



AGENDA

BOARD OF SUPERVISORS, COUNTY OF MONO STATE OF CALIFORNIA

MEETING LOCATION Mammoth Lakes Suite Z, 437 Old Mammoth Rd, Suite Z, Mammoth Lakes, CA 93546

**Special Meeting
May 28, 2019**

TELECONFERENCE LOCATIONS:

Mono County Courthouse, 278 Main, 2nd Floor Board Chambers, Bridgeport, CA 93517.

NOTE: In compliance with the Americans with Disabilities Act if you need special assistance to participate in this meeting, please contact Shannon Kendall, Clerk of the Board, at (760) 932-5533. Notification 48 hours prior to the meeting will enable the County to make reasonable arrangements to ensure accessibility to this meeting (See 42 USCS 12132, 28CFR 35.130).

Full agenda packets are available for the public to review in the Office of the Clerk of the Board (Annex I - 74 North School Street, Bridgeport, CA 93517), and in the County Offices located in Minaret Mall, 2nd Floor (437 Old Mammoth Road, Mammoth Lakes CA 93546). Any writing distributed less than 72 hours prior to the meeting will be available for public inspection in the Office of the Clerk of the Board (Annex I - 74 North School Street, Bridgeport, CA 93517). **ON THE WEB:** You can view the upcoming agenda at <http://monocounty.ca.gov>. If you would like to receive an automatic copy of this agenda by email, please subscribe to the Board of Supervisors Agendas on our website at <http://monocounty.ca.gov/bos>.

9:00 AM Call meeting to Order

Pledge of Allegiance

1 OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

on items of public interest that are within the subject matter jurisdiction of the Board. (Speakers may be limited in speaking time dependent upon the press of business and number of persons wishing to address the Board.)

2. AGENDA ITEMS

A. Budget Workshop for Fiscal Year 2019-2020

Departments: CAO, Finance

(Dave Wilbrecht, Janet Dutcher) -

Budget workshop for fiscal year 2019-2020. This is the first of a two-day workshop. **Please note all times on the attached schedule are estimates.**

To view the budget schedules and other budgetary related information, please visit the following link:

<https://www.monocounty.ca.gov/auditor/page/2019-20-county-budget-portal>

Recommended Action: 1. Conduct a budget workshop regarding the 2019-2020 Budget. 2. Provide Board input and direction. 3. Direct staff to schedule the 2019-2020 Budget Hearing for June 18.

Fiscal Impact: There is no fiscal impact as the result of this workshop. At this time preceding the outcomes coming from the conduct of this workshop, general fund requests for spending exceed current resources by \$4,112,036.

ADJOURN



OFFICE OF THE CLERK
OF THE BOARD OF SUPERVISORS

SPECIAL MEETING AGENDA REQUEST

Print

| | | | |
|-------------------------------|---|---|-------------------------------|
| MEETING DATE | May 28, 2019 | DEPARTMENT | |
| ADDITIONAL DEPARTMENTS | | | |
| TIME REQUIRED | | PERSONS APPEARING BEFORE THE BOARD | Dave Wilbrecht, Janet Dutcher |
| SUBJECT | Budget Workshop for Fiscal Year 2019-2020 | | |

AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

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There is no fiscal impact as the result of this workshop. At this time preceding the outcomes coming from the conduct of this workshop, general fund requests for spending exceed current resources by \$4,112,036.

