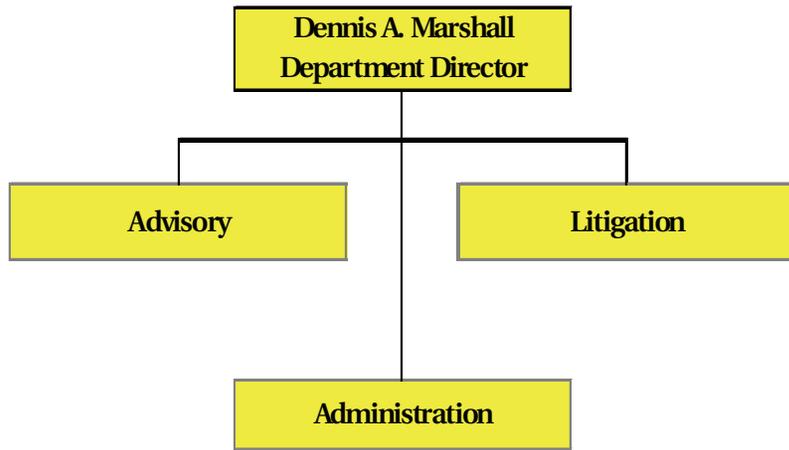
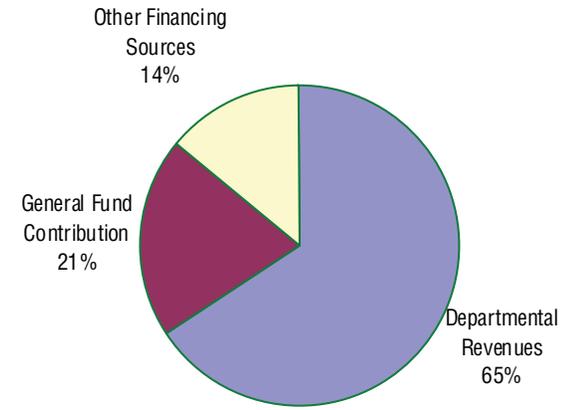


COUNTY COUNSEL

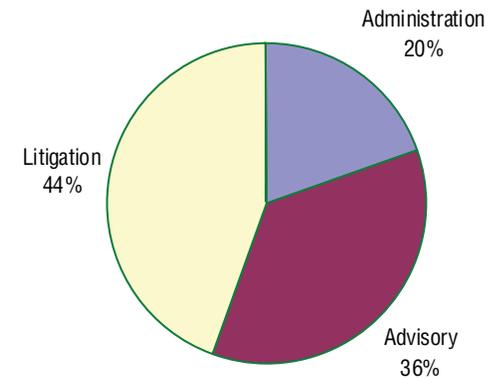
Budget & Positions (FTEs)	
Operating \$	2,969,647
Capital	-
Positions	36.1 FTEs



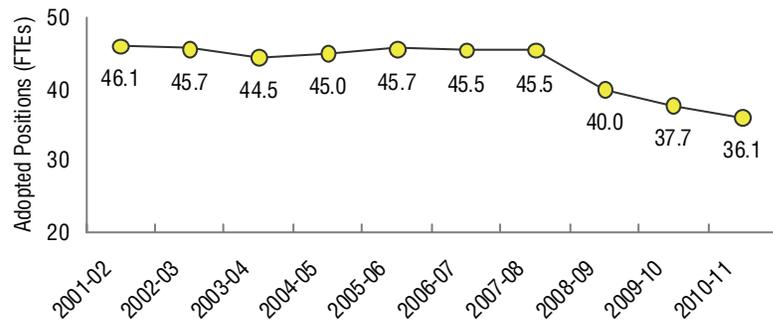
SOURCE OF FUNDS



USE OF FUNDS



STAFFING TREND



COUNTY COUNSEL
Department Summary

	Actual FY 08-09	Adopted FY 09-10	Est. Actual FY 09-10	Recommended FY 10-11
Use of Funds Summary				
<i>Operating Expenditures</i>				
Administration	\$ 2,014,442	\$ 1,434,884	\$ 1,046,601	\$ 1,418,837
Advisory	2,702,107	2,478,235	2,511,155	2,584,256
Litigation	3,134,586	3,294,254	3,323,281	3,221,670
Operating Sub-Total	7,851,135	7,207,373	6,881,037	7,224,763
Less: Intra-County Revenues	(4,086,434)	(3,408,490)	(3,558,096)	(4,254,316)
Expenditure Total	3,764,701	3,798,883	3,322,941	2,970,447
<i>Other Financing Uses</i>				
Operating Transfers	5,944	5,945	5,945	5,946
Department Total	\$ 3,770,645	\$ 3,804,828	\$ 3,328,886	\$ 2,976,393

