



# COUNTY OF SONOMA

575 ADMINISTRATION  
DRIVE, ROOM 102A  
SANTA ROSA, CA 95403

## SUMMARY REPORT

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**Agenda Date:** 3/10/2026

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**To:** Board of Supervisors, Board of Directors

**Department or Agency Name(s):** County Executive's Office

**Staff Name and Phone Number:** M. Christina Rivera, Nikolas Klein, 707-565-2231

**Vote Requirement:** 4/5th

**Supervisorial District(s):** Countywide

**Title:**

Fiscal Year 2025-26 Second Quarter Consolidated Budget Adjustments

**Recommended Action:**

- A) Adopt a Concurrent Resolution adjusting Fiscal Year 2025-26 budget appropriations by \$42,304,859, and delegating authority to the County Executive's Office and Auditor-Controller-Treasurer-Tax Collector to adjust employer payroll benefits contribution rates for remaining Fiscal Year 2025-26 pay periods to align biweekly payroll collections with projected funding needs of internal services funds. (4/5th Vote)
- B) Adopt a Resolution extending 1.0 time-limited filled position within the Permit Sonoma-Permit Resiliency program through September 28, 2026.
- C) Authorize the Community Development Commission in coordination with and oversight by the Human Resources Department, to administer layoff procedures in accordance with the Service Employees' International Union - Local 1021 Memorandum of Understanding (SEIU MOU) for a filled position funded by a COVID-19 Emergency Response Grant that is ending.
- D) Authorize the Department of Emergency Management in coordination with and oversight by the Human Resources Department, to administer layoff procedures in accordance with the County of Sonoma Civil Services Rules for a filled unrepresented position for which funding has ended.

**Executive Summary:**

The recommended actions add total appropriations of \$42.3 million to the County's Fiscal Year 2025-26 adopted budget in accordance with prior Board direction or approval. Of the total, \$17.2 million is associated with technical adjustments needed to move Opioid Settlement funds from Non-Departmental to the Department of Health Services budget for programming, and \$16.8 million is for allocating FY 2024-25 year-end savings in accordance with the Board's FY 2025-26 budget adoption resolution direction. Other budgetary adjustments are associated with November 2025 special election costs, re-budgeted appropriations for multi-year projects, new grant programs, technical corrections to the budget, and adjustments related to capital projects. The Second Quarter Consolidated Budget Adjustments increase the County's FY 2025-26 budgeted gross expenditures to \$3.81 billion, or \$2.80 billion net excluding internal transfers and reimbursements. Details of requested budget adjustments are included in Exhibit A of the attached budget resolution.

Additionally, staff requests delegated authority to adjust payroll benefits contribution rates for remaining Fiscal Year 2025-26 pay periods to align biweekly payroll collections with projected funding needs of the County's internal services funds for other post-employment and unemployment benefits.

This item also requests approval to extend 1.0 Full Time-Equivalent (FTE) time-limited position in Permit Sonoma through September 28, 2026, to avoid layoff notification prior to June 2026 budget hearings and allow time to complete planned Resiliency Permit Center work in early FY 2026-27. Additionally, this item authorizes the Community Development Commission and Department of Emergency Management, in coordination with the Human Resources Department, to administer layoff procedures for expiring time-limited position allocations due to lack of funds after June 30, 2026, and to mitigate layoffs to the extent possible.

**Discussion:**

**Budget Adjustments Overview**

Throughout the fiscal year, it is necessary for many County Departments, Agencies, and Districts to adjust revenue and/or expenditure appropriations in their budgets. To facilitate this need, the County of Sonoma utilizes a quarterly Consolidated Budget Adjustments ("CBA") process combine departments' appropriations adjustments into a countywide budget resolution that meet specific criteria, including activities that have received prior board direction or approval, technical corrections, re-budget of prior year funds, or adjustments that meet other ministerial requirements. The Board's approved annual spending authority expires at the end of the County's fiscal year on June 30; therefore, departments often need to re-budget unspent funds from prior fiscal years for multi-year projects as part of quarterly adjustments.

A total of 12 departments submitted budgetary adjustments for inclusion in Second Quarter Consolidated Budget Adjustments. The proposed adjustments do not include any new programs or initiatives not previously approved by the Board. The proposed action adds expenditure appropriations of \$42,304,859 to the FY 2025-26 budget, bringing the County's revised net expenditure budget to \$2.80 billion.

