

FY 2026-27 Budget Workshop



Chief Executive Officer Darcie Antle



Cannabis Tax

- September 2024: the Board of Supervisors Adopted Ordinance temporarily reduced Cannabis Business Tax for cultivation and nursery operations
 - 40% reduction for Tax Year 2025
 - 35% reduction for Tax Year 2026
- Cannabis Tax Collections:
 - 412 True-up payments outstanding between 2020 though 2024
 - Estimated additional tax revenues by fiscal year, if minimum paid
 - FY 2025-26 - \$1,494,750
 - FY 2026-27 - \$1,619,312
 - FY 2027-28 - \$2,491,250



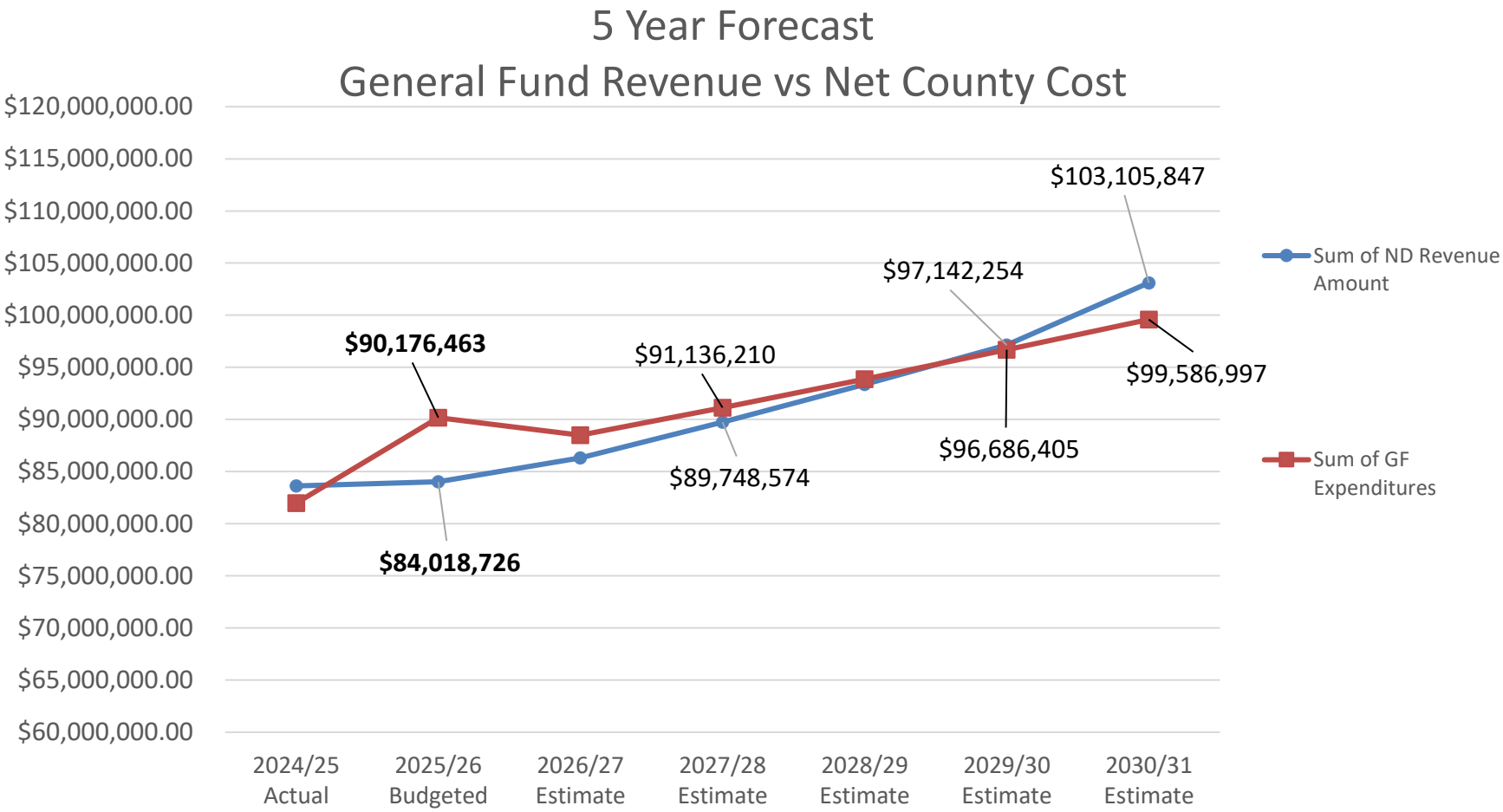
Emergency Medical Services (EMS) Funding

