

COUNTY OF NEVADA

STATE OF CALIFORNIA

Supervisor Heidi Hall, District I
Vice Chair Supervisor Ed Scofield, District II
Supervisor Dan Miller, District III
Chair Susan Hoek, District IV
Supervisor Hardy Bullock, District V

Julie Patterson Hunter, Clerk of the Board
Alison Lehman, County Executive Officer
Katharine L. Elliott, County Counsel



BOARD OF SUPERVISORS

950 Maidu Avenue
Nevada City, CA 95959-8617
(530) 265-1480
Fax: (530) 265-9836
bdofsupervisors@co.nevada.ca.us

SUMMARY MINUTES - Draft

<u>Date</u>	<u>Time</u>	<u>Location</u>
Tuesday, June 21, 2022	9:00 AM	Board Chambers, First Floor Eric Rood Administrative Center 950 Maidu Avenue Nevada City, California

FINAL BUDGET HEARING

SPECIAL MEETING: 9:00 AM

Rollcall. The following Supervisors were present:

Heidi Hall, 1st District
Ed Scofield, 2nd District
Dan Miller, 3rd District
Sue Hoek, 4th District
Hardy Bullock, 5th District

STANDING ORDERS:

Chair Hoek 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 22-0759](#) Public hearing for the purpose of hearing written and oral comments from the public concerning the proposed Final Budget for Fiscal Year 2022/2023, totaling approximately \$330,738,238.

- 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: Alison Lehman, County Executive Officer (CEO), shared opening remarks regarding Nevada County's proposed Fiscal Year (FY) 2022/23 budget, which is aligned with the County's mission "To work with the community to develop sound and innovative public policy, provide strong leadership and deliver excellent services in a fiscally responsible manner."

Martin Polt, Chief Fiscal Officer (CFO)/Deputy CEO, provided a PowerPoint presentation and comprehensive overview of the proposed FY22/23 budget, totaling \$330,738,238. CFO Polt reviewed the budget development process, policies, and format, reporting that the County has received the Government Finance Officers Association's (GOFA) Distinguished Budget award for the past seven years.

CFO Polt reviewed the County's COVID-19 response and recovery, explaining that Nevada County received federal stimulus funding in the amount of \$10.2 million, and American Rescue Plan Act (ARPA) funding in the amount of \$19.4 million. All information regarding the stimulus and ARPA funding is available on the County's website for public review. CFO Polt reported that staff is expecting to end FY21/22 with a \$35.4 million fund balance and an ending fund balance in the amount of \$35.2 million for FY22/23.

Barry Anderson, Management Analyst, reviewed the Public Pension cost control policies. Actual pension costs are determined by CalPERS, and the annual required contribution for FY22/23 is estimated to be 29.6 million. Pension management strategies include a prepay of FY22/23 unfunded liability if cash flow allows; consideration of additional deposits to Pension Trust funds to mitigate future impacts; and exploration of the feasibility of more aggressive strategies. Resulting recommendations will be brought forward for Board review.

Impacts to the County's budget resulting from state and federal budgets were reviewed. The state is anticipating a \$97.5 billion surplus, some of which will flow down to the County to support broadband expansion, wildfire/emergency preparedness, and cannabis retail access. The federal budget includes wide-ranging investments in a variety of programs, and cuts to funding for services is unlikely in the near future. Threats on the horizon include inflation, the current war in Ukraine and its impacts on oil supplies, supply chain, recession, wildfire and other emergencies, pension costs, continued realignment of programs, and dependence on state and federal budgets.

Staff concluded their presentation of the FY22/23 budget.

Following a short break, Chair Hoek called the meeting back into order and Board questioning ensued.

Supervisor Hall suggested that in future years, the CEO Budget Team provide all Board members with a chart outlining changes to the budget. She noted that other than the Budget Subcommittee member, the other Board members have very little time to review the entire budget book in advance of the budget hearings. Supervisor Hall requested clarification of the increased staffing levels added to the Information and General Services budget.

Staff responded to the Board's questions, and discussion continued. In response to the discussion relating to increased staffing levels, CEO Lehman reassured the Board that every vacancy and each new position is carefully reviewed prior to being filled.

