

YUBA COUNTY, CALIFORNIA

BOARD OF SUPERVISORS - BUDGET HEARINGS

JUNE 24, 2003

The Honorable Board of Supervisors reconvened at 1:30 p.m. on June 24, 2003, with a quorum being present as follows: Supervisors Dan Logue, Bill Simmons, Mary Jane Griego, Donald Schrader, and Hal Stocker. Also present were County Administrator Kent McClain, Auditor/Controller Dean Sellers, Assistant County Administrator Randy Margo, and Clerk of the Board of Supervisors Donna Stottlemeyer. Chairman Schrader presided.

PUBLIC HEARING – SPECIAL DISTRICT

Chairman Schrader opened the public hearing and inquired if anyone in the audience wished to address the Board on this matter. No one came forward.

1. Linda Street Lighting Maintenance District: Upon motion of Supervisor Logue, seconded by Supervisor Griego, and unanimously carried, the public hearing was closed, and the Board adopted Resolution No. 2003-99, which is on file in Yuba County Resolution Book No. 34, and which is entitled: “RESOLUTION ADOPTING BUDGET FOR LINDA STREET LIGHTING DISTRICT MAINTENANCE DISTRICT,” in the total amount of \$131,100 for Fiscal Year 2003/2004. ADOPT RESOLUTION NO. 2003-99

2. Gledhill Landscape Maintenance District: Chairman Schrader opened the public hearing and inquired if anyone in the audience wished to address the Board on this matter. No one came forward.

Upon motion of Supervisor Simmons, seconded by Supervisor Logue, and unanimously carried, the public hearing was closed, and the Board adopted Resolution No. 2003-100, which is on file in Yuba County Resolution Book No. 34, and which is entitled: “RESOLUTION ADOPTING BUDGET FOR GLEDHILL LANDSCAPING AND LIGHTING DISTRICT,” in the total amount of \$153,000 for Fiscal Year 2003/2004. ADOPT RESOLUTION NO. 2003-100

COUNTY SERVICE AREAS

Chairman Schrader opened the public hearing and inquired if anyone in the audience wished to address the Board on this matter. No one came forward.

Upon motion of Supervisor Stocker, seconded by Supervisor Griego, and unanimously carried, the public hearing was closed, and the Board adopted Fiscal Year 2003/2004 Budget for County Service Area Nos. 2 through 60, which is identified as Exhibit "A" and is attached to and made a part of these minutes. ADOPT EXHIBIT "A"

COUNTY BUDGET FISCAL YEAR 2002/2003

County Administrator Kent McClain advised the proposed budget is a temporary budget and will require adjustments after the State adopts a budget and discussed effects in reduction to the Vehicle License Fees (VLF). Mr. McClain stated the goal for the 2003/04 budget was to avoid unnecessary layoffs and achieve reductions in on-going operational costs and advised the operation deficit for Fiscal Year 2002/03 is \$1.2 million and would be \$2.7 million as proposed in the 2003/04 Budget which includes elimination of 48 vacant positions.

Mr. McClain further advised a reduction of general fund contributions within Health and Human Services to the level of mandated maintenance of effort will be achieved in 2003/04 and requested the Sheriff, District Attorney and Probation departments to evaluate potential general fund reductions up to the point of lay-offs with the Sheriff and Probation departments to make presentations on their recommendations. Mr. McClain stated the District Attorney has vacancies and additional grant revenue that will reduce general fund contributions as requested. Mr. McClain stated reductions in discretionary spending county-wide will be sought in future budgets.

Mr. McClain advised the Certified Unified Program Agency program will be consolidated with Community Development to achieve increased efficiency with regards to enforcement programs with Emergency Services operating directly out of County Administrator's Office.

Mr. McClain further advised of a five percent increase in salary, benefits and insurance costs due to county-wide longevity implementation.

*(End of Tape No. 1642 Side B)*

Assistant County Administrator Randy Margo briefly recapped revenues and expenditures and the following recommended adjustments to the proposed budget:

- Increase County Administrator Salaries and Benefits Budget \$4,650
- Increase Account No. 101-1200-418.61-04 \$700,000 for Animal Shelter due to increase in bid over original estimate

- Increase Account No. 101-1200-418.61-36 \$6,000,000 to be transferred from trust account for Government Center
- Increase Account No. 101-0101-411-52.23 \$20,000 for Marysville Pool.

