



Board Agenda Item 28

DATE: October 9, 2018

TO: Board of Supervisors

SUBMITTED BY: Margaret Mims, Sheriff-Coroner
Steven E. White, Director, Public Works & Planning
Jean M. Rousseau, County Administrative Officer

SUBJECT: Budget Resolution to Establish Resources for Jail Improvement Projects

RECOMMENDED ACTION(S):

- 1. Adopt Budget Resolution increasing FY 2018-19 appropriations in the Interest and Miscellaneous Expenditures Org 2540 in the amount of \$4,388,998 to allow for the transfer of cash from the General Fund to the Jail Improvements Org 8852 in the amount of \$4,388,998 (4/5 vote); and,**
- 2. Adopt Budget Resolution increasing the FY 2018-19 estimated revenues in the Jail Improvements Org 8852 in the amount of \$4,388,998 (4/5 vote).**

There is an increase to Net County Cost in the amount of \$4,388,998 associated with the first recommended action. Unassigned Fund Balance in the amount of \$4,388,998 is available in the General Fund and will be used to support the increase in appropriations for the recommended action. The original source of the Unassigned Fund Balance was encumbered in the Capital Projects Fund Jail Improvements Org 8852 (Org 8852) to be spent on Main and North Annex Jail Americans with Disabilities Act (ADA) modifications, Main Jail roof exercise yard, Jail security improvements in the lobby, and the South Annex Jail repairs. Although the appropriations were budgeted in Org 8852, the related cash was not transferred from General Fund Org 2540, resulting in a negative cash balance in Org 8852. This related cash fell back to Unassigned Fund Balance in the General Fund. Approval of the recommended actions will increase appropriations in the General Fund, Interest and Miscellaneous Expenditures Org 2540 (Org 2540) to allow for the transfer of cash from the General Fund to Org 8852 (\$4,388,998) to provide funding for the costs associated with jail improvement projects. Org 8852 FY 2018-19 Adopted Budget included sufficient appropriations and your Board's approval of the second recommended action will allow an Operating Transfer In to increase estimated revenues and the transfer of the related cash. This item is countywide.

ALTERNATIVE ACTION(S):

If your Board does not approve the recommended actions, Org 8852 will continue to have a negative cash balance and accrue negative interest.

FISCAL IMPACT:

There is a \$4,388,998 increase in Net County Cost associated with the first recommended action. Org 8852 FY 2018-19 Adopted Budget includes sufficient appropriations for the jail improvement projects. Approval of the recommended actions will increase the FY 2018-19 appropriations in the amount of \$4,388,998 as an Operating Transfer Out in Org 2540 using Unassigned Fund Balance to allow for an Operating Transfer In

from the General Fund to Org 8852. The \$4,388,998 in Unassigned Fund Balance use relates to funding from prior years for the Main and North Annex Jail ADA modifications, Main Jail roof exercise yard, Jail security improvements in the lobby, and South Annex Jail repairs. The unused Org 2540 appropriations fell back to Unassigned Fund Balance of the General Fund. The use of the Unassigned Fund Balance will cause an increase in Net County Cost.

DISCUSSION:

FY 2017-18, Org 8852 included \$6,390,850 in appropriations from current and prior years and received \$2,001,852 in FY 2017-18 in transfers. Prior to FY 2017-18, appropriations were established in Org 8852, but the related cash was not moved creating a cash deficit in Org 8852. The projects, most of which were re-budgeted from prior years, included:

South Annex Jail Repairs	\$1,653,629
Main and North Annex Jail ADA modifications	\$3,419,668
Jail Improvement Projects - security improvements in the lobby	\$1,000,000
Main Jail Roof Exercise Yard	\$317,533

The expenditures during FY 2017-18 totaled \$1,696,968:

South Annex Jail Repairs	\$0
Main and North Annex Jail ADA modifications	\$1,410,369
Jail Improvement Projects - security improvements in the lobby	\$220,778
Main Jail Roof Exercise Yard	\$65,821

The projects are ongoing; however, since the appropriations in Org 2540 were not spent the cash fell back to Unassigned Fund Balance of the General Fund. A total of \$4,693,884 in Org 8852 encumbrances was re-budgeted in the FY 2018-19 Adopted Budget but the corresponding transfer (\$4,388,998) from the General Fund was not budgeted.

The Org 8852 FY 2018-19 Adopted Budget includes appropriations for the following projects:

South Annex Jail Repairs	\$1,653,630
Main and North Annex Jail ADA modifications	\$2,009,300
Jail Improvement Projects - security improvements in the lobby	\$779,222
Main Jail Roof Exercise Yard	\$251,732

With your Board's approval, the recommended actions will increase appropriations in Org 2540, to allow for the transfer of cash (\$4,388,998) from the General Fund to Org 8852 for the jail improvement projects.

REFERENCE MATERIAL:

BAI #26, October 31, 2017

BAI #8, September 27, 2016

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Budget Resolution (Org 2540)

On file with Clerk - Budget Resolution (Org 8852)

CAO ANALYST:

Jeannie Z. Figueroa