COLAB
San Luis Obispo County

The Coalition of Labor Agriculture and Business

WEEKLY UPDATE
NOVEMBER 7 - 13, 2021

THIS WEEK

NO BOS MEETING

APCD LOSES ANOTHER LAWSUIT
BOARD WILL REVIEW DUNES PROGRESS
DUNES ORDER MAY HAVE TO BE READOPTED

IWMA TO REVIEW NEXT STEPS AS COUNTY DEPARTS

LAST WEEK

PROPOSED FEE INCREASES SET FOR HEARING
BUT SOME ARE STILL UNDER STUDY - HEARING NOV. 16TH
IF NO ONE COMPLAINS, THEY WILL APPROVE THEM

WET GARBAGE RECYCLE MANDATE READIED

CONSULTANT TO REVIEW TAX SHARING FORMULA BETWEEN COUNTY AND CITIES
WILL IMPACT ANNEXATIONS

EMPLOYMENT AGREEMENTS FOR NEW WATER DIRECTOR AND INTERIM CLERK RECORDER APPROVED

SOUNDWOMB CONTINUED – BOS CAN'T SAY NO UNBELIEVABLE "MENTAL HEALTH" SCAM

COULD COST UP TO $576K TO PUT PATIENTS INTO SOUND PODS SO THEY CAN GET THEIR CHAKRA STRAIGHT

FISCAL YEAR 2022-23 FINANCIAL FORECAST

NO PROBLEMS FORSEEN AT THIS POINT IN THE SHORT TERM

NO DISCUSSION OF ALTERNATIVE MODELS LIKE MORE CAPITAL INVESTMENT

THREE-YEAR FINANCIAL FORECAST

THEIR HEARTS ARE NOT IN THIS ONE – STAFF WANTS TO DROP IT

SEE ADDENDUM I ON PAGE 31 FOR A SAMPLE GOOD ONE

DIABLO PLANT DEMOLITION PERMIT PROCESSING STATUS REVIEWED – IT'S JUST STARTING

HUMONGOUS EIR WILL BE DEVELOPED

MAJOR POZO AREA CANNABIS APPEAL DENIED

THE APPLICANT HAS BEEN DENIED BY BOTH THE PC AND THE BOARD IT COULD END UP IN COURT – WATER & TRAFFIC CITED AS DENIAL FINDINGS

EMERGENT ISSUES

COVID STATUS AND QUESTIONS

LAWRENCE LIVERMORE LABORATORY INTELLIGENCE UNIT BLEW THE WHISTLE ON CHINA EARLY BUT FINDINGS SEEM TO HAVE BEEN SUPPRESSED IT'S PRETTY SHOCKING

COLAB IN DEPTH
SEE PAGE 25

As The Left Tries To Kill American Citizenship, Americans Fight For Their Ancient Rights

BY VICTOR DAVIS HANSON

The American citizen is dying and is losing civilian control of the country. But some Americans won't go quietly.

REGIME CHANGE AMERICA: GET ORGANIZED

What's happening in America right now is bad. It's time for traditional America to take a stand for this country and the way of life we believe in.

BY MAX MORTON

THIS WEEK'S HIGHLIGHTS
ALL MEETINGS ARE 9:00 AM UNLESS OTHERWISE NOTED

No Board of Supervisors Meeting on Tuesday, November 9, 2021 (Not Scheduled)

San Luis Obispo County Air Pollution Control District (APCD) Meeting of Wednesday, November 10, 2021 (Scheduled)

Item C -1: Update on Oceano Dunes mitigation efforts under Stipulated Order of Abatement #17-01. The Scientific Advisory Group (SAG) and District staff will make a joint presentation to the Board and public on the status of mitigation, monitoring, modeling, and future plans to control dust from the Oceano Dunes State Vehicular Recreation Area. How the invalidation of the Dust Rule 1001 by the Court impacts this effort is not clear. Will there have to be a re-adoption or what?

Closed Session: Conference with District Counsel Pursuant to Government Code Section 54956.9 Concerning Pending Litigation: Friends of Oceano Dunes v. San Luis Obispo County Air Pollution Control District, et al., SLO Superior Court Case No. 14CV-0514. Both Item C-1 and the Closed Session should be interesting in that the APCD has just lost another lawsuit related to the dunes. The Cal Coast News article of November, 2021summarizes the situation vary clearly. Given the information below, the report on dust control in Item C-2 may be moot. The adoption of the order may require a do-over. Such a situation would violate Coastal Commission deadlines for achieving certain dust reductions and other measures. This in turn could cause the Commission to accelerate its closure order. Of course, the Commission is also facing litigation from Friends of the Dunes and has a lousy batting average in court with them.

Cal Coast News provided the first and only media coverage of this development.

Oceano Dunes off-road vehicle enthusiasts win two more lawsuits

November 1, 2021

By KAREN VELIE

Friends of the Oceano Dunes has won two more legal battles against government agencies involved in the contentious fight over the future of the off-road vehicle park.

The first ruling invalidates the San Luis Obispo County Air Pollution Control District's (APCD) agreement to implement its dust rule. Formally called Rule 1001, the dust rule requires state parks to reduce the particulate matter blowing from the Oceano Dunes State Vehicular Recreation Area or face fines of $1,000 per day.

The court found the APCD's agreement violates public policy because the agency adopted the agreement out of view of the public and without public input. The court also ruled that APCD staff didn't have the authority to change Rule 1001 requirements, without direction from the agency's full board of directors.

The ruling appears to allow State Parks the ability to seek reimbursement from the APCD for monies expended under the void agreement.

Friends of the Oceano Dunes is a not-for-profit corporation expressly created to preserve camping and off-highway vehicle recreation at the Oceano Dunes State Vehicular Recreation Area. Friends represents approximately 28,000 members and users of the Oceano Dunes.

During the past five years, Friends has successfully sued the California Coastal Commission, the California Air Resources Board and the APCD approximately 10 times over the agencies' regulatory actions related to the Oceano Dunes State Recreational Area.

In 2018, State Parks entered into a stipulated order of abatement with the APCD. The order requires the state to reduce wind-blown dust, specifically dust particles that are 10 microns or less in diameter, on the Nipomo Mesa by 50 percent. Despite agreeing to the various terms in the order, State Parks still denied that off-roading causes the dust on the mesa.

The California Coastal Commission voted in March to ban off-highway vehicle use at the Oceano Dunes in three years, prompting Friends of the Oceano Dunes to file four additional lawsuits, one of which accuses the California Coastal Commission of violating environmental laws while claiming to be a lead agency when it is not.

Following the lawsuits, State Parks appeared to ignore a mandate from the Coastal Commission to permanently fence off an area for an endangered bird that nests in the sand. State Parks took down the fencing in early October, but quickly put the fencing back up following negative publicity.

State Parks has argued that the Coastal Commission failed to produce scientific evidence that off-road vehicles impact birds after they have migrated from their seasonal-nesting area.

Even though the Coastal Commission and State Parks both operate under the umbrella of the California Natural Resources Agency, they have battled for control over the Oceano Dunes for more than four years, with taxpayers ultimately paying for court costs, legal fees and dust mitigation which currently exceeds $20 million.

In the second ruling, on Oct. 5, a Sacramento County Superior Court judge ordered State Parks to pay Friends of the Oceano Dunes $23,500 for attorneys' fees after finding the state agency violated the California Public Records Act.

San Luis Obispo County Solid Waste Management Authority Meeting of Wednesday, November 10, 2021, 1:30 PM (Scheduled)

Item 13 - FY 2020 -21 Audit Report. The report does not list any problems or need for corrective actions. The note below from the report relates to the County's withdrawal from the IWMA.

SUBSEQUENT EVENTS

Subsequent to year-end, the Board of Supervisors from the County of San Luis Obispo decided to end their membership with the seven cities and the eleven CSD's with solid waste powers. This action means the Authority will be made up of seven cities and eleven special districts that make up approximately 80% of the population of San Luis Obispo County, however the Authority is forecasting a loss of 10% revenue based on landfill tonnage and number of accounts. This *decision will take effect tentatively November 15, 2021. The Authority has discussed adjusting their landfill and hauler rates to compensate for the loss of revenue*

Item 15 - Discussion Of The Status And Impact Of County's Withdrawal on The San Luis Obispo County Integrated Waste Management Authority (IWMA) Operations and on the Joint Powers Agreement (JPA). The IWMA received the County's official letter of withdrawal on October 15, 2021. The Board letter for this item states that IWMA reps met with County Counsel and other staffers to discuss the impact to the County withdrawal. The narrative states that the items listed below were discussed but does not describe the outcome, if any.

- *Household and small business hazardous waste collection and safe material management*
- *Electronic waste collection*
- *Curbside oil collection programs*
- *Local ordinances*
- *Retail take-back of batteries, fluorescent lighting, paint, mercury thermostats, sharps, and unwanted medication*
- *Education and Outreach – schools, residents, businesses, and multifamily complexes*
- *Grant funding and reporting changes*
- *Landfill, Material Recovery Center, and Composting reporting for CalRecycle*

It then recommends what appears to be an open ended discussion.

Staff recommends the Board discuss the impact of the County's withdrawal and give direction as deemed appropriate. In addition, receive and file Letter of Withdrawal, dated October 12, 2021.

There is no discussion of the amount of revenue loss. However as noted in **Item 13,** immediately above, the IWMA's independent auditor estimated the loss at 10%.

Once the IWMA gins up its new cost and revenue structure and the County develops its own, it will be possible to determine the loss of economy of scale impacts. Theoretically, the County can work with the haulers to develop a system to minimize cost and maximize efficiency Both the IWMA and the County will face cost increases due to the State wet garbage recycling mandate, SB 1383, which goes into effect on January 1, 2022.

LAST WEEK'S HIGHLIGHTS

Board of Supervisors Meeting of Tuesday, November 2, 2021 (Completed)

Item 1 - Introduction of an ordinance implementing the County Fee Schedule "A" for Calendar Year 2022 and Fee Schedule "B" for Fiscal Year 2022-23. Hearing date set for November 16, 2021. The Board set the hearing for November 16th. Note that this year the fee increases for Planning and Building are not included here, as there is a major consulting study underway on their presumed adequacy. It is likely that this will result in both the expansion of the number of fees as well as the rates. Cannabis-related permitting and inspection fees are also under review. Public Works fees were not listed in the item. Since they are primarily related to land development, they may be under review as well.

Otherwise the report summarizes the results as:

The total amount of revenue from departments that is anticipated to be generated from fees in FY 2022-23 constitutes an increase of $2.3 million or 8% over FY 2021-22 budgeted levels. Only accounting for General Fund departments, the total amount of revenue that is anticipated to be generated from fees in FY 2022-23 constitutes a $601,642 or 5% increase over FY 2021-22. It is not expected that these percentage changes will change the percentage of overall budget that is financed by fee revenue given the expected growth in the overall budget. In addition to changes in the volume of business, some of which is due to reduced impact from the COVID-19 pandemic, two other primary factors for this increase are negotiated wage and benefit increases for various bargaining units, and a CPI increase of 1%.

The County policy on fees states:

The Board of Supervisors' Budget Policy 21, Cost Recovery Through Fees, directs departments to recover costs through fees where reasonable and after all cost-saving options have been explored. Each year, the Board reviews its budget goals and policies in advance of the budget preparation process. The policies were reviewed on December 8, 2020, in advance of the FY 2021-22 Recommended Budget; the next review is scheduled for November 16, 2021. As noted later in this staff report, not all fees are set at a level to allow for full recovery of costs (i.e. other funding sources, including the General Fund, offset some portion of these costs). It is important to note, that while the Board's policy is to the recover costs of providing services; this only applies to services which carry a specific benefit to an individual or entity and does not pertain to basic tax-supported services which benefit the broader community (e.g. law enforcement, fire protection, health services, general government administration, etc.)

This policy results in the fees heavily impacting business operations, land improvement, home building, commercial development, agriculture, economic development, and job creation.

It also means that criminals, the homeless, and other net consumers of government costs get off scot free from any financial or compensatory accountability. Wealth is transferred from productive elements of society to the dependent and less motivated, as the massive Federal and State taxes are being used to fund income maintenance payments; free health care; "education" (such as it is); law enforcement; incarceration; and inadequate capital investment in highways, bridges, and public facilities.

One way to stop the machine would be to cease endlessly raising fees and to make the government smaller. It would be a form of revolt by local government. Also, the County is so awash in State and Federal COVID funds and American Rescue Act and Recovery Funds, that it could give the poor farmers and businesses a break.

Item 3 - Introduction of an Ordinance amending Title 8 of the San Luis Obispo County Code, by adding Chapter 8.99 to comply with the Short-Lived Climate Pollutants [1]legislation Senate Bill 1383; and find that the action is exempt from Section 21000 et seq. of the California Public Resources Code (CEQA). The Board set the hearing for November 16th. It is required pursuant to SB 1383, which mandates all manner of new handling of recycling, storage, and disposal of wet garbage.

The County must operate the following programs to be considered compliant.

Organic Waste Collection. *Provide organic waste collection services to all residences and businesses and recycle these organic materials at facilities such as an anaerobic digestion facility or composting facility. Part of the organic waste collection service could include waivers for low population, rural, elevation, emergency, and disaster. The County anticipates qualifying for several low population waivers.*

Ordinance and Franchise Agreement Amendments. *The legislation requires the adoption of a specific SB 1383 ordinance or update of a current Solid Waste Ordinance and amendments to franchise agreements to support compliance include specifics related to the inspection, compliance, and reporting on SB 1383. Public Works is working with our local franchise haulers on a contract amendment and will bring an item before your Board December 2021. This item is to adopt a specific SB 1383 ordinance.*

Create Local Procurement Policies. *In order to support the purchase of recycled products such as paper products, compost, mulch, renewable natural gas (RNG) and electricity, the County will need to adopt a new policy and purchase, acquire or secure for use, or giveaway, a certain amount of recycled products each year. The County is working on this effort and will come back to your Board with a procurement policy to support SB 1383 requirements.*

Edible Food Recovery Program. *In an effort to reduce food waste and address food insecurity, SB 1383 requires jurisdictions, by 2025, to recover 20 percent of the edible food that would have otherwise been discarded into a landfill. The County will work with food businesses to create contracts with the local food banks to donate edible food away from the landfills.*

Outreach & Education. *Public Works will provide outreach and education to residences and businesses on the new opportunities/requirements in unincorporated areas of the County. Capacity Planning. The County is responsible for taking the lead in collaborating with all local jurisdictions on making sure there is capacity for the processing of the recovered organics as well as capacity for the food recovery efforts within our local food banks.*

Recordkeeping & Reporting. *Regulated jurisdictions are required to keep records to report as well as prove compliance to CalRecycle. The County will coordinate the franchise haulers as*

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[1] The State's euphemism for wet garbage – fish guts etc.

well as other jurisdiction to make sure that reporting meets the requirements of the legislation and will provide accurate information to CalRecycle.

