



**BOARD OF SUPERVISORS
AGENDA LETTER**

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:

Submitted on:
(COB Stamp)

Department Name: County Executive Office
Department No.: 012
Agenda Date: July 15, 2025
Placement: Departmental Agenda
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: 4/5

TO: Board of Supervisors
FROM: Department Director(s): Mona Miyasato, County Executive Officer
Contact: Paul Clementi, Budget Director
SUBJECT: FY 2024-25 Sheriff's Office Fiscal Year End Budget Revisions to Address Shortfall

DocuSigned by:

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County Counsel Concurrence

As to form: Yes

Other Concurrence: CEO Budget

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Affirm, ratify and approve Budget Revision Request No. 0010504 to establish appropriations of \$1,767,200 in Sheriff's Office General Fund for Salaries and Benefits for Deputy Sheriff's Association side letter salary costs in fiscal year 2024-25 funded by a transfer from General County Programs in the amount of \$1,767,200.
- b) Affirm, ratify and approve Budget Revision Request No. 0010648 to establish appropriations of \$2,400,000 in Sheriff's Office General Fund for Salaries and Benefits for excess overtime costs in fiscal year 2024-25 funded by a transfer from General County Programs in the amount of \$2,400,000.
- c) Determine that the above actions are not a project under the California Environmental Quality Act (CEQA), because pursuant to sections 15378(b)(4) and 15378(b)(5) the recommended actions consist of organizational, administrative, or fiscal activities of government that will not result in direct or indirect physical changes in the environment.

Summary Text:

This matter is before the Board to affirm, ratify and approve the request of an approximately \$4.2 million increase to the Sheriff's Office fiscal year (FY) 2024-25 salaries and benefits budget. This budget revision is due to greater than anticipated overtime of \$2.4 million, originally anticipated at \$1.1 million, and increased salary and benefit costs related to the August 2024 side letter with Deputy Sheriffs' Association of \$1.8 million, which was anticipated to be covered with the release of funds

held for this purpose. Funding for the increase would come from a one-time General Fund set aside in the General County Programs department.

The Auditor-Controller, under the authority granted by the Board on June 3, 2025 to compile and record revisions of appropriations necessary to close the County's accounting records for all County Funds effective for the Fiscal Year ending June 30, 2025, has already made the proposed revisions to the Sheriff's budget so that the department may continue to make required payments and close its FY 2024-25 accounting records.

Discussion:

The budget revisions are to make a \$4.2 million adjustment to the Sheriff's Office budget for the close of FY 2024-25 (2% on an adjusted budget of \$219 million), \$1.8 million of which represents the balance of expected costs associated with the Deputy Sheriffs' Association (DSA) side letter approved in August 2024. The remaining \$2.4 million budget revision is \$1.3 million greater than the \$1.1 million impact reported to the Board at the close of the third quarter on June 3, 2025. Further details on contributing factors are:

1. **Unusually high overtime use, especially in custody operations.** In FY 2024-25, overtime costs are anticipated to reach \$20.4 million, which is approximately \$2.5 million more than the prior fiscal year. Of this increase over prior year, \$2 million is in custody operations, which saw a total of \$12.6 million in overtime expenditures in the current year.

The growth in costs is primarily driven by an increase of approximately 23,000 gross overtime hours compared to the prior fiscal year (8% increase). Vacancy rates for custody deputies have been decreasing from 16.7% to 7.4% over the past 12 months, indicating less salary savings to cover overtime costs.

According to the Sheriff, some of the increased cost can be attributed to overtime needed while new hires are in training or unable to fill post positions and would be expected to decline in future years as new hires become productive in their post and employee turnover stabilizes. Planned work at the Northern Branch Jail and Main Jail may bring operational efficiencies that will require less staffing than the current jail system operation.

However, CEO staff will need to further evaluate the 8% increase in overtime hours over the prior year and understand how overtime is tracked and managed by the department.

2. **Increased salary costs approved after budget adoption.** Salary increases and other one-time payments included in the August 2024 DSA side letter were not included in the FY 2024-25 adopted budget. These costs have used some of the budgeted salary savings that is historically used by the department to offset overtime costs. Overtime costs also appear greater as a result of the salary increases.

In addition to the budget adjustment of \$1.8 million requested with this Board Letter for side letter salary increases and voluntary overtime incentive costs, funding of \$1.7 million was previously provided to the Sheriff's Office for the side letter longevity and one-time lump sum payments.

(Other adjustments to the Sheriff's budget that were already made and not part of the identified shortfall include \$2.2 million for increased costs related to the one-year extension and new jail medical healthcare contract and \$2 million for Proposition 172 overhire and/or overtime costs, both of which were funded by a General County Programs set aside intended for these purposes.)

The Auditor-Controller's Office has already made the budget revisions proposed in Attachments A and B, which were necessary to close the County's accounting records for FY 2024-25. Therefore, it is requested that the Board affirm, ratify and approve these revisions.

Further analysis of the shortfall is in process and will be presented to the Board as part of the CEO's FY 2024-25 fourth quarter budget report in early September.

In light of the increased overtime usage, despite declining vacancy rates in custody operations, the CEO has requested that the Auditor-Controller conduct a review of Sheriff's Office overtime usage.

Background:

The Sheriff's Office historically has exceeded budget for overtime expenditures due to vacant staff positions or unexpected events (i.e. emergencies, uncompensated mutual aid, etc.). The salary savings from position vacancies has generally covered the cost of the overtime deficit. In the past 5 years, the Sheriff has had a negative year-end position the following years, although the General Fund and County overall ended with balanced budgets or surpluses:

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Total Sources	151,138,249	161,938,991	174,664,374	188,241,361	201,825,575
Total Uses	156,384,906	162,485,135	175,102,072	189,826,656	201,794,487
Net Financial Impact	(5,246,657)	(546,144)	(437,699)	(1,585,295)	31,089

The County's Budgetary Control and Responsibility Policies outline the following processes required by department heads for maintaining departmental expenditure levels within approved budget appropriations:

- A. If expenditures are projected to exceed appropriations, the department head responsible for the budget shall perform one or more of the following steps in the following order:
 - 1) Lower the expenditure level to maintain overall expenditures within the total amount budgeted,
 - 2) Request a transfer from fund balance within the same department and fund under the department head's control (if available for appropriation),
 - 3) Prepare a transfer request from General Fund Contingency and an agenda item for the Board of Supervisors with a memo to the County Executive Office, providing adequate justification.
- B. If, at the end of a fiscal year, a department budget has over-expended its appropriation and/or under-realized its revenue, the department head responsible for that budget will report in writing to the Board of Supervisors by the third Board of Supervisors' meeting following the fiscal year, explaining the reasons therefore.
- C. California Government Code Section 29121 provides that department heads may be held personally liable for their departmental over expenditures. The Board of Supervisors reserves the right to apply this law in instances of a department heads' failure to adhere to the procedures outlined in this policy.

Costs related to the jail are County costs and required to be paid by the County, and it appears that \$2 million of the \$2.5 million in overtime costs are related to custody operations.

Fiscal and Facilities Impacts:

The proposed action recognizes \$4.2 million in additional General Fund costs within the FY 2024-25 Sheriff's Office budget that are funded with the release of one-time set aside in the General County Programs Department.

Attachments:

Attachment A – Budget Revision Request # 0010504 - Balance of DSA Side Letter Costs

Attachment B – Budget Revision Request # 0010648 - FY 2024-25 Budget Shortfall

Contact Information:

Paul Clementi
Budget Director
pclementi@countyofsb.org