**General Fund**

Across all General Fund budget sections, total expenditure appropriations are increasing by \$20,632,863. General Fund adjustments will be funded by a combination of grant revenue, previously approved General Fund Contingencies, non-General Fund sources, and releasing fund balance assignments established during the FY 2024-25 year-end close process.

Key highlights in General Fund sections include:

- Appropriate FY 2024-25 General Fund year-end savings totaling \$16,840,969 in accordance with the Board's FY 2025-26 budget adoption resolution direction.
  - Increase General Fund reserves by \$1,496,572 to \$78 million, which maintains a funding level equal to 10.8% of annual operating revenues.
  - Assign \$4 million for critical roads repairs and \$4 million for Capital Projects.
  - Augment the Board of Supervisors current FY 2025-26 General Fund Contingencies appropriations by \$7,344,397 to assist with addressing federal impacts and other emergent needs.
- \$3,068,144 increase in the Registrar of Voters budget for the Statewide Special Election that took place November 4, 2025, fully reimbursed by the State.
- Add grant-funded programs totaling \$613,750.

- \$330,000 in the County Executive’s Office Climate Action budget for a Pathogen Reduction Planning consultant, funded by a State Water Resources Control Board grant and septic mapping funds previously approved by the Board.
- \$188,000 in Permit Sonoma’s Comprehensive Planning unit for contract expenses associated with the preparation of the Airport Area Specific Plan and Environmental Impact Report, funded by a Priority Development Area grant from the Metropolitan Transportation Commission.
- \$70,000 in Permit Sonoma’s Code Enforcement division for professional services for aerial geospatial imagery of the unincorporated areas, funded by California Board of State and Community Corrections Proposition 64 Public Health and Safety Grant.
- \$25,750 in the Sheriff’s Office budget for a grant from California Department of State Parks and Recreation, Division of Boating and Waterways, Boating Safety and Enforcement Equipment.

### Other Funds

In Other Funds budgetary sections that sit outside the General Fund, expenditures are increasing by \$21,671,995 and funding sources are increasing by \$20,946,486, resulting in a net \$725,509 use of accumulated special and/or specific use fund balances. Key highlights in Other Funds include:

- \$17,166,549 increased appropriations to close out the Opioid Settlement Fund in the Non-Departmental budget and transfer accumulated fund balance to the newly created Opioid Settlement Fund in the Department of Health Services budget for programming in accordance with Board direction provided on [August 26, 2025](https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=7517744&GUID=5C4B3496-FA40-47AF-9015-6EED6928B988&Options=&Search=>) <<https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=7517744&GUID=5C4B3496-FA40-47AF-9015-6EED6928B988&Options=&Search=>>.
- \$2,169,086 aggregate increase to various Public Infrastructure and Regional Parks capital projects, including REDCOM leased space tenant improvements in the Sheriff’s building and the Registrar of Voters Counting Room expansion project.
- \$350,000 transfer from the District 1 Community Infrastructure Fund to the Public Infrastructure Roads Admin budget for the Donald Gap Project as approved by the Board on [January 27, 2026](https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=7823938&GUID=2FCD4B89-7B7D-4F41-) <<https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=7823938&GUID=2FCD4B89-7B7D-4F41->
- Reduce revenue appropriations in the American Rescue Plan Act Fund by \$8.5 million to align anticipated revenue with revised Public Health Lab and Morgue project expenditures in FY 2025-26, which were trued down in September 2025 after FY 2024-25 year-end close as part of the annual Capital Project re-budget process. The County received ARPA funds in advance and only recognizes revenue based on incurred expenses. This adjustment is a technical correction to budgeted revenue appropriations in FY 25-26 to keep the budget balanced and does not mean the County is returning ARPA funds to the Federal government.

Refer to Exhibit A to the Concurrent Budget Resolution for a full list of adjustments.

### **Time-Limited Position Extension and Layoff Authorization**

The second recommended action requests approval of a Position Resolution that would extend a 1.0 FTE time-limited Building Plans Examiner II allocation in the Permit Sonoma department, which is currently filled and set to expire June 30, 2026, to a new end date of September 28, 2026. The position supports the Resiliency Permit Center (RPC) by assisting applicants through the rebuild process. Although the RPC activities are expected to transition into regular operations in FY 26-27, RPC permit fee revenue is expected to be adequate to cover

position costs until September 28, 2026. Without an extension, the time-limited position would require layoff proceedings to begin at the end of March 2026, even though there is sufficient funding and related work to retain the position up to but not beyond September 28, 2026.