Character of Expenditures

<i>Operating Expenditures</i>				
Regular Salaries	\$ 4,384,497	\$ 4,355,464	\$ 4,349,820	\$ 4,337,886
Overtime	1,504	--	4,000	--
Extra Help	131,662	32,616	32,450	34,439
Benefits	2,093,798	1,848,499	1,933,569	1,852,179
Salaries & Benefits Sub-Total	6,611,461	6,236,579	6,319,839	6,224,504
Services & Supplies	1,239,674	970,794	561,198	1,000,259
Operating Sub-Total	7,851,135	7,207,373	6,881,037	7,224,763
Less: Intra-County Revenues	(4,086,434)	(3,408,490)	(3,558,096)	(4,254,316)
Expenditure Total	\$ 3,764,701	\$ 3,798,883	\$ 3,322,941	\$ 2,970,447

Source of Funds Summary

<i>Departmental Revenues</i>				
Federal & State Revenues	\$ 278	\$ --	(272)	\$ --
Other Charges for Services	4,637,431	3,918,590	4,081,484	4,735,015
Miscellaneous Revenue	66	500	500	500
Revenue Sub-Total	4,637,775	3,919,090	4,081,712	4,735,515
Less: Intra-County Revenues	(4,086,434)	(3,408,490)	(3,558,096)	(4,254,316)
Revenue Total	551,341	510,600	523,616	481,199
<i>General Fund Contribution</i>	1,821,703	2,608,384	2,519,426	1,495,194
<i>Other Financing Sources</i>				
Use of Prior Fund Balances	1,397,601	685,844	285,844	1,000,000
Department Total	\$ 3,770,645	\$ 3,804,828	\$ 3,328,886	\$ 2,976,393

Actual FY 08-09		Adopted FY 09-10		Est. Actual FY 09-10		Recommended FY 10-11		
Pos.	FTE	Pos.	FTE	Pos.	FTE	Pos.	FTE	
Position Summary								
<i>Permanent</i>								
Administration	2.8	5.4	4.8	3.2	4.8	4.1	4.8	2.7
Advisory	21.1	13.5	19.1	14.3	19.1	14.0	19.1	13.4
Litigation	21.6	20.7	21.6	20.2	21.6	19.0	21.6	18.6
Total Permanent	45.5	39.6	45.5	37.7	45.5	37.2	45.5	34.7
<i>Non-Permanent</i>								
Contract	--	0.4	--	--	--	0.3	--	0.4
Extra Help	--	1.8	--	--	--	0.9	--	1.0
Total Positions	45.5	41.8	45.5	37.7	45.5	38.4	45.5	36.1

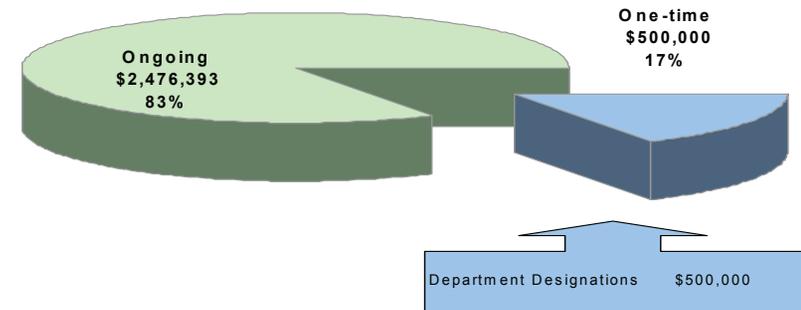
Note: FTE and position totals may not sum correctly due to rounding.

Budget Organization

The County Counsel's Office programs are divided into Advisory Services, Litigation Services and Administration. Clients include the County and its boards and commissions, courts and numerous special districts. The County Counsel's Office has a staff of 36.1 employees. All staff is housed within the Administration building in Santa Barbara with one attorney stationed at the Sheriff's Department. The cost of services and supplies for all three sub-divisions are budgeted within the Administration division.

