DATE: May 12, 2020

TO: Board of Supervisors

FROM: Jeffrey V. Smith, County Executive
       James R. Williams, County Counsel

SUBJECT: Board Policy on Cap on Budget Inventory Items

RECOMMENDED ACTION
Under advisement from May 5, 2020 (Item No. 15): Adopt Board Policy Resolution adding Board of Supervisors' Policy Manual section 4.21 relating to a $500,000 cap on budget inventory items, and direct the Clerk of the Board to include Policy in Board of Supervisors' Policy Manual.

FISCAL IMPLICATIONS
The recommended action will have an impact of no greater than $2,500,000 on the General Fund for FY 2020-2021.

REASONS FOR RECOMMENDATION
At the May 5, 2020 (Item No. 15) Board of Supervisors meeting, the Board of Supervisors (Board) approved a referral from Supervisors Ellenberg and Simitian directing Administration and County Counsel to report to the Board with a Board Policy establishing a cap on budget inventory items of up to $500,000 per Supervisor for Fiscal Year 2020-2021. Inventory items proposed by any Supervisor can provide services anywhere in the county and are not limited to services provided within that Supervisor’s district.

Establishing a cap on the total inventory items submitted does not constitute a limitation on, or preclude the exercise of, the budget authority of the Board of Supervisors, or any member of the Board of Supervisors, including proposals to increase or decrease budget appropriations as part of the budget process.

CHILD IMPACT
The recommended action will have no/neutral impact on children and youth.

SENIOR IMPACT
The recommended action will have no/neutral impact on seniors.
SUSTAINABILITY IMPLICATIONS
The recommended action will have no/neutral sustainability implications.

BACKGROUND
The inventory process has been in effect for more than 30 years. Inventory items are one-time budget modifications proposed by members of the Board of Supervisors and considered by the full Board of Supervisors during the Budget Hearing. Inventory items are grants or sponsorships supporting various community programs that augment or compliment services provided by the County. Inventory items do not include ongoing operational proposals impacting County operations and operations in partnership with a Community Based Organization.

CONSEQUENCES OF NEGATIVE ACTION
If the Board does not approve the Recommended Action, the Board will not adopt the proposed Board Policy 4.21 regarding Cap on Budget Inventory Items.

STEPS FOLLOWING APPROVAL
Upon approval, the Clerk of the Board will incorporate Board Policy 4.21 into the current Board Policy Manual.

ATTACHMENTS:
- Resolution Adding Board Policy 4.21 regarding Cap on Budget Inventory Items (PDF)
POLICY RESOLUTION NO. __________

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA CLARA AMENDING THE BOARD POLICY MANUAL TO ADD BOARD POLICY 4.21 REGARDING CAP ON BUDGET INVENTORY ITEMS

WHEREAS, the Board of Supervisors wishes to give direction and set policy for such matters for which the responsibility of decisions is placed on it by virtue of State codes, County Charter or specific ordinances and resolutions or relates to its broad policy-making authority to matters regarding Santa Clara County;

WHEREAS, the Board of Supervisors wishes to clearly state and compile policies and to provide for distribution of these policies to affected decision-makers; and,

WHEREAS, the Policy Manual is not set by ordinance, is not legally binding, and can be changed by adoption of a resolution approved by a majority of the Board of Supervisors and is intended to give guidance to staff and future members of the Board of Supervisors.

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Board Policy Resolution
Adding Board Policy 4.21 regarding Cap on Budget Inventory Items
NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Santa Clara, State of California, that the Board of Supervisors' Policy Manual is hereby amended by adoption of this resolution to add Board Policy 4.21 regarding Cap on Budget Inventory Items, attached hereto as Exhibit "A" and incorporated herein, and the Clerk of the Board is directed to incorporate the policy into the manual so that it is available to all County staff.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Clara, State of California, on ________________, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CINDY CHAVEZ, President
Board of Supervisors

Signed and certified that a copy of this
document has been delivered by electronic
or other means to the President, Board of Supervisors.
ATTEST:

MEGAN DOYLE
Clerk of the Board of Supervisors

APPROVED AS TO FORM AND LEGALITY:

ELIZABETH C. PLANCA
Lead Deputy County Counsel

Exhibit A: Board Policy 4.21 relating to Cap on Budget Inventory Items
EXHIBIT A

4.21   CAP ON BUDGET INVENTORY ITEMS

It is the policy of the Board of Supervisors that the cumulative total amount of all budget inventory items for each Supervisor shall be capped at $500,000 per Supervisor for Fiscal Year 2020-2021. For purposes of this policy, "budget inventory item" means one-time funding appropriations, including one-time funding appropriations with multi-year commitments, submitted as part of the Budget Hearing to support community programs that augment or complement services provided by the County.