



**County Administrative
Office
COUNTY OF TULARE
AGENDA ITEM**

BOARD OF SUPERVISORS

KUYLER CROCKER
District One
PETE VANDER POEL
District Two
AMY SHUKLIAN
District Three
J. STEVEN WORTHLEY
District Four
MIKE ENNIS
District Five

AGENDA DATE: May 22, 2018

Public Hearing Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Scheduled Public Hearing w/Clerk	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Published Notice Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Advertised Published Notice	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Meet & Confer Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Electronic file(s) has been sent	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Budget Transfer (Aud 308) attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Personnel Resolution attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s)	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
CONTACT PERSON: Michael C. Spata PHONE: (559) 636-5005				

SUBJECT: Salary Savings Report

REQUEST(S):
That the Board of Supervisors:

- (1) Receive the Salary Savings Report; and
- (2) Provide direction to the County Administrative Officer regarding changes to the budgeting and use of Salary Savings.

SUMMARY:
Based on direction of the Board of Supervisors at the time of Fiscal Year 2017/18 Mid-Year Budget in March 2018, this report addresses the general topic of Salary Savings specifically in terms of (1) Definitions; (2) History; (3) Authority; (4) Tables; (5) Comments by the Board of Supervisors; (6) Comments by Departments; (7) Tiered Incentivized Sliding Scale Approach, Exemptions and Additional Considerations; and (8) Conclusion: "Strategic and Financial Feasibility."

To summarize, the report presents the Tiered Incentivized Sliding Scale Approach with Exemptions, coupled with suggestions for a Vacant Position Review Process to help insure long-term Budgetary Sustainability, and possible incremental implementation of the Tiered Approach to help insure annual Budgetary Feasibility.

- 1. Salary Savings Definitions**
 - (a) Budgeted Salary Savings:** Identified in Object Line 6021 as a "negative" amount which allows a department to budget during the annual budget process.

SUBJECT: Salary Savings Report

DATE: May 22, 2018

- ✓ **Methodology to Calculate Salary Savings:** Salary Savings are determined by multiplying the number of payroll periods of estimated vacancy by the salary rate of the positions involved. Thereafter, the departments identify “which” positions are held vacant to achieve the budgeted salary savings or otherwise provide a calculation of salary savings.
- ✓ **Example of Salary Savings in Budget Document:** Salary Savings Object Line 6021 serve as a “contra object line” in which salary savings are subtracted from the Allocated Salaries in Object Line 6001, with the effect of reducing the appropriation salary and benefit series with which it is associated.
- ✓ **Contra object line:** Mathematically, this object line is subtracted from another object line with which it is associated with the effect of reducing the asset account.

(b) Actual Unspent Salaries: The amount of budgeted and allocated salaries is set forth in the Labor Forecast provided to each department in the Spring. The unused portion of salaries can then be applied to another budget appropriation through the use of a budget adjustment in the AUD 308 form.

(c) Frozen Positions: These are authorized and allocated positions that have been designated “frozen” by the Board of Supervisors. In other words, these positions were not allowed to be filled. This action was taken for a financial reason such as a cost savings measure or as a result of a hiring freeze. There is no specific policy regarding how frozen positions are treated in the Enterprise System. The Frozen Position Report obtained recently from the Tulare County Information Communications and Technology (TCiCT) Department indicates that no frozen positions are identified in the Enterprise System. However, some departments internally freeze positions.

2. Salary Savings History

Based on extensive research going back more than 10 years and possibly 15 years, there are various reasons supporting the use of Salary Savings identified as follows:

- (a) Turn-Over Rates Based on Trends;
- (b) Difficulty in Recruiting or Filling Positions during the Hiring Process;
- (c) Unpaid Leaves of Absence;
- (d) Budgeted Savings to Offset Operating Costs, Offset Capital Asset Purchases, or Meet Net County Cost (Budget Target);

SUBJECT: Salary Savings Report
DATE: May 22, 2018

(e) Use of Actual Salary Savings pursuant to Administrative Regulation to Offset Operating Costs and Capital Asset Purchases, or to Expense Other Types of Pay per Department Head Authority; and

(f) Budget Balancing, that is, prior administrations would use Salary Savings to Balance the General Fund Budget, particularly during times of fiscal stress.

3. Salary Savings Authority

The authority to approve departmental use of Salary Savings is contained in Administrative Regulation No. 4 (Budgetary Controls), amended by the Board in April 2014. This regulation provides authority to the County Administrative Officer (CAO) and Department Heads regarding use of Salary Savings. (See Attachment A - Administrative Regulation No. 4, Sections 5 - 6.)

According to Section 5 of Administrative Regulation No. 4, the County Administrative Officer has delegated authority under Government Code Section 29125 to approve transfers of appropriations within any budget unit among the object accounts or sub-object accounts, and for transfers from Allocated Salaries (Object Line 6001) as unspent salaries can be used for vacant or under-filled positions.

However, restrictions to this authorization are (1) no increase to an overall appropriation in a budget unit is allowed; (2) a capital asset appropriation cannot be created; and (3) no increases of existing capital assets over 10% are permitted. Notably, transfers from Allocated Salaries may be approved for unspent salaries that are tied to a regular position that is vacant or under-filled.

Under Section 6 of Administrative Regulation No. 4, Department Heads have the authority to transfer appropriations within the budget units of their department to increases or decreases in the Salary and Benefit appropriations (overtime, other pay types, extra help, sick leave buyback, board of director's fees, intern full pay and intern partial pay), and in the Service and Supplies appropriations.

4. Salary Savings Tables

To illustrate the data associated with Salary Savings for Fiscal Years 2016/17 and 2017/18, eight tables have been prepared and are described as follows:

- Table 1-A (FY 2016/17 General Fund Salary Savings)
- Table 1-B (FY 2016/17 Non-General Fund Salary Savings)
- Table 2-A (FY 2017/18 General Fund Salary Savings)
- Table 2-B (FY 2017/18 Non-General Fund Salary Savings)
- Table 3-A (FY 2016/17 General Fund Position Count)
- Table 3-B (FY 2016/17 Non-General Fund Position Count)

SUBJECT: Salary Savings Report

DATE: May 22, 2018

- Table 4-A (FY 2017/18 General Fund Position Count)
- Table 4-B (FY 2017/18 Non-General Fund Position Count)

For review of these tables, see Attachment B - Salary Savings Tables 1-A through 4-B. Discussion of these tables will be provided at the time the Board of Supervisors considers this Agenda Item.

5. Salary Savings Comments by Board of Supervisors

During consideration of the Mid-Year Budget for Fiscal Year 2017/18, a presentation was given by the CAO regarding Salary Savings; and, in this respect, members of the Board of Supervisors provided comments as follows:

- (a) The Board should have feedback from the departments regarding salary savings;
- (b) Do not use salary savings to offset budget deficits;
- (c) Departments should not become dependent on salary savings;
- (d) The Board approves new positions for the purpose of having them filled; and if the departments have other needs, they should come to the Board with specific requests;
- (e) Departments should have some discretion regarding salary savings;
- (f) The Board should have an update regarding salary savings in terms of the amount of salary savings approved for each department and how much salary savings falls to fund balance; and
- (g) The turnover matter and difficult to fill position situation should be viewed as a separate matter, and thus, should be looked at separately outside the salary savings situation with the Human Resources and Development Department.

6. Salary Savings Comments by Departments

Provided in this section is an outline of comments received by nine county departments regarding budgeting and use of Salary Savings. Complete comments submitted by these departments are contained in Attachment C. After reviewing these comments, several exemptions were added.

(a) Health and Human Services Agency (HHS)

- ✓ Need for Budgeted Salary Savings
 - Recruitment issues with licensed professionals;
 - Historical turnover and vacancy rates;
 - Under-fill of Positions;
 - Positions kept Vacant for Job Specification Revision Changes.

SUBJECT: Salary Savings Report

DATE: May 22, 2018

✓ Need for Actual Salary Savings

- For sub-vented programs, “unrealized” expenses are not claimed for reimbursement as expenses have not occurred;
- Turnover of non-licensed professional positions;
- Salary Savings from vacant professional positions can be used to contract for professional services;
- Regarding fee-based and revenue-generating programs, Salary Savings are often accompanied by reduced revenues, thus providing a net or balancing effect;
- Salary Savings are used to offset “unforeseen” expenses which may be higher than budgeted;
- Flexibility to control costs in programs for overall budget (e.g., grant matching requirements kept within program spending limits) without using or requesting additional general fund additional contributions;
- Salary Savings from non-subvented programs (e.g., Animal Services, Public Guardian, General Assistance) are used for other critical program needs

(b) Probation Department

- Department has 411 full time equivalent positions (FTEs) allocated across Institutions, Operations, and Management and Support;
- Vacant Mandated Positions: 108 (Institutions); 33 (Operations);
- Vacant Other Positions: 30 (Management and Support);
- Excluding Mandated Positions, Department has 8% vacancy rate;
- Deletion of Salary Savings positions would create the inability to provide mandated services which would impact public safety;
- Deletion of positions would impact Criminal Justice Partners (including the Court, District Attorney, Public Defender, and Sheriff) potentially increasing recidivism.

(c) Public Defender

- Keeping positions unfilled helps the department to meet its budget target by using Salary Savings;
- For Fiscal Year 2015/16, Salary Savings were used in the amount of \$62,000 to purchase (3) vehicles;
- For Fiscal Year 2016/17, Salary Savings were used in the amount of \$20,000 for medical provider expenses;
- For Fiscal Year 2017/18, Salary Savings were used in the amount of \$44,000 to purchase (2) vehicles;
- With the Tiered Incentivized Sliding Scale Approach, purchases from this fiscal year could have used amounts received as incentive and carried forward to the balance of next fiscal year;
- The Tiered Incentivized Sliding Scale Approach would serve the Public Defender well.