As a result in the use of one-time sources, the department will face a funding shortfall of \$500,000 in Fiscal Year 2011-2012, not including increasing costs and changes in departmental revenue, which must be addressed to maintain these services.

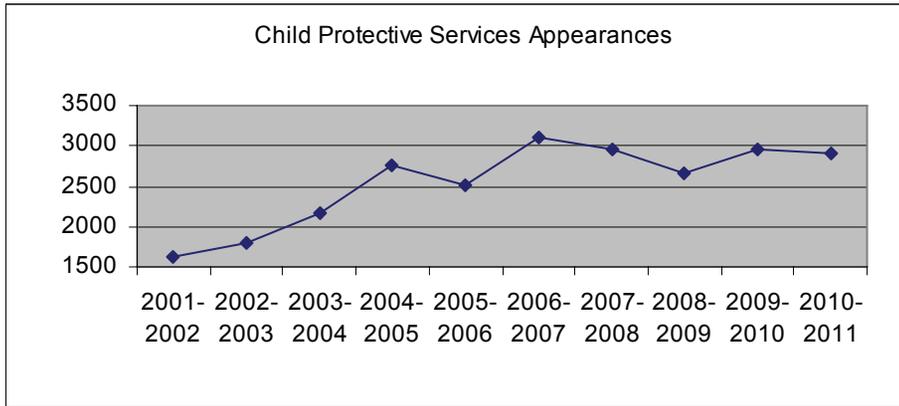
FY 2010-11 Funding Sources: Ongoing vs. One-time "Cliffs"



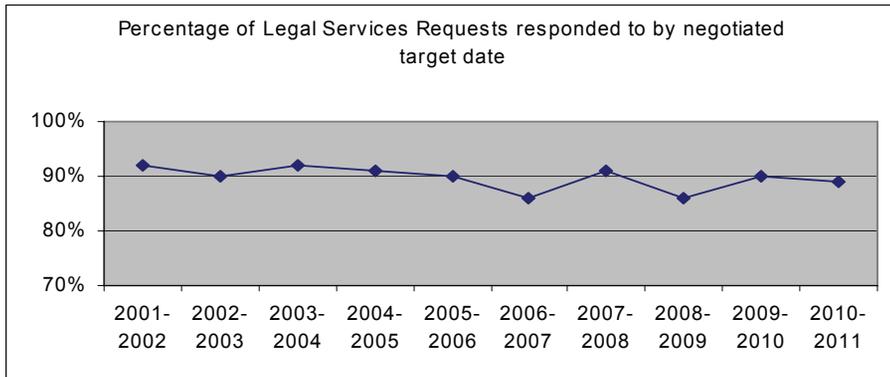
MISSION STATEMENT

The mission of the County Counsel's Office is to maintain the legal integrity of the County. We are the County's civil lawyers. We advise and advocate to protect and promote our clients' policies and actions.

Activity Indicators



Factors contributing towards increased court appearances include; more trials set by parent's attorneys; continuances because of case backlog; more complex cases and cases involving private attorneys; a greater number of detentions, sometimes with five or six children in one family.



The number of legal services requests is contingent on incoming written requests to County Counsel from other County departments. Finishing the request by the negotiated target date depends on the difficulty of the request, staffing availability and current workload.

COUNTY COUNSEL

Department Summary (cont'd)

Significant Changes (FY 2009-10 Adopted to FY 2009-10 Estimated Actual)

FY 2009-2010 Adopted to FY 2009-2010 Estimated Actual (Expenditures)

Estimated Actual operating expenditures decreased by \$326,336 to \$6,880,490 from the Adopted Budget of \$7,206,826. This overall decrease is the result of:

- -\$400,000 decrease for lower than anticipated outside counsel expenses
- +\$85,000 increase in retirement costs
- -\$9,400 decrease in miscellaneous expenses

FY 2009-2010 Adopted to FY 2009-2010 Estimated Actual (Revenues)

Estimated Actual operating revenues increased by \$162,894 to \$4,081,712 from the Adopted Budget of \$3,919,090. This overall increase is the result of:

- +\$167,856 increase in revenues associated with Mental Health legal services
- -\$37,944 decrease in revenues associated with Risk legal services for litigation and Workers Compensation
- +\$32,200 increase in revenues associated with Air Pollution Control District

