

# Fiscal Year 2026-2027 Recommended Budget



County Administrator's Office

April 27-28, 2026



# Agenda – Day 1

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## 1. Department presentations

- a. County Administrator's Office – Budget overview
- b. Animal Services
- c. Clerk-Recorder and Registrar of Voters
- d. Employment and Human Services
- e. Health Services
- f. Library
- g. Public Works

## 2. Public comment

## 3. Board discussion



# Agenda – Day 2

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1. Department presentations
  - i. Contra Costa Fire Protection District
  - j. District Attorney
  - k. Public Defender
  - l. Probation
  - m. Sheriff-Coroner
2. Public comment
3. Board discussion / action



# Budget in brief

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1. Proposes a \$7.248 billion (+1.3%) budget that balances expenditures and revenues for all funds and districts
2. Authorizes 11,261.25 FTE, including a \$94.2M net salary and benefit increase
3. Notable changes
  - a. New structural imbalance: Budget requires significant use of one-time funding reserves for Health Services and EHSD to balance
  - b. New navigation for online digital budget book
  - c. Budgets capital and facilities maintenance requests, including 3-year capital planning
  - d. More detailed list of actual payments to non-profits during the prior fiscal year



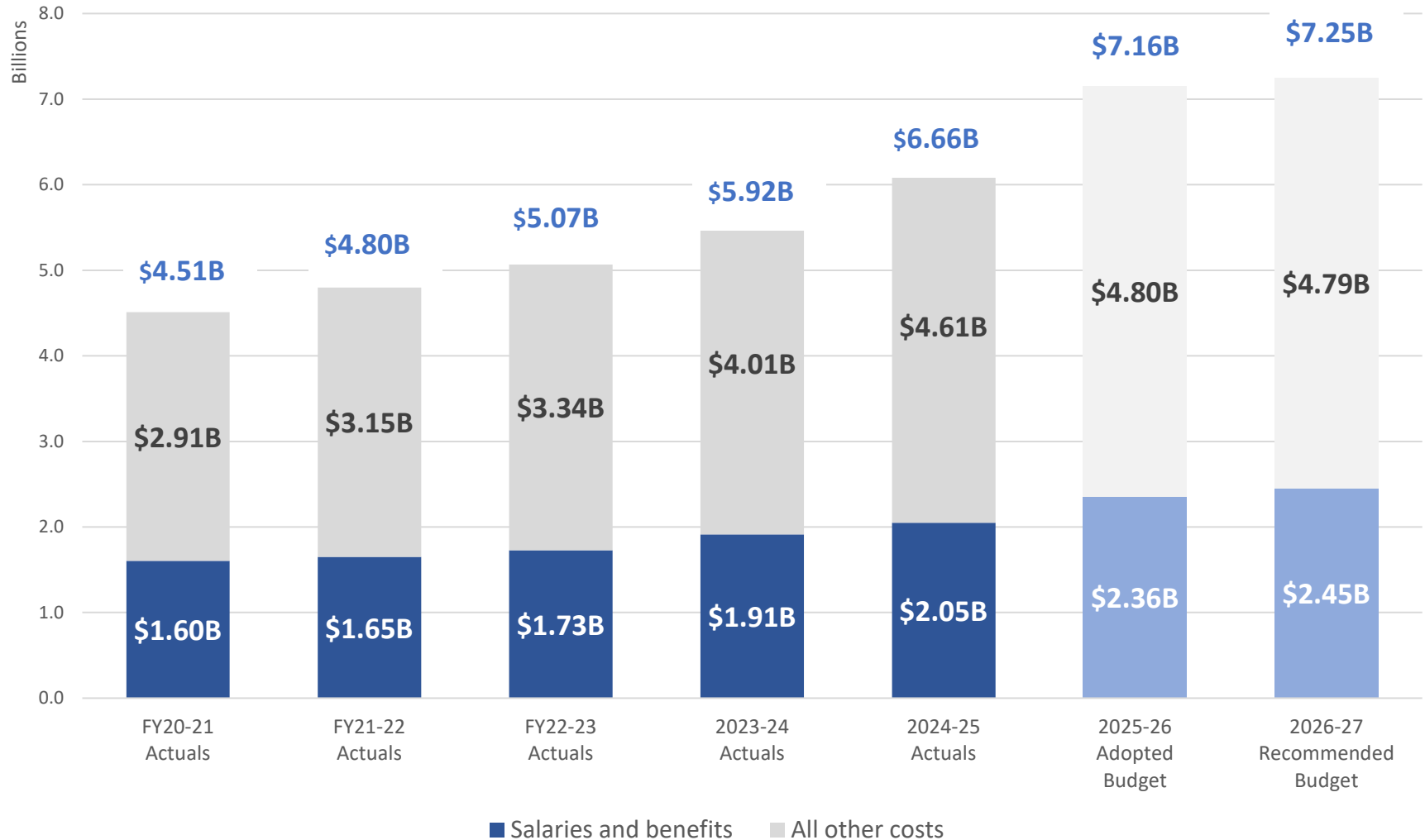
# How we balanced

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1. General Purpose Revenues overall growth of 4.1% to \$844.8M
  - a. Strong property tax growth assumption of 4% (\$22.M)
  - b. Measure X Sales Tax up 1.1% (\$1.3M) for COLA's
  - c. Bradley-Burns Sales Tax up 0.5% (\$100k)
2. Cost containment for interdepartmental services
3. Paid off ~\$79M debt through FY25-26, eliminating the related annual payments and easing pressure on the operating budget for FY26-27
4. \$65M interest income which may not be a stable source
5. Vacancy Factors (salary budget reductions) totaling \$91.2M
  - a. Health Services \$65.3M
  - b. Employment and Human Services \$23.0M
  - c. Library \$964k
  - d. Public Defender \$630k
  - e. Information Technology \$503k
  - f. Animal Services \$427k
  - g. Child Support Services \$379k

