

COUNTY OF HUMBOLDT

AGENDA ITEM NO.

C-1

For the meeting of: June 19, 2017

Date: June 02, 2017
To: Board of Supervisors
From: Amy S. Nilsen, County Administrative Officer *AN*
Subject: Public Hearing on Proposed County Budget for Fiscal Year 2017-18

RECOMMENDATION(S):

That the Board of Supervisors:

1. Open the public hearing;
2. Receive reports from staff;
3. Receive testimony from public;
4. Continue the hearing to 6:00 p.m.;
5. Receive updated reports from staff (if required);
6. Receive additional testimony from public;
7. Close the public hearing;
8. Deliberate on the Fiscal Year (FY) 2017-18 proposed spending plan;
9. Give direction to staff regarding any desired modifications to the proposed budget; and
10. Set June 27 as the date to adopt the budget.

SOURCE OF FUNDING: All County funds

Prepared by Elishia Hayes

CAO Approval *[Signature]*

REVIEW:

Auditor _____ County Counsel _____ Human Resources _____ Other _____

TYPE OF ITEM:

☐ Consent
☐ Departmental
☒ Public Hearing
☐ Other _____

PREVIOUS ACTION/REFERRAL:

Board Order No. _____

Meeting of: _____

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT

Upon motion of Supervisor

Seconded by Supervisor

And unanimously carried by those members present,

The Board hereby adopts the recommended action
contained in this report.

SEE ACTION SUMMARY

Dated: _____

Kathy Hayes, Clerk of the Board

By: _____

DISCUSSION:

Annually, the County Administrative Office (CAO) presents a proposed budget to the Board of Supervisors. The adoption of an annual budget is one of the most significant policy decisions of the Board. As such, it requires substantial preparation and benefits markedly from public input.

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, provides the legal requirements pertaining to the content of the proposed budget, adoption procedures, and dates by which actions 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 January 25, 2017, your Board revised the Board's Strategic Framework and these have been integrated into the FY 2017-18 Proposed Budget.
- On February 7, 2017, as part of the Mid-Year Budget report your Board set parameters for the development of the FY 2017-18 budget for General Fund allocations and the budget calendar. The parameters included direction to set departmental allocations from the General Fund to increase by 6 percent based on current year General Fund allocations.
- Community Budget Roadshows were held on March 2, 6, 9 and 23, 2017, with the assistance from Access Humboldt and a facilitator, County of Humboldt elected officials, department heads and representatives from various departments. The purpose of the roadshows were to present an overall view of the state of the county and to solicit public input on community priorities for Measure S revenues generated from the Cannabis Excise Tax approved by voters in November 2016. In addition, community members unable to attend the workshops had the opportunity to participate and express their opinions on where to allocate Measure S revenues online via Open Humboldt. Additional information on the Community Budget Roadshow can be found on the county's website at http://humboldt.gov/1316/Open-Humboldt#peak_democracy.
- Preparation of the proposed budget began on February 27, 2017, when CAO staff presented to departments the parameters for development of their FY 2017-18 budget requests. Departments were asked to submit their requests to the CAO by April 3, 2017. The CAO reviewed the budget and Additional General Fund Appropriation Requests (funding requests) in April and May, 2017.
- On April 24 and May 1, 2017 departments made presentations to your Board on their core services and budget requests.
- On May 2, 2017, as part of the Third Quarter Budget report, your Board directed the CAO to prepare a FY 2017-18 budget proposal that used available resources and the following priority:
 - To accept Additional General Fund Appropriation Requests (additional funding requests) in the FY 2017-18 budget that are either mandated projects/services, support the intent of Measure S, one-time in nature, and/or prevent the discontinuation of services

- On June 6, 2017, the CAO presented to the Board of Supervisors the proposed Humboldt County budget for FY 2017-18. At that time, your Board notified the community of the two budget hearings today.

