

# Opinion: EDC uses seniors to cut budget

By Larry Weitzman

"We've got major budget issues. I'd feel much better getting all those other things to a committee and make sure we get multiple minds on this and develop a plan, a prioritized plan and the 15-16 (fiscal year budget) deficit is the target. And I understand it. I have seen deficits all my career tied to the county. But we have to be very real about it and we have to start addressing it now. Not six months from now, not a month from now. Now," said Brian Veerkamp, El Dorado County District III supervisor.

That statement took place at 5:40pm at the Sept. 23, 2014, meeting of the El Dorado County Board of Supervisors during a discussion of the \$100 million plus deficit facing EDC over the next five years.



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In light of that, the BOS created an ad hoc budget committee comprising Veerkamp, Supervisor Shiva Frentzen, and other county officials including Laura Schwartz, County Auditor Joe Harn and CAO Pamela Knorr, plus two members of the public and other interested parties from the public. What was supposed to be a committee to recommend actual budget cuts and methods to arrive at those cuts turned into a budget policy forum.

Paul Freeman, a retired manufacturing manager, applied for the job as a public member on the basis of the published notice which clearly described the function of the committee as follows: "This committee will provide recommendations to the BOS regarding funding sources and expenditures of funds."

In the seven months since the committee formation not one spending cut recommendation has been made. Not even one analysis of what caused the excess spending was initiated. Meanwhile, the county spent \$10 million of savings. Based on county revenue, it spent \$10 million more than it took in and that \$1.3 million monthly bleed continues as I write this column.

What the committee did produce in those half a dozen or more meetings was a 10-point page and a half draft memo of government speak entitled El Dorado County Draft Budget Policies. That idea occurred early on in the process and was directed by Knorr, the county CAO, who ended up missing the final meetings. And this Jan 12 ad hoc budget committee occurred six days after Knorr told the BOS at a regular meeting of the BOS, "Your real need is to stop spending." It looks like she didn't mean it. The county is burning through cash like a battleship of drunken sailors who haven't set foot on land in nine months. And Knorr wants to write a memo of government speak. When any suggestion or discussion of a budget cut was attempted it was shoved aside. Even Supervisor Frentzen who so desperately wanted to analyze the last three years of county hiring was totally shut out by Veerkamp and the CAO.

Freeman was disappointed, to say the least, and has become fearful for the taxpayers of this county, especially seniors. The CAO fiddles, the BOS majority (i.e. excluding Ron Mikulaco and Frentzen), are enjoying the music while EDC bank accounts burn to the ground.

Making matters worse, at the last ad hoc committee meeting

where Veerkamp served as de facto chairman, he remarked that that he felt that the committee was assembled to develop budget policies to be followed in the future and he essentially reaffirmed that during the last BOS meeting. Would that qualify Veerkamp as a flip-flopper or just a budget wimp? "I will gladly pay you tomorrow for a hamburger today."

Why is all this important? Fast forward to the special BOS budget meeting of April 15. The purpose was to work on the budget. Fifteen minutes before the meeting Knorr dropped a 39-page budget package on the supervisors, who had no chance to read or study it. It turns out Knorr has a history of preparing documents and not giving them to a BOS until just before the meeting. Without time and study (and it would take a day to absorb these 39 pages), Knorr knows the BOS will not be up to speed and not understand what she is proposing, Supervisor Frentzen made a remark to that effect. It's difficult to ask questions if you don't understand the material. And nowhere in this document are there credible spending cuts to solve the budget problem which was caused by excess hiring and spending over the last three years. The 39 pages were mostly a government-speak PowerPoint.

However, in the 39 pages are significant cuts to senior programs which were characterized by Supervisor Veerkamp as "chump change" and would save EDC almost no money, in the tens of thousands of dollars instead of the necessary \$10 million to \$20 million. For instance, Knorr wants to save \$13,200 and cancel the highly beneficial Perks Court program. Knorr wants to eliminate Senior Day Care and Knorr wants to eliminate the senior meals programs, programs that use a few thousand dollars of EDC seed money with most of the costs picked up by volunteers and in-kind donations. These programs aren't solely about food, but keeping seniors active, healthy and participating in society. It's those programs that will suffer under the Knorr scalpel. That should be considered ineffective elective surgery. Medical malpractice.

Knorr in her government-speak style says she is going to cut two positions in her office. But these are vacant positions upon which no money is spent, therefore the savings are fictitious. Yet Knorr is maintaining almost all of the humongous growth of the CAO's office which on new analysts alone we spend almost \$2 million annually. None of those analysts even existed two and a half years ago when the county ran just fine with a small surplus. It was part of the massive new hiring (exacerbated by huge raises) of former CAO Terri Daly that caused this budget debacle. The only significant change in county spending is county salary and benefits that have grown by \$38 million over the last two years, almost the exact amount of the growing budget deficit that started two years ago. Revenues and other county expenses have remained reasonably constant.

At the April 28 BOS meeting Supervisors Frentzen and Mikulaco appeared upset with the budget process especially when CAO Knorr tried to usurp the BOS power by reciting EDC County Charter section 304C which says the CAO is to "recommend an annual budget ...." Knorr continued by saying, "I do the budget and you get to modify it." She went on to say effectively she doesn't have to listen to the ad hoc budget committee effectively pooh-poohing its importance and use. County counsel went on to back Knorr, saying that this should be the process (Knorr's interpretation) and it is in compliance with the EDC Charter and that's the governance level of the structure. They all forgot a more important Charter provision about listening to what the BOS has to say regarding following their directions and that is section 202 (a) (2) which says, "The BOS shall: (2) Appoint or remove the CAO. "

Something else was said by Veerkamp that was incorrect was when he said Mikulaco and he share some responsibility for this budget problem (as it happened last year). Absolutely incorrect. Both Supervisors Mikulaco and Frentzen voted against the current budget. It was Veerkamp, Norma Santiago

and Ron Briggs who voted for it.

*Larry Weitzman is a resident of Rescue.*