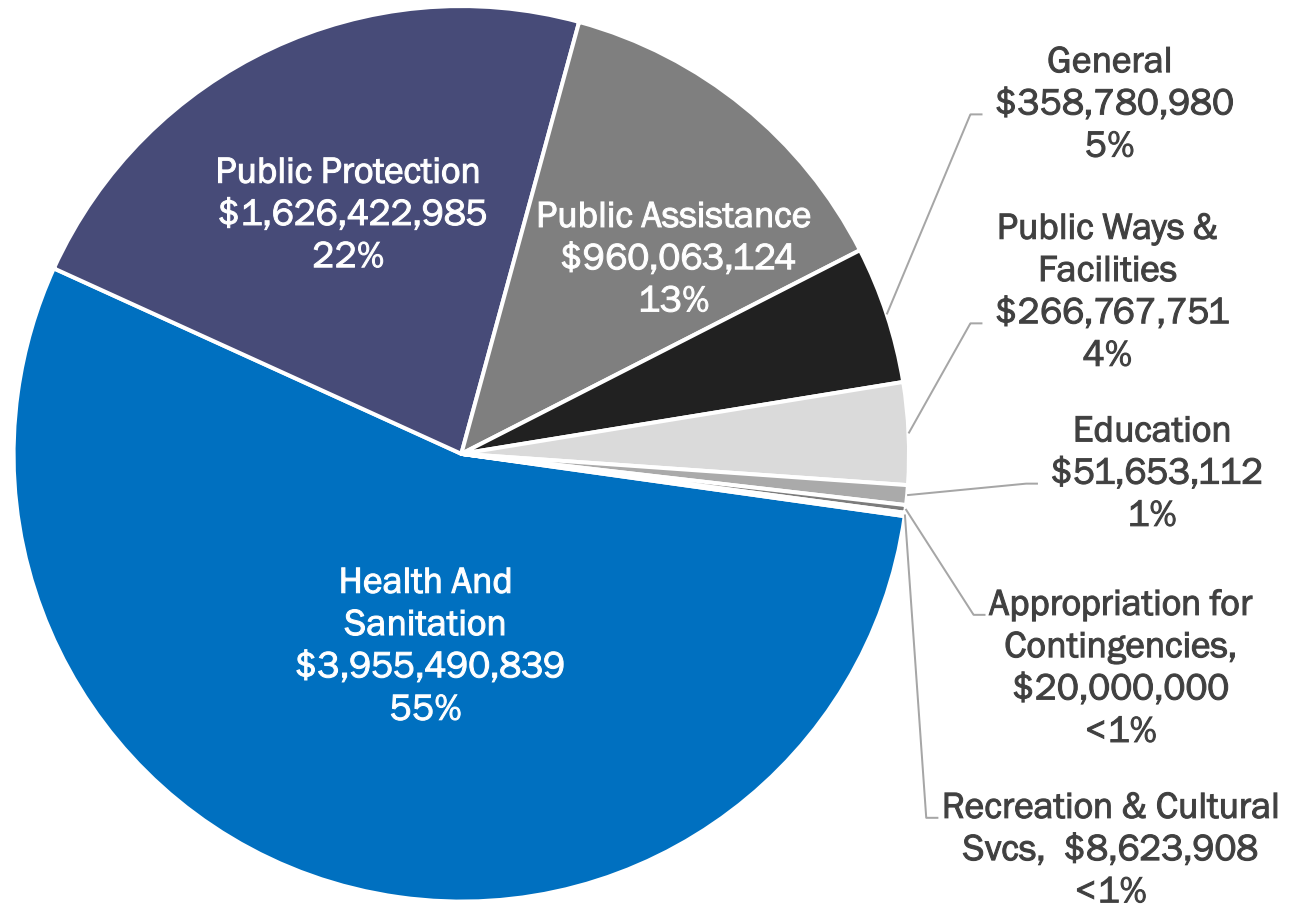


# County expenditure trends FY20-27



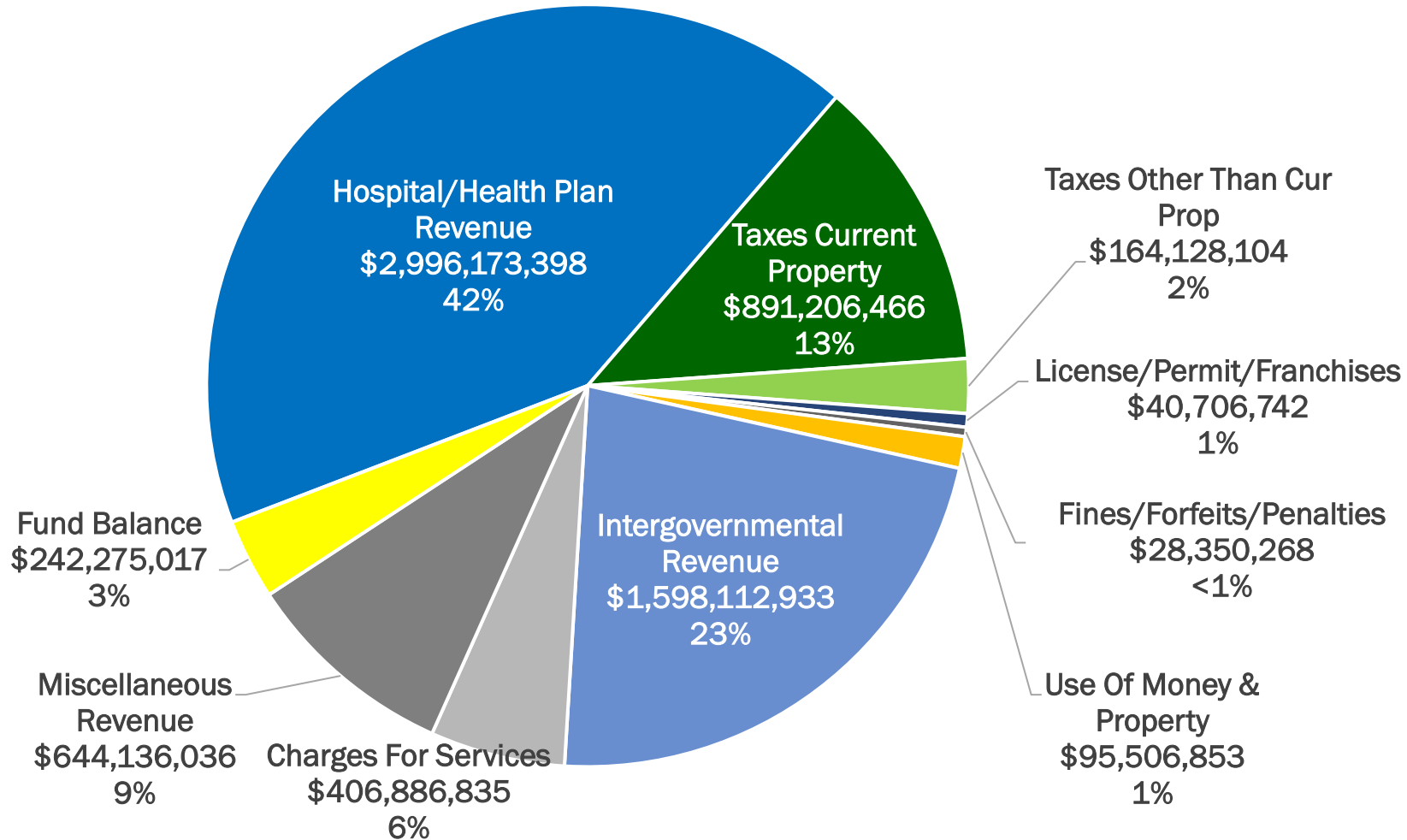


# Expenditures by state categories



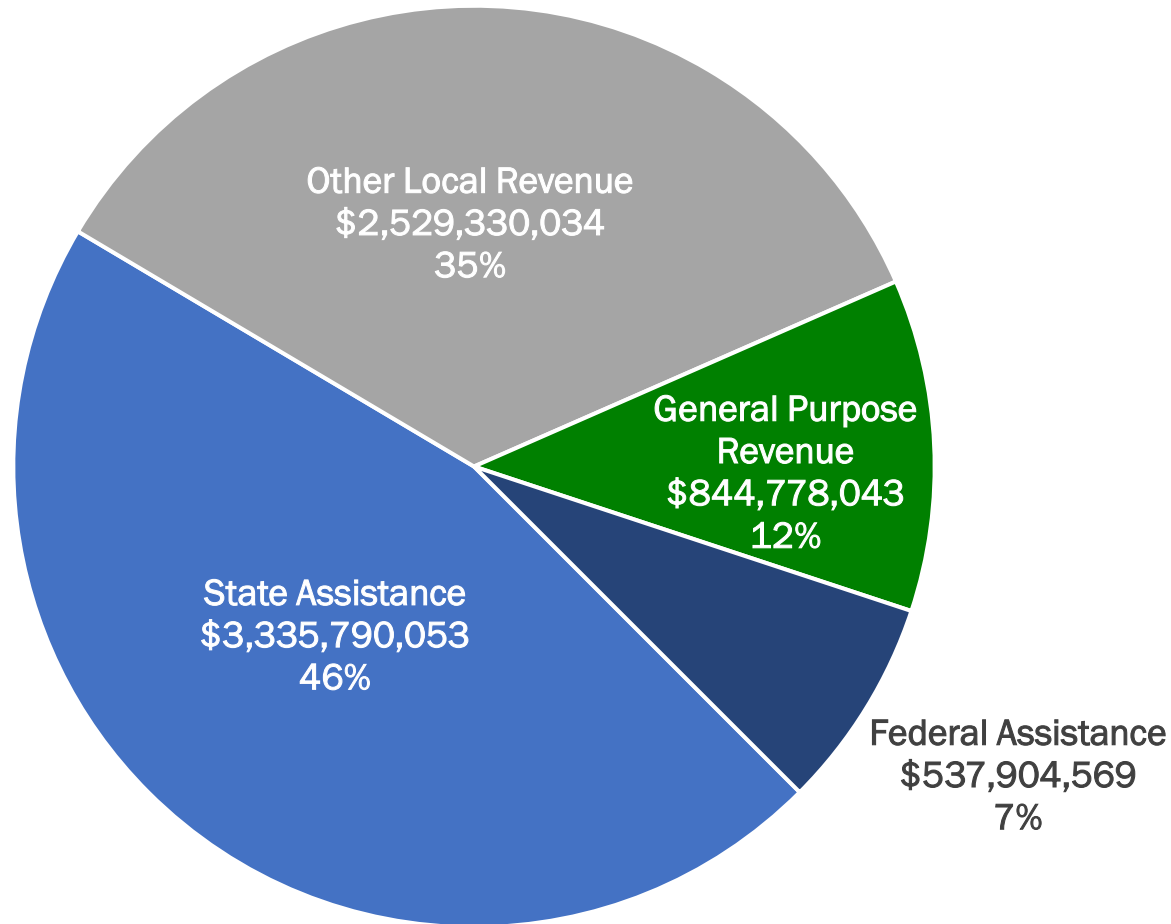


# Requiring \$7.248 billion in sources





# Revenues by source





# FY26-27 Recommended Budget

## All funds by sector

	Total All County - All Funds	General Government	Health & Welfare	Law & Justice	Special Districts
<b>Expense</b>					
Salaries And Benefits	2,453,068,343	311,910,124	1,376,038,387	513,919,500	251,200,332
Services And Supplies	3,256,687,562	429,631,637	2,387,080,306	99,619,689	340,355,930
Other Charges	999,536,424	55,414,323	856,236,011	36,692,186	51,193,903
Fixed Assets	175,368,460	52,761,986	76,776,261	6,027,743	39,802,470
Expenditure Transfers	343,141,911	(83,545,565)	235,557,684	128,325,679	62,804,112
Provisions For Contingencies	20,000,000	20,000,000	-	-	-
