

SHASTA COUNTY BOARD OF SUPERVISORS

Tuesday, August 15, 2006

REGULAR MEETING

9:01 a.m.: Chairman Clarke called the Regular Session of the Board of Supervisors to order on the above date with the following present:

District No. 1 - Supervisor Kehoe
 District No. 2 - Supervisor Cibula
 District No. 3 - Supervisor Hawes
 District No. 4 - Supervisor Hartman
 District No. 5 - Supervisor Clarke

County Administrative Officer - Larry Lees
 County Counsel - Karen Jahr
 Deputy Clerk of the Board - Elaine Grossman
 Deputy Clerk of the Board - Tazina Otis

INVOCATION

Invocation was given by Associate Pastor Sam Smith, Church of the Redeemed.

PLEDGE OF ALLEGIANCE

Pledge of Allegiance to the Flag was led by Supervisor Cibula.

PUBLIC COMMENT PERIOD - OPEN TIME

Professional Peace Officers Association representative Bryan Lovett requested that higher wages be considered during negotiations and invited the members of the Board of Supervisors to join Probation Officers in the field.

CONSENT CALENDAR

By motion made, seconded (Hawes/Kehoe), and unanimously carried, the Board of Supervisors took the following actions, which were listed on the Consent Calendar:

Approved and authorized the Chairman to sign the County Claims List totaling \$2,028.87 requiring special board action. (Auditor-Controller)

Approved the minutes of the meeting held on August 8, 2006, as submitted. (Clerk of the Board)

Appointed Betty Paris to fill an unexpired three-year term (Community Interest) on the Alcohol and Drug Advisory Board to March 2009. (Mental Health-Alcohol and Drug Programs)

Approved and authorized the County Alcohol and Drug Program Administrator to sign the Drug Court Partnership Act of 2002 Notice of Grant Award with the California Department of Alcohol and Drug Programs in the amount of \$140,300 for Fiscal Year 2006-07 to provide services to the participants in the Addicted Offender Program. (Mental Health-Alcohol and Drug Programs)

Approved and authorized the Chairman to sign an amendment to the agreement with the California Department of Alcohol and Drug Programs decreasing funding by \$4,617 (for a total of \$1,890,765) to provide alcohol and other drug treatment and prevention services for Fiscal Year 2005-06. (Mental Health-Alcohol and Drug Programs)

Adopted Resolution No. 2006-115, which authorizes the Chairman to sign an agreement with Caltrans in an amount not to exceed \$548,532 for the Opportunity Center to provide maintenance services at the O'Brien and Lakehead Safety Rest Areas for the period September 1, 2006 through August 31, 2009. (Social Services-Opportunity Center)
(See Resolution Book No. 47)

Approved and authorized the Chairman to sign the Federal Annual Certification Report for the period July 1, 2005 through June 30, 2006, outlining receipt and expenditure of federal asset forfeiture sharing funds during Fiscal Year 2005-06. (Sheriff)

For Tract No. 1896 (Mustang Properties) subdivision (Redding area), approved the final map for filing; accepted on behalf of the public offers of dedication for public roads and public utility easements; and adopted Resolution No. 2006-116, which consents to but does not accept offers of dedication for reciprocal driveway easements. (Public Works)
(See Resolution Book No. 47)

Approved and authorized the Chairman to sign agreements in amounts not to exceed \$200,000 each to provide architectural design services relating to Americans with Disability Act (ADA) county-wide access improvements from the date of signing through June 30, 2007, with two automatic one-year renewals, with Nichols, Melburg and Rosetto Architects and Kibler and Kibler Architects and Engineers, Inc. (Public Works)

REGULAR CALENDAR

PRESENTATIONS

U.S. FOREST SERVICE

SHASTA-TRINITY NATIONAL FOREST ACTIVITIES UPDATE

U.S. Forest Service (USFS) Forest Supervisor Sharon Heywood discussed activities in the Shasta-Trinity National Forest. Resource management activities include the harvesting of timber to reduce forest fuels, treating noxious weeds, and restoring watersheds and streams. Other activities include Operation Christmas Tree and Fishin' on the Forest for children, a Relay for Life team, the Shasta County Adoption Services Heart Gallery, and representation at the Shasta County Fair. Ms. Heywood stated that the ongoing 2006 fire season began earlier and is more severe than in other years, and many of the 162 fires on the Shasta-Trinity National Forest were caused by lightning.

