



Monterey County

Board of Supervisors

Board Report

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Receive a report from the County Administrative Office, Budget & Analysis Division regarding the award of the Distinguished Budget Presentation for the current fiscal period.

RECOMMENDATION:

It is recommended that the Board of Supervisors receive a report from the County Administrative Office, Budget & Analysis Division regarding the award of the Distinguished Budget Presentation for the current fiscal period.

SUMMARY:

The Government Finance Officers Association of the United States and Canada (GFOA) presented a "Distinguished Budget Presentation Award" to the County of Monterey for its annual budget for the fiscal year beginning July 1, 2014. In order to receive this award, a governmental unit must submit a budget document that meets specific criteria, grouped into four basic categories: a policy document, a financial plan, an operations guide and a communications device.

The GFOA established the Distinguished Budget Presentation Awards Program to assist state and local governments to prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting. Documents submitted are reviewed by selected members of the GFOA professional staff and by outside reviewers with experience in public-sector budgeting.

DISCUSSION:

Budget documents are reviewed by three reviewers who rate the information contained in the budget document as either not present, not satisfying criterion, proficient or outstanding. To receive the award, a budget document must be rated "proficient" by at least two of the three reviewers for all four categories, and fourteen mandatory criteria within those categories. The County received "outstanding" ratings as a policy document. In addition, reviewers also provided suggestions for improving the budget document to satisfy criterion within the categories of a financial plan and operations guide.

As a policy document, the County received outstanding ratings for its incorporation of a coherent statement of organization-wide, strategic goals and strategies that address the County's long-term concerns and issues, short-term factors that influence the decisions made in the development of the budget for the upcoming year, as well as including a budget message that articulated priorities and issues for the upcoming year. In addition, the budget document received outstanding ratings for providing an overview of all funds subject to appropriation, including a summary and description of its financial policies as well as a detail of the

organizations budget process. The budget document was also rated outstanding for its inclusion of long-range financial plans and its effects on the budget.

Receipt of the award also provides the County with an opportunity to improve its budget document by addressing areas for which it received ratings of “not satisfying criterion”. Reviewers found the budget document could incorporate the use matrixes or other illustrations to describe the relationship between departments and funds in the aggregate as well as identifying the basis for budgeting for each category of funds. Reviewers found the budget document did not satisfy criteria for discussing the impact of capital improvements on the operating budget but acknowledged it was an improvement from last year’s budget. Adequate information on current debt limits was also found to be lacking. Lastly, although it was noted that the County’s performance measures did not satisfy criteria, reviewers acknowledged that this is a multiyear undertaking and the County should continue its efforts in including performance measures as part of its budget book.

OTHER AGENCY INVOLVEMENT:

The Budget & Analysis Division prepares the budget document with input from the County’s departments.

FINANCING:

Acceptance of this report has no direct financial impact on the County budget.

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Approved by:

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Attachments:

1. GFOA Award Letter
2. GFOA Award