



# SAN BENITO COUNTY BOARD OF SUPERVISORS

Margie Barrios  
District No. 1

Anthony Botelho  
District No. 2

Robert Rivas  
District No. 3

Jerry Muenzer  
District No. 4

Jaime De La Cruz  
District No. 5

Chair

Vice-Chair

County Administration Building – Board of Supervisors Chambers, 481 Fourth Street, Hollister, California

## SPECIAL MEETING APRIL 28, 2015 ACTION MINUTES

The Board of Supervisors of San Benito County met in the Board Chambers on the above date in *special session*. Supervisors Barrios, Rivas, De La Cruz and Muenzer were present. Supervisor Botelho was absent at the beginning of the meeting and was present at 9:20 a.m. Also present were County Administrative Officer Ray Espinosa, County Counsel Matt Granger and Clerk of the Board Denise Thome. Chair Barrios presided.

### 9:00 a.m. CALL TO ORDER:

- a) Supervisor De La Cruz led the Pledge of Allegiance.
- b) *Upon motion duly made, seconded and carried, acknowledged Certificate of Posting.*

### REGULAR AGENDA:

#### **COUNTY ADMINISTRATION OFFICE – R. Espinosa:**

- 1) **Review and accept the Community Based Organizations (CBOs) committee and funding results for FY 2015/2016 program.**

County Administrative Officer Espinosa stated that on June 16<sup>th</sup> of last year the Board requested Administration to re-evaluate funding to Community Based Organizations (CBO). He indicated that they had received an additional CBO request from the Emmaus House in addition to those that regular requested. He explained that they set aside 6% of the projected sales tax which came out to \$105,000. He reported that the Community Food Bank asked for an increase, the Emmaus House request was new and the others were status quo.

Supervisor De La Cruz felt that the Emmaus House should be included in the allocation.

Chair Barrios wanted to see these organizations leverage more dollars with this investment. She called for public comment.

Pauline Valdivia, Executive Director of Jovenes de Antano, stated that Jovenes de Antano has been around for forty years next month and they were great advocates for the elderly in San Benito County. She thanked the Board for their continued support on behalf of her board, herself and those that they serve.

Maria Thomas, Chief Executive Officer of the Community Food Bank of San Benito County, spoke of their budget and funding. She stated that the San Benito County funding would go towards Senior Brown Bag funding.

Chair Barrios asked if they delivered to seniors that were not as mobile.

Ms. Thomas replied yes and that they delivered to 400 seniors.

Barbara Earley, Emmaus House Board member, explained that they were there for the contribution because of the CDBG grant shortfall of \$80,000. She spoke of how many they serve and the fundraisers they hold.

Clay Kempf, Executive Director of the Seniors Council, explained that the board funding helps them pull down 1.8 million dollars in funding. He stated that they were not only a deliverer and funder but an advocate and spoke of the things they're working on. He reported on the needs assessment that would be kicking off in May.

Chair Barrios spoke of the Emmaus House's CDBG funding that was lost and asked if more money from taxes come in, could they make up the \$2,500 difference for the \$15,000 they requested.

CAO Espinosa reminded that this was just an open discussion.

Supervisor De La Cruz stated if the projections were low on the sales tax perhaps they could reach the additional \$2,500 for the Emmaus House.

Management Analyst Melinda Casillas explained that the \$105,000 was based on estimated sales tax and the budget was preliminary. She added that if directed she could look for an additional \$2,500.

Chair Barrios stated that she would like to see it tied to sales tax and if there was additional sales tax, put in the additional \$2,500. *File #865*

## **COUNTY ADMINISTRATION OFFICE – R. Espinosa:**

### **2) Discussion and direction regarding economic development.**

CAO Espinosa explained that the item was for discussion today.

Chair Barrios opened public comment.

Juli Vieira, President of the San Benito County Chamber of Commerce, gave an update on the efforts of the Chamber with tourism in the community.

Supervisor Botelho was present at this time (9:20 a.m.)

Ms. Vieira stated that the Hollister City Council donated \$50,000 and the Chamber was looking to the county to support tourism this year.

Supervisor Botelho stated that he would feel more comfortable if there was a monetary breakdown.

Ms. Vieira replied that she could get the Board a breakdown of the City's \$50,000 contribution.