Mr. Margo briefly outlined anticipated General Fund Revenues advising an estimated sales tax revenue increase due to Wal-Mart opening and no estimated increase in Public Safety sales tax revenue. Mr. Margo advised PERS cost projections of 2.60% for miscellaneous rates and 6.32% for safety costs, totaling \$1 million, with a county share of \$400,000 and further advised of an estimated increase in health care cost of approximately 18 percent, with a county share of \$400,000.

Mr. Margo advised increases in salaries and A-87 costs, with regards to energy, personnel and information technology, have attributed to increases in public safety department budgets rather than increased expenditures and further advised the Jail Bund Trust Fund balance is currently \$1,121,646 and might be a consideration when considering the Sheriff-Coroner budget.

Mr. McClain and Mr. Margo responded to Board inquiries.

Board members commended staff for preparing a comprehensive proposed budget.

#### RECESS

The Board recessed at 2:23 p.m. and reconvened at 9:30 a.m. on June 25, 2003 with all Board and staff members present as indicated above.

Mental Health Director Joan Hoss gave a power-point presentation on Sutter Yuba Bi-County Mental Health and Drug and Alcohol Services advising of a total budget of \$19,740,000 with no County General Fund Contribution.

*(End of Tape No. 1642 Side A)*

Chief Probation Officer Steve Roper stated the Probation Department has no maintenance of effort and receives no public safety sales tax revenue and advised substantial staffing growth has occurred in Juvenile Hall due to a doubling in capacity growth, however, no General Fund positions have been added to Probation. Mr. Roper advised the request for a general fund reduction target is \$532,628 and stated scenarios provided use a number of vacancies and classifications shared within budget units and constitutes a blending of line item reductions, service reductions, program eliminations, management reduction, and services and supplies reductions. Mr. Roper conceded if all options were implemented there would be a reduction of \$329,728, but was within the parameters requested and

constitutes major program eliminations which were difficult to recommend and cautioned each option stands on its own merits. Mr. Roper responded to Board inquiries regarding training funds for probation and juvenile hall personnel and statutory obligation for existing standards.

Sheriff Virginia Black emphasized priority of public safety for local government and recapped request to reduce base budgets of \$1,760,450, stated an increase in salary and benefits of \$1,282,116 due to longevity implementation and increased A-87 costs totaling \$787,534. Ms. Black emphasized A87 costs for building maintenance and personnel functions are being provided within department functions. Ms. Black provided handouts recapping options to reduce \$505,513 which included POST reimbursement, reduction to service and supply, and advancing salary and benefit savings for a temporary vacancy and current turnover rate. Sheriff Black advised further cuts would require eliminating positions.

*(End of Tape No. 1642 Side B)*

Ms. Black further advised the current Immigration Naturalization Services (INS) Bed Rental Program contract is being reviewed to establish a new rate due to increase in operational costs, and if approved, would allow for an additional \$500,000 per year in rental revenue. Ms. Black responded to Board inquiries.

The following individuals spoke in support of the Sheriff Department and urged no staffing reductions:

- Mr. Jack Beecham, Loma Rica
- Mr. William Hovey, Dan Avenue
- Mr. Ric Teagarden, Marysville
- Mr. Joe Cardoza, Indiana School Road
- Ms. Sandy Ambroshia, Dobbins
- Mr. Frank Cook, Stephenson Street
- Ms. Norma Carroll, Stephenson Street
- Ms. June Brown O'Brian, Loma Rica

Mr. Ed Fleming, Marysville, suggested savings could occur with a regional-centralized dispatch system for all law enforcement and emergency services.

Supervisor Logue left the meeting at 10:51 a.m. and returned at 10:54 a.m.

Supervisor Simmons left the meeting at 11:22 a.m. and did not return.

Emergency Services Director Kelly Purdom recapped the history of Emergency Services hazardous materials program and expressed concern regarding consolidation of the hazardous materials program into Community Development and was available to respond to Board inquiries.

Sheriff Black recapped fund balance in the jail bed trust fund

In response to Board inquiries, Mr. McClain advised the proposed budget for Sheriff and Probation departments reflects no decreases, could be adopted as proposed, and would be fully funded as requested by the departments. Mr. McClain stated the request of these departments was a means of ensuring the deficit growth would not exceed \$2.7 million during the coming fiscal year. Mr. McClain advised the Board could adopt the budget as proposed, realizing it would be subject to change after adoption of the State Budget.