CONTACT NAME: Janet Dutcher

PHONE/EMAIL: 760-932-5494 / jdutcher@mono.ca.gov

SUBMIT THE ORIGINAL DOCUMENT WITH ATTACHMENTS TO THE OFFICE OF THE COUNTY ADMINISTRATOR
PRIOR TO 5:00 P.M. ON THE FRIDAY
32 DAYS PRECEDING THE BOARD MEETING

SEND COPIES TO:

MINUTE ORDER REQUESTED:

YES NO

ATTACHMENTS:

[Click to download](#)

[Staff report - FY 2019-2020 budget workshop](#)

[Workshop Schedule - all times are estimates](#)

History

| Time | Who | Approval |
|--------------------|------------------------------|-----------------|
| 5/23/2019 4:33 PM | County Administrative Office | Yes |
| 5/22/2019 10:18 AM | County Counsel | Yes |
| 5/23/2019 12:16 PM | Finance | Yes |



DEPARTMENT OF FINANCE AUDITOR-CONTROLLER COUNTY OF MONO

Stephanie M. Butters
Assistant Finance Director
Auditor-Controller

Janet Dutcher, CPA, CGFM
Director of Finance

P.O. Box 556
Bridgeport, California 93517
(760) 932-5490
Fax (760) 932-5491

To: Honorable Board of Supervisors

From: Janet Dutcher, Director of Finance

Date: May 28 and 29, 2019

Re: Fiscal Year 2019-2020 Budget Workshop

Recommended Action:

1. Conduct a budget workshop regarding the 2019-2020 Budget;
2. Provide Board input and direction; and,
3. Direct staff to schedule the 2019-2020 Budget Hearings for June 18, 2019.

Importance of the Annual County Budget:

Peter Hutchinson, former Commissioner of Finance for the State of Minnesota, wrote these words about the importance of a government's budget, in the forward to Andrew Kleine's book about budgeting for outcomes, *City on the Line: How Baltimore Transformed it's Budget to Beat the Great Recession and Deliver Outcomes*¹

When it comes to direction and controlling what gets done and how in government, nothing is more powerful than the making and the management of the budget. When it comes to communicating what matters, nothing is more compelling than the processes and priorities of the budget. When it comes to focusing the attention and driving the behavior of employees, nothing is more effective than the rules and results of the budget. Nothing.

We believe these statements effectively set the context about the importance for the work we are about to embark upon over these next two days concerning the size and content of the County's proposed budget for fiscal year 2019-2020.

A few reminders about fiscal resiliency:

Your Board set fiscal resiliency as a strategic focus area and priority. Adopting a structurally balanced budget is an important step towards achieving this goal. As acknowledged last year, this takes time, and above all else, takes a commitment to stay disciplined. It takes discipline to make tough decisions, such as choosing between two seemingly equally important initiatives.

¹ Klein, A. (2019) *City on the Line: How Baltimore Transformed It's Budget to Beat the Great Recession and Deliver Outcomes*. Lanham, MD: Rowman & Littlefield.

Over the next two days, each of you may find yourselves facing circumstances like this. Remember, resilience means having a fiscal foundation strong enough for the County to spring back, adapt and grow when the next recession hits. That means there are two important behaviors that show others we are striving to be fiscally resilient. They are:

1. Living within our means (structurally balanced), and
2. Setting aside reserves.

The following quote comes from last year's presentation about fiscal resilience and reminds us the journey towards fiscal resilience is much more than just numbers on countless pages of budget schedules:

“Financial resilience is a set of organizational behaviors that can, upon repetition and practice, establish a habitual pathway towards excellence in local government.”²

The Objective of the Two-Day Budget Workshop:

This budget workshop is an opportunity to review and discuss each department's requested budget for fiscal year 2019-2020. One important outcome from this two-day process is constructing a pathway to reaching a General Fund deficit of \$3 million.

While the County's strategic objective is adoption of a structurally balanced budget each year, one reason for settling on a milestone midway from our current fiscal year budget deficit of \$6,153,943, is workforce expenditures represent 64% of all General Fund spending and we acknowledge we cannot structurally balance the budget solely by excluding the workforce aspect.

Identifying expenditure reductions, or cuts, is an uncomfortable exercise. Invariably, some departments and employees will feel the process is unfair, or even draconian. It will affect their positions, salary, benefits, services and supplies, and the ability to perform their public duties. If not approached from a thoughtful and careful manner with full input from all affected stakeholders, spending cuts will negatively impact the scope and level of County services in ways that are illogically misaligned with your Board's strategic priorities and objectives. As such, these steps to reach a structurally balanced budget should be undertaken with careful, thoughtful, and collaborative input, and this certainly takes time.