Chair Barrios noted that the recommended budget at that time was \$25,000. She asked Ms. Vieira to also send the Board breakdown information and ideas where the county's money would be spent to the Clerk of the Board.

Ms. Vieira spoke of the writers that came to San Benito County to review and they had stated that San Benito County had so much potential.

Supervisor Rivas spoke of other organizations in the community such as Vision San Benito and the Downtown Association and asked if it was safe to say that with the tourism they would have a specific plan in place.

Ms. Vieira replied that they did.

Supervisor Rivas stated that it was obvious that the money they had was extremely limited and would have to be stretched as far as they could.

Ms. Vieira expressed hope that the county would consider buying in and added that she could give them a timeline through the end of the year.

Supervisor Muenzer indicated that he was having a hard time buying into this. He added that last year they asked for support on the Transient Occupancy Tax (TOT) and could not get it and now they were wanting them to take money from the general fund for tourism promotion when the county wasn't helped last year.

Chair Barrios directed Ms. Vieira to get the information to the Clerk of the Board.

Marty Richman, Hollister resident, concurred with Supervisor Botelho. He stated that economic development was an investment and not an expenditure. He felt that \$25,000 for a county this size was not much of an investment. He spoke of the Board passing up increasing the tax in the county, where the rich people are out in the county, and the poor people in the city pay more.

Bruce Lewis, Ridgemark Golf and Country Club, stated that the county has been collecting TOT for years and has not put any money back into tourism. He asked them to tell him exactly how they were spending the money they gave them. He thanked them and added that they hold them accountable and they were going to hold the Board accountable. He felt everyone should be taxed not just locals only.

Jennifer Dossett, President of Monterey Bay Economic Partnership (MBEP), spoke of the efforts of MBEP. She felt they needed to work together. She spoke of what MBEP does. She stated that if San Benito County selected to be a member their contribution would go towards three staff members and two conferences. She indicated that the only representation from San Benito County was Marich Confectioners and the owner, Brad Van Dam, was on the board.

Chair Barrios asked Ms. Dossett to forward the plan for the money collected, in writing, to the Clerk of the Board.

Supervisor Botelho asked if there were any business statements they could send to them.

Ms. Dossett stated that she had case studies that she could forward.

Chair Barrios asked if they would pay less because San Benito County was smaller.

Ms. Dossett indicated that all counties were \$10,000 and cities were \$5,000.

Management Analyst Melinda Casillas reported that she had attended a MBEP conference in January and that she was impressed with the speakers and topics. She expressed that she enjoyed the conference and that it would be nice to see San Benito County and Hollister represented.

Further discussion ensued among Board members and Ms. Dossett.

Kristina Wyatt President of Farmhouse Communications felt a collaborative vision was the way she saw it happening and hold each other accountable. She continued with recommendations.

CAO Espinosa stated that one of the downfalls in our community has been technology. He added that fortunately they had been working on the fiber installation in the last year. He indicated that they were working with the city as well to get the last mile in.

Chair Barrios felt they needed to build the community trust and felt they should do something with the money. *File #865*

**COUNTY CLERK/AUDITOR/RECORDER – J. P. Gonzalez:**

**3) Receive presentation on the current Other Post Employment Benefits (OBEF) and Annual Retirement Contribution (ARC) liability.**

Clerk-Auditor-Recorder Joe Paul Gonzalez gave a PowerPoint presentation.

Supervisor Botelho asked when the new actuarial was coming out.

CAR Gonzalez stated that it was required every two years and they would have to conduct a new one very shortly. He explained that CalPERS does not offer 7.61% discount rates of which the study was based on.

CAO Espinosa stated that 7.61% was what they planned for and suggested using strategy 1.

Discussion ensued between Board members and staff.

CAR Gonzalez explained that to be in compliance with GASB they would have to conduct an actuary with one of the offers.

Supervisor De La Cruz chose strategy 1 as well.

Chair Barrios called for public comment.

Marty Richman, Hollister resident, expressed confusion that they were calling it a strategy. He asked if it changed the investment strategy at CalPERS.

CAR Gonzalez replied affirmatively.

Mr. Richman stated that with a higher rate comes higher risk and the one that they select makes a difference in the risk they take. He commented that he would pick the middle number. *File #608*

Chair Barrios stated that they would be taking a break to have cake in honor of retiring Clerk of the Board, Denise Thome.

The Board adjourned into break at 10:45 a.m. and reconvened into special session at 11:01 a.m.

