



COUNTY OF HUMBOLDT

Legislation Text

File #: 18-1057, **Version:** 2

To: Board of Supervisors

From: County Administrative Office

SUBJECT:

Transfer from General Fund Contingencies (4/5 Vote Required)

RECOMMENDATION(S):

That the Board of Supervisors approve a transfer from Contingencies (1100-990) (Attachment A) for fiscal year (FY) 2017-18 in the amount of \$612,873 for unanticipated expenditures in the Courts-County Contribution (1100-250) and Medical Care budget (1100-490) (4/5 vote required).

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. A number of overlapping mandates from the United States Constitution to the California Penal Code require the county to provide indigent defense. Additionally utility costs for the state court areas are paid from this budget unit. There are unexpected overages totaling an estimated \$547,100 for FY 2017-18. The overdrafts in the services and supplies are due to an increase in homicide trials and court appointed counsel, a marked increase in the number of mentally ill defendants who require competency exams to be conducted by expert psychologists, an increase in family law-assigned counsel and an increase in transcript costs. In addition, trial court revenues are lower than anticipated as this is a revenue source that is difficult to accurately estimate due to mitigating factors such as crime rates, prosecution caseload and a defendant's ability to pay.

The Medical Care budget unit (1100-490) had a General Fund allocation of \$1,833,801 for medical services offered in the Humboldt County Correctional Facilities through contracted services with the California Forensics Medical Group (CFMG). There are unexpected overages of \$65,773 for FY 2017-18. The agreement with CFMG sets forth terms that the County of Humboldt is responsible for cases where extensive medical treatment, also known as catastrophic care, is necessary and exceeds \$15,000 for outside medical expenses. At mid-year review, the line item for catastrophic care was increased by \$30,000 to account for an increase in costs. Between January 2018 and June 30, 2018, the cost for jail medical expenses has exceeded the anticipated adjusted budget. Therefore, this supplemental budget reflects year-end adjustments required to reimburse CFMG for services rendered and expenses incurred in FY 2017-18. The agreement for services covers expenses related to the medical care of inmates at the Humboldt County Correctional Facility, Juvenile Hall, and North Coast Regional Facilities.

Staff recommends that the Board approve the attached transfer (Attachment A) in the amount of \$547,100 from the General Fund Contingency to the Courts-County Contribution budget (1100-250) and \$65,773 from General Fund Contingency to the Medical Care budget (1100-490) in order to balance and close the FY 2017-18 budget.

FINANCIAL IMPACT:

Unexpected costs created additional spending in the Courts-County Contribution budget totaling \$547,100. These expenses have been incurred and were required to provide mandated services in FY 2017-18. 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 \$65,773 for additional inmate medical care provided by CFMG is also necessary.

The General Fund Contingency is funding set aside in a yearly budget to be used for unforeseen circumstances. Using Contingencies for this purpose allows the county to continue providing services when other revenue sources are unavailable. The current balance in the General Fund Contingency account for FY 2017-18 is \$1,920,000. The approval of this transfer will obligate 31 percent of the county's contingency funding resulting in an ending balance of \$1,307,127.

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 2017-18 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

PREVIOUS ACTION/REFERRAL:

Board Order No.: F-1

Meeting of: 2/6/18