



MENDOCINO COUNTY EXECUTIVE OFFICE

NEWS RELEASE

CONTACT: Executive Office (707) 463-4441

TO: MENDOCINO COUNTY NEWS MEDIA

FR: MENDOCINO COUNTY EXECUTIVE OFFICE

Ukiah, California: May 31, 2016

REVIEW OF POTENTIAL FISCAL IMPACT TO THE COUNTY FROM THE BALLOT INITIATIVE ENTITLED, "SHALL A CHARTER COMMISSION BE ELECTED TO PROPOSE A MENDOCINO COUNTY CHARTER?"

On May 17, 2016, the Board of Supervisors received an update from the Chief Executive Officer regarding the legal obligations and fiscal implications should the Charter Commission be formed at the June 2016 Mendocino County Primary Election. This information was presented as a result of Board direction during their April 19, 2016, Board meeting, where the Executive Office was directed to perform an analysis of the fiscal impacts to the County from the ballot initiative. The Executive Office discussed the County's obligations to fund the proposed Commission and drafting of the Charter, such as administrative support, legal representation, financial support to the proposed Commission, and/or providing meeting space. Based upon the timelines associated with the proposed Charter Initiative being placed on the June 2016 primary election ballot, a thorough analysis of the potential impacts associated with the formation of a Charter County was not performed; rather, the focus of this review was related to the processes to form the proposed Commission and their charge to write the Charter.

The review described that Pursuant to California Government Code, Citizens of a county can put a question on the ballot to determine whether to draft or revise a charter and elect a charter commission using the initiative petition process. If this question receives majority approval, the 15 candidates for the charter commission that receive the most votes will organize into a commission to draft a charter. Should the charter county initiative be passed by the majority voters, the Board could elect to provide funding for certain duties for those members that are elected; however, financial support is not mandated and would be at the discretion of the Board. Estimates were provided regarding estimated elections costs associated with placing such a ballot on the initiative, specifically noting that should the initiative require a special election, the costs would be significantly higher than regularly scheduled election (either primary or general election). For example, the estimated costs to conduct a Special Election would be \$100,000-\$150,000 depending on the voter turnout. Of notable mention was that once a Charter Commission is elected, they appear to be a County Commission for all purposes. Therefore, it is believed that any Charter they draft or develop that would result in litigation; the County would need to legally defend. This process and fiscal review included scenarios that were based upon minimal, moderate and extended support, ranging in potential costs to the County from \$50,000 to \$300,000+.

A full copy of the informational update presented to the Board is attached and can also be located on the County's website at: <http://www.co.mendocino.ca.us/administration/CEORReports.htm>.

Released by:


Carmel J. Angelo

Chief Executive Officer



COUNTY OF MENDOCINO

Executive Office

CARMEL J. ANGELO
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MEMORANDUM

DATE: May 16, 2016
TO: The Honorable Board of Supervisors
FROM: Carmel J. Angelo, Chief Executive Officer
SUBJECT: Review of Potential Fiscal Impact to the County from the Ballot Initiative Entitled, "Shall a Charter Commission be Elected to Propose a Mendocino County Charter?"

Overview:

On April 19, 2016, the Board of Supervisors directed the Executive Office to perform an analysis of the fiscal impacts to the County from the ballot initiative entitled, "Shall a Charter Commission be Elected to Propose a Mendocino County Charter?"

As described during the April 19, 2016, Board meeting, citizens of a county can put a question on the ballot to determine whether to draft or revise a charter and elect a charter commission using the initiative petition process. If this question receives majority approval, the 15 candidates for the charter commission that receive the most votes will organize into a commission to draft a charter.

Process:

The process for becoming a charter county is outlined in Government Code § 23700 to 23732. Pursuant to the Government Code, the charter commission has a duty to prepare and propose a charter for the county; the proposed charter must be signed by at least a majority of the commissioners. Voters decide whether to adopt the charter at the next election following its completion. If voters approve the charter, it takes effect when it is accepted and filed by the Secretary of State.

Charter Initiative Review:

Listed below is an overview of the various questions regarding the formation process and potential fiscal impacts. Based upon the timelines associated with the proposed Charter Initiative being placed on the June 2016 primary election ballot, a thorough analysis of the potential impacts associated with the formation of a Charter County was not performed; rather, the focus of this review was related to the processes to form the proposed Commission and their charge to write the Charter.

