

## 6. COUNTY BUDGET MANAGER OVERVIEW PRESENTATION



# 2025-26 Proposed Budget Budget Hearing #2

June 3, 2025

**Presented by:**

**Carlos Palacios, County Executive Officer**

**Nicole Coburn, Assistant County Executive Officer**

**Marcus Pimentel, County Budget Manager**

**Items #5 and #6**



# Budget Hearing # 2 Overview

- Consent Agenda
  - General Government
  - County Financing
- Health & Human Services\*
- Capital Projects

*Continue to June 4, 2025*

\* Child Support Services and CORE Investments are on Consent



2025-26 Budget Overview



Federal/State Funding Risks



Consent Agenda



Health Services Agency (presentation)  
Human Services Department



Capital Projects



Requests & Questions

# County Achievements

277 achievements & 70 completed Operational Plan objectives

## Highlights include:

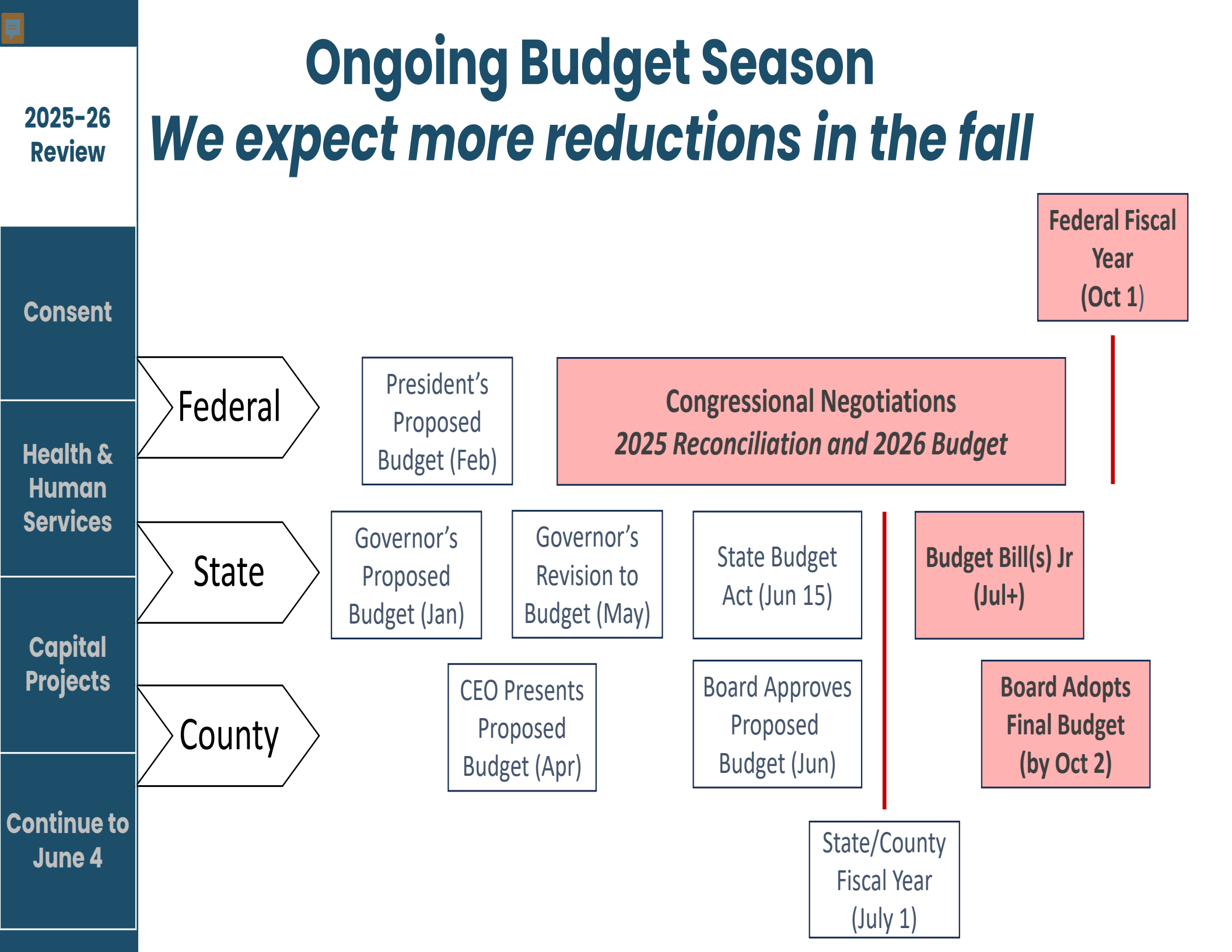
- Launched 24/7 mobile crisis response team
- Completed Measure S Library Construction
- Secured \$14M grant for regional electrification
- Staffed recently completed DNA Laboratory
- Rezoned for 2023 Housing Element Implementation
- Completed intersection improvements at Hwy 152 & Holohan Rd
- Expanded county clerk-elections, records, and tax collection services at South County Government Center
- Expanded 211 services

Consent

Health &  
Human  
Services

Capital  
Projects

Continue to  
June 4



# Federal & State Funding Risks

Consent

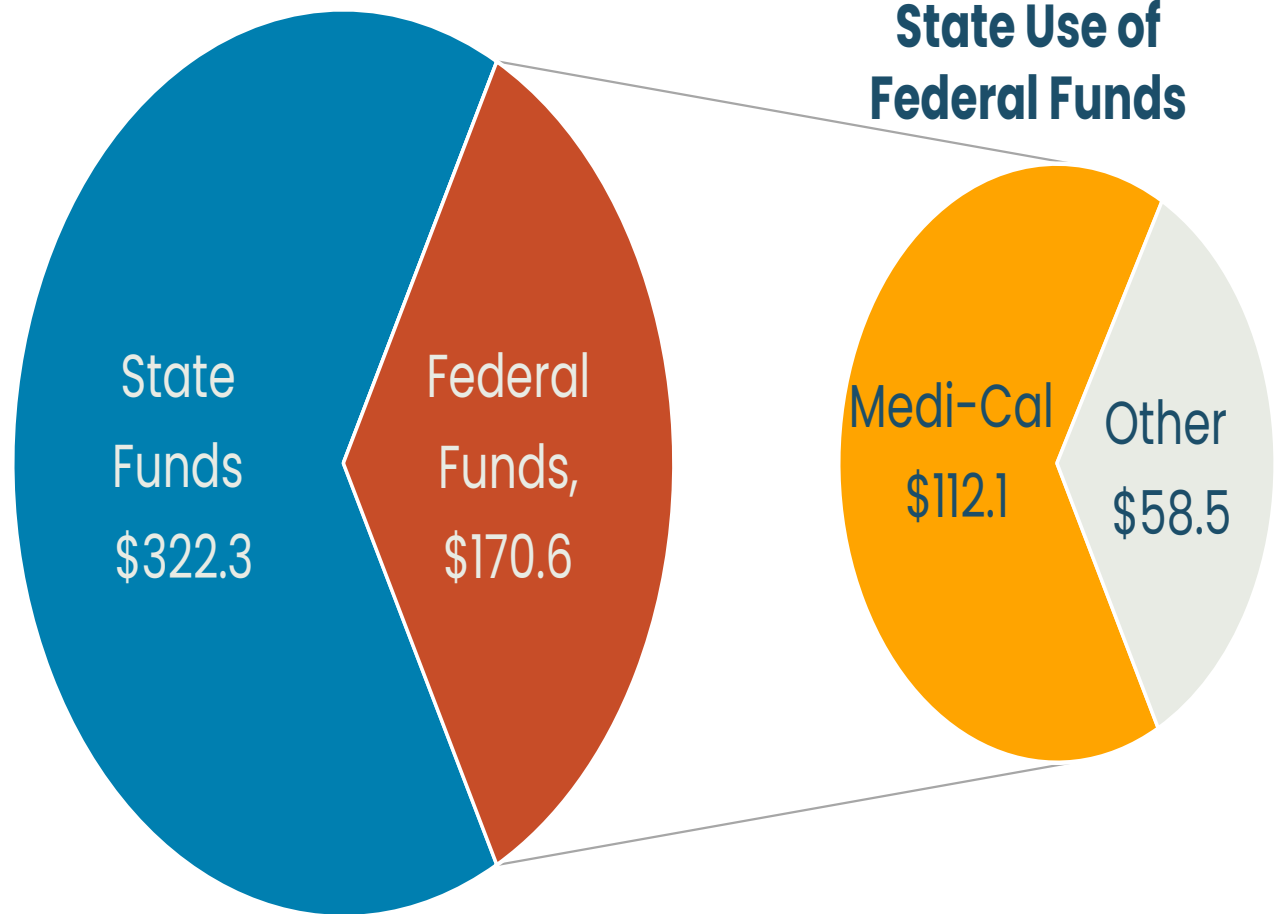
Health &  
Human  
Services

Capital  
Projects

Continue to  
June 4

- Federal funds make up over one-third of the State Budget
- 112.1 Billion in Medi-Cal is from Federal Sources

