



Item No. 25
Revised

FY 2026-27

**Board of Supervisors
Budget Workshop**

4.7.2026

Presented by:
County Administrative Office
Budget Team

Workshop Goals

2

Budget Status &
Forecast



Overview of
Augmentations



Potential Funding
Solutions



Department
Presentations



Board Direction



Board Direction

Requested
Augmentations

Direction on Remaining Augmentation
Requests

Vacancy
Management

Receive directive to work with departments to
clean-up all vacancies

Discretionary
Contributions

Direction for change in TOT contribution for
Road Fund, Development Set-Aside amounts,
and/or alternate funding solutions

3



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

4



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	2027-28 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)
Remove Vacant Positions	78,264,295	81,445,357	85,095,540
SHORTFALL LESS VACANCIES	(40,611,174)	(61,856,171)	(76,908,020)

CAO Recommendation – Status Quo Focus

- ✓ Maintain Status Quo Filled Positions
 - Exception of third party funded positions

- ✓ Maintain Key Services
 - Legal Services for Labor Negotiations
 - Trial Related Services (ADO)

- ✓ Maintain Programs
 - Social Services: Out of Home Care

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	\$0
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	19.00	\$3,472,869	\$2,787,304
New Program/Service NON-GFC	3.00	\$0	3.00	\$0	\$0
New Mandated Program/Service w/ GFC	-	\$614,040	-	\$0	\$614,040
New Program/Service w/ GFC	-	\$6,343,491	-	\$0	\$6,343,491
Request New Position	9.00	\$1,270,892	5.00	\$0	\$1,270,892
Grand Total	131.80	\$42,583,712	105.30	\$26,744,511	\$15,839,201

GFC Remaining FTE Requests by Department

Request Type	Department	FTE	Amount
Status Quo Filled			
	District Attorney	4.00	\$1,162,344
Status Quo Vacant			
	Assessor-County Clerk-Recorder	3.00	\$365,560
	Auditor-Controller	3.00	\$609,057
	Department of Emergency Mgmt	1.00	\$179,701
	Probation	4.50	\$860,756
	Public Works, Facilities and Parks	3.00	\$421,705
	Sheriff-Coroner	2.00	\$181,719
	Social Services	2.00	\$168,806
New Positions			
	Civil Rights Office	1.00	\$136,450
	Human Resources	1.00	\$270,716
	Public Works, Facilities and Parks	2.00	\$346,269
		26.50	\$3,949,648

NON-GFC Recommended FTE Requests

Request Type	Department	FTE	Amount
New Positions			
	CAO - Sustainability Climate Action Plan	3.00	\$567,573
	Health - Realignment and Fees	3.00	\$648,273
	Social Services - State Reimbursement	2.00	\$267,752
		8.00	\$1,483,598

Total Requested Augmentations by Dept

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	4.00	\$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	7.50	\$698,396	\$1,431,497
Housing & Community Development	-	\$800,000	-	\$0	\$800,000
Human Resources	4.00	\$1,369,931	3.00	\$1,099,215	\$270,716
Probation	4.50	\$860,756	-	\$0	\$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	45.00	\$10,686,511	\$4,733,902
Social Services	4.00	\$3,866,179	2.00	\$3,697,373	\$168,806
Grand Total	131.80	\$42,583,712	105.30	\$26,744,511	\$15,839,201

Measure AA Eligible Items for FY26-27

11

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

Status Quo 3-Year High Level Forecast

GFC Cost Increases	2026-27 Shortfall	2027-28 Forecast	2028-29 Forecast
Status Quo Demand	\$26,744,511		
Rolling Prior Year Cost		\$26,744,511	\$50,666,886
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	\$26,744,511	\$50,666,886	\$76,155,281
Funding Options			
Previous FY Fund Balance	\$20,000,000	\$10,000,000	\$10,000,000
Non Program Revenue Growth (3.5% 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)	(\$3,087,280)	(\$3,087,280)	(\$3,087,280)
Total Funding Options	\$28,987,085	\$30,515,803	\$42,070,957
(Shortfall)/Excess	\$2,242,574	(\$20,151,083)	(\$34,084,324)

