



County of Inyo Board of Supervisors

September 3, 2019 – Budget Hearing (Timed Item During Regular Meeting), 10:30 a.m.

Budget Message

CAO Quilter began his presentation of the Fiscal Year 2019-2020 Recommended Budget message by noting that departments did an excellent job with their individual budgets and by giving his heartfelt thanks to the Budget Team – Auditor-Controller Amy Shepherd and Sr. Management Analyst Denelle Carrington – for their many long hours of work on the budget. Quilter discussed the differences between the Department Requested Budgets – both General Fund and non-General Fund – and the CAO Recommended Budget, which totals \$111,321,362 in spending for all funds. He provided an overview of budget highlights, such as those focused on internal needs like employee development and infrastructure improvement, as well as economic growth for the county as a whole. He cautioned that the possible programs, continued funding of ongoing projects and deferred maintenance, and proposed addition of new positions was based on specific assumptions and certain conditions and thus budgeted with a conservative view of the big picture. CAO Quilter discussed revenues and expenditures for the General Fund and non-General Funds, an atypical year of revenue growth not sustainable for ongoing costs, and the totals currently in reserves and contingencies. He also discussed the Board’s options for balancing the budget should Auditor-Controller Shepherd certify Fund Balance above or below the \$3,900,000 figure used to develop the Recommended Budget. It was announced that Shepherd had certified the actual Fund Balance at \$4,997,030, a difference of \$1,097,030. Quilter and Shepherd discussed with the Board their recommendation to deposit much of the excess into a new Fund Balance Stabilization Fund, as a way to be able to comfortably start budgeting to smaller Fund Balance estimates each year and, in the long-term, not have to rely on Fund Balance each year and worry about the uncertainty it brings to the budget process. Shepherd noted the Budget Team has been steering in this direction in recent years anyway by prudently underestimating Fund Balance. Discussion continued, with the Board members asking additional questions about elements in the budget, and CAO Quilter discussing outstanding issues and opportunities, then presenting his recommendations for approval.

Public Comment

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

Earl Wilson of Lone Pine said he had a problem with the language of recommendations 3 and 5, in that they seemed to imply the CAO had unlimited spending authority above \$10,000 and hiring authority for new positions. Board members explained that each of those items – and their limits – was described more fully in the individual budgets cited and included in the Recommended Budget document.

Butch Hambleton of Big Pine added to earlier discussion during the Budget Message about Coso Geothermal’s tax assessments, when Assessor David Stottlemire reported he would be seeking the services of an outside firm for assistance with their assessment. Hambleton noted that when he was a County Supervisor, it seemed like the company paid what they wanted, when they wanted, and questioned whether the County knew how much it was really entitled to in property taxes. Supervisor Kingsley and Stottlemire provided an explanation on the assessment process.

Linda Chaplin of Independence said while the Independence pool is the responsibility of Owens Valley School, she would like to see the County take aquatics and personal water safety more seriously, and would like a different funding mechanism for the pools in both Lone Pine and Independence so they can be upgraded.

Board Discussion

Chairperson Pucci thanked all of the department heads for attending.

Supervisor Kingsley said he believed the County would be taking some important steps with the budget this year, one being the addition of a Code Enforcement Officer. He also cited departments sharing positions and the addition of a full-time landscaper. He stressed the need to get potable water at campgrounds and parks and said he also believes the courthouse could use some professional landscaping. He proposed using \$30,000 of the excess Fund Balance to hire a firm to do some much needed work that could then be kept up by the new groundskeeper. He said he also supported the proposal to put \$1 million of the excess Fund Balance in the stabilization fund. RP – thank all the dept. heads for coming.

Supervisor Tillemans cited the State of the Parks planned in the budget and the need for repairs, water, and upgrades at County parks. CAO Quilter noted that the State of the Parks has been stalled somewhat by turnover in the Assistant Administrator position, but noted that Prop 68 grant funding is now available and LADWP is interested in long-term leases. Supervisor Tillemans was also asked whether County money has ever been used for the Independence pool and was told no, but it is eligible for consideration for Grants-in-Support funding.