<b>Expense Total</b>	<b>7,247,802,699</b>	<b>786,172,506</b>	<b>4,931,688,649</b>	<b>784,584,797</b>	<b>745,356,747</b>
<b>Revenue</b>					
Other Local Revenue	3,233,788,028	1,246,471,004	1,044,873,196	199,376,795	743,067,033
Federal Assistance	537,904,569	71,748,360	463,327,196	2,829,013	0
State Assistance	3,335,790,053	57,733,218	3,049,662,149	226,104,972	2,289,714
<b>Revenue Total</b>	<b>7,107,482,650</b>	<b>1,375,952,582</b>	<b>4,557,862,541</b>	<b>428,310,780</b>	<b>745,356,747</b>
<b>Net Fund Cost (NFC):</b>	<b>140,320,049</b>	<b>-589,780,077</b>	<b>373,826,108</b>	<b>356,274,017</b>	<b>-</b>
<b>Allocated Positions (FTE)</b>	<b>11,261.25</b>	<b>1,717.20</b>	<b>6,787.95</b>	<b>2,040.10</b>	<b>716.00</b>



# FY26-27 Recommended Budget

## General Fund by sector

	Total General Fund	General Government	Health & Welfare	Law & Justice
<b>Expense</b>				
Salaries And Benefits	1,372,798,708	225,177,745	637,988,836	509,632,127
Services And Supplies	937,816,677	305,715,319	533,899,515	98,201,843
Other Charges	430,018,565	26,872,743	371,730,473	31,415,349
Fixed Assets	43,998,420	35,174,416	2,796,261	6,027,743
Expenditure Transfers	-151,345,124	-130,916,100	-26,507,248	6,078,225
Provisions For Contingencies	20,000,000	20,000,000	-	-
<b>Expense Total</b>	<b>2,653,287,246</b>	<b>482,024,122</b>	<b>1,519,907,837</b>	<b>651,355,286</b>
<b>Revenue</b>				
Other Local Revenue	1,587,542,055	1,070,458,110	342,826,617	174,257,328
Federal Assistance	430,160,212	39,305,667	388,025,532	2,829,013
State Assistance	635,584,980	6,050,150	494,758,218	134,776,612
<b>Revenue Total</b>	<b>2,653,287,246</b>	<b>1,115,813,927</b>	<b>1,225,610,367</b>	<b>311,862,953</b>
<b>Net County Cost (NCC):</b>	<b>0</b>	<b>-633,789,804</b>	<b>294,297,471</b>	<b>339,492,333</b>
<b>Allocated Positions (FTE)</b>	<b>6,799.62</b>	<b>1,197.00</b>	<b>3,583.52</b>	<b>2,019.10</b>



# General Purpose Revenue allocations

Just eight departments comprise 79% of the \$844.8M discretionary budget

Agency Name	FY26-27		Share of Total
	Recommended Net County Cost		
Health Services	249,548,847	29.5%	} 79%
Sheriff-Coroner	170,849,601	20.2%	
Probation	54,402,061	6.4%	
Public Defender	46,424,209	5.5%	
Employment & Human Services	44,039,618	5.2%	
District Attorney	41,005,150	4.9%	
Public Works	35,959,536	4.3%	
Assessor	23,372,279	2.8%	



# General Purpose Revenue allocations

The balance of allocations total 21% of General Purpose Revenue.

If Capital, Contingency Reserve, and Measure X funds (ConFire, DCD, Library, ORESJ) are excluded, the remaining departments total just 11% of the discretionary budget.

