

# CEO.



## 2025-26 Department Budget Presentation Summary

### Department Budget Request: Budget Priorities

Listed in order of priority, Amounts in \$Thousands

#### Mission

To develop, oversee and maintain the County's budget; provide managerial and administrative direction to County Departments; and lead Countywide coordination of services to County constituents under the leadership of the Board of Supervisors, all while maintaining the budgetary and fiscal integrity of the County.

#### Mandatory & Major Duties

- Countywide Budget & Finance
- Asset Management
- Administrative Services
- Office of Emergency Management
- Legislative Affairs
- Countywide Communications
- Risk Management
- Labor Relations and Benefits
- Classification and Compensation
- Policy Implementation and Alignment
- Chief Information Office
- Homeless Initiative & Affordable Housing
- Anti-Racism, Diversity, Equity & Inclusion
- Poverty Alleviation
- Center for Strategic Partnerships
- Jail Closure Implementation
- Department of Justice – Compliance
- Budget Policy and Revenue Alignment

#### Department Strategic Plan Exists?



#### 2024-25 Budget (\$Thousands)

As of Supplemental Budget Phase

#### EXPENDITURES/APPROPRIATIONS

Total Salaries & Employee Benefits	\$ 146,757
Total Services & Supplies	54,543
Other Charges	19,969
Cap Assets – Equip	500
Other Financing Uses	2,480

**TOTAL GROSS APPROP** \$ 224,249  
**Intrafund Transfers** 48,437

**TOTAL NET APPROP** \$ 175,812  
**Revenue** 64,179

**NET COUNTY COST<sup>1</sup>** \$ 111,633

**TOTAL BUDGETED POSITIONS** 590

#### TOTAL BUDGET REQUEST FOR 2025-26 RECOMMENDED BUDGET PHASE (\$Thousands)

**\$9,369**  
Gross Approp

**\$2,540**  
Total IFT

**\$6,337**  
Total Revenue

**\$492**  
Total NCC

**78.0**  
Position Change

#	Request Title/Short Descriptor	Fund Source	Gross Approp	less IFT	less Revenue	= NCC	Position Change	Board Priority	Directed By	Metrics Plan?
1	<b>Office of Emergency Management</b> 10.0 positions to enhance response, recovery, and hazard mitigation efforts across the County	NCC	2,578	-	-	2,578	10.0	-	n/a	Y
2	<b>Homeless Initiative and Affordable Housing</b> - 10.0 positions to staff the Emergency Centralized Response Center and 13.0 positions to support HI programs pursuant to the passage of Measure A	RO	5,968	225	5,743	-	23.0	Homeless Initiative	Motion	Y
3	<b>Employee Relations</b> - 4.0 positions to support managing labor negotiations and MOU implementation	NCC	690	442	-	248	4.0	-	n/a	Y
4	<b>Department of Justice - Compliance</b> 3.0 positions to support oversight of the United States Department of Justice Consent Decrees	NCC	975	-	-	975	3.0	-	n/a	Y
5	<b>Classification and Compensation</b> 1.0 position to provide dedicated support to the Department of Public Works	RO	269	-	269	-	1.0	-	n/a	Y
* <b>Other Ministerial Changes</b>		NCC	(12,885)	518	-	(13,403)	-	-	n/a	N
<b>TOTAL</b>			<b>\$ (2,405)</b>	<b>\$ 1,185</b>	<b>\$ 6,012</b>	<b>\$ (9,602)</b>	<b>41.0</b>			

#### LEGEND

##### Primary Use of Funding



Service Delivery to the Public



Service Delivery to Other Departments



Administration

##### Funding Source

RO: Revenue Offset | NCC: Net County Cost Change | AFB: Available Fund Balance | DAFB: Department Available Fund Balance | CO: Carryover | Other - SBI: State Budget Impact

