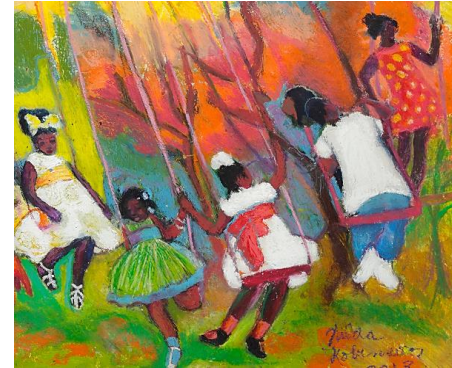




# Alameda County FY 2026-2027 Budget Hearings

June 18, 2026



PRESENTED BY THE COUNTY ADMINISTRATOR

# Budget Hearings Schedule

## **June 18, 2026**

- CAO Budget Overview

## **June 22, 2026**

- CAO Introductory Remarks
- Program Area Overviews
  - Public Assistance
  - Health Care
  - Public Protection
  - General Government
- Final adjustments & other issues

## **June 23, 2026**

- Board budget deliberations

## **June 25, 2026**

- Adoption of the Final Budget



# Economic Outlook & State and Federal Updates



# Economic Outlook

San Francisco Chronicle

BIZ & TECH

Another sell-off for AI stocks knocks Wall Street back to where it was 5 weeks ago

By STAN CHOE, AP Business Writer  
Updated June 10, 2026 2:23 p.m.

Gift Article



San Francisco Chronicle

BAY AREA // REAL ESTATE

Oakland home values continue to fall — at one of the fastest rates in the nation

By Christian Leonard, Staff Writer  
May 10, 2026

The Washington Post

Democracy Dies in Darkness

New Fed chief may soon be forced to defy Trump and raise interest rates

Kevin Warsh will hold his first policy meeting next week with inflation at a three-year high and a president who expects lower borrowing costs.

Today at 5:00 a.m. EDT

By Andrew Ackerman

Los Angeles Times

BUSINESS

Latest data show California conundrum: high growth but high prices, high unemployment



By Queenie Wong  
Staff Writer |  Follow

Published June 5, 2026 | Updated June 6, 2026 6:23 AM PT

San Francisco Chronicle

BIZ & TECH

US households, businesses stung by higher energy prices that have pushed inflation above 4%

By CHRISTOPHER RUGABER, AP Economics Writer  
Updated June 10, 2026 2:24 p.m.

The New York Times

U.S. Economy | Inflation | Jobs Report | Mortgage Rates | Summer Travel Costs | Gas Prices

Employers Added a Robust 172,000 Jobs in May

Unemployment remained steady at 4.3 percent.

Published June 5, 2026 | Updated June 11, 2026, 11:43 a.m. ET

San Francisco Chronicle

TECH

Salesforce cuts jobs for third time in nine months

By Roland Li, Staff Writer  
June 9, 2026

San Francisco Chronicle

TECH

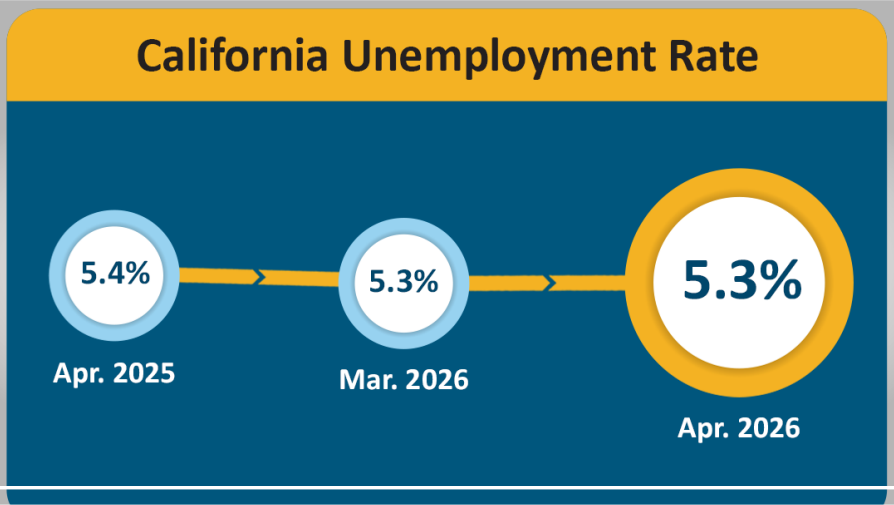
Meta's mass layoffs hit nearly 3,200 Bay Area workers, among region's worst job losses in years