MENTAL HEALTH ASSESSMENT AND REDESIGN COLLABORATIVE UPDATE

Shasta Consortium of Community Health Centers Executive Director Doreen Bradshaw discussed the ongoing independent assessment of community mental health systems in Shasta County and gave an update on the Mental Health Assessment and Redesign Collaborative (MHARC) funded by a California Endowment grant. The MHARC consists of a Community Advisory Council, Steering Committee, Project Management Team, and five work groups: identified as Access, Emergency Psych Response, Finance, Rural, and Substance Abuse-Detox.

Ms. Bradshaw said the work group activities include being a single point of entry for resources, coordinating mental health services training for private pay primary care physicians, creating a 23-Hour Crisis Assessment & Stabilization Unit for rapid stabilization, enhancing primary behavioral health models, and reviewing mental health financing and leveraging opportunities.

California Endowment Program Officer Adele James complimented the team on its progress since February 2006; the degree of momentum has surpassed her expectations. Access to Health Program Manager Diane Norcio added that the MHARC could possibly be a model for other counties to utilize.

GENERAL GOVERNMENT

ADMINISTRATIVE OFFICE/BOARD OF SUPERVISORS

LEGISLATIVE UPDATE/SUPERVISORS' REPORTS

County Administrative Officer (CAO) Larry Lees presented an update on specific legislation of importance to Shasta County, including a request to approve and authorize the Chairman to sign a letter of support for the proposed American Disabilities Act (ADA) project at Vista Point in Castle Crags State Park. The project involves constructing an accessible trail from the northeast end of the Vista Point parking lot to the Vista Point Overlook and installation of various ADA items.

By motion made, seconded (Hartman/Hawes), and unanimously carried, the Board of Supervisors approved and authorized the Chairman to sign a letter of support for the proposed ADA project at Vista Point in Castle Crags State Park.

Supervisors reported on issues of countywide interest.

ADMINISTRATIVE OFFICE

SHASTA CASCADE WONDERLAND ASSOCIATION REPORT AND AGREEMENT

Shasta Cascade Wonderland Association Manager Bob Warren presented an update on the marketing of and tourism in Shasta County. The Association produces *The Official Visitors Guide to Northern California's Shasta Cascade Region*, now available on the Internet. Mr. Warren discussed the benefit to partnering in media opportunities for reduced-cost advertising both nationally and internationally. Marketing and Communications Director Karen Whitaker introduced a plan to include rural Shasta County hotels in an online reservation system.

By motion made, seconded (Hawes/Kehoe), and unanimously carried, the Board of Supervisors approved and authorized the Chairman to sign a renewal agreement with the Shasta Cascade Wonderland Association for an advance payment in the amount of \$18,500 to provide tourism marketing and promotional services for the period July 1, 2006 through June 30, 2007.

ECONOMIC DEVELOPMENT CORPORATION (EDC) REPORT AND AGREEMENT

Shasta County Economic Development Corporation (EDC) President Jim Zauher discussed the annual performance objectives report, which illustrates the many services the EDC provides, including the expansion and retention of existing industry, business development

programs, marketing primary industry sites, and administration of the Shasta Metro Enterprise Zone.

By motion made, seconded (Kehoe/Hawes), and unanimously carried, the Board of Supervisors approved and authorized the Chairman to sign a renewal agreement with EDC in an amount not to exceed \$54,180 to provide business expansion, retention, and recruitment services for Fiscal Year 2006-07.

TRAILS AND OPEN SPACE DESIGNATION IN SHASTA COUNTY BUDGET AMENDMENT

County Administrative Officer Larry Lees stated that 48,000 acres of watershed land located in Shasta County are subject to a Pacific Gas & Electric (PG&E) bankruptcy settlement agreement to protect and enhance certain properties. Resource Management Director Russ Mull discussed the practicality and limitations of the agreement settlement to be carried out by the Pacific Forest and Watershed Lands Stewardship Council (Stewardship Council).

Mr. Mull explained that the settlement gives Shasta County an opportunity to designate large areas of watershed land and wildlife habitat as open space; the current General Plan supports areas of open space but does not contain a parks and open space component. Future parks and open space grant money cannot be collected without that component.

Chairman Clarke spoke in support of working with the Stewardship Council, but she does not support expansion of public land; forty-one percent of Shasta County land is identified as public land, which does not generate tax revenue, yet it requires maintenance and accessibility costs. In response to a question by Chairman Clarke, Mr. Mull replied that Resource Management staff could follow the Stewardship Council's progress with the agreement settlement. He suggested waiting for the results of the Impact Fee Study, which contains a parks and open space component, to determine typical recreation acreage for population centers, before revising the General Plan.