Available Fund Balance for Spending:

State law requires the County adopt a balanced budget which means we must fund any deficit resulting from spending in excess of our current revenues from our available spendable carryover balance. How much spendable balance can we expect to have once we close the books for fiscal year 2018-2019? A conservative estimate ranges from \$3 million on the low end and about \$4.2 million on the high end. Of course, the County may benefit from unanticipated revenues or from

² Joseph P. Case, County Administrator, Chesterfield County, VA.

spending that is deferred into the next fiscal year, both of which would result in a higher carryover balance; but we cannot comfortably predict this at this time.

The current requested budget before you today from General Fund departments results in a deficit of \$4,112,036. If we agree a deficit of \$3 million is our target milestone, then the outcome over these next two days is to identify additional revenues or eliminate spending that together nets a \$1,112,036 positive impact on the General Fund budget.

We identify four strategies for your Board to consider:

1. Look for opportunities to increase projections for additional revenue that realistically, with high confidence of probability, can be realized next fiscal year. We must emphasize the risk of falling short of revenue estimates means repeating the painful exercise of identifying further spending cuts. Sources of revenue to consider include property taxes, sales taxes, transient occupancy taxes and fees for services.
2. Consider one-time savings resulting from projected vacant positions that are unlikely to be filled or will be filled for partial months in the next fiscal year. The General Fund requested budget includes the vacant positions noted below. Keep in mind, some of these positions have on-going recruitments in place and could be filled before the start of the fiscal year.

| Position | Department | Allocation | Salary | Benefits | Total |
|--------------------------------------|----------------|------------|-------------------|-------------------|---------------------|
| Animal Shelter Attendant | Animal Control | 46.15% | \$ 14,160 | \$ 2,411 | \$ 16,571 |
| Appraiser II | Assessor | 100.00% | 62,441 | 55,420 | 117,861 |
| Assistant CAO (9 months) | CAO | 100.00% | 91,633 | 62,461 | 154,094 |
| Communications Director (9 months) | CAO | 100.00% | 64,143 | 50,521 | 114,664 |
| Elections Assistant | Clerk-Recorder | 25.00% | 10,629 | 1,804 | 12,433 |
| Paramedic II (6 months) | EMS | 100.00% | 31,690 | 23,924 | 55,614 |
| IT Specialist II | IT | 100.00% | 72,421 | 43,431 | 115,852 |
| Deputy Probation Officer I | Probation | 100.00% | 45,728 | 73,722 | 119,450 |
| Engineer Technician III (retirement) | Public Works | 100.00% | 67,245 | 57,507 | 124,752 |
| FTS II (IV on allocation list) | Public Works | 8.00% | 3,365 | 3,726 | 7,091 |
| FTS II (IV on allocation list) | Public Works | 28.50% | 11,988 | 13,272 | 25,260 |
| Deputy Sheriff II | Sheriff | 100.00% | 94,835 | 76,147 | 170,982 |
| Deputy Sheriff II | Sheriff | 100.00% | 84,922 | 46,309 | 131,231 |
| Jail Sergeant | Sheriff | 100.00% | 68,692 | 65,080 | 133,772 |
| Public Safety Officer I | Sheriff | 100.00% | 48,014 | 37,977 | 85,991 |
| Undersheriff | Sheriff | 100.00% | 149,000 | 106,775 | 255,775 |
| TOTALS | | | \$ 920,906 | \$ 720,487 | \$ 1,641,393 |

3. Consider reductions and/or eliminations in discretionary spending requests. Requests received for fiscal year 2019-2020, along with historically approved balances are shown below. While we were unable to set aside time during this two-day workshop to have our community stakeholders come make presentations about their budget requests, we have set aside time for this at your June 4th regular board meeting. More information about this is provided later in this staff report.