Agency Name	FY26-27	
	Recommended Net County Cost	Share of Total
County Administrator	15,959,826	1.9%
Superior Court Related Functions	13,005,800	1.5%
Clerk-Recorder / Elections	11,556,008	1.4%
Board Of Supervisors	9,301,058	1.1%
Animal Services	6,165,512	0.7%
Justice Programs - Conflict Defense	5,220,000	0.6%
Auditor-Controller	5,112,552	0.6%
Treasurer-Tax Collector	5,088,441	0.6%
Information Technology	5,000,000	0.6%
County Counsel	4,460,576	0.5%
Agriculture-Weights/Measures	3,851,946	0.5%
Human Resources	3,655,705	0.4%
General County Services	3,183,509	0.4%
Veterans Service	2,388,006	0.3%
Risk Management	455,507	0.1%
Library	221,783	0.0%
Racial Equity Social Justice	1,330,696	0.2%
Conservation & Development	17,149,490	2.0%
Consolidated Fire District	16,070,327	1.9%
Capital Improvements	30,000,000	3.6%
Appropriations for contingencies	20,000,000	2.4%

11%

10%



# FY26-27 Recommended FTE changes

Agency	FY25-26 Adopted	FY25-26 Revised	FY26-27 Recommended	Change from FY25-26 Revised to FY26-27 Recommended
06 - Information Technology	111.00	111.00	113.00	2.00
07 - Risk Management	43.00	43.00	44.00	1.00
18 - Health Services	4,810.03	4,732.45	4,694.45	(38.00)
33 - Agriculture-Weights/Measures	47.70	47.20	47.50	0.30
38 - Conservation & Development	220.00	217.00	215.00	(2.00)
42 - District Attorney	247.60	247.60	250.10	2.50
43 - Public Defender	202.50	202.50	200.50	(2.00)
70 - Fire Protection	649.00	647.00	693.00	46.00
85 - Library	249.00	251.20	252.20	1.00
				<b>10.80</b>



# Labor Contracts

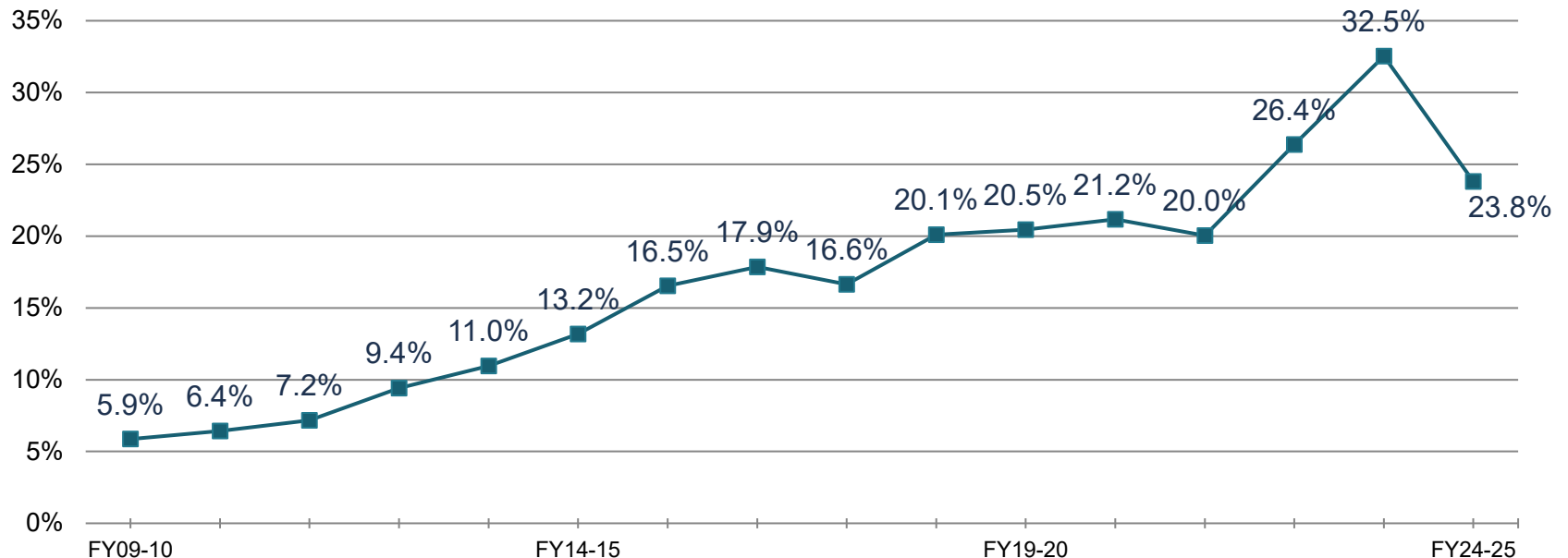
	Filled Positions 2025	Filled Positions 2026	Contract End Date
AFSCME Local 1 (formerly Public Employees Union)	510	522	6/30/2026
AFSCME Local 512	232	247	6/30/2026
AFSCME Local 2700	1,535	1,558	6/30/2026
California Nurses Association	846	867	9/30/2025
CCC Defenders Association	107	109	6/30/2026
CCC Deputy District Attorneys' Association	99	106	6/30/2026
Deputy Sheriffs Association, Mgmt Unit and Rank and File Unit	840	875	6/30/2027
Deputy Sheriffs Association, Probation Peace Officers Association	211	223	6/30/2027
District Attorney Investigator's Association	21	23	6/30/2026
IAFF Local 1230	474	493	6/30/2027
Physicians and Dentists of Contra Costa	255	261	10/31/2025
IFPTE Local 21	1,349	1,468	6/30/2026
SEIU Local 1021, Rank and File and Service Line Supervisors Units	892	886	6/30/2026
Teamsters, Local 856	2,026	2,122	6/30/2026
United Chief Officers' Association	18	19	6/30/2027
Western Council of Engineers	25	27	6/30/2026
Management Classified & Exempt & Management Project	473	502	N/A
	<b>9,913</b>	<b>10,308</b>	



