



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: 14-709, Version: 1

- a. Approve the transfer of \$885,000 from the General Fund Contingencies Appropriation Code CAO020 to the Sheriff's Office appropriation units SHE001, SHE002, and SHE003 in the amounts of \$600,000, \$100,000 and \$185,000 respectively;
- b. Approve the transfer of \$300,000 from the Termination Designation to the Sheriff's Office appropriation units SHE001 and SHE003, \$85,000 and \$215,000, respectively;
- c. Approve the transfer of \$115,000 in Sheriff's Federal Asset Forfeiture Fund 020 Account 2778 to the Sheriff's Office appropriation unit SHE001; and,
- d. Approve and authorize the Auditor-Controller to increase appropriations in the Sheriff's Office Appropriation Code SHE001 by \$800,000, Appropriation Code SHE002 by \$100,000 and Appropriation Code SHE003 by \$400,000, and decreasing appropriations in General Fund Contingencies, Appropriation Code CAO020 in the amount of \$885,000. (REVISED VIA SUPPLEMENTAL)

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve the transfer of \$885,000 from the General Fund Contingencies Appropriation Code CAO020 to the Sheriff's Office appropriation units SHE001, SHE002, and SHE003 in the amounts of \$600,000, \$100,000 and \$185,000 respectively;
- b. Approve the transfer of \$300,000 from the Termination Designation to the Sheriff's Office appropriation units SHE001 and SHE003, \$85,000 and \$215,000, respectively;
- c. Approve the transfer of \$115,000 in Sheriff's Federal Asset Forfeiture Fund 020 Account 2778 to the Sheriff's Office appropriation unit SHE001; and,
- d. Approve and authorize the Auditor-Controller to increase appropriations in the Sheriff's Office Appropriation Code SHE001 by \$800,000, Appropriation Code SHE002 by \$100,000 and Appropriation Code SHE003 by \$400,000, and decreasing appropriations in General Fund Contingencies, Appropriation Code CAO020 in the amount of \$885,000.

SUMMARY/DISCUSSION:

The Sheriff's Office (MCSO) has reviewed its appropriation units in preparation for the Fiscal Year 2013-14 year end close. In Fiscal Year 2013-14, several bargaining groups and County administration successfully negotiated labor agreement changes that included increases in salaries and benefits for the first time since the start of the recession. Unfortunately, due to the timing of the labor negotiations, the costs associated with the changes were not included in the MCSO's current year budget. The impact to the Sheriff's Office budget was approximately \$1.7 million for FY 2013-14. Over the course of the year, the department has worked to hold cost in order to absorb this increase within the current budget. However, the department will require an augmentation of \$885,000 to cover these costs.

Also in FY 2013-14, the MCSO has experienced a number of retirements that resulted in significant unbudgeted payouts of approximately \$300,000. These costs are associated with payout of benefits such as vacation accruals as well as leave accrual payouts for eleven employees who have left employment with the County. As a result, the Sheriff's Office requests the use of funds set aside in the Termination Designation for

retirement costs that exceed a General Fund Department's ability to cover in current operations.

The Sheriff's Office has also made use of restricted Federal Asset Forfeiture funds to purchase much needed equipment and supplies for various operational units. In the FY 2013-14 Adopted Budget, the department budgeted \$500,000 in appropriations from Fund 020 Account 2778 for these purposes. However, the cost of the equipment purchases totals approximately \$615,000 this fiscal year, necessitating the appropriations increase of \$115,000.

As such, the required appropriations increases for the Sheriff's Office are as follows: Administration and Enforcement Operations Bureaus SHE001 - \$800,000, the Coroner's Unit SHE002 - \$100,000, and the Custody Operations Bureau SHE003 - \$400,000.

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 to address the impacts of the retirement payouts and salary and benefit increase. However, due to the many challenges facing the department including the continued need to adjust to impacts from State Public Safety Realignment, it was not possible to completely absorb these costs.

It is recommended to increase appropriations in the Administration and Enforcement Operations Bureaus SHE001 by \$800,000 to be funded with \$600,000 from General Fund Contingencies, \$115,000 from a transfer from Asset Forfeiture Fund 020, and \$85,000 from a transfer from the Termination Designation. It is also recommended to increase appropriations in the Coroner's Unit SHE002 by \$100,000 to be funded with \$100,000 from General Fund Contingencies. It is further recommended to increase appropriations in the Custody Operations Bureau SHE003 by \$400,000 to be funded by \$185,000 from General Fund Contingencies and \$215,000 transfer from the Termination Designation.

The current balance in the contingencies appropriation is \$2,322,725. This request would lower the contingencies balance to \$1,437,725.

Prepared by: John Guertin, Executive Director
Approved by: Scott Miller, Sheriff-Coroner