Monitoring & Enforcement. *The County will be responsible for monitoring programs, contamination, compliance, and enacting its enforcement authority when necessary. It is the desire of the Department of Public Works and staff, to develop programs that are reasonable and easy to comply with. When compliance does not occur, outreach and education efforts will become the focus. Adoption of Chapter 8.99, a specific SB 1383 ordinance, is the first step in compliance with CalRecycle's mandatory regulations.*

Again, the State is relentlessly expanding the intrusion of government into our lives with the accompanying increase in costs and fees. You will have to have a new separate wet garbage bucket in your kitchen once this all gets going next year.

Item 4 - Request to 1) approve a FY 2021-22 sole source contract for up to $187,400 with The Natelson Dale Group, Inc., together with the cities of Paso Robles, San Luis Obispo, Arroyo Grande, and Atascadero to provide financial analysis and modeling to inform a revised tax sharing agreement related to annexations; 2) authorize the County Administrative Officer to approve any amendments to the contract in an amount not to exceed $19,900; and 3) approve a corresponding budget adjustment in the amount of $187,400). The consultant contract was approved**.** Currently, the County operates a master annexation agreement that splits the future property tax growth between some of the cities and the County, 66% to the County and 33% to the cities. The County share helps to cover the cost of the Countywide services that it retains, such as jail, Public Health, Behavioral Health, District Attorney, Public Defender, Elections, regional parks, regional roads, Child Support Services, In-Home Support Services, and local share of welfare, etc. These costs all go up as the annexed areas urbanize.

Some of the cities have been complaining about the formula. For this reason, the County and several of the cities have agreed to hire a consultant to analyze the matter, which has not been studied since 1996.

The sales tax and transient occupancy tax can also be major components, but the County already seems to have surrendered any growth to the cities.

Depending on the resulting numbers, the matter could wind up in a major disagreement. Stay tuned. As the government costs inexorably rise, each entity becomes increasingly desperate.

Item 5 - Request to approve the employment agreement with Blaine Reely to serve as the Director of the Groundwater Sustainability Department for the County of San Luis Obispo. The contract was approved unanimously. Gibson stated that his vote was under protest, because he disagrees with the overall policy of creating the new department. He used the matter as an excuse to chastise the Board majority. He indicated he had nothing against the appointee. Instead he was opposed to the creation of the new position and the Board's overall groundwater management policies.

Background: As we reported, the new Department was created this past summer, and the County has now appointed a Director. It will be interesting to observe if he has a substantially different and more transparent view of the ground water management situation than some of the home grown officials in the past. The write-up summarizes his qualifications as:

Mr. Reely has been a professional engineer for over 40 years. During that time, he has been a Civil Engineer with a national transportation engineering firm, the Public Works Director for the City of Enid, Oklahoma, owned and managed a multi-state engineering firm that provided civil engineering, hydrology and environmental services to a wide range of governmental and corporate clients, and contributed to the design and construction of themed attractions worldwide. Under his leadership, his former firm was named to the Inc. 500 list of fastest growing companies in the United States. His most recent experience with Monsoon Consultants and GSI Water Solutions included a focus in hydrology, including work on the Paso Robles Groundwater Basin Groundwater Sustainability Agency, the San Antonio Creek Valley Groundwater Basin Groundwater Sustainability Plan, and the Santa Ynez River Valley Groundwater Basin Eastern Management Area Groundwater Sustainability Plan. Mr. Reely has a Ph.D. and Master of Science in Civil Engineering, and a Bachelor of Science in Geological Engineering.

Item 6 - Request to approve the November 14, 2021 through January 2, 2023 employment agreement with Elaina Cano as the County Clerk-Recorder for the County of San Luis Obispo. The contract was approved unanimously, and similar to **Item 5**, above, Gibson stated that his vote was under protest because he disagreed with process that was followed to allow people to apply in the open for the interim position.

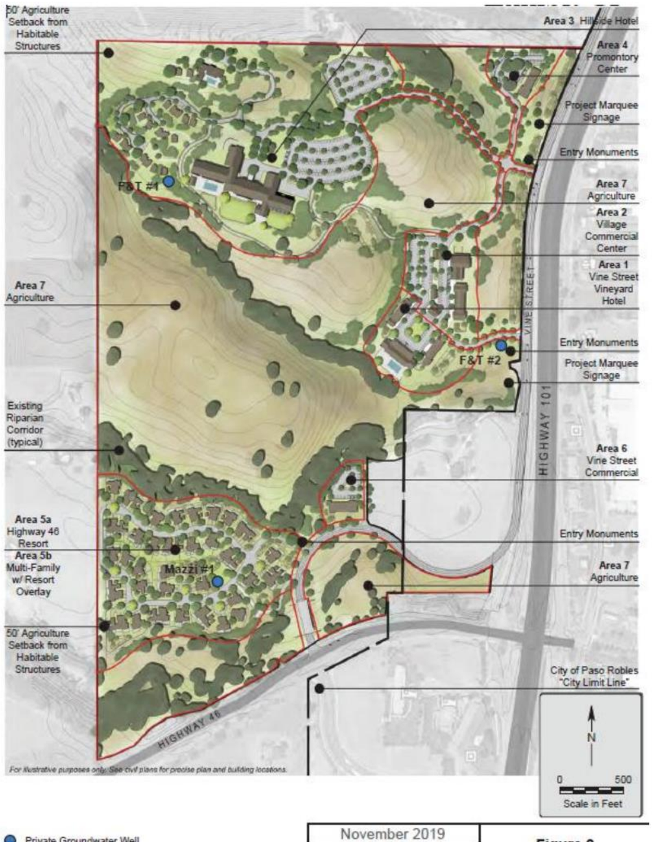
Background: In the end, the Board appointed Elaina Cano to finish out the term of former Clerk Recorder Tommy Gong. During the interview, she stated that she would run for the positon in 2022 if appointed now. Long term leftist and government reform advocate Attorney Stew Jenkins has already announced. The Board letter states in part:

Ms. Cano has been involved in clerking and elections for over 15 years. She started her career at the City of San Luis Obispo, as a Deputy City Clerk, eventually promoting to a City Clerk after five years. In her time with the City of San Luis Obispo, she maximized the community's access to the City's legislative process using a variety of media as well as planned, implemented the City's Public Educational-Government (PEG) Access program, and oversaw enhancements to the City's government access channel. In 2012 she became the City Clerk and Department Head at the City of Pismo Beach. In this position she maintained the City of Pismo Beach Municipal Code, managed and participated in the development and administration of the City Clerk and City Council annual budgets as well as established systems for preserving, protecting and purging public records in accordance with law.

Ms. Cano joined the County of San Luis Obispo in 2014 as the Assistant County Clerk-Recorder-Registrar of Voters where she assisted with all election processes, maintained the integrity of the Official Records and served as the County Clerk-Recorder in the absence of the administrator or as directed. In 2019, Ms. Cano joined the County of Santa Barbara's Election Division as the Election Division Manager. Ms. Cano received a Bachelor of Arts from the University of Laverne in Liberal Studies and maintains licensure as a Certified Municipal Clerk and a has a credential in California Professional Elections

During her interview, Cano clearly indicated that she believes the job is all about teamwork, expanding services, and "transparency." She has no idea that it should really be about protecting freedom by protecting the people from their governments.

Item 10 - Submittal of a resolution accepting the exchange of property tax revenue and annual tax increment for Annexation No. 90 to the City of Paso Robles (Gateway). Apropos of **Item 1**, above, related to analysis of tax allocation resulting from annexations, this item approved an annexation property tax allocation between the County and the City of Paso Robles.



In this case the County will receive all of the property tax growth. The City will receive all of the transient occupancy tax and all of the sales tax. The deal is subject to the approval of LAFCO.

It would seem appropriate that Board items such as this contain a table that shows the forecasted taxes from the present time until buildout. This would enable the Board and the public to assess the prudence of the policy for both the City and the County.

Item 18 - Request to: 1) approve a FY 2021–22 contract with Soundheal Inc. in the amount not to exceed $175,320 to test the effectiveness of sound meditation in improving mental health outcomes; and 2) delegate authority to the Health Agency Director or his designee to sign any amendments to the Contract, including Option to Renew for three additional years (through June 30, 2025) for a total cumulative amount not to exceed $276,120. The item was continued to a future meeting. Supervisor Peschong stated that it should be brought back as a regular business item for full discussion. The problem is that the delay will provide staff time to bolster its case and mobilize whatever volunteer groups that they have co-opted. Gibson wandered into a faint attempt to chill public comment. He criticized COLAB and another speaker from the dais by calling them "unqualified to comment" on the basis that they are not mental health experts.

More blatantly, Ortiz Legg approached Mike Brown later in the hall and stated that, "if he persisted in criticizing staff, " she "would have to go after him." Brown reminded her that this was former Supervisor Adam Hill's modus operandi when he disliked public comment or other situations where he disagreed with the public, media, staffers, other officials, or was in shakedown mode.

We have reminded her of Brown Act requirements, specifically:

54554(c) The legislative body of a local agency shall not prohibit public criticism of the policies, procedures, programs, or services of the agency, or of the acts or omissions of the legislative body. Nothing in this subdivision shall confer any privilege or protection for expression beyond that otherwise provided by law.

We will provide further information prior to the meeting when this is rescheduled. In this regard, we have also filed a records request related the documentation of the staff recommendations to contract with SoundHeal.

A sound meditation pod.

Perhaps the County should buy pods for the Supervisors and staff to de-stress. Otherwise, and to save money, COLAB will be glad to provide them an inspirational and calming listening program for free. For this week's inspirational sample soul soothing music video, control click here: https://youtu.be/fv2kmFZTDeY You might have to click "skip past the ad," when it first opens. Otherwise, to charge up your Chakra energy, you may need rock and roll.

Amhran Duit – The Endless Road

Background: If approved in the future, the County will contract with a vendor called Soundheal, Inc., which would put mental patients in a sound pod called a SoulWomb "to listen to meditative sounds designed to calm and center the body and mind." The staff request in the Board letter outlines the project as follows:

One of the projects outlined in the Innovation Plan is SoulWomb. The SoulWomb project aims to provide an additional, ancillary service for the forensic mental health population (pre-and-post adjudication in Behavioral Health Treatment Court and Veteran Treatment Court) enrolled in San Luis Obispo Behavioral Health Department Justice Services (SLOBHDJS). The clinic intends to use a sound meditation pod for a holistic, mindfulness-based treatment of clients. A Non-Competitively Bid (NCB) Contract Justification for this contract was completed August 19, 2021 and approved by the County Purchasing Department. Soundheal Inc. is uniquely suited to carry out the implementation of this test project as it is the inventor and sole proprietor of the device required to complete the approved innovation project. Soundheal Inc. and its founder, Mahesh Natrajan, have the knowledge in wellness and technology sector to make them an expert in appropriate structural support, resources, and capacity to engage in outreach, education, research, data collection, testing, and reporting.

COLAB Comment: What a bunch of garbage! Did the people in County Purchasing actually process this request?

Who is Mahesh Natrajan? It turns out the name Natarjan, not Natrajan, is very common. The Board letter lists it as Natrajan. We could find no link on Google with either version related to Soundheal or SoulWomb.

The SoulWomb project is designed to harmlessly introduce sound meditation practice to participants through a semi-enclosed pod, immersing clients in surrounding meditative sounds, meant to calm and center the body and mind. The key goal of this project is to learn whether this sound meditation technique will be effective for increasing court and diversion clients' wellness participation and ultimately, improving mental health outcomes.

This swindle will cost the taxpayers $576,000.

	Contract Expenditure for Soul Womb	MHSA Innovation Component Funding	General Fund Impact
FY 2021-22	$175,320	$175,320	$0
FY 2022-23	$148,680	$148,680	$0
FY 2023-24	$140,240	$140,240	$0
FY 2024-25	$111,940	$111,940	$0
Total Contract	**$576,180**	**$576,180**	**$0**

SoundHeal SoulWomb Project		
Outcome Measures	FY 2021–2022	FY 2022–2023
Percent increase of participants reporting they have the foundation for their own self-meditation or wellness practice, as measured by retrospective surveys.	30%	30%
Percent increase of participants reporting they are more optimistic about their self, as measured by retrospective surveys.	30%	30%
Percent improvement in participant self-awareness, as measured by retrospective surveys.	30%	30%
Percent decrease in participant anxiety, stress, or feelings of detachment, as measured by retrospective surveys.	25%	25%
Percent increase in participant ability to stay calm, relieve stress, and focus, as measured by retrospective surveys.	25%	25%

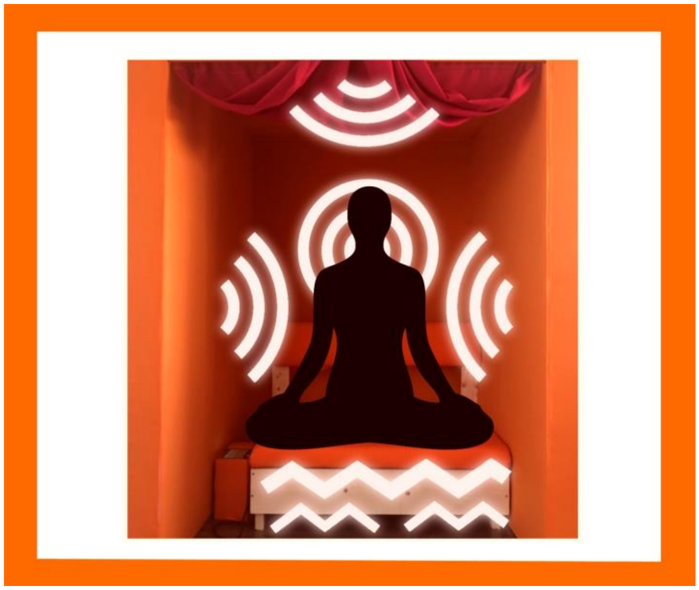
The SoulWomb website makes it clear that this is simply a huge racket designed to rip people off.

