



County of Monterey

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

Legislation Details (With Board Report)

File #: 15-0962 **Name:** Increasing Appropriations in the Enterprise Risk Fund
Type: General Agenda Item **Status:** Passed
File created: 8/26/2015 **In control:** Board of Supervisors
On agenda: 9/15/2015 **Final action:** 9/15/2015
Title: Approve and authorize the Auditor-Controller to amend FY 2015-16 by increasing appropriations totaling \$2,400,000 in the Enterprise Risk Fund, 001-1210-8429, Appropriation Unit COU006 offset by the decrease of appropriations in the amount of \$2,400,000 from General Fund Contingencies, 001-1050-8034 Appropriation Unit CAO020 in FY 2015-16 (4/5ths Vote Required).

Sponsors:

Indexes:

Code sections:

Attachments: 1. Board Report, 2. Completed Board Order

Date	Ver.	Action By	Action	Result
9/15/2015	1	Board of Supervisors	approved	

Approve and authorize the Auditor-Controller to amend FY 2015-16 by increasing appropriations totaling \$2,400,000 in the Enterprise Risk Fund, 001-1210-8429, Appropriation Unit COU006 offset by the decrease of appropriations in the amount of \$2,400,000 from General Fund Contingencies, 001-1050-8034 Appropriation Unit CAO020 in FY 2015-16 (4/5ths Vote Required).

RECOMMENDATION:

It is recommended that the Board of Supervisors: Approve and authorize the Auditor-Controller to amend FY 2015-16 by increasing appropriations totaling \$2,400,000 in the Enterprise Risk Fund, 001-1210-8429, Appropriation Unit COU006 offset by the decrease of appropriations in the amount of \$2,400,000 from General Fund Contingencies, 001-1050-8034 Appropriation Unit CAO020 in FY 2015-16 (4/5ths Vote Required).

SUMMARY/DISCUSSION:

Since May of 2013, the County has been defending a lawsuit concerning the conditions of the Monterey County Jail in *Hernandez v. County of Monterey*, et. al. On January 29, 2015, the U.S. District Court Granted Class Certification to Plaintiffs creating a class of “all adult men and women who are now, or will be in the future, incarcerated in Monterey County Jail” and “all qualified individuals with a disability, as that term is defined in 42 U.S.C. § 12102, 29 U.S.C. § 705(9)(B), and California Government Code § 12926(j) and (m), and who are now, or will be in the future, incarcerated in Monterey County Jail.”

In May of 2015, the County reached a tentative settlement of the class action litigation, which has now been approved by the Court. As part of the settlement, Defendants, County of Monterey and California Forensic Medical Group, will pay Plaintiffs’ counsel a total sum of \$4.8 million in attorneys’ fees and costs. The defendants have agreed to split this cost, and, accordingly, the County’s share will be \$2.4 million.

Because of the significant amount of settlement, and the unique circumstances of the County having to defend a class action lawsuit, we are recommending payment of the settlement amount from the Enterprise Risk Fund.

Without the transfer of funds from the General Fund Contingencies, there is not enough money in the Enterprise Risk Fund to cover the settlement amount.

OTHER AGENCY INVOLVEMENT:

The report has been reviewed by the County Administrative Office and the Auditor-Controller's Office. The CAO's office supports the recommendation. The Budget Committee supports this transfer.

FINANCING:

The transfer of \$2,400,000 is needed to comply with the terms of the settlement agreement.

General Fund Operational Contingencies are sourced with one-time funding. Any use of General Fund Contingencies may require reductions in other programs to continue the program. FY2015-16 budgeted General Fund Contingencies is \$5,399,351. Thus far, transfers in the amount of \$3,752,406 from the General Fund Contingencies have been approved by the Board in FY 2015-16. With this requested action the remaining General Fund Operational Contingencies would be \$1,646,945.

Prepared by:

Approved by:

Susan K. Blitch
Senior Deputy County Counsel

Charles J. McKee
County Counsel