

Special Meeting – Budget Hearings September 3, 2014

The Board of Supervisors of the County of Inyo, State of California, met in special session to conduct Budget Hearings at the hour of 9:00 a.m., on Wednesday, September 3, 2014, in the Board of Supervisors Room, at the County Administrative Center, in Independence, with the following Supervisors present: Chairperson Rick Pucci presiding, Linda Arcularius, Jeff Griffiths, Mark Tillemans and Matt Kingsley. The Chairperson, Supervisor Rick Pucci, led the Pledge of Allegiance.

- Public Comment** The Chairperson announced the public comment period and there was no one from the public wishing to address the Board.
- Budget Message** The County Administrator presented the FY 2014-2015 Budget Message. Mr. Carunchio provided the Board with a hard copy of the Budget Message PowerPoint presentation, and proceeded with the overview of this year's budget. He highlighted many of the differences between last year's Board approved budget and this year's CAO Recommended Budget, noting the reasons for the changes. He thanked the members of his budget team including the Auditor-Controller, Ms. Amy Shepherd, and Ms. Denelle Carrington, Sr. Management Analyst, for their support in preparing this year's budget and acknowledged and thanked the Department Heads for their efforts to control departmental spending with as little impact as possible to the services they provide. Mr. Carunchio explained that the CAO recommended budget as presented is balanced and totals \$88.5 million which represents the highest County spending plan ever presented for approval. He explained that this is due in large part, to the budgeting of one time funds for road projects, the animal shelter, and the Agricultural Building, along with Great Basin Grant funds which need to be accounted for because they are expected to be expended this year. Mr. Carunchio emphasized and detailed many areas of the budget, acknowledging the importance of the Departments efforts for "service redesign" which helped to balance this year's budget. The Board and Mr. Carunchio discussed various items identified in the budget message, including that the CAO Recommended Budget is budgeted within the parameters given by the Board for a fund balance of \$3,000,000 or less. The Auditor-Controller certified the fund balance as \$3,529,789. The County Administrator explained that in anticipation of the fund balance exceeding the \$3-million used to balance the budget, he presented suggestions for how to budget the excess \$548,972 in fund balance in his PowerPoint presentation. He said that he was recommending the money be used for one-time costs and not on-going operations. He recommended funding the OPEB Trust, increasing General Reserves and/or Economic Stabilization funds, increasing contingencies and reinstating the Grants-in-Support and Community Project Sponsorship Program (CPSP) funding to historic levels. Mr. Carunchio also noted some changes which included a \$7,418 increase in the Sheriff-Safety Budget.
- Departmental Budgets** The Board proceeded to review the Departmental budgets discussing the various budgets with Department Heads, including major policy considerations identified in the Departments' budget narratives.
- Recess/
Reconvene** The Chairperson recessed the special meeting at 12:00 p.m., to reconvene in open session at 1:00 p.m., with all Board Members present.

Departmental
Budgets

The Board continued its discussions with the Department Heads concerning their respective budgets. The Board and the Auditor-Controller discussed funding for the TEETER Program and the possibility of transfer existing funds in Economic Stabilization to General Reserves. The Auditor-Controller confirmed there is \$4,120,460 in Economic Stabilization and \$2,045,926 in General Reserves. Ms. Shephard said that she would be comfortable with \$3,000,000 in Economic Stabilization to fund the TEETER Program. The Board heard from representatives of various organization that are recipients of GIS and CPSP funds, who thanked the Board for their consideration in reinstating funding for their organizations. Those who addressed the Board included David Blacker, Lisa Reel, Bob Sigman, Tawni Thomson, Lynn Cooper, and Bruce Ivey.

Budget Adoption

The Board reviewed the budget message, discussing the possible uses for the remaining fund balance. The Board talked about putting some of the funds into reserve, including increasing the OPEB Trust, reinstating the GIS and CPSP funding, and putting some of the funds into contingencies. The Board had a lengthy discussion concerning the Grants-in-Support Budget and the Advertising County Resources Budget. The Board and the County Administrator again talked at length and in detail concerning the disposition of the remaining fund balance, with the Board expressing a desire to put some of the money into County reserves including moving \$1,000,000 from Economic Stabilization to General Reserves, reinstating the funding for the GIS and Community Project Sponsorship Program Grants to last year's levels minus 5%, and to put the remaining funds into contingencies. The County Administrator recapped the known changes and directions given by the Board throughout today's budget hearings which were as follows: the Water Department budget will be decreased by \$17,101 in the motor pool object code; the Sheriff's Safety budget will be increased by \$7,418 in appropriate personnel object codes, Chief Thomson has decided it's not necessary to recognize the revenue that he mention so that that will not be going forward; \$100,000 in an Operating Transfer In to the OPEB trust, a \$100,000 Operating Transfer In to General Reserves; a transfer of \$1-million from Economic Stabilization to General Reserves, \$95,000 will be added to the Advertising County Resources budget for the Community Project Sponsorship Program, General Fund Contingencies will be increased by \$195,794, and the GIS budget will be increased by \$50,760.

Moved by Supervisor Griffiths and seconded by Supervisor Kingsley to:

- A) adopt the FY 2014-2015 Budget as recommended by the County Administrator, to include the known changes and those changes directed by the Board throughout today's budget hearings as identified by the County Administrator;
- B) direct that the use of Fund Balance certified by the Auditor-Controller which is in excess of the \$2,980,817 used to balance the budget or \$548,972, be allocated as identified by the Board and recapped by the County Administrator;
- C) authorize and direct the County Administrator and Auditor Controller to approve and make payments greater than \$10,000 to the Inter-Agency Visitor Center, Cal Expo Exhibit, and Tri-Country Fairgrounds as provided for in the Advertising County Resources budget;
- D) authorize and direct the County Administrator to develop and execute contracts with all Grants-in-Support program funding recipients identified in the Grants-in-Support Budget; and
- E) Set the adoption of the Final Budget for later September 16, 2014.

Motion carried unanimously.

Adjournment

The Chairperson adjourned the FY 2014-2015 Budget Hearings at 3:30 p.m.

Chairperson, Inyo County Board of Supervisors

*Attest: KEVIN D. CARUNCHIO
Clerk of the Board*

by: _____
Patricia Gunsolley, Assistant