

COUNTY OF SACRAMENTO  
CALIFORNIA

For the Agenda of:  
June 4, 2025  
9:30 A.M.

To: Board of Supervisors

Through: David Villanueva, County Executive

From: Amanda Thomas, Chief Fiscal Officer  
Office of Budget & Debt Management

Subject: Consideration, Possible Revision And Approval Of The  
FY 2025-26 Recommended County Budget

District(s): All

RECOMMENDED ACTION

1. Adopt the attached resolution approving the FY 2025-26 Recommended Budget and providing guidance regarding possible revisions to that Budget for final adoption.
2. Direct the Department of Personnel Services to prepare an administrative Salary Resolution Amendment to reflect the positions approved in the FY 2025-26 Recommended Budget, including any deletion of positions and recognizing any class name changes approved by the Board but not yet reflected in the FY 2025-26 Summary of Positions.
3. Direct the County Executive to explore revenue enhancement options for the County and return to the Board with recommendations.

BACKGROUND

In accordance with the provisions of the County Budget Act, the Board is being asked to consider, make any revisions desired, and approve the FY 2025-26 Recommended County Budget and to take certain necessary actions to implement the Recommended Budget. In addition, the Board is being asked to provide direction to the County Executive on possible revisions to the Recommended Budget to be considered at budget adoption hearings in September.

The County Budget Act requires that boards of supervisors in every county approve a Recommended Budget by June 30<sup>th</sup> for the fiscal year that begins on the upcoming July 1<sup>st</sup>. This Approved Recommended Budget provides appropriation (expenditure) authority from July 1<sup>st</sup> until the budget is adopted, which must occur no later than October 2<sup>nd</sup>.

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Recommended County Budget  
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In Sacramento County, the annual budget process begins in October and involves departments preparing their requested budgets, which are reviewed and analyzed by staff in the Office of the County Executive (OCE). OCE staff also prepare estimates of the amount of discretionary and semi-discretionary (Proposition 172 and Realignment) revenue the County will receive. After review, the County Executive provides a Recommended Budget to the Board of Supervisors (Board) for consideration, the Board hears public comments, makes any desired revisions and approves the Recommended Budget.

The Recommended Budget is attached. Also attached is a resolution approving the Recommended Budget and providing guidance regarding possible revisions to that Budget for final adoption as described below.

In September, the Board will consider the Revised Recommended Budget. If additional resources are available in the Revised Recommended Budget after funding changes in base budget requirements and County obligations, the **County's Reserve Policy first prioritizes funding General Reserves at 10% of discretionary revenues.**

Recognizing the need for significant capital investments associated with the Mays Consent Decree, for which the County does not have an identified source of funding, a \$20 million contribution to establish a reserve for jail facility capital improvements is also recommended to be prioritized in the Revised Recommended Budget prior to funding the prioritized growth identified in the table below.

As in prior years, **this year's** Recommended Budget also identifies certain Net County Cost-funded "growth" (new or enhanced programs) that is a priority for funding in the Revised Recommended Budget should sufficient resources be available after funding the reserve contributions described above. This growth is summarized in the following table:

**FY 2025-26 Recommended Budget**

**GROWTH PRIORITIZED FOR INCLUSION IN REVISED RECOMMENDED BUDGET**

Department/Budget Unit Description		Total Appropriations	Net County Cost	FTE
Regional Parks	Purchase of inflatable boat	25,000	17,980	0.0
Financing-Transfers/Reimbursement	One-time General Fund contribution to Roads Fund	\$ 20,000,000	\$ 20,000,000	0.0
<b>Total General Fund - Net County Cost</b>		<b>\$20,025,000</b>	<b>\$20,017,980</b>	<b>0.0</b>
Parks-Restricted Revenues	Asset forfeiture funds to purchase inflatable boat	7,020		0.0
Roads	Pavement maintenance and rehabilitation for County roads	\$ 20,000,000	\$ -	0.0
<b>Total Non-General Fund - Net County Cost</b>		<b>\$20,007,020</b>	<b>\$ -</b>	<b>0.0</b>
<b>TOTAL ALL FUNDS</b>		<b>\$40,032,020</b>	<b>\$20,017,980</b>	<b>0.0</b>

Finally, as the County continues addressing a structural imbalance in the General Fund budget, with the cost to deliver services and fund capital needs continuing to outpace revenue growth, Recommended Action 3 directs the County Executive to explore revenue enhancement options, including potential tax measures that would generate additional discretionary revenue, and return to the Board with recommendations.

#### FINANCIAL ANALYSIS

As proposed, the Recommended Budget is balanced. Approval of the Recommended Budget will provide appropriation authority for the first three months of Fiscal Year 2025-26.

Attachment(s):  
Resolution