Outrageous: County staffers making $200,000 actually made this a “professional” recommendation action in public. They should be immediately dismissed. Who lets this sort of thing on the Board agenda and subjects them to the type of embarrassment that they describe for allowing it to happen. Wonder what the symbol means?

Huh?

The SoulWomb is your personal meditation space

Transport yourself to a state of bliss using an orchestrated sequence of ancient therapeutic sounds and physical vibrations. The SoulWomb facilitates you to get focused quickly and deeply for the entire duration inside.



Will they try some of Bach’s softer stuff or Pachelbel’s Cannon in D? https://youtu.be/PkSp8wc8lKw Wouldn’t it be less costly for the County to try this on its own? Why do they need a $576,000 guy?

"Feel the love and light"

As a sound healer, I can say this space is sacred, pure and full of energy to alter mnid and physical state, so long as you believe.

"Invoked a strong sense of security"

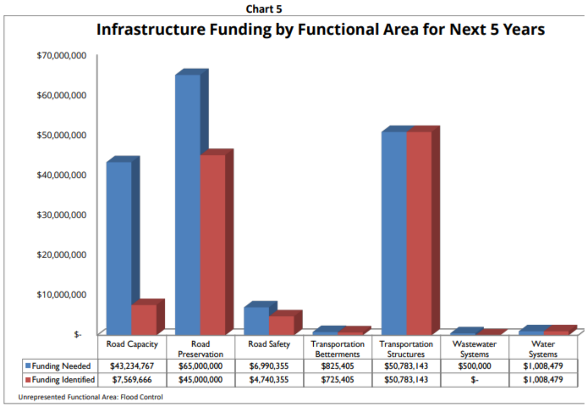
The different frequency bells, gongs and sounds were soul comforting.

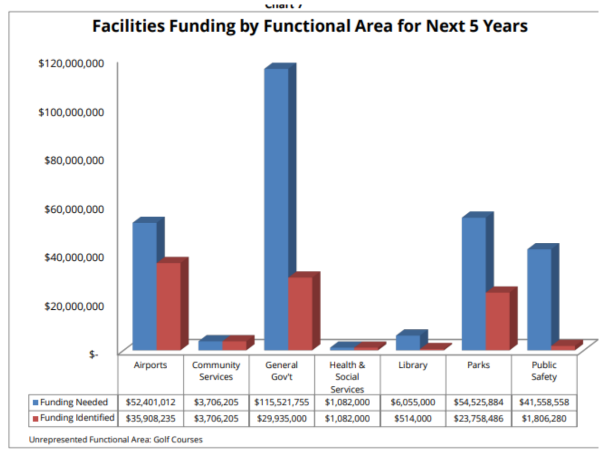
Is placing the County patients in a cheesy cardboard box with 2 electric candles and playing gong music worth $576,000 in public taxpayer funds? The SoundHeal Sound Womb doesn’ t look as high tech as the ones on the market as illustrated above on page 12. **You would think that for $576,000 you would get the Rolls Royce of the industry instead of the refrigerator crate like box shown on SoundHeal’s website**

Items 34 and 35: Note: Items 34 and **35** comprised financial forecasts for next fiscal year (2022-23) and 3 fiscal years (2022-23, 23-24, and 24-25) respectively. The data in **Item 34** is used to build the forecast for the subsequent fiscal year. The 2 items should be read in order.

Item 34 - Consideration of a report regarding the County's Fiscal Year 2022-23 financial forecast. The Board received the report without significant questions or comment. Overall, the County should be fine next fiscal year, as it has ample reserves, growing local (non-departmental) revenues, and growing departmental revenues. Both the County and the State are awash in accumulated COVID-related revenues, including $28 million in Corona Virus Relief funds, $54 million from American Rescue and Recovery Act, an unspecified amount in State COVID relief, and more potential program funding, if the currently pending so-called Federal Infrastructure Act is approved by the Congress.

The rosy projections ignore the significant road and building maintenance deficits. If the presentation included a plan to reduce these hundreds of millions of dollars in unfunded infrastructure, the Budget would not be balanced.





Funding for capital investment, which would allow expansion of areas for zoning of single-family homes and large-scale apartment house development, is totally absent from the analysis.

The table below forecasts growth in non-departmental general revenue categories, except for the Unitary Tax[2], which will decrease as Diablo shuts down? So-called "departmental" revenue is revenue that is received for a legally restricted purpose that is usually attributable to a specific department or set of programs across certain departments. The term "departmental" is unfortunate, as it can connote limited Board of Supervisors authority over it. This, in turn, can lead bureaucrats and the Board to give less scrutiny to programs funded by such revenue than to those funded by general revenues, such as the property tax.

Departments game the system by programming all of their respective "departmental" revenues in the base of the program and then seek additional general revenue or "non-departmental revenue" on the margin to expand programs.

General administration and the Board should examine budget requests closely in these regards. Even though a particular department is flush with "departmental revenue" from a State or Federal source or "dedicated fees," the Board and administration need to closely scrutinize their use in terms of actual benefit and efficiency.

Non-Departmental Revenue (Discretionary Revenue):
The table below outlines the assumptions for the FY 2022-23 forecast for non-departmental revenue:

Revenue	2019-20 Actual	2020-21 Actual	2021-22 Budget	2021-22 Projection	2022-23 Forecast	% Diff: 21-22 Bud & 22-23 Forecast
Secured Prop Tax	$127,088,111	$131,861,780	$135,649,256	$137,129,325	$142,670,655	5.2%
Unitary Tax	$6,388,331	$5,840,519	$5,254,038	$4,945,652	$4,425,948	-15.8%
Supplemental Prop Tax	$2,498,049	$2,515,309	$2,169,000	$2,169,000	$2,255,760	4.0%
Prop Tax in lieu of VLF	$39,107,615	$41,119,225	$42,763,994	$42,715,055	$44,423,657	3.9%
Prop Transfer Tax	$3,862,915	$4,264,099	$3,263,355	$3,263,355	$3,328,622	2.0%
Sales Tax	$12,534,591	$13,617,485	$12,840,041	$15,000,000	$14,000,000	9.0%
TOT	$9,956,380	$14,983,551	$11,500,000	$12,000,000	$12,500,000	8.7%
All Other	$42,765,034	$20,238,674	$19,074,051	$18,502,174	$19,447,985	2.0%
Total (Non-Dept. Rev.)	**$244,201,026**	**$262,023,399**	**$232,513,735**	**$235,724,561**	**$243,052,627**	**4.5%**

[2] In accordance with Section 19, Article XIII of the California Constitution, the BOE is responsible for assessing property owned or used by certain public utilities and other specified companies operating in California, enabling counties to use those values to collect local property taxes. Utilities and railroads are examples of properties assessed by the State.

Departmental Revenue:

Revenue	2019-20 Actual	2020-21 Actual	2021-22 Budget	2021-22 Projection	2022-23 Forecast	% Diff 21-22 Bud & 22-23 Forecast
Prop 172	$24,952,552	$27,216,509	$27,216,509	$31,874,708	$32,830,949	20.63%
1991 Realignment	$20,340,460	$20,604,421	$23,046,919	$25,394,426	$25,329,933	9.91%
LEHC 91 and 2011 Realignment	$1,805,140	$1,615,913	$2,109,790	$2,061,788	$2,092,290	-0.83%
Health Agency	$76,440,916	$83,943,992	$91,163,663	$96,107,434	$97,582,769	7.04%
Social Services	$100,632,030	$98,046,417	$106,794,181	$105,645,254	$108,055,993	1.18%
Other	$74,431,864	$92,010,749	$78,161,392	$78,161,392	$78,561,392	0.51%
Total (Dept. Rev.)	**$298,602,962**	**$323,438,001**	**$328,492,454**	**$339,245,002**	**$344,453,326**	**4.86%**

Note that salaries and benefits will be $10.1 million higher than shown below, due to new labor contract costs, which are known but which don't occur until next year. This is a good inclusion, which has been made part of this analysis. Relatedly but not estimated, what is the likely impact of labor agreements that are now under negotiation or are likely to be completed before next July 1st? The County uses a general policy forecasting rate of 2.7%. The staff should include a line for this estimate as well.

The assumptions noted above result in the following expenditure forecast:

Amount	Description
332,339,767	FY 2021-22 Adopted General Fund Salary & Benefits
10,062,789	Incremental General Fund cost of labor agreements already negotiated and approved but not budgeted in the current year, cost of expected pension rate increase, cost of expected increase in Other Post Employment Benefits costs, and expected increased charges to departments to support the Liability and Workers Compensation programs
257,935,571	FY 2021-22 Adopted General Fund non-salary costs
5,158,711	2% Consumer Price Index (CPI)
636,116	Department of Social Services increased costs
3,756,426	Health Agency increased costs
(602,241)	Decreased cost for various one-time expenditures in FY 2021-22
439,384	Increased cost for homeless programs, authorized by Board on 8/10/21
700,000	Increased cost for fire equipment replacement
2,378,396	Transfer of SB 1090 revenue into a designation for future use
(17,042,657)	Adjustments to General Fund contributions to non-General Fund budgets
29,790,613	5% General Fund contingency
625,602,875	**Total Expenditure Forecast**

The Board letter summarizes the difference between the total revenue forecast and total expenditure forecast, stating:

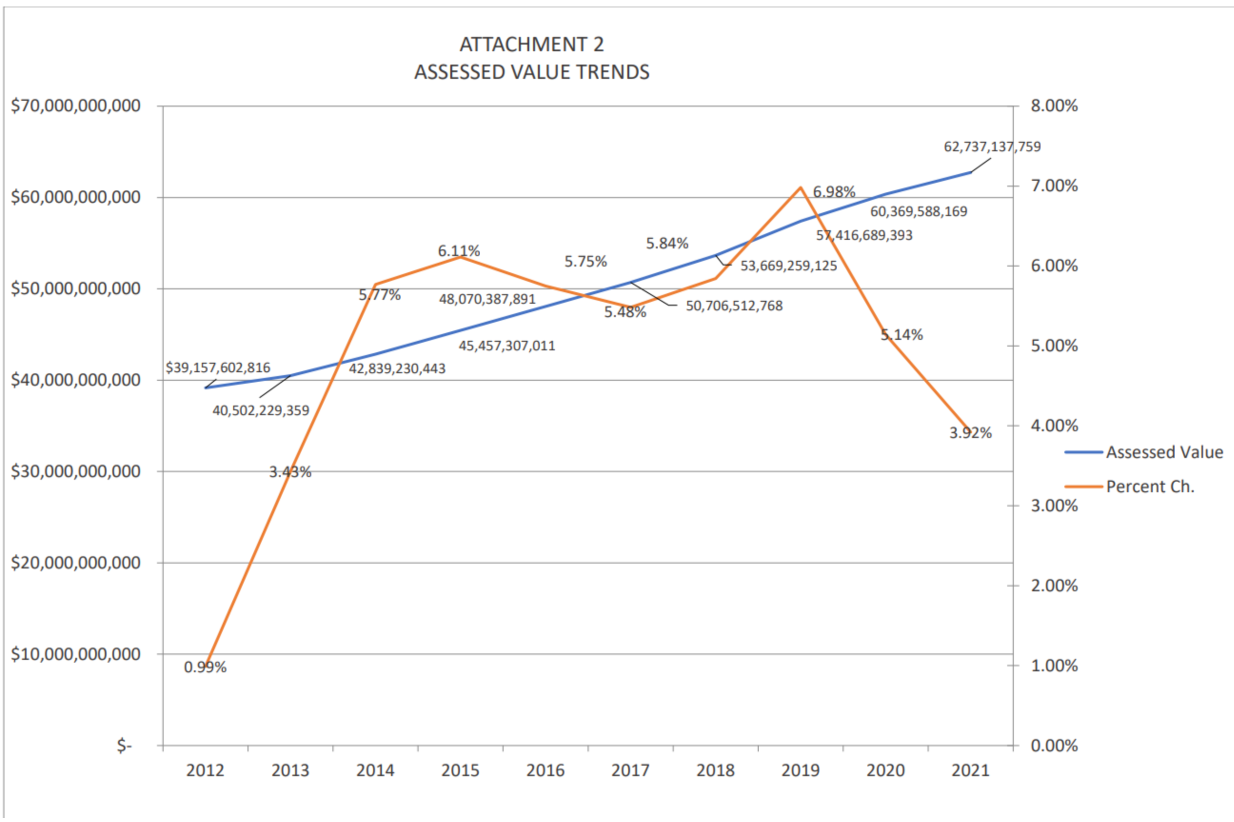
Per the assumptions noted above, the forecasted structurally balanced budget for the General Fund for FY 2022- 23 is:
$620,590,383 Total financing sources (revenues)
$625,602,876 Total financing uses (expenditures)
($5,012,493) Total forecast surplus/ (gap)

A projected gap of $5 million at this juncture in the cycle is not problematical. It is likely that all or most of it will reconcile over the next 8 months. In fact, note that $29.8 million of the Budget is contingency, which although targeted at $29.8 million, is a swing amount that can be decreased in a bad year.

One vitally missing analysis from this presentation is the status of all the COVID and related Federal and State funding. For example, the County has received large injections of both over the past year. What are the categories, how much and for what has it been expended, and what balances are remaining?

