



COUNTY OF HUMBOLDT

AGENDA ITEM NO.
m-1

For the meeting of: June 7, 2016

Date: May 23, 2015
To: Board of Supervisors
From: Amy S. Nilsen, County Administrative Officer *AN*
Subject: Proposed Fiscal Year (FY) 2016-17 Budget

RECOMMENDATION(S):

That the Board of Supervisors:

1. Receive and review Humboldt County's Proposed FY 2016-17 Budget;
2. Approve a one-year waiver of the Board policy on Balanced Budget to allow the General Fund's fund balance (savings) to be used for on-going expenses;
3. Adopt a Resolution Authorizing an Inter-Fund Loan for the Forest Resources and Recreation Fund (1710) (Attachment I);
4. Direct the Auditor-Controller to transfer \$1,000,000 in FY 2016-17 from the Tax Loss Reserve Fund (3010) to the General Fund;
5. Authorize department heads to approve voluntary unpaid furloughs for employees under their appointing authority, utilizing the attached form (Attachment II);

Prepared by Cheryl Dillingham CAO Approval *E. Erickson*

REVIEW: Auditor *MBM* County Counsel _____ Human Resources _____ Other _____

TYPE OF ITEM:
____ Consent
 Departmental
____ Public Hearing
____ Other _____

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT
Upon motion of Supervisor *Bass*
Seconded by Supervisor *Sundberg*
And unanimously carried by those members present,
The Board hereby adopts the recommended action
contained in this report.

PREVIOUS ACTION/REFERRAL:

Board Order No. _____

Meeting of: _____

Dated: *June 7, 2016*
Kathy Hayes, Clerk of the Board

By: *K. Hartwell*

6. Continue budget discussion to the public hearings scheduled for Monday, June 20, 2016 (1:30 p.m. and 6 p.m.);
7. Direct the County Administrative Officer to return to the Board on June 28, 2016, to consider adoption of the final budget for FY 2016-17; and
8. Take other action as appropriate.

SOURCE OF FUNDING: All County funds

DISCUSSION:

Annually, the County Administrative Office (CAO) presents a proposed budget. California Government Code Sections 29000 through 30200, known as The County Budget Act, as applied through rules issued by the Office of the State Controller, provide the legal requirements pertaining to the content of the proposed budget, adoption procedures and dates by which action must be taken. The CAO, as designated by the Board, is responsible for completing the budget process within the confines of state code.

Locally, the budget process is lengthy and includes the below steps.

- On February 3, 2016, your Board revised the Board's Strategic Framework and these have been integrated into the FY 2016-17 Proposed Budget.
- On February 9, 2016, as part of the Mid-Year Budget report your Board set parameters for the development of the FY 2016-17 budget for General Fund allocations and the budget calendar. The parameters included direction to distribute 90 percent of discretionary revenue growth to General Fund departments.
- A community meeting was held on March 3, 2016. The CAO worked with public access television and local schools to facilitate this multi-site, interactive public meeting to solicit public input on the county budget. The feedback received from this meeting can be found on the county's website at <http://humboldt.gov/DocumentCenter/View/55135>. In addition, the community was able to provide feedback via Open Humboldt, an online forum that gives citizens an opportunity to provide additional recommendations and insights into the county budget and funding priorities.
- Preparation of the proposed budget began on February 29, 2016, when the CAO presented to departments the parameters for development of their FY 2016-17 budget requests. Departments were asked to submit their requests to the CAO by April 1, 2016. The CAO reviewed the budget and Additional General Fund Appropriation Requests (funding requests) in April and May, 2016.
- On April 25 and May 2, 2016 departments made presentations to your Board on their core services and budget requests.
- On May 3, 2016, as part of the Third Quarter Budget Report your Board directed the CAO to prepare a FY 2016-17 budget proposal that used available resources with the below priority:

- ◆ To accept Additional General Fund Appropriation Requests (additional funding requests) in the FY 2016-17 budget that are mandated, one-time and/or prevent the discontinuation of services.
- Presentation of the proposed budget is before your Board today.
- Public hearings on the proposed budget are scheduled to be held on June 20, 2016. The final budget is anticipated to be adopted on June 28, 2016.

The proposed FY 2016-17 budget takes into consideration the Six Key Goals which state FY 2016-17 is expected to be another year of slow growth in revenues, with growth in necessary expenditures consuming all available growth in revenues. Your Board recognizes the need to continue supporting core services, and the vast majority of this proposed budget does exactly that. Where there are resources that may be either identified or made available, however, your Board wishes to prioritize the allocation of resources using the following six goals. These goals include:

1. **Emphasizing public safety** as a key component of county decision-making.
2. In order to ensure the sustainability of County services, the Board of Supervisors will place a high priority on **rebuilding reserve and contingency accounts**.
3. In order to ensure the sustainability of County services, the Board of Supervisors will continue to examine **streamlining the inventory of County properties (including through repurposing and/or sale where appropriate)**, to levels that are easier to manage with current resources.
4. In order to ensure the sustainability of County services, the Board of Supervisors will consider **targeted investments that generate long-term savings**.
5. In order to ensure the sustainability of County services, the Board of Supervisors will encourage **efforts to reorganize the provision of services** to achieve cost-effectiveness.
6. In order to build interjurisdictional and regional cooperation, engage in discussions of our regional economic future and engage and influence issues of statewide concern, the Board will seek to allocate resources to **support travel, training and electronic meeting costs for staff and elected officials**.