At today's hearings, it is recommended that you accept additional public comment and staff input, and provide any direction you wish staff to pursue prior to the final opportunity for public input and budget adoption, scheduled for June 27.

FINANCIAL IMPACT:

The total proposed county budget is \$374,403,696. Proposed General Fund expenditures are \$138,141,473 including a Contingency Reserve of \$1,500,000. The Contingency Reserve represents less than 1.5 percent of General Fund revenues, far less than the 6 percent target identified in Board policy. Per policy, contingencies should be proposed at \$8,031,359 (6 percent of \$133,855,976). Given the current financial condition of the county, resources are not available in FY 2017-18 to increase Contingency Reserve to the level identified in policy without seriously impacting the provision of county services.

Today's public hearing supports the Board's Strategic Framework by inviting civic engagement and awareness of available services, as well as managing resources to ensure sustainability of services.

OTHER AGENCY INVOLVEMENT:

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

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Defer the public hearing. This alternative is not recommended as public hearings require advanced notice, both legally and in order to secure maximum public input. In addition, deferring the public hearing would delay adoption of the final budget.

ATTACHMENTS:

- I. Humboldt County FY 2017-18 Proposed Budget (copy on file with the Clerk of the Board and available online at <http://www.humboldt.gov/247/Budget>)
- II. Additional General Fund Appropriation Requests for FY 2017-18
- III. Measure Z Funding Requests
- IV. Funding request received after budget proposal

Attachment I

Humboldt County FY 2017-18 Proposed Budget (copy on file with the Clerk of the Board and available online at <http://www.humboldt.gov.org/247/Budget>)

Attachment II
Additional General Fund Appropriation Requests for FY 2017-18

**Master List of Departmental Additional General Fund Appropriation Requests
for FY 2017-18**

Fund	Budget #	Department	Priority	Description	ONE TIME Net County Cost Requested	ON GOING Net County Cost Requested	ONGOING SAVINGS/Year	Detail	Recommended
1100	101	Board of Supervisors	1	1.0 FTE Admin Assistant/Deputy Clerk to be funded on an on-going basis to allow for the expansion of Granicus, improve Boards and Commissions process, as well as providing staffing support to assist Board Members with increased workloads.		\$62,770	unknown		\$0
Total for Board of Supervisors					\$62,770		\$0		
1100	103	County Administrative Office	1	Funding for costs associated with Community Budget Roadshow workshops which provide the community an overall view of the state of the county and an opportunity for public input on priorities for spending to address local needs.	\$5,075		unknown	Invites civic engagement and establishment of local revenue sources.	\$0
Total for County Administrative Office					\$5,075				
1100	121	County Counsel	1	3.0 FTE Investigator-Code Enforcement plus two vehicles, and office supplies and equipment to allow for enhanced code enforcement due to increased case/loads associated to cannabis cultivation and changes to the referral process.	\$385,131		unknown	Move to an effective case management process that is not based on triage.	\$385,131
Total for County Counsel					\$385,131				
1100	181	Economic Development & Promotion	1	Increased funding for the Humboldt-DeI Norte Film Commission to allow for participation in film conferences to educate industry leaders on Humboldt County, improved employee retention by increasing benefits and offering competitive wages and an increased marketing budget.		\$85,000			\$0
Total for Economic Development & Promotion					\$85,000		\$0		
1100	190	COP Payments	1	2016 Financing payment for loan to complete the Juvenile Hall, Weights and Measures, 1001 4th Street, Courthouse remodel, Arcata-Eureka Airport restaurant and Eureka Veteran's Building projects.		\$250,000		Obligated by the Board on January 19, 2016, agenda item H-3.	\$100,000
Total for COP Payments					\$250,000		\$0		
1100	199	Contribution to Economic Development	1	1.0 FTE Economic Development Specialist to support business, workforce development and the creation of private-sector jobs.		\$80,548			\$0
Total for Economic Development					\$80,548		\$0		
1100	199	Contribution to ADA	1	Extra help CAO Project Manager to coordinate and monitor ADA projects as they move forward to ensure the county is in compliance with the consent decree. Also included is expense associated to additional office supply needs and cubical space needed to accommodate the additional staff member.	\$100,000			Required to comply with the ADA consent decree.	\$100,000
1100	199	Contribution to ADA	1	Contribution to the Americans with Disabilities Act (ADA) trust fund (4491) for expenses associated to ADA projects mandated by the consent decree.	\$800,000			Required to comply with the ADA consent decree.	\$800,000
1100	199	Contribution to Reserves	1	Additional contribution to General Reserve in FY 2017-18. This will begin to bring the county more in-line with the General Reserve policy level of between eight and 10 percent of total budget.	\$150,000				\$150,000
Total for ADA and Reserves					\$1,050,000				
1100	199	Contribution to Mental Health	1	Funding for DHHS, in collaboration with First 5, will coordinate a response to Adverse Childhood Experiences (ACEs) throughout the county to protect vulnerable populations. Funding would provide for early childhood mental health consultation, parenting support, and projects developed by community based organizations that will help build the resilience, independence, diversity, growth, education and success of Humboldt County's youth.	\$400,000				\$150,000
1100	199	Contribution to Alcohol & Drug	1	Funding for services including detox with short term housing and supportive services, a sobering center and bridge funding to support the Multiple Assistance Center (MAC) operations and facilities for up to one year.	\$425,900				\$0
1100	199	Contribution to Public Health	1	Funding for Environmental Health to enforce and respond to cannabis related environmental violations such as threats to drinking water sources, hazardous waste, illegal structures and cleanup of contaminated sites.	\$163,302				\$0
Total for DHHS					\$989,202		\$0		
1100	199	Contribution to Library	1	One-time funding for staffing cost increases to prevent fund balance spending. This funding will preserve current service levels and prevent the necessity to make cuts to staffing and/or layoffs.	\$173,135		unknown		\$110,000