# General Fund Reserves

1. For FY24-25, total General Fund revenues were \$2.454 billion and the total fund balance was \$1.213 billion, or 49.4% of total General Fund revenue
2. Of the \$1.213 billion:
  - a. \$584.6 million was unassigned (23.8% of total General Fund Revenues)
  - b. \$629.2 million was assigned, committed, restricted or nonspendable

**General Fund: Unassigned Reserves as a Percentage of Revenues**



Source: Annual Comprehensive Financial Reports



## Measure X financials

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1. \$72.0M revenue collected through March 2026 for the current fiscal year, and \$581.4M collected lifetime
2. Remaining revenue requirement of \$50.4M to fund the \$631.8M total allocated expenditures through FY25-26
3. Measure X has no remaining unallocated balance
4. FY25-26 budgeted revenue of \$122.5M currently projected to be on budget, improving from recently projected deficit
5. FY26-27 Measure X sales tax revenue projected for nominal growth allowing a 1.1% (\$1.4M) cost of living adjustment for ongoing allocations to balance to the projected revenues of \$123.9M



# Budgetary Pressures

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1. Federal and State budget and policy changes affecting local revenues (e.g. Medi-Cal reimbursements, SNAP administration share of costs), for the Health Services and Employment and Human Services Departments. Federal and State deficits will likely limit policy solutions in future years.
2. Expenditures are growing faster than revenues
  - a. Negotiated annual increases over the past four years have compounded to 21.5% wage growth for most of the county's workforce, contributing to a proposed net position cost increase of \$94.2M, with next rounds of labor negotiations underway
  - b. Higher mortgage rates suppressing real estate transactions and property tax growth
  - c. Sluggish sales tax growth projected at 1.6% for Measure X
3. Necessary technology replacements 1) Property Tax and Assessments systems for Assessor's Office, Auditor-Controller, and Treasurer / Tax Collector 2) Personnel and payroll systems
4. Risk of reduced or no reimbursement from FEMA after major emergencies
5. County budget will be strained and require adjustment even if Measure B passes....