Significant Changes (FY 2009-10 Estimated Actual to FY 2010-11 Recommended)

FY 2009-2010 Estimated Actual to FY 2010-2011 Recommended (Expenditures)

The Recommended Budget's operating expenditures will increase by \$343,473 to \$7,223,963 from the Estimated Actual Budget of \$6,880,490. The overall increase is the result of:

- +\$400,000 increase in Services and Supplies to maintain the annual \$500,000 appropriation of litigation designation for potential use of outside counsel
- -\$182,871 decrease in Workers Compensation rates
- +\$68,348 increase in Retirement costs
- +\$29,504 increase in Health Insurance contributions
- +\$28,421 increase in Data Processing Services which has been offset by a reduction in staff of a .75 FTE IT Specialist in Fiscal Year 2009-2010

FY 2009-2010 Estimated Actual to FY 2010-2011 Recommended (Revenues)

The Recommended Budget's operating revenue will increase by \$653,803 to \$4,735,515 from the Estimated Actual Budget of \$4,081,712. This overall increase is the result of:

- +\$447,309 increase in cost allocation
- +\$179,944 increase in legal fees associated with an increase of \$220,000 in legal fees from Social Services and miscellaneous decreases in legal services for the Local Agency Formation Commission (LAFCO) and the Redevelopment Agency
- +\$47,460 increase in legal services associated with Risk Management (Liability and Workers Compensation)
- -\$17,700 decrease in legal services associated with Air Pollution Control District
- -\$3,000 decrease in Property Tax Administration fees

COUNTY COUNSEL

Department Summary (cont'd)

Departmental Priorities and Their Alignment With County Goals

The emphasis of County Counsel's Fiscal Year 2010-11 budget is continued delivery of quality legal services. Non General Fund departments are directly charged for County Counsel services and thus revenue holds steady. However, basic preventative services to General Fund departments will be reduced including: Attendance and advice at public meetings; communicating and collaborating with clients to solve legal problems; providing written legal opinions; reviewing and drafting legal documents; facilitating dispute resolution and providing training to staff and County departments. Decreased access to legal services will likely result in operational delays for General Fund department projects, an increase in litigation exposure with a corresponding probability for "bad outcomes," and a greater reliance on outside counsel as the department necessarily shifts attorneys from specialty to generalist assignments.

Departments providing revenue to County Counsel will continue to receive the same level of services provided in Fiscal Year 2009-2010. This means that cumulative reductions will disproportionately fall on General Fund departments. As a result, County Counsel services for these departments will shift from preventative to a reactive service delivery model. Unfortunately, legal service level reductions for General Fund departments come at a time when those departments are also experiencing reductions. Experience suggests that reduced resources in client departments typically increase the demand for legal services.

The service level reductions for Fiscal Year 2010-2011 include the elimination of 1.0 FTE support staff and 1.6 FTE attorney positions. These reductions, in combination with staff reductions from June 30, 2008 to Fiscal Year 2010-2011 reduce 4.75 FTE support staff and 5.625 FTE attorneys. This constitutes a 20% reduction in attorney services and a 46% reduction in secretarial staff. County Counsel staff will be reduced an average of 23% from Fiscal Year ending June 30, 2008 through Fiscal Year 2010-2011. Increased revenue projections also shifts General Fund staff from supporting General Fund departments to revenue generating Alcohol, Drug and Mental Health Services and Social Services.

Service reductions to General Fund departments include but are not limited to: limiting routine transactional legal support to General Fund departments, to generally exclude contract resolution drafting and participation in project teams; further limiting non-litigation support to the Sheriff's Department, in part by relocating the Deputy County Counsel presently stationed at Sheriff's Department Headquarters; limiting pre-hearing review of cases and projects by Planning & Development Department; limiting pre-hearing facilitation/resolution of third-party land use appeals to the Board of Supervisors; limiting routine transactional support of Housing and Community Development Department's affordable housing programs to only provide support at Board of Supervisor hearings; limiting non-mandated attorney support of non-revenue Boards, advisory committees, Civil Service Commission and commissions other than the County Planning Commission and the Montecito Planning Commission.

Fiscal year 2009-2010 reductions were managed by transitional use of 1.0 FTE extra help, increased efficiency in staff utilization and service delays. The cumulative staff reductions in the proposed 2010-2011 budget will require more serious and sustained reductions in preventative legal services.