Today, the total proposed budget (or spending plan) before your Board for FY 2016-17 is \$352,542,273, which includes \$122,113,852 in spending from the county's General Fund. The total proposed budget represents an increase of \$33,455,937, or 10 percent more than the budget your Board adopted for the current fiscal year, 2015-16. This increase includes an additional \$11.5 million for capital projects, \$10 million for North Coast Integrated Regional Water Management grants, \$2.9 million for Measure Z expenditures as discussed further below and the remainder is attributable to salary and benefit increases in Health and Human Services due to negotiated wage increases and higher health insurance costs.

In the General Fund, projected revenues for FY 2016-17 will be \$117,189,575, which is \$4,982,934 or four percent higher than in FY 2015-16. Revenues are slowly growing. This revenue increase is primarily due to Measure Z (\$1.3 million), secured and unsecured property taxes (\$1.2 million), tax loss reserve fund transfer (\$1 million), A-87 reimbursement (\$667,186), base sales tax (\$217,648) and other dedicated funding sources such as Public Safety's Proposition 172 (\$462,000). Of the total General Fund revenues more than half or \$65,082,448 (including Measure Z) is available to be spent on your Board's priorities and projects

Despite revenue increases, revenues are not keeping pace with expenditures. This budget proposes that your Board appropriate \$122,113,852 in General Fund expenditures. This is an increase of \$6,826,848, or six percent, from last year. For FY 2016-17 this means there is a proposed deficit of \$4.9 million. As shown in the table this is an increase of \$2.1 million from what was estimated in the third quarter budget report and will result in an estimated ending fund balance for FY 2016-17 of \$1.8 million. The FY 2015-16 adopted budget included \$3.1 million in fund balance. The increase in fund balance use for FY 2016-17 is due to \$1.5 million being carried forward for Measure Z and an additional \$350,000 being allocated for reserves. Due to a higher-than-estimated General Fund balance at the end of FY 2014-15 \$750,000 was transferred to contingencies in order to be appropriated to the General Reserve in FY 2016-17

Estimated FY 2016-17 Beginning Fund Balance	6,705,208
Estimated Third Quarter Gap	(2,818,870)
Revenue	
Insurance refund	358,483
Additional revenue	214,981
	<u>573,464</u>
Expenditures	
Increased Jail medical costs	104,031
Contingencies	430,851
Additional funding federal legislative advocacy	1,800
Additional funding medical cannabis permitting	100,000
Additional funding medical cannabis ag inspections	29,700
Additional funding Public Defender	248,565
Additional funding court expansion	50,000
Carry forward fund for Measure Z	1,548,924
Carry forward funding elections relocation	95,000
Carry forward funding traffic impact study	70,000
	<u>2,678,871</u>
Proposed Budget Net Costs	(4,924,277)
Estimated FY 2016-17 Year End Fund Balance	<u>1,780,931</u>

This budget includes the county's half-cent sales tax measure, Measure Z, which passed in November, 2014. Measure Z is anticipated to bring in \$10.2 million in revenue for the community in FY 2016-17, additionally \$1.5 million is being rolled forward from the current fiscal year. Your Board appointed a nine-member Citizens' Advisory Committee to make recommendations on the use of these funds. This committee has played an integral part in reviewing the \$12.7 million in Measure Z funding requests received for FY 2016-17. At the end of March 2016, the committee submitted their Measure Z funding recommendations totaling \$6,591,566 for inclusion in the proposed budget. The recommendations were reviewed by your Board during the third quarter budget report and \$6,497,808 was recommended for funding. More detail on the Measure Z proposals submitted and recommended for funding can be found in Attachment III.

The FY 2016-17 proposed budget includes a recommended \$11,746,124 for Measure Z. This is comprised of \$5,248,316 in on-going expenditures that were allocated in FY 2015-16 and \$6,497,808 recommended for new applications. The FY 2016-17 proposed budget includes a recommended \$1.1 million for the District Attorney's (DA) Office, \$524,334 for Probation, \$4 million for the Sheriff, \$204,393 for the Public Defender, \$1.7 million for Public Works, \$532,926 for the Department of Health and Human Service and \$107,606 for County Counsel. In addition, other local agencies will receive \$3.6 million in Measure Z funding as follows: \$324,408 for K'ima:w Medical Center; \$33,649 for City of Rio Dell; \$180,665 for City

of Fortuna; \$328,937 for City of Arcata; \$77,250 for City of Blue Lake; \$17,654 for City of Ferndale; \$459,140 for the Eureka Police Department; \$2.1 million for rural fire; \$40,000 for Humboldt Waste Management Authority; and \$10,452 for Area 1 Agency on Aging.

In order to transparently display \$11.7 million in Measure Z expenditures the CAO has placed all recommended funding into unique Measure Z budget units. This will give staff, the Citizens' Advisory Committee and the public the ability to see where and how much of the funds are spent. There is also a Measure Z section, under the Governance tab (starting on page B-46) in the proposed budget. This section summarizes the recommended budgets for all Measure Z budget units.

