

MODOC COUNTY BOARD OF SUPERVISORS

Ned Coe, Supervisor District I
Shane Starr, Supervisor District II
Kathie Rhoads, Supervisor District III
Casey Cockrell, Supervisor District IV
Geri Byrne, Supervisor District V



Ned Coe
Chairperson

Chester Robertson
County Administrative Officer

Board of Supervisors Room
204 S. Court St., Room # 203, Alturas, CA 90101
(530) 233-6201
<http://www.co.modoc.ca.us>

BUDGET WORKSHOP - SPECIAL MEETING

MINUTES FOR TUESDAY, SEPTEMBER 16, 2025 9:00 AM

9:00 AM - Reconvene and continue budget workshop from September 15, 2025.

**NOTE: The order of departments are subject to change as needed.*

Attendee Name	Title	Status
Ned Coe	Supervisor District I	Present
Shane Starr	Supervisor District II	Present
Kathie Rhoads	Supervisor District III	Present
Casey Cockrell	Supervisor District IV	Present
Geri Byrne	Supervisor District V	Present
Chester Robertson	County Administrative Officer	Present
Tiffany Martinez	Clerk of the Board/Assistant County Administrative Officer	Present
Stephanie Wellemeyer	Auditor	Present

County Administrative Officer, Chester Robertson, detailed the request for funds he received from the Surprise Valley Healthcare District (SVHCD). County Administrative Officer Robertson reported that SVHCD would provide a presentation on the current status of the District and what the District is requesting from the County of Modoc. County Administrative Officer Robertson reported on the Intergovernmental Transfers (IGT) and how the County of Modoc could loan the District funding through a secured transaction to cash flow the District for a period of time.

Present for the Surprise Valley Healthcare District were as follows: 1) District Hospital Leadership Forum Chief Financial Officer, Cory Rickard; 2) District Hospital Leadership Forum, Ryan Witz; 3) District Hospital Leadership Forum, Nathan Davis; 4) Surprise Valley Healthcare District Chief Executive Officer, Frances Hannah; 5) Surprise Valley Healthcare District Human Resources/Assistant Administrator, Shanda Pedotti; 6) Surprise Valley Healthcare District Board Member, Susie Bunyard; 7) Surprise Valley Healthcare District Board Member, Randy Hall.

SVHCD CEO, Frances Hannah, provided an overview of the services provided at SVHCD. SVHCD CEO Hannah stated that the Surprise Valley Hospital is at risk of closure as they are significantly delinquent with vendors. SVHCD CEO Hannah reported that while they are expected to make payroll for the seventy-five (75) employees, the District's future hinges on Medi-Cal supplemental payment revenues that will not arrive until September 16, 2025 Meeting Minutes Board of Supervisors

December or January. SVHCD CEO Hannah reported that to access those funds, the District must make a substantial Intergovernmental Transfer (IGT) to the state by November 21, 2025. SVHCD CEO Hannah reported the District cannot currently make this IGT payment due to the ongoing bankruptcy status and the fact that the District cannot access traditional financing options, which has created an immediate liquidity crisis. SVHCD CEO Hannah reported the District's challenge stems from a series of financial devastating events as follows: 1) The District was forced to replace the HVAC system due to compliance issues, which cost \$3.2 million; 2) During COVID-19 the District did not qualify for major federal relief programs other hospitals relied upon; 3) Medi-Care has withheld all of the March through August repayments without an explanation creating a severe cash short fall. SVHCD CEO Hannah detailed the economic loss to Surprise Valley and the County of Modoc if closure of the Surprise Valley hospital were to occur. SVHCD CEO Hannah detailed the request by SVHCD to the County of Modoc for a short-term sixty-day (60) loan to cash flow the Surprise Valley.

Supervisor Coe reported that he feels it is unbelievable that payments could be withheld for six (6) months without any explanation. Supervisor Coe asked what assurance the District could provide that the payments would be made in December or January.

SVHCD CEO Hannah provided details on the repayment of IGT Funds by Partnership Health.

District Hospital Leadership Forum, Ryan Witz, reported on the confidence in the payment of IGT funds to Partnership Health in December.

A very lengthy discussion was held, and several questions were asked of SVHCD CEO Hannah, support staff, and SVHCD Board members.

10:10 a.m. Motion for a five-minute break.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	District II Supervisor, Shane Starr
SECONDER:	District V Supervisor, Geri Byrne
AYES:	District I Supervisor, Ned Coe, District V Supervisor, Geri Byrne, District II Supervisor, Shane Starr, District IV Supervisor, Casey Cockrell, District III Supervisor, Kathie Rhoads
ABSTAIN:	None

10:19 a.m. The Board reconvened with all members present.