| Request | FY 2017-18 Approved | FY 2018-19 Approved | FY 2019-20 Requested |
|--|--------------------------------|--------------------------------|---------------------------------|
| EMS expansion in the Tri-Valley (actual request is \$302,500) | \$ - | \$ 200,000 | \$ 252,000 |
| Sheriff - 2 DSA I positions | - | - | 344,614 |
| Jail - 2 PSO I positions | - | - | 176,166 |
| Economic Development - TBID consulting | - | - | 60,000 |
| Property tax admin refunds to fire districts | 20,000 | 20,000 | 20,000 |
| Tri-Valley share - OVGWMA | 23,000 | 23,000 | 23,000 |
| Wheeler Crest share - OVGWMA | 23,000 | 23,000 | 23,000 |
| First Five - home visiting program | - | - | 150,000 |
| Affordable housing | - | 200,000 | 200,000 |
| Tourism - film commission marking support | 5,000 | 5,000 | 5,000 |
| Tourism - CA State Fair exhibit | 5,000 | 5,000 | 5,000 |
| Local Program funding | 20,000 | 20,000 | 30,000 |
| Air Service subsidy | 35,632 | 50,000 | 100,000 |
| Historical Societies | 6,000 | 6,000 | 6,000 |
| Interagency Visitor Center - contribution | 5,000 | 5,000 | 5,000 |
| Community Arts Grant | 10,000 | 10,000 | 15,000 |
| Youth Sports | 8,000 | 8,000 | 8,000 |
| Fish Enhancement | 108,837 | 103,737 | 128,737 |
| TOTAL REQUESTS | \$ 269,469 | \$ 678,737 | \$ 1,551,517 |

4. Consider directing departments to re-examine their services, supplies, and overtime budgets to identify a specific amount of additional reductions in spending. Your Board could direct departments to target a certain percentage reduction of combined expenditures or you could identify amounts of reduction specific to each department.

What is not included in the requested budget:

This budget includes no contributions from our general fund to economic stabilization or the general reserve. Although, the requested general reserve budget benefits from the return of \$364,470 of surplus funding to be transferred from the Disaster Assistance fund. We identified building reserves is an important resilience type behavior, so to discontinue these efforts now seems counter-productive and a step backwards towards achieving fiscal resilience.

We advise your Board on two options available for continuing efforts to build County reserves.

First, your Board could delay a decision to make contributions to reserves until after adoption of this budget and following the closing of the current year books, after which the exact amount of spendable carryover fund balance will be known. One negative outcome is credit rating agencies may assess this as a negative reflection of the County’s on-going fiscal policies to build a fiscally resilient organization because the adopted budget failed to include a plan to set aside reserves; although, commentary and discussion could be inserted about it being addressed later. Another concern is we do not at this time know how much carryover balance will be available, if any. As such, there may be insufficient resources to make these contributions, and the opportunity to include reserves is now before the recommended budget is determined.

Another option to your Board is to include some level of contribution to reserves now. This of course means identifying additional reductions in spending beyond the \$1,112,036 previously discussed.

Opportunity to Hear from Community Stakeholders:

Time available for this two-day budget workshop does not allow for an opportunity to hear from our community stakeholders. Community stakeholders traditionally make budget requests and include members of the public, community organizations, and external groups and agencies. We have reserved time at your regularly scheduled meeting for June 4th, at 1 pm, as a time for these groups and public members to present information and speak directly with your Board about their budget requests and programs.