SUBJECT: Salary Savings Report

DATE: May 22, 2018

(d) Resource Management Agency (RMA)

✓ Road Fund

- This fund is sub-vented and non-general fund supported,
- Salary Savings are used to try retain high turnover employees (e.g., Construction Maintenance Workers (CMWs) and entry level Engineers).

✓ Transit Fund

- This fund is sub-vented and non-general fund supported,
- Salary Savings are used for long-term recruitment to try to locate qualified applicants (e.g., Transit Coordinator).

✓ RMA General Fund

- Salary Savings are attributed to management succession at RMA to the County Administrative Office;
- Salary Savings are not used to support operating expenditures;
- Use of Salary Savings helps to reduce retention challenges;
- Use of Salary Savings eliminates the process of adding positions.

(e) Child Support Services Department

- Child Support is a department with fully sub-vented funding by State and Federal programs based on prior approved allocation;
- No general funds are used;
- Tiered Approach would be unlawful for the department;
- Refer to Assembly Bill 1111 (Chapter 147, Statues of 1999) Family Support Divisions Letter No. 00-03.

(f) County Fire

- Salary Savings provide adequate emergency staffing levels which is a high priority for the department;
- Long-term vacancy is not an issue;
- Currently, there are 6 vacant positions out of departmental staffing allocation of 117;
- Vacancies are filled continuously.

(g) Tulare County Information Communications and Technology (TCiCT)

- In Fiscal Year 2012/13, the department used Budgeted Salary Savings to cover unanticipated operating expenses;
- Salary Savings are used and reflected in IT rates during the budget's true-up process;
- This attributes to an overall benefit to TCiCT by a reduction in charges to other departments.

SUBJECT: Salary Savings Report
DATE: May 22, 2018

(h) Sheriff's Office

- Labor Forecast does not include operational expenses for vehicle purchases, fleet costs, building maintenance and facilities;
- Sheriff cannot meet Budget Target without (i) budgeting salary savings from vacant positions or (ii) additional General Fund budgetary support;
- In Fiscal Year 2016/17, Salary Savings expenditures of \$489,695 approved by Board of Supervisors in keeping with administrative process allowed over time;
- The Sheriff returned over \$855,000 to general fund balance in Fiscal Year 2016/17;
- Detailed hiring practices and statistics are presented and discussed in comments;
- Commitment by Sheriff to Fill Vacant Positions;
- No new position requests at this time for South County Detention Facility.

(i) General Services Agency

- Suggested process for consideration by Board of Supervisors of one-time expenditure of Salary Savings during budget year;
- Consideration should be given to unique aspects of certain funds;
- Detailed outline provided of Salary Savings affecting General Services Agency (GSA), Capital Projects and Internal Service Funds;
- Attempt to Fill All Internal Service Fund Positions to Prevent Loss;
- Not anticipated that Salary Savings will be generated by GSA going forward.

7. Tiered Incentivized Sliding Scale Approach, Exemptions and Additional Considerations

Based on comments of the Board of Supervisors and Departments, and in keeping with the principle of "strategic and fiscal feasibility" discussed in Section 8 and the Fiscal Impact/Financing Section below, a Tiered Incentivized Sliding Scale Approach ("Tiered Approach"), Exemptions and Additional Considerations are presented to the Board for discussion and direction to the CAO.

(a) Tiered Incentivized Sliding Scale Approach

- (1) The department's percentage use of Salary Savings determines the incentive measured by a percentage return to the department the next budget year of Salary Savings that falls to Fund Balance.

(i) Zero to 5% Use of Salary Savings (50% Incentivized Return of Salary Savings to Department);

(ii) Greater than 5% to 7.5% Use of Salary Savings (35% Incentivized Return of Salary Savings to Department);

SUBJECT: Salary Savings Report
DATE: May 22, 2018

(iii) Greater than 7.5% to 10% Use of Salary Savings (20% Incentivized Return of Salary Savings to Department); and

(iv) Greater than 10% Use of Salary Savings (5% Incentivized Return of Salary Saving to Department).

(b) Exemptions

- (1) Smaller departments with less than 50 employees;
- (2) Sub-vented Departments who are supported by revenue outside the General Fund and who must budget Salary Savings to provide a required Maintenance of Effort pursuant to Federal or State Law;
- (3) Salary Savings used for any purpose within the Salary and Benefits Object Chart of Accounts (i.e., 6000 Series) including Overtime, Other Pay Types, Extra Help, Under-filled Positions, and Interns;
- (4) Departments that are outside the General Fund – including, but not limited to, County Fire, Library, Solid Waste, Roads, Transit, Workforce Investment Department, Child Support Services -- because such Salary Savings fall to that Department's specific fund balance (i.e., net position) and not to the fund balance within the General Fund;
- (5) Approval by the Board of Supervisors on a case-by-case basis of the budgeting and associated use of Salary Savings (at the time of adoption of the annual budget or during the budget year) after a showing by the affected department of "special or unique circumstances" supporting such budgeting and associated use of Salary Savings; and
- (6) Vacant positions exempted are excluded from the Incentivized Return of Salary Savings.

(c) Additional Considerations

(i) Timing of Salary Savings: Assuming the Tiered Approach is adopted by the Board, it appears that the approach may be applied prospectively to the Budget for Fiscal Year 2019/20. Section 8 and the Fiscal Impact/Financing Section on pages 9 through 11 discuss the possibility of "incremental implementation" of this proposed transformational change.

(ii) Continued Use of Administrative Regulation No. 4 (Budgetary Controls): After reviewing the proposed Tiered Approach, it appears that if this approach is adopted by the Board, then Administrative Regulation No. 4 may have to be amended in that departments may not be able to

SUBJECT: Salary Savings Report
DATE: May 22, 2018

use Salary Savings for other budgetary expenses through the AUD 308 process. If so, the Board should direct the CAO to return with proposed amendments to the relevant part of Section 5 of Administrative Regulation No. 4.

(iii) Vacant Positions and Timing Process to Insure Budgetary Sustainability: As an alternative to, or as an adjunct to, the Tiered Approach described above, an annual review of vacant positions could be conducted for the following purposes:

- (1) To identify vacant positions that have not been filled for more than two years by the departments,
- (2) To ascertain the reasons why these positions have not been filled by the departments, and
- (3) To decide whether to retain or delete vacant positions held too long, thereby helping to insure budgetary sustainability.

As part of this annual review of vacant positions, some of the areas of inquiry could include the following:

- Why is the vacant position not filled (e.g., legal, operational or fiscal)?
- What departmental steps have been taken to fill the position?
- What is the operational and fiscal impact of not filling the position?
- What is the operational and fiscal impact of deleting the position?
- Is the position held vacant because of an exemption authorized by, or approved on a case-by-case basis by, the Board of Supervisors?

Through this annual review of vacant positions, a recommendation could be made thereafter to the Board of Supervisors regarding whether the vacant positions should be retained, deleted, or held for a set period of time and then deleted if the vacant position is not filled by the expiration of the time limit.

Procedurally, the affected Department Head could meet during the budget year (e.g., before the Mid-Year Budget in March) with a Committee comprised of the Board Chair, Vice-Chair, County Administrative Officer, and Director of Human Resources and Development Department; and after due consideration of the matter, recommendations could be made to the Board of Supervisors as part of the next Recommended Budget.

The core of this organizational approach to addressing Vacancy Limits and Timing is adapted from the County of Santa Clara's Policy Resolution No. BOS-2015-103 (Vacant Positions Policy) (June 19, 2015).

8. Conclusion: "Strategic and Financial Feasibility"

Reviewing, evaluating and changing the application of Salary Savings to the budget process is a fiscal reform which merits serious consideration, particularly in light of

SUBJECT: Salary Savings Report

DATE: May 22, 2018

the significant fiscal challenges that are projected for Tulare County within the next several years as discussed at the Strategic Financing Plan Ad Hoc Committee.

Within this perspective of transformational change, it is worth noting that the success and effectiveness of major organizational change should consider the principle of “strategic and financial feasibility” by which the organization is allowed to reasonably adapt to and smoothly implement the desired transformational change from an operational and financial perspective.

(For reference, see Kotter, John P. *Leading Change* 75-76 (1996) (Strategic Feasibility provides logic and detail to show how the vision can be accomplished); see also Daft, Richard L. *Essentials of Organization Theory & Design* 150 (2001) (Design the transformational change for incremental implementation).)

From this vantage point, including the fiscal analysis provided below, the Board may want to consider implementing this transformational change to Salary Savings in a future budget year, thereby giving a transitional opportunity to acclimate to the Tiered Approach or any similar major change that may be approved by the Board.

FISCAL IMPACT/FINANCING:

The fiscal impact cannot be determined with certainty at this time. However, it can be stated that the Tiered Approach would have the financial effect of increasing Departmental Budget Targets by the amount of the Incentivized Return of Salary Savings, thereby suggesting an inquiry into budgetary feasibility on an annual basis and budgetary sustainability over time.

From a procedural standpoint, the Budget Targets are released in early May and the Departments have until the end of the Fiscal Year (June 30) to use their salary budget appropriation. In which case, the incentive cannot be quantified in time to prepare and submit the targets in May.

To be effective operationally, a point in time needs to be selected -- such as after Final Fund Balance is received in Mid-July from the Auditor-Controller -- to be able to calculate the incentive amount and then include it as an adjustment within the Departmental Budget Target originally issued in May.