## State Budget



# County Reliance on State & Federal Funding

Consent

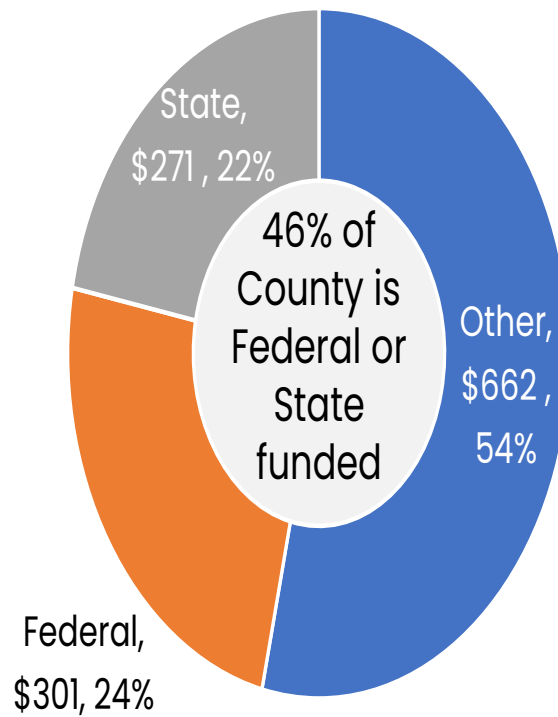
- The County's exposure to federal funding and policy risk is significant
- Federal funds make up nearly a quarter of the county wide budget and 30% of the General Fund

Health &  
Human  
Services

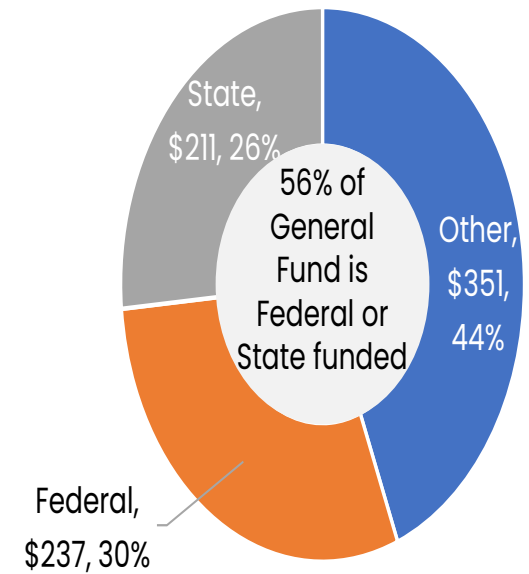
Capital  
Projects

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June 4

Proposed 2025-26 Budget  
All Funds (in millions)



Proposed 2025-26 Budget  
General Fund (in millions)



# Federal Policy Potential Impacts

Consent

- Reduced eligibility for public assistance within Medi-Cal, CalFresh and CalWORKS

Health &  
Human  
Services

- At risk funding for housing voucher and like funding that supports 4,000 people

Capital  
Projects

- Reductions within FEMA for individual and agency disaster support

Continue to  
June 4

## Community Impact\*:

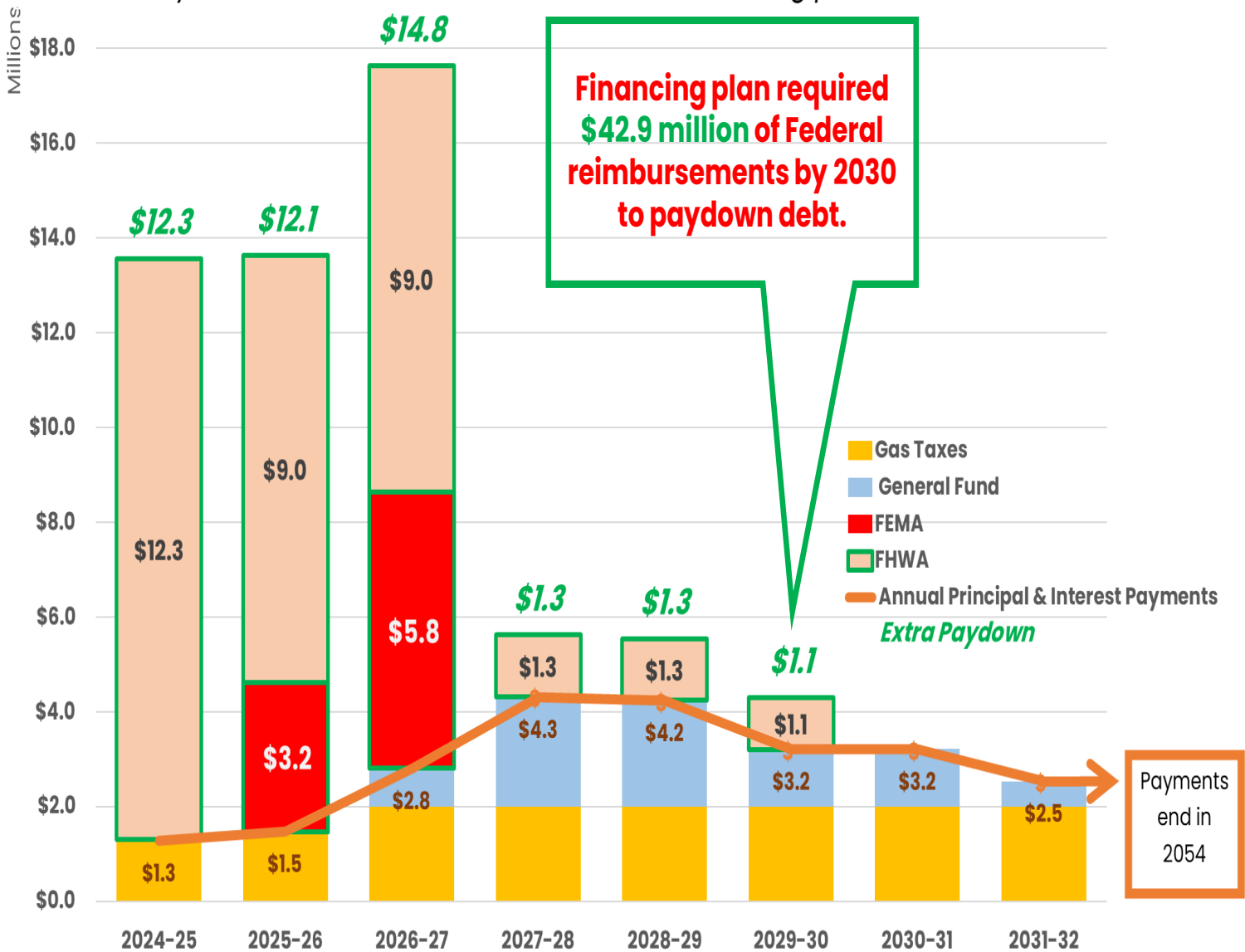
- 30,000 (1 in 3) county Medi-Cal enrollees at risk
- Current recipients:
  - 86,541 in Medi-Cal
  - 43,488 in CalFresh food assistance
  - 4,336 in CalWORKS cash aid