Departments submitted over \$4.2 million in additional funding requests, as shown in Attachment IV. The recommended budget does include funding for a small number of one-time costs and some on-going expenses. While all of the departmental requests have merit, the CAO is proposing to direct the limited financial resources in the General Fund to one-time costs, mandated costs and the preservation of services in accordance with the Board's direction in the mid-year and third quarter reports. The recommended funding requests are:

One-time expenditures:

- \$100,000 Planning & Building (1100-268) – to cover the cost of staff time spent on medical cannabis permitting that are not currently reimbursable by fees. In January 2016 your Board approved the Medical Marijuana Land Use Ordinance. The initial start-up phase of the permitting process has resulted a large number of general inquires that have not yet resulted in permit applications. The department requested \$162,904 for staff time anticipated to be spent on general inquires and \$250,000 to cover the cost of contracted permitting assistance due to the large volume of medical cannabis permitting activities. Partial funding is recommended because it is one-time funding that may provide increased revenue in future years. Land use regulation and permitting processes support the Board's Strategic Framework, Focus by promoting a safe, healthy and economically vibrant community.
- \$29,700 Agricultural Commissioner (1100-261) – Medical marijuana is now classified as an agricultural product. The California Department of Food and Agriculture (CDFA) is authorized to contract with Agricultural Commissioners in each county to carry out the new responsibilities created by this classification, which include: licensing and annual inspection of cultivation sites; implementing a program to tag each plant with a unique identifier; implementing a program for reporting the movement of medical cannabis; creating and enforcing regulations to ensure compliance with weighing device standards; and creating and enforcing regulations to ensure licensee compliance with existing state and local laws. It is virtually certain that CDFA will utilize this contracting authority to share these responsibilities with Agricultural Commissioners, and locally the Humboldt County Commissioner has begun participating in numerous activities relating to these new areas of agricultural responsibility. An additional position was allocated in FY 2015-16 to provide sufficient staffing in the Agricultural Commissioner's office to handle the increased workload. The new staff person needs a vehicle to do inspections and other field work. The request is recommended because it is one-time funding that may provide increased revenue in future years. This supports the Board's Strategic Framework by enforcing laws and regulations to protect residents.

- \$50,000 Capital Projects (1100-170) – there is potential space available in the courthouse for new courtrooms but it requires the relocation of existing county services to a new location. There has been a significant increase in the volume of court trials pending and the Court does not have the secure space to conduct all pending trials. An upward trend in the number of local trials is anticipated to continue resulting in a need for addition courtroom space. This one-time request will help prevent future costs related to court expansion at other locations. This supports the Board’s Strategic Framework, Core Roles by providing for and maintaining infrastructure and enforcing laws and regulations to protect residents.

State mandated and on-going expenditures:

- \$104,031 Inmate Medical (1100-490) – this budget unit provides mandated medical care for inmates through a contract with California Forensic Medical Group. The anticipated contract amount for FY 2016-17 is \$3,318,178, an increase of \$514,122. This is \$104,031 more than what was estimated during budget development. The county is currently renegotiating the contract for inmate services and the recommended funding covers the anticipated base increase for service costs. There is an additional funding request of \$350,000 for more staff to assess the medical needs of detainees during the booking process. This is not recommended for funding in the proposed budget. This supports the Board’s Strategic Framework Core Roles by enforcing laws and regulations and protecting vulnerable populations.
- \$248,565 Public Defender (1100-219) – to provide funding for two additional positions in the Public Defender's Office, 1.0 FTE Deputy Public Defender IV and 1.0 FTE Investigator. Measure Z funding has increased staffing in the Sheriff, Probation and DA offices there has been no corresponding increase in the Public Defender’s office. This request will maintain current levels of service to indigent persons due to increased caseloads. This supports the Board’s Strategic Framework by protecting vulnerable populations and enforcing laws and regulations to protect residents.
- \$1,800 County Administrative Office (1100-103) - to provide funding for the county’s legislative advocate contract increases and prevent the discontinuation of federal legislative advocacy services. Federal advocates, Waterman and Associates are requesting a three percent annual increase for three years or an additional \$1,800 for year one, an additional \$1,850 for year two and an additional \$1,910 for year three. This request supports the Board’s Strategic Framework Priorities for New Initiatives by providing community-appropriate levels of service and facilitating public/private partnerships. Because of the small dollar amount required to continue existing service levels, this request is recommended for funding.

Waiver of Balanced Budget Policy, Recommendation 2

Contained in staff recommendations is a request for a one-year waiver of the Board policy on Balanced Budget (adopted October 7, 2008) to allow the General Fund’s fund balance (savings) to be used for on-going expenses. This policy states the use of available fund balance shall be limited to one-time only expenditures. The proposed budget includes the use of \$4.9 million in fund balance, of which \$1.5 million is one-time Measure Z carry forward, \$2.4 million is one-time and the remaining \$1 million is on-going. Staff believes this waiver is appropriate due to the estimated ending fund balance of \$6.7 million at the end of FY 2015-16. The county has also dipped into General Fund savings (fund balance) in the past. However, there is risk. Economic uncertainties and estimating revenues, which can be unpredictable at

times, will likely lead to differences between projections and actual amounts. There is the chance that revenues will not grow at the rates estimated which would result in the need for spending reductions. At the time of the Third Quarter report, staff was estimating a \$2.8 shortfall for FY 2016-17. This has increased to \$4.9 million (including Measure Z), due to expenditure recommendations described above. This increase is necessary to fund contingencies and reserves as previously approved by your Board, state mandated on-going costs, cannabis related investments and the support of public safety services.