Supervisor Bullock shared concerns regarding maintenance of non County-maintained roads as it relates to the potential for evacuation routes. Addressing the Transit Services budget, Supervisor Bullock suggested researching integration of non-motorized and motorized transportation, to include e-bikes and bike-share programs. Supervisor Bullock requested additional funding be added to the Public Health budget for additional outreach to the public.

Chair Hoek opened the public comment portion of the public hearing on the Fiscal Year 2022/23 budget, and there were no members of the public waiting to provide comments. Chair Hoek closed the opportunity for public comment.

Recommended Actions:

[SR 22-0760](#) Motion of intent to adopt budgets remaining on the consent list.

Discuss proposed budgets pulled from the consent list.

Motion of Intent.

ACTION TAKEN: In response to concerns raised regarding increased staffing levels, CEO Lehman suggested pulling the Information Systems budget from the consent list for discussion.

CFO Polt recommended the following budgets be pulled from the consent list: Information Systems, Assessor, Community Development Agency, Clerk of the Board, Public Health Administration, and Treasurer-Tax Collector budgets.

MOTION: Motion of Intent made by Supervisor Bullock, and seconded by Supervisor Scofield, to pull the Information Systems, Assessor, Community Development Agency, Clerk of the Board, Public Health Administration, and Treasurer-Tax Collector budgets from the consent list for discussion. On a roll call vote, the motion of intent passed unanimously.

MOTION: Motion of Intent made by Supervisor Hall, and seconded by Supervisor Miller, to adopt the rest of the budgets remaining on the consent list. On a roll call vote, the motion of intent passed unanimously.

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

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

Call the meeting to order:

ACTION TAKEN: Chair Hoek 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 22-0761](#) Public hearing to consider oral and written comments concerning proposed Fiscal Year 2022/2023 budgets for Zones 1-12 totaling \$10,530,044. (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: Trisha Tillotson, Community Development Agency Director/Director of Public Works, and Brad Torres, Waste Water Operations Manager, reviewed the Fiscal Year 2022/23 budget for the Nevada County Sanitation District No. 1., providing an overview of revenues and expenses for each of the District's 10 Zones. In the past year, the Board of Supervisors voted on and implemented increased parcel charges, which will have a positive impact on each of the Zones. American Rescue Plan Act (ARPA) funding was secured in the amount of \$1 million for critical projects in Lake of the Pines, Mountain Lake Estates, Cascade Shores, Lake Wildwood, and North San Juan. In the upcoming year, staff will focus on increased public awareness through informational programs; continued identification of funding sources for critical infrastructure; continued improvement to the sewer system management plan; and continued improvements to inflow and infiltration systems. Budget expenditures include an increase to services and supplies resulting from the proposed improvements, increases in liability insurance, and fuel costs.

Chair Hoek 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 Hoek closed the opportunity for public comment.

Recommended Action:

[SR 22-0762](#) Motion of intent to adopt the Nevada County Sanitation District No. 1 budget totaling \$10,530,044.

Motion of Intent.

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

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Adjournment:

ACTION TAKEN: Chair Hoek adjourned 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 22-0763](#) 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 the Assessor (Exhibit B), Clerk of the Board (Exhibit C), Community Development Agency (Exhibit E), Public Health Vital Records (Exhibit K) 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 22-0764](#) Resolution to establish a Consolidated User Fee Schedule for County Departments and update or revise user fee schedules for services provided by the Assessor, Clerk of the Board, Community Development Agency, Public Health Vital Records, and Treasurer-Tax Collector, and rescinding Resolutions 98-263, 19-242, and 21-180.

Adopted.

Enactment No: RES 22-292

ACTION TAKEN: Chair Hoek opened the public hearing to establish fee schedules for the Consolidated User Fee Schedule, which includes multiple County departments. Martin Polt, Deputy County Executive Officer/Chief Fiscal Officer, Georgette Aronow, Senior Management Analyst, and Alicia Chaturvedula, Chief Fiscal Officer/Community Development Agency (CDA), presented the proposed User Fees for Fiscal Year 2022/23.

Analyst Aronow reported that per Board direction fees were consolidated and streamlined to include a Consumer Price Index (CPI) mechanism for updating fees annually. Fee Schedules include Clerk of the Board, CDA, Information and General Services (IGS), Probation, Registrar of Voters (Elections), Social Services (Public Guardian). All fees were reviewed by the User Fee Review Group, are included in each department's FY 22/23 proposed budget, and have been reviewed by the Budget Subcommittee. Analyst Aronow reviewed the fee development and review process. Fee updates are considered reasonably necessary to recover the cost of providing services.