**Master List of Departmental Additional General Fund Appropriation Requests
for FY 2017-18**

Fund	Budget #	Department	Priority	Description	ONE TIME Net County Cost Requested	ON GOING Net County Cost Requested	ONGOING SAVINGS/Year	Detail	Recommended
Total for Library					\$173,135		\$0		
1100	170	Capital Projects	1	The Garberville Veteran's buildings, and other county facilities in the Garberville area, that are in need of replacement or repairs to meet current health, safety and ADA standards. This funding request would provide for facility improvement planning and programming to define the scope of work, acquire preliminary estimates and schedules to begin the process of moving the project forward.	\$50,000		unknown	Long-term savings will be achieved by limiting the County's liability.	\$50,000
1100	170	Capital Projects	1	Funding for the first three phases of a four phase project to upgrade the electrical system and replace the Courthouse transformers that have exceeded their useful life and are at risk of failure. A failure could take months to remedy and will increase the cost of replacement.	\$980,000	\$0			\$980,000
1100	168	Land Use Division	2	Funding for an Administrative Secretary position to reduce turnover and improve efficiencies by minimizing training time by moving away from the use of extra help employees. In addition, there has been an influx of work associated to cannabis permitting yet Land Use has not added any additional staff to address this increase.		\$55,417	unknown		\$0
1100	166	Land Use Division	3	To cover increased expenses associated to a Workers Compensation Insurance claim. This increased expense is significant and can not be addressed without significant cuts. With the anticipated increases in cannabis permits, reducing staffing would adversely impact the departments ability to efficiently process required work.		\$54,000	unknown	Funding for 5 years	\$0
1100	162	Facilities	4	Two additional facility maintenance mechanic positions to maintain and service the county's facilities amounting to more than 2.2 million square feet of occupied building space. Currently there are five mechanics 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. In addition, funding for two additional work vehicles is requested.	\$60,000	\$130,000	unknown	Maintain integrity of county buildings resulting in reduced maintenance costs.	\$95,000
1100	251	Water Management	5	This request will fund Trinity River Water Contract Legal Assistance to advance local interest in natural resource discussions and promote inter-jurisdictional and regional cooperation.	\$20,000		unknown		\$20,000
Total for Public Works					\$1,349,417		\$0		
1100	219	Public Defender	1	This request will fund a complete review of the Public Defender and Conflict Counsel offices to evaluate caseload statistics and office staffing levels. This request would also evaluate overall office efficiency levels and provide a basis for future budget requests.	\$60,000				\$0
Total for Public Defender					\$60,000				
1100	235	Probation	1	This request would provide funding for a currently frozen position of Assistant Chief Probation Officer to allow for better succession planning with the impending retirement of the Chief Probation Officer		\$149,194	unknown		\$0
Total for Probation					\$149,194		\$0		
1100	262	Building Inspector	1	Funding to allow a four month overlap in Building Official staff to prepare for the retirement of the Chief Building Official in FY 2017-18. This will allow the new Chief Building Official time to acquire training from experienced personnel on county policies and procedures, as well as gain a knowledge of the local environment and constraints.	\$52,026		unknown		\$0
Total for Planning and Building					\$52,026		\$0		
1100	632	Cooperative Extension		This request is to provide funding to upgrade a budgeted vehicle purchase from a two-wheel drive vehicle to an all-wheel drive vehicle to allow staff access to remote locations in Humboldt County.	\$2,500		unknown	Supports the self-reliance of citizens and allows the department to manage resources to ensure sustainability of services.	\$0
Total for Cooperative Extension					\$2,500		\$0		
COUNTYWIDE TOTALS:					\$4,693,998	\$3,827,069	\$866,929	\$0	\$2,940,131

