

Item No.
25

FY 2026-27

**Board of
Supervisors
Budget Workshop**

4.7.2026

Presented by:
County Administrative Office
Budget Team



Workshop Goals

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Budget Status &
Forecast



Overview of
Augmentations



Potential Funding
Solutions



Department
Presentations



Board Direction



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**Forecasted
 General Fund
 Shortfall
 Presented during
 the Budget End
 of Year Report
 FY 2026-27**



Item	Amount
GFC Baseline (using FY2025-26)	315,813,196
Salary Increases	8,533,052
Wage Studies Implementation	3,216,560
Workers Comp Increase	2,083,426
IHSS Wage Increase	3,412,704
General Liability and Property Insurance	2,158,584
Jail Medical	8,600,000
Cost Allocation Plan Increases	6,000,000
Loss of Measure AA for On-Going	3,136,759
FY2025-26 Cannabis Augments Positions	868,865
FY2025-26 Cont Reserve Augments Positions	3,776,744
FY2025-26 Cont Reserve Augments Items	2,197,918
FY2025-26 Security Guard Costs	750,000
Total Estimated GFC Demand	360,547,808
Total GFC Revenue Projected FY2026-27	333,757,445
Overage/(Shortage)	(26,790,363)

\$44,734,612

GENERAL FUND

3-YEAR FORECAST

ITEM	2026-27 Forecast	2027-285 Forecast	2028-29 Forecast
Revenue	(924,298,912)	(941,054,960)	(966,136,617)
Expenditure	1,043,174,381	1,084,356,488	1,128,140,177
PROJECTED SHORTFALL	118,875,469	143,301,528	162,003,560
Less Vacant Positions	(78,264,295)	(81,445,357)	(85,095,540)
SHORTFALL LESS VACANCIES	\$40,611,174	\$61,856,171	\$76,908,020

GFC Recommended and Remaining Requests

Budget Request Type	FTE Request	GFC Request	FTE Recommended	GFC Recommended	Remaining Requests
Animal Services JPA	4.50	\$698,396	4.50	\$698,396	
Status Quo Filled Position	77.80	\$19,447,634	73.80	\$18,285,290	\$1,162,344
Status Quo Other		\$7,949,086		\$4,287,956	\$3,661,130
Status Quo Vacant Position	37.50	\$6,260,173	21.00	\$3,654,588	\$2,605,585
New Mandated Program/Service w/ GFC		\$614,040			\$614,040
New Program/Service w/ GFC		\$6,343,491			\$6,343,491
Request New Position	9.00	\$1,270,892	0.00		\$1,270,892
Grand Total	131.80	\$42,583,712	99.30	\$26,926,230	\$15,657,482

Total Requested

Budget Request Type	FTE Request	GFC Request	FTE Recommended	GFC Recommended	Remaining Requests
Assessor-County Clerk-Recorder	13.00	\$2,047,740	10.00	\$1,682,180	\$365,560
Auditor-Controller	9.00	\$2,119,037	6.00	\$1,509,980	\$609,057
Civil Rights Office	1.50	\$242,529	0.50	\$106,079	\$136,450
Clerk of the Board	-	\$100,400		\$100,400	\$0
Cooperative Extension Service	0.30	\$82,000	0.30	\$41,449	\$40,551
County Administrative Office	4.00	\$444,226	1.00	\$194,226	\$250,000
County Counsel	3.00	\$1,338,454	3.00	\$1,338,454	\$0
Emergency Management	2.00	\$308,846	1.00	\$129,145	\$179,701
District Attorney	10.00	\$3,082,446	6.00	\$1,920,102	\$1,162,344
Health	7.50	\$2,129,893	4.50	\$698,396	\$1,431,497
Housing & Community Development	-	\$800,000			\$800,000
Human Resources	4.00	\$1,369,931	3.00	\$1,099,215	\$270,716
Probation	4.50	\$860,756			\$860,756
Public Defender	6.00	\$1,941,286	6.00	\$1,941,286	\$0
Public Works, Facilities & Parks	16.00	\$6,429,576	11.00	\$1,599,715	\$4,829,861
Sheriff-Coroner	47.00	\$15,420,413	47.00	\$10,868,230	\$4,552,183
Social Services	4.00	\$3,866,179		\$3,697,373	\$168,806
Grand Total	131.80	\$42,583,712	99.30	\$26,926,230	\$15,657,482

