



**BOARD OF SUPERVISORS  
AGENDA LETTER**

**Agenda Number:**

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

**Department Names:** County Executive Office (CEO)  
**Department No:** 012  
**For Agenda Of:** October 18, 2022  
**Placement:** Departmental  
**Estimated Tme:** 1 hour  
**Continued Item:**  
**If Yes, date from:** N/A  
**Vote Required:** Majority

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**TO:** Board of Supervisors  
**FROM:** Department Directors  
Contact Info: Nicole Parmelee, Fiscal & Policy Analyst  
Mona Miyasato, County Executive Officer  
Nancy Anderson, Assistant County Executive Officer

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**SUBJECT:** Report on Sheriff-Coroner Overtime Usage and Costs, and Proposed Budget Development Policy for Overtime Mitigation

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**Recommended Actions:**

It is recommended that the Board of Supervisors:

- a) Receive and file a report on Sheriff-Coroner Office overtime usage and costs;
- b) Approve a budget development policy for Fiscal Year 2023-24 maintaining a \$2 million set-aside in General County Programs Proposition 172 fund balance, only to be released each year upon review and recommendation of the County Executive Office and approval by the Board of Supervisors, to mitigate baseline overtime usage in the Sheriff-Coroner Office at year-end as defined in this report and reimbursement for the New Hire Incentive Program or other recruitment efforts pre-authorized by the County Executive Office;
- c) Provide other direction, as appropriate; and
- d) 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:** In four of the last five years, the Sheriff-Coroner Office (Sheriff) has ended the year with a negative net financial impact. This deficit is made up by General Fund savings from other departments or excess discretionary revenue. A common driver for the over-spending is significant overtime from the

inability to fill budgeted positions. With fewer staff overall, existing staff are required to work overtime to maintain fixed post levels required. This is not a new issue, although reasons for the vacancies have varied year to year.

At the same time, the Sheriff—like other departments—annually faces cost increases that place additional pressure on the budget. These include increased costs of operations, insurance, capital maintenance and equipment, technology needs, service provider/vendor contracts, and Board-requested program expansion requests. Some of these needs are addressed by the CEO's Office with increased budget allocations; others are expansions brought forward to the Board at hearings. Many requests remain unfunded due to limited availability of resources.

While over the past five years the Sheriff's budget deficit is only, on average, 1.7% of the department's entire General Fund budget, these increased costs prevent a clear picture of funding needs, while automatically redirecting discretionary funding that the Board could otherwise spend on priority needs both in and outside of the Sheriff's department.

For several years, Supervisors have asked what is an appropriate funding level for the Sheriff, and how can that be developed to ensure consistency in annual budgeting, transparency and accountability of how funds are spent, and adequacy to meet mandated requirements and priority, discretionary programs. In May 2022, your Board directed the CEO's Office to develop and propose policy recommendations for longer-term fiscal planning regarding the Sheriff, and in particular the overtime cost drivers.

### **Observations and Findings**

This report (Attachment A) provides an analysis of data and information over the past five years and makes the following observations:

1. The main driver of cost issues in the Sheriff's budget is overtime in both the Custody Branch and the Law Enforcement Branch. In the last five years, the average overtime cost has been \$4.6 million in the Custody Branch and \$5.1 million in the Law Enforcement Branch, with Custody usage trending significantly upwards in FY 2021-22 and in the current year.
2. When positions are vacant, existing staff are required to work overtime to backfill the needed post positions. Over the last five years, the average sworn vacancies have totaled 26.6 FTE (15.8 for Custody and 10.8 for Law Enforcement). Vacancies have recently increased in both branches, and overtime is currently trending to exceed \$17 million by year-end, while additional salary savings will offset much of the overtime cost. The difficulty filling positions is due to internal challenges, as well as external factors, including competition and public sentiment regarding law enforcement. Law enforcement agencies both locally and across the country are struggling to recruit and retain sufficient personnel. At present, the Sheriff is experiencing approximately a 10% vacancy rate, while some other local agencies are running as high as 20-25% vacancy. The department has tried new approaches to filling vacancies in recent years with some success, and the department has indicated the Human Resources teams are working hard to expand recruiting capacity and hire qualified candidates. (See Atch A: pgs. 2-5 for more detail)
3. Beyond position vacancies, the impact of "soft vacancies," which includes training and all forms of leave, also contributes to overtime usage. This includes the initial 8-10-month training period before a new deputy is able to staff a post. Staffing for a relief factor accounts for these soft vacancies and minimizes the need for overtime, as found in both the Santa Maria experiment and

when Custody personnel were added prior to the staffing and opening of the Northern Branch Jail. (See Atch. A: pg. 5)