Attachment III
Measure Z Funding Requests

FY 2017-18 Measure Z Requests				
Agency and Project	Agency Requested	Primary Citizens' Advisory Committee Recommendations	Secondary List Citizens' Advisory Committee Recommendations	Board Recommended
Affordable Homeless Housing Alternatives, Inc.				
1Sanctuary 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	0
Alcohol Drug Care Services, Inc.				
2Treatment 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	0
Area 1 Agency on Aging				
3Elder Ombudsman - to advocate for residents in long-term care settings and investigate allegations of elder abuse and neglect.	74,045	45,000	29,045	45,000
Boys & Girls Club of the Redwoods				
4Pay for experts to train staff in issues such as human-trafficking, inclusivity of LGBTQ youth, racial diversity and inclusion, non-violent communication, restorative justice, harm reduction techniques, promotion of sexual abstinence, and trauma informed care.	125,000	0	0	0
5Clubhouse located near Alice Birney Elementary is at capacity (for space). Funding will be used for expansion to offer additional programming at another site near both the Clubhouse and Alice Birney. Additional staff will be hired.	100,000	0	0	50,000
6Increase hours for Teen Court Directro and Program Assistant; add additonal staffing based in Fortuna; setup the infrastructure for court in Eel River Valley; work with Multigenerational Center and McLean Foundation establishing a footprint in the forthcoming Community Center; and the addition of a Youth Aide position at 10 hours a week.	100,000	0	0	0
City of Arcata Police Department/Sheriff				
7Two 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.	465,222	347,702	117,520	347,702
City of Blue Lake				
8One half time deputy sheriff.	75,317	75,000	0	75,000
9Purchase 2 radar feedback signs.	5,580	0	0	0