Funding Solutions



Vacant Positions



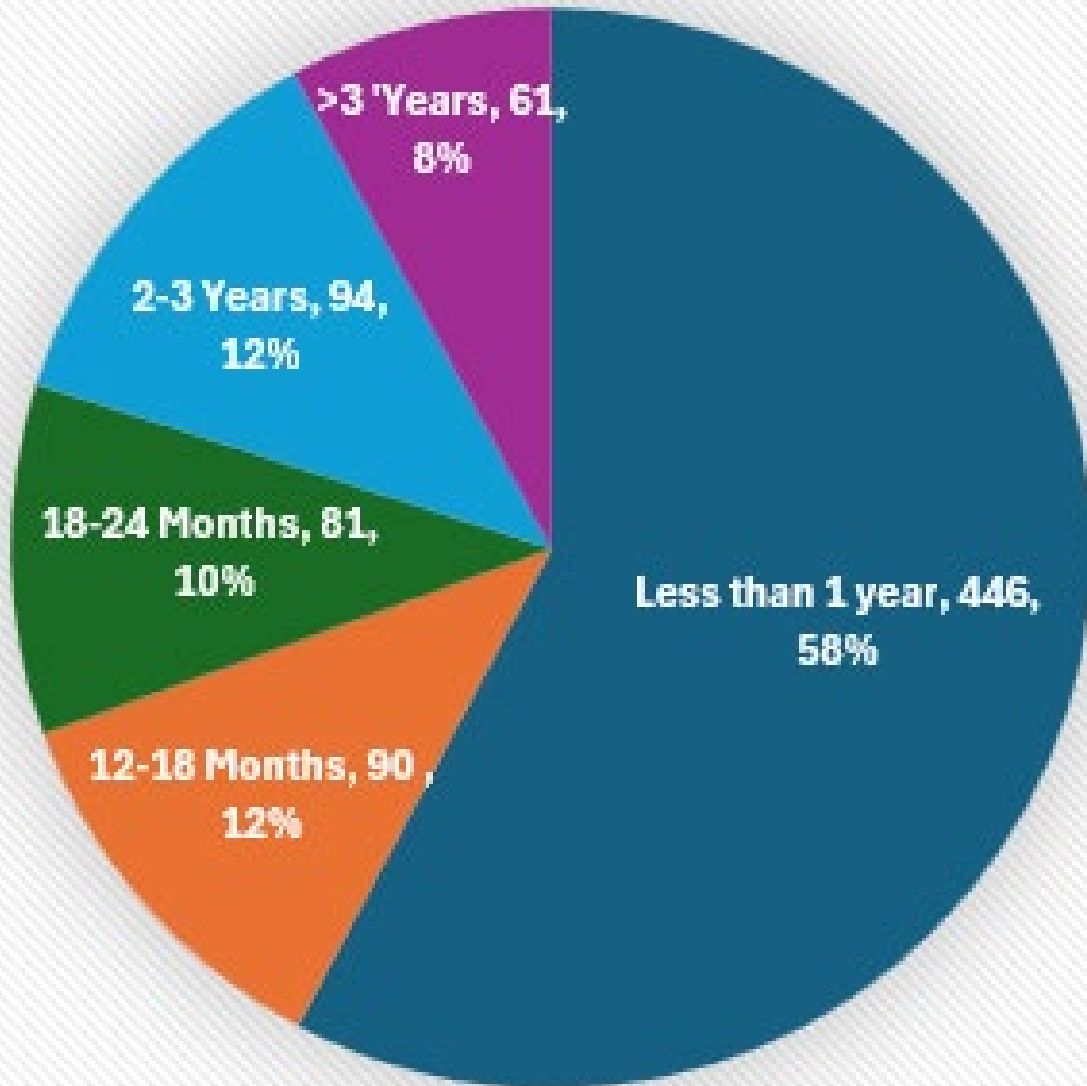
Discretionary
Contributions



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**.

