

Almaden Valley Community Association
Meeting Location
Almaden Community Center, 6445 Camden Avenue
Monday, May 10, 2011

Announcement

Susan Gaden announced that the Almaden Business Association would host an event at the Pavilion Event Center, The Golf Club at Boulder Ridge, 1000 Old Quarry Road, on Wednesday, May 12, from 5:30 to 7:30 pm, featuring San Jose Mayor, Chuck Reed, speaking on the state of business in the Valley. The price of the event will be \$20 at the door. The Almaden Business Association (almadenbiz.org) is an eight year old offshoot of the San Jose Chamber of Commerce with between 140 and 160 active members.

There was a brief discussion of a proposed cell tower at Leland High School.

At 7:10 President Pat McMahon introduced new County Supervisor, Mike Wasserman.

Mike Wasserman

In his first month (January) Mike Wasserman cut \$1.5 million in executive perks from the County Budget. In his second month (February) he arranged for \$55 million in cuts without any job loss.

The County has a \$6 million daily payroll [the annual budget for salary and benefits is over \$2 billion]. Last year the County had to overcome a \$200 million deficit. This year the deficit to overcome is \$235 million. We have had ten years of budget deficits to overcome. When the deficit was \$200 million, the County balanced it with \$100 million in one time funds and cut only \$65 million in budgeted expenses. In the current year there are no one time funds. The current proposal is to cut \$160 million from departments and \$75 million from bargaining units. A proposal to manage half of the deficit with tax increases failed.

We estimate an additional deficit of \$40 million will have to be managed, for a total deficit of \$275 million. Valley Medical is half of the County budget. The union (bargaining units) disagree on how cuts are to be implemented but not on the amount.

The Sheriff's Department cut 75 full time equivalents (FTE) with no job loss by removing 50 vacant positions from the budget and reassigning 25 staff within the Department. Another department is to cut 115 FTE. The County has 1100 funded vacant positions.

Roughly 10,000 union member contracts expire June 30; but another 5,000 do not.

Q. Why is a vacant position worth a full expense elimination?

A. The funded vacant money is in the department budget and is spent in various ways.

Q. You described cuts in services and people, why not cut the cost of service delivery?

A. The plan is to cut \$75 million in actual costs. The bargaining units will be asked how they can help. Pay cuts will be “out there for discussion.”

Q. Is there binding arbitration?

A. Only with public safety.

Q. Is the number of retirees increasing?

A. The current 600 retirees per year will soon increase to 1200 per year; but this demographic is not responsive to a threat of lower benefits. Our current priorities are:

1. change new employee benefits
2. change current employee benefits
3. change retired employee benefits.

Q. What are your goals for the County.

A. My goals are:

1. balance the budget while reducing level of service as little as possible
2. put money in reserve.

Some employees will be moved to jobs with lower salaries. The hospital is \$80 million behind in billing. Consultants paid between \$6 and \$7 million have produced savings between \$20 and \$30 million. We will have to cut In Home Support Services (IHSS).

Q. Where are families in this picture of in home care?

A. Not there.

Q. What can we do about public transportation when the VTA is 86% subsidized?

A. We cut \$250 million out of its \$800 million discretionary budget.

Q. Where are we on the lawsuits between the County and the City of San Jose?

A. Redevelopment Agency funds were not passed to the County as they should have been. We have reached an agreement with San Jose involving both real estate and cash.

Q. Why not combine County and city police academies?

A. Everyone agrees that regionalization will save money; but each says, “I’ll be glad to be in charge.”

Q. Does the County provide overly generous retirement benefits similar to the City?

A. Yes. At age 50 employees can retire with a pension that is years of service multiplied by between 2.5% and 3% of the highest annual salary. A two tier system will change this.

Q. Thanks for keeping your campaign promise to focus on balancing the budget. Can you explain “one time funds” and what part of the deficit is the total paid vacant positions?

A. \$110 million or 3% of the current budget covers 1100 funded vacant positions. One time funds are, for example, money in the budget that was not spent and is carried over to the next year.

C. My suggestion is to eliminate the solar project. The County is wasting its money.

A. Thank you.

C. There will have to be real cuts.

A. I agree. No matter what decision we make people will be mad at us.

The final two topics were Mike Wasserman's vote against the plastic bag law and the use of County libraries by users from districts not taxed for them. There was also a final suggestion of an "environmental service department."

This part of the meeting terminated at 8:28 pm.

Business Meeting

President Pat McMahon opened the business meeting at 8:35 pm. Board Members present included:

1. **President: Pat McMahon,**
2. **Vice President: Joe Boudreau**
3. **Secretary: Ray Strong**
4. **Treasurer: Bob Boydston**
5. **Directors: Jerry Mungai ,Susan Bailey, Steve Levin, and Bob Strain**

Secretary (Ray Strong)

The March minutes were mailed too close to this meeting for the Board to approve them.

Treasurer (Bob Boydston)

The Red Cross is working on a plan but the issue of what to do with the ARK funds is still not resolved.

President (Pat McMahon)

The City approved a land use permit for the cell tower in response to an application from San Jose Unified School District.

Vice President (Joe Boudreau)

- discussed the possibility that there is a drug problem in the Almaden Valley.
- mentioned that numbers for pensions could be found through the Foundation for Fiscal Responsibility.
- discussed the role of ombudsman in San Jose.

District 10 Liaison (Kathy Sutherland)

During this budget season we will lay off 120 police officers and 50 fire fighters. Libraries will be reduced to three days per week. We will be outsourcing park maintenance.

The meeting adjourned at 8:54 pm.

Draft Minutes submitted August 7, 2011; Approved as corrected August 8, 2011
Ray Strong, Secretary