Supervisor Hartman spoke in support of the increased appropriations and requested inclusion of a trails and bike lanes component. She stated that businesses can be tied to a trail system providing a convenient alternative mode of transportation; trail systems and bike lanes support physical activity and healthy families.

Mr. Mull stated that parks and trails costs can be incorporated into development impact fees, which typically do not support open space designations. Supervisor Cibula spoke in support of having staff identify the process to incorporate trails, stating that timing is critical as a plan will generate leverage to apply for grants and other funding opportunities.

Shasta Land Trust Executive Director Kathleen Gilman spoke in support of an open space plan, stating that parks, trails, wildlife, and outdoor recreation are critical to a certain quality of life that attracts businesses to Shasta County.

By motion made, seconded (Kehoe/Hawes), and carried, the Board of Supervisors approved increasing appropriations in the amount of \$50,000 to plan, acquire, develop, and maintain trails and open space in Shasta County; authorized staff to submit a budget amendment after the Fiscal Year 2006-07 Final Budget is adopted; and requested that County Administrative Officer Larry Lees schedule a public workshop where the Board of Supervisors can establish a "priority of needs" list for Shasta County. Chairman Clarke voted no as the appropriation of \$50,000 for trails and open space identifies them as Shasta County priorities before the requested workshop occurs.

COUNTY COUNSEL/DISTRICT ATTORNEY**ETHICS TRAINING PURSUANT TO ASSEMBLY BILL 1234
RESOLUTION NO. 2006-117**

At the recommendation of County Counsel Karen Jahr and by motion made, seconded (Hawes/Kehoe), and unanimously carried, the Board of Supervisors adopted Resolution No. 2006-117, which designates those County officials and employees who must receive ethics training pursuant to Assembly Bill 1234, and authorizes members of the governing boards of special districts and cities within Shasta County, and their elected and appointed officials and fiscal officers, to attend the ethics training to be presented by County Counsel and the District Attorney in 2006.

(See Resolution Book No. 47)

LIBRARY**AGREEMENT: BAKER & TAYLOR, INC.**

Library Director Carolyn Chambers presented the staff report, stating that Baker & Taylor, Inc. and Ingram Library Services, Inc. were the lowest bidders and were comparable in costs of materials, cataloging, and processing. However, Baker and Taylor, Inc. offered on-site assistance for profiling and delivery of materials.

Supervisor Hawes moved to approve and authorize the Chairman to sign an agreement with Baker & Taylor, Inc., in an amount not to exceed \$1,000,000 from the date of signing through June 15, 2007 to provide the opening day collection of library materials for the Shasta County Library-Redding Main. Supervisor Hartman seconded the motion.

Under discussion, Supervisor Kehoe requested specific cost information for each vendor relative to the parameters of the Request for Proposal. County Administrative Officer Larry Lees suggested continuing the matter to the next Board of Supervisors meeting so the requested information could be provided.

After further discussion, the motion which had been made and seconded to approve the agreement was withdrawn by Supervisors Hawes and Hartman.

By consensus, the Board of Supervisors continued the proposed Baker & Taylor, Inc. agreement to the August 22, 2006 meeting to allow time for staff to provide specific cost figures.

HEALTH AND WELFARE**PUBLIC HEALTH****LABORATORY EQUIPMENT UPGRADE
RESOLUTION NO. 2006-118**

At the recommendation of Acting Public Health Director Donnell Ewert and by motion made, seconded (Hawes/Kehoe), and unanimously carried, the Board of Supervisors adopted Resolution No. 2006-118, which authorizes procurement of a laboratory equipment fixed asset upgrade in the amount of \$10,000 with federal bioterrorism funding by August 30, 2006 and directs the Public Health Department, County Administrative Office, Auditor-Controller, and Purchasing Division to prepare and process the paperwork needed to procure the laboratory equipment upgrade before August 30, 2006.

(See Resolution Book No. 47)

WORKSHOP

GENERAL GOVERNMENT

ADMINISTRATIVE OFFICE

TEN-YEAR OUTLOOK

By consensus, the Board of Supervisors moved the Ten-Year Outlook item to be heard in the afternoon session, after the scheduled hearings.