# Federal delays risk adding \$4.2 million annually

## 2023 Storms Debt Service and Funding Sources

Federal delays will increase costs and alter the 2024 financing plan





**2025-26  
Review**

**Consent**

**Health &  
Human  
Services**

**Capital  
Projects**

**Continue to  
June 4**

# State Budget Potential Local Impacts

- Proposed reductions to Medi-Cal, In Home Supportive Services (IHSS), long-term care, healthcare, and child welfare/childcare
- No funding for Proposition 36 implementation or next round of Homeless Housing, Assistance and Prevention (HHAP)





# **2025-26 Proposed with Supplemental Budget**



2025-26  
Review

# Proposed 2025-26 Budget

By Expense and Fund Type

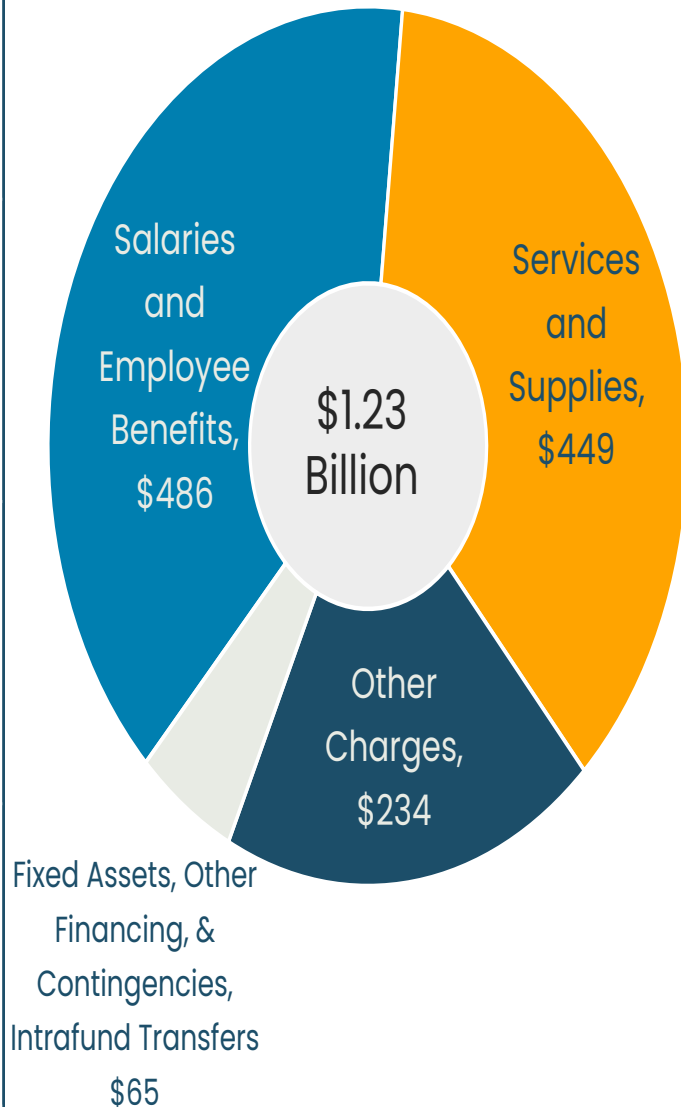
**FY 2025-26 Budget:**  
**\$1,234,449,452**

Consent

Health &  
Human  
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Projects

Continue to  
June 4



Fund	2025-26 Proposed Budget	Change from Adopted
General Fund	\$ 799.1	\$ (65.6)
Internal Service Funds	\$ 187.7	\$ 10.9
Enterprise Funds	\$ 39.5	\$ (2.4)
Special Revenue Funds	\$ 114.4	\$ (42.8)
Capital Project Funds	\$ 5.2	\$ (77.1)
Special Districts and Other Agencies	\$ 68.6	\$ 6.7
Less Than Countywide Funds	\$ 20.0	\$ 0.2
<b>Total County Budget</b>	<b>\$1,234.5</b>	<b>\$ (170.0)</b>

Amounts include Supplemental Changes.  
Amounts are in Millions

# Staffing Changes by Department

Consent



## Add 10.0 FTE

- Board of Supervisors - 1.0 FTE
- Sheriff Coroner - 1.0 FTE
- CDI – 8.0 FTE [Supplemental]



## Reduce 76.4 FTE

- Child Support Services (2.0 FTE)
- Health Services Agency (74.4 FTE)

Total Proposed  
Staffing:  
**2,732.16 FTEs**

\* The budget includes the transfer 3.0 FTE personnel positions from Human Services to Personnel

Health &  
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June 4

2025-26  
Review

# Financing of General Fund Expenditures

Consent

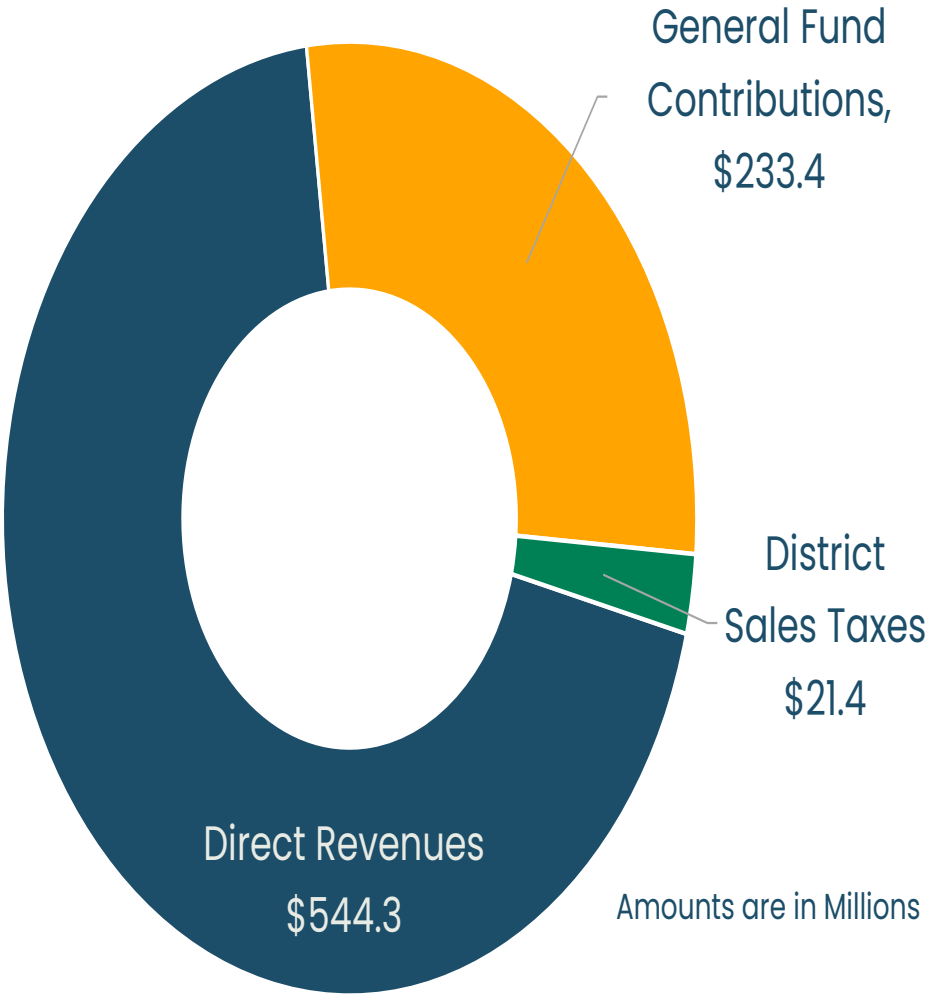
Health &  
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	General Fund Government Area Contribution (GFC)	GFC from District Sales Taxes
General Government	\$23,033	\$ -
Health and Human	\$52,424	\$2,400
Land Use and Community Services	\$17,393	\$6,100
Public Safety and Justice	\$123,708	\$5,723
Capital, Contingencies, & Debt Service	\$16,812	\$7,202
Total	\$233,370	\$21,425