By Roland Li, Staff Writer  
May 28, 2026

COUNTY ADMINISTRATOR'S OFFICE



# California & Alameda County Unemployment



**MONTHLY LABOR FORCE DATA FOR COUNTIES**  
April 2026 (Preliminary); 2025 Benchmark  
NOT SEASONALLY ADJUSTED

| COUNTY      | LABOR FORCE | EMPLOYMENT | UNEMPLOYMENT | RATE |
|-------------|-------------|------------|--------------|------|
| STATE TOTAL | 19,532,800  | 18,565,500 | 967,300      | 5.0% |
| ALAMEDA     | 856,300     | 821,400    | 34,900       | 4.1% |

Source: State of California Employment Development Department

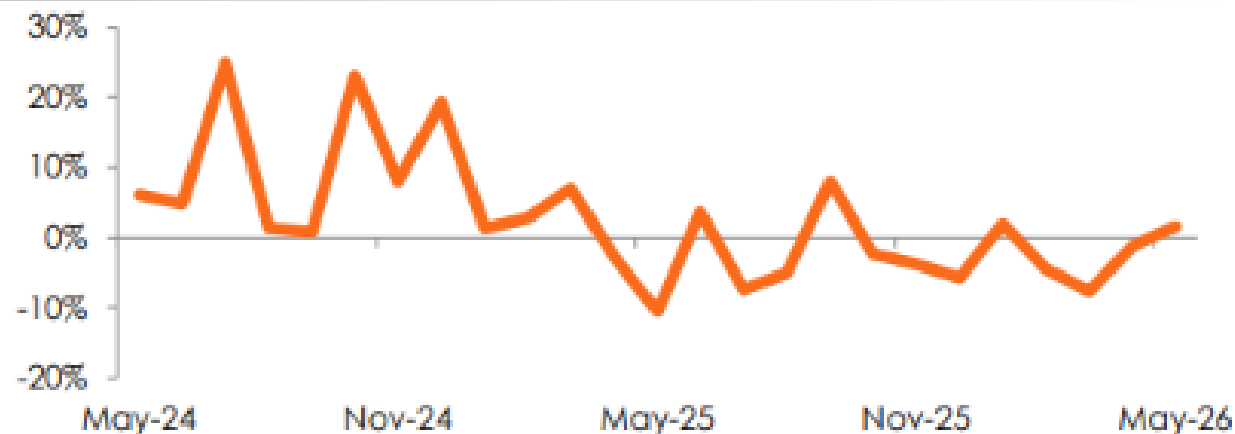
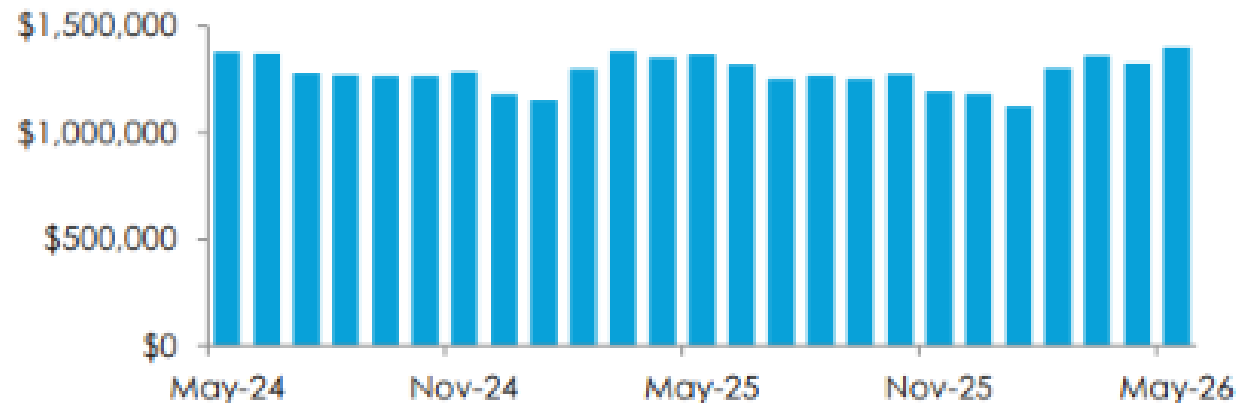