Fund Balance being used		4,924,277
Measure Z	One-time Carry Forward	(1,548,924)
		3,375,353
Contingencies	One-time	(1,680,851)
Reserves	One-time	(750,000)
Ag Vehicle	One-time	(29,700)
Court Space	One-time	(50,000)
Cannabis Support	One-time	(100,000)
Elections Relocation	One-time Carry Forward	(95,000)
Traffic Impact Study	One-time Carry Forward	(70,000)
Insurance Refund	One-time Revenue	358,483
	Total One-time	(2,417,068)
	Total Ongoing	(958,285)

In addition, the Board policy on Contingencies and Reserves (adopted October 7, 2008) requires the CAO to note when the General Reserve is below eight percent. A contribution of \$400,000 was made in FY 2015-16. This brought the General Reserve balance up to a \$1,572,737 million. The proposed FY 2016-17 budget does contain a contribution to the General Reserve of \$750,000. Per Board adopted policy the county's General Reserve should total approximately \$9.38 million (between 8 and 10 percent of total General Fund revenues). General Fund Contingencies are proposed at \$1,680,851. This is significantly less than the targeted 6 percent of total General Fund revenues identified in Board policy. Due to the ongoing structural deficit in the General Fund it is not possible to meet policy targets without significant reductions to departmental operations.

The Board policy on Deferred Maintenance funding (adopted October 7, 2008) requires the CAO to note when the contribution is less than the targeted five percent, or \$1,435,000 of the total deferred maintenance costs of \$28.7 million. The proposed budget includes only \$64,250 in funding for deferred maintenance. This means that the proposed contribution is only four percent of the targeted contribution.

Inter-Fund Loans, Recommendation 3

As approved by your Board in the third quarter budget report on May 3, inter-fund loans are necessary for two funds, the Aviation Fund and the Forest Resources and Recreation Fund. The resolution (Attachment I) before your Board today authorizes the General Fund to loan \$60,000 to the Forest Resources and Recreation Fund against the expected payment from future timber harvests. Additionally based on estimates provided by Public Works the Aviation Fund is not anticipated to utilize the full \$500,000 authorized by resolution in FY 2015-16 and \$246,500 is being rolled forward into FY 2016-17. This is a loan from Motor Pool to provide temporary cash flow to allow the airport to make structural changes to its operations to eliminate deficit spending.

Transfer from Tax Loss Reserve Fund, Recommendation 4

A Teeter plan requires counties to have one percent of all property taxes and assessments levied (Revenue and Taxation code 4703(a)) placed in a tax loss reserve fund, or Teeter fund. For Humboldt County this means the county's tax loss reserve fund should be approximately \$1.19 million. Any dollar amount over the one percent requirement can be credited to the county General Fund. For FY 2015-16 your Board

approved transferring \$800,000 to the General Fund. The county's tax loss reserve fund (3010) is estimated to have a balance of \$2.7 million at the end of the current fiscal year and it is estimated that on an on-going basis \$700,000 to a \$1 million can be transferred to the General Fund, depending on economic conditions. Based on the current estimated fund balance it is recommended that \$1,000,000 be transferred to the General Fund for FY 2016-17.

Voluntary Furlough Program, Recommendation 5

The voluntary furlough program was created in FY 2008-09 to provide an opportunity for budget savings during difficult budget years. The program has been reviewed each fiscal year as part of the budget process and in FY 2015-16 it was not recommended for continuation because it was originally intended to be a temporary budget solution. As part of the third quarter budget report your Board recommended to allow department heads to authorize voluntary unpaid furloughs. At that time there was also discussion on how much the program was utilized by departments. According to records maintained by the CAO in FY 2014-15 there were 26 county employees utilizing the furlough program. Additionally the CAO conducted a survey of county departments on their use of the program and a summary of the results are shown in Attachment V. It does not appear that the voluntary furlough program is being utilized as a budget savings tool and it is recommended that this program continue without annual review as part of the budget process.

FINANCIAL IMPACT:

Funding is as shown in the Humboldt County FY 2016-17 Proposed Budget document.

The total proposed county budget is \$352,542,273.¹ Proposed General Fund expenditures are \$122,113,852 including a Contingency Reserve of \$1,680,851. The Contingency Reserve represents less than one percent of General Fund revenues, far less than the six percent target identified in Board policy. Per policy contingencies should be proposed at \$7,031,375 (six percent of \$117,189,575). Given the current economic climate, resources are not available in FY 2016-17 to increase Contingency Reserve to the level identified in policy without seriously impacting the provision of county services.

¹ The County's internal service funds generally appropriate as expenditures funding that already appears as expenditures in other County budgets, so to avoid double-counting they are excluded from the budget totals above. The proposed appropriations in the funds not included in the County total are as follows:

3500 – Motor Pool Fund	\$ 3,359,627
3520 – Risk Management Fund	\$ 745,989
3521 – Communications Fund	\$ 319,484
3522 – Employee Benefits	\$ 389,791
3523 – Workers Compensation Fund	\$ 6,229,278
3524 – Liability Insurance Fund	\$ 2,772,562
3525 – Medical Plan Fund	\$21,165,631
3526 – Dental Plan Fund	\$ 1,467,039
3527 – Unemployment Insurance Fund	\$ 182,089
3528 – Purchased Insurance Premiums	\$ 983,491
3530 – Airport Enterprise Fund	\$ 3,368,764
3539 – Aviation Capital Projects	\$ 3,552,812
3540 – Heavy Equipment Fund	\$ 2,334,315
3550 – Information Technology Fund	\$ 4,098,864
3555 – Purchasing Central Service Fund	\$ 356,185

OTHER AGENCY INVOLVEMENT:

All county departments and agencies, as well as several community organizations that receive county funding, are affected.

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Board's discretion.