The review provides clarifying information regarding the County's obligations to fund the proposed Commission and drafting of the Charter, including administrative support, legal representation, financial support to the proposed Commission, and/or providing meeting space. Additionally, attached to this memo is a matrix that provides a more detailed overview of the potential costs associated with the formation of a Charter Initiative Commission:

- **Obligation of county to fund the Commission?**

Based upon an opinion from County Counsel, pursuant to California GC § 29618 – Expenses of drafting county charter/county charges: “The actual and necessary expenses incurred in the drafting of a county charter by a board of freeholders, when such expenses are authorized by the Board of Supervisors, are county charges.”

Should the charter county initiative be passed by the majority voters, the Board could elect to provide funding for certain duties for those members that are elected (i.e. travel to meetings, etc.). This support is not mandated, however, and would be at the discretion of the Board.

- **Cost to put item on the ballot**

The costs to place an initiative or measure on the ballot of a regularly scheduled election (either primary or general) are minimal, as these types of elections are regularly scheduled and staffed as part of the County’s mandated responsibilities. Listed below is a very brief overview of estimated costs to include an initiative or measure on a regularly scheduled election:

- Staff time = approximately 1 - 3 hours of staff time to typeset
- Additional pages to include in the sample ballot (example: 50,000 @ \$0 .04/ea. = \$2,000)
- Counting additional ballots - Staff to count

- **Additional costs of future changes on ballot**

As stated above, the estimated costs associated with placing an initiative or measure on a regularly scheduled election are minimal. However, should the initiative or measure require a special election, the costs are significantly higher. For example, the estimated costs to conduct a Special Election would be \$100,000-\$150,000 depending on the voter turnout.

- **Use of County/Public owned facilities to conduct meetings pertaining to the formation of the Charter:**

The county does not have an official ‘use policy’ for all its meeting space; however, it does have a ‘Chambers Use Policy’, which contains provisions as follows:

“2. The Chambers shall not be allowed to be used for any commercial or political purposes or used by a candidate, or organizations formed specifically for a candidate, or to promote a political matter.”

There are other regulatory rules governing the use of Veterans facilities as well. These rules, which are adopted by the Board of Supervisors, read as follows: *“Public use of any Veteran facility for private and public functions (which may include profit making, political and religious activities), will be authorized at a charge of \$500/per day.”*

Although there is no adopted County-wide meeting space policy, past practice and application has been in keeping with the Board’s adopted Chambers Use Policy and has denied any use by parties with political affiliation.

The County does allow use of its owned facilities for other appointed boards, committees, and commissions, these appointments are made based upon either mandates pursuant to the Government Code or Board policy. Should this commission be formed, it can be argued that the commission will have the charge of drafting the proposed Charter structure, which

makes its intent political in nature. Another distinguishing difference between this commission and other boards, committees and commissions is that this commission would be elected vs. appointed by the Board.

- **Legal representation**

Based upon an opinion from County Counsel, once a Charter Commission is elected, they appear to be a County Commission for all purposes. Therefore, it is believed that any Charter they draft or develop that would result in litigation; the County would need to legally defend.

Further research would need to be performed by County Counsel, as the information used in providing this opinion was minimal. Previous lawsuits against a Charter appeared to have been brought forward by a citizen's group or the Attorney General. In these cases, the County provided legal defense.

- **Legal mechanism for charter implementation**

Pursuant to GC § 23708 "It shall be the duty of the charter commission to prepare and propose a charter or revised charter for the county, which shall be signed in duplicate by the members of the Charter commission, or a majority of them, and be filed, one copy in the office county clerk and the other in the office of the county recorder."

Further, pursuant to GC § 23709, "The county elections official shall cause the complete text of the proposed charter or revised charter to be printed. A copy of the proposed charter shall be made available to any voter upon request. The impartial analysis prepared pursuant to section 9160 of the Elections Code shall include a statement notifying voters that they may call the elections official's office and request that a copy of the proposed or revised charter be mailed to them at no cost.

Further, pursuant to GC § 23710, "The proposed charter or revised charter shall be submitted by the governing body to the eligible registered voters of the county at a special election held on the next established election date not less than 88 days after the completion of the publication, or posting provided for in Section 23709.