REGULAR CALENDAR

OTHER DEPARTMENTS

COUNTY FIRE

RESCUE VEHICLE PURCHASE

RESOLUTION NO. 2006-119

At the recommendation of Shasta County Fire Division Chief Scott Holmquist and by motion made, seconded (Cibula/Kehoe), and unanimously carried, the Board of Supervisors adopted Resolution No. 2006-119, which specifically appropriates \$50,000 to purchase one rescue vehicle which is included in the Fiscal Year 2006-07 Preliminary Budget for Shasta County Fire (Budget Unit 391), and directs the Auditor-Controller and Purchasing to prepare and process all paperwork needed to procure the rescue vehicle.

(See Resolution Book No. 47)

CLOSED SESSION ANNOUNCEMENT

Chairman Clarke announced that the Board of Supervisors would recess to a Closed Session to confer with its Labor Negotiators, County Administrative Officer Larry Lees, Personnel Director Joann Davis, and Labor Consultant Becker and Bell, to discuss the following employee organizations: Shasta County Employees Association, Shasta County Mid-Management Association, Deputy Sheriffs Association, Deputy Sheriffs Association-Correctional Officers, Sheriffs Administrative Association, Professional Peace Officers Association, Unrepresented Employees, United Public Employees of California-General Unit, United Public Employees of California-Professional Unit, and Teamsters-Trades and Crafts, pursuant to Government Code section 54957.6.

12:17 p.m.: The Board of Supervisors recessed to Closed Session.

12:50 p.m.: The Board of Supervisors recessed from Closed Session.

1:30 p.m.: The Board of Supervisors reconvened in Open Session with all Supervisors, County Counsel Karen Jahr, County Administrative Officer Larry Lees, and Deputy Clerks of the Board Elaine Grossman and Tazina Otis present.

AFTERNOON CALENDAR

REPORT OF CLOSED SESSION ACTIONS

Chairman Clarke reported that the Board of Supervisors met in Closed Session to discuss labor negotiations; however, no reportable action was taken.

SCHEDULED HEARINGS

RESOURCE MANAGEMENT-PLANNING DIVISION

ZONE AMENDMENT NO. 05-032
ROBERT AND LYNN GARDNER
OAK RUN AREA

This was the time set to conduct a public hearing and consider the request to approve Zone Amendment No. 05-032, Robert and Lynn Gardner, which would rezone approximately 58 acres in the Oak Run area from an Unclassified (U) District to a Limited Residential (R-L) and Limited Residential combined with a Building Site Minimum (R-L-BSM) Districts and an Open Space (OS) District in conjunction with a four-parcel land division. Associate Planner Lisa Lozier presented the staff report and recommended approval of the project. The Notice of Hearing and Affidavit of Publication are on file with the Clerk of the Board.

The public hearing was opened, at which time no one spoke for or against the proposal, and the public hearing was closed.

By motion made, seconded (Hawes/Kehoe), and unanimously carried, the Board of Supervisors took the following actions regarding Zone Amendment No. 05-032, Robert and Lynn Gardner, Oak Run area:

1. Adopted the California Environmental Quality Act (CEQA) determination of a mitigated negative declaration, with the findings as specifically set forth in Planning Commission Resolution No. 2006-102;
2. Adopted the rezoning findings as specifically set forth in Planning Commission Resolution No. 2006-102; and
3. Introduced and waived the reading of an ordinance approving Zone Amendment No. 05-32 as requested.

ZONE AMENDMENT NO. 06-003
GARY KUBISCH
EAST REDDING AREA

This was the time set to conduct a public hearing and consider the request to approve Zone Amendment No. 06-003, Gary Kubisch, which would rezone approximately 7.41 acres in the east Redding area from a Rural Residential combined with a 7-Acre Building Site (R-R-BA-7) District to a Rural Residential (R-R) District in conjunction with a three-parcel land division. Associate Planner Lio Salazar presented the staff report and recommended approval of the project. The Notice of Hearing and Affidavit of Publication are on file with the Clerk of the Board.

The public hearing was opened, at which time no one spoke for or against the proposal, and the public hearing was closed.

By motion made, seconded (Hartman/Kehoe), and unanimously carried, the Board of Supervisors took the following actions regarding Zone Amendment No. 06-003, Gary Kubisch, east Redding area:

1. Adopted the California Environmental Quality Act (CEQA) determination of a mitigated negative declaration with a de minimis finding of significance, with the findings as specifically set forth in Planning Commission Resolution No. 2006-116;
2. Adopted the rezoning findings as specifically set forth in Planning Commission Resolution No. 2006-116; and
3. Introduced and waived the reading of an ordinance approving Zone Amendment No. 06-003 as requested.

