

MINUTES

County of Inyo Board of Supervisors

September 4, 2018 – Budget Hearing (Timed Item During Regular Meeting), 10:30 a.m.
AMENDED BY BOARD ORDER 12.4.18

BUDGET MESSAGE

Acting CAO Quilter introduced the Fiscal Year 2018-2019 CAO Recommended Budget, thanking Auditor-Controller Amy Shepherd and Sr. Budget Analyst Denelle Carrington for doing the Yeomen's work on the document. Shepherd highlighted for the Board the differences between the Department Requested Budget and CAO Recommended Budget, as well as the timeline for putting the budget together. She noted that overall, the process was fairly smooth this year and departments presented relatively reasonable requests. She also pointed out that this was the first year in 12 years that there was no need for an Operating Transfer In to the Solid Waste Budget. She also certified the Fund Balance at \$4,121,153. Acting CAO Quilter reviewed for the Board proposed changes to the CAO Recommended Budget, which was originally drafted by the former CAO. He recommended eliminating the Compensation Smoothing Fund in light of the Board's consistent, prudent policy of not using one-time funding for ongoing expenses, and instead using the funding on security, furniture and office supplies for the proposed Consolidated Office Building. He also recommended decreasing the contribution of \$25,000 towards Eastern Sierra Council of Governments administrative costs to \$10,000, which is a more realistic figure based on the Town of Mammoth's projections, and approving funding for authorized staffing requests in the budget but requiring those departments to later come back to the Board for permission to fill them. He said this will allow for time to better address department's expectations. Quilter also reviewed budget highlights, as well as employee costs and personnel actions. He did note it is nice to walk into a budget situation and not have to deal with financial dire straits. He also discussed outstanding issues facing the County, such as Town Water System repairs, increasing Motor Pool costs, the possible repeal of Prop 6 and loss of road funds, In-Home Support Services costs, long-term County office space needs in Bishop, and growing instability of geothermal royalties.

BOARD DISCUSSION

Supervisor Griffiths agreed that it makes sense not to fund personnel costs with one-time funding and that perhaps the money could be put into a building-related fund for rising rent costs should the Consolidated Office Building project not become a reality. Supervisor Pucci wanted to clarify that the Board was not proposing eliminating \$500,000 from labor contracts and was still aggressively moving toward equitable and fair deals with all employee associations. Acting CAO Quilter further clarified the original proposal was creating a rainy day fund for those increases. Supervisor Griffiths expressed concern that Contingencies only included \$40,000 and wanted the new CAO to have more to work with. Supervisor Kingsley supported the idea of increasing Contingencies to \$200,000 and Chairperson Totheroh concurred as long as the funding could not be better spent elsewhere. Supervisor Griffiths also took issue with the inclusion of \$115,000 in the Board of Supervisors' budget for potential salary increases for Board members and is not sure where that idea came from. He said he would prefer to have a publicly vetted discussion before considering any raises and to put the funds in Contingencies for now. Chairperson Totheroh agreed. Auditor-Controller Shepherd noted that it will take a 4/5th vote of the Board to move any money out of Contingencies once it is put there. Supervisor Kingsley said it makes sense to leave the money where it was budgeted if the Board is going to have a discussion on it later anyway. He said he believes the money was budgeted by the former CAO in recognition of the fact the Board has not had a pay increase in at least 25 years. Supervisor Tillemans said he was fine keeping the money where it is. Supervisor Pucci agreed the Board should leave the money in the Board's budget. With the majority of the Board in favor of leaving the money where it was budgeted, the topic was dropped. Ultimately the Board came to the consensus that excess Fund Balance should be divided between Contingencies (\$160,000) and the OPEB Trust (\$101,677).

DEPARTMENTAL BUDGETS –

Chairperson Totheroh asked if there were any Departments who wished to speak on the budget.

DISCUSSION

Assessor David Stottlemire said the budget's Summary of Recommended Changes to Authorized Staffing refers to a Senior Assessor when it should say "Senior Assistant Assessor," because he is the Senior Assessor.

PUBLIC COMMENT

Chairperson Totheroh asked if there were any members of the public who wished to speak on the budget.

Earl Wilson of Lone Pine asked why the price for maintenance rose nearly 40% for the Lone Pine Lighting District. He also said Lone Pine is being overrun by blue streetlights being installed by LADWP. Acting CAO Quilter explained the budget increased in the Independence Lighting District too, with the rising costs in both districts due to having to replace two light poles that were hit by vehicles. He said staff will work with LADWP about proper shielding of its light fixtures.

Supervisor Kingsley said maybe LADWP can hold off on replacing its bulbs until some standards are in place.

BOARD DISCUSSION

Supervisor Kingsley said he supported having departments come back with individual requests to fill the positions proposed in the budget, and bringing them as quickly as possible on a prioritized basis. He said it's nice to be able to feel good about the budget, and there are some great things in this year's budget, but there is a danger in setting up a system that cannot be financially maintained in leaner years. He said he is concerned about employee and pension costs, and the number of proposed hires. He added he does want to have a conversation about administrative support for ESCOG. Acting CAO Quilter clarified that eight new positions are proposed this year compared to the five approved last year. Supervisor Griffiths said these concerns are why it's good the Board considers changes in authorize strength on a case by case basis. Supervisor Pucci thanked staff for all their hard work, including the former CAO and Acting CAO, Auditor-Controller Shepherd, Ms. Carrington and the Department Heads. Chairperson Totheroh noted the incredible amount of collaborative work that went into the budget and complimented the Budget Team and staff on their efforts. Supervisor Tillemans thanked Acting CAO Quilter and noted this budget is the culmination of years of cooperative efforts. Approval of the Fiscal Year 2018-2019 Budget was set for September 11.

ADJOURNMENT

Chairperson Totheroh adjourned the Fiscal Year 2017-2018 Budget Hearings at 11:53 a.m.

Chairperson, Inyo County Board of Supervisors

*Attest: CLINT G. QUILTER
Clerk of the Board*

by: _____
Darcy Ellis, Assistant