The third recommended action requests authorization for the Community Development Commission, in coordination with and oversight by the Human Resources Department, to administer layoff procedures for 1.0 FTE Time-Limited Housing Negotiation-Inspector expiring on June 30, 2026, in accordance with the SEIU MOU, and to mitigate the layoff to the extent possible. The position is funded by a Department of Health Services COVID-19 Emergency Response Grant, which is ending. This position was added to expand CDC's housing navigation program in partnership with Department of Health Services. At the time of the added position, the CDC had received new Emergency Housing Voucher (EHV) funding to provide rental assistance to households who were exiting homelessness. The addition of this position was instrumental in assisting these vulnerable households in attaining permanent housing. The EHV program is actively sunsetting and the CDC is no longer able to these EHV's. Due to the contraction of programmatic funding the need for navigation has also been reduced and will be conducted with existing CDC staffing. As County employees, CDC staff who have been notified of impending layoff may work with Human Resources staff to determine classifications for which they are eligible for consideration for a transfer or a voluntary demotion. Approval of the recommended action will authorize Human Resources to administer the County's layoff mitigation policy and priority transfer employment list process.

The fourth recommended action requests authorization for the Department of Emergency Management, in coordination with and oversight by the Human Resources Department, to administer layoff procedures for 1.0 FTE Time-Limited Department Program Manager expiring on June 30, 2026, due to lack of funds, in accordance with the County of Sonoma Civil Service Rules, and to mitigate the layoff to the extent possible. This time-limited position has been supporting DEM's Drought Response and Flood Control Coordination Project as the Water Hazards Program Manager, and it was funded by a one-time allocation from the Water Security Fund, which does not have an ongoing funding source. Existing DEM staff would need to absorb work associated with managing the flood pre-planning and drought response programs on behalf of the unincorporated county and Operational Area, including work on an active Flood Plan grant with the Department of Water Resources. As County employees in the Classified Service, DEM staff who have been notified of impending layoff may work with Human Resources staff to determine classifications for which they are eligible for consideration for a transfer or a voluntary demotion. Approval of the recommended action will authorize Human Resources to administer the County's layoff mitigation policy and priority transfer employment list process.

### **Internal Service Fund Contribution Rate Change Delegation**

The County manages several Internal Services Funds (ISF) used to collect funding contributions from departments and agencies of the County for centrally provided services, such as Unemployment Insurance, Enterprise Resource Planning System Administration, and contributions for pension and other post-employment benefits. Internal Services Funds are managed centrally by Human Resources and Auditor-Controller-Treasurer-Tax Collector (ACTTC). The ISFs are funded via biweekly employer payroll contributions made by departments, and departments' payroll contribution rates are estimated as part of the annual budget

development process and approved via the annual budget adoption resolution. Based on midyear budget estimates, Human Resources and the County Executive's Office anticipate needing to adjust employer payroll contribution rates for the unemployment and other-post employment (retiree health) ISFs for remaining pay periods in Fiscal Year 2025-26 to align the inflow of funds with anticipated funding needs. The budget resolution attached to this item requests delegated authority for the County Executive's Office, in collaboration with Human Resources and ACTTC, to adjust ISF employer payroll rates for unemployment and other-post employment benefits to align remaining FY 2025-26 payroll contributions with projected ISF funding needs, and only if aggregate rate changes will not create a net budget appropriations increase for contributing departments. The employer contribution rate adjustments will not result in increased operational costs for County departments and agencies and will not impact pay to employees.

### **Disaster Projects Reimbursement Update**

To date, the County has spent \$213.7 million on disasters and \$201.6 million is estimated to be eligible for reimbursement by FEMA/Cal-OES. Of the \$201.6 million, \$94.4 million has been reimbursed. Of the remaining \$107.2 million eligible for reimbursement, approximately \$48.1 million is for Roads to fund repair work; \$600,000 is for Regional Parks repair projects associated with the 2019 flood and 2023 storms; and \$58.5 million is due to the General Fund, of which \$54.4 million is associated with COVID-19.

