

STAFF REPORT

BOARD MEETING DATE: May 27, 2025

CATEGORY: Consent Calendar 4

SUBJECT: Approve a budget amendment which increases appropriations by \$825,000 in the Miscellaneous General Budget (BU 173) offset by a decrease in appropriations by \$825,000 in the Reserves for Contingencies Budget (BU 900).

DEPARTMENT: County Administrative Office

SUPERVISORIAL DISTRICT #: All

DEPARTMENT CONTACT: Erin Bertain, Deputy County Executive Officer, (530) 225-5561

STAFF REPORT APPROVED BY: David J. Rickert, County Executive Officer

<u>Vote Required?</u>	<u>General Fund Impact?</u>
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4/5 Vote

General Fund Impact

RECOMMENDATION

Approve a budget amendment which increases appropriations by \$825,000 in the Miscellaneous General Budget (BU 173) offset by a decrease in appropriations by \$825,000 in the Reserves for Contingencies Budget (BU 900).

DISCUSSION

On January 14, 2025, the Board considered a budget amendment that increased the Miscellaneous General Budget for Legal Services. The Board removed the portion of the increase associated with the Fountain Wind and California Land Stewardship Counsel lawsuits pending closed session discussion and direction to County Counsel. The proposed budget amendment increases appropriations in the amount of \$825,000 to account for the ongoing costs of these two cases, offset by Reserves for Contingencies.

Through March 31, 2025, \$525,286.42 has been incurred for the Fountain Wind lawsuit, which is ongoing. A portion of these costs will likely be reimbursed in the future. Because it is unknown how much will be reimbursed and when the reimbursement will be received, no revenue is included in the budget amendment and costs will be offset by Reserves for Contingencies. In addition, \$571,588.51 has been incurred, through March 31, 2025, for California Land Stewardship Counsel, LLC v County of Shasta and its Board of Supervisors court case, which is also ongoing. County Counsel estimates an additional \$200,000 in expenditures for the Fountain Wind lawsuit and an additional \$110,000 in expenditures for the California Land Stewardship Counsel lawsuit for the months of April through June 2025. The proposed budget amendment will account for the costs incurred between January and March as well as the anticipated additional costs for the remainder of the fiscal year.

ALTERNATIVES

The Board could choose to not approve part or all of the budget amendment or to defer consideration to a future meeting. Deferring or not approving parts of the budget amendment could result in the County being unable to compensate outside counsel for existing litigation.

OTHER AGENCY INVOLVEMENT

The proposed recommendation has been prepared by the County Administrative Office. The budget amendment has been reviewed by the Auditor-Controller.

FISCAL IMPACT

There is additional General Fund impact from this recommendation. Reserves for Contingencies will be used to offset the impact to the General Fund.

ATTACHMENTS:

1: Budget Amendment Memo