



# County of Monterey

Item No.

## Board Report

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

Legistar File Number: RES 26-093

June 23, 2026

**Introduced:** 6/9/2026

**Current Status:** Agenda Ready

**Version:** 1

**Matter Type:** BoS Resolution

Authorize and direct the Auditor-Controller to amend the Sheriff's FY 2025-26 Adopted Budget by increasing appropriations in the Sheriff Office appropriation unit SHE001 in the amount \$2,812,761 and appropriation unit SHE003 in the amount of \$454,086 financed by an increase in revenues by \$3,266,847 in Non-Program Revenue in the County Administrative Office budget unit (1050-CAO016-8041). (4/5ths vote required).

### RECOMMENDATION:

Authorize and direct the Auditor-Controller to amend the Sheriff's FY 2025-26 Adopted Budget by increasing appropriations in the Sheriff Office appropriation unit SHE001 in the amount \$2,812,761 and appropriation unit SHE003 in the amount of \$454,086 financed by an increase in revenues by \$3,266,847 in Non-Program Revenue in the County Administrative Office budget unit (1050-CAO016-8041). (4/5ths vote required).

### SUMMARY:

The Monterey County Sheriff's Office (MCSO) requests an increase to its Fiscal Year (FY) 2025-26 Adopted Budget in the amount of \$3,266,847 to address projected year-end deficits in the Administration and Enforcement Operations Appropriation Unit (SHE001) and the Corrections Operations Appropriation Unit (SHE003).

### DISCUSSION:

Total expenditures are projected at approximately \$174.4 million, which is \$3,266,847 above the adopted budget. Revenues are projected to remain on target at approximately \$53.7 million. Throughout the fiscal year, MCSO exercised prudent fiscal management and controlled Services and Supplies expenditures to help offset unbudgeted personnel costs, including overtime and wage increases. Despite these efforts, several significant and unforeseen events created additional financial pressures that could not have been reasonably anticipated during budget development.

On July 15, 2025, the Monterey County Jail experienced a significant power outage that impacted facility operations for several days. The incident resulted in unbudgeted costs totaling \$121,523.69, including diesel fuel for emergency generators, boiler repairs, replacement batteries, power cords and power stations, contractor service calls to connect equipment to generators, overtime staffing costs, and food service expenses resulting from refrigeration failures and the inability of on-duty staff to safely store food. While the County's Risk Management Division is pursuing reimbursement through an insurance claim, no reimbursement has been received to date.

On January 21, 2026, while repairs were being performed on a leaking pipe within the Monterey County Jail, a pressurized water line was inadvertently compromised, resulting in flooding of approximately 3,000 square feet of the new jail facility, including office space and elevator systems. Water mitigation, facility repairs, and elevator recertification costs totaled \$197,474.39. These expenditures were unbudgeted and necessary to restore facility operations and ensure the safety and functionality of critical infrastructure. While the County's Risk Management Division is pursuing reimbursement through an insurance claim, no reimbursement has been received to date.

Additionally, MCSO incurred approximately \$150,000 in unanticipated and unbudgeted heating, ventilation, and air conditioning (HVAC) repairs during the fiscal year.

Although MCSO successfully maintained overall Services and Supplies expenditures within budget, these emergency and unplanned costs significantly reduced the available savings that would otherwise have been used to offset personnel-related deficits.

The primary driver of the projected budget overrun is personnel costs. The Sheriff's Office budgeted \$4,183,984 for overtime expenditures in FY 2025-26. As of May 29, 2026, actual overtime expenditures totaled \$11,560,365, exceeding the budget by \$7,376,381. Overtime expenditures are largely attributable to mandatory staffing requirements and operational demands. When positions are vacant or employees are unavailable due to scheduled leave, illness, injury, training, retirement, or other unanticipated absences, shifts must be backfilled to maintain safe and effective operations. These staffing needs are difficult to predict and cannot be fully budgeted in advance.

Within the Corrections Bureau, overtime is required to maintain minimum staffing levels and ensure compliance with the Hernandez settlement agreement. Failure to provide adequate staffing would jeopardize the County's compliance obligations and could expose the County to significant legal and operational risks. Within Enforcement Operations, overtime is necessary to maintain minimum staffing levels, respond to emergency incidents, provide patrol coverage throughout Monterey County, support municipal law enforcement agencies when requested, and maintain operational readiness of specialized units, including the SWAT Team, Bomb Team, Search and Rescue Team, and Dive Team.

In addition to overtime expenditures, MCSO incurred \$646,458 in unbudgeted retirement payout obligations associated with the retirement of 15 employees during FY 2025-26. These costs were not budgeted during budget development and further contributed to the personnel cost overrun.

The requested budget increase of \$3,266,847 reflects known expenditure projections as of May 29, 2026. The request does not include any additional unforeseen costs that may arise prior to the close of the fiscal year on June 30, 2026, such as emergency facility repairs or other operational contingencies.

Despite these challenges, MCSO remains committed to prudent fiscal management and continues to closely monitor expenditures while implementing cost-control measures wherever possible. The Sheriff's Office will continue its efforts to reduce the projected deficit prior to fiscal year-end while maintaining essential public safety, law enforcement, and custodial operations for the residents of Monterey County.

**OTHER AGENCY INVOLVEMENT:**

Throughout the fiscal year the Sheriff's Office has maintained communication with the County Administrator's Office regarding the ongoing status of the Sheriff's Office budget.

**FINANCING:**

The requested increase in appropriations will be financed by an increase in unanticipated Property Tax revenue in the non-program revenue budget unit in the County Administrative Office. For FY 2025-26, the County budgeted \$234,511,046 in Property Tax revenue, as of June 7, 2026 the County has received \$238,838,609 and overall increase over the budgeted amount of \$4,327,563. This increase is sufficient to fund the additional appropriations required by the Sheriff Office.

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):  
Resolution