



MEMORANDUM

Date: March 4, 2015

To: The Honorable Chair and Members
Pima County Board of Supervisors
Presiding Judge, Superior Court
Elected Officials
Appointing Authorities

From: C.H. Huckelberry
County Administrator

A handwritten signature in black ink, appearing to be "CH Huckelberry", is written over the printed name and title.

Re: **Period 8 Year-End Budget Forecasts**

Period 8 (February) budget year-end forecast forms will be available in the Performance Budgeting System on March 6, 2015. Completed forecasts will need to be entered into the system by March 13, 2015. Please note that the period 8 year-end forecast will be used to develop the Fiscal Year (FY) 2015/16 County Administrator Recommended Budget. It is important that departments' forecasts accurately reflect their best effort for projecting year-end expenditures, revenues, operating transfers, etc. so the Budget Division can accurately reflect this information in the FY 2015/16 recommended budget.

Departments' period 8 forecasts should also reflect the directions given in my February 20, 2015 memorandum entitled *Year End Budget Adjustment Not Available for this Year*. The basic direction made in this memorandum is that departments are not to exceed their FY 2014/15 budgets at fiscal year-end. **This means that departments are required to not exceed their adopted budgets.** The adopted budget is defined as the budget adopted by the Board of Supervisors for FY 2014/15, plus the impact of the distribution of the nine decision packages approved by them on November 18, 2014.

Many departments have asked for and received "budget authority revisions" from the Finance and Risk Management Department to allow them to pay for various costs differently than originally budgeted. In some cases, these revisions make it appear the revised budget is greater than the adopted budget. Such is not the case, and departments should keep in mind their adopted budgets when developing their forecasts.

There are no exceptions to my direction for departments not to exceed their adopted budgets. This direction includes all Non-General Fund departments and bureaus.

If a department forecasted being over their adopted budget in their period 7 forecast and are now forecasting to be on budget by year-end, the department must provide the Budget Division with a written explanation as to what adjustments were made in forecasted actual costs for the remainder of the fiscal year. This explanation should also indicate whether the

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department realistically expects the indicated savings to occur. This explanation can be included either in the monthly forecast report or in a memorandum to your assigned Budget Division Analyst.

Departments that continue to forecast being over their adopted budgets by the end of FY 2014/15 will be required to submit to me a plan describing what they must do to meet their budget. Possible actions may include reducing services and/or layoffs of departmental employees.

Finally, if a department does not meet the expectations of remaining within their budget for all bureaus, special funds and grants under their control at year-end, its departmental FY 2015/16 budget authority will be decreased by the amount of the overage.

CHH/mjk

c: Tom Burke, Director, Finance and Risk Management
Robert Johnson, Budget Manager, Finance and Risk Management