# Alameda County Real Estate Market Trends

## May 2026

Median Price  
For SF Detached Homes  
**\$1,400,000**  
5.7% MTM  
2.6% YTY



Home Sales  
For SF Detached Homes  
**+1.6% YTY**  
6.6% MTM  
-2.1% YTD



Source: California State Association of Realtors



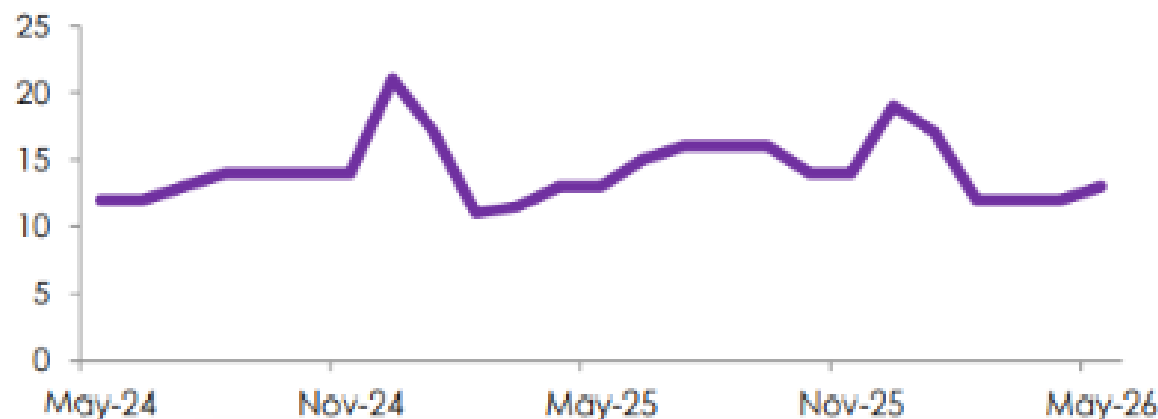
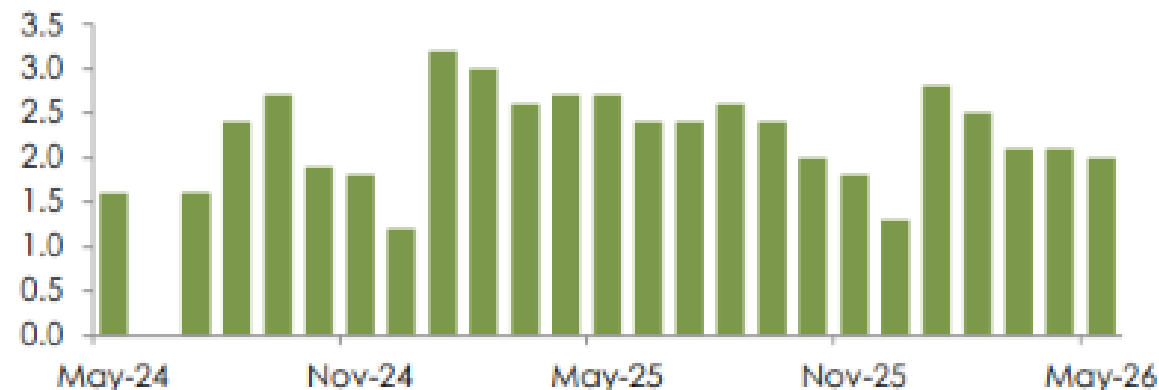
# Alameda County Real Estate Market Trends

## May 2026

Unsold Inventory  
For SF Detached Homes

**2 Months**

-4.8% MTM  
-25.9% YTY



Median Time on Market  
For SF Detached Homes

**13 Days**

8.3% MTM  
0.0% YTY



Source: California State Association of Realtors



# 2026-27 State Budget Summary – County Impacts

**\$36.5B**

Total Reserves

**+\$5.0B**

Ongoing Revenue  
Approved

**\$900M**

HHAP Round 7  
Homeless Funds

**\$9.7B**

Remaining Structural  
Deficit

- **Health & Human Services:** Drastic proposed program cuts are delayed until July 1, 2027 to soften immediate community impact.
- **County Cost Protections:** Rejects the state proposal to shift In-Home Supportive Services (IHSS) growth costs to counties.
- **CalFresh Support:** Generates \$245M for county administration and implementation of incoming H.R. 1 rules.
- **Corporate Accountability:** Sets the framework for the *Fair Share from Big Corporations Act* by April 1, 2027, to lower taxpayer-funded Medi-Cal utilization.



