

# FY 25/26 Budget Workshop

April 22<sup>nd</sup>, 2025

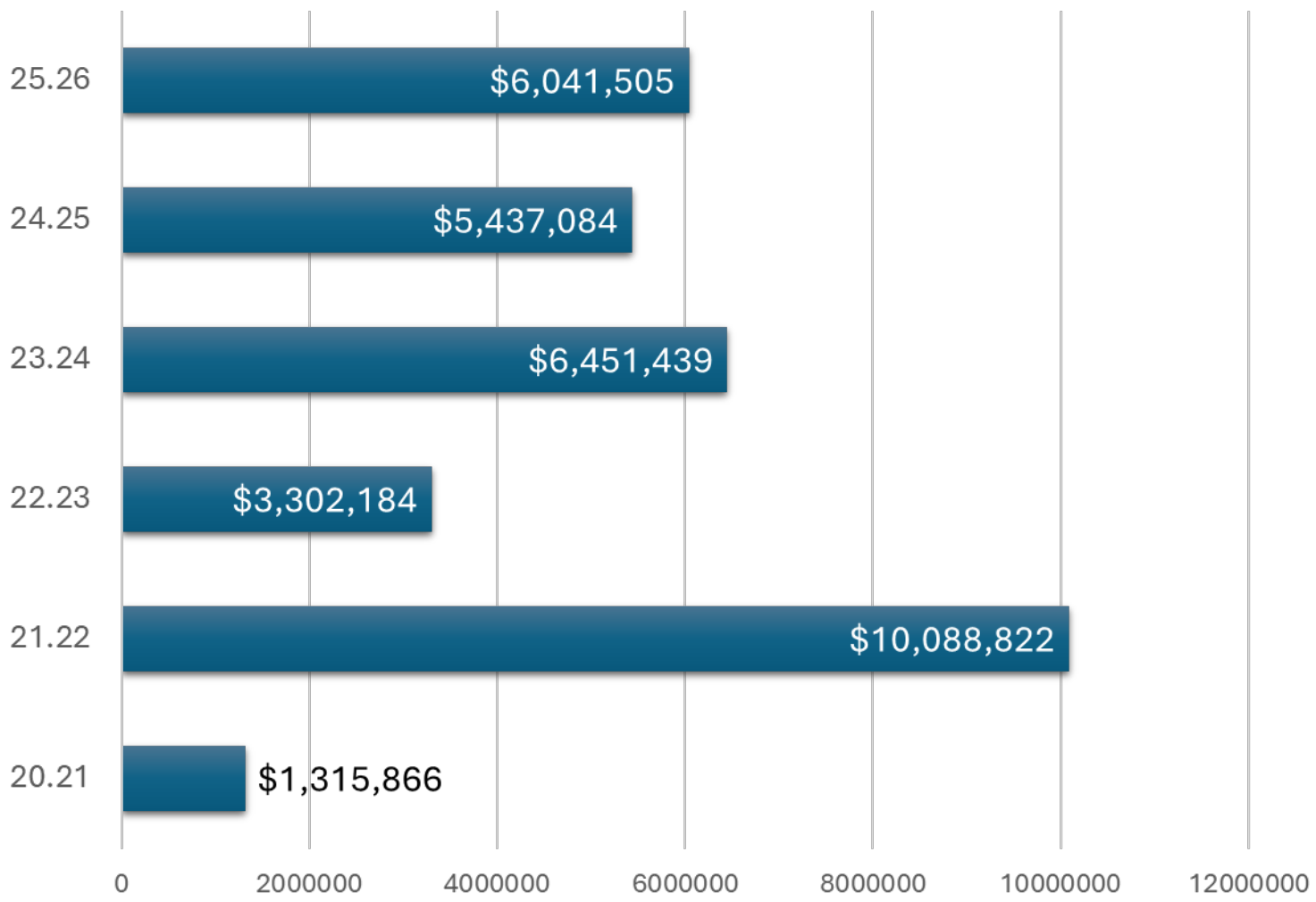


*Chief Executive Officer*     Darcie Antle



# 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 8<sup>th</sup> 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 8<sup>th</sup> 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 15<sup>th</sup> Listening Session will be included in the May 6<sup>th</sup> 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 6<sup>th</sup>
- HR will work with departments to review organizational structure and employee to supervisor ratios



# Budget Schedule

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

# FY 25/26 Budget Workshop

April 22<sup>nd</sup>, 2025



*Questions and Discussion*