

Lenzi, Chelsea

From: Miyasato, Mona
Sent: Sunday, June 11, 2017 6:41 PM
To: sbcob
Subject: FW: COLAB Budget Comments

Importance: High

Comment letter from COLAB for tomorrow

From: Andy Caldwell [mailto:andy@colabsbc.org]
Sent: Sunday, June 11, 2017 6:26 PM
To: Hartmann, Joan; Williams, Das; Adam, Peter; Lavagnino, Steve; Wolf, Janet
Cc: Miyasato, Mona
Subject: COLAB Budget Comments
Importance: High

June 12, 2017
COLAB Comments
To the County Board of Supervisors
2017 County Budget Hearings

Dear Chair Hartmann and Honorable Supervisors,

Due to the truncated hearing schedule, I am hereby going to try do my best to present to you in writing an overview of COLAB's comments on your proposed budget briefly as possible.

Reading the opening lines of County CEO Miyasato's Executive Summary gives us a glimmer of hope in that her first sentence dutifully informs the board that known budgetary challenges are going to require "rebalancing among existing uses, service reductions or new revenue".

Unfortunately, it is all downhill from there. From what I can tell, as far as rebalancing goes, the county is still just moving deck chairs on the Titanic. Regarding service reductions, well, the county has that down pat, which is a huge problem for residents and taxpayers. Concerning new revenue, the Board has served to cut off new revenue streams by a variety of recent actions including denying the PCEC proposal, encumbering wineries, and eliminating most of the revenue that could be coming in from short-term rentals, among other concerns!

As you well know, your main revenue sources are Federal and State monies for mandated programs, along with property, sales and bed taxes that comprise most of your discretionary funds. Because the Federal and State economies are seemingly doing well, it is hard to imagine that, the cost of delivering services vis-a-vis the county's salary, benefit and pension obligations is nonetheless causing you to fall further and further in the hole.

On that point, for the public record, each and every year the budget book should include a JAWS chart indicating the future disparity between incoming revenues and expenditures!

Regarding your local discretionary revenue streams, these are dependent upon the relatively meager retail economies of Orcutt, the Santa Ynez Valley and Montecito as the bulk of the revenue generated in the county is being raised within city limits. The possible burgeoning business sectors within the rural areas of the county

have to do with winery and oil operations. However, we all know the planning commission and the board majority has been less than friendly and accommodating to these sectors!

Permit me to offer a perfect microcosm of how the board is out of balance, unwilling to reduce superfluous services, while cutting vital services, and foregoing new revenue in the meantime!

The County budget intends to cut the monies for Laura's law (\$606,888) and only partially fund millions of dollars in slated reductions to the Sheriff's department, including Isla Vista and North County jail staffing, among other positions.

Well, the fact of the matter is, people can suffer and die as a result of these cuts! The Laura's law program is the last resort for some people suffering from mental illness. Isla Vista is the sexual assault and rape capital of the county. And, any reductions in the North County jail could very well serve to take cops, sheriff deputies and highway patrol officers off the street in order to transport prisoners to Santa Barbara creating an avalanche of other problems throughout the North County.

All this begs the question, what is more important to the board than public health and safety?

Well, these cuts indicate that things are not changing fast enough because your budget is structurally imbalanced and is only going to get worse in the immediate future. Your staff have no idea how they are going to make ends meet during the next few years without radical cuts coupled with exorbitant fee increases, and all that ASSUMES the stock market will neither correct or crash in the meantime!

Here is the insult to injury. Even though the State of California has the most aggressive and opportunistic mandates imaginable to force utilities to convert to renewable sources of energy, coupled with the State's cap and trade program, energy standards for new construction and appliances, and the diesel engine rule, nevertheless, the county feels compelled to spend general fund money in an attempt to exceed these standards. For what purpose? To what end? What difference will it make?

It won't make any difference for many reasons. First, the tri county region is too small by way of comparison with the rest of the state to contribute much of anything because most of the emissions are coming from mobile sources, in the LA and Bay area, and you have no control over those areas and these types emissions. Moreover, all the reduction targets achieved in the State of California have been wiped out by way of the growth of the Chinese economy. Every venture along these lines means nothing gained in terms of global climate change. If California were to reduce its greenhouse gas and energy consumption to zero, it wouldn't even register on a global scale.

Here are just a few department/programs that are COMPLETELY non-essential and some other suggestions that warrant your attention.

Why not cut them now and save this money for vital services in the coming years?

Why spend \$2,000,000 on Energy initiatives, including Community Choice Aggregation?

Why spend \$1.2 million on the Human Services Commission?

And, \$617,673 for the Employee University?

How much is being spent for the Coastal Resiliency project?

How about cutting the 1% for art? How is that a core county function compared to public safety and infrastructure?

Who authorized \$177,000 in expenditures for computers and furniture in a department (Human Resources) that only has 30 employees?

How on earth could Social Services spend \$135,000 on carpet for their Lompoc office?

Why aren't bailiff services charged to the State of CA since the courts are under their jurisdiction?

You apparently received \$428,000 less in sales of recyclables. Would it have been cheaper to bury them at Tajiguas?

How is it that you have not instituted a "use it or lose it" vacation policy for employees rather than accumulating a \$32 million debt?

How much debt is being incurred as our pavement indicator nosedives? These charts should be in the budget book as part of the public record.

Another consideration has to do with full cost recovery. The board is moving to require the citizenry to pay full cost recovery by way of fees and charges for services, but does the board receive the same from the government entities it provides services to including the Treasurer Tax Collector, Auditor Controller, and the Recorder Assessor?

Finally, the only way you are going to make it out of your \$1 billion hole is by privatizing as much your workforce as possible unless and until the California rule is overturned. As we suggested during the prelim budget hearings, there is no better place to start than in your largest department, Social Services, which is staffed by defacto State and Federal employees as 95% of their salaries and benefits are paid for by the same.

We believe you could afford to give these workers raises, continue to pay for Social Security, and save millions of dollars by declaring them as contractors on payroll which is what they really are anyway!

As we have stated year after year, the Board of Supervisors has only three basic choices:

1. You can keep cutting vital services to the public in order to afford salary and pension costs which is antithetical to your core mission.
2. You can raise taxes and fees to the maximum extent possible, which we believe, will be counterproductive in the long run.
3. You can allow the economy to grow- which is the exact opposite of what you have been doing!

The primary land uses, which pay the bills, in the rural areas of our county, including the Gaviota Coast, are estates, oil, wineries, tourism and mining.

To what degree are you willing to permit mansions that more than pay their way?

Oil projects?

New hotels?

Wineries, sans, ridiculous permit conditions?

How is it, that the county can build a \$100 million trash digester on the coast but somebody can't build a hotel or mansion?

Board members, it is time to sacrifice a couple of sacred cows while you still have the chance. Get down to the business of ensuring the safety of the public and the maintenance of our infrastructure. Forego the temptation to spend millions on programs that are superfluous, redundant, and ultimately meaningless at the expense of core functions.

Thank you for your consideration of these comments.

Sincerely,

Andy Caldwell
Executive Director
COLAB