# Federal Budget & Policy Outlook

## ■ FY 2026 Federal budget

- Adopted at the end of April but didn't include additional funding for Department of Homeland Security or Customs and Border Patrol.
- Last week Reconciliation 2.0 was signed into law with \$70 billion for ICE and CBP to last through the end of President Trump's term.
- Republicans now looking at a possible third reconciliation package.

## ■ National Security & FISA Standoff

- **FISA Expiration:** Section 702 authorities expired after Senate Democrats blocked the reauthorization package.
- **DNI Standoff:** Focused shifts to confirming Jay Claton amid Senate concerns over potential acting leadership changes.
- **Legislative Hurdles:** President Trump announced opposition to any FISA extension unless the "Save America Act" is attached.

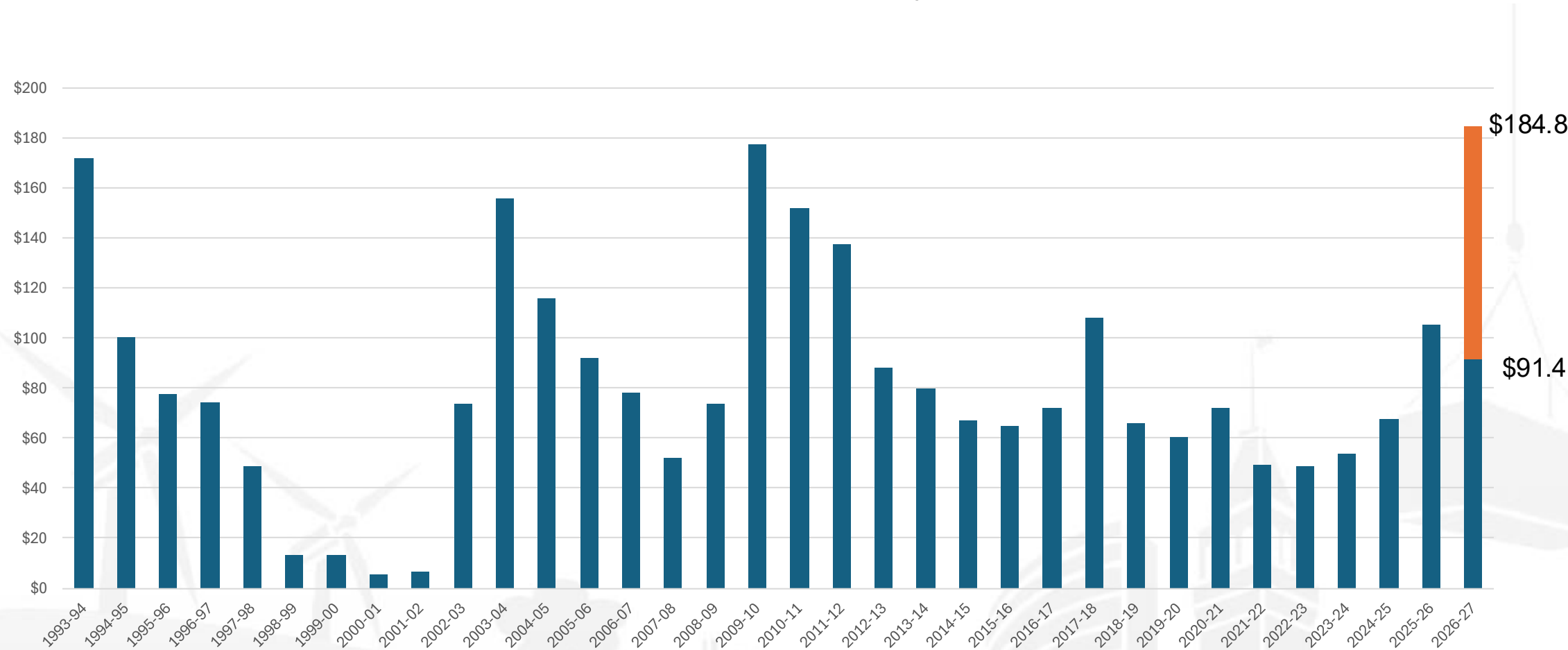
## ■ FY27 Defense Framework

**\$1.14 Trillion** – National Defense Authorization Act (NDAA) package

# Alameda County Funding Gaps since ERAF

(\$ in millions)

