

In Fiscal Year 2012-13, the Sheriff's Office experienced an unusual number of retirements that resulted in significant unbudgeted payouts of approximately \$800,000. These costs are associated with payout of benefits such as vacation accruals for eleven retirees as well as termination settlements for two employees whose employment with the County was terminated in prior years. As a result, the Sheriff's Office requests the use of funds set aside by the CAO and Board of Supervisors in the Termination Designation.

This fiscal year, the Sheriff's Office has also experienced an increase in costs for provision of medical services to inmates. With Public Safety Realignment changing the make up of our inmate population and the length of time those inmates are housed in the jail, the department is beginning to experience an increase in the number of inmates requiring serious and long-term medical services. In this fiscal year, there have been several inmates who have had need for emergency medical attention including surgery and long-term hospitalization. In some cases, these hospitalizations have each cost the Sheriff's Inmate Medical Services budget over \$100,000. As a result, the costs for these services have exceeded the Inmate Medical Services appropriations by approximately \$400,000. Additionally, the retirement of the medical examiner and the transition to the new medical examiner resulted in increased costs that also pushed the Coroner unit over appropriations. The Sheriff is managing the department's operations budgets to absorb these costs. The transfer of appropriations from the Custody Operations appropriations unit to the Inmate Medical Services and Coroners appropriation units will enable the department to process the necessary payments. The detailed transfers are listed in Attachment I.F

A few of the Sheriff's State program revenue sources are funded by the State's Public Safety Realignment, AB 109 and 118. For transparency in reporting, the Auditor-Controller has established Fund 022. For FY 2012-13, a new process was established in which these revenues are deposited in Fund 22 and operating transfers out occur between the General Fund 001 and Fund 022 for realigned programs' payments. In the FY 2012-13 Adopted Budget, the estimated revenues and appropriations for the Sheriff's Office were budgeted in the Fund 001 but the corresponding revenues and operating transfers out were not budgeted in Fund 022. The Sheriff's Office programs included in Fund 22 and their amounts are listed in Attachment I.

OTHER AGENCY INVOLVEMENT:

The County Administrative Office has reviewed the report.

FINANCING:

The Sheriff's Office has worked diligently to increase efficiencies and to hold costs within budget, and has maximized the use of grant funds and other alternative funding sources. However, in these uncertain economic times, it is difficult to anticipate when retirements will occur. Therefore the department could not have anticipated the large number of separations and the resulting \$800,000 in payouts, and is requesting a transfer of funds from the Termination Designation set up by the Board to cover such unexpected costs.

Additionally, the County and the department are continuing to adjust to impacts from State Public Safety Realignment. In the FY 2013-14 Recommended Budget, the CAO and the Board have recognized to need for increased inmate medical funding and have assisted the Sheriff's Office with a budget augmentation. However, in the current fiscal year, the Sheriff's Office has had to make operational adjustments to cover the increased costs in inmate medical. To do this the department will need to transfer appropriations of \$400,000 from Custody Operations to Inmate Medical Services.

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Approved by: Scott Miller, Sheriff-Coroner

Attachments:

Attachment I