

## September 7, 2021 – Budget Hearing (Timed Item During Regular Meeting), 11 a.m.

### *Budget Message*

CAO Chapman began her presentation with a thank you to all department heads for submitting good budgets to the Budget Team, and being cooperative, collaborative and conservative in their budget requests and during the many behind-the-scenes meetings that took place in order to develop the budget. She also thanked her partners on the Budget Team, Auditor-Controller Amy Shepherd and Senior Budget Analyst Denelle Carrington, for doing a fantastic job in preparing this year's budget, as well as working hard year-round to manage the budget, and also thanked Assistant Clerk of the Board, Darcy Ellis, for helping to edit and proofread the budget message.

Chapman provided the Board with an overview of the CAO Recommended Budget, which totals \$126,814,078. She cited a list of projects/programs for which funding is included in the budget, such as: commencement of commercial air service at the Bishop Airport; contributions to veterans, workforce, and transient housing solutions; opening the Small Business Resource Center; energy-efficient upgrades to the historic courthouse; replacing the failing water system at Diaz Lake; Grants-in-Support and Advertising County Resources at prior-year levels; General Fund support for senior programs; purchase of the County landfills; and the addition of 22 new positions and 15 position adjustments. The CAO also discussed the major assumptions on which the budget was built, such as: a Fund Balance of at least \$3.5 million; no significant reductions in state and federal funding; no new unfunded mandates or loss of existing grant funds; TOT revenue not falling below projections; receiving no new Payments In Lieu of Taxes funding or Geothermal Royalty payments; and departments meeting or exceeding revenue projections while staying within their spending limits. Chapman provided a breakdown of expenses and revenues recommended for the General Fund and non-General Fund, and discussed employee healthcare and pension costs and proposed personnel actions to delete and replace certain positions to improve efficiency.

Chapman announced that the Auditor-Controller Shepherd had certified the actual Fund Balance for Fiscal Year 2021-2022 at \$5,127,689 – \$1,627,689 above the \$3.5 million used to balance the recommended budget. She credited this to conservative budgeting, higher than expected revenues, and reduced expenses. Chapman also reported on the status of the County's reserves, Contingencies, and trusts, and outstanding funding opportunities, while presenting the Board with options for spending the excess General Fund. Staff recommended adding \$400,000 to Contingencies, \$500,000 for General Reserves, and \$200,000 for the OPEB Trust, in addition to spending whatever was left on Board-directed projects and putting any remaining funding in the Accumulated Capital Outlay budget.

### *Board Discussion/Public Hearing*

The Board engaged in lengthy discussion about how best to use the excess Fund Balance, and inquired about the deferred maintenance list. The Board was advised that it can suggest different or add projects to the list and staff will make them a priority, but that funding aside, there has to be the manpower to complete the projects. Board members also discussed with Assessor Dave Stottlemire about staffing in his office, which they agreed needed to be a priority. The Board discussed using some of the excess Fund Balance as matching funds for grants for housing and broadband projects, and questioned which fund/budget would provide the greatest spending flexibility if excess Fund Balance is added to it.

Chairperson Griffiths suggested a detailed workshop in the future on deferred maintenance projects and prioritization. Supervisor Kingsley advocated for providing additional funding to the courthouse landscape project approved by the Board two years ago at a cost of \$30,000. He said the project is finally moving and it is likely to go over the original budget amount. He also stressed the importance of starting work as soon as possible to complete improvements prior to the courthouse's 100<sup>th</sup> anniversary in April. Supervisor Totheroh said he wanted to wait until

after the workshop to decide on additional funding for the landscaping project.

Public comment was received from Philip Anaya of Bishop, expressing his agreement that the County needs a fully and professionally staffed Assessor's Office.

Chairperson Griffiths opened a public hearing at 2:13 p.m. With nobody else wishing to provide public comment, he closed the public hearing at 2:13 p.m.

*FY 21-22 CAO  
Recommended  
Budget Adoption*

Concluding discussions, the Board took action to approve the CAO Recommended Budget, accepting the CAO's recommendations for every department budget, and directing the \$1,627,689 in excess Fund Balance be distributed between the General Fund Contingencies budget, General Reserves, OPEB Trust, and the Accumulated Capital Overlay Budget – with Board Consensus that the courthouse landscaping project be considered a priority sooner rather than later, with funds contributed from the ACO Budget as necessary.

Moved by Supervisor Pucci and seconded by Supervisor Totheroh to:

1. Adopt the Fiscal Year 2021-2022 Budget as Recommended by the County Administrator, including the recommendations presented herein.
2. Direct that the \$1,627,689 in excess Fund Balance certified by the Auditor-Controller above \$3,500,000 (for a total Fund Balance of \$5,127,689), be distributed as follows: adding \$400,000 to the General Fund Contingencies Budget; adding \$500,000 to General Reserves; adding \$200,000 to the Other Post-Employment Benefits contribution; and adding \$527,689 to the Accumulated Capital Overlay Budget.
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, and Tri-County Fairgrounds, 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 the hiring requests for the new positions added to the authorized staffing, and funded in accordance with the Final Budget without requiring the department to return to the Board of Supervisors following the Authorized Position Review Process.
6. Reaffirm the County Criminal Justice Realignment Policy.
7. Set adoption of the Final Budget for September 14, 2021.

Motion carried unanimously.

*Adjournment*

Chairperson Kingsley adjourned the Fiscal Year 2021-2022 Budget Hearings at 2:17 p.m.

---

Chairperson,  
Inyo County Board of Supervisors

*Attest: LESLIE L. CHAPMAN  
Clerk of the Board*

by: \_\_\_\_\_  
*Darcy Ellis, Assistant*