



County of Monterey

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

Board Report

File #: 19-0424, **Version:** 1

- a. Authorize and direct the Auditor-Controller to increase appropriations in the CAO's Other Financing Uses, Fund 001, Appropriation Unit CAO017 in the amount of \$32,122.96 in the FY2018-19 Adopted Budget, where the financing source is the release of designation from assignment BSA001-3131 Non-Recoverable Costs for FY2018-19 Measure Z actual expenditures (4/5th vote required); and
- b. Authorize and direct Auditor-Controller to complete an operational transfer of \$32,122.96 out of 001-1050-8038-CAO017 and transfer into the General Liability Internal Service Fund, 475-RISK-1210-8408-COU003 for the FY2018-19 Measure Z expenditures (4/5th vote required). (ADDED VIA ADDENDA)

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Authorize and direct the Auditor-Controller to increase appropriations in the CAO's Other Financing Uses, Fund 001, Appropriation Unit CAO017 in the amount of \$32,122.96 in the FY2018-19 Adopted Budget, where the financing source is the release of designation from assignment BSA001-3131 Non-Recoverable Costs for FY2018-19 Measure Z actual expenditures (4/5th vote required); and
- b. Authorize Auditor-Controller to complete an operational transfer of \$32,122.96 out of 001-1050-8038-CAO017 and transfer into the General Liability Internal Service Fund, 475-RISK-1210-8408-COU003 for the FY2018-19 Measure Z expenditures (4/5th vote required).

SUMMARY/DISCUSSION:

On March 14, 2017, the board transferred \$3,875,000 from the Strategic Reserves (BSA3111) for future expenditures in defense of the County and Measure Z to an assignment named Non-Recoverable Costs. At the same time \$750,000 was released directly to County Counsel of which, only \$358,174 was used in the defense of the County for legal expenses, the remaining balance was returned to BSA3131. In FY2017/18 another \$486,146 was released again for the defense of the County, leaving a balance of \$3,030,680 in the Non-Recoverable Costs assignment BSA 001-3131.

County Counsel - Risk Management Division is requesting the operational transfer of funds from the Non-Recoverable Costs assignment (BSA 001-3131) for the estimated total FY2018-19 Measure Z legal representation expenses incurred by the General Liability Internal Service Fund GL ISF). These costs have not been actuarially allocated to departments, and the GL ISF should be reimbursed from the assignment.

This operational transfer is the second year of BSA 001-3131 reimbursing the General Liability ISF for Measure Z expenditures. Both the BSA 001-3131 and General Liability budgets are adequately funded for the FY2018-19 budget, so no budget appropriation adjustments are needed.

Measure Z legal representation cost to date for FY2018-19 have totaled \$24,922.96 through April 30, 2019 with an estimated \$7,200 still to be expended during the final months of FY2018-19 for a combined total of \$32,122.96.

OTHER AGENCY INVOLVEMENT:

N/A

FINANCING:

Measure Z costs for FY2018-19 estimated to \$32,122.96 to be funded by the Non-Recoverable Costs assignment (BSA-3131).

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Check the related Board of Supervisors Strategic Initiatives:

- ___ **Economic Development** - Through collaboration, strengthen economic development to ensure a diversified and healthy economy.
- X **Administration** - Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.
- ___ **Health & Human Services** - Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for health choices and healthy environments in collaboration with communities.
- ___ **Infrastructure** - Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.
- ___ **Public Safety** - Create a safe environment for people to achieve their potential, leading business and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by:

Valerie Shapton, County Counsel Finance Manager, x. 5685

Approved by:

Leslie J Girard, Chief Assistant. County Counsel, x. 5363

Attachments:

Original RES 17-025 Board Order Resolution

BOS Report 18-620 Measure Z Reimbursement of FY2017-18 Expenditures

FY2018-19 Measure Z Expenditures