How will the balances be applied to the budget?

The rosy projections ignore the significant capital investment, roads maintenance, and building maintenance deficits. If the presentation included a plan to reduce the hundreds of millions of dollars in unfunded infrastructure, the Budget would not be balanced.



Item 35 - Consideration of a report regarding a multi-year financial forecast, Fiscal Year 2022-23 through FY 2024-25. The Board received the report without comment**.** A 5-year analysis would be more meaningful**.** The staff's heart is not in this presentation, and they are simply doing it because the Board asked them to do it.

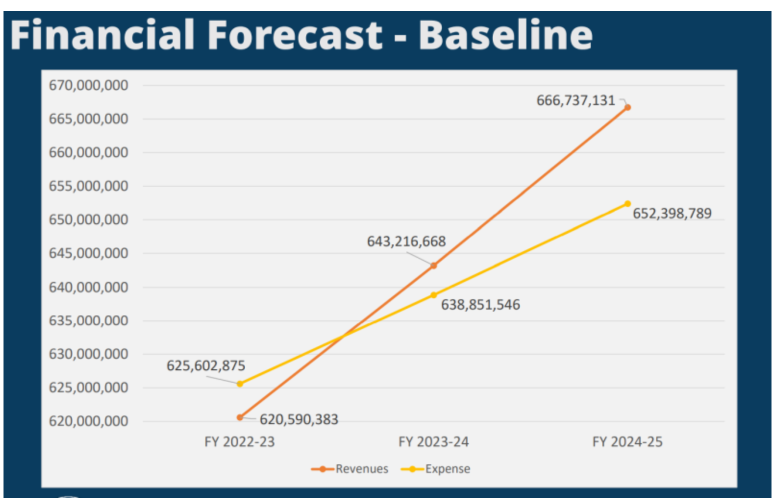
It turns out Staff is lobbying the Board to get rid of it. See Addendum I on page 31 for a sample of one that is done well and is used as a major tool for priority setting by the CEO and Board in another county. Actually, staff probably appreciates the lack of interest in the Budget by the SLO Board of Supervisors, as it allows them to drive policy priorities.

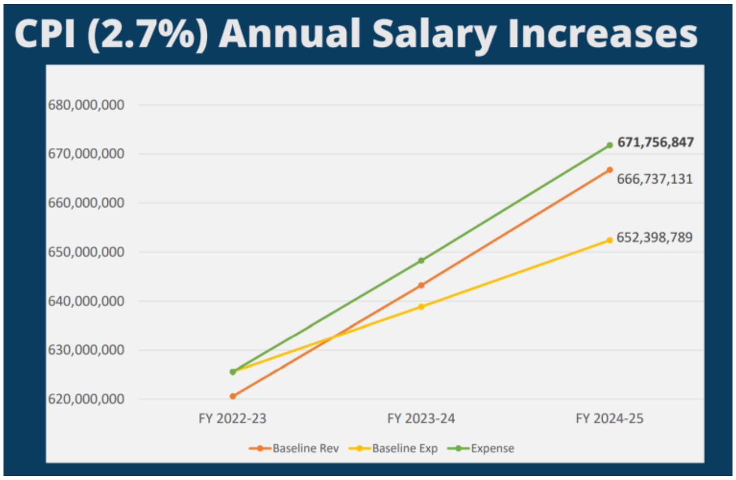
Background: They provide a few abstract scenario charts but ignore key economic impact issues, such as the impact of the closure of Diablo, closure of the Oceano Dunes to off road recreation, the closure of Philips 66, the ultimate termination of State and Federal COVID rental assistance payments, massive inflation, the negative economic impacts of the State's "All Electric by 2030" mandates, the inability of solar and wind to provide sufficient energy for the economy within such mandates, the one-time Federal revenues that the State has built into its budget, supply chain problems, impact of massive illegal immigration on health and social services, labor force reluctance, and all the rest.

What should be County public policy response to an environment that contains so many risks with larger negative fiscal impacts?

Again, as noted above, the analysis omits unfunded capital facility and building maintenance accumulated deficits.

While the County can pay its current bills in the near term, it is essentially broke in terms of its long-range accumulative operating expenses and capital investment needs. Add in unfunded pension liability, and it reveals a kind of hand-to-mouth existence.





In this more realistic version, the lines don't split so well.

Item 37- Submittal of a project update on the PG&E Diablo Canyon Power Plant Decommissioning Project application and environmental review pursuant to the California Environmental Quality Act. This item contained a status report on the processing of PG&E's application to dismantle the reactors, support facilities, roads, and other structural elements of the site.

The issue in this report is not whether to retain the plant or to discuss the negative economic, social, and energy impacts.

At some point there will be a schedule for the processing and the conducting of a massive environmental impact report, publication, hearings, and all the rest.
What a waste.

The plan covers two phases:

Phase 1: 2024 - 2031

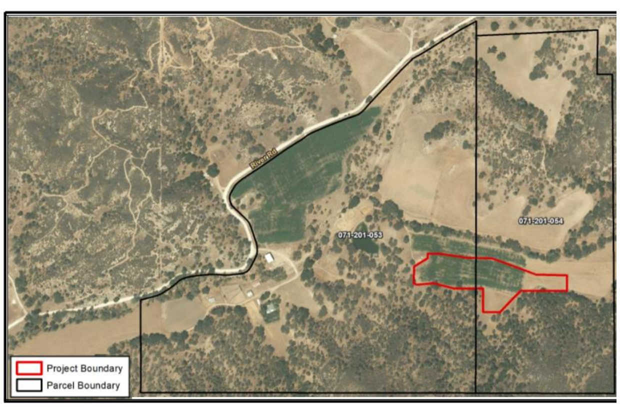
- Temporary Infrastructure & Building Modifications
- Decontamination & Demolition of Buildings
- New Buildings/Structures Construction in Future PG&E Owner-Controlled Area
- Spent Fuel & GTCC Waste Transfer to ISFSI and New GTCC Storage Facility

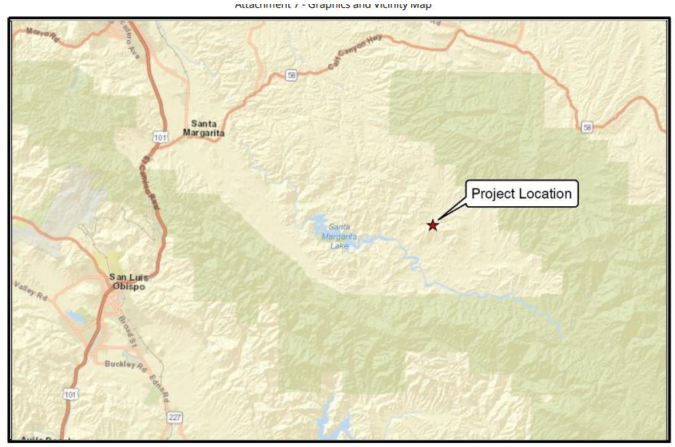
Phase 1: 2024 – 2031, cont.

- Removal of Nuclear Reactor Pressure Vessels & Internals, Steam Generators
- Removal & Restoration of Discharge Structure
- Site Characterization to Identify Contaminated Areas
- Soil Remediation & Final Status Surveys
- Modification & Utilization of Off-site Railyards

Item 38 - Hearing to consider an appeal (APPL2020-00021) by Michael Aniff, Pegaso, Inc., of the Planning Commission's denial of a Conditional Use Permit DRC2018-00177 to establish cannabis activities in multiple phases including approximately three acres of outdoor cultivation, 22,000 square feet of indoor cultivation, 16,000 square feet of ancillary nursery, 9,500 square feet of ancillary processing, and a parking modification to reduce the required parking spaces from 80 to 26. The project is within the Agriculture land use category located at 12415 River Road, Pozo approximately 2.2 miles northwest of Pozo Village. The Board denied the appeal on a split vote with Supervisors Compton and Peschong voting for denial and Supervisors Ortiz-Legg and Gibson voting to approve the project. A tie means the Planning Commission recommendation for denial is sustained. Supervisor Arnold was recused as she has an interest in a nearby property**.**

This was an appeal by the applicant of the denial of his application by the Planning Commission. The community is opposed to the project and has been well organized. The denial was based on traffic, alleged lack of water, and neighborhood incompatibility. It may end up as a lawsuit.





Planning Commission Meeting of Thursday, November 4, 2021 (Completed)

Item 4 - Hearing to consider a request by SLO Driver, LLC for a Coastal Development Permit / Development Plan to establish a non-storefront dispensary, manufacturing, and

distribution facility within a 2,225 square-foot suite of an existing 12,035 square-foot commercial building. No new structures or site improvements are proposed. The project site is within the Industrial land use category, and it is located at 2115 Willow Road (State Route 1), approximately two miles west of the community of Nipomo in the Callendar-Garrett Village Area of the South County Coastal Planning Area. The application was approved unanimously. The staff had recommended approval, and there was no opposition in the record. The facility will be used for manufacturing cannabis products. This is the second such facility approved in the area.

EMERGENT ISSUES

Item 1- COVID. The disease keeps hanging around at a moderate level and is still killing people even though there is supposed to be a new treatment. Public debate about masks and vaccinations is raging locally and nationwide. This is especially true for the public schools. A plurality of Americans feel that the previous COVID lockdowns and current regulations are being used as a way to control them. Moreover, the multi-trillion dollar "recovery" plans are viewed as an expansion of the socialist state in general. Resistance is expressed in various ways, including anti-mask rallies, anti-vaccination efforts, and other resistance to government expansion. A significant number of government employees are resisting mandatory vaccinations in jurisdictions that have mandated them.

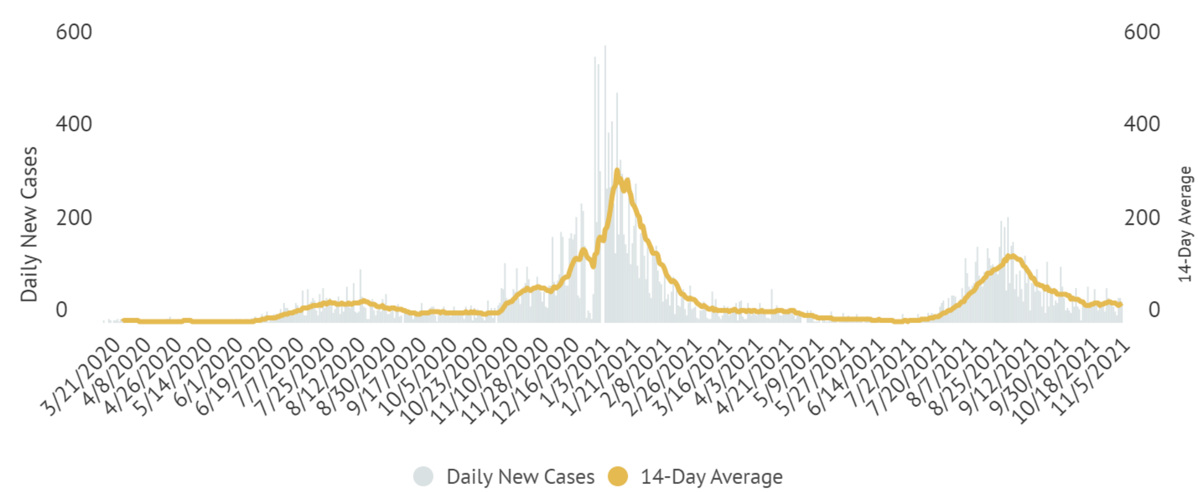
The Federal Government has not yet explained why the US funding was sent to the Wuhan laboratory in Red China for "gain-of-function" research on SARS, which resulted in COVID 19. What is the difference between developing "gain of function" of a virus and weaponizing it? Can government leaders of either party, the CIA, the State Department, the Defense Department, or the Center for Disease Control guarantee that we have not received a biological warfare attack by the Chinese People's Army using a highly virulant and deadly virus that we cannot extingush and which we apparantly helped to fund?

Can we be sure that the vaccines are safe over the long term? The government and its progressive masters, which are so virulently anti-traditonal values and so disdainful of middle class Americans, is not trusted. Will the manufacturers as well as the governments and businesses that are requiring vaccine innocculation indemnify the recipients against any unexpected future negative impacts? What are the impacts on workers compensation?

All of these issues, which are taboo for discussion under the Wokist free speech lockdown, are causing distress and promoting rising dissention in the public. Why should you listen to government officials who funded "medical" research in China in the same city where they develop biological weapons?

Would the Chinese fund research at the Lawrence Radiation Laboratory in Berkeley, given that the same Laboratory's branch in Livermore makes hydrogen bombs? [3]

Daily New Cases (and 14-Day Average)



22 Hospitalized (8 in ICU)

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[3] **Shockingly,** Researchers ***at Livermore's "Z Division," the lab's intelligence unit, issued the report May 27, 2020, and classified "Top Secret." Its existence is previously undisclosed. The Z Division report assessed that both the lab-origin theory and the zoonotic theory were plausible and warranted further investigation. Sinclair has not reviewed the report but confirmed its contents through interviews with multiple sources who read it or were briefed on its contents. The "dual use" of gain-of-function research has in turn divided proponents of the lab-origin theory into two main camps. Both believe SARS-CoV-2 accidentally "leaked" from WIV personnel, but one camp attributes the accident to legitimate medical research, the other to prohibited biological-weapons research.*** **What ever happened to follow up on this report? ABC News May 21, 2021, James Rosen - National Desk.**

COLAB IN DEPTH

IN FIGHTING THE TROUBLESOME, LOCAL DAY-TO-DAY ASSAULTS ON OUR FREEDOM AND PROPERTY, IT IS ALSO IMPORTANT TO KEEP IN MIND THE LARGER UNDERLYING IDEOLOGICAL, POLITICAL, AND ECONOMIC CAUSES

As The Left Tries To Kill American Citizenship, Americans Fight For Their Ancient Rights

BY VICTOR DAVIS HANSON

The American citizen is dying and is losing civilian control of the country. But some Americans won't go quietly.

How did our southern border simply vanish — in complete nullification of all federal immigration laws?