Additionally, the Incentivized Return of Salary Savings may not be financially feasible and sustainable in every fiscal year. Accordingly, to determine whether the incentivized return of Salary Savings is financially feasible and sustainable, the CAO could prepare and present to the Board in August an annual report which includes, but is not limited to, the following:

- (1) Projected General Revenue for the next fiscal year;
- (2) Projected Strategic Expenditures for the next fiscal year;
- (3) Unless prevented by law or exempted by the Board, possible deletion of vacant positions in excess of two years per Vacant Position Committee Review; and

SUBJECT: Salary Savings Report
DATE: May 22, 2018

(4) Exclusion of exempted positions under the Tiered Approach from the Incentivized Return of Salary Savings.

If, after this review, the Board determines that the incentivized return is not feasible or sustainable, then it should not be included in the Departmental Budget Targets.

LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:

Tulare County's Strategic Business Plan includes the goal of Organizational Performance designed to foster and achieve the continuous improvement of organizational performance in terms of efficiency, effectiveness and fiscal stability. As discussed in this Agenda Item, this goal would be furthered through the Tiered Incentivized Sliding Scale Approach, Exemptions, Additional Considerations, and Budgetary Sustainability/Feasibility Approach.

ADMINISTRATIVE SIGN-OFF:

Sophia Almanza
Deputy County Administrative Officer -
Budget and Finance

Michael C. Spata
County Administrative Officer

cc: Auditor-Controller
County Counsel
County Administrative Office (2)

Attachments:

- Attachment A - Administrative Regulation No. 4 (Budgetary Controls)
- Attachment B - Salary Savings Tables 1-A through 4-B
- Attachment C - Salary Savings Comments by Departments

**BEFORE THE BOARD OF SUPERVISORS
COUNTY OF TULARE, STATE OF CALIFORNIA**

**IN THE MATTER OF THE
SALARY SAVINGS REPORT**

)
) Resolution No. _____
) Agreement No. _____
)

UPON MOTION OF SUPERVISOR _____, SECONDED BY
SUPERVISOR _____, THE FOLLOWING WAS ADOPTED BY THE
BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD MAY 22, 2018, BY THE
FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: MICHAEL C. SPATA
COUNTY ADMINISTRATIVE OFFICER/
CLERK, BOARD OF SUPERVISORS

BY: _____
Deputy Clerk

* * * * *

1. Received the Salary Savings Report; and
2. Provided direction to the County Administrative Officer regarding changes to the budgeting and use of Salary Savings.

Attachment A

(Administrative Regulation No. 4 – Budgetary Controls)

**BEFORE THE BOARD OF SUPERVISORS
COUNTY OF TULARE, STATE OF CALIFORNIA**

IN THE MATTER OF REVISION OF)
ADMINISTRATIVE REGULATION NO. 4) Resolution No. 2014-0261

UPON MOTION OF SUPERVISOR VANDER POEL, SECONDED BY
SUPERVISOR ENNIS, THE FOLLOWING WAS ADOPTED BY THE BOARD OF
SUPERVISORS, AT AN OFFICIAL MEETING HELD APRIL 29, 2014, BY THE
FOLLOWING VOTE:

AYES: SUPERVISORS ISHIDA, VANDER POEL, COX AND ENNIS
NOES: NONE
ABSTAIN NONE
ABSENT: SUPERVISOR WORTHLEY



ATTEST. JEAN M. ROUSSEAU
COUNTY ADMINISTRATIVE OFFICER/
CLERK, BOARD OF SUPERVISORS

BY: *Diana A. Bana*
Deputy Clerk

Approved Revision #2 of Administrative Regulation No. 4 regarding Budgetary Controls.

All Cty Depts

DAY
4/29/14

COUNTY OF TULARE
OFFICE OF THE COUNTY ADMINISTRATOR

ADMINISTRATIVE REGULATION NO. 4, Revision #2
***(Resolution No. 96-0563 (as amended by Resolution No. 2009-0936
and 2014-0261))***

SUBJECT: BUDGETARY CONTROLS

EFFECTIVE DATE. April 29, 2014

OVERVIEW

The County Budget Act (Chapter 1, Division 3, Title 3 of the Government Code, Chapter 1. Budget and Tax Levy) controls the budgeting of governmental funds. Except as otherwise specifically provided in this policy, the County has elected to apply the same budgetary controls to proprietary funds.

Government Code (GC) Sections 29125 and 29130 define actions which may be taken by the Board of Supervisors for transfers or revisions to the adopted appropriations and allows the Board to designate certain authority to the administrative officer. This administrative regulation outlines the authorities of the Board per Government Code and serves to delegate certain authority to the County Administrative Officer and Department/Agency Heads.

Through County policy, certain limitations on revisions and transfers of appropriations are deemed necessary to maintain fiscal and budgetary controls, aside from those specified in the Government Code.

Per GC 29009, "In the recommended, adopted, and final budgets the funding sources shall equal the financing uses." This means that even though authorities exist to transfer appropriations or to otherwise make appropriations available, each governmental fund budget must remain in balance

Per GC 25260 – 25261, the Board of Supervisors has authority to create proprietary funds and to make funding available to maintain their solvency. Per GC 29141, the adopted budget shall include a schedule showing the managerial budget for each proprietary fund, but adjustments to the adopted budget are not covered in the County Budget Act and GC 29009 does not apply.

Note: A "budget unit" is defined as that classification of the budget expenditure requirements into appropriately identified accounting or organizational units deemed necessary or desirable for control of the financial operation. For County of Tulare, that refers to the unique fund-department combination.

AUTHORIZATIONS

Subject to the availability of funding, the following authorizations are effective regarding appropriation transfers:

1. Per GC 29125, the Board of Supervisors has authority, by a four-fifths vote, to:
 - a. Transfer appropriations between funds, and
 - b. Transfer appropriations from the Contingency Reserve
2. Per GC 29125, the Board of Supervisors has authority, by a majority vote, to transfer appropriations to or from any budget unit, object account, or sub-object account within a fund if overall appropriations are not increased.
3. Per GC 29130, the Board of Supervisors has authority, by a four-fifths vote, to:
 - a. Make appropriations available from designations or reserves, excluding general reserve, balance sheet reserves, and reserves for encumbrances, and
 - b. Increase appropriations offset by an excess of anticipated amounts or by an actual or anticipated increase in financing sources. (This does not include an increase in the 94xx, 96xx, and 98xx inter/intra-object accounts).
4. The Board of Supervisors may increase appropriations in proprietary funds, without a corresponding offset to other appropriations or additional offsetting revenues.
5. Per GC 29125, the Board of Supervisors delegates authority to the County Administrative Officer to approve transfers of appropriations within any budget unit among the object accounts or sub-object accounts, with the following restrictions:
 - a. Overall appropriations of the budget unit are not increased,
 - b. Transfers cannot create a Capital Asset appropriation.
 - c. Increases to existing Capital Asset appropriations (relating to Board approved purchases only) cannot exceed 10%, and
 - d. Transfers from sub-object account 6001 may be approved for unspent salaries that are tied to a regular position that is vacant or under-filled.
6. Department/Agency Heads have the authority to transfer appropriations within the budget units of their department applicable to increases or decreases in any object or sub-object accounts in the Salaries and Benefit appropriations or the Service and Supplies appropriations in the following accounts:

ADMINISTRATIVE REGULATION NO. 4, Revision #2

BUGETARY CONTROLS

Resolution No. 2014-0261

Effective Date: April 29, 2014

Page 3

<u>Sub-Object Account</u>	<u>Account Number</u>
Overtime	6002
Other Pay Types	6003
Extra Help	6005
Sick Pay Buyback	6006
Board of Directors Fees	6008
Intern Full Pay	6009
Intern Partial Pay	6010

All Account Objects in the 7000 series

Note: All Extra Help costs should be charged to sub-object 6005 only.

7. The Auditor-Controller has the authority to approve transfers of appropriations of \$1 within any "budget unit" without prior approval of the department/agency within the 9000 object accounts in order to establish new object accounts as needed to facilitate inter/intra departmental billings for services.
8. The Auditor-Controller has the authority to establish new object accounts with \$0 budget.
 - a Within the 6000 object accounts as needed to facilitate processing of payroll, or
 - b Within the Trust Funds 9000 object accounts to facilitate transfers between funds.