4. The Sheriff has incurred an average budget deficit of \$2.7 million annually over the last five years.
5. The Sheriff's budget for overtime expenses is currently \$4.1 million, while the range of actual annual costs over the past five years has been \$8.1-12.4 million. The budgeted amounts have not been based on actual anticipated costs. The available time coding data does not currently allow for the department to track to the level of detail needed to account for baseline overtime costs that exclude vacancy-related overtime. The CEO's Office will work with the department to help establish a data tracking and reporting methodology to achieve this over the coming months so it can be analyzed in sufficient detail beginning July 1, 2023.
6. The department indicated it is attempting to appropriately align its operations within budget, and to minimize the need for unbudgeted overtime, including through implementing the Custody Rolling Housing Reduction Plan, applying their critical minimum staffing policy to align law enforcement patrol staffing with operational demand, temporarily holding open funded specialty positions to focus scarce law enforcement resources on meeting patrol services needs, and evaluating on a biweekly basis its use of overtime, hard and soft vacancy rates, and other factors that could drive staffing needs. The department stated that it compares actual overtime usage with current staffing levels, lost time, and demand surges, to ensure that increases are accounted for and consistent with policy/direction. As indicated in point #5 above, the CEO's Office will work with the department to better track and understand specific cost drivers to allow for more granular analysis of baseline overtime costs.
7. In FY 2018-19, the Board set aside one-time funding of \$2 million for implementation of the Sheriff's overtime reduction plan. This funding could be released once hiring of staff positions was almost at capacity so the department could fill additional positions. Because hiring has not reached a level to exceed the Sheriff's funded positions on an annual basis, this fund was not previously drawn upon prior to the release of \$438,000 in FY 2021-22 to close the department's budget gap.
8. The Sheriff has annually requested funding for existing or new programs. While the Board has funded several requests in the past, it is challenging to allocate General Fund dollars for new positions when existing funded positions cannot be filled. The department indicated that expansion requests have often been tied to adding back former positions/capabilities, as many discretionary General Fund positions were lost during the Great Recession, which contributed to the current staffing challenges due to lack of needed relief factor. The KPMG report also found there has been a reduction of General Fund positions (of which the majority were related to core sworn positions), and increase in Northern Branch Jail staffing and non-General Fund positions (e.g. for grants, contracts, staffing, cannabis compliance, etc.), which has resulted in limiting the ability of positions to flex where the needs are greatest.
9. In large part, the current and future pressure on the Sheriff's budget is due to jail operations. In addition to the existing overtime and staffing issues, other challenges include that the Northern Branch Jail is projected to require more discretionary General Fund than was planned through the 10-year jail funding plan; renovation of the Main Jail will require more staffing during the renovation period; and jail medical and other costs to address the disability rights settlement have increased annual jail costs and staff time required to track operational compliance.
10. In light of these pressures, the Board and CEO have authorized various studies to review Sheriff costs in recent years:
  - a. General staffing levels: In FY 2020-21, KPMG recommended a demand-based, workload-driven process to optimize staffing and service levels. This requires data-intensive mapping and real-time analysis, which the department has indicated may not be fully implemented

- per KPMG recommendations, although the critical minimum staffing analysis has been implemented countywide. Without the level of data granularity contemplated by KPMG, it is difficult to evaluate the appropriate level of staffing desired or needed. KPMG also recommended restructuring staffing models and to develop better strategies for recruitment, areas in which the department has made improvements. (See Atch. A: pg. 7)
- b. Jail staffing levels: In 2019, Justice Planners conducted a study of required staffing for the Northern Branch Jail and Main Jail, given an assumed average daily population of 844 inmates (currently there are 740). The report recommended a net increase of nine positions related to custody operations: six Custody sworn staff (deputies and sergeants) and three Sheriff Service Technicians (SSTs). The study indicates adding nine positions would substantially address shift relief considerations for sworn staffing needs in the Custody Branch. In the FY 2022-23 budget process, the Sheriff's Office requested six SSTs as a budget expansion at a cost of \$648,000, to augment the 10 SSTs already funded. The department also requested other expansions, with sworn positions including additional deputies for co-response, narcotics enforcement, and cannabis compliance, as well as community resource deputies for Orcutt and Montecito.
  - c. Jail staffing levels with jail section closures: In June 2021, the Sheriff presented to the Board a plan of staffing hour savings resulting from closing areas of the Main Jail once the Northern Branch Jail was open and in the event the inmate population declined. During the peak of the COVID-19 pandemic impacts, the inmate population declined to approximately 640 inmates. With the opening of the Northern Branch Jail, and reinstatement of certain law enforcement practices, the jail population has increased (currently 740) and has nearly returned to pre-pandemic levels (exceeding 800 in early September).
  - d. Jail inmate population: In 2022, Michael Wilson Consulting conducted a thorough evaluation of the inmate population. The review indicated that the jail population would likely remain between 800-900 inmates but provided recommendations of policy levers that could be implemented to reduce low-level offenders in the jail population, resulting in a potential reduction of up to 250 inmates over time. The criminal justice partners indicated these policy levers for jail population reduction should be considered on balance with public safety interests, by ensuring availability of supportive services within the community and allocating sufficient resources where needed, to ensure accountability and to reduce recidivism.
  - e. Criminal justice planning group: Since July 2021, staff have provided regular updates to the Board on improvements to the criminal justice system. These include improving the system efficiency to allow quicker processing of cases, and thereby, moving pre-trial inmates to resolution. It also includes actions, aligned with the studies discussed above, to expand pre-trial services, alternative sentencing, diversion, and holistic defense.

