

COUNTY OF NEVADA

STATE OF CALIFORNIA

Supervisor Heidi Hall, District I

Chair Ed Scofield, District II

Supervisor Lisa Swarthout, District III

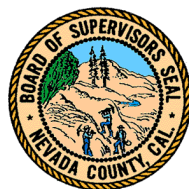
Supervisor Susan Hoek, District IV

Vice-Chair Hardy Bullock, District V

Julie Patterson Hunter, Clerk of the Board

Alison Lehman, County Executive Officer

Katharine L. Elliott, County Counsel



BOARD OF SUPERVISORS

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SUMMARY MINUTES

<u>Date</u>	<u>Time</u>	<u>Location</u>
Tuesday, June 20, 2023	9:00 AM	Board Chamber, First Floor Eric Rood Administrative Center 950 Maidu Avenue, Suite 200 Nevada City, California

FINAL BUDGET HEARING

SPECIAL MEETING: 9:00 AM

Rollcall. The following Supervisors present:

Heidi Hall, 1st District

Ed Scofield, 2nd District

Lisa Swarthout, 3rd District

Susan Hoek, 4th District

Hardy Bullock, 5th District

STANDING ORDERS:

Chair Scofield called the meeting to order at 9:00 a.m.

Pledge of Allegiance was held.

SCHEDULED ITEM: 9:00 A.M. Alison Lehman, County Executive Officer

1. [SR 23-3165](#) Public hearing for the purpose of hearing written and oral comments from the public concerning the proposed Final Budget for Fiscal Year 2023/2024, totaling approximately \$369,817,435.

- Proposed budget presentation.
- Presentation of budgets on the consent list.
- Selection of budgets to pull from the consent list for further discussion.

Public hearing held.

ACTION TAKEN: Chair Scofield introduced the agenda item and Alison Lehman, County Executive Officer, introduced the Fiscal Year 2023/24 budget, reflecting the County's commitment to work with the community to develop sound and innovative public policy, provide strong leadership, and deliver excellent services in a fiscally responsible manner. The budget aligns with the Board of Supervisors' Core Objectives: Fiscal Stability; Emergency Preparedness; Economic Development; Broadband Infrastructure; Housing; Homelessness; Recreation; and Climate Resilience. CEO Lehman reviewed efforts to address each Objective.

Martin Polt, Chief Fiscal Officer and Deputy County Executive Officer, reviewed the budget development process, which is ongoing through the year. The effort starts in September with the Senior Executive Workshop, then continues with the Board's Workshop, staff preparation, Budget Subcommittee review, and, finally, budget adoption in June. The County has received the GFOA (Government Finance Officers Association) Distinguished Budget award over the past 8 years. The County follows sound fiscal practices for a healthy and financially-sound County budget by following Financial Management Policies (budget policies; fund balance policy; debt management policy; and pension management policy).

Budget highlights include bringing in additional state and federal dollars to provide housing and resources for the most vulnerable people; responsibly investing in critical infrastructure for public safety and to manage and reduce waste; investing resources for one-time projects while maintaining healthy reserves for the futures; and supporting core services and Board priorities through alignment of department resources.

CFO Polt also highlighted the following regarding the 2023/24 budget: total revenue \$349 million; federal and state revenue increased 10.6% (\$15.7 million); total expenses \$370 million (up 11.8% from Fiscal Year 2022/23 budget); and it is projected that there will be a \$39.1 million ending fund balance. Additionally, CFO Polt provided an economically sensitive revenue update: sales tax has slowed down; gas taxes are up; property taxes are up; transient occupancy taxes (TOT) are up; transfer taxes are down; cannabis taxes are above last year (but not up to the amount budgeted); and federal marshal jail beds are up. CFO Polt discussed general fund discretionary revenues, salaries and benefits, and public pension cost control policies.

Looking ahead, CFO Polt touched on the state budget; reduced revenue assumptions; spending delays and trigger cuts; the federal budget debt ceiling; and the uncertain economic outlook. Headwinds include inflation; Federal Reserve tightening; global economic challenges; and bank failures. Strengths include a stable job market; continued economic growth; and strong stock market performance. CEO Polt noted that the proposed Fiscal Year 2023/24 County budget does not assume a recession scenario.

Board questioning and discussion ensued. Chair Scofield provided an opportunity for public comment on the budget public hearing. Public comments were received, and Chair Scofield closed public comment.

Recommended Action:

[SR 23-3166](#) Motion of intent to adopt budgets remaining on the consent list.

- Discuss proposed budgets pulled from the consent list.

Motion of Intent.

ACTION TAKEN: Staff responded to questions raised by members of the public, and Board questioning and discussion continued .

CFO Polt recommended that the following budgets be pulled from consent: Airport, Facilities, Public Guardian, Treasurer-Tax Collector, and Library.

MOTION: Motion of Intent made by Supervisor Hall and seconded by Supervisor Swarthout to adopt the budgets on the consent list, less the Airport, Facilities, Public Guardian, Treasurer-Tax Collector, and Library budgets, which will be discussed during the fee hearing. On a roll call vote, the motion of intent passed unanimously.

SCHEDULED ITEM: 10:30 A.M. Martin Polt, Deputy County Executive Officer

Special meeting of the Board of Directors of the Nevada County Sanitation District No. 1.

Call the meeting to order.

ACTION TAKEN: Following a short break, Chair Scofield recessed as the Board of Supervisors and convened as the Board of Directors of the Nevada County Sanitation District No. 1, and called the meeting to order. All Directors were present.