Attachment B

(Salary Savings Tables 1-A through 4-B)

**Table 1-A
FY 2016/17 General Fund Salary Savings**

Fiscal Year 2016/17 General Fund	Vacant Position Funding Per Labor Forecast (1)	Salary Savings Use Per AR No. 4 (2)	Budgeted Salary Savings (3)	Year-End Salary Savings (4)	Salary Savings to Fall To Fund Balance (5)	Actual Fall to Fund Balance (6)
Board of Supervisors	-	-	-	23,066	23,066	647,566
Miscellaneous Administration	-	-	-	903	903	5,642,738
Ag Commissioner/Sealer of Weights & Measures	365,640	(55,852)	(3)	195,384	195,381	819,652
Assessor/Clerk Recorder	865,088	-	(492,998)	1,048,120	555,122	667,815
Auditor-Controller/Treasurer-Tax Collector	579,641	-	(49,230)	469,044	419,814	902,853
Purchasing	42,899	(51,908)	-	(867)	(867)	74,397
Cooperative Extension	96,615	-	(13,950)	98,869	84,919	115,111
County Counsel	292,836	-	(94,390)	294,816	200,426	118,218
County Administration	673,136	(72,985)	-	101,570	101,570	(168,688)
General Services Agency	156,227	-	-	29,437	29,437	(229,740)
Registrar of Voters	-	(120,000)	-	71,113	71,113	17,741
District Attorney	2,203,284	(460,000)	(1,087,146)	1,879,166	792,020	1,038,446
Health & Human Services Agency	14,534,219	-	(10,312,877)	21,522,521	11,209,644	1
Human Resources and Development	-	-	2	223,809	223,811	365,996
Probation	3,657,507	-	(634,729)	5,244,955	4,610,226	1,204,866
Public Defender	500,360	(20,000)	(280,774)	997,501	716,727	851,698
Resource Management Agency	1,540,812	-	(1,059,088)	1,313,254	254,166	1,294,442
Sheriff	8,539,894	(430,684)	(5,072,284)	9,068,977	3,996,693	2,739,898
Citizens' Option for Public Safety (COPS)	-	-	-	99,034	99,034	184,417
Rural Crime Prevention	-	-	-	25,405	25,405	4,794
Juvenile Justice Crime Prevention Act	141,858	-	-	274,834	274,834	-
Miscellaneous Criminal Justice	13,195	-	-	1,782	1,782	258,883
General Fund Total	S 34,203,211	S (1,211,429)	S (19,097,467)	S 42,982,691	S 23,885,224	S 16,551,102

(1) "Vacant Position Funding Per Labor Forecast" is a compilation of the total number of vacant positions for each department including the monetary amount allotted per position.

(2) Administrative Regulation No. 4 (Budgetary Controls) -- adopted by Board of Supervisors -- provides the delegated authority to the County Administrative Officer and Department Heads to use salary savings for other budgetary purposes.

(3) "Budgeted Salary Savings" (includes Departmental Savings) represents the budgeted amount of unused salary savings that was designated in the department's budget approved by the Board of Supervisors for such purposes as meeting the department's target or other one-time uses.

(4) "Year End Salary Savings" is the actual amount of Salary Savings at the end of the fiscal year.

(5) "Salary Savings Fall to Fund Balance" is the amount of Budgeted Salary Saving plus Year-End (i.e., actual) Salary Savings.

(6) "Actual Fall to Fund Balance" represents the calculation that takes into account potential adjustments for revenue and other appropriation increases or decreases.

Table 1-B
FY 2016/17 Non-General Fund Salary Savings

Fiscal Year 2016/17 Non-General Fund	Vacant Position Funding Per Labor Forecast (1)	Salary Savings Use Per AR No. 4 (2)	Budgeted Salary Savings (3)	Year-End Salary Savings (4)
Library	366,344	-	-	252,031
Fire	299,786	-	-	465,978
Roads	1,338,607	-	(538,139)	1,619,895
Workforce Investment Board	269,572	(150,000)	-	202,449
Child Support Services	2,783,653	(19,873)	(707,910)	3,063,708
Capital Projects	167,846	(70)	-	163,781
ICT Special Projects	-	-	-	149,268
Transit	-	-	(12,717)	94,525
Solid Waste	197,800	-	(102,598)	200,311
Grounds Services	-	(23,600)	-	72,602
Facilities	404,232	-	-	559,259
Custodial Services	74,414	(40,000)	-	188,472
Fleet Services	-	-	-	30,773
Information & Communications Technology	1,223,472	-	-	890,584
Communications	-	-	-	1,260
Mail Services	-	-	-	(769)
Print Services	81,292	-	-	59,039
Non-General Fund Total	\$ 7,207,018	\$ (233,543)	\$ (1,361,364)	\$ 8,013,165

(1) "Vacant Position Funding Per Labor Forecast" is a compilation of the total number of vacant positions for each department including the monetary amount allotted per position.

(2) Administrative Regulation No. 4 (Budgetary Controls) -- adopted by Board of Supervisors -- provides the delegated authority to the County Administrative Officer and Department Heads to use salary savings for other budgetary purposes.

(3) "Budgeted Salary Savings" represents the budgeted amount of unused salary savings that was designated in the department's budget approved by the Board of Supervisors for such purposes as meeting the department's target or other one-time uses.

(4) "Year End Salary Savings" is the actual amount of Salary Savings at the end of the fiscal year.

**Table 2-A
FY 2017/18 General Fund Salary Savings**

Fiscal Year 2017/18 General Fund	Vacant Position Funding Per Labor Forecast (1)	Salary Savings Use Per AR No. 4 (2)	Budgeted Salary Savings (3)	Projected Year-End Salary Savings (4)	Salary Savings to Fall To Fund Balance (5)	Preliminary Fall to Fund Balance (6)
Board of Supervisors	82,202	-	-	7,524	7,524	(15,857)
Miscellaneous Administration	-	-	-	-	-	8,068,407
Ag Commissioner/Sealer of Weights & Measures	294,908	-	-	685,223	685,223	344,770
Assessor/Clerk Recorder	1,323,965	-	(639,339)	627,564	(11,775)	768,782
Auditor-Controller/Treasurer-Tax Collector	493,764	-	(7,000)	526,134	519,134	663,427
Purchasing	-	-	-	113,064	113,064	239,395
Cooperative Extension	46,495	-	(19,076)	51,339	32,263	53,989
County Counsel	902,820	-	-	380,449	380,449	206,940
County Administration	455,276	-	(31,104)	443,373	412,269	840,799
General Services Agency	387,920	-	(214,157)	351,889	137,732	(305,851)
Registrar of Voters	100,990	-	-	189,911	189,911	730,467
District Attorney	1,802,689	(80,000)	(337,397)	1,180,596	843,199	488,411
Health & Human Services Agency	19,637,060	-	(8,150,284)	11,112,212	2,961,928	282,604
Human Resources and Development	272,474	-	2	89,356	89,358	117,926
Probation	5,837,350	-	(78,104)	6,850,440	6,772,336	2,790,513
Public Defender	1,033,678	(44,000)	(349,457)	604,534	255,077	121,653
Resource Management Agency	1,590,944	-	(556,638)	1,172,125	615,487	638,477
Sheriff	9,841,278	-	(4,302,648)	10,166,101	5,863,453	257,185
Citizens' Option for Public Safety (COPS)	83,530	-	-	-	-	(9,850)
Rural Crime Prevention	-	-	-	3,042	3,042	-
Juvenile Justice Crime Prevention Act	291,008	-	-	430,245	430,245	-
Miscellaneous Criminal Justice	13,588	-	-	2,254	2,254	39,490
General Fund Total	\$ 44,491,939	\$ (124,000)	\$ (14,685,202)	\$ 34,987,375	\$ 20,302,173	\$ 16,321,677

(1) "Vacant Position Funding Per Labor Forecast" is a compilation of the total number of vacant positions for each department including the monetary amount allotted per position.

(2) Administrative Regulation No. 4 (Budgetary Controls) -- adopted by Board of Supervisors -- provides the delegated authority to the County Administrative Officer and Department Heads to use salary savings for other budgetary purposes.

(3) "Budgeted Salary Savings" (includes Departmental Savings) is the budgeted amount of unused salary savings that was designated in the department's budget approved by the Board of Supervisors for such purposes as meeting the department's target or other one-time uses.

(4) "Projected Year-End Salary Savings" is the amount of Salary Savings that was estimated by the department at the time of Mid-Year Budget.

(5) "Salary Savings Fall to Fund Balance" means the amount of Budgeted Salary Saving plus Projected Year-End Salary Savings.

(6) "Preliminary Fall to Fund Balance" represents the calculation that takes into account potential adjustments for revenue and other appropriation increases or decreases.

Table 2-B

FY 2017/18 Non-General Fund Salary Savings

Fiscal Year 2017/18 Non-General Fund	Vacant Position Funding Per Labor Forecast (1)	Salary Savings Use Per AR No. 4 (2)	Budgeted Salary Savings (3)	Projected Year-End Salary Savings (4)
Library	214,055	-	-	285,936
Fire	458,591	-	(236,877)	739,709
Roads	1,368,916	-	(270,590)	1,618,071
Workforce Investment Board	279,497	-	-	685,223
Child Support Services	2,999,669	-	(1,821,493)	3,075,712
Capital Projects	181,663	-	-	220,975
ICT Special Projects	214,614	-	-	117,142
Transit	87,579	-	-	36,783
Solid Waste	218,916	-	(114,738)	407,403
Grounds Services	89,984	-	-	116,945
Facilities	222,508	-	-	797,550
Custodial Services	157,024	-	-	330,167
Fleet Services	49,654	-	-	170,383
Information & Communications Technology	1,294,363	-	(58,562)	960,331
Communications	-	-	-	4,877
Mail Services	-	-	-	12,232
Print Services	85,658	-	-	163,698
Non-General Fund Total	\$ 7,922,691	\$ -	\$ (2,502,260)	\$ 9,743,136

(1) "Vacant Position Funding Per Labor Forecast" is a compilation of the total number of vacant positions for each department including the monetary amount allotted per position.

(2) Administrative Regulation No. 4 (Budgetary Controls) -- adopted by Board of Supervisors -- provides the delegated authority to the County Administrative Officer and Department Heads to use salary savings for other budgetary purposes.

(3) "Budgeted Salary Savings" is the budgeted amount of unused salary savings that was designated in the department's budget approved by the Board of Supervisors for such purposes as meeting the department's target or other one-time uses.

(4) "Projected Year End Salary Savings" represents the amount of Salary Savings that was estimated by the department at the time of Mid-Year Budget.