ATTACHMENTS:

- I. Resolution Authorizing Inter-Fund Loan for the Forest Resources and Recreation Fund
- II. Voluntary Furlough Agreement
- III. Measure Z Funding Requests
- IV. Additional General Fund Appropriation Requests
- V. Voluntary Furlough Survey
- VI. Humboldt County FY 2016-17 Proposed Budget (copy on file with the Clerk of the Board and available online at <http://www.humboldt.gov/247/Budget>)

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA

Certified copy of portion of proceedings, Meeting of June 7, 2016

RESOLUTION NO. 16-65

**RESOLUTION OF THE HUMBOLDT COUNTY BOARD OF SUPERVISORS RESCINDING
RESOLUTION NO. 15-58 AND AUTHORIZING AN INTER-FUND LOAN FROM THE
GENERAL FUND TO THE FOREST RESOURCES AND RECREATION FUND**

WHEREAS, the Humboldt County Board of Supervisors accepted the Phase 1 property of the McKay Community Forest and established the Forest Resources and Recreation Fund on November 4, 2014; and

WHEREAS, the McKay Community Forest will be a working forest with periodic revenues from timber harvest which are projected to increase over time as trees grow and stand volumes increase; and

WHEREAS, it is anticipated that for approximately 30 years costs for infrastructure and operation of the McKay Community Forest will exceed revenues available; and

WHEREAS, the Forest Resources and Recreation Fund was established to account for operation of the McKay Community Forest; and

WHEREAS, on June 2, 2015, the Board of Supervisors adopted Resolution No. 15-58 which authorized a loan of \$50,000 to the Forest Resources and Recreation Fund from the General Fund; and

WHEREAS, additional funds in the amount of \$60,000 are now needed to finance the operation of the McKay Community Forest for a total loan amount of \$110,000; and

WHEREAS, adequate funds to increase the loan to the Forest Resources and Recreation Fund are available in the General Fund.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. That Resolution No. 15-58 is hereby rescinded.
2. That an inter-fund loan not to exceed a total amount of \$110,000 is hereby authorized from the General Fund to the Forest Resources and Recreation Fund.
3. That the loan is to be repaid from future timber harvest sales revenue from the McKay Community Forest anticipated to be received before 2045, together with interest as calculated by the Auditor-Controller based on the county pooled interest rate provided by the Treasurer Tax Collector.
4. That accelerated payment may be required if cash requirements so dictate.

Dated: June 7, 2016



MARK LOVELACE, Chair
Humboldt County Board of Supervisors

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA

Certified copy of portion of proceedings, Meeting of June 7, 2016

RESOLUTION NO. 16-65


Adopted on motion by Supervisor Bass, seconded by Supervisor Sundberg, and the following vote:

AYES:	Supervisors	Sundberg, Fennell, Lovelace, Bohn, Bass
NAYS:	Supervisors	--
ABSENT:	Supervisors	--
ABSTAIN:	Supervisors	--

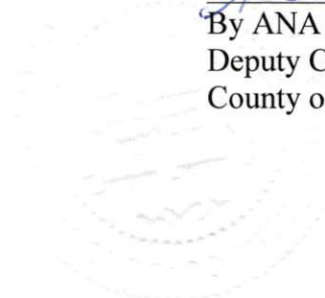
STATE OF CALIFORNIA)
County of Humboldt)

I, KATHY HAYES, Clerk of the Board of Supervisors, County of Humboldt, State of California, do hereby certify the foregoing to be an original made in the above-entitled matter by said Board of Supervisors at a meeting held in Eureka, California.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said Board of Supervisors.



By ANA HARTWELL
Deputy Clerk of the Board of Supervisors of the
County of Humboldt, State of California



Attachment II

FY 2016-17

VOLUNTARY FURLOUGH AGREEMENT

PRINT YOUR NAME

The County permits employees to participate in a voluntary unpaid furlough program and I am seeking to participate in the furlough agreement under the following terms:

1. My decision to enter into this program is entirely voluntary and I understand that it requires the approval of the appointing authority.
2. The voluntary furlough period covered by this agreement is fiscal year _____.
3. I understand that the voluntary furlough impacts the budget and that once I elect to enter the voluntary furlough program I must remain in that status until the end of the agreement.
4. I have carefully reviewed the attached furlough calendar (Exhibit A) and I am asking that I be permitted to take an unpaid furlough for the days or hours that I have designated on that form.
5. I understand that if my requested furlough time is in the form of a block of time that encompasses a full pay period, or more, that I must contact the County's payroll office so that they may calculate how much benefit time must be incorporated into my time card to cover any regularly scheduled deductions.
6. I understand that I may request a review of my voluntary furlough status if I am demoted in position because of budget cuts.
7. I understand that if I am promoted into a different position the Department will review my furlough and, depending upon staffing and financial considerations, may elect to terminate or continue my furlough depending on the best interests of the Department.
8. If the County elects to reduce employee hours or implement an involuntary furlough, I understand that I will be permitted to exchange my voluntary furlough hours for any mandatory reduction in hours imposed by the County on an hour-for-hour basis if that reduction occurs during the period I have requested a furlough.
9. I understand that even if my furlough is approved, it may be amended or cancelled at any time during this agreement if it is determined by the appointing authority to be in the best interests of the Department.
10. I understand that credits toward sick leave, vacation, and holiday eligibility will accrue as if I were in a paid status.
11. I understand that furlough time shall count toward time in service for step advancement, completion of probation, and seniority for purposes of layoff.
12. I understand that if my employment status changes during the course of this agreement and I am placed on some other type of leave without pay then my furlough will be suspended or terminated at the discretion of the appointing authority.