Supervisor Totheroh commended staff on a great budget and agreed with both the importance of great parks and CAO Quilter's recommended approach to identifying infrastructure needs and securing long-term leases for grant funding.

Supervisor Griffiths said he agreed with Supervisor Kingsley about the importance of a Code Enforcement Officer and looked forward to a workshop about that individual's role in the County. He also said the State of the Parks is neglected and overdue for improvement, and he would like to see some of the excess Fund Balance set aside for deferred maintenance to get a jumpstart on the overhaul, and to maybe use as matching funds for grants or to assist with the Sustainable Recreation Partnership effort involving federal facilities. He said he is not opposed to having another trust, but doesn't know if it's necessary when the excess funding can serve the same purpose in an existing trust.

Chairperson Pucci said he agreed with colleagues for the most part and thanked staff for one of the best budgets he's read. He said he disagreed that another trust would complicate matters. He also said he is 100% in favor of the recommended budget and whatever changes need to be made today, as he will be unable to attend the meeting to adopt the Final Budget. He said he wanted the public and department heads to know he is proud of this budget.

Discussion continued, with the Board suggesting possible changes and additions before ultimately coming to a consensus on how to distribute the excess Fund Balance.

Budget Adoption

Concluding discussions, the Board took action to approve the CAO Recommended Budget, accepting the recommendations for every department budget with the exception of directing the addition of \$30,000 for landscaping to the Maintenance – Building & Grounds budget, and directing the addition of language to items 3 and 5 below (highlighted in bold), to clarify that the expenditures and hires are authorized through the budget process only.

Moved by Supervisor Kingsley and seconded by Supervisor Griffiths to:

1. Adopt the Fiscal Year 2019-2020 Budget as Recommended by the County Administrator, including the recommendations presented herein.
2. Provide direction with regard to the use of Fund Balance the Auditor-Controller may certify below or in excess of \$3,900,000, specifically: adding \$30,000 to the Maintenance - Building & Grounds budget; making a \$250,000 contribution to the Parks Rehabilitation & Development Trust; and making a \$817,030 contribution to the General Fund Balance Stabilization Trust.
3. In adopting the Final Budget, (a) authorize and direct the County Administrator and Auditor-Controller to approve and make payments, greater than \$10,000, to Inter-Agency Visitor Center, Cal Expo Exhibit, Tri-County Fairgrounds **as described in the Advertising County Resources budget**, and (b) authorize and direct the County Administrator to develop and execute contracts with all ongoing recipients of line-item grants and fishing promotion funding through the Community Project Sponsorship

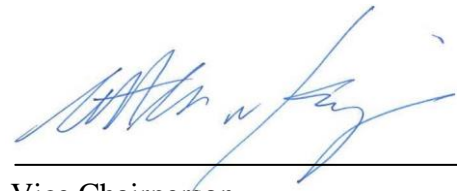
Program as revised by your Board of Supervisors on November 8, 2016, and provided for in the Advertising County Resources budget.

4. In adopting the Final Budget, authorize and direct the County Administrator to develop and execute contracts with all ongoing Grants-In-Support program funding recipients identified in the Grants-In-Support Budget.
5. In adopting the Final Budget, authorize the County Administrator to proceed with hiring requests by departments for the new positions added to the authorized staffing, **as presented in the CAO Recommended Budget** and funded in accordance with the Final Budget without requiring the departments to return before the Board of Supervisors following the Authorized Position Review Process.
6. Reaffirm the County Criminal Justice Realignment Policy adopted in Fiscal Year 2011-2012.
7. Set adoption of the Final Budget for September 10, 2019.

Motion carried unanimously.

Adjournment

Chairperson Pucci adjourned the Fiscal Year 2019-2020 Budget Hearings at 12:48 p.m.



Vice Chairperson,
Inyo County Board of Supervisors

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

by: _____
Darcy Ellis, Assistant