The County Counsel's Office strategic actions align primarily with **Goal 1: Efficient and Responsive Government: An Efficient Professional Managed Government Able to Anticipate and to Effectively Respond to the Needs of the Community.** A substantial part of the department's work is required by law and is a business necessity.

The following focus areas have been identified for Fiscal Year 2010-11:

Focus area: Governance and Multi-Jurisdictional Relationships

Current Year (FY 09-10) Accomplishments:

- Supported County's \$16 million participation in the third-party Proposition 1A Securitization Program, following State's withholding of property tax revenues.
- Successfully defended three related lawsuits that challenged the \$1 billion Measure A Transportation Sales Tax.
- Supported County's efforts to avoid or mitigate significant environmental effects from University of California's Vision 2025 Long Range Development Plan.
- Litigated appeal to restore County Assessor's ability to assess over 300 mobile homes at fair market value in "Rancho Goleta" case; awaiting Court's ruling.
- Responded to allegations by United States Fish & Wildlife Service of County's two alleged violations of Endangered Species Act at County's Foster Road facility in Santa Maria.

Proposed Key Projects:

- Defend appeals against \$1.48 million of administrative fines that County imposed on Greka Oil & Gas, Inc. in May 2009 through November 2009 for violations of the County Petroleum Code.
- Defend County's tax assessment in ongoing complex litigation involving new Revenue & Taxation Code § 1160-1162, concerning fractionally owned aircraft; potential impact on County is \$1.2 million in back taxes and estimated \$350,000 a year going forward.
- Provide legal support for consideration by Board of Supervisors of multimillion dollar Solid Waste Franchise Agreements.
- Provide legal support for Conversion Technology Solid Waste initiative.

COUNTY COUNSEL

Department Summary (cont'd)

Focus Area: Land Use Law

Current Year (FY 09-10) Accomplishments:

- Researched and drafted a defensible moratorium against the establishment or operation of medical marijuana dispensaries.
- Supported Board of Supervisor briefings and appeal hearings concerning permitting of telecommunication facilities, following the Federal Communication Commission's "shot clock" Declaratory Ruling of November 18, 2009.
- Completed legal support of Santa Ynez Valley Community Plan.
- Defended County's approval of the Diamond Rock sand and gravel project and the Lompoc Wind Energy project in CEQA litigation; awaiting trial court rulings.
- Supported County's processing of the application by Santa Barbara Botanic Garden for a revision of its Major Conditional Use Permit.
- Enforced and collected \$372,000 of administrative fines that the County imposed against El Capitan Ranch for violations of the County Building Code.

Proposed Key Projects:

- Provide legal support for proposed amendments to County Land Use Codes concerning establishment and operation of medical marijuana dispensaries.
- Defend County's approval of the Santa Barbara Ranch project against CEQA litigation challenges.
- Provide legal support for three General Plan Amendments (Safety Element, Conservation Element and Land Use Element) and Community Plan updates for Mission Canyon, Los Alamos and Goleta.

Focus Area: Health and Human Services Law

Current Year (FY 09-10) Accomplishments:

- Litigated more than 650 Child Welfare Service cases and 30 appeals as of April 1, 2010 with one quarter of the fiscal year remaining.
- Prepared for litigation in Summer 2010 to resolve County's dispute with the State of California over Alcohol Drug and Mental Health Department's billings.

Proposed Key Projects:

- Litigate an expected case load of approximately 700 Child Welfare Service cases and related appeals.

- Continue settlement discussions and prepare for trial in litigation brought by Casa Pacifica Centers for Children and Families against County, where Casa Pacifica demands additional payments of more than \$800,000 from the County for children's mental health services.

Focus Area: Workers' Compensation:

Current Year (FY 09-10) Accomplishments:

- Represented the County in approximately 130 litigated cases with reserves of nearly \$10 million; successfully bringing approximately 20% of them to conclusion, including 9 major settlements approved by the Board of Supervisors, resulting in aggregate savings of more than \$1,224,000 in potential liability.
- Provided "one-stop" legal service for multi-faceted employment problems, and strategically coordinated handling of Workers' Compensation claims with related legal actions (Civil Service appeals, disability retirement claims, Department of Fair Employment and Housing (DFEH)/Equal Employment Opportunity Commission (EEOC) charges, tort lawsuits).
- Saved the County hundreds of thousands of dollars by working with the Retirement Board to avoid overlap between Workers' Compensation and disability retirement benefits.
- Provided leadership and support for interdepartmental project teams, along with education, training, on compliance with Workers' Compensation requirements, avoidance of claims, and containment of liability.

