



COUNTY OF SONOMA

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

SUMMARY REPORT

Agenda Date: 2/10/2026

To: Sonoma County Board of Supervisors

Department or Agency Name(s): Human Resources Department

Staff Name and Phone Number: Janell Crane, 707-565-2885; Gina Javier, 707-565-2578

Vote Requirement: 4/5th

Supervisory District(s): Countywide

Title:

Budgetary Adjustment to Human Resources Fiscal Year 2025/26 Adopted Budget

Recommended Action:

Adopt a Resolution authorizing a budgetary adjustment to the Human Resources Department Fiscal Year 2025/26 adopted budget to increase appropriations and use accumulated fund balance in the amount of \$190,000 to reimburse State of California Employment Development Department (EDD) for unemployment insurance claims. (4/5th Vote Required)

Executive Summary:

The Human Resources Department administers the Unemployment Insurance Fund. Funds are collected from departments through payroll rates and accounted for in the Unemployment Insurance internal services fund (ISF Fund #51305). Payments are remitted quarterly to the State of California Employment Development Department (EDD) for Unemployment Insurance claims filed by former County employees, and to a third-party claims administrator (Equifax) who manages the process on behalf of the County.

The dollar value of these claims can vary widely from year to year. The Human Resources Department is currently projecting insufficient appropriations available to cover the current fiscal year's costs and are therefore requesting to increase appropriations by \$190,000 from existing fund balance to cover the remaining Fiscal Year 2025/26 invoices.

Discussion:

Since Fiscal Year 2022/23, approximately 800 unemployment claims have been filed by former county employees totaling \$1.6 million. Approximately 68% of the claims are generated by seasonal/temporary extra help employees, and the remaining 32% by permanent employees who either lost their job because they did not pass probation or due to a layoff.

EDD bills are provided to the Human Resources Department on a quarterly basis in arrears, usually two months following the quarter end, while the third-party claims administrator provides the underlying detailed claimant reporting on a quarterly basis. Approximately 69% of claims originate for former employees in the following departments: Regional Parks, Health Services, Human Services, and Sonoma County Water Agency. For the last three fiscal years, the costs and number of claims were as follows.

	FY 2022/23	FY 2023/24	FY 2024/25	Estimated FY 2025/26
Claims Cost	\$ 352,806	\$424,838	\$643,569	\$955,289
Number of Claims	171	221	307	405
Average Cost per Claim	\$2,063	\$1,922	\$2,096	\$2,359

Based on current mid-year projections, there will be insufficient appropriations available to pay remaining obligations during FY 2025/26. The department is requesting to increase appropriations by \$190,000 using existing fund balance.

Due to the nature of extra help and the uncertainty regarding the claimant activity, it is difficult to estimate exact expenditures; however, the department will collaborate with the County Executive's Office and Auditor-Controller-Treasurer-Tax Collector and return to the Board of Supervisors to potentially propose adjustments to both current fiscal year rates and future collections as needed to address this emergent trend and stabilize the Unemployment Insurance funding structure going forward.

Strategic Plan:

N/A

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

No

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Prior Board Actions:

N/A

FISCAL SUMMARY

Expenditures	FY25-26 Adopted	FY26-27 Projected	FY27-28 Projected
Budgeted Expenses			
Additional Appropriation Requested	\$190,000		
Total Expenditures	\$190,000		
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance	\$190,000		
General Fund Contingencies			
Total Sources	\$190,000		

Narrative Explanation of Fiscal Impacts:

The Unemployment Insurance internal services fund is funded by a percentage of payroll charged to operating department budgets. Existing fund balance is being requested to increase appropriations in the fund to pay for the February 2026 and May 2026 installment payments to the EDD. As of December 31, 2025, the Unemployment Insurance ISF has sufficient fund balance in the amount of \$237,731 to cover this budget adjustment.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)
N/A			

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

Budget Resolution

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

N/A