Introduced: 5/8/2025 **Current Status:** Agenda Ready

Version: 1 **Matter Type:** Budget Committee

a. Support approval of the increase in appropriations of the Sheriff's Fiscal Year (FY) 2024-25 Adopted Budget in Appropriation Unit SHE001 amounting to $4,247,891 financed by a reduction in appropriations in SHE003 by $4,247,891; and
b. Support authorizing and directing the Auditor-Controller to amend the Sheriff's FY 2024-25 Adopted Budget by increasing appropriations in SHE001 in the amount $2,001,456 and SHE003 in the amount of $1,578,139 financed by a decrease in appropriations of $3,579,595 in General Fund 001, Contingencies Appropriation Unit CAO020.

RECOMMENDATION:
It is recommended that the Board of Supervisors:
a. Support approval of the increase in appropriations of the Sheriff's Fiscal Year (FY) 2024-25 Adopted Budget in Appropriation Unit SHE001 amounting to $4,247,891 financed by a reduction in appropriations in SHE003 by $4,247,891; and
b. Support authorizing and directing the Auditor-Controller to amend the Sheriff's FY 2024-25 Adopted Budget by increasing appropriations in SHE001 in the amount $2,001,456 and SHE003 in the amount of $1,578,139 financed by a decrease in appropriations of $3,579,595 in General Fund 001, Contingencies Appropriation Unit CAO020.

SUMMARY/DISCUSSION:
When the Monterey County Sheriff's Office FY 2024-25 Baseline Budget was entered, the budgeted amounts for the Cost Plan Charges for appropriation units SHE001 and SHE003 were inadvertently swapped. When the Cost Plan Charges were posted, this caused a deficit in appropriation SHE001 of $4,247,891.

The Monterey County Sheriff's Office (MCSO) is also requesting to increase the Fiscal Year (FY) 2024-25 Adopted Budget in the amount of $3,579,595. This request is to cover the deficits in the Administration and Enforcement Operations Appropriation Unit SHE001 and Corrections Operations Appropriation Unit SHE003.

Expenditures are estimated at $161.360 million or $3.579 million higher than budget, while revenues are estimated to be on target at approximately $53 million.

After the Mid-Year Estimate projection of an approximate $7 million shortfall, MCSO has exercised due diligence in reducing the projected shortfall by implementing stronger internal controls to mitigate any overspending. Procurement card spending was greatly reduced by cancelling eight unnecessary procurement cards and requiring the use of purchase orders to better track expenditures. Overtime

was reduced by scheduling range days and other mandatory trainings during regular duty time, whenever possible. However, there were and are unexpected and unbudgeted charges that the Department will not be able to fully absorb.

The $3.579 million overrun in payroll costs are due to various unbudgeted costs. All bargaining units within the Sheriff's Office were granted wage increases ranging from 2% - 4%, which were not budgeted. In addition, in the first half of the fiscal year, the Monterey County Sheriff's Office hired 24 Deputy Sheriff-Recruits, all of which attended the Basic Police Academy for 6 months. After graduation, the Deputy Sheriffs enter a Field Training program for a minimum of 3 months. Although these 24 Deputy Sheriffs are filling a position, they are not able to contribute to decreasing overtime costs until at least 9 months after their initial hire date. For these 9 months, overtime was used to cover minimum staffing requirements. In addition, when positions are vacant or employees are off work due to unanticipated leave, those shifts must be backfilled. This overtime use is completely unpredictable and impossible to budget. Therefore, it is inevitable to incur overtime to fill the mandatory positions and to provide law enforcement and protection services to the public.

In addition, the need to hire temporary employees to fill critical functions amounts to an unbudgeted $407,870. These temporary professional staff provide support to Coroner and Investigations Unit, Civil, Records and Warrants, Jail, Fiscal and IT divisions. The Sheriff's Budget has increased significantly in the past ten years; however, the number of professional staff did not increase in proportion with the increase in operational needs. These temporary professional staff are critical in providing support to the overall operations of the Sheriff's Office.

The $3.579 million requested amount is based upon known factors as of May 1, 2025. It does not include any unexpected expenditure that may occur before June 30th such as emergency repairs in the jail. However, the Sheriff's Office remains diligent in our efforts to reduce our deficit further prior to the end of the fiscal year.

OTHER AGENCY INVOLVEMENT:
The County Administrative Office has reviewed the report.

FINANCING:
The requested increase in appropriations will be financed by a decrease in appropriations of $3,579,595 in General Fund 001, Contingencies Appropriation Unit CAO020, reducing the available balance to $2,567,320.

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Attachments:
Board Report
Attachment A