Attachment II

Employee Signature

Date

Supervisor Approval

Date

Appointing Authority

Date

Attachment III

FY 2016-17 Measure Z Requests

Agency and Project	Agency Requested	Citizens' Advisory Committee Recommendations	Board Recommended
Affordable Homeless Housing Alternatives, Inc.			
Sanctuary Camp - to develop and supervise a safe, legal, transitional sanctuary camp. This will provide a place for people to reside while permanent housing is being developed.	55,548	0	0
Tiny House Village - to establish and operate a safe, legal, transitional tiny house village.	63,933	0	0
Safe Parking Program - to develop and supervise a safe, legal, transitional safe parking program for one year.	55,880	0	0
Alcohol Drug Care Services, Inc.			
Treatment Facility - to purchase and remodel a vacant skilled nursing facility. This will allow all of the current treatment services to be in one location, expand current treatment capacity, provide new program curriculum and make more efficient use of staff.	575,000	0	0
Area 1 Agency on Aging			
Elder Ombudsman - to advocate for residents in long-term care settings and investigate allegations of elder abuse and neglect.	10,452	10,452	10,452
City Ambulance of Eureka, Inc.			
To provide every emergency response vehicle in the County with a comprehensive map book created by a professional mapping service.	9,370	0	0
City of Arcata Police Department/Sheriff			
Two student resource officers and two juvenile probation diversion positions to directly serve K-12th students and families in the north county. Will work collaboratively with the schools to reduce truancy and to keep juveniles out of the juvenile justice system.	428,937	428,937	328,937
City of Blue Lake			
One half time deputy sheriff.	77,250	0	77,250
Public Safety Education - for the design, printing and mailing of a public safety educational brochure to City residents and businesses.	1,560	0	0
City of Eureka Police Department			
Two police officers, equipment and homeless support services to work with the county's Mobile Intervention Support Team (MIST) to reduce homelessness.	459,140	459,140	459,140
City of Ferndale Police Department			
Dispatch services for the police department.	20,200	0	0
Public safety radio repeater upgrade for linking the Ferndale, Fortuna and Rio Dell police departments. Patrol vehicle repeaters for the police patrol vehicles.	35,308	0	17,654
City of Fortuna Police Department			
Maintaining the current Measure Z funding for a police officer assigned to the Drug Task Force. Purchase of 27 hand held digital radios to replace worn out, aging radios currently in use.	180,665	180,665	180,665

FY 2016-17 Measure Z Requests

Agency and Project	Agency Requested	Citizens' Advisory Committee Recommendations	Board Recommended
City of Rio Dell Police Department			
One full time community services officer to support the mission of the City's law enforcement officers. Primary responsibilities would be code enforcement and animal control.	73,325	0	0
Continued funding for part time clerical position in the City's police department to support law enforcement, nuisance abatement and code enforcement.	33,649	0	33,649
City of Trinidad			
One full time deputy sheriff position to provide a dedicated peace officer in the Trinidad area seven days a week.	150,634	75,317	75,317
College of the Redwoods			
School resource officer protection services, staff to answer public safety department emergency phone line, public safety staff for the Garberville campus, maintain public safety department services, active shooter training and safety workshops, upgrade roads, curbs, parking lots and purchase and install additional emergency call box phones.	793,800	0	0
County Auditor-Controller			
Sr Fiscal Assistant— to assist with the increased workload as a result of Measure Z monies flowing into the county due to additional accounting and reporting duties.	49,940	0	0
County Administrative Office			
To pay-down the California Public Employees Retirement System (CalPERS) accrued unfunded liability.	1,000,000	0	0
Information Technology for enhanced technology and communications equipment and software to support county public safety	157,000	0	0
Relocate county services to allow for the creation of two new courtrooms in the existing county courthouse.	50,000	0	0
For critical emergency response services in areas that are outside of existing fire service district boundaries, such as along the Highway 299 corridor.	252,855	0	252,855
County Counsel			
A one time allocation of funding for code enforcement abatements on parcels where the owner is either unwilling or unable to clear the violation themselves.	40,000	0	0
District Attorney			
Vehicle and mileage cost for Measure Z investigator position.	26,588	26,588	26,588
Fire Chief's Association			
Equipment such as used fire engines, metal building kits, personal protective equipment and fire hose. Dispatch services and efforts to improve sustainability and equity in how emergency services are supported in the County.	2,231,397	2,231,397	1,838,542
Fortuna Union High School			
One full time campus supervisor for the main Fortuna High School campus to investigate crimes, protect victims and provide a safer environment.	51,570	0	0

FY 2016-17 Measure Z Requests

Agency and Project	Agency Requested	Citizens' Advisory Committee Recommendations	Board Recommended
Humboldt Area Center for Harm Reduction			
Peer outreach program to promote improved public health and safety through the exchange, collection and disposal of used syringes, overdose medication, education, support and peer to peer communication with substance users.	20,000	0	0
Humboldt Animal Rescue Team			
Expand services to care for and find homes for more animals.	10,000	0	0
Humboldt Spay/Neuter Network			
Funding to offer free rabies vaccines and free spay of female pit bulls.	19,500	0	0
Humboldt Waste Management Authority			
The expansion and augmentation to cover the costs associated with clean up by waiving disposal fees for illegal dumped solid waste.	40,000	40,000	40,000
K'IMA:W Medical Center			
The continuation of ambulance service in the Willow Creek Service area.	324,408	324,408	324,408
Equipment for the ambulances such as life monitors and defibrillators.	109,238	0	0
Public Defender			
Increase staffing levels in the Public Defender offices to correspond to staffing increases from Measure Z in the Sheriff, District Attorney and Probation departments.	629,722	0	161,047
Eliminate the Alternate Counsel's office and transfer staff to Public Defender and Conflict offices. Increase part-time investigator to full time.	43,346	43,346	43,346
Public Works			
Provide funding for chip sealing and slurry sealing county roads to prevent pavement failures and insure safer driving surfaces.	2,500,000	1,500,000	1,500,000
Identification and removal of non-hazardous and hazardous waste dumped on County property.	50,000	10,000	10,000
Train additional staff for mandated Aircraft Rescue and Fire Fighting services required for commercial service at ACV.	7,000	0	7,000
Provide funding for the portion of FAA mandated Aircraft Rescue and Fire Fighting services required for commercial service at ACV that is not covered by TSA.	140,000	0	140,000
Improvements to the Arcata Veterans Hall, including kitchen hood and fire suppression equipment, electrical upgrades, exterior painting and accessibility improvements.	300,000	0	0
Radar speed feedback signs and pedestrian countdown signals.	130,000	0	0
Redwood Acres			
Emergency Facility Use Plan for evaluation of the potential use of the fairgrounds during and after a regional emergency.	25,000	0	0