### **Conclusion, Recommendation and Options for Consideration:**

The department continues to experience challenges with recruitment and retention, leading to increased and prolonged position vacancies, particularly with sworn positions, due to a variety of internal and external factors as detailed in Attachment A. Position vacancies are a key factor leading to overtime usage beyond the baseline costs that would be anticipated. To provide a more consistent baseline funding level, and to hold the department accountable for its spending, the department must first fill existing funded positions. In addition, the department must provide greater analysis, at a granular level, of its budget and operations to better track expenditures, expected retirements and vacancies, and shift relief needs. Accurate time coding by staff to specific overtime activities will be essential to the data collection

necessary to achieve accountability. The CEO's Office will work with the department to establish a data tracking and reporting methodology to collect the information necessary to more fully analyze overtime drivers beginning next fiscal year.

### Recommended Budget Development Policy

Staff is recommending a budget development policy for FY 2023-24 that would require more accountability of overtime usage from the department and specific use of Proposition 172 funds for this purpose as follows: Maintain a \$2 million set-aside in General County Programs Proposition 172 fund balance, only to be released upon review and recommendation of the CEO and approval by the Board of Supervisors for the following purposes:

- To mitigate baseline overtime usage in the Sheriff-Coroner Office at year-end that includes a detailed accounting of the actual annual cost of overtime related to shift relief backfill, including academy/training time, vacation, sick, and other lost time, and special events/emergencies that are not reimbursed through other resources
- Reimbursement for costs incurred for the County New Hire Incentive Program or other recruitment efforts pre-authorized by the CEO

This policy does not apply to overtime related to position vacancies. Overtime to cover vacancies should be predominantly offset with salary savings from the funded vacancy.

**Additionally**, the Board could consider the following options that may help towards the department's staffing challenges:

#### Option 1: (Immediate): Assist the Sheriff with filling vacancies

Work with the Sheriff to address the hiring challenges in the Custody Branch first by employing existing tools the department has not yet utilized (such as the existing hiring incentive) and evaluating other opportunities within the current labor agreements. Some of these may require one-time or ongoing costs. Costs can be funded with a combination of salary savings and Proposition 172 funding.

#### Option 2: (Short Term): Augment Custody Branch staff with SSTs

While Custody Deputies are difficult to recruit, the department has experienced more success with hiring SSTs. Granting the department's request for additional SSTs in the Custody Branch would cost \$108,000 annually per position and can be funded with ongoing Proposition 172 funds. Each position is estimated to reduce overtime related to shift relief by \$102,350. While the Justice Planners report indicated the need to add six sworn positions and three SSTs to support jail operations, the department has subsequently identified additional posts where SSTs could be utilized, and they have indicated that any new funding in the Custody Branch would be prioritized for adding SSTs, given the challenges with recruiting sworn positions.

To align with the number of related positions identified in the Justice Planners report, the Board could consider funding up to nine SSTs (\$972,000) to support Custody staffing needs. If the Board supports this option, based on the immediate need of the Custody Branch, **staff would recommend adding the six SST positions requested by the Sheriff as a budget expansion for FY 2022-23 totaling \$648,000 this fiscal year using available ongoing Proposition 172 funds.** Staff could bring back to the Board the necessary position resolution and budget adjustment in November if the Board supports this option. The other positions could be considered in the FY 2023-24 budget deliberation process. This option would contribute to alleviating the jail staffing challenges and is considered for the jail system first because inmate services are largely mandated (whereas patrol services are discretionary) and studies point to the

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Proposed Budget Development Policy for Sheriff-Coroner Office Overtime Mitigation

need for a relief factor. In coordination with the department, the CEO's Office would monitor and evaluate the impact of additional SSTs in relation to the position's success as a promotional pipeline and the corresponding overtime savings realized.

Option 3: (Longer Term): Assess other staffing levels once data is available

Assessing the department's longer-term staffing needs will require more data, as noted by the KPMG study. It will also require shared agreement by your Board—which appropriates the Sheriff's funding—and the Sheriff—who controls the operations and direction of the funding provided. In the past, the CEO has recommended funding for items that are critical to the Sheriff's existing service levels and operations, such as the data center replacement, body-worn cameras, etc. Should your Board wish to provide augmented funding to the Sheriff for expanded services, a multi-year plan would need to be developed, and trade-offs with other General Fund needs identified.

**Fiscal Analysis:** [\*"Double Click to see Funding Source Instructions"\*](#)

There are no fiscal impacts associated with receiving this report. Any recommendations for funding of the initiatives discussed in this letter will return to the Board for approval.

**Attachment:**

Attachment A: Report on Sheriff-Coroner Overtime Usage and Costs

**Authored by:**

Nicole Parmelee, Fiscal & Policy Analyst

**cc:**

Bill Brown, Sheriff-Coroner