Amounts are in Thousands



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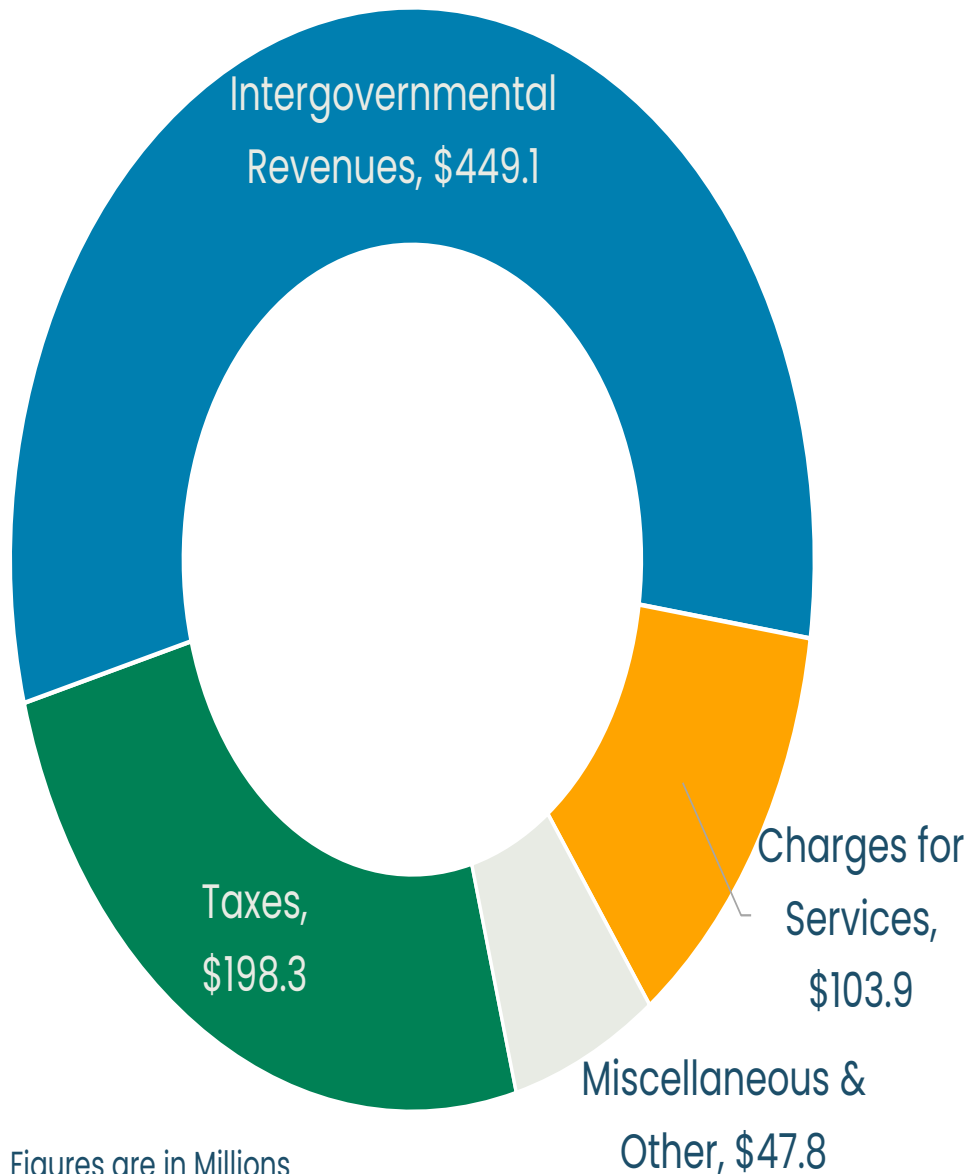
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June 4

# General Fund Revenues



## Revenues

Change  
from  
Adopted

Taxes \$7.4

Licenses, Permits and Franchise Fees \$(0.5)

Fines, Forfeitures & Assessments \$2.1

Use Of Money and Property \$0.7

Intergovernmental Revenues \$(29.5)

Charges for Services \$(2.3)

Miscellaneous Revenues \$(1.0)

Other Financing Sources \$0.9

**Total \$(22.2)**

Figures are in Millions



# General Fund Forecast and Reserves

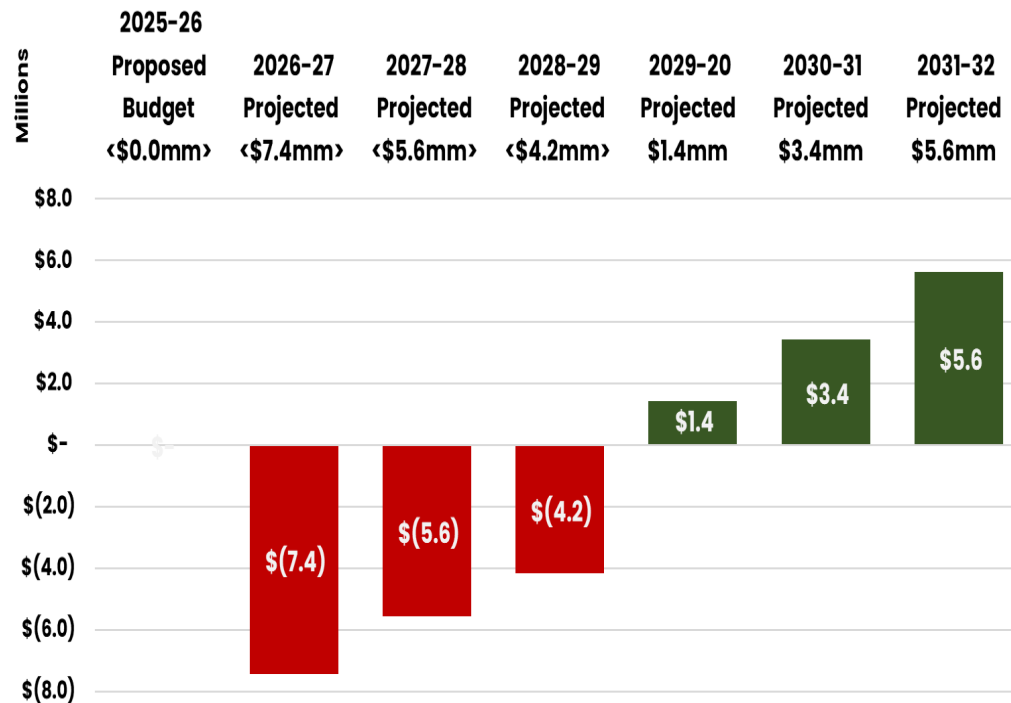
Consent

Health &  
Human  
Services

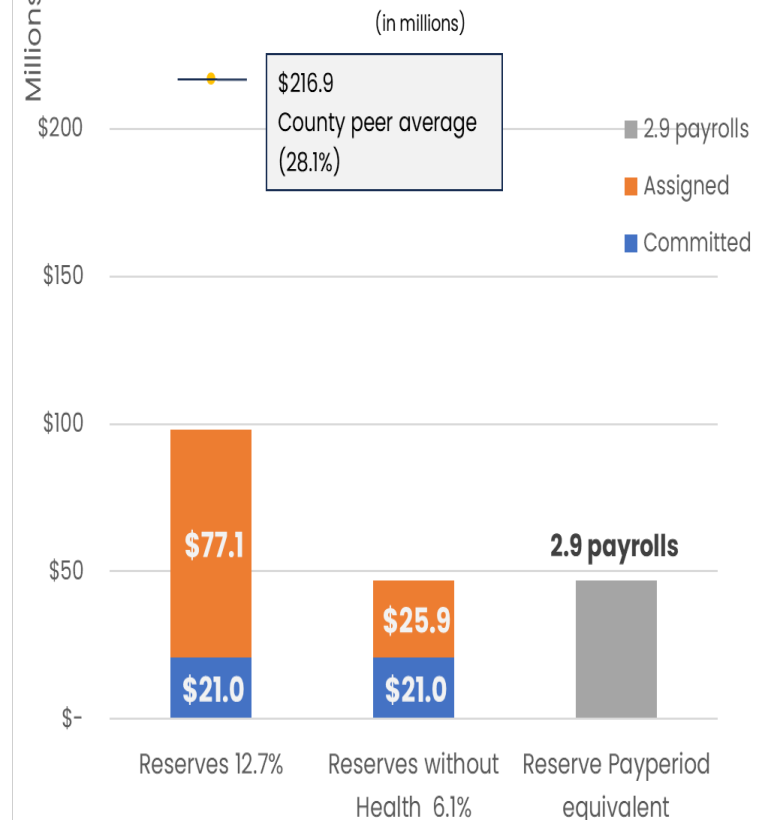
Capital  
Projects

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## General Fund Forecast Deficits persist through 2028-29