FY 2016-17 Measure Z Requests

Agency and Project	Agency Requested	Citizens' Advisory Committee Recommendations	Board Recommended
Sheriff			
Four deputy sheriffs, one correctional lieutenant, one community services officer, one animal control officer and funding for overtime. Purchase a four 4-WD patrol vehicles and one rescue/recovery vehicle.	1,261,316	1,261,316	970,958
Yurok Tribe Department of Public Safety			
Support for upriver volunteer fire department including equipment, training, staff and environmental clean-up.	215,000	0	0
TOTAL	12,708,531	6,591,566	6,497,808

Attachment IV

FY 2016-17 Additional General Fund Appropriation Requests

Department	Priority	Requested	Recommended
Board of Supervisors			
0.5 FTE extra help position to continue digitization and archiving old paper records.	1	21,000	0
County Administrative Office			
Legislative advocate contract increases. Federal advocates, Waterman and Associates are requesting a three percent annual increase for three years or an additional \$1,800 for year one, an additional \$1,850 for year two and an additional \$1,910 for year three.	1	1,800	1,800
To provide additional court space to prevent future costs related to court expansion.	2	50,000	50,000
Travel for Waterman and Associates to visit Humboldt County.	3	2,000	0
Send one staff person to LEAD training.	4	5,000	0
Economic Development			
One Economic Development Specialist position to focus on county economic development including the airport. This position became vacant in FY 2015-16 and will be held vacant in FY 2016-17 if additional funding is not provided.	1	98,365	0
Contribution to Headwaters to cover A-87 costs which would free up funding for grant making.	2	81,212	0
Library			
To maintain current library services by funding a Library Assistant I/II position. This would also begin to restore the General Fund allocation to pre recession levels.	1	65,000	0
Treasurer-Tax Collector			
Send one staff person to LEAD training.	1	5,000	0
Planning and Building			
Cover the cost of staff time spent on general inquiries related to medical cannabis permitting.	1	162,904	100,000
Funding for outside contracted permitting assistance. Due to the large volume of medical cannabis permitting activities outside assistance is needed to meet current demand.		250,000	0
Inmate Medical			
Inmate Medical Services are required to be provided by Section 1200, Title 15, of the California Administrative Code. Medical service are provided via contract with a private firm. Additional staff are recommended to assess the medical needs of detainees during the booking process.	1	350,000	0
Funding to cover deficit in Aviation budget for FY 2016-17. This request would maintain current service and staffing levels.	1	370,823	0
The Aviation Division is mandated by the Transportation Security Administration to provide security services at ACV. These services are provided by the Sheriff's office. The Aviation budget currently does not have sufficient resources to provide the local match for this service. This was also submitted as a Measure Z request.	2	140,000	0
Purchase and installation of a self-serve pump at ACV. This would eliminate the need for staff to fuel planes and allow them to perform other needed activities at the airport such as preventative maintenance.	3	15,500	0

FY 2016-17 Additional General Fund Appropriation Requests

Department

	Priority	Requested	Recommended
Public Works			
To provide funding for deferred maintenance of county parks infrastructure which would reduce costs for repairs and maintenance.	4	22,000	0
Review, enhance, and consolidate existing ADA lists into one master list encompassing all county owned buildings and provide a strategic framework for planning and building all necessary remaining accessibility upgrades.	5	300,000	0
The county owns five Veteran's buildings that are in need of repairs and renovation to meet current health, safety and ADA standards. Improvements to the kitchens are especially needed because they are an important feature used extensively by the Veterans and community and are not built to current code requirements.	6	300,000	0
Two additional facility maintenance mechanic positions to maintain and service the county's facilities. Due to budget cuts there are currently only four mechanics for over 100 buildings which is not sufficient to perform required preventative maintenance resulting in most work being done in an immediate need or emergency basis. This is not efficient or sustainable in the long run.	7	142,000	0
On-Call Mechanic for off hours Monday-Friday. Equipment failures, leaks, broken windows and doors, electrical outages and other emergencies occur at all hours of the day and night currently there is no staff on-call to respond to these issues. This would result in savings from not needing to utilize outside vendors for off hours emergency repairs.	8	25,000	0
Restore services at the airport by funding for 2.0 FTE Airport Service Workers and 1.0 FTE Grounds Keeper that are currently being held unfunded.	9	250,000	0
Aircraft rescue fire fighting services required trainings	10	40,700	0
Replacement of the heating, ventilation and air conditioning system at the Regional Facility. Age and corrosion are impacting the reliability of the equipment and resulting in failures of the equipment. Would result in savings from increased energy efficiency.	11	67,500	0
Set aside funds to use for hazardous materials survey work and clean-up when materials are encountered during routine facility maintenance activities. This would be a proactive approach that would allow for elimination of hazardous materials now rather than in the future when the cost for clean up are more expensive.	12	100,000	0
Public Works			
Courthouse building management system (BMS) upgrade to include floors 3, 4 & 5. Currently mechanical controls for these floors are monitored and adjusted manually. This request would automate the equipment and tie into the existing upgraded BMS.	13	65,000	0
Update the 2008 Facilities Master Plan for the county and examine opportunities to take strategic action on various recommendations. The existing plan is somewhat outdated, with changes in leased and owned facilities having happened since the report was released.	14	200,000	0

