

# LFC Hearing
# 11/17/2026

# DHSEM Budget Request

**FY28 Base Budget Increase – $8.12 Million**
- Support existing personnel costs, reduce reliance on unpredictable federal disaster funding, and maintain essential agency operations.
- This amount would cover EMPG, SHSGP, HMEP

**FY28 Expansion Request – $1.48 Million (13 Disaster Unit Positions)**
- Establish 13 permanent positions to sustain disaster recovery operations as contractual support ends in January 2027.
- Reduce reliance on contractors and strengthen long-term operational capacity.

**FY28 Supplemental Request- $1.35 Million (Personnel Services Employee Benefits)**
- Address a prior-year FY27 General Fund personnel services and employee benefits funding deficit and satisfy outstanding financial obligations.
- This will cover FY27 deficiencies to lift our freeze on hiring critical positions

**FY28 Supplemental Request – $4 Million (Other Needs Assistance)**
- Fund disaster assistance obligations for eligible individuals and households impacted by disasters.
- *ONA is financial assistance for disaster survivors for essential unmet needs including personal property, transportation, medical expenses, and other uninsured disaster-related cost*

**FY28 Deficiency Request – $1.5 Million (Santa Clara)**
- Repay FEMA following a reduction in the approved federal project amount and complete financial closeout.

# Last 3 Years

EMPG 25 was not fully awarded; fed delays

## Actuals Last Three Years

| Fiscal Year | Total Amount | YoY Change |
|---|---|---|
| 2024 | $6,004,744.77 | |
| 2025 | $5,320,362.80 | -11.4% |
| 2026 | $6,240,769.06 | 17.3% |

## Actuals Breakdown

| Funding Source | 2024 | 2025 | 2026 | Three-Year Total |
|---|---|---|---|---|
| **Total Salary and Benefits** | **$8,100,000.00** | **$8,200,000.00** | **$8,800,000.00** | **$25,100,000.00** |
| GF | $2,615,116.92 | $1,747,992.19 | $4,010,610.28 | $8,373,719.39 |
| EMPG | $2,362,211.15 | $2,429,543.60 | $487,779.06 | $5,279,533.81 |
| HSGP | $518,473.45 | $519,834.65 | $383,782.18 | $1,422,090.28 |
| EOs | $255,587.97 | $437,685.15 | $649,502.04 | $1,342,775.16 |
| Additional M&A/SMC | $94,326.00 | $124,360.45 | $586,165.73 | $804,852.18 |
| GF-Supplemental | $116,527.31 | $0.00 | $0.00 | $116,527.31 |
| CAPSSSE | $42,501.97 | $60,946.76 | $0.00 | $103,448.73 |
| CDBG | $0.00 | $0.00 | $96,539.77 | $96,539.77 |
| GF-Special | $0.00 | $0.00 | $26,390.00 | $26,390.00 |
| Vacanies Savings | $ 2,095,255.23 | $ 2,879,637.20 | $ 2,559,230.94 | $7,534,123.37 |
| **FTE Count** | **81** | **82** | **88** | |

# Staffing Cost

97 employees

| | |
|---|---|
| **What it takes to staff the agency** | **$11.8M** |
| General appropriation | – $2.7M |
| EMPG federal grant | – $1.1M |
| SHSGP federal grant | – $0.7M |
| HMEP federal grant | – $87K |
| CDBG federal grant | – $915K |

**UNDER FUNDED ≈ $6.3M**

- **To hire 97 Employees, agency requires $11.8M**
- **Salary saving currently at $3.8M; 30-40% salary savings are not a sustainable funding strategy**
- **Disaster-driven revenue is unpredictable**