Since when did our unelected leaders — Dr. Anthony Fauci of the National Institute of Allergy and Infectious Diseases, Gen. Mark Milley, chairman of the Joint Chiefs of Staff, James Comey and Andrew McCabe, the former directors of the FBI, former director of the CIA John Brennan, and James Clapper, former director of national intelligence — feel they could routinely exceed their legal authority?

Who allowed them to spin untruths or feign memory loss while under oath before our Congress? Who gave these unelected partisans the power to warp the very political process of the nation?

How is it that our tax-exempt universities and publicly funded colleges ignore the First Amendment and due process with impunity in their campus kingdoms?

How did a small number of extremists hijack our culture — toppling statues in the night, erasing ancient names from streets and monuments, canceling our Founders, hounding their critics, and assuming birthright amnesty for rioting, looting, and arson?

Why did America abruptly give up its long aspirations to be a racially blind society?

Why did our universities, our media, our professional sports teams, our corporations, and Hollywood revert to pre-civilizational tribalism, insisting that our superficial appearances were now central not incidental to who we American citizens are?

When did our generals and admirals begin talking down to citizens about their supposed biases, prejudices, and conspiracies, while on their watch nonchalantly suffering the worst military defeat in the last half-century?

Why are citizens struggling to fuel their cars? Is it because an arrogant Biden administration deliberately cut back oil and gas production, canceled pipelines, and put vast swaths of federal lands off-limits to drillers?

Is first-world America now Venezuela, as are our store shelves empty, our ports stay paralyzed, and our streets of the major cities after dark grow as unsafe as medieval cities?

Why do the homeless freely violate health and public safety laws, in a way the middle-class citizen would be jailed if he did the same?

Since when do the formerly hardest working people in the world sit home awaiting inflated government checks while their country is in desperate need of their labor?

How did it happen that thrifty citizens permitted their government to run up $30 trillion in debt, and to claim printing money would bring anything other than rampant inflation? Are we so rich or so stupid that we can just abandon tens of billions of dollars of our best military equipment to terrorists in Afghanistan, so secure that we can flee in ignominious defeat and abandon our allies?

American citizens must show their passports when they reenter their own country, but not noncitizens who enter illegally and for whom our borders are their open doors.

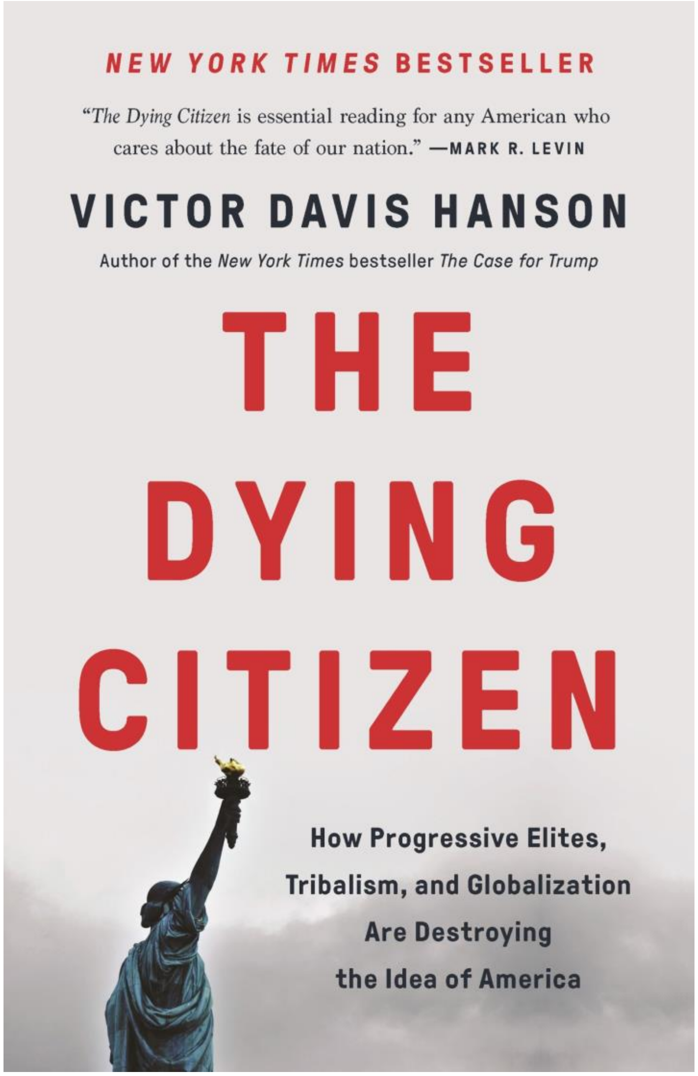
Federal employees and soldiers must be vaccinated, but not so refugees and illegal immigrants who are exempt from such mandates.

Citizens go to jail if they lie under oath, not so their unelected grandees. Everyone must show an ID to board a plane, but not so to vote — as if the sacred right of a citizen is less important than a vacation.

The very wealthy and the very poor often are de facto exempt from onerous regulations. But middle-class citizens lack the clout of the former and the romance of the latter, and so are targeted unduly because they follow the law, pay their fines and taxes, and become the bureaucrats' primary targets. When societies go broke, their desperate regulators and functionaries fixate on the shrinking law-abiding middle class that alone always complies and pays up.

The root cause of the chaos? The American citizen is dying and is losing civilian control of the country. Eroding is the ancient idea of an empowered and self-reliant middle-class that makes its own laws, sees that they are enforced, and ensures that accountable elected officials — and not unelected functionaries — govern the country.

Continued on the next page.



How did the forgotten citizen lose control of America?

For years the middle class has seen its wages shrink, as the hyper-wealthy got richer, and the poor grew more reliant on subsidies. There is no sacred space anymore between secure borders to sustain a common, shared civic identity.

Somehow running a state bureaucracy became a kingly perk, as clerks aggregated the powers of judges, juries, and executioners. When progressives felt they had lost public support, they sought either to change the demography of America or to jettison its ancient customs, traditions, and even constitutional norms — or both

Globally spreading Westernized consumer capitalism was one thing, but letting a mostly non-democratic world, rather than U.S. citizens, share in the governance of the United States, was suicidal. Yes, citizenship is dying — but it is not yet dead.

In its eleventh hour, we can sense it stirring from its coma. Seemingly out of the shadows, millions of angry middle-class parents are reemerging to reclaim local control of their woke schools, despite being smeared as "domestic terrorists" worthy of being hounded by the FBI.

Thousands of state and federal employees and soldiers are demanding to know why those with naturally acquired COVID-immunity must be fired or discharged unless they are vaccinated, despite often being better protected from COVID-19 than are the inoculated.

Communities along the southern borders are jettisoning political orthodoxies and choosing new leaders to enforce old immigration laws for their own protection.

A reckoning is coming, through popular protests now and a year from now in the midterms. Radicals and leftists have assumed battered and denigrated citizens are forever comatose, but they have been silently seething — and are just starting to resuscitate in ways the intolerant Woke cannot even fathom but will soon learn all too well.

Victor Davis Hanson is the Martin and Illie Anderson Senior Fellow at the Hoover Institution and the author of the new book, "The Dying Citizen." This article first appeared in the November 1, 2021 edition of the Federalist.

Watch the related video here:

https://youtu.be/BQSjO5-sSOY

REGIME CHANGE AMERICA: GET ORGANIZED

What's happening in America right now is bad. It's time for traditional America to take a stand for this country and the way of life we believe in.

BY MAX MORTON

For those of us old enough to remember when America was a free country—way back before September 11, 2001 changed everything—things have never looked crazier, more dangerous, and incoherent than they do right now.

To quickly recap, we were run out of Afghanistan by an enemy we inadvertently armed with tens of billions of dollars of sophisticated weaponry and equipment. Our former allies in Afghanistan's intelligence and special operations units, who we trained and then abandoned, have gone over to ISIS. The FBI has decided the angry parents of traumatized schoolchildren—along with pretty much the entirety of the administration's political opposition—are domestic extremists. The National Institutes of Health paid millions of dollars to a Chinese military bioweapons facility to do experiments, which created a virus that "escaped" the lab killing millions and crippling the economies of much of the Western world. If all that isn't scary enough, the president of the United States is obviously not running the country, and it is not at all clear who actually is.

There's more, obviously, but this is probably enough to get the point across. What exactly happened to America? Recovering from the shock of wave after wave of self-inflicted turmoil, many Americans are coming to the realization that they're going to have to *do* something about this situation before it becomes unrecoverable. Because it's *that* bad.

While the old Right is asleep with delusions of classical liberalism and bipartisanship dancing in their heads, the new Right, or what I call trad America, has awakened to the sounds of fire alarms and klaxons blaring. The USS America is taking on water and listing perilously to one side. What to do now?

The Left has a long history of political activism, the Right very little. Even the Right's successful 2010 Tea Party takedown was quickly neutered by the GOP establishment grift machine. The Right simply doesn't have experience organizing or conducting political actions like strikes, protests, civil disobedience, and bare-knuckle brawling that comes from growing up in the political school of hard knocks. This is going to have to change if trad America is going to save itself. We have to learn the art of political warfare.

Regime change in America used to happen every four to eight years. They were called elections. Lately our elections aren't changing much other than the cult-like personalities at the top of the uniparty. If we want to avoid our coming dispossession and fate at the hands of a globalist leviathan, we are going to have to rescue ourselves.

First Steps

Just like you can't play football without a team, you can't run political movements without an organization . . . and that's what we need to do here, organize. We need to build a grassroots movement. We must gather together like-minded trad Americans and build our political movement's structure. We need leaders to direct and coordinate the efforts of the movement.

When it comes to structure, think in terms of cells, each with leaders, each organized around a functional area required to fulfill the movement's goals. The military and most businesses use departments to handle administration, finance, logistics, operations, internal communications, public relations, intelligence, and business development. Set up your cell-like structures to mimic what you already know from working in and around these departmental functional areas.

Identify like-minded trad Americans in your immediate local area, recruit them, and assign them to leadership positions in each functional area. Once you have your initial cadre, sit down and flesh out a draft agenda. Your agenda should be super simple at this point: identify the essential values that your organization supports and identify key policies that need to change. Stay away from unrealistic or fringe ideas and don't be influenced by the social media outrages of the day. Strive to fit it on a 5-inch by 7-inch index card. Your new movement is going to use this draft agenda for the next step.

One note before we move on. America is no longer the land of the free and home of the brave. Modern America is essentially a police state, a non-permissive environment that we created when we voted for ubiquitous surveillance and limitless terrorism exceptions to the Bill of Rights. It got even more dangerous when we mindlessly "backed the blue" that wasn't backing us and fawned over Sean Hannity's "good guys and gals" at the Justice Department and FBI. Know this: every single electronic communication is now recorded and available for monitoring, analysis, and distribution to government law enforcement and non-government political organizations.

Trad Americans need to understand that there are no "good guys and gals" outside of your own organizational circle until you have vetted them. This means when you organize, you have to take care not to let in the trashy informant class that has traditionally haunted conservative ranks. It is naïve to think that if you're not doing anything wrong, you have nothing to fear. Today's establishment enforcers, like the FBI, don't care about innocence or right and wrong. They'll frame you, lie in court, get you fired from your job, and even shoot you—whether you're guilty of a crime or not. In a non-permissive environment like modern America, you need to carefully vet and screen your associates and constantly be on the lookout for government provocateurs.

With this in mind, find and recruit new members and advocates from your local area. Your movement needs depth. It has to be more than a few trads with a social media sock account or a home-based "think tank." It needs members to conduct political and civic actions like protests, marches, and strikes. It needs real people to carry out the everyday missions of spreading the word—your agenda—and doing things like organizing meetings, conducting training events, press releases, media events, and connecting with other local and regional trad American movements.

Your movement needs advocates, too. Advocates are individual members and organizations with special skills, capabilities, and resources. Advocates can be journalists, business owners, trade workers, and philanthropists. Advocates provide funding and special services *pro bono* or at reduced rates to facilitate the movement's activities.

It's important to do as much of your organizing as possible in person. Don't attempt to organize on social media. Social media is surveillance. Do not post anything on social media that you wouldn't put on the front page of your local newspaper. Social media is useful for influence operations or to publicize your agenda, but that's it. Don't use it or its messenger apps to organize, recruit or discuss your movement's plans and intentions.

Private messenger apps, like Signal, Telegram, or Threema, are a better communications medium than social media, but not necessarily private or completely secure. They are, however, appropriate to post notices and events or arrange for in-person meetings to discuss sensitive plans and intentions of your movement. Remember, for grassroots organizing you are looking for trad Americans in your local area. You are not recruiting members from other states or distant cities. Keep it local in order to keep it real. Also, do not participate in organizational gossip on social media or in private messenger apps. This kind of loose talk feeds opposition research.

Once you have a shell organization, an agenda, and key leaders in various functional areas, it's time to start fundraising and leveraging advocates. One of the most important advocacy issues for a political movement in a non-permissive environment is legal defense. As we witnessed during the Trump Administration and in the aftermath of the January 6 Capitol protest, legal defense means the difference between political victory and having your movement dismantled one arrest at a time. It doesn't matter if you are innocent or not. The government, at the behest of your political opposition, will use the criminal and civil justice system to disrupt and undermine your activities. If your members face bankruptcy from legal bills after every protest or political action, your movement will not last long. The government knows this, and they will gleefully leverage the powers of prosecution to protect their political benefactors.

At this point, you have what should be a functioning grassroots political movement. It's now time to start public meetings and events to publicize and promote your agenda.

Every community is different, but they all have common venues such as parks, courthouse steps, community centers, etc. that are ideal starting places for public media events and gatherings. This is the first step in getting your voice heard. There is a lot of work to get to this point, so it's best to get started right away. In part two of this series, we'll discuss how to make your grassroots political movement strong and how to effectively make your agenda heard while connecting with other like-minded regional groups.

