MEETING DATE: February 16, 2016

Submitting Department(s):
Department of Finance

BRIEF SUBJECT/ISSUE DESCRIPTION:
Director of Finance requests guidance so that he may issue the 2016-17 budget instructions.

Contact: Edward J. Lamb
Phone: 934-6476

AGENDA PLACEMENT

APPOINTMENT – Appearances by: (Specify Name & Title)
Edward Lamb, Director of Finance

Required 10 Minutes

Business – No ☐ Consent
Correspondence ☐ Reports & Notices

LEGAL/PERSOENEL/FISCAL

☐ County Counsel
☐ Personnel
☒ Finance

CLERK INSTRUCTIONS

☐ Return Minute Order
☐ Return Certified Copy Of:

Other:

RECOMMENDED ACTION/MOTION:

Provide guidance to Director of Finance on issuance of 2016-17 budget instructions.

Reviewed By (if applicable):

Department Head

Personnel Director

Department of Finance
To: Glenn County Board of Supervisors  
From: Edward Lamb, Director of Finance  
Date: February 9, 2016  
Re: Request for Guidance Concerning Instructions to Departments Heads Regarding the 2016-17 Budget

Again like in my previous two years, I'm requesting guidance so we can avoid dealing with the things in last year's budget that didn't work so well.

One item in particular keeps coming up again and again. That is overtime. Overtime is necessary in most departments from time to time. However, the reasons for the overtime vary markedly. For many departments occasional overtime is needed to complete a project or get a report out. In those instances the departments just eat the cost and try to save somewhere else. However, certain departments have a continuing need to have overtime, because of chronic inability to recruit and/or retain staff. Those departments maintain that they need to budget for this "understaffing" overtime. I agree with them, but I think that instead of budgeting at time and a half as was once past practice, they should be budgeting at half time and acknowledging that they have an unfilled budgeted position against which there are no expenses.

Therefore, I'll propose what information and bounds that I think should be included and ask that you provide insight on whether you agree, disagree, suggest modifications or provide additional inclusions.

1. Each department head must supply a compilation of revenue by source for each ORGKEY. This would include the dollar amount, the expected timing of the receipt, the funding source, and in the case of federal or state funds/grants:
   a. The Federal Program/Pass Through Program Title
   b. The CFDA Number
   c. Federal Pass-Through Grantor Number
   d. The total amount of the revenue
   e. The amount that has previously been expended on this program
   f. The amount that is expected to be or can be expended during this fiscal year.

2. Assuming no reduction in revenues, the maximum dollars that can be expended for supplies and services is limited to that allowed in the 2015-16 adopted budget. The number may be less if revenues do not increase enough to sufficiently cover salaries and the departments uncontrollable costs to include some salary benefit costs, insurance, Internal Service Funds and the A-87 allocations. Contractually obligate increases to contracts which the Board of Supervisors has ratified are the exception.

3. For salaries and benefits:
   a. On under-filled positions, we budget according to underfilled positions only. For example PAL equals a Social Worker (SW) IV and is under-filled with a SW III which results in a budget position of a SW III.
   b. On vacant funded position we budget at the "B" step with full family benefits.
   c. "Unfunded" positions will not have monies allocated in the budgeting process.
d. PSEs will be tracked to allocated positions to the extent possible. If the position is not allocated, then no PSE currently in the 2015-16 budget will be covered except to the extent that their existing hire had an agreed to terminus from the BOS at a point certain in the 2016-17 fiscal year.

e. PSEs with health coverage will not be built into the budget and are considered a budget enhancement unless the positions are of limited duration and benefits are required by the Patient Protection and Affordable Care Act (PPACA).

f. PSE will not automatically be included in the budget baseline as in the past. If a PSE is required, then the monies to pay the PSE must be moved from salary savings or operational monies to cover the temporary help.

g. Vacation pay will not be automatically included in the baseline budget as in the past. Any such payments, outside those paid to employees immediately leaving County service, must be authorized by the BOS as budget enhancements.

h. Any overtime pay included in the budget must be fully justified by the current staffing situation, not on the basis of a historical precedent.

i. Non-conforming or new positions are not to be included in the baseline budget. Any such position requests will be considered a budget enhancement.

4. From time to time the persons responsible for certain ORGKEYs or departments change so check the 2015-16 Budget book. If there are any that need to be changed, please identify them now.

5. Budgets for special revenue fund departments are generally balanced, with no General Fund requirements. The exceptions are either required county matches or Roads and Realignment funding.

6. Fixed Asset requests are not to be included in the baseline and will be considered as budget enhancements regardless of proposed source of funding.

7. Budget narratives will be included from each department and provide any statutory or program changes affecting the department/ ORGKEY.