Table 3-A
FY 2016/17 General Fund Position Count

Fiscal Year 2016/17 General Fund	Adopted Position Count	Position Allocation Count as of 6/30/17	Vacant Positions as of 6/30/17
Board of Supervisors	9	11	1
Miscellaneous Administration	1	1	-
Ag Commissioner/Sealer of Weights & Measures	61	61	1
Assessor/Clerk Recorder	96	98	15
Auditor-Controller/Treasurer-Tax Collector	63	59	9
Purchasing	10	10	-
Cooperative Extension	8	8	1
County Counsel	56.65	59	8
County Administration	15	15	5
General Services Agency	37	38	5
Registrar of Voters	0	6	-
District Attorney	210	212	29
Health & Human Services Agency	2051.5	2047.5	244
Human Resources and Development	27	27	6
Probation	395	396	99
Public Defender	92	93	9
Resource Management Agency	69	69	11
Sheriff	857	861	126
Citizens' Option for Public Safety (COPS)	6	6	-
Rural Crime Prevention	6	6	-
Juvenile Justice Crime Prevention Act	14	14	7
Miscellaneous Criminal Justice	2.48	2	-
General Fund Total	4087	4100	576

Table 3-B
FY 2016/17 Non-General Fund Position Count

Fiscal Year 2016/17 Non-General Fund	Adopted Position Count	Position Allocation Count as of 6/30/17	Vacant Positions as of 6/30/17
Library	41	41	3
Fire	116	114	7
Roads	156	156	17
Workforce Investment Board	23	23	4
Child Support Services	201	201	50
Capital Projects	4	4	1
ICT Special Projects	0	3	2
Transit	3	3	-
Solid Waste	40	40	4
Grounds Services	6	6	-
Facilities	48	48	3
Custodial Services	33	33	1
Fleet Services	11	11	1
Information & Communications Technology	155	154	20
Communications	7	7	-
Mail Services	2	2	-
Print Services	12	12	3
Non General Fund Total	858	858	116

Table 4-A
FY 2017/18 General Fund Position Count

Fiscal Year 2017/18 General Fund	Adopted Position Count	Position Allocation Count as of 4/30/18	Vacant Positions as of 4/30/18
Board of Supervisors	11	11	1
Miscellaneous Administration	1	1	-
Ag Commissioner/Sealer of Weights & Measures	61	64	2
Assessor/Clerk Recorder	98	98	15
Auditor-Controller/Treasurer-Tax Collector	55	54	5
Purchasing	10	17	7
Cooperative Extension	8	8	1
County Counsel	62.65	63	7
County Administration	15	15	5
General Services Agency	42	44	6
Registrar of Voters	11	11	1
District Attorney	204	206	20
Health & Human Services Agency	2059.5	2,063	246
Human Resources and Development	28	28	7
Probation	397	397	100
Public Defender	93	92	8
Resource Management Agency	72	72	11
Sheriff	870	870	128
Citizens' Option for Public Safety (COPS)	6	6	-
Rural Crime Prevention	6	6	-
Juvenile Justice Crime Prevention Act	14	14	7
Miscellaneous Criminal Justice	2.48	2	-
General Fund Total	4126.63	4141.63	576.75

Table 4-B
FY 2017/18 Non-General Fund Position Count

Fiscal Year 2017/18 Non-General Fund	Adopted Position Count	Position Allocation Count as of 4/30/18	Vacant Positions as of 4/30/18
Library	40	41	2
Fire	117	117	6
Roads	168	169	27
Workforce Investment Board	23	23	4
Child Support Services	201	201	50
Capital Projects	4	4	1
ICT Special Projects	3	2	-
Transit	3	3	-
Solid Waste	46	46	8
Grounds Services	6	6	-
Facilities	48	48	3
Custodial Services	33	33	1
Fleet Services	12	12	1
Information & Communications Technology	152	153	18
Communications	7	7	-
Mail Services	2	2	-
Print Services	12	12	3
Non-General Fund Total	877	879	124

Attachment C
(Salary Savings Comment Letters from Departments)

HHSA SUMMARY ON SALARY SAVINGS

APRIL 2018

The Health & Human Services Agency (HHSA) applies a conservative approach to Salary Savings, both in budgeting and in the use of actual salary savings realized. In Fiscal Year 2017/2018, HHSA budgeted a total of \$8,150,284 in Salary Savings, or 1.8 percent of the Agency's total budget.

Budgeted Salary Savings

HHSA typically budgets Salary Savings for the following:

- Consistently hard-to-fill positions, especially licensed professionals.
- To reflect historical turnover and vacancy rates that provide a realistic budgetary basis.
- Vacant positions are required to be budgeted at the highest level allocated, and salary savings are sometimes budgeted to accurately reflect the actual cost anticipated. For example, a position allocated at a III level but intended to be filled during the year at a II level.
- While job description revisions are pending through Human Resources, positions are often intentionally held vacant or underfilled until the revision is complete.

Actual Salary Savings

In general, for HHSA's subvented programs, any actual salary savings realized does not result in unused or excess revenues. Rather, the unrealized expenses are simply not claimed for reimbursement as no expense has been incurred. The reasons for and uses of actual salary savings include the following:

- Frequent turnover of non-licensed professionals.
- Personnel on long-term Leaves of Absence can result in actual salary savings.
- Salary Savings realized from unfilled licensed professional positions may be used to contract with medical specialists or on-call services.
- For fee-based and other revenue-generating programs, salary savings are often accompanied by reduced revenues, providing a natural balancing effect.
- Actual Salary Savings are occasionally used to offset unforeseen expenditures that are higher than budgeted, such as increasing building maintenance fees, increasing Information Technology costs, or legal fees.
- Salary Savings allow a degree of flexibility within programs while controlling costs within the overall budget. For example, programs with "match" requirements can be kept within budgetary spending limits due to salary savings, without the need for additional General Fund contributions.

For non-subvented programs, such as Animal Services, Public Guardian, and General Assistance, salary savings are not intended and any actual salary savings are used for other critical program needs.

County of Tulare

221 S. MOONEY BLVD., RM. 206
VISALIA, CA 93291-4593
PHONE: (559) 713-2750
FAX: (559) 730-2626



**CHIEF PROBATION OFFICER
MICHELLE BONWELL**

PROBATION DEPARTMENT

The Tulare County Probation Department is allocated 411 FTEs to provide all daily operations. The department is 30% state and federally funded and programs are charged overhead costs to offset the General Fund. Absent the mandated positions within the locked custodial facilities the department has 32 vacancies which yield an 8% vacancy rate.

Within the Institutions, the department has 108 vacant Probation Correctional Officer positions who are assigned to custodial facilities and are responsible for the direct care and custody of youth housed within our locked facilities. These 108 positions are mandated by the Board and State of Community Corrections (BSCC) Title 15 (Minimum Standards for Local Facilities). We are in compliance with State mandates as we meet the 1:10 staffing ratio (detention) and 1:15 staffing ratio (camps) required by BSCC, however, we are not in compliance with Federal mandates required by PREA (Prison Rape Elimination Act) as we do not have enough FTEs to meet the required 1:8 staffing ratio. Of the 108 positions 41 remain vacant however 11 are funded by State/Federal monies therefore 30 remain funded by the General Fund. As these are mandated positions they cannot be deleted as failure to meet the minimum standards would cause the department to fail the annual BSCC Inspection as required by law. The fiscal impact of deleting positions within the Institutions would be a salary savings of \$1,294,080. However, the operational impact of deleting these mandated positions is the non-compliance by the Department with State and Federal laws thus, subject to sanctions up to closure.

Within Operations, the department has 33 vacant Deputy Probation Officer positions who deliver mandated services to both Adult and Juvenile offenders throughout Tulare County. Of these 33 positions 26 are funded by State/Federal monies therefore 7 remain funded by General Fund. The ability to effectively provide services to our clients has a direct correlation on caseload size. If an officer is forced to carry a caseload with larger than optimum levels the offender may not receive the prescribed oversight thus outcomes could falter and recidivism could increase which provides a direct correlation to public safety. The fiscal impact of deleting positions within Operations is a salary savings of \$368,973, however, deleting these positions would leave the Department with the inability to provide mandated services which would impact Public Safety.

Within Management and Support, the department has 30 vacant positions with 7 being management and 23 support. Of these 5 are funded by State/Federal monies therefore 25 remain funded by General Fund. The management positions are critical to ensuring proper oversight of department operations. The support positions are critical as these positions provide data entry into various State, Federal and local systems. The fiscal impact of deleting positions within Management is a savings of \$577,581. However, deleting these positions would impede the Department from providing effective oversight to staff and daily operations thus impacting public safety. The fiscal impact of deleting support positions would be a salary savings of \$588,200. However, deleting these positions would require the reassignment of duties, creating an additional burden on current staff and a direct impact of services provided to our Justice Partners including the Court, District Attorney, Public Defender, and the Sheriff.

The Probation Department is the lynchpin in the Justice System and has served the residents of Tulare County since 1908 by supervising, treating and providing rehabilitative services to offenders who are housed within the community and are under a judicially imposed suspension of sentence. If the department does not have the adequate number of staff to provide proper supervision within the community it is likely an increase in recidivism (crime) will occur.

VACANCIES - INSTITUTIONS

Juvenile Detention Facility	33 positions	Total positions	41
Youth Facility	<u>8</u> positions	Funded by programs	<u>11</u>
Total	<u>41</u> positions	Funded by General Fund	<u>30</u>

The earliest date that a position in the Institutions was left vacant is October 9, 2016. Recruitment for these positions is continuous.

