



County of Monterey

Item No.

Board Report

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

Legistar File Number: RES 26-045

March 24, 2026

Introduced: 3/18/2026

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Resolution

Authorize and direct the Auditor-Controller to amend the Sheriff's Office Fiscal Year (FY) 2025-26 Adopted Budget by increasing appropriations in SHE003 in the amount of \$4,159,846 financed by a decrease in appropriations in General Fund 001, Contingencies Appropriation Unit CA002 (4/5ths vote required); and

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Authorize and direct the Auditor-Controller to amend the Sheriff's Office Fiscal Year (FY) 2025-26 Adopted Budget by increasing appropriations in SHE003 in the amount of \$4,159,846 financed by a decrease in appropriations in General Fund 001, Contingencies Appropriation Unit CA002 (4/5ths vote required); and

SUMMARY:

The Monterey County Sheriff's Office is requesting to increase the FY 2025-26 Adopted Budget in the amount of \$4,159,846. This request is to cover the deficits in the Corrections Operations Appropriation Unit SHE003.

DISCUSSION:

Following the Mid-Year Estimate projection of an approximate \$4,744,211 shortfall, the Sheriff's Office continues to exercise due diligence in reducing the projected deficit by maintaining internal controls and closely monitoring expenditures to mitigate potential overspending. The Sheriff's Office also meets routinely with the County Administrator's Office to assess the ongoing fiscal year budget and collaboratively identify strategies to address and mitigate the fiscal challenges being faced.

The \$4,744,211 overrun is primarily attributable to increased jail healthcare costs totaling \$4,159,846.

Jail healthcare costs increased as a result of the County entering into a contract with a new healthcare provider, which was implemented on January 1, 2026. The contract was established in an effort to improve both the mental and physical healthcare conditions within the jail system and is consistent with the requirements outlined in the Hernandez settlement agreement. The cost associated with the implementation of this contract for the balance of the fiscal year was not funded in the initial FY 2025-26 budget, resulting in a significant portion of the current fiscal year overrun.

All ongoing discretionary revenue sources have been fully allocated. In light of these circumstances, the Sheriff's Office respectfully requests that the Board allocate the necessary funding to offset the fiscal

impact associated with these unfunded retirement and separation payouts.

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:

The County Administrative Office and County Counsel and County Budget Office have reviewed.

FINANCING:

The Sheriff's Office is requesting the Board of Supervisors increase appropriations and revenues in the Adopted Budget for FY 2025-26 in the amount of \$4,159,846 financed by a decrease in contingencies of \$4,159,846, leaving \$624,873.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:

The proposed recommended actions demonstrate the County's commitment in recruiting, retaining, and attracting a diverse, talented workforce that supports the mission of the County of Monterey.

X Well-Being and Quality of Life

__ Sustainable Infrastructure for the Present and Future

__ Safe and Resilient Communities

__ Diverse and Thriving Economy

__ Dynamic Organization and Employer of Choice

Prepared by: Arthur Curtright, Management Analyst III, Extension #3708

Reviewed by: Jason Smith, Chief Deputy Sheriff, Extension #3801

Reviewed by: Keith Boyd, Undersheriff, Extension #3859

Approved by: Tina Nieto, Sheriff/Coroner, Extension # 3750

Attachment(s):