2. [SR 23-3167](#) Public hearing to consider oral and written comments concerning proposed Fiscal Year 2023/2024 budgets for Zones 1-12 totaling \$10,841,510. (No rate increases proposed beyond voter approved rates).
- The Nevada County Sanitation District No. 1 Labor, Shared Operation, Maintenance, Risk Management Reserve, Capital Acquisition and Improvement Budget; and
 - Operation, Maintenance, Capital Acquisition and Improvement Budgets, Sewer Service, and Standby Charges for Lake Wildwood, Zone 1; Lake of the Pines, Zone 2; North San Juan, Zone 4; Gold Creek, Zone 5; Penn Valley, Zone 6; Mountain Lakes Estates, Zone 7; Cascade Shores, Zone 8; Eden Ranch, Zone 9; Higgins Village, Zone 11; and Valley Oak Court, Zone 12.

ACTION TAKEN: CFO Polt and Trisha Tillotson, Community Development Agency Director, reviewed the Nevada County Sanitation District No.1 budget, totaling \$10,841,510 for Fiscal Year 2023/24, which covers 10 zones. Accomplishments from last year include an updated Sewer System Management plan and upgrades to the Lake Wildwood Wastewater Treatment Plan. Fiscal Year 2023/24 goals include increasing public awareness; continued identification of infrastructure projects and funding sources; maintenance of wastewater collection systems; continued review of Sanitation Code for needed updates; improvements to infiltration issues; and the purchase of trucks and other needed equipment.

Staff responded to Board questioning and discussion ensued. Chair Scofield opened the public comment portion of the public hearing. No members of the public were waiting to provide comments regarding the Nevada County Sanitation District No. 1 proposed budget. Chair Scofield closed the opportunity for public comment.

Recommended Action:

[SR 23-3168](#) Motion of intent to adopt the Nevada County Sanitation District No. 1 budget totaling \$10,841,510.

Motion of Intent.

MOTION: Motion of Intent made by Director Hoek and seconded by Director Bullock to adopt the Nevada County Sanitation District No. 1 budget, totaling \$10,530,044. On a roll call vote the motion of intent passed unanimously.

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Adjournment:

ACTION TAKEN: Chair Scofield adjourned the meeting of the Nevada County Sanitation District No. 1, and reconvened as the Nevada County Board of Supervisors.

SCHEDULED ITEM: 10:45 A.M. Martin Polt, Deputy County Executive Officer

3. [SR 23-3169](#) Public hearings to establish Fee Schedules per the County's Consolidated User Fee Schedule which includes multiple County departments. The fee schedules that include updated or revised user fees are Information and General Services (Exhibit G), Library (Exhibit H), Public Guardian (Exhibit J), and the Treasurer-Tax Collector (Exhibit M). The proposed update will affect user fees related to the cost of providing certain individual services and reflect changes in the cost to provide covered services, including the cost of labor, materials and overhead.

[SR 23-3170](#) Resolution to establish a Consolidated User Fee Schedule for County Departments and update or revise user fee schedules for services provided by Information and General Services (Airport and Facilities), Library, Public Guardian, and the Treasurer-Tax Collector, effective sixty days after adoption, and rescinding Resolution 22-292.

Adopted.

Enactment No: RES 23-288

ACTION TAKEN: Following short break, Chair Scofield called the meeting back into order. CFO Polt and Barry Anderson, Management Analyst, provided a presentation regarding the Consolidated User Fee Review Program. Analyst Anderson reported on the process for reviewing County fees and on the consolidation process, which began in 2019. Before fees are presented to the Board for adoption, they are under a review process by the User Fee Review Group, consisting of Auditor-Controller, County Counsel, and County Executive Officer. Fee updates are considered necessary to recover the cost of providing services. For Fiscal Year 2023/24, the proposed update reflects CPI of 5.29%. If fees are subject to a CPI adjustment, they are automatically updated for two fiscal years, after which time base fee reset through the User Fee Review Program.

The Fiscal Year 2023/24 proposed Fee Update includes Information and General Services (Airport and Facilities), Library, Public Guardian, and Treasurer-Tax Collector fees. All fees were reviewed by the User Fee Review Group and discussed by the Budget Sub-Committee. Analyst Anderson reviewed the changes for each of the mentioned departments in Fiscal Year 2023/24.

Chair Scofield opened the public comment portion of the public hearing and comments were received. Chair Scofield closed public comment.

Board questioning and discussion ensued.

MOTION: Motion made by Supervisor Bullock and seconded by Supervisor Hall to adopt the Resolution 23-288, establishing a Consolidated User Fee Schedule for County Departments and update and revise user fee schedules for services provided by Information and General Services (Airport and Facilities), Library, Public Guardian, and the Treasurer-Tax Collector budgets, and rescinding Resolution 22-292. On a roll call vote the motion passed unanimously.

Recommended Action:

[SR 23-3171](#) Motion of intent to adopt the Information and General Services (Airport and Facilities), Library, Dept. of Social Services, and the Treasurer-Tax Collector budgets.

Motion of Intent.

MOTION: Motion of Intent made by Supervisor Hall, and seconded by Supervisor Hoek to adopt the Information and General Services (Airport and Facilities), Library, Dept. of Social Services, and the Treasurer-Tax Collector budgets. On a roll call vote the motion passed unanimously.

ADJOURNMENT:

ACTION: Chair Scofield adjourned the meeting at 11:06 a.m.

Signature and Attestation

Edward C. Scofield, Chair

ATTEST:

By:

Tine Mathiasen, Deputy Clerk to the Board