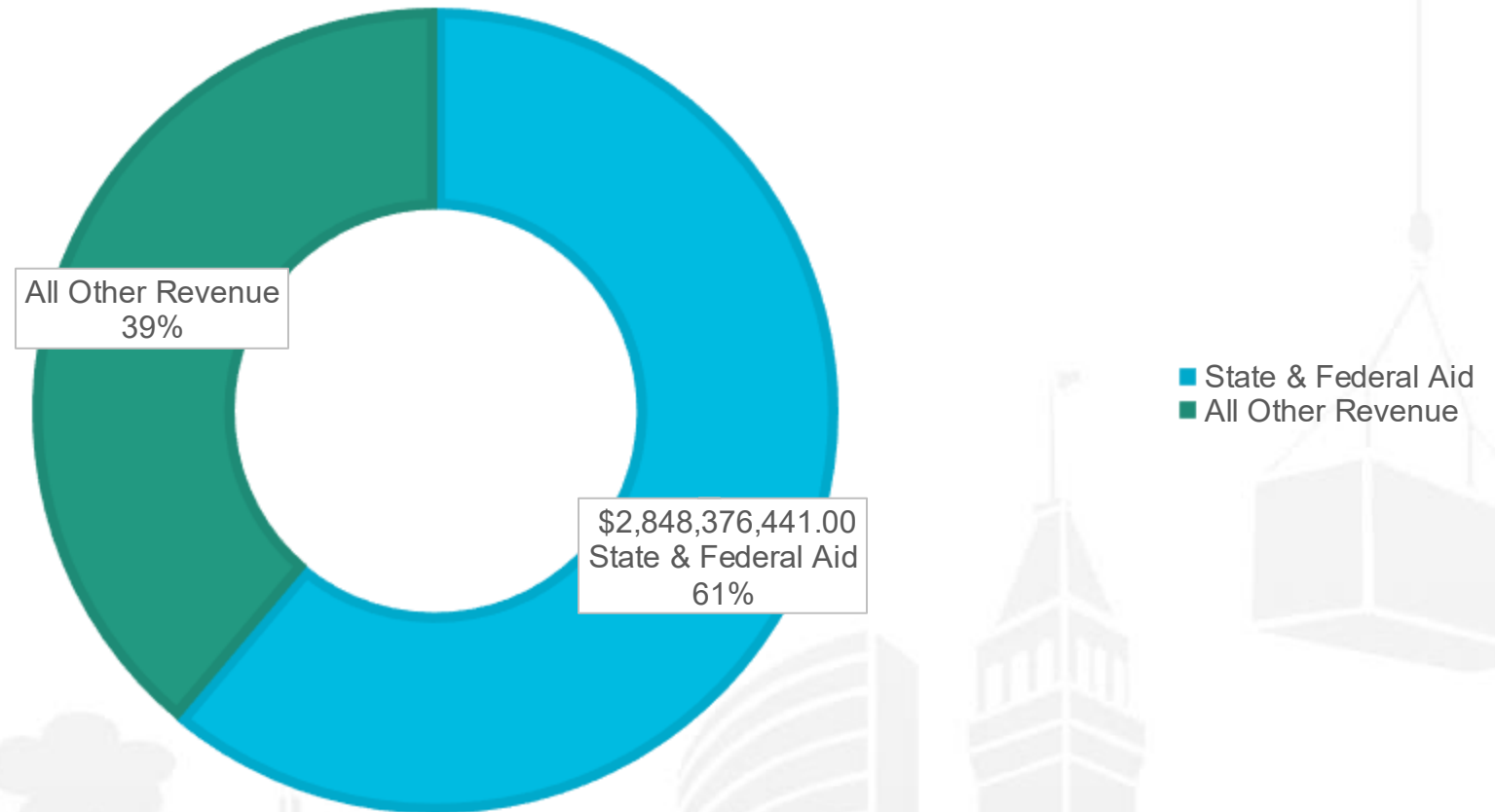
Total since FY 1993-94: \$2.7 billion



# State and Federal Aid as a Percentage of Total Financing

(\$ in millions)