Juvenile Detention Facility

Staffing Ratio	PREA (Federal)	BSCC (Title 15) (State)	Actual (Allocated)
JDF - Rated Capacity of 220 Beds			
Day Shift (Wake Hours)	1:8	1:10	1:10
6:00 a.m. to 2:00 p.m. (FTE)	27.5	22	22
2:00 p.m. to 10:00 p.m. (FTE)	27.5	22	22
Night Shift (Sleep Hours)	1:16	1:30	1:30
10:00 p.m. to 6:00 a.m. (FTE)	13.75	7	7
Total Number of FTEs for Title 15 Compliance	<u>68.75</u>	<u>51</u>	<u>51</u>
Relief Factor (Vacation, Sick, Training, etc.) - FTE	<u>1.5</u>	<u>1.5</u>	<u>1.5</u>
Total Required Number of Positions	<u>103</u>	<u>77</u>	<u>77</u>

Youth Facility

Staffing Ratio	PREA (Federal)	BSCC (Title 15) (State)	Actual (Allocated)
YF - Rated Capacity of 120 Beds			
Day Shift (Wake Hours)	1:8	1:15	1:15
6:00 a.m. to 2:00 p.m. (FTE)	15	8	8
2:00 p.m. to 10:00 p.m. (FTE)	15	8	8
Night Shift (Sleep Hours)	1:16	1:30	1:30
10:00 p.m. to 6:00 a.m. (FTE)	7	4	4
Total Number of FTEs for Title 15 Compliance	<u>37</u>	<u>20</u>	<u>20</u>
Relief Factor (Vacation, Sick, Training, etc.) - FTE	<u>1.5</u>	<u>1.5</u>	<u>1.55</u>
Total Required Number of Positions	<u>56</u>	<u>30</u>	<u>31</u>

VACANCIES - OPERATIONS

Juvenile Work Program*	2	positions		
Job readiness	1	position	Total positions	33
Juvenile Investigations*	1	positions	Funded by programs	<u>26</u>
Mental Health*	1	position	Funded by General Fund	<u>7</u>
Placement*	3	positions		
Adult Assessment Team (SB678)	4	positions		
Criminal Justice Realignment (AB109)	15	positions		
Family Preservation	2	positions		
Ember Aftercare	3	positions		
GREAT	<u>1</u>	position		
Total	<u>33</u>	positions		

*These are Deputy Probation Officer positions. The earliest date that a position in this group was left vacant is February 9, 2014. Recruitment for these positions is continuous. *General funded positions*

VACANCIES - MANAGEMENT AND SUPPORT POSITIONS

Administration (*6 positions)	7	positions		
Fiscal Services (*7 positions)	8	positions	Total positions	30
Kitchen*	1	position	Funded by programs	<u>5</u>
Support Staff (*11 general fund)	<u>14</u>	position	Funded by General Fund	<u>25</u>
Total	<u>30</u>	positions		

*These positions include executive, managers, supervisors and support staff. The earliest date that a position in this group was left vacant is May 5, 2013. The department is now actively recruiting to fill most of these vacancies to comply with our mandates and audit requirements. *General funded positions*

IMPACT IF GENERAL FUNDED VACANCIES ARE DELETED

OPERATIONS

Juvenile Investigations – Mandated pursuant to 280 WI, 281 WI, 281.5 WI, 282 WI, 706 WI, and 706.4 WI. This position is mandated by law to conduct a thorough investigation and present a report to the court regarding the proper disposition of a case to include a social study history and all relevant facts associated with the case.

Juvenile Placement – Mandated pursuant to 636 WI. This position is mandated by law to provide supervision of youth wherein a minor is removed from the care of their parents due a matter of immediate and urgent necessity for the protection of the minor, a person, or the property of another. The youth removed pursuant to this statute are similar to youth removed by HHS- Child Welfare (300 WI) as the result of a parent failing to provide adequate care and many have suffered or been exposed to substantial neglect, abuse, and/or trauma.

Mental Health – This position provides support to Mental Health Court, a collaborative with Justice Partners from the Superior Courts, Health and Human Services – Mental Health, District Attorney and the Public Defender. This officer provides intensive supervision services to those on formal probation who suffer from significant mental health issues. Deleting this position would eliminate the ability of the department to provide the level of intensive services necessary to address the myriad of issues they present.

Juvenile Work Program: This position affords the ability for youth to give back to the community while being held accountable for their actions. The Juvenile Work Program enables juvenile offenders to experience consequences for their illegal activity; assists in learning discipline and responsibility; promotes a positive work ethic; teaches juveniles how to work as a team to accomplish a common goal; assists in developing positive attitudes toward industry and good work habits and promotes a positive attitude and sense of investment in the community.

MANGEMENT AND SUPPORT

Administration - This consists of one Deputy Chief Probation officer position, two Division Managers, two Supervising Probation Officers, and one Institution Supervisor. These positions are critical as they provide effective oversight and management of departmental daily operations. I chose to not fill these positions this fiscal year 17-18 as I evaluated the departmental structure and operations to ensure an effective use of resources and efficiency. I intend to fill these position next fiscal year 18-19.

Fiscal – Upon evaluation it was determined three of the fiscal positions could be deleted which will be recommended in the FY 18-19 Budget. In addition, as a result of SB90 I chose to cease recruitment until the law was evaluated by County Counsel and final decisions were made with regard to collection practices. As this process has been completed we are now actively recruiting and intend to fill these positions.

Kitchen – This position provides direct oversight of all meal and menu preparation for youth housed in custody at both the Juvenile Detention Facility and the Youth Facility. Pursuant to Title 15 of the Board and State of Community Corrections food shall be served three times per day in a 24-hour period with menus being prepared and evaluated by a Registered Dietitian to ensure adequate caloric and dietary needs are met. We have interviewed for this position and the applicants are in the background phase of the hiring process.

Support Staff – This consists of two Detention Service Officers, one Stock Clerk, and eight Office Assistant positions. The Detention Service Officer positions provide visual oversight of all daily operations within our custodial settings as they monitor the cameras and doors throughout the facilities as well as conduct booking interviews. These positions are critical to ensure the safety and security of the facility. These positions were recently vacated and intend to be filled next fiscal year 18-19. The Stock Clerk position is responsible to assess, evaluate and order all items needed within the custodial facilities to ensure we are in compliance with Title 15 guidelines. We have interviewed and the applicant is in the background phase of the hiring process. The Office Assistant positions are critical to overall department operations as these staff are responsible for the data entry of all cases received for supervision by the department. A failure to have adequate staffing may present a Community Safety Issue as a delay in processing court orders may result in continued criminal activity. The department currently supervises approximately 5000 probation clients in Tulare County. We have interviewed for this position and the applicants are in the background phase of the hiring process.

Michael Spata - Salary Savings for Public Defender

From: Lisa Bertolino Mueting
To: Spata, Michael
Date: 4/26/2018 12:26 PM
Subject: Salary Savings for Public Defender
Cc: Almanza, Sophia; Herrera, Cecilia; Serna, Katarina; McGuire, Thomas; ...

I am submitting the following comments on Salary Savings as requested at the last Department Head meeting. I was not able to attend, so I hope this is in line with your request.

Since FY 09/10 the Public Defender has kept between four to 11 positions unfilled in attempts to meet the budget targets set by County Administration Office. This was necessary due to cuts made as a result of the economic recession that was experienced at that time. Salary savings experienced by the Public Defender since FY 09/10 were used for the following; in FY 15/16 \$62,000 was used for purchase of three vehicles, in FY 16/17 \$20,000 was transferred to line 7052 - Medical Providers, and for FY 17/18 \$44,000 was transferred from 6001 to 8342 for the purchase of two vehicles.

If the Board was to implement the tiered process proposed for salary savings experienced by this department, with its incentivized sliding scale, the purchases made this year could have used amounts received as incentive and carried forward the balance into the next fiscal year. This approach would serve the Public Defender department well, and decrease any likelihood that a request to draw on general funds would be made. We now have only three positions that are open and not currently in the process of being filled.

Please let me know if you want more detail, or any other further information would be helpful.

Lisa J. Bertolino
Tulare County Public Defender
Courthouse, Room G-35
221 S. Mooney Blvd.
Visalia, CA 93291

(559) 636-4500
(559) 733-6113 fax
Lbertoli@co.tulare.ca.us

RMA Response to Salary Savings Report

Road Fund

Salary Savings in the Road Fund has been a result of high turnover rates in our construction worker and entry level engineer positions. These positions are in high demand in the job marketplace and the Roads department has struggled to retain employees.

The Road Fund does not directly receive financial support from the General Fund (support by the Road Fund to General Fund departments is reimbursed), and has had sufficient fund balance in the past to adequately fund operations. As a result, there is no need to use Salary Savings as a way to balance the Road Fund budget.

Management's preference would be not to reduce the number of allocated positions for the Road Fund as these are the necessary number of positions needed to run operations and not an inflated number used as a budgeting mechanism.

Transit

Transit Fund only has a few employees. The Salary Savings used in the last 5 years was related to the budgeting of the unused salary in fiscal year 2017 expected to occur as a result of an anticipated lengthy recruitment for a new Transit Coordinator.

The Transit Fund does not directly receive financial support from the General Fund (support by the Transit Fund to General Fund departments is reimbursed), and has had sufficient fund balance in the past to adequately fund operations. As a result, there is no need to use Salary Savings as a way to balance the Transit Fund budget.

RMA General Fund

Salary Savings in the RMA General Fund departments has been mostly attributable to management succession at RMA and the CAO's office. Several key positions were vacated as employees moved to the CAO's office (including our Director). The impact of these moves created a period of reorganization that created Salary Savings. The Salary Savings has not been used to support operating expenses.