What's happening in America right now is bad. It's time for trad America to take a stand for this country and the way of life we believe in. Politicians like Lindsey Graham, Mitch McConnell, and Kevin McCarthy will not fight for your rights, your way of life, or your children's future unless you stand up and make your voices heard in the streets. You're going to have to convince the political class, that like it or not, it controls a big part of your destiny, that you're serious, and you're not going to take this anymore. Good luck, Godspeed, and let's get started organizing!

Max Morton is a retired U.S. Marine Corps lieutenant colonel, former CIA paramilitary operations This article first appeared in the American Greatness of November 3, 2021.

ADDENDUM I

Reproduced below is a sample 5 Year Forecast from Santa Barbara County, from a few years back, which illustrates how it can be done and made an informative policy tool.

BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name:	County Executive Office
Department No.:	012
For Agenda Of:	November 13, 2018
Placement:	Departmental
Estimated Time:	1 hour
Continued Item:	No
If Yes, date from:	
Vote Required:	Majority

TO:	Board of Supervisors	
FROM:	Department Director(s)	Mona Miyasato, County Executive Officer
	Contact Info:	Jeff Frapwell, Budget Director
SUBJECT:	**FY 2019-24 Five-Year Forecast**	

County Counsel Concurrence
As to form: N/A

Auditor-Controller Concurrence
As to form: N/A

Other Concurrence: N/A

Recommended Actions:

That the Board of Supervisors:

a) Receive and file the FY 2019-24 Five-Year Forecast, including potential fiscal issues facing the County in the coming fiscal years; and

b) Determine pursuant to CEQA Guidelines §15378 that the above activity is not a project under the California Environmental Quality Act.

Summary

This five-year forecast report is presented to the Board of Supervisors in advance of budget development to provide a context for balancing short-term and long-term goals during budget consideration. Included in this report are identification of fiscal issues (previously presented as a separate report) to detail potential demands on County resources expected to occur within a two-year period.

The five-year forecast shows discretionary revenue continuing to grow modestly in FY 2019-20, and includes the possibility of a recession in the middle of the forecast period. Though it is unknown whether a recession will occur, the forecast is built conservatively to show the potential impacts if revenue growth does slow significantly, which would mean increasing budget gaps in the forecast years beyond FY 2019-20. In addition to regular cost increases, there are fiscal issues valued at millions of dollars that the Board may wish to fund during the next five years. It is therefore time to be disciplined in our spending, even in

18% Maintenance Funding Plan
In the current year, the County has allocated about $30 million in all funds for maintenance work, of which $7.8 million is General Fund. In June 2014, the Board directed staff to implement a maintenance funding plan that would direct 18% of unallocated discretionary general revenues towards maintenance projects to address deferred maintenance needs. There is currently an estimated $438 million in deferred maintenance needs, which is discussed in more detail in the fiscal issues section of this report.

This forecast assumes that the maintenance allocation will increase by $500,000 in General Fund in each of the forecast years, growing from $4.4 million in the FY 2018-19 budget to $6.9 million in the FY 2023-24 forecast year. This is in addition to SB 1 transportation funding and other projected maintenance funding by the departments from sources other than the General Fund. For the purposes of the forecast, additional one-time maintenance funds provided in the adopted FY 2018-19 budget and previous years are not assumed as these are discretionary budget decisions made each year by the Board depending on available funding. However, maintenance funding needs are given priority consideration during budget development.

Strategic Reserve
The General Fund Strategic Reserve will reach a balance of $29.6 million by the end of FY 2018-19 due to the $5.9 million contribution added by the Board during the FY 2018-19 budget hearings. At this level, the reserve will be $5 million below what is called for in the County's Strategic Reserve policy, which would require an account balance of $34.6 million by year end. The Board had suspended the policy in FY 2017-18 when the fund reached $30.9 million to provide flexibility given that significant budget reductions were taken that year.

Based on average annual operating revenue growth, the Strategic Reserve policy would call for an account balance of $44.4 million in FY 2023-24, which equates to a contribution of $2.9 million of discretionary General Fund revenues to the account in each year of the forecast period. Funding sources for this contribution could be filled by FEMA reimbursements for funds expended from the Strategic Reserve for damages following the Thomas Fire and 1/9 Debris flow or other one-time sources, which would reduce the amount of discretionary General Fund needed to maintain a fully funded Strategic Reserve.

Other Uncertainties
Some significant potential fiscal issues are discussed later in this report. In addition to those issues, there are uncertainties that are not quantifiable or predictable, including the ongoing threat of another debris flow or other natural disaster, particularly as we approach the rainy season in the coming months. The Thomas Fire and 1/9 debris flow disasters resulted in $50.9 million in local costs, of which $44.3 million is expected to be reimbursed by FEMA or the state over several years. As we saw with the recovery efforts, a disaster of such significant scope can cause tens of millions of dollars in damages, and maintaining sufficient reserve funds to finance the recovery—as a stopgap until state or federal funds are received and to fund recovery efforts that are not reimbursable—is therefore crucial.

Additional factors may impact expenditures in the forecast years that are not included in this report, either because they are not quantifiable or not certain enough to reasonably assume, and these will be monitored on an ongoing basis to ensure funding needs are planned for and addressed adequately. In the recent past, factors have included Sheriff overtime costs in excess of budget, inpatient psychiatric bed shortages, and unanticipated Goleta Beach remediation measures.

FY 2019-20 when discretionary revenues are expected to modestly exceed countywide costs. We must begin preparing now for future funding shortfalls.

Background

The FY 2018-19 budget saw very few service level reductions as discretionary revenue growth was sufficient to avoid most potential cuts and some impacted departments were able to restructure programs and maximize federal and state funding to avoid service impacts. In addition, despite the losses incurred as a result of the Thomas Fire and 1/9 debris flow impacts, we have seen continued growth in our major revenue sources.

We have now experienced an unprecedented 110+ consecutive months of economic expansion, and economists are warning that a recession is likely to occur within the next few years. A Wall Street Journal poll showed more than 80% of the economists surveyed expecting a recession in 2020 or 2021.[1] However, the Wall Street Journal also asserts that recessions are difficult to predict, and in fact economists had predicted recessions in 2011 and 2016, neither of which materialized. Despite the uncertainty surrounding predictions of recession, due to the possibility of a recession during the forecast period, we have built in an assumption that net rate of total discretionary revenue growth will slow in FY 2020-21, and then begin a gradual recovery in the following three years, in an effort to conservatively "stress-test" the forecast and set expectations for the amount of discretionary revenue that would be available if a recession does occur.

Regardless of whether we experience a recession, we will continue to pursue efficiency and effectiveness improvements in the way we do business through Renew '22 initiatives, many of which are well into planning or implementation stages, and which may position us to mitigate or avoid the difficult funding choices that were necessary during the last recession.

Departments developed five-year forecasts of revenues and expenditures for the General Fund and other operating funds based on the assumptions detailed below. These forecasts are based on best estimates of expenditure and revenue growth rates available at the time of this report. As FY 2019-20 budget development approaches, estimates will be refined, and will continue to be refined until budget adoption to ensure available funds are appropriated responsibly and according to Board priorities.

Expenditure Assumptions

Salary and Benefit Growth

The major countywide cost drivers are salaries and benefits, which make up about half of total operating costs in the FY 2018-19 adopted budget and the forecast years. The largest components of salary and benefit costs are regular salaries, retirement, and health insurance. In the current budget year, total salary and benefit costs equate to nearly $613 million countywide.

<u>Salary Costs</u>

Memoranda of Understanding for the majority of non-safety represented employees have been negotiated through the end of FY 2020-21, with safety MOUs ending in FY 2021-22. These result in an average annual increase of approximately 3% across all employee groups (although the increase varies by bargaining group) and include salary increases, step and merit increases, and other negotiated allowances. Employee costs are assumed to continue at this rate in the forecast years. For the purposes of this forecast,

[1] Leubsdorf, B. (2018, May 10). Economists Think the Next U.S. Recession Could Begin in 2020. Retrieved from https://www.wsj.com/articles/economists-think-the-next-u-s-recession-could-begin-in-2020-1525961127.

staffing was assumed to remain at the adopted FY 2018-19 levels, with the exception of staffing increases related to Northern Branch Jail operations as well as a few decreases in departments to reflect the removal of positions funded with one-time allocations. These assumptions resulted in employee salary cost increases of about $58 million from the FY 2018-19 adopted budget to the FY 2023-24 final forecast year.

Pension increases

In the current year, the County has budgeted $144 million for retirement costs. Retirement costs are anticipated to increase by an average of 5% in each year of the forecast, reflecting salary increases, pension investment return assumptions, and expectations regarding existing and future retirees. However, these increased costs will be partially offset by the recently enacted pension cost-sharing provisions between the County and labor unions as well as unrepresented employees. The cost sharing will be phased in over a three-year period beginning in FY 2018-19, and is expected to generate $5.6 million in savings in the first forecast year, growing to $8.5 million by the fifth year. Over the five-year forecast period, retirement costs are expected to increase by over $30 million, though this increase will be offset by an average of $7.6 million per year in increased employee cost-sharing.

The Board of Retirement commissions annual actuarial evaluations as well as triennial experience studies, which update the annual actuarial valuations for economic and non-economic assumptions. The current assumptions, upon which the five-year forecast is based, include a rate of return of 7%. The retirement board will adopt the FY 2019-20 assumed rate of return in December 2018, and that rate will be incorporated into the FY 2019-20 budget (the Board of Supervisors will adopt the employer contribution rates for FY 2019-20 in June 2019). In addition, the next triennial study will be prepared as of June 30, 2019, and the retirement board may choose to make additional changes in the fall of 2019 based on the results.

Health insurance

In the current year, health insurance costs are budgeted at over $43 million. Health insurance costs are assumed to increase by 5% per year, based on recent premium increases for the County health plans. In years past, the County experienced significant year-to-year increases, reaching as high as 15.3% in 2015, but, more recently, the County has taken steps to bring costs down and premium increases in 2018 and 2019 were under 4%. Year-to-year increases can be unpredictable, as they are driven by the total costs experienced by the plan in the prior year, but, given the recent downward trend, a 5% increase was assumed. This amounts to an increase of over $9 million countywide over the five-year period.

Other Growth Areas

Northern Branch Jail Set-Aside

The annual set-aside for Northern Branch Jail (NBJ) operations is increasing according to the funding plan approved and implemented in FY 2011-12. The contribution of $10.9 million in FY 2018-19 will grow annually to the final targeted funding level of $19.3 million by FY 2022-23, at which time the contribution will become part of the Sheriff's custody program budget and grow by increases similar to the rest of County operations. The forecast, in accordance with the funding plan, assumes that the costs of operating the NBJ remain in line with projections developed in FY 2015-16 and updated in FY 2017-18. A further review will occur in the coming months as the NBJ becomes operational in the spring of 2019 and annual operating costs become clearer.

18% Maintenance Funding Plan

In the current year, the County has allocated about $30 million in all funds for maintenance work, of which $7.8 million is General Fund. In June 2014, the Board directed staff to implement a maintenance funding plan that would direct 18% of unallocated discretionary general revenues towards maintenance projects to address deferred maintenance needs. There is currently an estimated $438 million in deferred maintenance needs, which is discussed in more detail in the fiscal issues section of this report.

This forecast assumes that the maintenance allocation will increase by $500,000 in General Fund in each of the forecast years, growing from $4.4 million in the FY 2018-19 budget to $6.9 million in the FY 2023-24 forecast year. This is in addition to SB 1 transportation funding and other projected maintenance funding by the departments from sources other than the General Fund. For the purposes of the forecast, additional one-time maintenance funds provided in the adopted FY 2018-19 budget and previous years are not assumed as these are discretionary budget decisions made each year by the Board depending on available funding. However, maintenance funding needs are given priority consideration during budget development.

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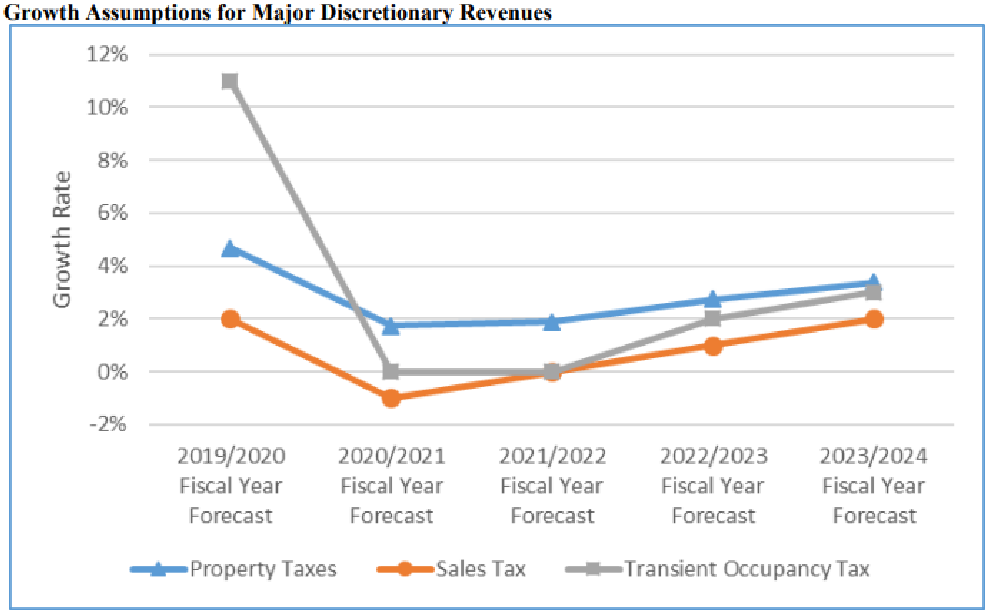
Additional factors may impact expenditures in the forecast years that are not included in this report, either because they are not quantifiable or not certain enough to reasonably assume, and these will be monitored on an ongoing basis to ensure funding needs are planned for and addressed adequately. In the recent past, factors have included Sheriff overtime costs in excess of budget, inpatient psychiatric bed shortages, and unanticipated Goleta Beach remediation measures.

