



2025-26 RECOMMENDED BUDGET

Total Budget = \$47.9 Billion

(\$1.3 Billion Less than Final Adopted Budget)

- ❖ The proposed **2025-26 Recommended Budget** reflects a \$1.3 billion decrease in total funding and adds just 14 net budgeted positions for a total of **\$47.9 billion** and **117,100 budgeted positions**.
- ❖ **Declining Revenue** – New ongoing net County cost (NCC) totals \$230.5 million, a sharp drop from prior years' Recommended Budgets and new budgeted positions have declined even more dramatically.

(\$ in millions)	2021-22	2022-23	2023-24	2024-25	2025-26
New NCC	\$400	\$564	\$551	\$390	\$230.5
Positions	304	513	514	835	14

- ❖ **Billions in New County Obligations** – The County faces multiple challenges—each of which individually amounts to hundreds of millions of dollars in estimated or potential costs—putting additional pressure on our limited resources for years to come, including:
 - The billions in legal settlements and judgments related to claims alleging childhood sexual assault at various County and non-County facilities spurred by AB 218, the Child Victims Act. If approved by the Board, the County will be paying **hundreds of millions annually through 2030, and millions a year through Fiscal Year 2050-51 to cover this cost.**
 - Eaton and Palisades wildfires recovery and rebuilding is also expected to require more than \$1 billion in County funding over the next several years for costs such as debris removal, protective measures, soil sampling, and restoration of damaged buildings.
 - The potential loss of federal funding is real, as evidenced by \$45 million in grant funding pulled without notice from the Department of Public Health this month. That decision is being challenged in court and a temporary restraining order has been granted.
 - The end of American Rescue Plan Act funding totaling \$1.9 billion means the end of many programs supported by that one-time funding.
- ❖ **Departmental Budget Cuts** – Based on the decrease in new ongoing revenue and the scale of these obligations, the Chief Executive Office (CEO) asked departments to identify cost savings of 3%. The current recommendation is for curtailments of ongoing NCC by \$88.9 million, based on eliminating 310 positions and cutting a variety of programs. This savings is set aside in the Provisional Financing Uses budget unit as a



safeguard against future budgetary uncertainties. CEO is continuing to work with departments on specific curtailments.

- ❖ **NCC Funding Recommendations** – The majority of the new ongoing NCC will go towards previously Board-approved salary and employee benefits (\$81.4 million) and caseload (\$93.6 million) adjustments, which together total \$175 million and represent 76 percent of the new ongoing NCC of \$230.5 million. The following is a sample of areas where the remaining new ongoing NCC funding is being recommended:
 - ✓ **\$18.7 million** to address the **structural deficit** in the **Integrated Correctional Health Services** (ICHS) budget unit.
 - ✓ **\$10.0 million** set aside for governance reform related costs, such as the Ethics Commission and Office of Ethics Reform, as directed by Measure G to be established in 2026. Also adds \$1.9 million in one-time additional fund balance to support the implementation of the Governance Reform Task Force.
 - ✓ **\$5.0 million** for **recruitment and retention bonuses** for staff providing health care needs to the jail population.
 - ✓ **\$3.5 million and 33 appraiser positions** to process new construction and transfer valuations.
 - ✓ **\$2.5 million and 9 positions** for the Sheriff’s **Wellness Center** to support employee mental health and wellness.
 - ✓ **\$2.4 million and 31 positions** to staff **nighttime closures** at County parks needed to enhance public and staff safety.
 - ✓ **\$1.7 million and 39 positions** to support Parks and Recreation’s **aquatics programming**.
 - ✓ **\$1.7 million and 6 positions** for the **Office of Emergency Management** to enhance response, recovery, planning, and hazard mitigation efforts across the County.
 - ✓ **\$1.7 million** for the Department of Public Health’s **Gender-Based Violence** program, which promotes healthy relationships, encourages community-based solutions, and implements other supportive services for LGBTQ+ youth.
 - ✓ **\$1.2 million** for the Department of Economic Opportunity’s **Contractor Development and Bonding Program**, which supports investments toward equity in County contracting and access to capital/contracting opportunities for local and diverse small businesses.
- ❖ **Continuing Commitment to CFCI** - Despite the County's need to cut costs and borrow money to fund other obligations, this proposed Recommended Budget continues to honor the Board's commitment to **Care First and Community Investment (CFCI)** with