CFO Chaturvedula reviewed the CDA's proposed FY 22/23 fees, and shared the breakdown of building permit fees, noting that only 17% of the fees actually cover CDA staff time; the rest are impact fees, which are paid to the State, Fire Departments, Traffic, and Schools.

Chair Hoek opened the public comment portion of the public hearing, and no members of the public were waiting to provide comments. Chair Hoek closed public comment.

MOTION: Motion made by Supervisor Miller, and seconded by Supervisor Scofield to adopt the Resolution 22-292 establishing a Consolidated User Fee Schedule for County Departments and update and revise user fee schedules for the Assessor, Community Development Agency, Clerk of the Board, Public Health Administration, and Treasurer-Tax Collector budgets. On a roll call vote the motion passed unanimously.

Recommended Action:

[SR 22-0765](#) Motion of intent to adopt the Assessor, Community Development Agency, Clerk of the Board, Public Health Administration, and Treasurer-Tax Collector budgets.

Motion of Intent.

MOTION: Motion of Intent made by Supervisor Hall, and seconded by Supervisor Miller to adopt the Assessor, Community Development Agency, Clerk of the Board, Public Health Administration, and Treasurer-Tax Collector budgets. On a roll call vote the motion passed unanimously.

Recommended Action:

SR 22-0904 Motion of Intent to adopt the Information Systems budget.

ACTION TAKEN: Following a short break, Chair Hoek called the meeting back into order for discussion regarding the Information Systems budget.

CEO Lehman reported that Chief Information Officer Steve Monaghan is currently out of the state, and apologizes for not being available to answer questions. Barry Anderson, Management Analyst, Elise Strickler, Administrative Services Officer (ASO), Information and General Services, Craig Griesbach, Building Director representing the Community Development Agency, and Ryan Gruver, Health and Human Services Agency Director, were available in the Chamber to speak on behalf of their agencies and to answer the Board's questions.

Analyst Anderson clarified that the discussion specifically relates to the Information Systems budget (SBU 11007), in particular the proposed staffing increases, and reported that the changes were approved through the County's established request for staffing change process, which reviews and evaluates the department's stated need for the positions.

Analyst Anderson explained that the increases to staffing levels reflect the County's commitment to support employees in their use of their front-line business solutions as they serve the community, while supporting hundreds of products and programs used by departments throughout the County in the delivery of services. Over the past three years, the demand for services on the part of Information and General Services has increased as departments rely increasingly on technology to do their work.

Ryan Gruver, Health and Human Services Agency Director, and Craig Griesbach, Building Director representing the Community Development Agency, spoke on behalf of their agencies' need for the services provided by Information and General Services in order to do their work within the community. The need for these services has increased as County departments moved to providing more services virtually, and to respond to the threat of ransom wear and concerns relating to cyber security. ASO Strickler reported that over the last four years, there has been a 55% increase in the amount of products supported by Information and General Services, and an 11% increase of staff support, which includes contractors and temporary workers. The implementation of teleworking has changed the way the County does business, requiring more support from Information and General Services. ASO Strickler provided the Board members with copies of Information and General Services' 2021 Annual Report to provide insight on how they support County departments.

In response to Supervisor Hall's valid concerns, CEO Lehman suggested staff provide ongoing education to the Board in the same way as the Capital Facilities process where Board members meet monthly with staff to review projects, and to discuss processes during the Board's annual workshop in order to receive feedback in terms of priorities. CEO Lehman explained that a Community of Interest Group and ISSB Oversight Board meet on a regular basis to review every software product before implementation.

Board questioning and discussion ensued.

Chair Hoek provided an opportunity for public comment, and comments were received. There being no further members of the public waiting to speak, Chair Hoek closed public comments.

MOTION: Motion of Intent made by Supervisor Hall, and seconded by Supervisor Bullock, to adopt the Information Systems budget. On a roll call vote the motion passed unanimously.

ADJOURNMENT:

ACTION TAKEN: Chair Hoek adjourned the meeting at 12:14 p.m.

Signature and Attestation

Susan K. Hoek, Chair

ATTEST:

By:

Julie Patterson Hunter, Clerk of the Board