



COUNTY OF HUMBOLDT

AGENDA ITEM NO.

C-5

For the meeting of: August 22, 2017

Date: July 21, 2017

To: Board of Supervisors

From: Amy S. Nilsen, County Administrative Officer *AN*

Subject: Transfer from General Fund Contingencies (requires 4/5 vote)

RECOMMENDATION(S):

That the Board of Supervisors approve a transfer from Contingencies (1100-990) (Attachment A) for fiscal year (FY) 2016-17 in the amount of \$205,832 for unanticipated expenditures in the Courts-County Contribution (1100-250) and to the State Trust fund (3720) to cover expenses associated to a Revenue Recovery Audit finding (requires 4/5 vote).

SOURCE OF FUNDING: General Fund

DISCUSSION:

The Courts-County Contribution (1100-250) had a General Fund allocation of \$405,648 to provide outside counsel, investigators and experts for indigent defense that could not be assigned to the Humboldt County Public Defender Offices. Additionally utility costs for the state court areas are paid from this budget unit. There are unexpected overages totaling an estimated \$205,000 for FY 2016-17. The overdrafts in the services and supplies are due to an increase in homicide trials and court appointed counsel. In addition, there has been a marked increase in the number of mentally ill defendants who require competency exams to be conducted by expert psychologists. A number of overlapping mandates from the United States

Prepared by Elishia Hayes

CAO Approval *[Signature]*

REVIEW:

Auditor *WBSK* County Counsel _____ Human Resources _____ Other _____

TYPE OF ITEM:

- Consent
- Departmental
- Public Hearing
- Other _____

PREVIOUS ACTION/REFERRAL:

Board Order No. 5/2/17

Meeting of: I-1

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT

Upon motion of Supervisor *Wilson* Seconded by Supervisor *Fennell*

- Ayes *Sundberg, Fennell, Bass, Bohn, Wilson*
- Nays _____
- Abstain _____
- Absent _____

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: *Aug. 22, 2017*
By: *[Signature]*
Kathy Hayes, Clerk of the Board

to be conducted by expert psychologists. A number of overlapping mandates from the United States Constitution to the California Penal Code require the county to provide indigent defense. Increased costs in family law-assigned counsel also continued to exceed projections.

In addition, on May 2, 2017 through the mid-year budget review, a contribution to other funds (1100-199) totaling \$65,282 was completed in compliance with the State Controller's Office audit finding that Revenue Recovery had under remitted revenues to the State Treasurer. The county had a balance due to the State Treasurer totaling \$93,282. This balance was offset by \$28,000 in the State Trust fund for balances previously collected by Revenue Recovery. The balance available in the trust fund was overstated by \$832. Therefore a transfer from contingencies is required in order to bring the State Trust fund to a positive balance.

It is recommended that the Board approve the attached transfer (Attachment A) in the amount of \$205,000 from the General Fund Contingency to the Courts-County Contribution budget (1100-250) and \$832 from General Fund Contingency to the State Trust fund (3720) in order to balance and close the FY 2016-17 budget.

FINANCIAL IMPACT:

Unexpected costs created additional spending in the Courts-County Contribution budget totaling \$205,000. These expenses have been incurred and were required to provide mandated services in FY 2016-17. The impacted budget unit had no additional revenues available to cover the increased costs and therefore a transfer from Contingencies is required. In addition, a transfer from Contingencies in the amount of \$832 is required to balance funds submitted to the State Treasurer in compliance with the State Controller audit finding. The current balance in the General Fund Contingency Account for FY 2016-17 is \$2,104,394. The approval of this transfer will obligate 11 percent of the county's contingency funding resulting in an ending balance of \$1,898,562.

The transfers from contingencies support the Board's Strategic Framework by protecting vulnerable populations and enforcing laws and regulations to protect residents; and to safeguard public trust by managing resources to ensure sustainability of services.

OTHER AGENCY INVOLVEMENT: None

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board may choose not to approve the appropriation transfer. However, the Auditor's office is not able to process remaining payments and close FY 2016-17 until each budget unit balances. In order to do this, other funds would have to be identified to cover the outlined expenses.

ATTACHMENTS: Request for Budget Appropriation Transfer/Adjustment

COUNTY OF HUMBOLDT
REQUEST FOR BUDGET TRANSFER/ADJUSTMENT

A _____

DEPARTMENT: Courts County
Contribution

DEPARTMENT #: 250

POSTING DATE: 6/30/2017

1.) The reason for this budget transfer request is:

_____	Transfer within expenditure/revenue category (with Auditor Approval)	Original only
_____	Transfer between expenditure/revenue category (with CAO & Auditor Approval)	Original +1
_____	Increase/decrease Intrafund Transfer account (with Board Approval)*	Original +1
<u>X</u>	Transfer to or from Contingencies (with Board Approval)*	Original +1
_____	Increase/decrease budget unit appropriation (with Board approval)*	Original +1
_____	Establish/transfer funds in Fixed Assets <\$10,000 (CAO & Auditor Approval)	Original +1
_____	Establish/transfer funds in Fixed Assets >\$10,000 (with Board Approval)*	Original +1

Amount:	Transfer to Account:	Transfer from Account:
\$ 205,000.00	1100250-2574	1100990-2010
\$		

3.) In the space below, state (a) reason for transfer request, (b) reason why there are sufficient balances in affected accounts, and (c) why transfer cannot be delayed until next budget year.

a. See attached agenda item
b.
c.

4.) Department Authorization: _____ Date _____ (signed) _____

5.) Account balances verified by Auditor-Controller Date 8/16/17 (signed) [Signature]

6.) /Approved /Not approved /Recommended /Not recommended
County Administrative Officer: _____ Date 8/18/17 (signed) [Signature]

INSTRUCTIONS

SEND ORIGINAL REQUEST FOR BUDGET TRANSFER DIRECTLY TO THE AUDITOR-CONTROLLER.

* Requires copy of Board Order to be attached

Posted by _____