Following Board discussion, Supervisor Logue moved to adopt Probation and Sheriff departments proposed changes. Motion died for lack of a second.

RECESS

The Board recessed at 11:47 a.m. and reconvened at 1:30 p.m. with all Board and staff members present as indicated above including Supervisor Simmons.

County Administrator Kent McClain advised of the following options regarding the proposed budget:

1. Adopt the proposed budget as proposed, which is full funding for all programs as contained therein; or
2. Accept some or all of the proposed changes in the Probation and Sheriff budget; or
3. Reduce the budget deficit within the Probation or Sheriff budget by utilizing a portion of the Jail Bed Trust Fund in place of General Fund Revenues.

Auditor Dean Sellers recommended option 3 and suggested \$500,000 from the Jail Bed Trust Fund which would help the General Fund subsidy until the State Budget is adopted.

Supervisor Simmons and Logue concurred.

Sheriff Black recapped fund use for Personnel and Fixed Assets stating \$1 million has been included to support the Sheriff Budget, \$500,000 for enhancing law enforcement services in rural and small counties, and the balance of \$1,121,646 is planned to meet the Federal Block Grant match for additional patrol officer positions. Sheriff Black provided a handout recapping INS revenue since 1998 and recapped the agreement between the

County and Sheriff Department for fund use, stating the income generated has been used to support law enforcement activities and annually has contributed over \$1 million to the general fund.

Supervisor Simmons advised the portion the county receives is allocated to pay the bond for the jail expansion and is not a discretionary general fund contribution.

In response to an inquiry by Supervisor Griego regarding using the \$500,000 and the agreement, Mr. Sellers advised County Counsel could provide a legal opinion, however, they are county funds collected and the request is for \$500,000 to be used within the Sheriff budget and the fund balance would remain in tact.

In response to an inquiry by Supervisor Simmons, Sheriff Black advised she was not in support of option three and would request a legal opinion from County Counsel.

In response to Board inquiries, Mr. McClain advised option three would reduce the ongoing operating deficit to \$2.2 million and would leave the Probation and Sheriff Department budgets as proposed with no reductions. Mr. McClain advised \$2.7 million is being used from the yearend fund balance to balance the budget as it stands; option three would reduce the amount to \$2.2 million, and no options reduce the balance to zero. The proposed budget does not bring on-going operational expenses in line with revenues which will be less in the future. Mr. McClain stated \$2.7 million would need to be cut to balance the budget and could not be done without cutting positions.

*(End of Tape No. 1643 Side B)*

In response to Board inquires, Mr. Sellers recapped the previous three options mentioned to the Board.

Mr. Roper felt a delay in implementing proposed reductions could result in more severe cuts at midyear based on what the State does and emphasized a preference to forgo cuts, but was willing to do their part to close the gap.

Chairman Schrader felt as positions become vacant they needed to be carefully reviewed and left vacant if not essential.

Supervisor Griego felt mid-year would be the time to make further adjustments to the budget and cutting unmandated programs would mean layoffs and supported option three since there would be no layoffs and program cuts at this time.

Supervisor Logue suggested a review of mandated/discretionary programs with relationship to costs savings.

Supervisor Logue moved to adopt option three. Supervisor Griego seconded the motion.

Supervisor Simmons felt all public agency budgets were suffering from reductions and supported adopting a budget with the least impact to employees and services and stated further adjustments would be required mid-year.

Sheriff Black suggested the Board request all departments to make budget cuts, concurred there were hard decisions to make, but did not want public safety to shoulder the entire burden and reiterated the need for matching funds with respect to the Federal grant for hiring additional patrol officers.

Chairman Schrader stated it would be his recommendation for all departments to reduce expenditures.

Supervisor Griego expressed confidence the Sheriff would negotiate a favorable contract with INS.

Supervisor Stocker felt other departments would be asked to make concessions at midyear.

County Clerk Terry Hansen advised funding has not been allocated within the proposed budget for a recall election if mandated.

Chairman Schrader called for the question and the motion to authorize use of \$500,000 from the Jail Bed Revenue Trust carried unanimously. **AUTHORIZE OPTION 3**

RECESS

The Board recessed at 2:23 p.m. to July 1, 2003 at 1:30 p.m.

/s/Donald Schrader, Chairman

ATTEST: DONNA STOTTLEMEYER  
CLERK OF THE BOARD OF SUPERVISORS

/s/Donna Stottlemeyer

Approved: July 15, 2003