare services at County Jail.
 - Meeting with Sheriff's Office and BHRS to discuss next steps.
- Cost plan charges to Special Districts and Grants
 - Staff to work with Auditor on next steps
- A summary of comments provided at the April 15th Listening Session will be included in the May 6th Budget Workshop



FY25/26 Budget – Next Steps Continued

- Update Facility Maintenance Policy and bring back analysis on total deferred maintenance costs with cost escalation factors
- Research Realignment backfill for Environmental Health budget
 - Bring back on May 6th
- HR will work with departments to review organizational structure and employee to supervisor ratios



Budget Schedule

May 6:	3rd Quarter Report and Budget Workshop
June 3-4:	Final Budget Public Hearings
June 24:	Budget Adoption

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Questions and Discussion