

**SAN BENITO COUNTY
BOARD OF SUPERVISORS
SPECIAL MEETING
BUDGET HEARINGS - FISCAL YEAR 2004 - 2005
AUGUST 2, 2004**

The Board of Supervisors of San Benito County met in the Board Chambers on the above date in regular session. Supervisors Loe; Scagliotti; Monaco, Kesler and Cruz were all present. Also present was County Administrative Officer Dan Vrtis, County Counsel Karen R. Forcum and Assistant Clerk Sally Navarez. Chairman Bob Cruz presiding when the following was had to wit:

9:30 a.m. CALL TO ORDER:

- a) Pledge of allegiance.
- b) *Upon motion duly made, seconded and carried, acknowledged the Certificate of Posting.*

9:30 a.m. BUDGET HEARINGS:

ADMINISTRATIVE BUSINESS - CAO:

- 1) Hold public hearings on the *proposed 2004/2005 fiscal year budget*. Receive opening comments / overview from CAO Dan Vrtis and receive public input.
 - a) Public Protection
 - b) General Government
 - c) Public Ways & Facilities
 - d) Health & Sanitation
 - e) Public Assistance
 - f) Education
 - g) Recreation
 - h) Debt Service
 - i) Appropriation For Contingencies

County Administrative Officer Dan Vrtis gave an overview of the budget to the Board. He referenced at the beginning of preparing this budget, there were many challenges. As of April, 2004, preliminary outlook indicated that the FY04/05 budget was \$8-million out of balance. However, Mr. Vrtis indicated in previous years, monies from Reserves would take up to \$2.4-million in order to balance the books. Mr. Vrtis was happy to explain that for FY2004/2005, that amount from Reserves to balance the budget would be only \$1.75-million.

Mr. Vrtis noted the overall total budget was at \$72,684,257, comprising of 458.050 employees and maintaining public service at current levels. Mr. Vrtis indicated there was one significant change. On late Thursday of last week, Sheriff Curtis Hill was notified that monies from the Rural County grant monies had been restored to counties throughout the State and that the Sheriff would be receiving \$500,000 from said grant.

The General Fund contributions to departments was at \$29,121,426 incorporating 228 Full Time Equivalent (FTE) employees including 2.5 new positions - two of which were as a result of the court decree for the Elections Department.

Mr. Vrtis indicated that which FY2004/2005 is essentially balanced, the Board needed to proceed into FY2005/2006 with caution and concern. While being able to utilize only \$1.75-million from Reserves for FY2004/2005, FY2005/2006 will need to utilize some \$4-million to balance. Mr. Vrtis noted until the economy and revenues change, he would have to recommend no new positions in the future fiscal years.

Mr. Vrtis took the opportunity to thank Administration staff and all the Department Heads for their hard work on this budget.

Mr. Vrtis indicated in the Non-Department Expenditures from Budget Unit 180, he included \$40,000 for a county wide fee study. Mr. Vrtis indicated that all fees for all departments need to be reviewed and possibly increased in order to insure that the fees being charged cover actual costs.

Supervisor Cruz asked how the amount of monies from Reserves was brought down from \$4-million to \$1.75-million.

Mr. Vrtis explained that Services & Supplies were kept at the 2003/2004 level and eliminated any new positions.

Supervisor Cruz asked if the document delivered false hope and with an in-coming new Board, was that Board in for a shock?

Mr. Vrtis noted that the years to come will be very, very tight. Since the County only receives 11-cents on each property tax collected, that amount doesn't fund what we need to do to conduct business. Mr. Vrtis noted the Board needed to look at generating more revenues in different ways.

In the last 2-3 years, retirement costs have risen from a couple of hundred thousand to \$2-million. That money still needs to be put away for future years as well.

Community Programs - 570: Mr. Vrtis indicated Revenues were up by \$15,000 as a result of monies from the Developers' Trust for a project with the school district. Mr. Vrtis concluded by indicating there were members of the public present to address this unit.

Clay Kempf, Executive Director of the Area Agency on Aging for Santa Cruz and San Benito Counties, came forward. Mr. Kempf thanked the Board for their continued support. He indicated that of the funding received from the state and federal governments, only 17% is supposed to be allocated for San Benito County. However, due to the rural challenges that San Benito County faces, San Benito County receives 25% of those allocations.

Pauline Valdivia, representing Jovenes de Antano, came forward. Ms. Valdivia thanked the Board for their continuing support. She indicated the purpose of Jovenes de Antano was to provide support and meals to the elderly. Jovenes provides the meals in order to help the elderly be able to remain at home rather than in a hospital at a much higher cost.

Helen Youmans, representing the Suicide Prevention Services, came forward. Ms. Youmans indicated that last year, her organization provided services to over 150 local students. She concluded by thanking the Board for their continued support in order to continue to build community support.

*Upon motion duly made, seconded and carried, approved **Budget Unit 540 - Community Programs**, temporary due pass. Motion passed unanimously.*

Sheriff - 210: CAO Vrtis indicated that the Sheriff had a prior commitment for the afternoon and requested that his items be discussed at this time.

Sheriff Curtis Hill indicated that the return of Rural Crime Prevention monies was great news. He anticipated utilizing the \$500,000 to offset the salary of a Deputy assigned to work

with the High School and the High School would be entering into an agreement with the County to off-set said salaries.