This includes discretionary requests, such as:

- Subsidies for local fire departments and other special districts, agencies and commissions
- EMS expansion into the Tri-Valley area
- Fish stocking and other fish-related enhancements
- Community grants and program subsidies
- Mammoth Yosemite Airport air service subsidy

Fiscal Impact:

| By Fund Type | Revenues | Expense | Net |
|-------------------------|-----------------------------|------------------------------|-------------------------------|
| General Fund | \$ 36,675,317 | \$ 40,787,353 | \$ (4,112,036) |
| Special Revenue Funds | 27,400,614 | 32,562,370 | (5,161,756) |
| Capital Project Funds | 25,449,986 | 44,787,015 | (19,337,029) |
| Debt Service Funds | 153,367 | 153,367 | - |
| Enterprise Funds | 3,385,563 | 3,784,495 | (398,932) |
| Internal Service Funds | 5,500,826 | 4,825,619 | 675,207 |
| <i>All Funds</i> | <i>\$ 98,565,673</i> | <i>\$ 126,900,219</i> | <i>\$ (28,334,546)</i> |

All times are estimates and not a fixed time to appear

Budget Workshop - FY 2019-20

Tuesday, May 28, 2019

(Mammoth Lakes)

| TIME SLOT | DEPARTMENT | BUDGET UNIT(S) | MINUTES |
|----------------------|------------------------------|--|---------|
| 9:15 – 10:00 | Finance | Overview | 45 |
| 10:00 – 10:15 | BREAK | | |
| 10:15 – 11:00 | Community Development | Transportation and Planning Building Inspector Code Enforcement Housing Programs Planning Commission | 45 |
| 11:00 – 11:30 | Information Technology | Information Technology Radio Communications Tech Refresh | 30 |
| 11:30 – 12:00 | County Administrative Office | Administration Insurance Workforce Development Public Defender Grand Jury Veterans Services Farm Advisor Ag Commissioner | 30 |
| 12:00 – 12:30 | BREAK | | |
| 12:30 – 12:45 | County Counsel | County Counsel Law Library | 15 |
| 12:45 – 1:15 | Finance | Finance Department Copier Pool Debt Service Fund GF Transfers & Contributions General Revenues Economic Stabilization General Reserve Contingency | 30 |
| 1:15 – 2:00 | Social Services | Social Services Aid Programs General Relief County Children's Trust Fund Senior Services Foster Care (Continuum of Care) Employers' Training Resources | 45 |
| 2:00 – 2:15 | BREAK | | |
| 2:15 – 2:30 | Behavioral Health Services | Behavioral Services Alcohol and Drug Mental Health Services Act | 30 |
| 2:30 – 3:00 | Economic Development | Economic Development Fish Enhancement Tourism Community Support Grants Fish & Game Fine Fund | 30 |

Budget Workshop - FY 2019-20

Wednesday, May 29, 2018

(Bridgeport)

| TIME SLOT | DEPARTMENT | BUDGET UNIT(S) | MINUTES |
|----------------------|-------------------|---|---------|
| 9:15 – 9:45 | Public Health | Public Health Tobacco Bioterrorism | 30 |
| 9:45 – 10:15 | Clerk - Recorder | Board of Supervisors Clerk Recorder Elections | 30 |
| 10:15 – 10:30 | BREAK | | |
| 10:30 – 10:45 | Animal Control | Animal Control | 15 |
| 10:45 – 11:00 | Assessor | Assessor | 15 |
| 11:00 – 12:00 | Public Works | Campgrounds Cemeteries Solid Waste Zones of Benefit CSA 1 CSA 2 CSA 5 Facilities Motor Pool Roads | 60 |
| 12:00 – 12:30 | LUNCH | | |
| 12:30 – 1:10 | Public Works | Public Works / Engineering State & Federal Road Impr Airports Capital Improvement Projects Jail Facility Construction Project Civic Center Project | 40 |
| 1:10 – 1:30 | EMS | Paramedics | 20 |
| 1:30 – 1:50 | District Attorney | District Attorney Victim Witness GF Grants (CalMMet) | 20 |
| 1:50 – 2:00 | BREAK | | |
| 2:00 – 2:20 | Probation | Adult Probation Juvenile Probation | 20 |
| 2:20 – 3:00 | Sheriff | Sheriff Jail Court Security Boating Safety Search and Rescue Office of Emergency Services Off-Highway Vehicle Fund Homeland Security Grant | 40 |