## FY 2025-26 Projected General Fund Reserves & Payroll equivalency for reserves without health





# General Government Overview

- ❖ Assessor-Recorder
- ❖ Assoc. of Monterey Bay Area Governments
- ❖ Auditor-Controller-Treasurer-Tax Collector
- ❖ Board of Supervisors
- ❖ County Executive Office
- ❖ County Clerk-Elections
- ❖ County Counsel
- ❖ General Services Department
- ❖ Information Services Department
- ❖ Personnel and Risk Management

# Proposed Budget- All Funds

## General Government- \$162.7 Million

2025-26  
Review

Consent

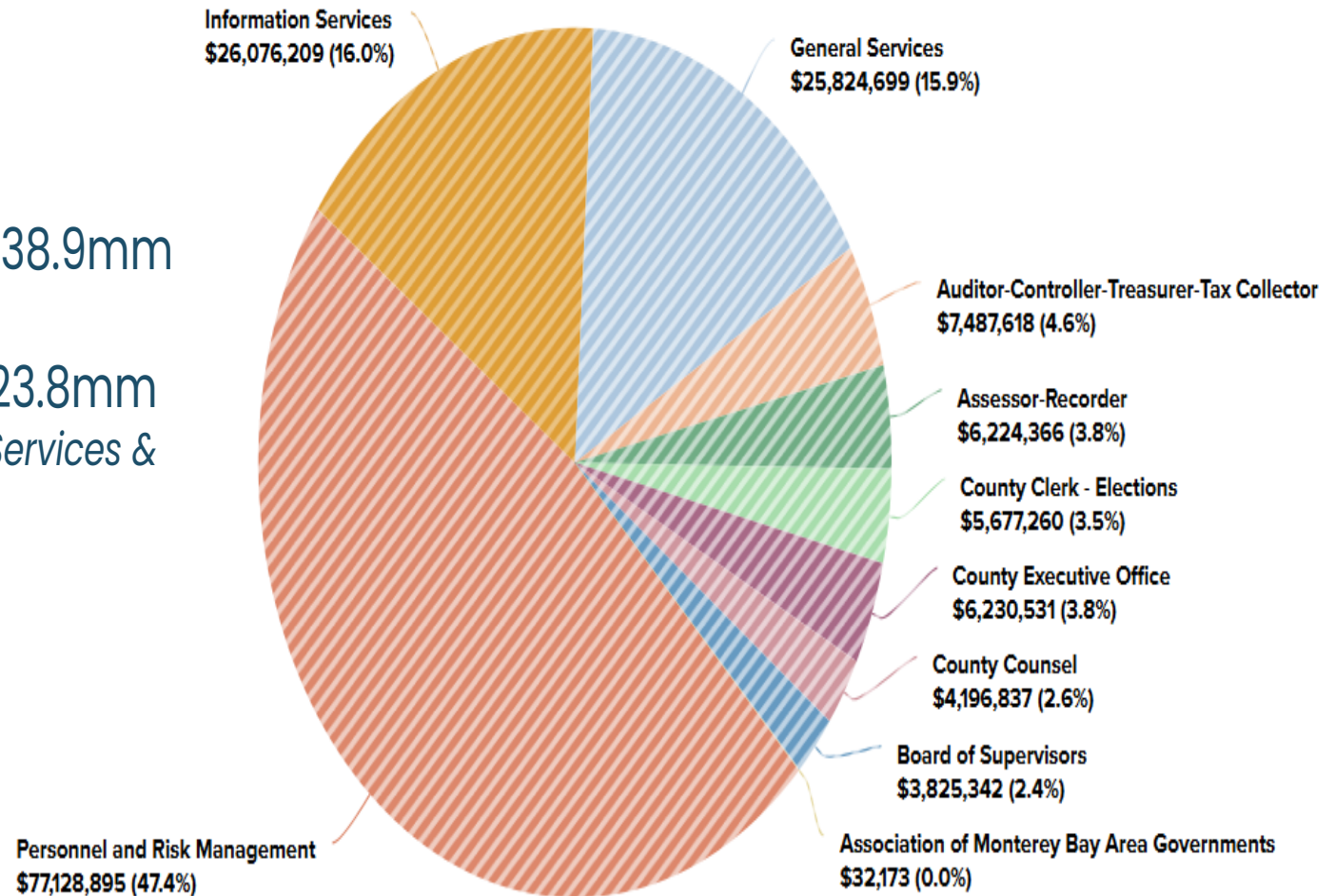
General Fund \$38.9mm

Other Funds \$123.8mm  
(Risk, Information Services &  
General Services)

Health &  
Human  
Services

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2025-26  
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# General Fund Contribution\*