**COUNTY CLERK/AUDITOR/RECORDER – J. P. Gonzalez:**

**4) Receive presentation and update of the current balance in the Tax Loss Reserve Fund (TEETER).**

Clerk-Auditor-Recorder Joe Paul Gonzalez gave a PowerPoint presentation with an update on where they were at with the Teeter fund. He explained about pre-funding for vacation and sick leave payouts.

Supervisor Botelho stated that in his mind it was a cost that was the same as medical insurance.

CAR Gonzalez stated that they had been successful in reducing this liability.

Discussion was had regarding projected Teeter funds and one time money.

Chair Barrios suggested they identify how they wanted to use these monies in Board policies.

There was no public comment. *File #608*

**COUNTY ADMINISTRATION OFFICE – R. Espinosa:**

**5) Review and discuss the proposed budget policies to be adopted for FY 2015/2016 and the budget timeline.**

CAO Espinosa went through the timeline for the budget process and special meetings. He noted that there were no plans for projected layoffs but added that it was a tight budget again this year. He expressed that they planned to bring a balanced budget to the May 26<sup>th</sup> meeting and directed department heads and

appropriate staff to be there. He indicated that they planned for a mock budget hearing after the regular June 2, 2015 meeting.

Management Analyst Melinda Casillas noted that there were a few changes in the wording and a few new items which were all in bold. She stated that for fiscal year 2014-2015 the Board approved putting the Landfill Reserves into the Rainy Day Reserves.

Supervisor De La Cruz expressed that he couldn't support that and felt they should take a look at the budget first. He thought he remembered them using some of it for operating expenses last year.

CAO Espinosa requested that they put it aside for emergencies.

Supervisor Botelho stated that the idea was not to return it to the general fund but it was an opportunity for it to go back to the Rainy Day Fund or reserves.

CAR Gonzalez stated that he made this recommendation to Admin. He recalled that the 1996 floods left the county strapped but they were in a better position back then to deal with it. He recommended they adopt it as a budget policy and restrict funds for rainy day.

Supervisor Muenzer asked about criteria for a rainy day.

CAR Gonzalez stated that they could bring that back to the Board as JOFA has a lot of information related to rainy day funds.

Chair Barrios felt they needed one with perimeters.

Supervisor Muenzer concurred.

CAO Espinosa suggested adding it to the May 26<sup>th</sup> special meeting agenda.

Supervisor De La Cruz wanted to go on the record stating that he thought the majority was to go to reserves with a portion going to operating expenses.

Supervisor Rivas felt they should keep the status quo with \$400,000 for operating expenses and not the full \$600,000.

CAO Espinosa stated that over the years it has been up to the auditor regarding the funding.

Ms. Casillas spoke of the many requests for replacement vehicles.

Supervisor Botelho stated that in the past \$400,000 of the Teeter funds went into the general fund. He spoke of improvements needed in the Board Chambers and Ag. Department which was a disgrace. He supported \$200,000 to Capital Improvements which he did not feel was a lot.

Chair Barrios recommended wording.

CAR Gonzalez expressed that they needed the discretion to say what they need to use each year.

Chair Barrios noted that the policies were year to year.

Supervisor Rivas felt it was best to eliminate the dollar amount.

Chair Barrios noted that policies were specific to this budget year. She suggested for the 2015/16 fiscal year \$400,000 to balance the budget in the general fund and the difference to Capital Improvement Projects. She stated that if all Board members concurred she could work with Ms. Casillas on the wording.

Supervisor Muenzer stated that he was comfortable with the policy as written now and the CAO had heard their discussion. He suggested they leave the policy as is and not tie the CAO's hands meeting the needs of the next budget.

CAO Espinosa stated that it was doable as worded and either way would work for them.

Chair Barrios gathered that there was a consensus that she work with Ms. Casillas on the wording needed on the policies.

There was no public comment. *File #865*

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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: Barrios, Rivas, De La Cruz, Botelho, Muenzer  
NOES: SUPERVISORS: None  
ABSENT: SUPERVISORS: None

There being no further business the Board adjourned at 12:09 p.m. to May 5, 2015 at 9:00 a.m.

**MARGIE BARRIOS, CHAIR**  
San Benito County Board of Supervisors

**ATTEST:**  
Denise R. Thome, Clerk of the Board