Sheriff Hill indicated he would be placing half of the monies in trust. With the other monies, Sheriff Hill stated he would like to have a space needs study which would cover jail expansion and future courthouse needs (ie criminal justice system as a whole) and would like to reinstate one (1) deputy for the South County area, bringing the total number of Deputies for the South County area to 2.0 FTE.

*Upon motion duly made, seconded and carried, approved **Budget Unit 210 - Sheriff, temporary due pass as recommended with supplemental information. Motion passed unanimously.***

Jail - 220: Sheriff Hill asked the Board to approved Budget Unit 220 - Jail as recommended by the CAO.

*Upon motion duly made, seconded and carried, approved **Budget Unit 220 - Jail, temporary due pass. Motion passed unanimously.***

Web Winans, Lovers Lane resident, came forward and questioned an increase in the Professional Services category. Was that amount directly related to increased medical costs at the Jail and why wasn't an increase shown in the Juvenile Hall subsequent category.

Supervisor Loe noted she was on the budget subcommittee and those monies are reflected in the Juvenile Hall budget in the Medical/Dental/Lab line item and not the Professional Services like the Jail to which Analyst Susan Lyons noted Supervisor Loe was correct.

Child Support Services - 216: Regional Director Lynn Miller came forward. Mr. Miller noted San Benito County was in compliance with Federal regulations; therefore, no federal penalties were anticipated this year. Mr. Miller thanked the staff of the local office for their diligent collection activities and thanked Debbie Ogawa of the Santa Cruz office who has been instrumental in assisting the San Benito County office.

*Upon motion duly made, seconded and carried, approved **Budget Unit 216 - Child Support Services, temporary due pass. Motion passed unanimously.***

District Attorney John Sarsfield came forward for Budget Unit 206 - District Attorney. Mr. Sarsfield he concurred with the recommendations of the CAO and requested to add an part time position at a cost of \$27,500, offset with COPS monies. He further requested that he be allowed to fill the position as soon as possible.

Mr. Sarsfield also asked that the Board re-authorize the allocation of \$20,000 for the special investment expenses as those monies had not be utilized fully and allocation must be made again at these hearings.

CAO Vrtis asked that that since the request for additional personnel had just been received, that the matter be deferred to continued budget hearings tomorrow, August 3rd, immediately following Regular Board Meeting in order for staff to review said request.

District Attorney - 206: *Upon motion duly made, seconded and carried, approved **Budget Unit 206 - District Attorney, temporary due pass; continued the discussion of the request for a part-time position to August 3rd, following Regular Board meeting to allow staff to review/analyze requested position. Motion passed unanimously.***

Victim Witness Program - 1001 - Fund 2510: *Upon motion duly made, seconded and carried, approved **Budget Unit 1001, Fund 2510 - Victim Witness Assistance Unit, temporary due pass. Motion passed unanimously.***

*Upon motion duly made, seconded and carried, approved **Budget Unit 203 - Grand Jury, temporary due pass. Motion passed unanimously.***

Public Defender - 207: Analyst Susan Lyons explained staff would be bringing a report before the Board shortly regarding an Request For Proposals (RFP) for Public Defender Services. Ms. Lyons explained a survey of counties revealed that said services included Public Defender and Conflict Public Defender services included in one RFP. Ms. Lyons indicated said report will be brought before the Board for their review and direction shortly.

*Upon motion duly made, seconded and carried, approved **Budget Unit 207 - Public Defender**, temporary due pass. Motion passed unanimously.*

Marshal - 211: Marshall Scattini disagreed with the cutting of his budget as this was the lowest budget he has been allocated in seventeen years. He noted the Marshall position is mandated by the Government Code.

Lengthy discussion ensued regarding this matter including looking at revenue balances, trust fund accounts and Human Resources reviewing the duties/responsibilities of the secretary position.

*Upon motion duly made, seconded and carried, approved **Budget Unit 211 - Marshal**, temporary due pass as outlined by the CAO. Motion passed 4-1 with Supervisor Monaco voting no on the matter.*

Communications - 212: *Upon motion duly made, seconded and carried, approved **Budget Unit 212 - Communications**, temporary due pass. Motion passed unanimously.*

Probation - 224: *Upon motion duly made, seconded and carried, approved **Budget Unit 224 - Probation**, temporary due pass. Motion passed unanimously.*

1:30 p.m. PUBLIC HEARING (or as soon thereafter as the matter may be heard):

- 2) Hold public hearing re: Capital Outlay Budget, including capital projects and equipment financed by development impact fees.

The vote of each member of the Board of Supervisors upon each matter at the foregoing meeting, unless otherwise stated, was as follows:

AYES: SUPERVISORS: P. Loe; R. Scagliotti; R. Monaco, R. Kesler & B. Cruz
NOES: SUPERVISORS: None
ABSENT: SUPERVISORS: None

There being no further business the Board adjourned to its next regularly scheduled meeting on Tuesday, **August 3, 2004** at 9:30 a.m.

BOB CRUZ, CHAIR
San Benito County, Board of Supervisors

ATTEST:
John R. Hodges
Clerk of said Board

BY:
Sally Navarez
Assistant Clerk of said Board