an annual set aside of 10% of locally generated unrestricted revenues. That calculation totals \$287.7 million for projects and programs that support direct community investments and alternatives to incarceration. This is \$13 million less than last year's 10% set aside, as locally generated unrestricted revenues are \$130 million less this year than last. However, the total investment to CFCI programs is \$571.6 million, including \$283.9 million in one-time dollars—unspent funds from previous budget cycles being carried over for one-time use.

- ❖ Other recommendations this budget phase include:
 - ✓ **\$102.0 million** in one-time funding previously set aside in reserves for the Interim Housing bed rate increase;
 - ✓ **\$12.3 million** in one-time funding (\$8.0 million in additional fund balance and \$2.9 million transfer from the PFU budget unit) and ongoing NCC (\$1.4 million) to continue the **Youth@Work** program;
 - ✓ **\$6.7 million and 17 positions** in State and federal funding for the Department of Mental Health to add six **Psychiatric Mobile Response Teams** and other Alternative Crisis Response resources;
 - ✓ **\$5.5 million** in one-time additional fund balance to the Department of Consumer and Business Affairs to support the **Represent LA** program, which provides legal representation to immigrants facing deportation, as well as to vulnerable individuals seeking affirmative immigration relief;
 - ✓ **\$4.9 million** in one-time additional fund balance to **replace EBT benefits** for victims of EBT (Electronic Benefits Transfer) card theft resulting from statewide skimming/scamming instances;
 - ✓ **\$0.9 million** in one-time additional fund balance for contract services for **doula hub** operations that will provide technical support to the doula provider workforce and expand access throughout the County;
- ❖ **Measure A** - Nearly \$1.1 billion in Measure A revenues in this budget will be shared by the County's partners in addressing homelessness, with \$382.8 million going to the Los Angeles County Affordable Housing Solutions Agency, \$32.1 million to the Los Angeles County Development Authority, \$96.3 million to local cities through the Local Solutions Fund and more than \$500 million for the County's own comprehensive homelessness services.



2025-26 RECOMMENDED BUDGET SUMMARY

(\$ in Millions)

Total Budget by Fund	2022-23 Budget	2023-24 Budget	2024-25 Final Adopted	2025-26 Recommended	Change From Final Adopted	% Change
Total General County	\$ 33,333	\$ 35,934	\$ 37,995	\$ 37,352	\$ (643)	-1.7%
Special Funds/Special Districts	11,309	10,809	11,178	10,569	(609)	-5.5%
Total Budget	\$ 44,642	\$ 46,743	\$ 49,173	\$ 47,921	\$ (1,252)	-2.5%

Budgeted Positions	113,592	115,324	117,086	117,100	14	0.0%
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Funding Source	# of Positions
NCC - New	124
NCC - Reductions	(310)
Other	200
TOTAL	14

Position Change by Department	Net Change
Mental Health	149
Parks and Recreation	70
Health Services	45
Assessor	33
Public Health	30
Fire	12
Medical Examiner	11
Chief Executive Office	7
Agricultural Commissioner	5
Consumer and Business Affairs	4
Arts and Culture	3
Beaches and Harbors	3
Children and Family Services	3
Regional Planning	2
Youth Development	2
Military and Veterans Affairs	1
Public Works	1
Museum of Art	(1)
Museum of Natural History	(1)
Public Defender	(1)
LA County Library	(3)
Aging and Disabilities	(4)
Animal Care and Control	(4)
Registrar-Recorder/County Clerk	(4)
Auditor-Controller	(5)
County Counsel	(5)
Alternate Public Defender	(7)
Sheriff	(7)
Child Support Services	(8)
Treasurer and Tax Collector	(13)
Board of Supervisors	(18)
District Attorney	(60)
Probation	(226)
TOTAL	14