Proposed Strategic Actions:

- Continue providing high quality representation in litigated Workers' Compensation cases; negotiating favorable settlements in cases where chances of a more favorable outcome at trial are remote; aggressively litigating all others.
- Continue to offer customer-focused solutions for complex employment problems and coordinate handling of Workers' Compensation and related legal actions.
- Continue to provide leadership and support for interdepartmental project teams, and workers' Compensation education, training, and advice to Risk Management and County departments.

Proposed Key Projects:

- Committee for Advising on Reasonable Accommodation in Employment (CARE) project team: multi-departmental team that manages the County's legally-mandated interactive process for reasonably accommodating disabled employees.

COUNTY COUNSEL

Department Summary (cont'd)

- Claim Review Project: County Counsel and Risk Management meet regularly with County departments to review workers' compensation claims and update action plans.
- Leave of Absence (LOA) Project: County Counsel, Risk Management, and Human Resources meet regularly with County departments to review leaves of absence, identifying and assisting with those where the County must engage in an interactive process for reasonable accommodation and those where the County may lawfully separate employees who remain unable or unwilling to return to work.
- Disability Retirement Process Improvement Project: County Counsel and General Services meet periodically with the Retirement Administrator and staff to maximize coordination on disability matters, and improve disability retirement processes.
- Risk Management Evaluation Team (RMET): County Counsel advises team responsible for setting accurate claim reserves and improving reserve processes.

Focus area: Equal Employment Opportunity issues:

Current Year (FY 09-10) Accomplishments:

- Investigated and reported on 5 new complaints filed with the County Equal Employment Opportunity (EEO) office; provided formal responses to the Department of Fair Employment and Housing (DFEH) and Equal Employment Opportunity Commission (EEOC) on 10 new complaints investigated by those enforcement agencies, avoiding adverse results in all of those matters.
- Provided leadership and support for interdepartmental project teams listed below, along with education, training, and advice to County departments on compliance with EEO requirements and avoidance of claims.

Proposed Strategic Actions:

- Continue to work closely with the County EEO manager to investigate and report on complaints filed with that office, and to respond on behalf of the County to EEO complaints filed with outside agencies.
- Continue to provide leadership and support to interdepartmental project teams, and provide EEO education, training, and advice to County departments.

Proposed Key Project:

- CARE Project Team and Leave of Absence Project (described under Workers' Compensation).

Focus Area: Risk Management – Litigation:

Current Year (FY 09-10) Accomplishments:

- Successfully resolved 14 cases through dismissal, trial and/or settlement for less than the amount reserved by Risk Management.
- Provided assistance in additional office litigation including Cachuma Resource Conservation District and SBCAG SLAPP appeal. Provided Counsel to the CSAC Claims Review Committee. Took over responsibility for the Workers' Compensation subrogation cases. Provided medical malpractice and claim reviews for Public Health.
- Implemented with Risk Management bi-monthly litigation claim review of all case reserves.

Proposed Strategic Actions:

- Partner with Risk Management in both "early eye" claims handling services (including early resolution of claims and lawsuits) and assist in advising frequently sued departments concerning litigation demands on resources and typical procedural milestones.
- Continue "writ avoidance" approach to jail medical and other condition of confinement issues.
- Increase use of databases for improved case fact management.
- Continue to improve claims through appeal workflow processes.

Proposed Key Projects:

- Continue participation in risk evaluation management team and quarterly accrual meetings.
- Successfully defend 32 pending cases.
- Provide liability reduction and litigation survival training for County departments and employees.

