

Supervisors grapple with budget issues

By Nick Baptista / The Valley Springs News / July 10, 2026

Calaveras County's anticipated budget woes were topics of discussion during the latest Board of Supervisors meeting.

Preliminary budget moves to eliminate the county's Economic and Community Development director's position and a sharp reduction in the allocation of room tax monies to local fire districts came under criticism at the board's June 23 meeting.

The discussions centered around two items pulled from the board's consent agenda. Those items were an agreement with the Calaveras County Chamber of Commerce for tourism promotion throughout the west end of the county during the next three years and a resolution allocating \$367,435 to cover dispatch costs with the California Department of Forestry and Fire Protection, while fire districts would receive \$132,565 in Transient Occupancy Tax, or room tax, funds for fiscal 2026-27.

Kathy Gallino, who has been the county's Economic and Community Development director for the past 8 ½ years, said the chamber serves an important role in the community but it does not take the place of a seasoned, experienced, local economic developer working with local businesses at no cost.

"I think it's really shameful that Kathy Gallino will be going away," said Carl Stoughton of West Point. "She is a part of this community."

Stoughton added the board should look at its own pay and see if they can find a way to make adjustments and support the director's position.

"You have other sources of income to make up the differences...it's not a 'dog eat dog' world out there, we are neighbors," he said.

"To see that our economic development department is being axed in this budget is concerning," said District 5 supervisor candidate Bruce Giudici of Valley Springs. He questioned the wisdom of turning the responsibility from a county entity over to the chamber and the loss of control that would entail.

District 1 Supervisor Cary Tofanelli said the preliminary budget is not a final budget. That will come in September after the state has adopted its budget "and we don't know what they're going to do. They have some issues themselves."

Some adjustment could be made once the state adopts its budget.

District 3 Supervisor Martin Huberty pointed out the chamber is receiving a full allotment of \$50,000 in the preliminary budget, while others have been taking cuts, and he would like to see it reviewed before the final budget is adopted.

The board approved the contract with the chamber.

Ebbetts Pass Fire District Chief Mike Johnson, representing the fire districts, outlined the history of how the county back in 1999 dissolved the county fire department and pushed greater responsibilities to the local fire districts. In doing so, the county decided to pay for dispatch services and it "didn't have a sunset clause."

The fire districts' preliminary budgets were already approved prior to supervisors deciding to shift fire districts' 25 percent TOT monies to dispatch, Johnson said.

The fire districts have been receiving 25 percent of TOT monies since voters approved an increase of the room tax from 6 to 12 percent back in 2018. The sheriff's office and county public works have also received 25 percent portions of TOT monies, with the Calaveras County Visitors Bureau and chamber receiving the remaining portions.

"We were banking on that 25 percent, too," Johnson said.

Some of the fire districts receive a small portion of property tax and all share Measure A monies, a 1 percent sales tax approved by voters in 2024.

However, Measure A funds are restricted to cover personnel and equipment, Johnson added.

"You guys got Measure A, what can you do to help us? Because we've got to possibly lay off more staff," said District 4 Supervisor Amanda Folendorf. So I understand, yes, Measure A is not a whole lot, but we're not getting a lot either. And so we've got to find a balancing act. So where does it stop? We can't ask our sheriff's office to pull more deputies off the street."

"We're here to work" with you, Johnson said.

The board adopted the resolution approving the shift of room tax funds from the fire districts to dispatch services, but left the door open for further discussions between the fire districts and county staff before adoption of the final budget.