County Administrative Officer Robertson provided an overview of the potential decision before the Board in relation to the SVHCD.

A lengthy discussion was held on the potential of loaning funds to the SVHCD.

Supervisor Coe appointed Supervisor Starr and Supervisor Rhoads to serve on the SVHCD Ad Hoc Committee, which would include County Administrative Officer Robertson, Auditor Wellemeyer, and County Counsel Long.

1. 9:00 - 9:30 a.m.

1150 Assessor (GF); 2610 Recorder (GF); 0250 15% Surcharge Vit Stat (OSRF); 0252 Assessor Sec 408.3 (OSRF); 0276 Vital Statistics-Recorder (OSRF); 0278 Marriage Trust - Recorder

(OSRF); 0279 Identity Fraud (OSRF); 0280 Indexing Fees (OSRF); 0281 Micrographic Fees (OSRF); 0282 Modernization (OSRF); 0283 E Recording Fees(OSRF); 0284 Social Security Redaction (OSRF)

Assessor-Recorder was moved to 1:00 p.m.

1150 Assessor

No changes to revenue, expenditures, or allocation table

2610 Recorder (GF)

No changes to revenue or expenditures

0250 15% Surcharge Vit Stat (OSRF)

No changes to revenue or expenditures

0252 Assessor Sec 408.3 (OSRF)

Revenue

43000 Interest 10100 Unassigned \$6,000 to \$4,000

Total \$18,756 to \$16,056

Expenditures

No changes

0276 Vital Statistics-Recorder (OSRF)

No changes to revenue or expenditures

0278 Marriage Trust - Recorder (OSRF)

No changes to revenue or expenditures

0279 Identity Fraud (OSRF)

No changes to revenue or expenditures

0280 Indexing Fees (OSRF)

No changes to revenue or expenditures

0281 Micrographic Fees (OSRF)

No changes to revenue or expenditures

0282 Modernization (OSRF)

No changes to revenue or expenditures

0283 E Recording Fees(OSRF)

No changes to revenue or expenditures

0284 Social Security Redaction (OSRF)

No changes to revenue or expenditures

2. 9:30 - 10:00 a.m.

2510 Agriculture Commissioner (GF); 0274 Ag Department Reserve (ORSF); 675-2680 Air Pollution Dist (SPEC); 675-2681 Rural Assistance Program (SPEC); 675-2682 Carl Moyer Funds

(SPEC); 675-2683 Farmers Program (SPEC); 266-1430 Migrant Housing (SRF); 266-1440 Migrant Renovations (SRF); 0269 Castle Rock Farmworker Center (OSRF); 0677-2691 CSA 2 PAD Benefit - Lookout; 0677-2692 CSA 2 PAD Benefit Stronghold Newell

Agriculture Commissioner, Heather Kelly, provided an overview of the proposed budget.

2510 Agriculture (GF)

No changes to revenue, expenditures, or allocation table

0274 Ag Department Reserve

No changes to revenue or expenditures

675-2680 Air Pollution

Revenue

No changes

Expenditures

72500 Travel and Transportation \$2,500 to \$6,000

78700 CON- Machinery and Equip \$0 to \$8,500

85210 Interfund XFR to Gen Fund \$19,524 to \$24,024

Total \$321,267 to \$335,267

675-2681 Rural Assistance Program (SPEC)

No changes to revenue or expenditures

675-2682 Carl Moyer Funds (SPEC)

No changes to revenue or expenditures

675-2683 Farmers Program (SPEC)

No changes to revenue or expenditures

266-1430 Migrant Housing (SRF)

No changes to revenue or expenditures

266-1440 Migrant Renovations (SRF)

No changes to revenue or expenditures

0269 Castle Rock Farmworker Center (OSRF)

No changes to revenue or expenditures

0677-2691 CSA 2 PAD Benefit - Lookout

No changes to revenue or expenditures

0677-2692 CSA 2 PAD Benefit Stronghold Newell

No changes to revenue or expenditures

3. 10:00 - 10:30 a.m.