## General Government- \$23.03 Million

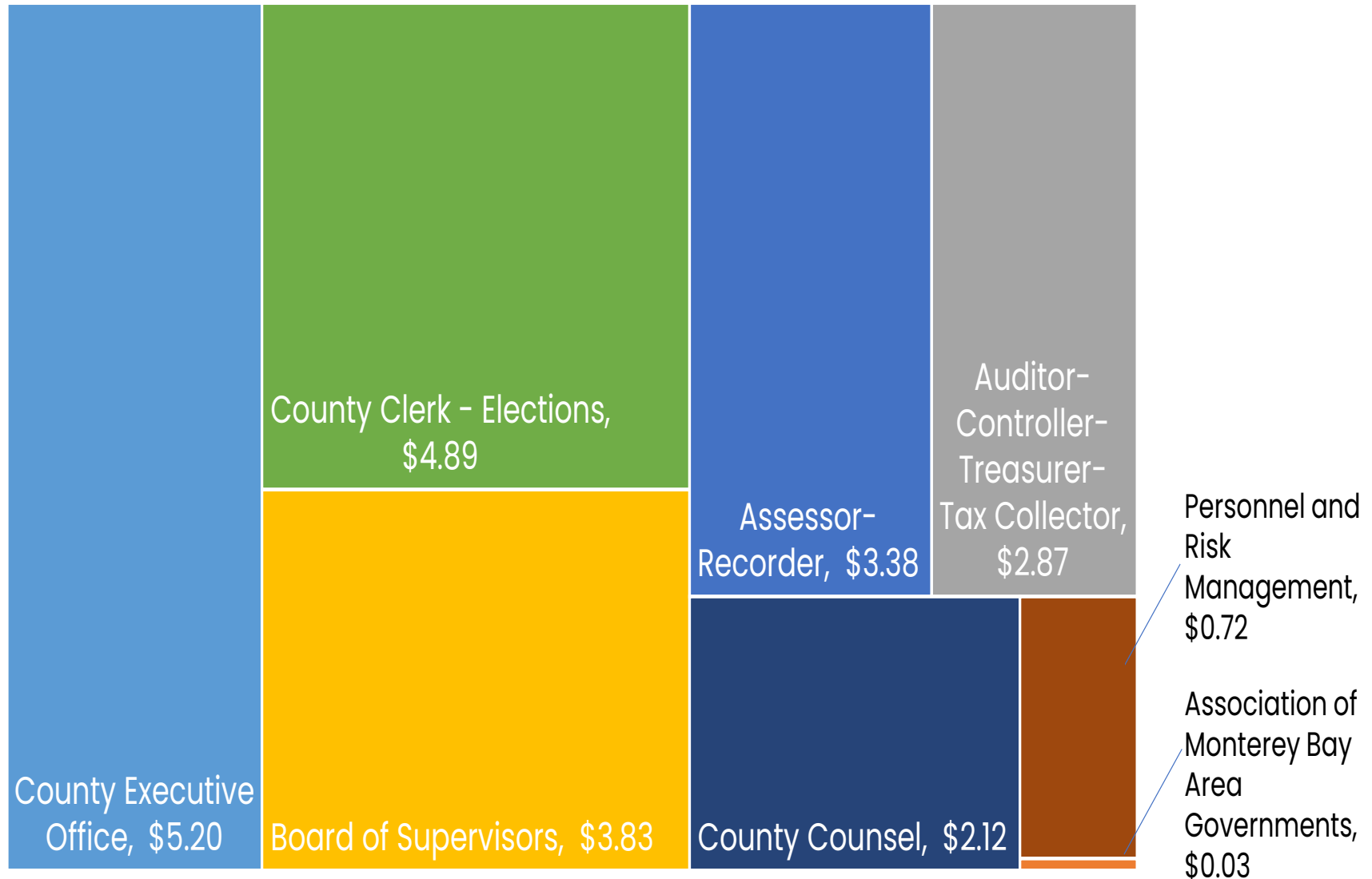
All figures in Millions

Consent

Health &  
Human  
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\* Included within the General Fund Contribution are district sales tax contributions

2025-26  
Review

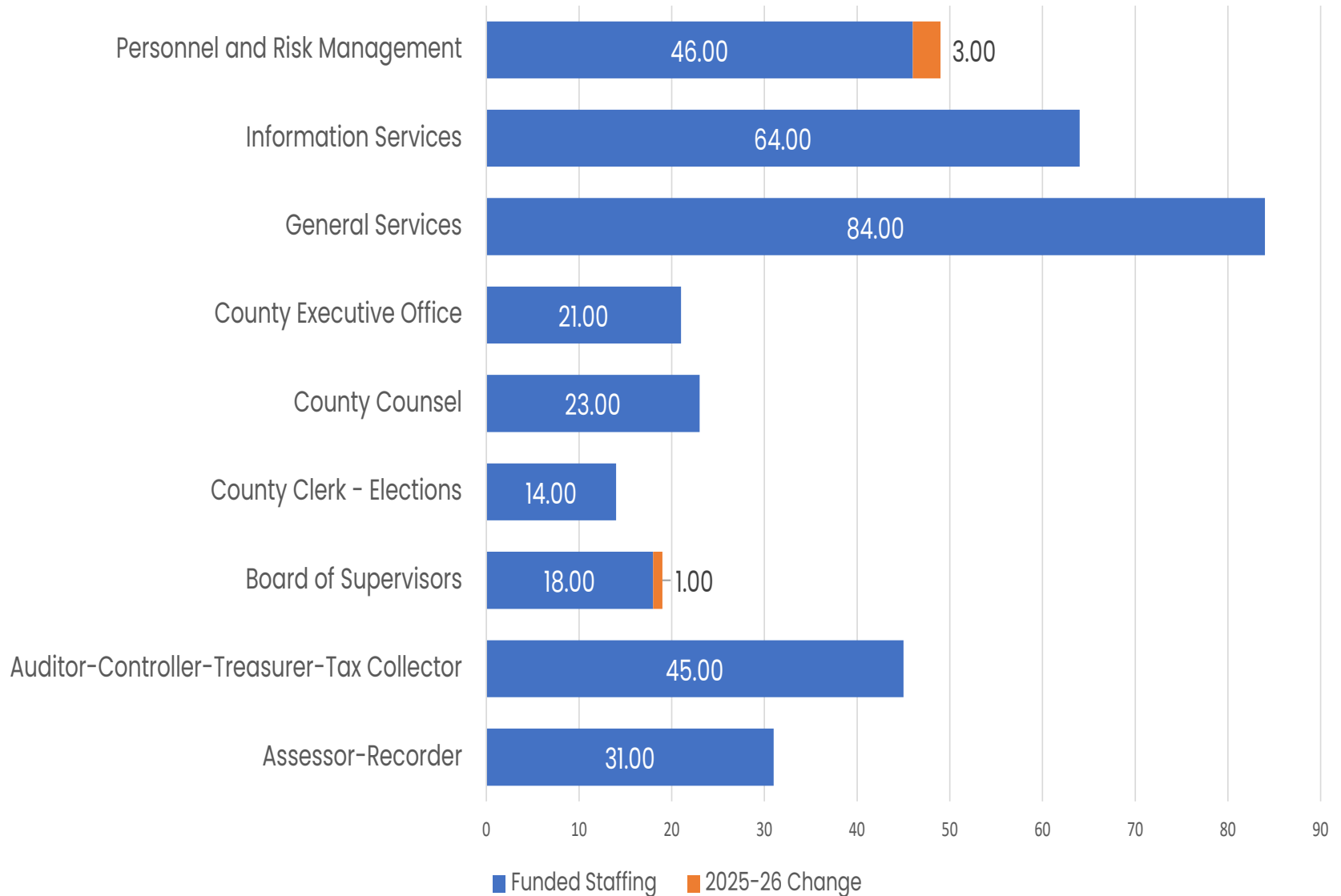
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Health &  
Human  
Services

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Projects

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# Funded Staffing with Change General Government- 346.00 FTE



\* 3.00 FTE added to Personnel and Risk Management are a transfer from the Human Services Department.



# County Financing Overview

- ❖ General Fund Contingency
- ❖ General Fund Debt Service
- ❖ General County Revenue