<sup>1</sup> Includes restricted and unrestricted locally generated revenues

**Department Budget Request: Unmet Needs**

Amounts in \$Thousands

**CEO.**

#	Unmet Need	Approp	IFT	Revenue	NCC	Positions
<b>Tier 1: Critical Unmet Needs</b>						
1	Prevention and Promotion Coordination and Implementation Team (PPCIT) to support Countywide implementation of task force recommendations	\$ 829	\$ -	\$ -	\$ 829	3.0
2	Jail Closure Implementation Team (JCIT) - to coordinate and drive policy and practice change to enhance community safety and depopulate our jail	\$ 1,419	\$ -	\$ -	\$ 1,419	5.0
3	Racial Equity Strategic Plan (RESP) & Homeless Portfolio - to support County RESP and advance recommendations for addressing homelessness	\$ 550	\$ -	\$ 325	\$ 225	2.0
4	Faith-Based Partnerships - to establish the Community Engagement Office to centralize faith-based outreach and coordinate departmental needs and opportunities	\$ 498	\$ -	\$ -	\$ 498	2.0
<b>Tier 2: Priority Unmet Needs</b>						
1	Office of Emergency Management - additional positions to optimize support for response, recovery, and hazard mitigation	\$ 3,663	\$ -	\$ -	\$ 3,663	15.0
2	Equity and Diversity Fund & Identity-Based Hate Training	\$ 1,250	\$ -	\$ -	\$ 1,250	-
3	Risk Management - to oversee Countywide HIPAA audits, investigations, and risk assessments, ensuring compliance with federal regulations	\$ 1,110	\$ 1,110	\$ -	\$ -	4.0
4	Classification and Compensation - additional positions needed to timely handle increase in requests and workload	\$ 1,345	\$ 861	\$ -	\$ 484	5.0
<b>Tier 3: Other Unmet Needs</b>						
1	Asset Management - enhancement of Master Planning	\$ 785	\$ (616)	\$ -	\$ 1,401	-
2	Legislative Affairs - Budget & Bill Analysis - to address the increase in State and federal legislative, funding, and policy advocacy activities	\$ 325	\$ -	\$ -	\$ 325	1.0
<b>TOTAL UNMET NEEDS</b>		<b>\$ 11,774</b>	<b>\$ 1,355</b>	<b>\$ 325</b>	<b>\$ 10,094</b>	<b>37.0</b>

**Tiering Definitions****TIER 1: Critical Unmet Needs**

Requests where, if unfunded in the upcoming budget year, a department would be prevented from meeting mandatory obligations imposed by settlement, contract, audit finding, new legislation, Board mandate, or imminently cause a health or safety risk.

*Detailed justification for critical unmet needs must be included in a department's budget requests submission.*

**TIER 2: Priority Unmet Needs**

Requests where, if unfunded in the upcoming budget year, a department would be prevented from establishing, maintaining or enhancing programs and services having a close nexus to the department's statutory obligation(s) and/or core mission.

*Detailed justification for priority unmet needs must be included in a department's budget requests submission.*

**TIER 3: Other Unmet Needs**

Requests that do not meet the criteria in either category above. Other Unmet Needs include requests that are not characterized by urgency but are included to establish a record of the request (whether submitted with or without justification) or to signal a current intent to submit the request in one of the two prior categories in a future budget phase. Requests in this category are not limited to requests funded by NCC.

*Documentation for these requests does not need to be included in a department's budget requests submission.*