ZONE AMENDMENT NO. 06-013

BILLY SUTTER

SHINGLETOWN AREA

This was the time set to conduct a public hearing and consider the request to approve Zone Amendment No. 06-013, Billy Sutter, which would rezone approximately 21.19 acres in the Shingletown area from a Mixed Use (MU) District to a Mixed Use and a two-acre Building Acreage Minimum (MU BA 2) District. Associate Planner Meri Meraz presented the staff report and recommended approval of the project. The Notice of Hearing and Affidavit of Publication are on file with the Clerk of the Board.

The public hearing was opened, at which time no one spoke for or against the proposal, and the public hearing was closed.

By motion made, seconded (Kehoe/Hawes), and unanimously carried, the Board of Supervisors took the following actions regarding Zone Amendment No. 06-013, Billy Sutter, Shingletown area:

1. Adopted the California Environmental Quality Act (CEQA) determination of a negative declaration, with the findings as specifically set forth in Planning Commission Resolution No. 2006-114;
2. Adopted the rezoning findings as specifically set forth in Planning Commission Resolution No. 2006-114; and
3. Introduced and waived the reading of an ordinance approving Zone Amendment No. 06-013 as requested.

ZONE AMENDMENT NO. 02-023 AND

APPEAL OF TRACT MAP NO. 1869

TRINITY EQUIPMENT COMPANY

PALO CEDRO AREA

RESOLUTION NO. 2006-120

1:39 p.m.: Supervisor Hawes recused himself from this item as he was contacted regarding mitigation of the project; he left the room.

This was the time set to conduct a public hearing and consider the request to approve Zone Amendment No. 02-023, Trinity Equipment Company, which would rezone approximately 77.06 acres in the Palo Cedro area from the Rural Residential (R-R) and Rural Residential combined with a minimum lot area of five acres (R-R BA-5) Districts to a Planned Development (PD) District, and to consider an appeal by Palo Cedro Heights Road Association representative Harold J. Silva of the Planning Commission's approval of Tract Map No. 1869. The appellant's concerns include the road connection from the tract map to Gilbert Drive, the transition from ten-acre parcels to one-acre parcels, and the lack of approval of a federal permit and consultation

for road relocation. The Notice of Hearing and Affidavit of Publication are on file with the Clerk of the Board.

Senior Planner Bill Walker presented the staff report and recommended a change in wording to the proposed ordinance in regard to the non-disturbance area. He addressed the appellant's concerns, stating that the County's previous rejection of the offer of dedication of a portion of Gilbert Road can be rescinded, the road connection will offer an alternative fire escape route, the General Plan allows as low as two-acre parcels, and a U.S. Army Corps of Engineers Permit will be required before the tract map is finalized.

In response to questions by Supervisor Cibula, Mr. Walker replied that Department of Public Works staff found developers' silt fences plugging culverts near Deschutes Road, and a certified hydrologist recommended a detention basin to hold back peak flows and then slowly release the water to prevent flooding.

The public hearing was opened, and Palo Cedro Heights Subdivision President Rick Wolford opposed the project, stating that the County has no right to the private section of Gilbert Drive as there is no benefit to his subdivision, and more traffic on Gilbert Drive would be detrimental to the current rural traffic flow. At the request of the Board of Supervisors, County Counsel Karen Jahr advised that any benefit is not a determinant on whether to reopen a road for an offer of dedication.

Don Shearing supported the project and requested that Condition No. 9, which requires a wall or berm 300 feet in length, be deleted as the noise-reducing wall or berm would be at the foot of a steep 75-foot bank; therefore, serving no purpose.

No one else spoke for or against the proposal, and the public hearing was closed.

Senior Planner Bill Walker agreed that Condition No. 9 serves no purpose as a commercial establishment is typically required to provide a noise-reducing wall to protect residences, not vice versa, and the wall is not listed in the environmental study.

Under discussion, Public Works Director Pat Minturn said the engineering design of the certified hydrologist's recommendations will take place after the map is approved but before the map is finalized; if 2.2 acre feet of water is detained in a basin, the flow will remain as it is now. He added that there are two ten-foot span areas for water to go under Deschutes Road; the challenge is to route water to those areas. One option is to add more inlets and gutters. Mr. Minturn stated that if the developer detains peak flow water in a basin, the issue should be resolved.