## REVENUES BY SOURCE



**Total Financing \$4,300.0**

# Five-Year Forecast



# Forecast Assumptions, Drivers and Risks

## Assumptions:

- No new unfunded programs
- Slowing economic growth

## Major Drivers:

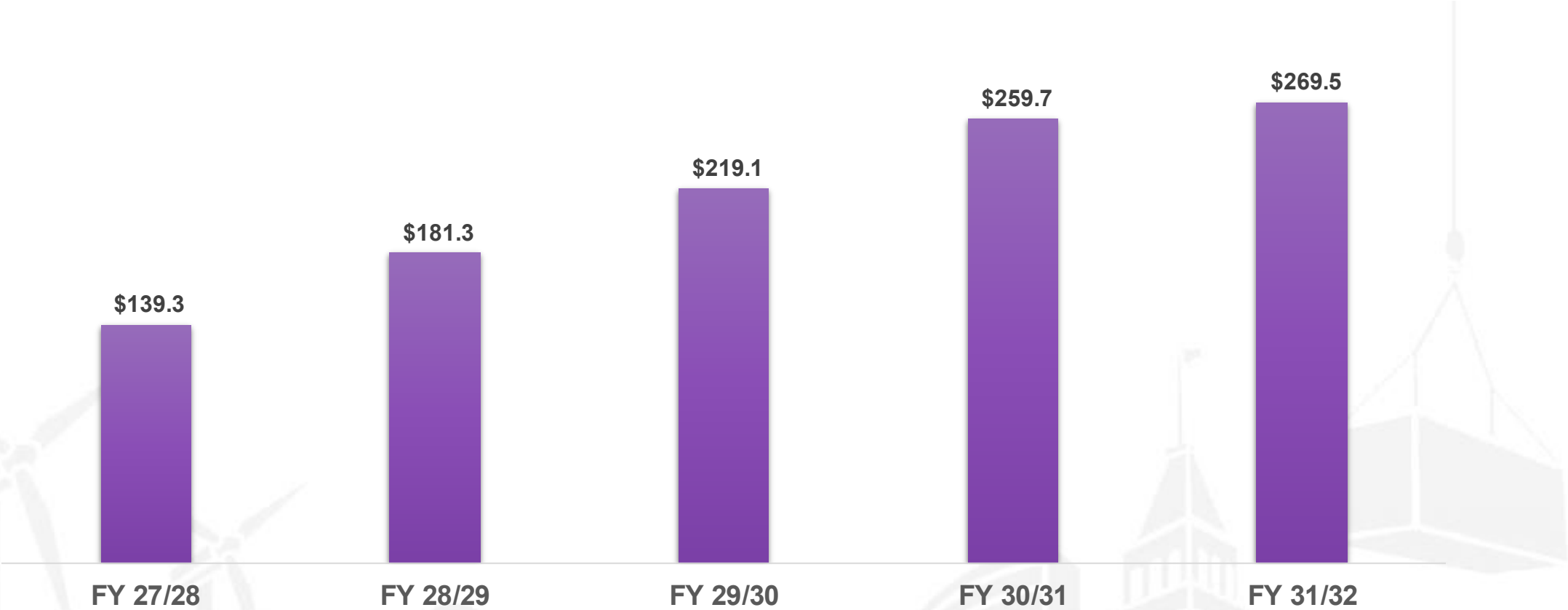
- Labor costs (salaries and employee benefits)
- Operating costs outpacing revenue growth
- IHSS inflation

## Risks:

- Federal and State budget impacts
- Geopolitical risk
- Impact of interest rates
- Potential downturn