772 Total Vacancies as of 1.22.26

Board Discretionary Change Options

15

Discretionary Contributions	Source	FY25-26	FY26-27	Change	
Contingencies Appropriation @ 1% of General Fund	Fiscal Policy	\$7,298,087	\$9,476,891	\$2,178,804	
TOT Contribution to Road Fund up to 25%	Fiscal Policy	\$9,806,822	\$10,037,154	\$230,332	
See Monterey (Development Set Aside (DSA))	Fiscal Policy	\$1,913,494	\$2,019,475	\$105,981	\$165k
Arts Council for Monterey County (DSA)	Fiscal Policy	\$603,164	\$634,348	\$31,184	
Monterey County Film Commission (DSA)	Fiscal Policy	\$289,724	\$305,130	\$15,406	
Monterey County Business Council (DSA)	Fiscal Policy	\$188,593	\$200,743	\$12,150	
Total Fiscal Policy Contributions		\$20,099,884	\$22,673,741	\$2,573,857	
Hartnell College Foundation Salinas Valley Promise	Board Direction	\$200,000	\$200,000	\$0	
Salinas Regional Sports Authority	Board Direction	\$200,000	\$200,000	\$0	
Countywide Memberships (CSAC, NACo, RCRC, CACE)	Board Direction	\$90,346	\$90,500	\$154	
Monterey Bay Unified Air Pollution Control District Dues	Board Direction	\$69,520	\$69,520	\$0	
Pajaro Sunny Mesa - Pajaro Park	Board Direction	\$59,000	\$59,000	\$0	
Court Appointed Special Advocates of Monterey County	Board Direction	\$50,000	\$50,000	\$0	
Association of Monterey Bay Area Governments	Board Direction	\$36,935	\$36,935	\$0	
Prunedale Senior Center	Board Direction	\$30,000	\$30,000	\$0	
Pajaro Sunny Mesa Community Services District	Board Direction	\$25,000	\$25,000	\$0	
Fish & Wildlife Contribution	Board Direction	\$15,000	\$15,000	\$0	
Pajaro River Watershed Flood Prevention Authority	Board Direction	\$10,000	\$10,000	\$0	
Total Board Direction Contributions		\$785,801	\$785,955	\$154	
Total Discretionary Contributions		\$20,885,685	\$23,459,696	\$2,574,011	

ALTERNATE FUNDING SOLUTIONS

General Fund Contribution Funding Solutions	Est Amounts
Measure AA Increase of FY25-26 Previously Approved	\$7,487,355
Reduce TOT Contribution to Roads to 15%	\$4,000,000
Realignment Swaps	\$1,000,000
Reduce Current Allocation to Capital Fund 478	\$2,500,000
Discretionary Program Reduction	\$500,000
Development Set-Aside retain FY26 Amounts	\$165,000
TOT Tax Increase Measure 1.5%	\$5,700,000
Total GFC Funding Solutions	\$21,352,355

Department Presentations

17



Workshop Recap

Requested
Augmentations

Direction on Remaining Augmentation
Requests

Vacancy
Management

Receive directive to work with departments to
clean-up all vacancies

Discretionary
Contributions

Direction for change in TOT contribution for
Road Fund, Development Set-Aside amounts,
and/or alternate funding solutions



ALTERNATE FUNDING SOLUTIONS

General Fund Contribution Funding Solutions	Est Amounts
Measure AA Increase of FY25-26 Previously Approved	\$7,487,355
Reduce TOT Contribution to Roads to 15%	\$4,000,000
Realignment Swaps	\$1,000,000
Reduce Current Allocation to Capital Fund 478	\$2,500,000
Discretionary Program Reduction	\$500,000
Development Set-Aside retain FY26 Amounts	\$165,000
TOT Tax Increase Measure 1.5%	\$5,700,000
Total GFC Funding Solutions	\$21,352,355

QUESTIONS/COMMENTS