- **Option 1: Local Sales Tax Measure**
 - ¼ cent (0.25%) Countywide sales tax dedicated to EMS
 - Approximately \$5.5M (\$2.2M for unincorporated)
- **Option 2: Utilize Existing Revenue Sources**
 - Reallocation of Measure P revenue
- **Option 3: CSA 3 and LAFCo Consideration**
 - Levy a service charge, benefit assessment, or special tax



Revenue 5-year Look Ahead

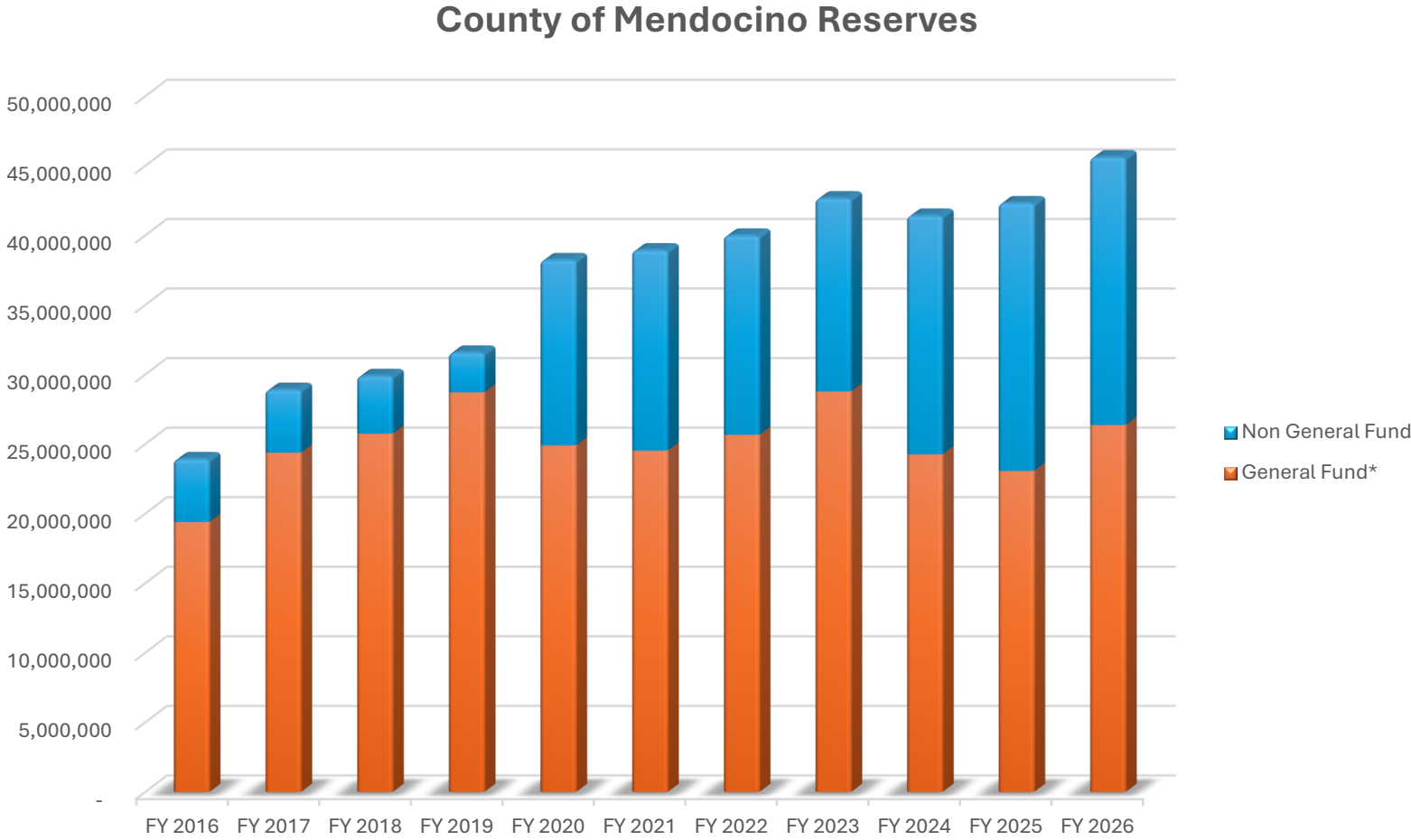
- Revenue estimates up to FY 2030-31, with following assumptions:
 - 3% year-to-year expense growth
 - 10-year average revenue growth
- If General Fund continues to be strategically managed, we can expect revenues to closely align to expenses in Fiscal Year 28-29.





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





CEO Recommendations

- Direct staff to research options for the collection of delinquent Cannabis business taxes and to present findings to the Board of Supervisors no later than Mid-year Budget Report in February 2026.

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Questions

Discussion