The intent of this memo and the associated matrix was to provide the Board with enough information to understand their legal obligations and fiscal implications should the Charter Commission be formed at the June 2016 Primary Election. At the Board's direction, staff is available to provide additional information and/or further details associated with the impacts to the County as a result of the proposed Charter Initiative.



COUNTY OF MENDOCINO

Executive Office

CHARTER COUNTY INITIATIVE - PROCESS AND FISCAL REVIEW

Potential Fiscal Impact to the County from the Ballot Initiative Entitled, "Shall a Charter Commission be Elected to Propose a Mendocino County Charter?"

NOTE: Pursuant to California GC § 29618 – Expenses of drafting county charter/county charges: "The actual and necessary expenses incurred in the drafting of a county charter by a board of freeholders, when such expenses are authorized by the Board of Supervisors, are county charges."

	Scenario 1 <i>Minimal support</i>	Scenario 2 <i>Moderate support</i>	Scenario 3 <i>Expanded support</i>
Overview	<ul style="list-style-type: none"> Included costs to place an initiative or measure on the ballot of a regularly scheduled election (either primary or general). Minimal staffing support No financial support to the Commissioners Moderate outside resources supported with County funding 	<ul style="list-style-type: none"> Including costs to place an initiative or measure on the ballot of a regularly scheduled election (either primary or general) Moderate staffing support Moderate outside resources supported with County funding Moderate financial support to the Commissioners 	<ul style="list-style-type: none"> Including costs to place an initiative or measure on the ballot of a special election Expanded staffing support (County resources dedicated towards administrative assistance, attending all Commission meetings, community meetings, etc.) Expanded financial support to the Commissioners Legal representation Assist with drafting charter initiative
Election Costs	<p>Estimated costs to include an initiative or measure on a regularly scheduled election:</p> <ul style="list-style-type: none"> Staff time = approximately 1 - 3 hours of staff time to typeset Additional pages to include in the sample ballot (example: 50,000 @ \$0 .04/ea. = \$2,000) Counting additional ballots - Staff to count <p>Additional costs:</p> <ul style="list-style-type: none"> Depending on length of resulting drafted charter, County would need to produce hard copies of Charter to be made available to voters Costs would be estimated at \$0.10/per black and white page to copy 	<p>Estimated costs to include an initiative or measure on a regularly scheduled election:</p> <ul style="list-style-type: none"> Staff time = approximately 1 - 3 hours of staff time to typeset Additional pages to include in the sample ballot (example: 50,000 @ \$0 .04/ea. = \$2,000) Counting additional ballots - Staff I to count <p>Additional costs:</p> <ul style="list-style-type: none"> Depending on length of resulting drafted charter, County would need to produce hard copies of Charter to be made available to voters Costs would be estimated at \$0.10/per black and white page to copy 	<p>The estimated costs to conduct a Special Election:</p> <ul style="list-style-type: none"> \$100,000-\$150,000 depending on the voter turnout <p>Additional costs:</p> <ul style="list-style-type: none"> Depending on length of resulting drafted charter, County would need to produce hard copies of Charter to be made available to voters Costs would be estimated at \$0.10/per black and white page to copy