Measure AA Eligible Items for FY26-27

Department	Request Type	FTE	Measure AA Funding
Cooperative Extension Service	Status Quo Filled	0.30	\$41,449
District Attorney	Status Quo Filled	1.50	\$480,026
Sheriff-Coroner	Status Quo Filled	18.00	\$4,778,838
Sheriff-Coroner	Status Quo Vacant	8.00	\$1,484,376
Sheriff-Coroner	FY25-26 Approved Positions	5.50	\$1,318,416
Health	FY25-26 Approved Positions	1.73	\$180,842
Health	Animal Services JPA	4.50	\$698,396
Total Salaries & Benefits GFC Recommended		39.53	\$8,982,343
Cooperative Extension Service	Office Supplies & Staff Training		\$4,000
Sheriff-Coroner	FY25-26 Approved Axon Cameras		\$1,486,242
Health	FY25-26 Approved Spay/Neuter Clinic		\$101,780
Total Other GFC Recommended			\$1,592,022
Grand Total Measure AA Eligible Requests		39.53	\$10,574,365

Other Measure AA Augmentation Requests

Department	Request Type	Measure AA Funding
County Administrative Office	Encampment Outreach	\$250,000
Health	Spay/Neuter Clinics	\$62,230
Housing & Community Dev	Chualar Community Plan	\$500,000
Housing & Community Dev	General Plan Housing and Safety Update	\$300,000
Public Works, Facilities & Parks	Fort Ord Open Space Unscheduled Maint	\$150,000
Total Other Measure AA Eligible Requests		\$1,262,230

Status Quo 3-Year High Level

GFC Cost Increases	2026-27 Shortfall	2027-28 Forecast	2028-29 Forecast
Status Quo Demand	\$26,926,230		
Rolling Prior Year Cost		\$26,926,230	\$50,848,605
COLA 3% GFC Portion		\$13,922,375	\$15,488,395
Operational Expense Increase		\$10,000,000	\$10,000,000
Total GFC Cost to Account for	\$26,926,230	\$50,848,605	\$76,337,000
Funding Options			
Previous FY Fund Balance	\$20,000,000	\$10,000,000	\$10,000,000
Non Program Revenue Growth		\$11,000,000	\$22,000,000
Measure AA Contribution (5% growth future yrs)	\$10,574,365	\$11,103,083	\$11,658,237
Freeze Vehicle Replacement Contribution	\$1,500,000	\$1,500,000	\$1,500,000
(Less funding already in base)	(\$7,087,280)	(\$7,087,280)	(\$7,087,280)
Total Funding Options	\$24,987,085	\$26,515,803	\$38,070,957
(Shortfall)/Excess	(\$1,939,145)	(\$24,332,802)	(\$38,266,043)