6210 Farm Advisor (GF); 6220 Tulelake Farm Advisor (GF); 0275 Fish & Game (OSRF); 0306 Taylor Grazing (SRF)

6210 Farm Advisor

Revenue

46900 State Aid - Other \$0 to \$2,375

Total \$0 to \$2,375

Expenditures

No changes

Allocation Table

No changes

6220 Tulelake Farm Advisor (GF)

No changes to revenue or expenditures

0275 Fish & Game (OSRF)

No changes to revenue or expenditures

306 Taylor Grazing (SRF)

No changes to revenue or expenditures

4. 10:30 - 10:45 a.m. - Recess**5. 10:45 - 11:30 a.m.**

1040 Due to Other Funds (GF); 1120 Payroll (GF); 1130 Auditor (GF); 1310 Elections (GF); 2600 County Clerk (GF); 0207 Domestic Violence County (OPS); 0277 Domestic Violence Clerk (OSRF); 660 Hospital (EF); 676 Hafer Hills CSA (SPEC)

Auditor, Stephanie Wellemeyer, provided an overview of the proposed budget.

1040 Due to Other Funds (GF)

No changes to revenue or expenditures

1120 Payroll (GF)

No changes to revenue, expenditures, or allocations

1130 Auditor (GF)

No changes to revenue and expenditures

Allocation Table

Accountant Auditor I Filled 0.00 to 1.00

1310 Elections (GF)**Revenue**

No changes

Expenditures

72300 Special Department Expense \$130,000 to \$110,000

Total \$278,613 to \$258,613

Allocation Table

No changes

2600 County Clerk (GF)

No changes to revenue, expenditures, or allocation table

0207 Domestic Violence County (OPS)

No changes to revenue or expenditures

0277 Domestic Violence Clerk (OSRF)

No changes to revenue or expenditures

660 Hospital (EF)

No changes to revenue or expenditures

676 Hafer Hills CSA (SPEC)

No changes to revenue or expenditures

6. 11:30 - 12:00 p.m.

2530 Building and Safety (GF); 2650 Planning (GF); 0286 LEAP Grant (OSRF); 0287 REAP Grant (OSRF)

Interim Chief Building Official, Scott Ward, provided a background on the proposed budget.

2530 Building and Safety (GF)

No changes to revenue, expenditures, or allocation table

2650 Planning (GF)

No changes to revenue, expenditures, or allocation table

0286 LEAP Grant (OSRF)

No budget

0287 REAP Grant (OSRF)

No budget

7. 12:00 - 1:00 p.m. - Recess for lunch

12:01 p.m. Motion to recess for lunch.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	District V Supervisor, Geri Byrne
SECONDER:	District II Supervisor, Shane Starr
AYES:	District I Supervisor, Ned Coe, District V Supervisor, Geri Byrne, District II Supervisor, Shane Starr, District IV Supervisor, Casey Cockrell, District III Supervisor, Kathie Rhoads
ABSTAIN:	None

1:04 p.m. The Board reconvened with all members present.

8. 1:00 - 1:45 p.m.

1650 Data Processing (GF); 1660 Information & Technology (GF); 0249 Info Technology Reserve

(OSRF); 1010 Board of Supervisors (GF); 0209 Emergency Medical Services (OPS); 0296 SGM Grant (SRF); 0296-500 - SGMA 2 (SRF); 670, 671, 672, 673, 674 Light Districts (SPEC)

Assistant County Administrative Officer, Tiffany Martinez, provided a background on the proposed budget.

1650 Data Processing (GF)

No changes to revenue or expenditures

1660 Information & Technology (GF)

Revenue

No changes

Expenditures

78710 CAP-Computers \$75,341 to \$77,481

87210 Intrafund XFR to Gen Fund \$0 to \$2500

No change to the total

0249 Info Technology Reserve (OSRF)

No changes to revenue or expenditures

1010 Board of Supervisors (GF)

No changes to revenue or expenditures

0209 Emergency Medical Services (OPS)

No changes to revenue or expenditures

0296 SGM Grant (SRF)

No changes to revenue or expenditures

0296-500 - SGMA 2 (SRF)

No changes to revenue or expenditures

670, 671, 672, 673, 674 Light Districts (SPEC)

No changes to revenue or expenditures

9. 1:45 - 2:30 p.m.

1030 Administration (GF); 1210 County Counsel (GF); 1410 Buildings and Grounds (GF); 1620 Bonds and Insurance (GF); 1640 Central Photo-Administration (GF); 2010 Grand Jury (GF); 2020 Indigent Defense (GF); 2030 Public Defender (GF); 2230 CDCD- Safekeeper (GF); 2410 Pit River (GF); 2660 Natural Resources (GF); 5210 General Relief (GF); 5410 Veteran's Services (GF); 7010 Recreation (GF); 7130 Museum (GF)

County Administrative Officer, Chester Robertson, provided a background on the proposed budget.