Countywide Challenges/Pressures	Source	Impact Summary
• <b>Less Revenue, More Costs, Fires, D.C.</b> - balancing the needs of all County departments in a challenging fiscal climate.	External	<ul style="list-style-type: none"><li>Ensure the continuity of critical County services in a challenging financial environment. Financial pressures include: 1) \$2B one-time ARPA funding coming to an end; 2) legal settlements and judgments resulting from Assembly Bill 218; 3) response to and recovery from the Eaton, Palisades, and other disastrous fires; 4) significant uncertainty around continued federal funding sources, grants, and other support on which the County relies.</li></ul>
• <b>More Frequent Disasters</b>	External	<ul style="list-style-type: none"><li>Since 2020, the County has sustained multiple major disasters necessitating substantial funding and personnel for both response and recovery, including COVID-19, extremely damaging rains and inclement weather, and deadly firestorms. These continued and prolonged episodes of disaster have revealed an urgent need for additional staffing and resources to ensure the County is able to respond swiftly to future disasters.</li></ul>
• <b>Reductions in Revenue Supporting Homeless Services</b>	External	<ul style="list-style-type: none"><li>CEO-HI must balance its programmatic needs with reductions in revenue by focusing continued support on the most critical homeless services and supports, with an emphasis on demonstrated outcomes.</li></ul>
• <b>Labor Negotiations</b>	External and Internal	<ul style="list-style-type: none"><li>The 2025 Labor Negotiations season has already resulted in the filing of numerous unfair labor practice charges at ERCOM by both County and labor unions, which is expected to continue into the next budget year and result in additional legal expenses and costs.</li></ul>
• <b>State and Local Policy Changes Impacting Criminal Justice Reforms</b>	External	<ul style="list-style-type: none"><li>Proposition 36, which makes it easier to charge people facing certain drug crimes with felonies, and a change in policy direction in the District Attorney's Office could create new challenges in CEO's DOJ compliance efforts to maintain and reach compliance targets set by Court consent decrees. Sustained resources for CEO-DOJ are necessary to ensure the County continues to make progress on all consent decree provisions.</li></ul>
• <b>Executive Orders Targeting Diversity, Equity, and Inclusion</b>	External	<ul style="list-style-type: none"><li>CEO-ARDI must implement the Board's equity-based priorities while navigating the potential for dwindling resources at the federal and local levels driven by the new Presidential administration's policies limiting funding for government agencies that support such efforts.</li></ul>
• <b>Substantial Legislative Needs</b>	External	<ul style="list-style-type: none"><li>The County's challenging financial outlook, compounded by disaster-related costs and needs and an ever-shifting landscape in D.C., along with pressure on existing staff and resources in CEO-LAIR, may drive additional contracting costs to secure the County's federal and State legislative priorities.</li></ul>



Department-Specific Challenges/Pressures	Source	Impact Summary
<ul style="list-style-type: none"><li><b>Initiatives and Programmatic Expansion Historically Prioritized over Administrative Backbone.</b></li></ul>	External and Internal	<ul style="list-style-type: none"><li>Historically, the CEO's administrative (human resources, contracting, and fiscal) resources have been deprioritized as the department directed resources to address the Board's and the County's most urgent priorities – including homelessness, eliminating poverty, and ending institutional racism in County government. Since 2018, the CEO's initiative/programmatic positions have grown by 91.0 positions whereas the CEO's core administrative and regulatory positions have increased by 10.0. This puts extraordinary pressure on CEO staff to meet the administrative and regulatory needs of the department as their workload continues to expand without additional resources.</li></ul>
<ul style="list-style-type: none"><li><b>Increasing Workload in Asset Management</b></li></ul>	External and Internal	<ul style="list-style-type: none"><li>The Asset Management Branch is responsible for 719 capital projects with annual budget of \$2 billion in capital projects and 70.5 million square feet of lease space and County-owned space, and master planning County-owned property. The branch's portfolio increased substantially with the influx of one-time federal stimulus and state funding, including more than \$350 million in ARPA funding for capital projects, supporting CEO-HI with Project Roomkey and Homekey, and working with DMH and other departments on BHCIP and Proposition 1 grants. Position growth has been slow since 2018, with only 3.0 additional staff.</li></ul>

#### Other Impact from January 2025 Windstorm and Critical Fire Event

<ul style="list-style-type: none"><li><b>Unanticipated Costs Due to Recovery Activities as a Result of the 2025 Wildfires</b></li></ul>	External	<ul style="list-style-type: none"><li>The impacts of the 2025 wildfires have affected nearly all areas of the department. During disaster response, many departmental staff were assigned fulltime to the Emergency Operations Center, the Departmental Operations Center, or supporting mission-critical tasks like tracking cashflow, legislative advocacy, and emergency contracting. In recovery, the CEO has obtained preliminary, point-in-time cost estimates from Departments to assess their funding needs, leading on FEMA claiming and reimbursement, supporting private property debris removal, quantifying the County's real property asset loss, and legislative advocacy, among other key aspects of disaster recovery.</li></ul>
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