



AGENDA

BOARD OF SUPERVISORS, COUNTY OF MONO STATE OF CALIFORNIA

MEETING LOCATION Board Chambers, 2nd Fl., County Courthouse, 278 Main St., Bridgeport, CA 93517

Special Meeting
May 29, 2019

TELECONFERENCE LOCATIONS:

Mammoth Lakes CAO Conference Room, 3rd Floor Sierra Center Mall, 452 Old Mammoth Road, Mammoth Lakes, California, 93546.

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 second 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.

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**OFFICE OF THE CLERK
OF THE BOARD OF SUPERVISORS**

SPECIAL MEETING AGENDA REQUEST

Print

MEETING DATE	May 29, 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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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 10:19 AM	County Counsel	Yes
5/23/2019 12:17 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
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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