FY 2017-18 Measure Z Requests					
Agency and Project		Agency Requested	Primary Citizens' Advisory Committee Recommendations	Secondary List Citizens' Advisory Committee Recommendations	Board Recommended
City of Eureka Police Department					
10	Continued funding to implement Focus Strategy; dedicating two full-time equivalent employee positions including police officers and newly hired Homeless Services Program Manager to work with assigned DHHS personnel.	459,140	359,140	100,000	419,140
City of Ferndale Police Department					
11	Vehicle ; One 4x4 Heavy Duty, Club/Crew Cab Pick-up outfitted with emergency equipment.	54,000	0	0	40,000
City of Fortuna Police Department					
12	Funding for salary, benefits, equipment for Fortuna Police Officer assigned as School Resource Officer for Eel River Valley (High school and Elementary).	192,580	145,580	47,000	145,580
13	Salary & Benefits for Drug Task Force Officer.	149,580	149,580	0	149,580
14	Purchase of 20 Tasers & Accessories.	30,969	0	0	0
City of Rio Dell					
15	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.	76,741	0	0	0
16	Continued funding for part time clerical position in the City's police department to support law enforcement, nuisance abatement and code enforcement.	34,101	34,101	0	34,101
City of Trinidad					
17	One full time deputy sheriff position to provide a dedicated peace officer in the Trinidad area seven days a week.	162,685	75,000	0	75,000
DHHS					
18	Adult Protective Services : Develop an interagency Elder and Vulnerable Adult Services Team (EVAST).	189,870	0	0	0
19	NorCAP Purchase nasal Narcan kits.	10,000	0	0	0
District Attorney					
20	Hire a non-sworn investigator to assist in review of materials related to homicides and other violent crimes.	40,131	0	0	0

FY 2017-18 Measure Z Requests					
Agency and Project		Agency Requested	Primary Citizens' Advisory Committee Recommendations	Secondary List Citizens' Advisory Committee Recommendations	Board Recommended
Garberville Sanitary District					
21	Repairs to 14 failing fire hydrants.	112,000	0	0	60,000
Humboldt Area Center for Harm Reduction					
22	3 outdoor safe disposal bins.	3,622	0	0	0
Humboldt County 2-1-1					
23	To continue work as "Lead Second Responder and Chair of VOAD" Volunteer Organizations Active in Disaster.	57,000	0	0	0
Humboldt County Fire Chief's Association					
24	Purchase the recognized national standard for the minimum level of safety equipment needed to equip volunteer firefighters; build fire stations for housing equipment; and for the possibility of expanding services in connection with future county development.	2,172,679	1,241,465	931,214	1,241,465
Humboldt County Library					
25	Funding for two positions: Community Health Outreach Coord.(Admin Analyst II) & Systemwide Facilities and Safety Coordinator (Sr. Library Assistant).	125,000	0	0	0
Humboldt IPA on Behalf of Rx Safe Humboldt Coalition					
26	Ongoing expenses associated with the safe disposal of unwanted	13,920	0	0	0
McKinleyville Community Collaborative					
27	Funding for an existing county-wide home visiting program; collaborative of Hum. Network of Family Resource Centers.	17,030	0	0	0
K'IMA:W Medical Center					
28	The continuation of ambulance service in the Willow Creek Service	357,801	312,801	45,000	312,801
Kunle Centre					
29	Volunteer, local, peer-operated, non-emergency, "warm-line" who provide callers with support before crisis is reached; topics ranging from a bad day to suicidal thoughts. Kunle also connects callers to local resources. Funding is needed for volunteer recruitment, training days, and expanded hours of operations.	54,268	0	0	0
Mountain Community and Culture					
30	Pedestrian safety walkability/mobility study for downtown Willow Creek area.	50,000	0	0	0