# 5-Year Forecast – Projected Budget Gaps (millions)

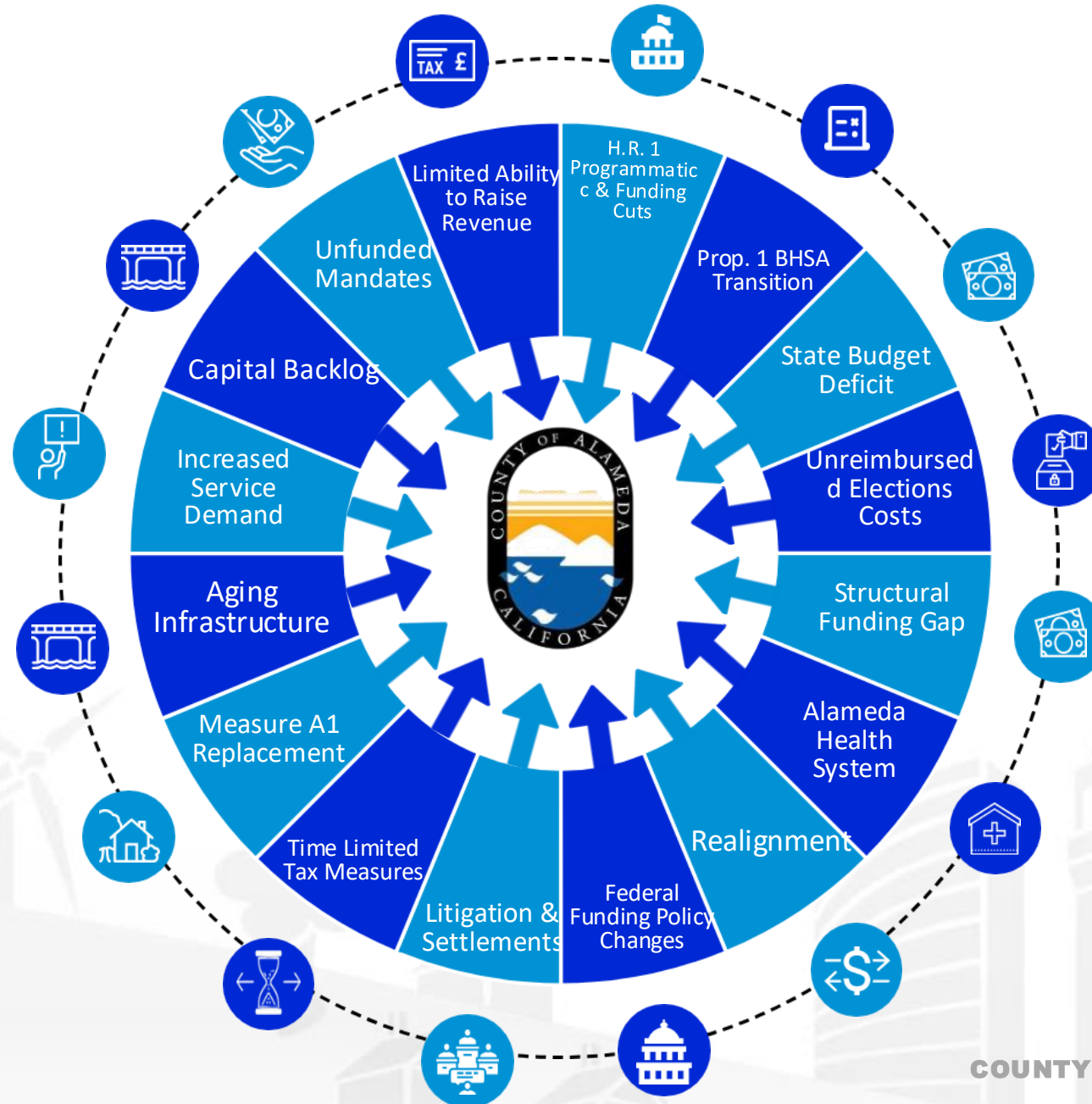




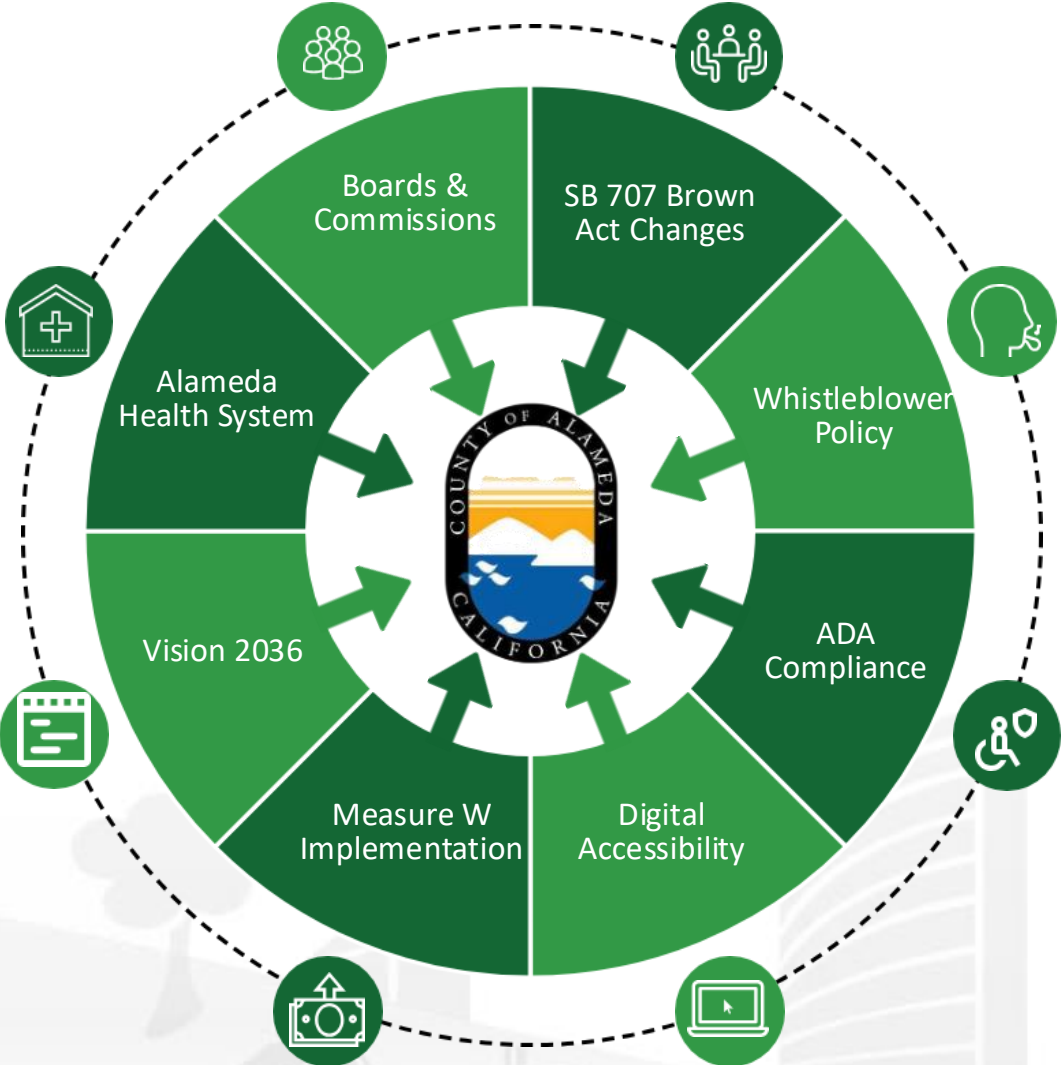
# Budget Monitoring

- Agencies and departments submit quarterly projections to the County Administrator's Office
  - Comparison of budget to actuals
  - Review of information that may lead to corrective action
  - Performance related to service delivery and other programs/initiatives
- FY 2026 Third Quarter Projections
  - Q3 projections suggest aggregate savings due to a combination of under-spending driven by vacancies offset by under-realization of program revenues