Funding Solutions



Vacant
Positions



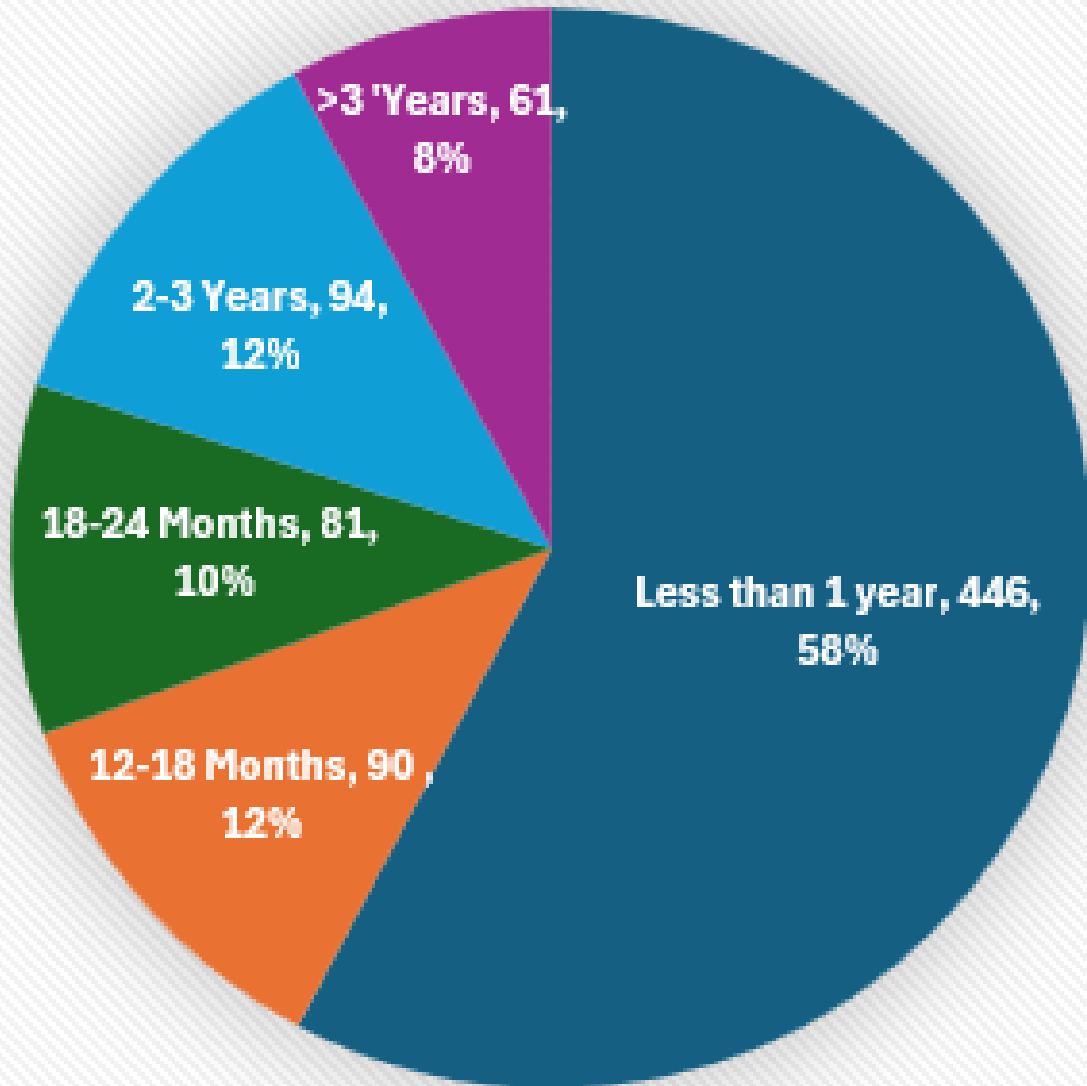
Discretionary
Contributions



Alternate
Funding
Solutions



Duration of Vacant Positions (All Depts)



- **58%** of vacancies are **under 12 months** – most are recent openings. **446 Positions**
- **326 positions** greater than 12 Months
- **236 positions** vacant greater than **18 months**
- **155 positions** vacant greater than **2 years**
- **61 positions** vacant longer than **3 years**

Vacant Positions - Est. General Fund Savings

Vacancy Time Frame	Approx. FTE	Est. Salary & Benefits
> 2 Years	94	\$7,402,500
> 3 Years	61	\$4,803,750
General Fund Vacant FTE	155	\$27,125,000
Budgeted Salary Savings	177	\$31,300,000
Vacant/Filled FTE Deleted	-21.4	(3,745,000)