1030 Administration (GF)

Revenue

56280 Interfund XRF (NR) - Other SRF \$0 to \$32,000

Total \$70,000 to \$102,000

No changes to expenditures or allocation table

1210 County Counsel (GF)

No changes to revenue or expenditures

1410 Buildings and Grounds (GF)

Revenue

No changes

Expenditure

70020 Extra Help \$159,872 to \$191,872

70320 Social Security \$44,859 to \$22,188

Total \$901,794 to \$920,068

Allocation Table

No changes

1620 Bonds and Insurance (GF)

No changes to revenue or expenditures

1640 Central Photo-Administration (GF)

No changes to revenue or expenditures

2010 Grand Jury (GF)

No changes to revenue or expenditures

2020 Indigent Defense (GF)

No changes to revenue or expenditures

2030 Public Defender (GF)

No changes to revenue or expenditures

2230 CDCD- Safekeeper (GF)

No changes to revenue or expenditures

2410 Pit River (GF)

No changes to revenue or expenditures

2660 Natural Resources (GF)

No changes to revenue or expenditures

5210 General Relief (GF)

No changes to revenue or expenditures

5410 Veteran's Services (GF)

No changes to revenue or expenditures

7010 Recreation (GF)

No changes to revenue or expenditures

7130 Museum (GF)

No changes to revenue or expenditures

10. 2:30 - 2:45 - Recess

11. 2:45 - 3:15 p.m.

0202 Law Library (OPS); 0240 Community Programs (OSRF); 0247 Forest Reserve (OSRF); 0270 LATA Broadband (OSRF); 0297 Vet License Plate (OSRF); 0302 ARPA Local Recovery (OSRF); 0303 LATCF (OSRF); 0310 Museum L. White Donation (OSRF); 0312 Veterans Hall Rental (OSRF); 0652 Courthouse Temp Construction(CPF); 4300 - 4304 Waste Management (EF); 662 Alturas Dump (EF)

County Administrative Officer, Chester Robertson, provided a background on the proposed budget.

0202 Law Library (OPS)

Revenue

No changes to revenue

Expenditures

85310 Interfund to Library \$0 to \$3,600

Total \$2,500 to \$6,100

0240 Community Programs (OSRF)

No changes to revenue or expenditures

0247 Forest Reserve (OSRF)

No changes to revenue or expenditures

0270 LATA Broadband (OSRF)

No changes to revenue or expenditures

0297 Vet License Plate (OSRF)

No changes to revenue or expenditures

0302 ARPA Local Recovery (OSRF)

No changes to revenue or expenditures

0303 LATCF (OSRF)

No changes to revenue or expenditures

A lengthy discussion was held on the Surprise Valley Healthcare District's potential loan.

0310 Museum L. White Donation (OSRF)

No changes to revenue or expenditures

0312 Veterans Hall Rental (OSRF)

No changes to revenue or expenditures

0652 Courthouse Temp Construction(CPF)

No changes to revenue or expenditures

4300 - 4304 Waste Management (EF)

No changes to revenue or expenditures

662 Alturas Dump (EF)

Revenue

43000 Interest 10100 Unassigned \$0 to \$30,000

57320 Interfund XRF-WM \$0 to \$48,480

Total \$0 to \$78,480

Expenditures

No changes

12. 3:15 - 4:00 p.m.

Left open for time adjustment in the schedule if needed.

13. Board of Supervisors Items

13.a. **DISCUSSION/INFORMATION: Discussion on the recommended County of Modoc Adopted Budget for Fiscal Year 2024-2025.**

Auditor, Stephanie Wellemeyer, reported the ending fund balance available is \$533,920.

A discussion was held on the implementation of measures to begin preparing for difficult budget time for the County of Modoc.

13.b. **DISCUSSION/INFORMATION: Discussion on the recommended Personnel Allocation Table for Fiscal Year 2024-2025.**

A discussion was held on the personnel allocation table.

ADJOURNMENT

There being no further business to come before the Board at this time, the meeting was adjourned at 3:25 p.m.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	District V Supervisor, Geri Byrne
SECONDER:	District IV Supervisor, Casey Cockrell
AYES:	District I Supervisor, Ned Coe, District V Supervisor, Geri Byrne, District II Supervisor, Shane Starr, District IV Supervisor, Casey Cockrell, District III Supervisor, Kathie Rhoads
ABSTAIN:	None

Tiffany A. Martinez
Clerk of the Board

Ned Coe
Chair of the Board