# Expansion Request

| Working Title | Classification | Payband | Mid-Point Hourly | Total Salary Cost | Total Fringe Benefit Cost | Total Employee Cost |
|---|---|---|---|---|---|---|
| Accounts Receivable | Accountant | 5 | $ 28.28 | $ 58,812.90 | $ 36,136.88 | $ 94,949.78 |
| Mitigation Subgrant Analyst | Grants Analyst | 7 | $ 34.21 | $ 71,163.61 | $ 26,327.25 | $ 97,490.86 |
| PA Subgrant Analyst 1 | Grants Analyst | 7 | $ 34.21 | $ 71,163.61 | $ 26,327.25 | $ 97,490.86 |
| PA Subgrant Analyst 2 | Grants Analyst | 7 | $ 34.21 | $ 71,163.61 | $ 26,327.25 | $ 97,490.86 |
| Accountant Auditor | Auditor | 7 | $ 34.21 | $ 71,163.61 | $ 26,327.25 | $ 97,490.86 |
| Accountant Auditor | Auditor | 7 | $ 34.21 | $ 71,163.61 | $ 26,327.25 | $ 97,490.86 |
| State Recovery Officer | Emergency Management Coordinator | 8 | $ 37.63 | $ 78,279.97 | $ 28,397.67 | $ 106,677.64 |
| Recovery Officer 1 | Emergency Management Coordinator | 8 | $ 37.63 | $ 78,279.97 | $ 28,397.67 | $ 106,677.64 |
| Recovery Officer 2 | Emergency Management Coordinator | 8 | $ 37.63 | $ 78,279.97 | $ 28,397.67 | $ 106,677.64 |
| Recovery Officer 3 | Emergency Management Coordinator | 8 | $ 37.63 | $ 78,279.97 | $ 28,397.67 | $ 106,677.64 |
| Grant Manager | Supervisor, Grants | 10 | $ 45.54 | $ 94,718.76 | $ 33,180.34 | $ 127,899.10 |
| Recovery Manager | Manager, Emergency Management | 11 | $ 52.37 | $ 108,926.57 | $ 37,313.93 | $ 146,240.50 |
| ASD Director | Sr Mgr, Program Management | 13 | $ 69.26 | $ 144,055.39 | $ 47,534.24 | $ 191,589.63 |
| | | | | | **13 Positions** | **$ 1,480,000.00** |

# SFMO Expansion Request

**SFMO Expansion Request (Staff Only) – $561,100 for five additional positions.**

The State Fire Marshal's Office (SFMO) is requesting recurring funding for five additional full-time positions to address increasing statewide demands for fire prevention, code enforcement, and administrative support.

•**Fire Prevention Personnel (2 FTE):** Address increased demand for fire prevention services at schools, state facilities, public events, and local fire departments. Current staffing is insufficient to meet the growing volume of requests and statewide responsibilities.

•**Code Enforcement Inspectors (2 FTE):** Support increased demand for annual fire and life safety inspections, school inspections, fire suppression system acceptance testing, and plan reviews associated with approximately 12.6 million square feet of new construction. Additional staffing will improve inspection capacity, response times, and public safety.

•**Accounts Payables (1 FTE):** Strengthen administrative and financial operations to support increased program activity, payment processing, and overall operational efficiency.

# SFMO Personnel Requirements

| Working Title | Classification | Payband | Mid-Point Hourly | Total Salary Cost | Total Fringe Benefit Cost | Total Employee Cost |
|---|---|---|---|---|---|---|
| Fire Support | Fire Inspector | 9 | $ 41.39 | $ 86,107.96 | $ 31,190.04 | $ 117,298.00 |
| Fire Support | Fire Inspector | 9 | $ 41.39 | $ 86,107.96 | $ 31,190.04 | $ 117,298.00 |
| Fire Investigator | Fire Inspector | 9 | $ 41.39 | $ 86,107.96 | $ 31,190.04 | $ 117,298.00 |
| Fire Investigator | Fire Inspector | 9 | $ 41.39 | $ 86,107.96 | $ 31,190.04 | $ 117,298.00 |
| Accounts Payable Accountant | Senior Accountant | 6 | $ 31.10 | $ 64,694.19 | $ 24,959.96 | $ 89,654.15 |
| | | | | | 5 Positions | **$ 561,000.00** |

# DHSEM Reversions

**Fund Balance Reversions – Historical and Current Year**

- Department of Finance and Administration (DFA) identified an accounting discrepancy of approximately $600,000 associated with fund balances accumulated over more than 10 years.
- At DFA's direction, DHSEM was required to revert the applicable accounting entries to correct the historical discrepancy.
- The resulting reversions impact multiple funding sources, including the current-year operating budget, special appropriations, and historical fund balances.
- These adjustments create an unanticipated financial impact to DHSEM, requiring reconciliation and coordination with DFA to ensure accurate accounting and minimize impacts to ongoing operations.

| Reversion Category | Amount |
|---|---|
| **Operating Budget** – Fund 20050 | $2,659.77 |
| Special Appropriation – ZJ5233 ($275K) | $510.17 |
| Special Appropriation – ZI1S04 ($10M HB1) | $771,042.83 |
| **Historical Fund Balance – Accumulated Over 10+ Years** | **$612,412.03** |
| **TOTAL IDENTIFIED REVERSIONS** | **$1,386,624.80** |

# SFMO Reversions

**Fund Balance Reversions – Historical and Current Year**

- Health Care Authority over distributed for comp package; this reversion is an HCA accounting correction
- Unused prior year grant money

| Reversion Category | Amount |
|---|---|
| HCA Correction | $10,904.02 |
| Local FD Prior Year Refunds | $14,043.88 |
| **TOTAL IDENTIFIED REVERSIONS** | **$24,947.90** |