FY 2017-18 Measure Z Requests					
Agency and Project		Agency Requested	Primary Citizens' Advisory Committee Recommendations	Secondary List Citizens' Advisory Committee Recommendations	Board Recommended
North Coast Substance Abuse Council, Inc.					
31	Funding to provide treatment to individuals who can't afford it.	106,650	0	0	0
Public Works					
32	Project to improve county maintained road surfaces reducing response time for emergency vehicles.	3,000,000	1,178,554	1,821,446	1,178,554
33	ACV must provide aircraft rescue and firefighting services during air carrier orpeations that require a Part 139 certificate; including ARFF training, vehicles, and other requirements.	291,000	0	0	0
34	Provide security services at ACV.	145,000	0	0	0
35	Annual ARFF training (for Arcata Fire Department) along with airport based firefirghters.	32,000	32,000	0	32,000
36	Traffic signal battery back-up systems for county's signalized intersections.	80,000	0	0	0
37	Cell phone service paddle markers for turn-outs on rural roads with limited cell coverage (Demonstration Project).	8,500	0	0	0
38	Create a gated entrance at Mad River County Park to curtail inappropriate nighttime activity.	9,200	0	0	9,200
39	Replace fire truck and small back-up truck at ACV.	330,000	0	0	0
RBS Enterprises					
40	Outfit Eureka and surrounding areas with one LoRa repeater for new low-power mini-trasceivers that will exchange data with the repeater as far as 20 miles away.	18,000	0	0	0
Sheriff (Humboldt County)					
41	Radio system is out of date and does not provide sufficient coverage in many critical parts of the county. Funding requested to help finish a comprehensive study on radio system to help begin upgrade.	309,658	0	0	147,500
42	Four new positions: Sheriff's Deputy for Blue/Trinidad; Sheriff's Deputy Arcata/Mck. High school; Community Services Officer; Public Information Specialist.	730,484	438,292	292,192	290,792
Southern Trinity Area Rescue					
43	Volunteer, non-profit organization that would like to transition to having one or two paid EMT's to help alleviate some of the strain on volunteers.	39,600	39,600	0	39,600
TOTAL		11,038,921	4,473,815	3,383,417	4,693,015

Attachment IV
Funding request received after budget proposal



Humboldt-Del Norte Film Commission

520 E Street, Eureka, CA 95501

707.443.4488 office | 707.502.0018 mobile

info@filmhumboltdelnorte.org | filmhumboltdelnorte.org

June 1, 2017

Humboldt County

Board of Supervisors

825 Fifth Street, Rm 112

Eureka, CA 95501-1153

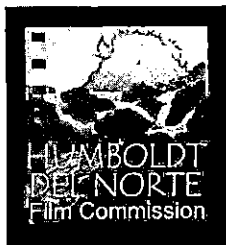
Re: Film Commission Funding

Dear Board of Supervisors,

First, I would like to thank you for partnering with the Film Commission over the years.

Second, the Film Commission would like you to consider an increase in funds. As of July 1, we will be starting our second year of a three-year contract. At this time, we have become increasingly aware of missed opportunities as well as the glaring fact the office runs underbudget. Currently, the office runs off \$140,000. We have created an ideal budget that shows that we are operating roughly \$85,000 below a more functional budget. We have asked all our funders to consider increasing their amount to help us close this gap.

As you probably already know, Humboldt-Del Norte Film Commission is the non-profit organization serving both Humboldt and Del Norte County as the Film Commission. We act as the liaison between film productions and the community. In this role, we are responsible for marketing the county as a film friendly location, connecting local crew with jobs, and encouraging productions to utilize our local vendors, all of which stimulates our economy. As a full-fledged film commission, we are required to offer services at no cost to all productions. Services include but are not limited to help with locations, permits and matching necessary vendors with the shoot. But beyond that, we are problem solvers and sometimes even



Humboldt-Del Norte Film Commission

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mediators. We help keep the shoots here and simultaneously advocate for the counties. The main objective for our organization is to help provide temporary jobs and substantial local revenue. Since I have taken the position of Film Commissioner, I have seen \$9.2 million direct dollars pass through Humboldt from film productions alone. That really translates into \$27 million indirect dollars before the money leaves the county.

The Film Commission currently employs myself and an assistant full time, aided by student interns and governed by a non-profit board. An increase in our funding would allow us fund missed opportunities (film conferences for example that educate location managers, producers, and directors what we have to offer), employee retention (benefits, insurance, and competitive wages), and marketing (collecting and advertising our film friendly locations).

Thank you for your consideration regarding this request.

Best wishes,

Cassandra Hesseltine
Film Commissioner