COUNTY COUNSEL
Department Summary (cont'd)

	Actual FY 08-09	Adopted FY 09-10	Est. Actual FY 09-10	Recommended FY 10-11
Department-wide Effectiveness Measures				
As an efficient and responsive government, the County will maintain a quality workforce through completing 100% of departmental Employee Performance Reviews (EPRs) by the anniversary due date.	74%	100%	39%	100%
	25	31	12	31
	34	31	31	31
As an efficient and responsive government, the Department will reduce or maintain the rate of General Liability claims filed from the previous year's actual claims filed.	0	0	0	0
As an efficient and responsive government, the Department will reduce or maintain the rate of Workers' Compensation claims filed from the previous year's actual claims filed.	0	0	0	0
As an efficient and responsive government, the County Counsel will maintain a productive workforce through a Departmental lost time rate of 4% or less.	3.81%	3.50%	3.89%	3.89%
	3,138.50	2,465.00	3,023.60	3,023.60
	82,416.00	70,414.50	77,772.00	77,772.00
Provide advice on an estimated 430 agenda items per year, among Board of Supervisors meetings and other County board and commission meetings, in order to achieve an Efficient and Responsive Government.	611	550	430	430
Respond by negotiated target date to 85% of an estimated 620 written legal requests per year that require legal drafting or legal analysis, in order to achieve an Efficient and Responsive Government.	86%	86%	90%	90%
	766	602	560	560
	894	700	620	620

	Actual FY 08-09	Adopted FY 09-10	Est. Actual FY 09-10	Recommended FY 10-11
Department-wide Effectiveness Measures				
Use facilitation to reduce disputed issues for action by the Board of Supervisors in 60% of an estimated 6 third-party appeals per year of Planning Commission and Zoning Administrator decisions, in order to adhere to Land Use Policies.	100%	100%	100%	100%
	12	5	6	6
	12	5	6	6
For litigation cases that settle, resolve those cases on average at 90% or less of the amount reserved by the Risk Administrator as being at risk, in order to achieve an Efficient and Responsive Government.	100%	90%	88%	88%
	29	18	7	7
	29	20	8	8
Represent the County in an estimated 2,900 Child Protective Services appearances per year in order to achieve an Efficient and Responsive Government.	2,656	2,800	2,950	2,900
Resolve 66% of litigation cases without any payment to plaintiff: through voluntary dismissal, motion practice, or trial, in order to achieve an Efficient and Responsive Government.	79%	90%	88%	88%
	23	18	7	7
	29	20	8	8
In workers' compensation cases requiring action by the Board of Supervisors, resolve those cases on average at 90% or less than the amount reported at risk, in order to achieve an Efficient and Responsive Government.	100%	100%	90%	90%
	11	12	9	9
	11	12	10	10

COUNTY COUNSEL
Department Summary (cont'd)

	Actual FY 08-09	Adopted FY 09-10	Est. Actual FY 09-10	Recommended FY 10-11
	<u>Pos.</u>	<u>Pos.</u>	<u>Pos.</u>	<u>Pos.</u>
Position Detail				
Administration				
County Counsel	--	1.0	1.0	1.0
Business Manager	1.0	1.0	1.0	1.0
Legal Office Pro	--	2.0	2.0	2.0
Computer Systems Spec I	0.8	0.8	0.8	0.8
Legal Secretary	<u>1.0</u>	<u>--</u>	<u>--</u>	<u>--</u>
Sub-Division Total	<u>2.8</u>	<u>4.8</u>	<u>4.8</u>	<u>4.8</u>
Advisory				
County Counsel	1.0	--	--	--
Chief Asst County Counsel	1.0	1.0	1.0	1.0
Chief Deputy County Counsel	2.0	--	--	1.0
Deputy County Counsel	14.1	14.1	14.1	13.1
Legal Office Pro	--	4.0	4.0	4.0
Legal Secretary	<u>3.0</u>	<u>--</u>	<u>--</u>	<u>--</u>
Sub-Division Total	<u>21.1</u>	<u>19.1</u>	<u>19.1</u>	<u>19.1</u>
Litigation				
Chief Asst County Counsel	--	1.0	1.0	1.0
Chief Deputy County Counsel	2.0	1.0	1.0	2.0
Deputy County Counsel	10.0	12.0	12.0	11.0
Program Manager	--	1.0	1.0	1.0
Legal Office Pro	--	2.0	2.0	2.0
Litigation Technology Spec	1.0	--	--	--
Paralegal	4.6	4.6	4.6	4.6
Legal Secretary	<u>4.0</u>	<u>--</u>	<u>--</u>	<u>--</u>
Sub-Division Total	<u>21.6</u>	<u>21.6</u>	<u>21.6</u>	<u>21.6</u>
Division Total	<u>45.5</u>	<u>45.5</u>	<u>45.5</u>	<u>45.5</u>

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