County Staff Resources	<p>Staff time to provide assistance/clarification:</p> <ul style="list-style-type: none"> Administrative staff (Administrative Assistant) Meeting staff (Deputy Clerk of the Board) Executive staff (Deputy Chief Executive Officer) Elections staff <p>Total Average weighted rate: \$333/hour</p> <p>Minimal support @ 1 hour per week for each: \$333 (total for duration of Commission preparing and drafting Charter. The costs associated will be dependent upon the time taken by the Commission to draft the Charter)</p>	<p>Staff time to provide assistance/clarification:</p> <ul style="list-style-type: none"> Administrative staff (Administrative Assistant) Meeting staff (Deputy Clerk of the Board) Executive staff (Deputy Chief Executive Officer) Elections staff <p>Total Average weighted rate: \$333/hour</p> <p>Moderate support @ 10 hours per week for each: \$3,330 (total for duration of Commission preparing and drafting Charter. The costs associated will be dependent upon the time taken by the Commission to draft the Charter)</p>	<p>Staff time to provide assistance/clarification:</p> <ul style="list-style-type: none"> Administrative staff (Administrative Assistant) Meeting staff (Deputy Clerk of the Board) Executive staff (Deputy Chief Executive Officer) Elections staff <p>Total Average weighted rate: \$333/hour</p> <p>Extended support @ 15 hours per week for each: \$4,995 (total for duration of Commission preparing and drafting Charter. The costs associated will be dependent upon the time taken by the Commission to draft the Charter)</p>
Outside Resources (service contracts, etc.)	<p>N/A (<i>assuming no financial resources from the County to support this, however, the Commission would have the option to fund any resource needs independently</i>)</p>	<p>Potential costs associated with outside resources:</p> <ul style="list-style-type: none"> Meeting space: \$500/per day Consultant to provide writing and publication support: \$250/per hour 	<p>Potential costs associated with outside resources:</p> <ul style="list-style-type: none"> Meeting space: \$500/per day Sound system outside vendor: \$500/per day Refreshments to cover community meetings: \$100/per meeting (minimum of 5 meetings in each District) Consultant to provide writing and publication support: \$250/per hour
Legal Representation	<p>Legal Representation: Assuming minimal legal County resources (<i>the Commission would have the option to fund any legal resource needs independently</i>)</p> <ul style="list-style-type: none"> Administrative support (Legal Secretary) Deputy County Counsel: County Counsel <p>Total Average weighted rate: \$246/hour</p> <p>Minimal support @ 1 hour per week for each: \$246 (total for duration of Commission preparing and drafting Charter. The costs associated will be dependent upon the time taken by the Commission to draft the Charter)</p>	<p>Legal Representation: Assuming minimal legal County resources (<i>the Commission would have the option to fund any legal resource needs independently</i>)</p> <ul style="list-style-type: none"> Administrative support (Legal Secretary) Deputy County Counsel: County Counsel <p>Total Average weighted rate: \$246/hour</p> <p>Moderate support @ 10 hours per week for each: \$2,460 (total for duration of Commission preparing and drafting Charter. The costs associated will be dependent upon the time taken by the Commission to draft the Charter)</p>	<p>Legal Representation: Assuming minimal legal County resources (<i>the Commission would have the option to fund any legal resource needs independently</i>)</p> <ul style="list-style-type: none"> Administrative support (Legal Secretary) Deputy County Counsel: County Counsel <p>Total Average weighted rate: \$246/hour</p> <p>Extended support @ 15 hours per week for each: \$3,690 (total for duration of Commission preparing and drafting Charter. The costs associated will be dependent upon the time taken by the Commission to draft the Charter)</p>

Financial Support to Commissioners	<i>N/A (assuming no financial resources from the County to support the Commission, however, the Commission would have the option to fund any resource needs independently)</i>	Moderate Financial Support: <ul style="list-style-type: none"> • Mileage reimbursement for Commissioners to attend meetings <ul style="list-style-type: none"> ○ Assuming meeting 1x per week at an average distance to travel in the County of 75 miles round trip ○ 75 miles x \$0.54/per mile x 15 Commissioners per week = total potential mileage of \$607.50/per week 	Extended Financial Support: <ul style="list-style-type: none"> • Mileage reimbursement for Commissioners to attend meetings <ul style="list-style-type: none"> ○ Assuming meeting 1x per week at an average distance to travel in the County of 75 miles round trip ○ 75 miles x \$0.54/per mile x 15 Commissioners per week = total potential mileage of \$607.50/per week • Costs to cover incidental expenses \$500/per meeting <ul style="list-style-type: none"> ○ Obtaining sound system services if/when necessary • Costs to cover staff time per community meeting: \$500 - \$1,000/per meeting depending upon representation • Costs to cover community meetings: \$900/per meeting x's 5 meeting = \$4,500 <ul style="list-style-type: none"> ○ Includes meeting room space rental and incidental expenses to support meeting • Per diem meal reimbursement for Commissioners <ul style="list-style-type: none"> ○ \$30/per day
Total Estimated Costs to Support Charter Initiative Process:	<p style="text-align: center;">\$50,000 – \$100,000</p>	<p style="text-align: center;">\$100,000 - \$200,000</p>	<p style="text-align: center;">\$200,000 - \$300,000 +</p>