2025-26  
Review

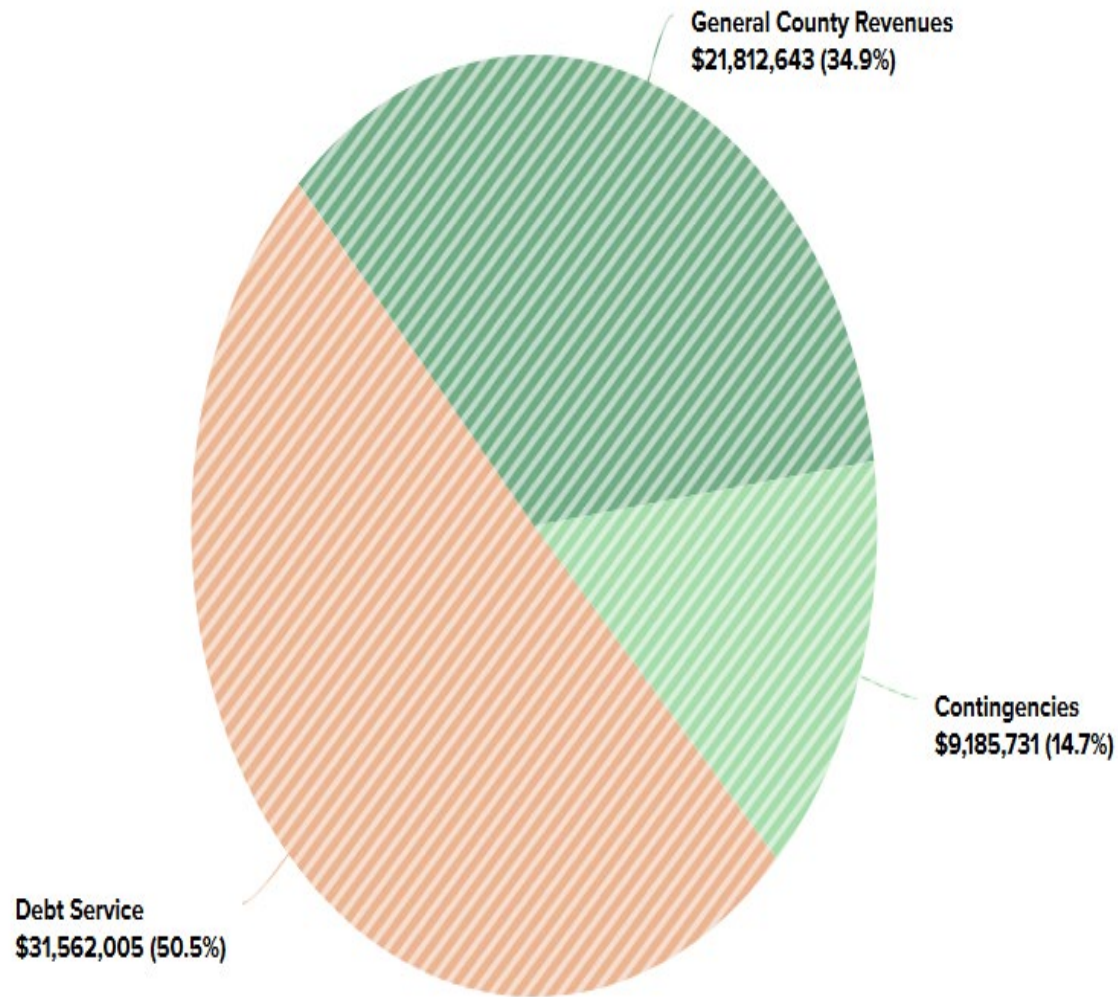
Consent

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# Proposed Budget County Financing-\$18.9 million



\* General County Revenues are a negative expense

# County Financing Uses

## General County Revenue

- Includes the full year of Measure K (+\$3.2 million)
- Provides for \$4.0 million in road/draining projects and \$1.0 million in county aging facilities
- Includes \$15.1 million in revenue reductions (Federal disaster, sales tax and cannabis tax)
- Adds \$4.7 million in costs for liability and property charges

## Contingency & Debt Service

- General Fund 1% contingency cut by <\$1.3mm> to 0.8%
  - Would be further decreased by county's share of member costs
  - Includes another \$2.5 million restricted for
    - \$1.0 million for disaster costs or federal disaster denials
    - \$900,000 remaining for district parks/environmental uses
    - \$600,000 for housing-related uses
- Debt provides for \$1.5 million in 2024 disaster debt with an expected debt paydown from receipt of \$12.1 million of federal disaster reimbursements

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# Health & Human Services Overview

## **REGULAR AGENDA**

- ❖ Health Services Agency  
(presentation only)
- ❖ Human Services Department

## **CONSENT AGENDA**

- ❖ Child Support Services
- ❖ CORE Investments





2025-26  
Review

Consent

Health &  
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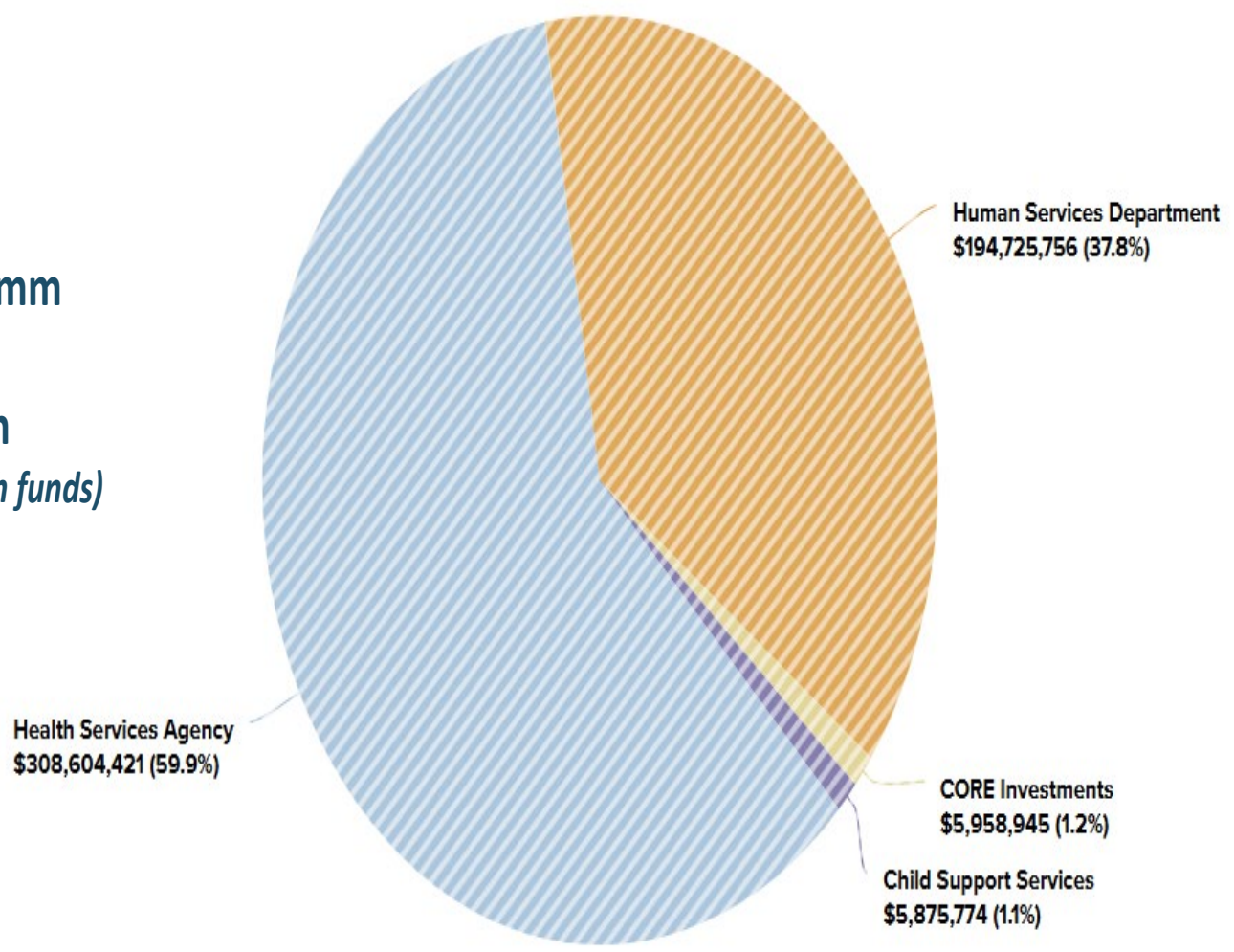
Continue to  
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# Proposed Budget- All Funds