Assumption Factors: County Average Salary & Benefit cost of \$175k

Only 45% of

available Vacant FTE funded by General Fund

Board Discretionary Change

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Discretionary Contributions	Source	Amount
Contingencies Appropriation FY 26-27	Fiscal Policy	\$9,476,891
TOT Contribution to Road Fund up to 25%	Fiscal Policy	\$10,037,154
See Monterey (Development Set Aside)	Fiscal Policy	\$2,019,475
Arts Council for Monterey County (Development Set Aside)	Fiscal Policy	\$634,348
Monterey County Film Commission (Development Set Aside)	Fiscal Policy	\$305,130
Monterey County Business Council (Development Set Aside)	Fiscal Policy	\$200,743
Total Fiscal Policy Contributions		\$22,673,741
Hartnell College Foundation Salinas Valley Promise	Board Direction	\$200,000
Salinas Regional Sports Authority	Board Direction	\$200,000
Countywide Memberships (CSAC, NACo, RCRC, CACE, CCTA)		\$94,863
Monterey Bay Unified Air Pollution Control District Dues	Board Direction	\$69,520
Pajaro Sunny Mesa - Pajaro Park	Board Direction	\$59,000
Court Appointed Special Advocates of Monterey County	Board Direction	\$50,000
Association of Monterey Bay Area Governments	Board Direction	\$36,935
Prunedale Senior Center	Board Direction	\$25,000
Pajaro Sunny Mesa Community Services District	Board Direction	\$25,000
Fish & Wildlife Contribution	Board Direction	\$15,000
Pajaro River Watershed Flood Prevention Authority	Board Direction	\$10,000
Total Board Direction Contributions		\$785,318
Total Discretionary Contributions		\$23,459,059

ALTERNATE FUNDING SOLUTIONS

General Fund Contribution Funding Solutions	Est Amounts
Reduce TOT Contribution to Roads to 15%	\$4,000,000
Measure AA Increase of FY25-26 Previously Approved	\$5,300,000
Measure AA Contribution of 75% - Matches TOT Policy	\$10,350,000
Realignment Swaps	\$1,000,000
Reduce Current Allocation to 478 Capital Fund	\$2,500,000
Discretionary Program Reduction	\$500,000
Development Set-Aside 10% reduction	\$300,000
TOT Tax Increase Measure 1.5%	\$5,700,000
Total GFC Funding Solutions	\$29,650,000

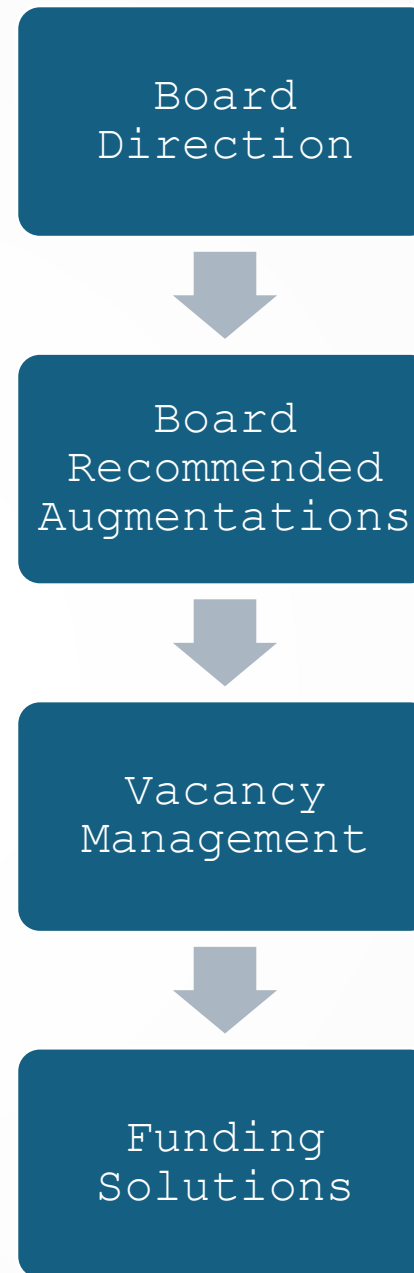
Department
Presentations

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Workshop Recap

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QUESTIONS / COMMENTS