  - Continue to monitor and work directly with agencies and departments to recommend any necessary adjustments or actions to maintain a balanced budget

# Fiscal Pressures



# Policy Pressures



# Board Initiatives

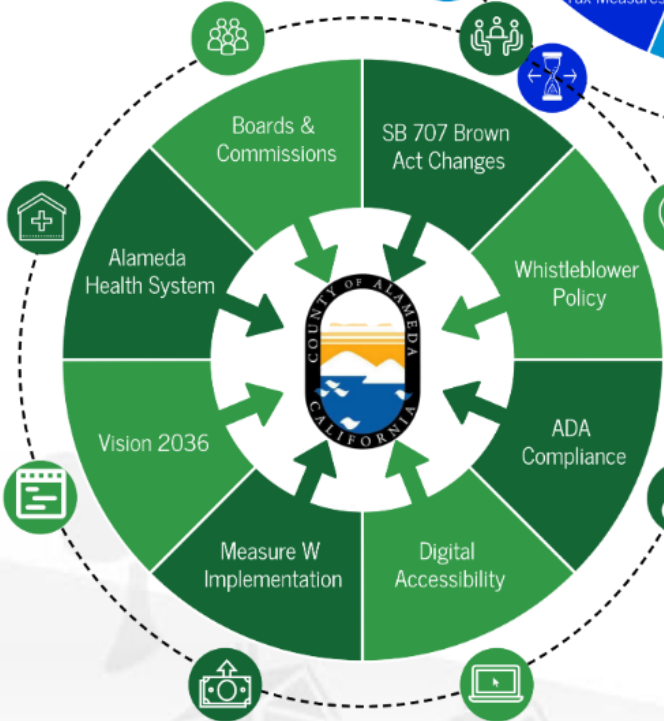


# The Pressure Environment for Counties

## FISCAL PRESSURES



## POLICY PRESSURES



## BOARD INITIATIVES



# June 22, 2026 Hearings Schedule

- FY 2026-27 Proposed Budget Overview
- Program Area Overviews
  - Public Assistance
  - Health Care
  - Public Protection
  - General Government
- Final Adjustments & Other Issues
- Close Budget Hearings



