



COUNTY OF HUMBOLDT

Legislation Text

File #: 19-1742, **Version:** 1

To: Board of Supervisors

From: County Administrative Office

Agenda Section: Departmental

SUBJECT:

Board Discussion Regarding Measure Z Funding Related to Ongoing Salary and Benefit Costs

RECOMMENDATION(S):

That the Board of Supervisors:

1. Discuss Measure Z funding related to ongoing salary and benefit costs; and
2. Provide staff direction on the allocation of ongoing salary and benefit costs.

SOURCE OF FUNDING:

General Fund-Measure Z

DISCUSSION:

On Sept. 12, 2019, the Measure Z Citizens' Advisory Committee (Committee) submitted a letter (received by your Board on Nov. 19, 2019) requesting a meeting with a subcommittee of your Board to discuss concerns related to ongoing funding and allocation trends (Attachment 1). Your Board directed staff to return on today's date to address the Citizens' Advisory Committee's concern over increasing salary and benefit costs associated with county employees.

The current Committee application evaluation process is as follows:

1. Release a Measure Z Funding Application to the public in late January (Attachment 2-Fiscal Year 2019-20 Application).
2. Application submission deadline in late February.
3. Rate applications in March.
 - a. First, prioritize on a yes/no basis by evaluating whether each application meets the intention, or spirit, of the Measure Z ballot language (Attachment 3).
 - b. Vote on all applications. Applications that receive a majority "yes" vote are then ranked using a 1, 2, 3 system, with 1 being of the highest priority.
 - c. Analyze available funding for the highest ranked applications.
 - d. Ask highest ranked applications to provide funding reductions while still maintaining the integrity of the project.
 - e. If necessary, make any final cuts in order to present to the Board of Supervisors (BOS) a

- Letter of Recommendations that coincides with the current available funding.
- f. Submit a Letter of Recommendations to the BOS in April.

Attachment 4 contains a detailed analysis of the salary and benefit costs for both in-county and non-county position allocations that have been approved. County salary and benefit costs have increased from 26% of total funding, or 54.00 full-time equivalent (FTE) positions, in fiscal year (FY) 2015-16 to 68% of total funding, or 68.00 FTE positions in FY 2019-20. A total increase of \$4.1 million. Likewise, non-county salary and benefit costs have gone from 2% of total funding, or 2.50 FTE positions, in FY 2015-16 to 9% of total funding, or 11.50 FTE positions in FY 2019-20. A total increase of \$735,374. County salary and benefit costs are automatically allocated in future fiscal years, while non-county agencies are required to submit a new application each year to continue the allocation of funding for staffing costs.

It should be noted that when Measure Z was originally enacted, it was a clear intention of your Board that these projects would in no way impact the General Fund, as the General Fund was unable to absorb additional costs. In FY 2019-20, your Board was faced with reduced revenues, thus requiring a reduction in the recommendations submitted by the Citizens' Advisory Committee. In order to accommodate the required reductions, your Board directed staff to identify \$212,774 in General Fund revenues to fund the remaining three projects that were not able to be funded through Measure Z. Measure Z was designed to address a shortfall in public safety and essential services, and diverting any of the current Measure Z obligations to the General Fund may impact the ability of the General Fund to continue with current service levels in future fiscal years.

FINANCIAL IMPACT:

There is no financial impact, other than staffing related expenses, in preparing today's report. Policy decisions today may have an impact to both Measure Z and the General Fund, however those impacts would need further analysis.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by providing community-appropriate levels of service, enforcing laws and regulations to protect residents and managing resources to ensure sustainability.

OTHER AGENCY INVOLVEMENT:

Measure Z Applicants

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Board discretion.

ATTACHMENTS:

1. Committee Letter to Board of Supervisors
2. FY 2018-19 Measure Z Application
3. Measure Z Ballot Language
4. Measure Z Staffing Analysis

PREVIOUS ACTION/REFERRAL:

Board Order No.: H-2

Meeting of: 11/19/19

File No.: 19-1625