FY 2016-17 Additional General Fund Appropriation Requests

Department

	Priority	Requested	Recommended
Public Defender			
This request would provide funding for the cost of a Deputy Public Defender IV position to allow the Public Defender's Office to maintain its current staffing level.	1	161,047	0
This request would provide funding for an extra-help 0.5 Legal Office Assistant. This request is to maintain current service levels.	2	25,750	0
This request would provide funding for three additional positions in the Public Defender's Office. Positions requested include: 1.0 FTE Deputy Public Defender IV, 1.0 FTE Investigator, and 1.0 FTE Social Worker IV. Measure Z funding has increased staffing in the Sheriff, Probation and DA offices there has been no corresponding increase in the Public Defenders office.	3	345,455	248,565
This request would provide funding for three additional positions in the Conflict Counsel Office. Positions requested include: 1.0 FTE Deputy Public Defender IV, 1.0 FTE Investigator, and 1.0 FTE Legal Office Assistant. Measure Z funding has increased staffing in the Sheriff and DA offices there has been no corresponding increase in the Public Defenders office.	4	330,246	0
This request would provide funding for three additional positions to maintain the Alternate Counsel Office. Positions requested include: 1.0 FTE Supervising Attorney, 1.0 FTE Investigator and 1.0 Legal Office Assistant I/II. These positions are needed to keep up with current case load levels. If this request is not funded the office would most likely need to close. Measure Z funding has increased staffing in the Sheriff and DA offices there has been no corresponding increase in the Public Defenders office.	5	310,832	0
Probation			
This request would provide funding for a currently frozen position of Assist Chief Probation Officer to allow for better succession planning with the impending retirement of the Chief Probation Officer.	1	124,335	0
Send one staff person to LEAD training.	2	5,000	0
Agricultural Commissioner			
Funding for the purchase and operation of a new vehicle for the new ag inspector position to do inspections and other field work. This request is primarily related to new medical cannabis permitting requirements.	1	36,000	29,700
TOTAL		4,469,469	430,065

Attachment V

Voluntary Furlough Survey Results

1. Does your department currently approve or has your department approved voluntary furloughs for your staff?

Answer Options	Response Percent	Response Count
Yes	41.7%	5
No	58.3%	7
<i>answered question</i>		12
<i>skipped question</i>		0

2. Are you aware that voluntary furloughs allow employees to accrue health benefits, vacation and sick leave benefits at the same level as if they were working their regular

Answer Options	Response Percent	Response Count
Yes	91.7%	11
No	8.3%	1
<i>answered question</i>		12
<i>skipped question</i>		0

3. Is this a concern to you?

Answer Options	Response Percent	Response Count
Yes	41.7%	5
No	58.3%	7
<i>answered question</i>		12
<i>skipped question</i>		0

4. How many people in you department currently utilize the voluntary furlough plan?

Answer Options	Response Percent	Response Count
1-5	25.0%	3
6-10	0.0%	0
11-20	0.0%	0
More than 20	0.0%	0
N/A (only if you answered NO to question 1)	75.0%	9
<i>answered question</i>		12
<i>skipped question</i>		0

Voluntary Furlough Survey Results

5. Please list the total number of voluntary furlough hours for your department.

Answer Options	Response Count
	12
<i>answered question</i>	12
<i>skipped question</i>	0

Number	Response Text
1	We used it in the past (~5+ years ago) during a budget reduction time period.
2	1,352 hours total for FY 2014-15
3	324 hours
4	now using vacation days
5	0
6	0
7	0
8	0
9	8 per week
10	n/a
11	0
12	0 for FY 2015/16, had some a few years ago though

6. Please provide the salary savings for your department.

Answer Options	Response Count
	5
<i>answered question</i>	5
<i>skipped question</i>	7

Number	Response Text
1	\$33,800
2	\$13,083
3	N/A
4	N/A
5	N/A

7. If you approve or have approved voluntary furloughs for your staff, did your department experience a loss in productivity?

Answer Options	Response Percent	Response Count
Yes	25.0%	3
No	25.0%	3
N/A (only if you answered NO to question 1)	50.0%	6
<i>answered question</i>		12
<i>skipped question</i>		0

Voluntary Furlough Survey Results

8. Do you see voluntary furloughs as an employee retention tool?

Answer Options	Response Percent	Response Count
Yes	58.3%	7
No	41.7%	5
	<i>answered question</i>	12
	<i>skipped question</i>	0

9. Do you recommend that we continue with the voluntary furlough program?

Answer Options	Response Percent	Response Count
Yes	41.7%	5
No	58.3%	7
	<i>answered question</i>	12
	<i>skipped question</i>	0

Attachment VI

Humboldt County FY 2016-17 Proposed Budget (copy on file with the Clerk of the Board and available online at <http://www.humboldt.gov/247/Budget>)