Revenue Assumptions

Major Discretionary Revenues

The primary discretionary General Fund revenue sources are property, sales, and transient occupancy taxes. While steady growth has occurred in these taxes over the last 5 years (with the exception of sales tax and TOT losses following the Thomas Fire and debris flow), the forecast assumes a recession and reduced growth in the forecast period. The assumptions presented are modeled after those experienced in the prior recession, though the recession is not forecast to last as long or be as deep. The chart below shows the major discretionary revenue assumptions, which include a recession beginning in FY 2020-21 and a gradual recovery in the following years. The cumulative impact of the assumed recession is approximately $7 million in FY 2020-2021, $14 million by FY 2021-22, $18 million by FY 2022-23, and $22 million by FY 2023-24.

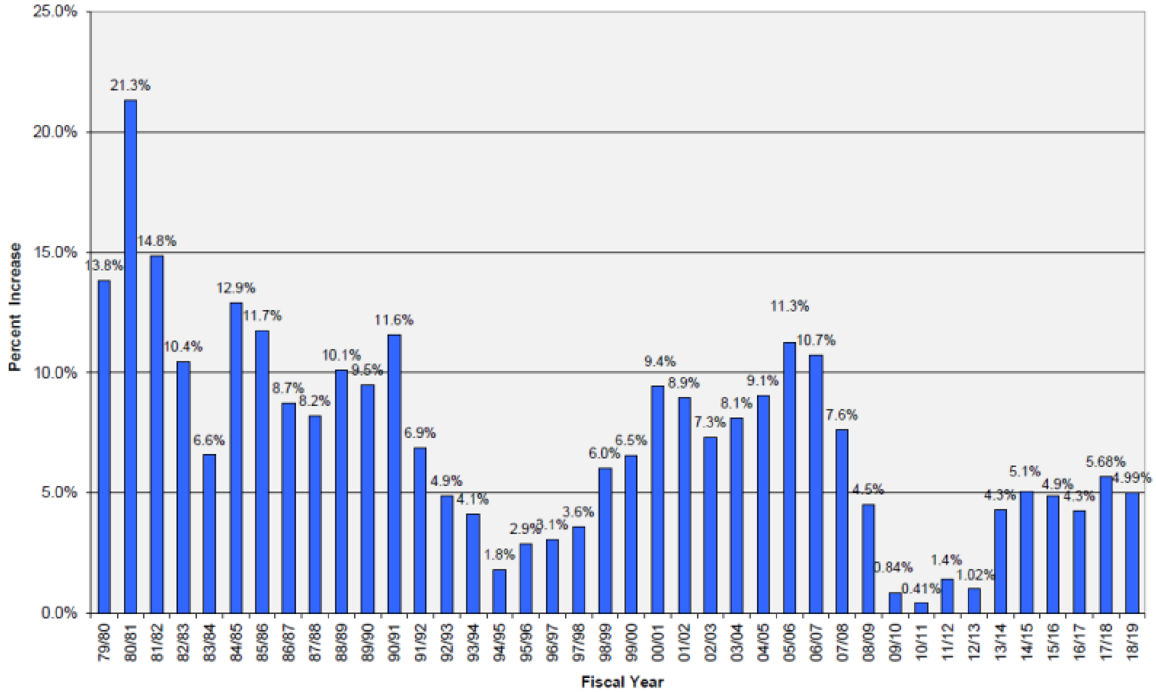
Growth Assumptions for Major Discretionary Revenues



<u>Property Tax</u>

In the current year, the County is expected to receive $210 million in property taxes, which constitutes about 80% of our discretionary revenue. In recent years, property tax revenues have grown by 4%-5% annually, tracking the growth in assessed value of properties in our county. In the forecast, growth is assumed to slow to around 2% in FYs 2020-21 and 2021-22, before climbing to slightly over 3% by the fifth year. Without a recession, property tax revenue would be $20 million higher by the end of the forecast period (nearly $263 million instead of the forecast $243 million). These projections include the end of the fire tax shift, which is expected to reach full funding in FY 2019-20. The County's historic growth in secured property values is shown below and demonstrates that, while year-over-year growth has always been positive, the recent rate of growth has been lower than in prior recovery periods.

Percent Increase in Secured Property Tax Roll Value, 1979-80 to 2018-19



<u>Sales Tax</u>

In the current year, sales tax revenue is budgeted at $10.7 million, which makes up 4% of discretionary revenue. Because of the potential recession, sales tax revenues are forecast to experience a decline of 1% in FY 2020-21, with no growth the following year, and then a slow recovery to a 2% increase in FY 2023-24. In dollar amounts, this means sales tax revenue, projected at $11 million in FY 2019-20, wouldn't return to that level until FY 2022-23. Absent a recession, sales tax revenue would grow from $11 million in the first year of the forecast to nearly $12 million by the fifth year.

<u>Transient Occupancy Tax</u>

Finally, Transient Occupancy Tax (TOT) revenue, currently budgeted at $11.2 million, is projected to achieve 11% growth in FY 2019-20 to $12.5 million, reflecting the first full year of revenue from the expected opening of the Rosewood Miramar Beach Montecito hotel in January 2019, but then remains flat until growth of 2% returns in FY 2022-23 and 3% in FY 2023-24 for projected revenue of $13 million. These trends are modeled after those experienced during the prior recession, though not as dramatic. Without a recession, TOT revenue would increase to an estimated $14 million by FY 2023-24.

Other Revenues

<u>Proposition 172 Public Safety Revenue</u>

The County has budgeted $36.4 million in Prop 172 public safety sales tax revenue in the current year, which provides significant funding to our public safety departments. The public safety sales tax revenue is expected to track the pattern of general sales tax, but with more volatility, projecting growth of 4% in FY 2019-20, a deeper recession impact of -5%, and faster recovery of 0%, 3%, and 5% in the last three years of the forecast period. General sales tax revenues reflect taxable sales in Santa Barbara County, whereas the public safety sales tax revenue is allocated based on a different formula that takes into account each county's share of taxable sales in California in the prior calendar year.

Cannabis tax revenue

As of the close of the first quarter, cannabis tax receipts totaled approximately $1.78 million. The adopted budget assumes $5.5 million in revenue in FY 2018-19. Cannabis tax revenue is forecast to increase by 3% in FY 2019-20 and 5% for each year after that, growing to $6.8 million by the end of the forecast period. Because we are at the beginning stages of cannabis licensing, taxation, and enforcement operations, we are not able to estimate future revenues with certainty, and it is therefore recommended that cannabis revenues in excess of those included in the budget and forecast years be treated as one-time in nature. As such, ongoing operational costs of programs and services will not be reliant on those uncertain revenues. Use of cannabis revenue will be consistent with the ballot measure language and Board priorities, with continued focus on enforcement against illegal operations.

Projected Budget Gaps in Major Operating Funds

We anticipate that FY 2019-20 will be a fiscally healthy year, assuming no new staffing or program expansions, and no significant policy or environmental events. However, the years beyond FY 2019-20 are expected to show growing funding shortfalls. Looking forward, stable and sustainable revenue is needed for the County to fulfill its commitments to funding priorities, such as the future Northern Branch Jail operations, deferred capital maintenance, public protection, negotiated employee contracts, and pension and other post-employment benefit (OPEB) costs.

The table below presents the projected budget gaps through the five-year forecast period. The gaps displayed are cumulative, though by law the Board must adopt a balanced budget. Therefore, these gaps represent the differences between expenditures and revenues if no mitigating actions were to be taken.

Five-Year Forecast Gaps ($ in millions)

Fund	2019/2020 Fiscal Year Forecast	2020/2021 Fiscal Year Forecast	2021/2022 Fiscal Year Forecast	2022/2023 Fiscal Year Forecast	2023/2024 Fiscal Year Forecast
0001 -- General	$ 3.5	$ (5.5)	$ (14.5)	$ (16.1)	$ (14.9)
0044 -- Mental Health Services	(0.6)	(0.9)	(1.3)	(1.6)	(1.9)
0055 -- Social Services	(1.5)	(3.0)	(5.6)	(7.8)	(9.8)
0069 -- Court Activities	(0.3)	(0.6)	(0.8)	(1.1)	(1.3)
All Other Funds	0.1	0.2	0.1	(0.1)	(0.2)
Net Surplus/(Deficit)	$ 1.2	$ (9.7)	$ (22.1)	$ (26.7)	$ (28.1)

The General Fund line includes all available discretionary general revenues, and the surplus in the first forecast year therefore represents discretionary revenues in excess of expenditures. Three major special revenue funds are projecting deficits in anticipation of state and federal revenue levels that will not keep pace with increases in salaries and benefits. To bring all county funds into balance, all but $1.2 million in discretionary general revenue would be used for this purpose in FY 2019-20, with a significant deficit appearing in the following year. This is in large part due to the assumed recession built into the forecast revenues, as discussed above, and reinforces the importance of limiting expansions in the coming years.

Department would need to return to the Board with a fee adjustment to bring revenues in line with expenditures. Clerk-Recorder-Assessor will likely have ongoing costs associated with the implementation of the Motor Voter Program, which is not funded beyond the current year. Other departments, such as District Attorney and Auditor-Controller, have relied on fund balance to balance their budgets in recent budget years and, though they have been fortunate to have savings to prevent the need to actually draw from these departmental savings accounts, it is possible they will need to draw from these funds in the future. In addition to these anticipated challenges, there are also major fiscal issues on the horizon, discussed later in this report, which would require significant investment of discretionary revenues to fund.

Mental Health Services Fund
The Mental Health Services Fund projects a gap of $0.6 million in FY 2019-20, increasing to $1.9 million by FY 2023-24 if no mitigating actions were to be taken. These gaps are driven by the increasing costs of state hospitals as well as out-of-county IMD beds. If in-county beds can be secured within the forecast period, additional Medi-Cal revenues would be able to be drawn down to close a portion of the gaps. These gaps do not anticipate any one-time transfer of funds from General County Programs, though there is a $2 million contingency for mental health services built into the General County Programs five-year forecast.

Social Services Fund
The Department's projected revenue growth does not keep pace with increases in salaries and benefits. Because of the uncertainty surrounding the Department's primary sources of revenue—state and federal funding—the Department forecasts them conservatively, with no growth assumed in FY 2019-20 and FY 2020-21 and only slight growth in the remaining forecast years. Revenue projections align with state revenue projections for social services programs for which caseloads are expected to remain flat or decrease, as well as those that cover increases in the County's Maintenance of Effort for the In-Home Supportive Services Program with redirected and offsetting revenues. However, in last year's five-year forecast, the Department projected a FY 2018-19 gap of $4.1 million in this fund, but by the time the FY 2018-19 budget was adopted, the revenue outlook had brightened considerably, and the Department adopted a budget that included no service level reductions and required no additional GFC.

Court Activities Fund
Legislation enacted that prevents the courts from suspending a person's driver's license because of unpaid fees, fines, and penalties has impacted, and continues to impact, Court Special Services revenues. The loss of revenue and the trend of large multi-defendant court case costs result in the forecast budget gaps. It is anticipated that such revenues accounted for in this fund will continue to decrease as a result of the legislature's actions, leading to a projected gap of $0.3 million in FY 2019-20 and growing to $1.3 million by FY 2023-24 if no mitigating actions were to be taken.

Other Funds
Taken together, other funds appear nearly balanced throughout the five-year forecast period, with only small swings of $100k-$200k at the bottom line for all other funds. Although not specifically mentioned as issues in this report, some funds included here do anticipate use of balancing measures to bring revenues and expenditures in line during the forecast period. The Child Support Services Fund assumes salary and benefit reductions to bring the budget into balance, while the First 5, Roads Operations, and Health Care Funds rely on fund balance draws throughout the five-year period.

Significant Fiscal Issues

In addition to countywide and department-specific factors driving the budget gaps discussed above, departments have identified potential issues that could have significant fiscal impacts over the next five years. These are not included in the forecast assumptions because of the uncertainty surrounding their occurrence or because they would require Board policy to pursue; however, if some or all of these do occur, they have the potential to present difficult choices about where to direct our limited discretionary resources. Many of these issues were previously identified in last year's fiscal issues report.

Information about these issues is provided to serve as context for future decisions about allocation of one-time and ongoing funding sources, potential establishment of reserves for specific projects, and scope of fiscal demands within the next several years.

Potential Fiscal Issues

	Issue	Department	Potential Impact
Ongoing Issues			
1	Deferred Maintenance	Public Works, General Services, and Community Services	$ 438,000,000
2	Solar Projects	General Services	4,500,000
3	Elimination of 340B Savings	Public Health	4,200,000
		Total Potential Ongoing Issues	**446,700,000**
One-time Issues			
4	Public Safety Communications System Replacement	General Services	50,000,000
5	South County Main Jail Facilities, Deferred Maintenance, and Other Operational Costs	General Services and Sheriff	25,000,000
6	Hazard Mitigation Grant Program	Public Works	10,437,500
7	Electronic Security System and CCTV Upgrade/Replacement	Sheriff	1,350,000
8	Data Center Replacement and Redundancy	Sheriff	1,335,000
9	In-Car Video and Computer System Replacement	Sheriff	1,100,000
		Total Potential One-time Issues	**89,222,500**
		Total All Issues	**$ 535,922,500**

Ongoing Issues

1. <u>Deferred Maintenance (Public Works, General Services, and Community Services)</u>
   The estimated backlog of deferred maintenance projects is approximately $438 million countywide according to inventories maintained by the three departments with maintenance responsibilities—Public Works, Community Services, and General Services.

   The Public Works backlog of deferred maintenance for FY 2018-19 is $315 million, an increase of $31 million from last fiscal year. The County's current road Pavement Condition Index (PCI) is 56 on a scale from 0 (worst) to 100 (best), and $151 million of the backlog is in pavement preservation needs. The remainder is bridges, hardscape and trees, drainage facilities, and traffic operations devices. Road maintenance priorities include rehabilitation of failing roads before they create structural and safety issues, like extensive potholes and deep cracks, and preserving roads in good condition so they don't deteriorate into at-risk condition. For every $1 million in funding, the department is able to rehabilitate 2 lane miles and apply preventive treatments to over 9 lane miles of road. Priorities for other funding are projects to improve safety, including replacement and repair of deficient or failing bridges, sidewalks, and drainages, as well as traffic operations improvements.