# Risks to the State's FY26-27 budget

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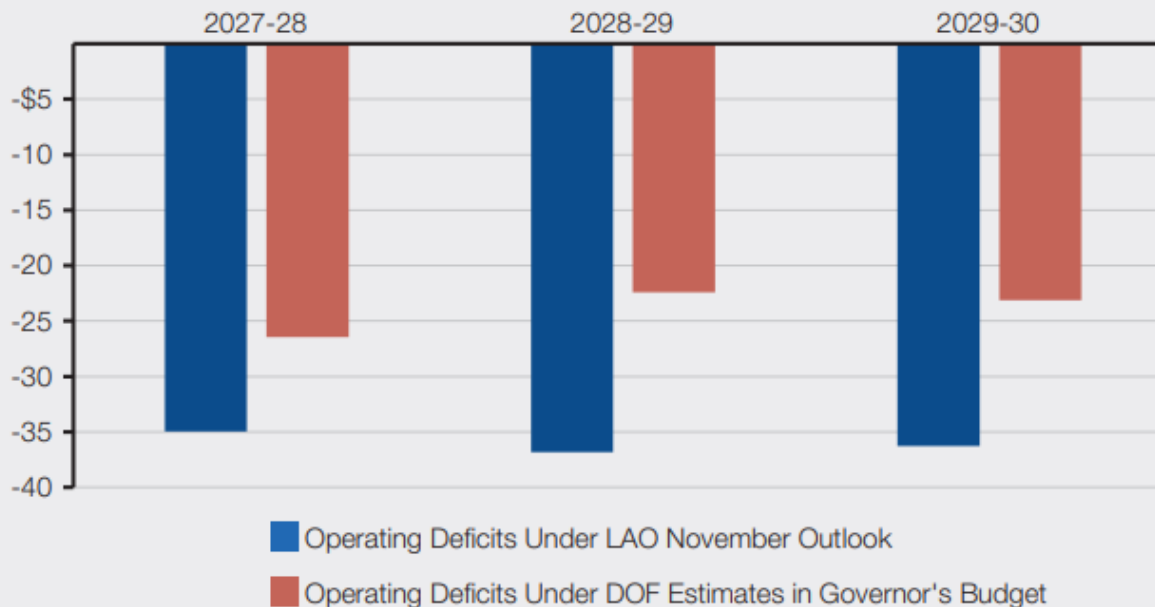
“While the significant revenue increase since the 2025 Budget Act is encouraging, it is important to recognize that much of this surge is attributable to a relatively small number of technology companies that have experienced a substantial increase in their share prices due to investor enthusiasm in artificial intelligence. Given the outsized effect that technology companies’ stocks have on personal income tax revenues, history indicates that these surges cannot be sustained indefinitely at such high levels....”

– Governor’s Budget Summary 2026-27



# LAO projects continuing State deficits

## Chronic Multiyear Budget Deficits



DOF = Department of Finance.

LAO

“Deficits have transitioned from cyclical to structural.... The Governor Acknowledges These Challenges but Proposes No Material Actions to Address Them.”

– LAO Overview of the Governor’s Budget, 1/23/26



# FY26-27 Budget recommendations

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1. OPEN and CONDUCT a public hearing to receive input on the Fiscal Year 2026-2027 Recommended Budget;
2. ACKNOWLEDGE that delivering core services, maintaining top credit ratings, minimizing debt, meeting labor contract obligations, and maintenance of the County's physical assets remain a priority of the Board of Supervisors over the long term;
3. ACKNOWLEDGE that the Recommended Budget balances annual estimated expenditures with estimated revenues in FY26-27, including the significant use of one-time fund balances for Health Services (\$80M) and Employment and Human Services (\$34M);
4. ACKNOWLEDGE that the Recommended Budget does not include any funding changes that may occur in the State of California's or Federal FY26-27 budgets;
5. RE-AFFIRM the Board of Supervisors' policy prohibiting the use of County General Purpose Revenue to backfill State and Federal revenue cuts;
6. PROVIDE direction to the County Administrator on Measure X allocations;
7. ACKNOWLEDGE that the Recommended Budget includes a specific appropriation of \$20.0M for contingency, and that the Board also maintains its ability to manage General Fund contingencies during the fiscal year by use of fund balance and reserve funds;



## FY26-27 Budget recommendations (continued)

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8. ACKNOWLEDGE that any program adjustments or restoration of any recommended program reductions will require an equivalent reduction in funds from other County priorities in order to adhere to our balanced budget policy;
9. RECEIVE public comment on the budget presentations and any other budget items.
10. DIRECT the County Administrator to prepare for consideration by the Board of Supervisors on May 19, 2026, position additions and eliminations necessary to carry out Board action on the Recommended Budget;
11. DIRECT the County Administrator to prepare for Board adoption on May 19, 2026, the FY26-27 County and Special District Budgets, as modified to incorporate any changes directed by the Board during these public hearings;
12. CLOSE the public hearing.