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MEMORANDUM

FINANCE AND RISK MANAGEMENT DEPARTMENT - BUDGET DIVISION -

Date: October 28, 2014

To: Presiding Judge, Superior Court
Elected Officials
Department Directors

From: Robert W. Johnson
Budget Manager

Handwritten signature of Robert W. Johnson in blue ink.

Subject: Fiscal Year 2015/16 Budget Process

This memo transmits essential FY 2015/16 budget information to all County departments.

Attached to this email is a department specific **Base Budget Worksheet** comparing General Fund and General Fund supported departments' FY 2014/15 budgets to the FY 2015/16 base. The base budgets and assumptions may change significantly, however, as fiscal year projections are updated, the State budget is developed and further direction is received from the County Administrator. Note that no FY 2015/16 benefit rate adjustments are included on the Base Budget Worksheets at this time. General Fund base budgets will be adjusted to include benefit adjustments as they occur. Non-General Fund departments that have budgeted positions must be prepared to make adjustments to their requested budgets to offset any of these additional costs. Benefit rate adjustments, and any revisions or updates to the budget process, will be communicated to you and your staff as they are received.

Given the current economic situation and the impacts of Non-General Fund departments on the County's expenditure limit, additional specific direction regarding the development of Non-General Fund budgets will be forthcoming as the budget season unfolds.

The FY 2015/16 budget process, budget request development, and budget adoption will follow the schedule below. Requested budgets will need to be submitted to the Budget Division no later than Friday, January 16, 2015. More detailed budget calendars will be made available on the Budget Division's SharePoint information site.

October 28, 2014	Planning and Budgeting System (the budget system) released for budgeting
October 28, 2014	Base target budgets for General Fund departments, assumptions, location of SharePoint site and other information are distributed to departments
January 16, 2015	Operational, Grant and CIP Budgets due to the Budget Division, Grants Management and Finance CIP from departments
March 6, 2015	County Administrator department meetings regarding CIP budgets
March 13, 2015	County Administrator meets with County Budget Division staff
March 13, 2015 – April 10, 2015	County Administrator gives direction to the Budget Division

April 30, 2015	County Administrator submits Recommended Budget to the Board
May 19, 2015	Board of Supervisors Recommended Budget public hearings
May 19, 2015	Board of Supervisors Tentative Budget adoption
June 16, 2015	Board of Supervisors Final Budget adoption
August 17, 2015	Board of Supervisors adoption of the Levy of Taxes

Departments will be required to create their Operational, Grant and CIP budgets utilizing the [Planning and Budgeting \(PB\) system](#). Budget staff will provide PB 301 – “Creating a Department Budget” classes for new employees and anyone who needs a refresher course on November 12, 2014. This class is required for anyone who will be creating or approving department budget requests. Upon class completion, new users must complete a [Planning and Budgeting System Access Request Form](#) to be given access to the various forms required for budget creation. If you have an employee who needs to take this class, please contact your assigned Budget Division Analyst. Budget Division staff will also be available to answer your questions throughout the budget development process and can provide one-on-one assistance, as needed.

The organizational, bureau and group structures in the PB system reflect what is currently in the County's financial system. If any additions, changes, or deletions are needed for FY 2015/16, please complete a [Department Request –COA Element/Unit Advantage Financial System form](#). In order to assure that any structural changes are included in your FY 2015/16 budget request, please submit these changes for processing no later than December 1, 2014. Note that departments that are proposing to complete major reorganizations should work closely with their assigned budget analysts for assistance.

We are also in the process of placing information relevant to the budget process and to using the PB system itself onto the [FY 2015–2016 Budget tab](#) that can be found on the Finance SharePoint website. This site is a work in progress and will be updated on a regular basis. Examples of available information on the website include this memo, the draft FY 2015/16 Budget Calendar and additional copies of departmental base budget worksheets.

Note that there will be some procedural changes to the position budget development and position budget implementation processes for FY 2015/16. The following is a partial list of these changes:

- The minimum budgeted FTE for a position is 0.25 FTE (520 hours).
- Positions are to be budgeted in increments of 0.25 FTE, i.e. 0.25 FTE, 0.50 FTE, 0.75 FTE, 1.0 FTE, etc.
- Departments will no longer be allowed to budget in the Vacancy Savings expenditure object. Departments will only be able to budget for actual positions that they can fill and afford within their base budgets. Most departments will see a reduction in their budgeted FTEs as a result of this change.

All department operational line item and position budgets as well as Grants and CIP budgets are to be completed on-line in PB and submitted by January 16, 2015. Budget Staff will make themselves available to assist you in resolving issues in order to make this due date.

If you have any questions regarding the FY 2015/16 budget process or in using the PB system, please do not hesitate to contact me at 724-2748, Victor Rodriguez (Budget Supervisor, 724-3632), Lisa Merin (Budget Supervisor, 724-8490) or your designated Budget Division Analyst.

cc: Department Budget Contacts