

FY 2025-26

BUDGET UPDATE

First Quarter



COUNTY OF
SANTA BARBARA

December 16, 2025
County Executive Office

Today's Report

FY 2025-26 Budget and Financial Status
Update on the County's 1st Quarter financial
position relative to the adjusted budget

Background

- Compares first quarter financial position as of September 30, 2025 against the adjusted budget
- Reportable variance threshold:

General Fund >**\$300K** per department, and;

Special Revenue Funds >**\$500K** per Fund

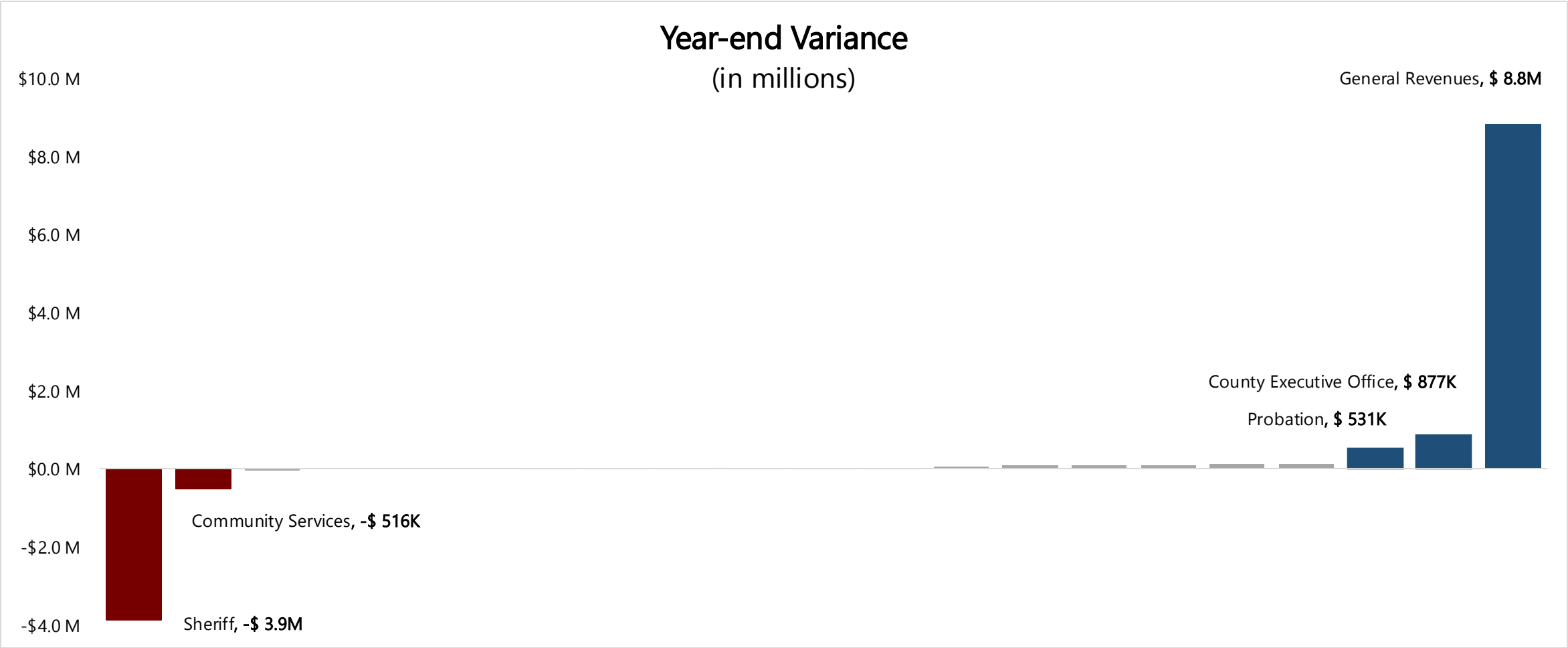
- If projected expenditures exceed appropriations, the department head must:
 - Reduce spending to stay within the approved budget
 - Request release of available department fund balance
 - Submit a General Fund transfer request and Board of Supervisors agenda item with justification

General Fund

Summary by Department

\$6.5M

Projected
Positive Variance



General Fund
Significant Net
Financial Impacts

General Revenues

Variance	% Budget
\$8.8M	2.2%

Notable Variances by Source	General Revenues Source	Variance
	Property Taxes	\$4.1M
	Interest Income	\$2.6M
	Transient Occupancy Tax	\$1.7M
	Sales and Use Tax	\$521K
	Other Revenues	(\$257K)

General Fund
Significant Net
Financial Impacts

County Executive Office
Probation
Community Services Parks

Variance	% Budget
\$877K	8.8%
\$531K	0.5%
(\$516K)	(1.3%)

County Executive Office &
Probation

Savings generated by staffing
vacancies on funded positions

Community Services-Parks

Lower than projected revenue due to
continued closures for the RV area
improvement project at Cachuma
Lake

General Fund
Significant Net
Financial Impacts

Sheriff

Variance	% Budget
(\$3.8M)	(1.7%)

Overrun in overtime

Overtime costs through Q1 totaled \$5.3 million or 52.6% of the annual overtime budget of \$10.1 million

If current OT rates continue, projected deficit could be as high as \$9 million

Auditor’s review of overtime timecoding is ongoing

Special
Revenue and
Other Funds
Significant Net
Financial Impacts

		Variance	% Budget
Opioid Settlement (Fund 0043)		\$1.5M	36.9%
Workers' Comp (Fund 1911)		\$2.2M	9.0%
Opioid Settlement Fund		Positive variance due to longer processing times for prior year payments; department will fund balance for future use	
Workers' Comp Self Insurance Fund		Positive variance primarily due to \$1.8M dividend from PRISM, the County's insurance pool, due to excess premiums paid in FY 24-25. These funds will be used to offset future year rate increases beginning FY 26-27	

Q1 Funded Vacancies

Departments with rates at or greater than 14%

437.8 Funded Vacancies

County Executive Office, 22% (10/46 FTE)

Behavioral Wellness, 16% (78/483 FTE)

First 5, 14% (1/7 FTE)

Child Support Services, 14% (9.8/69 FTE)

Ag Commissioner, 14% (5/36 FTE)

Key Takeaways

- Total funded vacancies decreased by 75.75 FTE from Q4 to Q1
- 11 Departments had funded vacancy rates of 7% or under
- Unused funds are returned to the General Fund or associated funding source at year end

Recommended Actions

- a) Receive and file the Fiscal Year (FY) 2025-26 First Quarter Budget and Status Report as of September 30, 2025, showing the status of appropriations and financing for departmental budgets adopted by the Board of Supervisors; and
- b) Determine that the above actions are not a project under the California Environmental Quality Act (CEQA), because pursuant to sections 15378(b)(4) and 15378(b)(5) the recommended actions consist of organizational, administrative, or fiscal activities of government that will not result in direct or indirect physical changes in the environment.