Management's preference would be not to reduce vacant allocated positions, as it is a useful tool to improve retention, and eliminates the lengthy process of adding positions.

RMA Vacant Position Analysis

Position Name	Position #	Status
Assistant Director of RMA - Public Works	09316	RMA plans to fill this position in FY 18-19. Management has delayed recruitment to allow for a complete analysis of current operations and the appropriate responsibilities of this position.
Construction Maintenance Worker IV	New	Current Recruitment
Construction Maintenance Worker III	02567	Current Recruitment
Construction Maintenance Worker III	02569	Current Recruitment
Construction Maintenance Worker III	02573	Current Recruitment
Construction Maintenance Worker II	02615	Current Recruitment
Construction Maintenance Worker II	02564	Current Recruitment
Construction Maintenance Worker II	02579	Current Recruitment
Construction Maintenance Worker I	10420	Current Recruitment
Construction Maintenance Worker I	10418	Current Recruitment
Construction Maintenance Worker I	10419	Current Recruitment
Construction Maintenance Worker I	10416	Current Recruitment
Construction Maintenance Worker I	10417	Current Recruitment
Construction Maintenance Worker I	10421	Current Recruitment
Welder-Mechanic	02527	Current Recruitment
Planner IV	10415	RMA intends to fill this position in FY 18-19 once the SB1 repeal is decided.
Property Specialist II	10472	Current Recruitment
Engineering Tech III	10412	RMA intends to fill this position in FY 18-19 once the SB1 repeal is decided.
Engineering Tech II	02479	RMA intends to fill this position in FY 18-19 once the SB1 repeal is decided.
Engineering Tech II	02480	Current Recruitment
Engineering Tech II	02505	Current Recruitment
Engineering Tech II	02482	RMA intends to fill this position in FY 18-19 once the SB1 repeal is decided.
Engineering Aide I	10410	RMA has asked to replace this position and position# 10411 with a Engineer III. If denied we intend to fill in FY 2018-19
Engineering Aide I	10411	RMA has asked to replace this position and position#10410 with a Engineer III. If denied we intend to fill in FY 2018-19
Heavy Equipment Mech I	00221	RMA intends to fill this position in FY 18-19.
Office Assistant III	08640	RMA has asked to add a Admin Aide position as a replacement for this position. If denied we intend to fill in FY 2018-19
Assistant Director of RMA - Planning	05899	RMA plans to fill this position in FY 18-19. Management has delayed recruitment to allow for a complete analysis of current operations and the appropriate responsibilities of this position.
Grant Specialist II	09459	The Board has indicated that Economic Development is a priority moving forward. RMA intends to fill this position within the FY 18-19 budget.
Staff Services Analyst II	10005	The Board has indicated that Economic Development is a priority moving forward. RMA intends to fill this position within the FY 18-19 budget.
Economic Development Manager	09356	The Board has indicated that Economic Development is a priority moving forward. RMA intends to fill this position within the FY 18-19 budget.
Economic Development Analyst II	10007	The Board has indicated that Economic Development is a priority moving forward. RMA intends to fill this position within the FY 18-19 budget.
Planner II	08333	RMA has asked to replace this position with a new Planning Tech III position. If denied we intend to recruit in FY 18-19
Building & Zoning Inspector II	00296	RMA intends to underfill this position with a Building/Zoning Aide prior to FY 18-19
Office Assistant III	09103	RMA intends to fill this position in FY 18-19.
Office Assistant III	09354	RMA intends to fill this position in FY 18-19.
Economic Development Manager	09356	The Board has indicated that Economic Development is a priority moving forward. RMA is developing a plan for the recruitment of these positions.
Fiscal Manager	07299	RMA plans to fill this position in FY 18-19. Management has delayed recruitment to allow for a complete analysis of current operations and the appropriate responsibilities of this position.
Account Clerk Senior	02637	Current Recruitment
Accountant II	02495	Current Recruitment

Michael Spata - Salary Savings Tiered approach feedback

From: Kathleen Ayers
To: Benton, Melinda
Date: 4/17/2018 5:01 PM
Subject: Salary Savings Tiered approach feedback
Cc: Dixon, Roger; Wall, Timothy

Good afternoon Melinda,

At the last Department Head Meeting Mr. Spata requested departments provide comments and feedback regarding the proposed Salary Savings Tiered approach the board had commented about.

Below is the feedback from our Department:

The Tulare County Department of Child Support Services (DCSS) is a fully sub vented program with state and federal funds based on a prior approved allocation. As such, because no general funds are used, any remaining expenditure budget is off-set by the remaining revenue budget equating to zero net county cost. In accordance with Assembly Bill 1111 (Chapter 147, Statutes of 1999) and as further promulgated through statute and regulation, the department can only claim actual expenses that occur during the fiscal year (cash bases accounting). See Family Support Division letter Number 00-03. Any portion of the allocation that is not expended within the fiscal year is forfeit and cannot be shifted to the General Fund. Therefore, the proposed Tiered Structure and Incentivized Sliding Scale proposed for departmental salary savings would not lawfully be applicable to DCSS.

Please let me know if you have any questions,

Kathleen Ayers
Chief Child Support Attorney
Tulare County
Department of Child Support Services
Phone: 559-713-5758
FAX: 559-651-3379
Email address kayers@co.tulare.ca.us

Caution: For your protection DO NOT include any confidential information (i.e. SSN or Date of Birth) when

e-mailing this office. E-mail may not be secure. For your protection, we as an agency will not provide any type of confidential information when sending e-mails to you.

Confidentiality Notice: This message and accompanying documents are covered by the Electronic Communications

Privacy Act, 18 U.S.C. 2510-2521, and contain information intended for the specified individual(s) only. This information

is confidential. If you are not the intended recipient or an agent responsible for delivering it to the intended recipient, you

are hereby notified that you have received this document in error and that any review, dissemination, copying, or the

taking of any action based on the contents of this information is strictly prohibited. If you have received this

communication in error, please notify us immediately by E-mail, and delete the original message.



TULARE COUNTY FIRE DEPARTMENT

835 S Akers St, Visalia, CA 93277 - Phone (559) 802-9800 - Fax (559) 747-8242

Charlie Norman
FIRE CHIEF

DATE: April 9, 2018

TO: Michael Spata, County Administrative Officer

FROM: Charlie Norman, Fire Chief

SUBJECT: TCFD Open Position Update

Introduction

The Fire Department is continuously evaluating methods to enhance our service delivery system to the public through the most efficient options available. In my brief history with the Tulare County Fire Department we have filled vacancies continuously or provided equivalent "acting or out of class" opportunities until recruitments are conducted. This process has allowed for career development opportunities and keeps emergency response, prevention, and training functions running without interruption or delays in our service delivery model. This process has prevented many positions from remaining vacant for extended periods.

Background

The Tulare County Fire Department currently employs 117 full time staff and approximately 190 extra help Firefighters, Engineers, and Dispatchers. The fulltime staff consists of 96 suppression and 21 support staff. A large portion of our work force has transitioned from the extra help Firefighter rank to the full-time position of Lieutenant and Fire Apparatus Engineer. This process has assisted in hiring of the local labor market and aids with better employee retention.

Since 2015, eight (8) suppression personnel have left County Fire Department employment before retirement age. Six (6) of these individuals left for other fire service agencies, one was terminated and one left to start a business venture. The departing classifications were as follows:

Lieutenants-6

Captain-1

Fire Apparatus Engineer-1

All other recent openings have occurred as the result of retirements and promotions over the last five months.

Current

The Lieutenant and Fire Apparatus Engineer job classifications are the two (full-time) entry level positions in the Fire Department. The Engineer positions are only two years old and have helped to increase the staffing levels at two area Fire Stations. The Lieutenant position is also an entry level position; but requires additional minimal qualifications in order to function in a supervisory capacity. As the Department works toward increasing our staffing model; staff will propose that the Fire Apparatus Engineer becomes our entry level position. This advancement would most likely take place after the 2-0 staffing of 5-6 Stations. This staffing level will give us the appropriate depth, mentorship, and training to ensure successful outcomes in all operations.

At this time, the Fire Department has five (5) Lieutenant (Suppression) and one (1) Payroll Clerk (Support) vacancy. Staff is currently in the process of the Lieutenant recruitment and anticipate filling these positions before the end of the 17/18 fiscal year. The Payroll Clerk vacancy is currently being filled by an Office Assistant III who is working in an acting class. This position will be filled permanently when a new employment list is established. Subsequently, the Office Assistant III position (currently acting Payroll Clerk) will in turn be filled when the Payroll Clerk is filled permanently.

Conclusion

Currently, there are recruiting processes in place and Fire Department staff will fill current vacancies in a timely manner. The Fire Department has 117 allocated positions and 6 current vacancies which represents less than 6% and staff intends to fill these positions by the end of June. Fire Department staff will be proposing additional positions in the 18/19 proposed budget and providing adequate emergency staffing levels is our highest priority. Since the inception of the Department in 2007; long term vacant positions have not been an issue. Thanks for your assistance and feel to contact me with any questions.

From: Peg Yeates
To: Michael Spata
CC: Sophia Almanza; Paul Guerrero
Date: 5/2/2018 12:44 PM
Subject: Salary Savings

Good Afternoon,

In FY 2013 ICT was allowed to move budgeted funds that were salary savings to the operating expense lines to cover unanticipated expenses.

Normally when ICT has salary savings those savings are reflected in the rates when the true up is completed. Department charges are adjusted if necessary to take those savings into account and departments benefit by the reduction in their charges.

If you have any questions please let me know.