## Health & Human Services- \$515.2 Million

General Fund-\$510.8mm

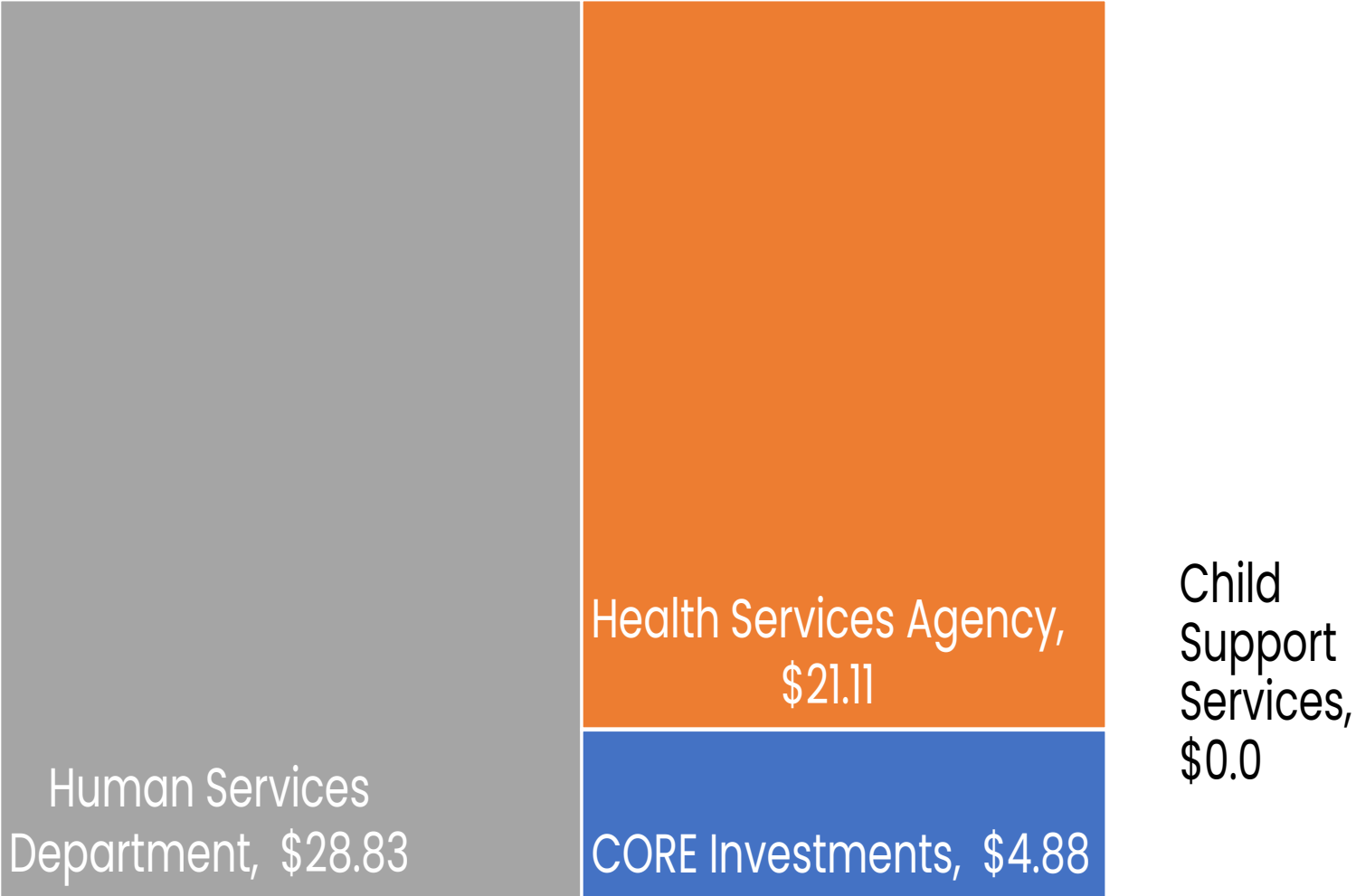
Other Funds- \$4.4mm  
*(HSA Environmental Health funds)*



# General Fund Contribution\*

## Health & Human Services – \$54.8 Million

All figures in Millions



\* Included within the General Fund Contribution are district sales tax contributions

2025-26  
Review

Consent

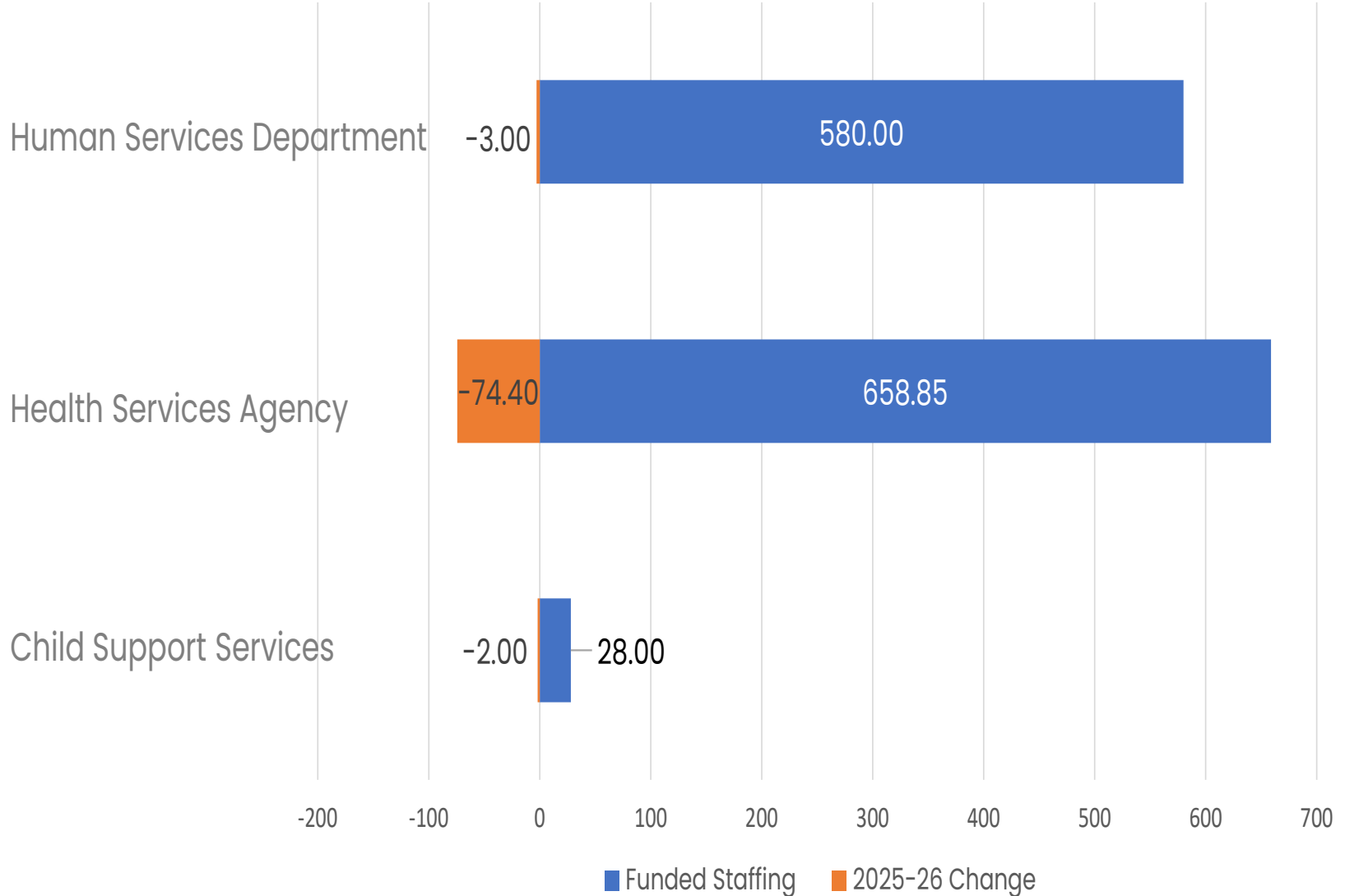
Health &  
Human  
Services

Capital  
Projects

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June 4

# Funded Staffing with Change

## Health & Human Services- 1,266.85 FTE



\* 3.00 FTE removed from the Human Services Department are a transfer to Personnel and Risk Management.



# Capital Projects Overview

**REGULAR AGENDA**  
❖ **Capital Projects**

# 2025 – 2030 Capital Improvement Plan

- New online publication
- Identifies \$396 Million in active capital projects
- Catalogs 45 distinct funding sources

2025-26 Proposed Capital Projects	Facilities	Parks
Revenues	\$1.38m	\$716K
Expenses	\$2.38m	\$716K
General Fund Contribution	\$1.0m	\$ 0



# Continue to June 4th Budget Hearings

## **PUBLIC SAFETY**

### **REGULAR AGENDA**

- ❖ Sheriff-Coroner
- ❖ Probation

### **CONSENT AGENDA**

- ❖ 911 Communications Center
- ❖ Animal Control Services
- ❖ Contribution to Superior Court
- ❖ County Fire Protection
- ❖ District Attorney-Public Administrator
- ❖ Grand Jury
- ❖ Office of Response, Recovery and Resilience
- ❖ Public Defender

## **LAND USE**

### **REGULAR AGENDA**

- ❖ Parks, Open Spaces & Cultural Services
- ❖ Community Development & Infrastructure
- ❖ Measure Q Administration

### **CONSENT AGENDA**

- ❖ Agricultural Commissioner
- ❖ Agricultural Cooperative Extension
- ❖ Cannabis Licensing
- ❖ Library Fund
- ❖ Local Agency Formation Commission
- ❖ Monterey Bay Air Resources District
- ❖ Redevelopment Successor Agency

End of presentation