As of February 18, 2025, the County has 10 open FEMA/CDAA Public Assistance events consisting of over 115 projects:

- DR4301 2017 January Flood - Event closeout in process
- DR4308 2017 February Flood - Event closeout in process
- DR4344 2017 Sonoma Complex Fires - Event closeout in process
- DR4434 2019 Late February Storms - Pending project appeals and multiple SPI-Roads projects in construction
- FM5295/CDAA2019-06 2019 Kincade Fire - Pending CalOES review for project closeouts
- DR4482 2020 COVID-19 Pandemic - Pending project appeals and project closeouts
- DR4558 2020 Lightening (LNU) Complex Fires - Pending project appeals and project closeouts
- DR4569 2020 Glass Fire - Pending project appeals and project closeouts
- DR4683 2023 California Severe Winter Storms, Flooding, Landslides, And Mudslides - Pending project appeals and project closeouts
- DR4699 2023 California Severe Winter Storms, Straight-line Winds, Flooding, Landslides, and Mudslides - Pending project closeouts

The Disaster Finance Team in the Auditor-Controller-Treasurer-Tax Collector's (ACTTC) Office is working regularly with FEMA and CalOES on the reimbursement process, but the County is still experiencing delays and awaiting release of funds for obligated projects. The delays stem from FEMA approval of projects, ineligibility appeals, as well as CalOES' new process in line with FEMA's Validate-As-You-Go (VAYGo) process, which requires thorough review of all documentation before releasing payment. Disaster Finance is working with affected County departments, Department of Emergency Services, and State officials to gain a better understanding of potential impacts.

Disaster response costs have been temporarily covered through a mix of General Fund sources and other funds. In FY 2021-22, the Kincade Settlement Fund provided \$20 million as a temporary bridge for

reimbursement delays; repayment of the Kincadee Settlement Fund will occur as FEMA reimbursements are received and overall Disaster Funds are balanced. Department of Emergency Management and Disaster Finance are working with CalOES on potential reimbursement opportunities related to the November 2024 and February 2025 Atmospheric River events.

The County's Department of Emergency Management (DEM) notes the State of California issued a State of Emergency related to the 2025 February Storms event. DEM and ACTTC Disaster Finance are working with CalOES to determine potential damages that may be eligible for CDAA funding. This event does not qualify for FEMA Public Assistance, which would provide for county infrastructure needs, as it was not declared a federal emergency. The attached FEMA Project Summary report provides details by project, including total cost, applicable FEMA category, amount obligated to date, reimbursements received as of October 2025, remaining funds expected, and the County's local share of costs.

**Strategic Plan:**

N/A

**Racial Equity:**

**Was this item identified as an opportunity to apply the Racial Equity Toolkit?**

No

**Prior Board Actions:**

February 10, 2026 - Budgetary Adjustment to Human Resources Fiscal Year 2025/26 Adopted Budget (Unemployment Internal Services Fund)

October 28, 2025 - Fiscal Year 2025-26 First Quarter Consolidated Budget Adjustments

June 10, 2025 - Fiscal Year 2025-26 Budget Adoption

**FISCAL SUMMARY**

<b>Expenditures</b>	<b>FY25-26 Adopted</b>	<b>FY26-27 Projected</b>	<b>FY27-28 Projected</b>
Budgeted Expenses			
Additional Appropriation Requested	\$42,304,859		
<b>Total Expenditures</b>	<b>\$42,304,859</b>		
<b>Funding Sources</b>			
General Fund/WA GF	\$16,729,246		
State/Federal	\$(4,882,582)		
Fees/Other	\$29,620,963		
Use of Fund Balance	\$725,509		
General Fund Contingencies	\$111,723		
<b>Total Sources</b>	<b>\$42,304,859</b>		

**Narrative Explanation of Fiscal Impacts:**

Refer to the discussion section for a summary of adjustments and Exhibit A of the Concurrent Budget Resolution to see all departmental budget adjustments by General Fund and Other Funds. The net decrease in

State/Federal appropriations results from increased appropriations in ROV for elections and in other departments for grant funding, offset by the large reduction in ARPA appropriations due to the technical correction noted above to align revenues with anticipated expenditures this fiscal year.

**Job Classes with Layoff Notifications**

<b>Position Title (Payroll Classification)</b>	<b>FTE</b>	<b>Monthly Salary Range (A- I Step)</b>
Department Program Manager (3085)	1.0	\$9,066.80 - \$11,021.73
Housing Negotiator/Inspector (9113)	1.0	\$7,421.45 - \$9,019.84

**Job Classes with Time-Limited Extensions**

<b>Position Title (Payroll Classification)</b>	<b>FTE</b>	<b>Monthly Salary Range (A- I Step)</b>
Building Plans Examiner II (1426)	1.0	\$8,296.30 - \$10,084.27

**Narrative Explanation of Staffing Impacts (If Required):**

Refer to the discussion section above for an explanation of time-limited position extensions and the layoff notification needed; additional details can be found in the Concurrent Position Resolution.

**Attachments:**

Concurrent Budget Resolution with Exhibit A  
Position Resolution  
FEMA Project Summary

**Related Items "On File" with the Clerk of the Board:**

N/A