Peg



Tulare County

SHERIFF

Proudly Serving Since 1852

*Office of
MIKE BOUDREAUX
Sheriff-Coroner
833 S. Akers Street
Visalia, CA 93277
(559) 802-9435*

Administration
(559) 802-9440

Detentions
(559)735-1700

Investigations
(559) 802-9563

Operations
(559) 802-9599

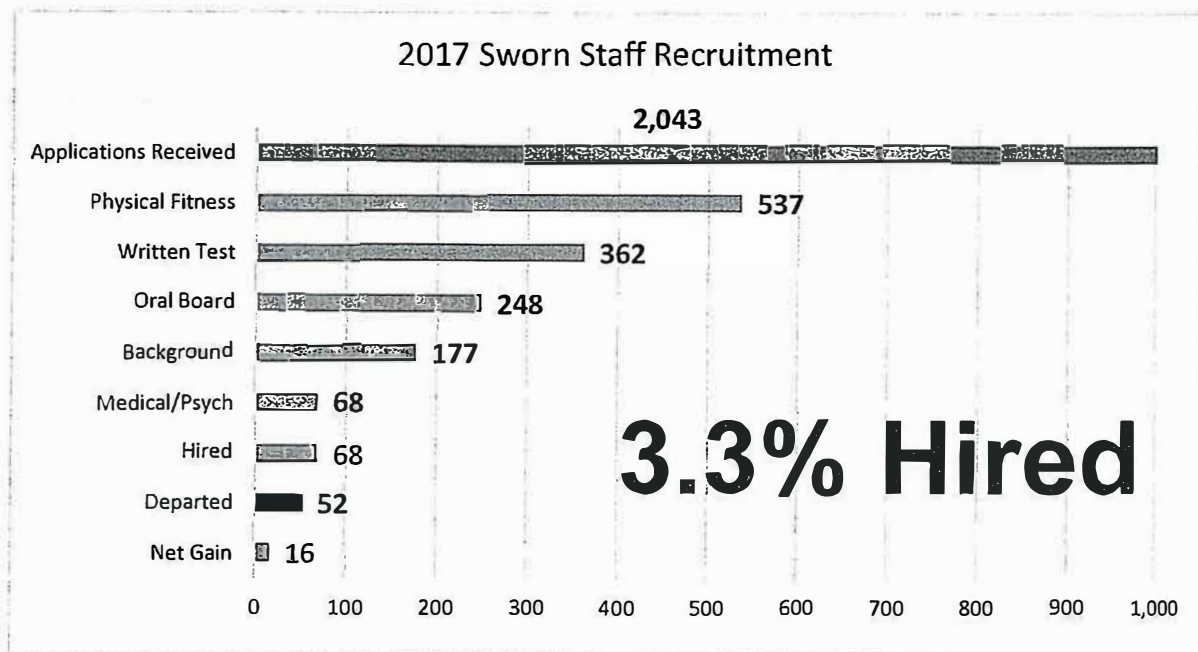
Thank you for the opportunity to respond to the Board of Supervisors comments regarding Salary Saving Comments.

Sheriff Boudreaux is committed to have the Best Law Enforcement Agency in the Nation. As such he deals with challenges managing personnel and budget while providing the highest level of service for the communities in Tulare County. The Sheriff's Office is a General Fund Department with very limited revenue generation (outside of grant funding), to offset its operational costs.

The Labor Forecast is generated and a cost for personnel is a starting point in the budget planning process. The labor forecast does not include operations expense items such as vehicle purchases, fleet costs, building maintenance and utilities. The CAO's office provides the Sheriff with a recommended budget target. The Sheriff evaluates his personnel and operational needs and meets with the CAO for further discussion. The CAO's office provides an adjusted budget target. This number represents what the County has determined the Sheriff's Office needs to operate for the fiscal year. The Sheriff cannot meet the budget target without the use of salary savings from vacant positions or additional general fund dollars.

Sheriff Boudreaux continues to actively recruit and hire highly qualified people to become part of the TCSO family. The Sheriff has one of the most comprehensive hiring processes within the county family.

The process for sworn staff consists of application, written and oral exams, extensive background package mandated by Peace Officers Standards and Training and Board of State Community Corrections, medical and psychological exams. In the past, this process can take months to complete. The Sheriff has identified ways to improve timelines to make the process timelier. Below is a graph that represents Sheriff Boudreaux's commitment to fill vacant positions.



When Sheriff Boudreaux determines the need for specialized equipment or replacement of aging facility equipment, he has consulted with the CAO office and brought the items for Board of Supervisor approval continuing to be transparent with his budget practices. Below is an example of Board of Supervisors approved salary savings expenditures.

FY 2016/17 Approved Mid-Year Purchases

Capital Asset	Cost	Unit Requesting	Comments
3 Drones	53,640	Aviation	Patrol & SAR usage
3 Ambulance Cots	42,146	Coroner	Reduces stress on back when lifting bodies--less injuries
Air Compressor	45,000	Dive Team	Will fill dive air tanks, clandestine lab equipment, & less lethal weapons-pepperball
Underwater Vehicle	96,410	Dive Team	Underwater robot-can deploy to 660 feet underwater
Sidescan Sonar	42,000	Dive Team	Used for underwater search & rescue operations. Device locates objects underwater
Scheduling/Timecard software	165,000	Fiscal Unit	Anticipated Staff saving \$185k
48" burner range with 2 ovens	5,500	Jail Services	Current burner range was purchased in 1980. Parts are no longer available.

Blast Chiller	14,250	Jail Services	Will reduce waste of food. Will also minimize food borne illness.
2 Standing Direct Steamers	25,749	Jail Services	Current steamers were purchased in 1980. Parts are no longer available.
	TOTAL	489,695	

At the end of each fiscal year and the salary savings exceeds the needs of the department, Sheriff Boudreaux continues to return unspent funds to the County. Sheriff Boudreaux returned over \$855,000 in fiscal year 16/17.

Sheriff Boudreaux has set forth the goal to fill the allocated positions within the Sheriff's Office. The positions are needed to continue the and improve on the level of service to the residents of Tulare County. The Sheriff will be able to initially open the new South County Detention Facility without requesting for any new position allocations by hiring staff and filling vacant positions.

INTRODUCTION

As requested by the County Administrative Officer, General Services Agency has compiled the following comments and suggestions regarding a potential Countywide Salary Savings policy. Currently, departments in the County utilize salary savings for a variety of purposes. Some of these include strategic purposes of one-time acquisitions, or to off-set overages in other departmental areas. Importantly, because much of the GSA is accounted for through Internal Service Funds, rather than in the General Fund, the utilization of Salary Savings in GSA has unique financial implications. This memo will provide suggestions as to how a possible Salary Savings policy could minimize impacts to GSA.

ANALYSIS

- **GSA General Fund (FY 2018 Budget of \$7.5 million)**
 - This includes the following major functions: Parks & Recreation (including Museums), Purchasing, Surplus Store, Property Management, and Administrative support.
 - In Fiscal Years 2013, 2014, and 2015, Salary Savings were generated primarily through vacant positions in the Administration Support unit. Over the past several years, these positions have been filled and it is not anticipated that salary savings will be generated going forward. For example, Fiscal Year 2017 experienced only \$800 in salary savings within Department 001-087 and \$726 in Department 001-032.
- **Capital Projects (FY 2018 Budget of \$74.3 million)**
 - This fund only has 3-5 employees.
 - There have been salary savings in the past fiscal years due to the vacancy of the former Capital Projects Director position. This position was reclassified to the Capital Projects Manager position and will be filled going forward.
 - No expected salary savings in the future.
- **Internal Service Funds (FY 2018 Budget of \$28.5 million)**
 - These funds operate as business-type funds. Services are provided to departments, which are then billed on an hourly basis to users. There are constant fluctuations in staff levels within ISF's, which creates varying billing levels throughout the Fiscal Year. Regardless of staffing levels, each ISF has the same amount of building space to maintain.
 - In this way, any vacant position within an ISF creates a financial loss and has a negative service impact to the customer. Therefore, GSA attempts to have all positions filled at all times within the ISF's and is, thus, avoiding any salary savings.

SUGGESTIONS & RECOMMENDATIONS

Based upon the analysis above, GSA has compiled the following simple suggestions regarding a Countywide Salary Savings policy:

1. **FUND SPECIFIC POLICY:** The policy should be sensitive to the multiple types of funds utilized in government accounting (i.e. General Fund, Special Revenue Fund, Enterprise Fund, Internal Service Funds). Each of these has a different purpose and operates differently. Accordingly, the Policy should be structured in accordance with standard Fund Accounting structures. In particular, ISF's should be given an exemption as any elimination of positions decreases an ISF's ability to generate income revenue.
2. **CREATE AN AUTHORIZATION PROCESS FOR ONE-TIME USES OF SALARY SAVINGS:** Regarding Salary Savings within the General Fund, the primary policy concern appears to be one of proper spending authority. If a department realizes salary savings in a given year and uses those savings for one-time purposes, there is a policy question of how to authorize that expenditure as the Board of Supervisors, which has ultimate authority over expenditures in the County, did not authorize the use of those funds for that one-time purpose. For example, if

a department realizes \$100,000 in salary savings because of a vacant position and uses that \$100,000 to purchase equipment for their programs, that equipment purchase was not part of the Board's budget approval process – other than any applicable capital asset approval requirements. Therefore, one solution regarding a salary savings policy is to create a pathway for the Board of Supervisor to have the opportunity to consider that budget request, either authorizing it or denying it. This policy could have different authorization processes for different amounts. This should not apply to operational or ongoing expenditures.