Chairman Clarke reopened the public hearing, and Ed Benson spoke in opposition to the project, referencing Government Code section 66477.2(b), and stating that streams border Gilbert Drive; therefore, the three-year time period for the County to rescind the rejection of the original offer for dedication has expired.

No one else spoke for or against the proposal, and the public hearing was closed.

In response to a question by Supervisor Cibula, County Counsel Karen Jahr replied that if a subdivision fronts a stream, then the code applies; this stream appears to cross the area.

By motion made, seconded (Hartman/Kehoe), and carried, the Board of Supervisors took the following actions regarding Zone Amendment No. 02-023 and Tract Map No. 1869, Trinity Equipment Company, Palo Cedro area (Supervisor Cibula voted no):

1. Adopted Resolution No. 2006-120, which denies the appeal and upholds the Planning Commission's approval of Tract Map No. 1869, with the findings and conditions as specifically set forth in Planning Commission Resolution No. 2006-110;

2. Adopted the California Environmental Quality Act (CEQA) determination of a mitigated negative declaration;
3. Adopted the rezoning findings as specifically set forth in Planning Commission Resolution No. 2006-109;
4. Introduced and waived the reading of an ordinance, as amended, approving Zone Amendment No. 02-023 as requested; and
5. Deleted Condition No. 9 from the Tract Map No. 1869 Statement of Conditions, which requires the applicant to construct and install a solid masonry concrete wall or planted berm six feet in height, along the 300 foot north-south property line in the northeast corner of the property.

(See Resolution Book No. 47)

2:43 p.m.: Supervisor Hawes entered the room.

WORKSHOP

GENERAL GOVERNMENT

ADMINISTRATIVE OFFICE

TEN-YEAR OUTLOOK

Administrative Fiscal Chief Dan Kovacich presented the staff report and discussed Shasta County's Ten-Year Outlook. He stated conservative revenue assumptions yield a budget projection baseline leaving a \$39,000,000 deficit at the end of the ten-year period. The process includes previously adopted assumptions, of which he recommends changing the following: (1) Property tax revenues be projected to grow at 90 percent of the average of the last ten years growth of assessed valuation, resulting in an annual increase of 5.84 percent; and (2) project revenue from property tax in lieu of Vehicle License Fees (VLF) revenues to increase at 90 percent of the average of the last five years' growth in assessed valuation, resulting in a growth factor of 8.26 percent. The Ten-Year Outlook with the two revised assumptions yields a fund balance of \$3,400,000 at the end of the ten-year period.

Mr. Kovacich stated that revenue considerations assume there are no further Educational Revenue Augmentation Funds (ERAF) taken from Shasta County by the State; a positive impact of Proposition 1A, which delivers revenues' certainty; and that property tax in lieu of VLF increases each year by the increase in the County Assessed Valuation.

Mr. Kovacich recommended that the County Administrative Office prepare a list of reserves currently held in departmental accounts, what services the reserves are assigned to, and include that list in the Fiscal Year 2006-07 mid-year budget report to be considered as part of overall County reserves.

He reported that the infrastructure program will require a project list from all County departments and realizes there are many more needs than can be met with these revenues. He assumes there will be some leverage of revenues to receive state and federal grants and that the County Administrative Officer will make a final recommendation to the Board of Supervisors on spending the reserves.

In response to a question by Supervisor Kehoe, Mr. Kovacich replied that there are no guidelines for a reserves level; other public entities' reserves range from three to fifty percent of gross revenue.

In response to a question by Chairman Clarke, County Administrative Officer Larry Lees agreed that the County will need to calculate retiree health insurance costs, adding that the State might create a model to provide assistance in this area. Under discussion, Mr. Kovacich stated the Government Accounting Standards Board (GASB) issued Statement Nos. 43 and 45 requiring local governments to calculate liabilities of other post-employment benefits and accrue those expenses over the same period of time. Health insurance costs are projected to increase 18 percent per year in the 10 Year Outlook. Hopefully, this factor will provide adequate resources to begin to cover the costs required to be recognized under GASB 43 and 45.

Mr. Kovacich presented the Ten-Year Outlook as a working document which can be adjusted annually or as needed and provides a long-term projection of revenues and expenditures.

Under discussion, Chairman Clarke and Supervisor Kehoe requested that the departmental project list identify legally mandated tasks in addition to proposed projects.

3:26 p.m.: The Board of Supervisors adjourned.

Chairman

ATTEST:

LAWRENCE G. LEES
Clerk of the Board of Supervisors

By _____
Deputy