Parks has a deferred maintenance backlog of $50 million, which includes identified needs at County park amenities, systems, and infrastructure. Critical maintenance issues would cost approximately $6.3 million to address. Top priorities include Montecito trail ($100k County match to $1.2 million in potential FEMA funding) and Toro Canyon road ($410k County match to $250k in potential FEMA funding) repairs needed as a result of debris flow damage, as well as Cachuma pool and safety repairs ($1 million), Cachuma main water intake structural repair ($150k), Jalama waterline replacement ($220k in additional funding needed), Goleta Beach irrigation system and park area repairs ($675k), countywide paving repairs and maintenance ($1.7 million), and countywide tree maintenance ($700k).

General Services has identified a deferred maintenance backlog of $73 million for County buildings, systems, and facility infrastructure needs. The backlog of critical deferred maintenance needs (those with health and safety risk or legal mandates) is estimated at $20 million. Top priorities include Public Health roof replacement ($200k), Engineering Building roof repair and maintenance ($125k), Lompoc public health clinic roof repair ($60k), and Lompoc Vet's building parking lot repairs ($400k).

2. Solar Projects

More than a decade ago, the County began evaluating the feasibility of installing photovoltaic systems to help reduce the County's electricity costs, and the County's first solar array project began operations in 2012 on the Calle Real campus. The County is pursuing the installation of additional solar and wind-generated energy and energy retrofits to provide environmental and financial benefits to the County. By installing renewable energy systems, the County can reduce its monthly electric and gas bills, receive rebates to subsidize system costs, reduce its carbon footprint, and play an important role in moving the state toward a cleaner energy future. The Calle Real solar array has produced more power than originally anticipated and the total utility savings after 25 years of operation are expected to be over $9 million.

The next solar projects are planned for the Betteravia Campus and Fire Station 12. The annual cost for the first fiscal year of operation are estimated at between $0.3 and $0.4 million, including bond financing costs and annual maintenance costs. This cost will continue for 15 additional years with repayment of the $4.5 million bond financing. The bond payment amount will be offset by reduced utility bills and reduced maintenance costs of new building equipment as well as rebates for the battery system and lighting.

Additional locations in succeeding years include the Foster Road Campus followed by additional solar on the Calle Real campus and at other County facilities. Costs are estimated at $2 million per year beyond FY 2019-20.

3. Elimination of 340B Savings

Since 1992, the Federal 340B Drug Program has helped provide low-cost medications and better health outcomes for millions of Americans and the non-profit clinics, such as those operated by the Public Health Department, and hospitals who serve them.

340B savings enable safety net providers to fund services and care for uninsured and underinsured patients. Recent proposals in California have indicated momentum towards the possible elimination of access to 340B savings, especially related to Medi-Cal. The elimination of 340B discounts in Medi-Cal would require the Public Health Department to purchase drugs at much higher prices totaling over $4 million annually. These increased costs would lead to difficult service level reductions, including reduced staffing, limited hours and facilities, limited access to pharmacies, and potentially discontinuation of treatment programs for services that require costly drugs, such as cancer and Hepatitis C.

One-time Issues

4. Public Safety Communications System Replacement

   The County's public safety communications system is at the end of its useful life. The current system has been in place for more than 20 years and is beyond manufacturer support. The current system is not able to support new technologies, such as video capabilities. In addition, there are coverage issues as land development has expanded in the County. The replacement system must meet public safety standards for performance and reliability and provide radio communications for the next 10 to 20 years.

   The County contracted with Federal Engineering Consultants to provide options for a cutover plan to best address the County's needs. Federal Engineering is preparing options considering technology, regulatory and interoperability issues and will consider regional solutions and existing County investments, including radio communications sites, infrastructure, and radios. The report will include system and site drawings and coverage maps, implementation plans, schedules and costs, systems alternatives analysis, conceptual design and recommendations. At the end of this engagement with Federal Engineering, the County will understand the costs for replacing the current radio system and will have the information needed to determine next steps. The report will be completed by December 2018. The needed actions and steps for the next two fiscal years will be outlined in that report.

   Based on cost estimates from other counties, potential costs are likely to be in the tens of millions of dollars, and implementation may be phased in over a number of years. There is currently $4 million set aside to be used for system replacement, but the need will be significantly greater to fund the entire system. Once the report is received, staff will define timelines and funding options for this project.

5. South County Main Jail Facilities, Deferred Maintenance, and Other Operational Costs

   Many years of deferred maintenance have caused a significant backlog of needed repairs at the South County Main Jail Facilities. General Services engaged the firm Vanir to develop a multi-year phased implementation plan to accomplish the needed repairs and accessibility improvements. The results of the report and staff's recommendations are expected to be presented to the Board in February 2019. Preliminary estimates suggest that the cost of renovation could reach as high as $26 million, which would be phased in over several years. Work is expected to begin in FY 2019-20 once the Northern Branch Jail opens in order to provide the Sheriff's Office with flexibility to move inmates during renovation.

   Other costs to address operational needs at the Main Jail are also being identified. While areas of the Main Jail are to be closed down with the opening of the new Northern Branch Jail, and impacted staff transferred to the new jail, a study by CGL consultants in 2015 indicated shift relief staffing would be needed at the Main Jail if the overall jail population did not decrease. An additional 20-30 positions at the jail may be necessary as a result of CGL recommendations and FY 2017-18 budget reductions. However, as part of the Sheriff's Renew '22 proposals, the Sheriff will be looking at the feasibility of consolidating certain functions at the Main Jail to reduce staffing needs. We will also closely monitor the impacts of the new bail reform legislation, which will eliminate cash bail beginning October 2019, and could impact jail overcrowding.

6. Hazard Mitigation Grant Program
   In response to damages incurred during the 1/9 debris flow, the Public Works Department has applied to the FEMA Hazard Mitigation Grant Program (administered by Cal OES) for funding for seven projects. Total estimated project costs are $41.8 million, with a $10.4 million local share requirement. The local share would likely be funded through flood zone and road funds.

Schedule of Santa Barbara County HMGP Projects

Project	Federal Share Requested 75%	Local Share 25%	Total Project Amount
Flood Control Division (Local Share Funding Source -- South Coast Flood Zone Funds)			
South Coast Stockpile	$ 6,000,000	$ 2,000,000	$ 8,000,000
Debris Basin Property Acquisition	18,750,000	6,250,000	25,000,000
Santa Monica Debris Basin	750,000	250,000	1,000,000
Cold Springs Debris Basin	1,875,000	625,000	2,500,000
San Ysidro Debris Basin	1,875,000	625,000	2,500,000
Romero Debris Basin	1,875,000	625,000	2,500,000
Transportation (Local Share Funding Source -- Road Funds)			
Alisos Drive Culvert	187,500	62,500	250,000
Total	**$ 31,312,500**	**$ 10,437,500**	**$ 41,750,000**

7. Electronic Security System and CCTV Upgrade/Replacement
   The Main Jail (built in 1971), Inmate Receiving Center (built in 1993), and Northwest (built in 1987) facilities are interconnected correctional buildings that are located at the Sheriff's Office Main Jail Campus and house the majority of the inmate population held by the Sheriff. The need for integrated security controls and life safety systems is integral to the safe and secure operation of the facilities.

   The security control system currently in use in these facilities is a proprietary system which neither the Sheriff nor County IT has the expertise to modify, reconfigure, or provide software or specialized hardware maintenance. The life expectancy for a server-based system that is operated 24/7/365 is between 5 and 6 years; the current system is much older than this, with some components over 10 years old. While the system has performed well over the years, there is no guarantee that this will continue, and it would be prudent to pursue a replacement system before the current one begins to fail.

   Fiscal impacts are estimated at a one-time cost of $1.4 million to purchase a new system, followed by a contribution of $150,000 per year for 10 years to build up funding for future replacement.

8. Data Center Replacement and Redundancy
   The Sheriff's Office uses a data center (an architecture of server and networking hardware) for all patrol, dispatching, custody, and administrative processes and business applications. This data center must be kept up-to-date and reliable for the safety of the public and first responders who depend on

the applications and services provided by this equipment. The normal life expectancy of this type of hardware is five years; currently, this hardware is seven years old and is several years overdue for replacement. The General Services Department's Information and Communications Technology Division and the Sheriff's Office are working together to design and implement the most cost-effective solution to meet the Sheriff's data requirements and satisfy the stringent security protocols attendant to criminal justice data. The cost for replacing this equipment is estimated at $1.3 million, followed by an annual contribution of $300,000 for five years to build up replacement funds.

9. <u>In-Car Video and Computer System Replacement</u>
   Sheriff's deputies use COBAN Titan M7 computer systems (MDTs) in their patrol vehicles to assist them in many functions of their job. These workstations bring the Computer Aided Dispatch System (CAD) and other research and safety tools to the mobile office environment, offering real-time safety information, mapping, and call data to deputies in the field for expedited response time and improved safety for community members as well as first responders.

   Sheriff's deputies also use an In-Car Video system that supplies the Sheriff's Office, District Attorney's Office, and Courts with digital evidence. These digital recordings have begun to play an increasingly important role in the judicial system and the increased need for law enforcement transparency.

   These technologies are important tools for law enforcement, and while technology is constantly improving in function and ability, these computer systems are utilized under demanding conditions that impact their life expectancies. They are generally expected to last 4-5 years. The current MDTs in patrol vehicles, purchased in FY-2011-12, are now overdue for replacement and components are beginning to fail. Another driving factor in keeping this equipment up-to-date is the mandated requirements placed on systems that access confidential Criminal History (CJIS) and Personal Identifier Information (PII).

   The estimated cost of replacing these systems is $1.1 million, and if the Sheriff wants to set aside funds to regularly replace these systems going forward, it is anticipated to need an additional $200,000 annually.

When considering these fiscal issues in conjunction with the five-year forecast, it is clear that the County will be challenged in the coming years to align expenditures with revenues. In the near-term, salary and benefit costs will continue to rise, state and federal revenues will continue to provide uncertainty, and service demands will continue to change and, in some cases, expand.

Looking Forward

This five-year forecast and fiscal issues report is intended to serve as a backdrop to the FY 2019-20 budget development process. The numbers presented in this forecast are preliminary and will change throughout the coming months leading up to budget development; however, they provide a starting point as we look forward towards mitigating negative trends and future anticipated budget gaps. Over the next five years, retirement and other personnel-related costs will continue to rise, state and federal revenues will continue to provide uncertainty, and community needs will continue to grow and change. The cannabis market and regulations will become stabilized, and mountains will revegetate in the Thomas Fire burn areas, reducing the possibility of future debris flows.

Though discretionary revenues continue to increase, a recession during the next several years is possible, and it is critical that we build a disciplined FY 2019-20 budget, with a plan to address future year deficits. Strategies to prepare for future deficits may include allocation of ongoing revenue growth to one-time purposes and setting aside revenues for future use.

The Renew '22 initiative is a five-year plan just entering its second year, and many initiatives are underway within departments and countywide. Some are designed to enhance revenues or reduce expenditures, and still others are focused on more holistic change within the County. The initiative as a whole is designed to allow the County to thrive as an organization in times of fiscal uncertainty and improve how we do our work.

While we focus on improvements to the organization over the next five years, the Board and County departments will also be focusing on what is essential to serve our communities and maintain a financially sustainable organization. This will mean doing the most important things well, and acknowledging that our organization can do anything, but not everything, over the next five years.

Authored by:

Rachel Lipman, Fiscal & Policy Analyst

ANNOUNCEMENTS

ANDY CALDWELL SHOW NOW LOCAL IN SLO COUNTY

Now you can listen to THE ANDY CALDWELL SHOW
in *Santa Barbara, Santa Maria & San Luis Obispo Counties!*

We are pleased to announce that The Andy Caldwell Show is now broadcasting out of San Luis Obispo County on FM 98.5 in addition to AM 1290 Santa Barbara and AM 1440 Santa Maria

The show now covers the broadcast area from Ventura to Templeton - THE only show of its kind on the Central Coast covering local, state, national and international issues!
3:00 – 5:00 PM WEEKDAYS You can also listen to The Andy Caldwell Show LIVE on the Tune In Radio App and previously aired shows at: 3:00 – 5:00 PM WEEKDAYS You can also listen to The Andy Caldwell Show LIVE on the Tune In Radio App and
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COUNTY UPDATES OCCUR MONDAYS AT 4:30 PM

MIKE BROWN IS THE REGULAR MONDAY GUEST AT 4:30

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MIKE BROWN ADVOCATES BEFORE THE BOS

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DAN WALTERS EXPLAINS SACTO MACHINATIONS AT A COLAB FORUM

AUTHOR & NATIONALLY SYNDICATED COMMENTATOR BEN SHAPIRO APPEARED AT A COLAB ANNUAL DINNER

NATIONAL RADIO AND TV COMMENTATOR HIGH HEWITT AT COLAB DINNER

MIKE BROWN RALLIES THE FORCES OUTDOORS DURING COVID LOCKDOWN.

Coalition of Labor, Agriculture and Business
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PO Box 13601 – San Luis Obispo, CA 93406 / Phone: 805.548-0340
Email: colabslo@gmail.com / Website: colabslo.org

MEMBERSHIP APPLICATION

MEMBERSHIP OPTIONS:

General Member: $100 – $249 ❑ $ _______ **Voting Member: $250 - $5,000 ❑ $ _______**

Sustaining Member: $5,000 +❑ $ _______
(Sustaining Membership includes a table of 10 at the Annual Fundraiser Dinner)

General members will receive all COLAB updates and newsletters. Voting privileges are limited to Voting Members and Sustainable Members with one vote per membership.

MEMBER INFORMATION:

Name: ____

Company: ____

Address: ____

City: ______________________ State: ____________ Zip: __________

Phone: ______________ Fax: ______________ Email: ____________________

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COLAB Member(s) /Sponsor(s): ______________________________________

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(Revised 2/2017)