

Reader's Guide

This Reader's Guide is to assist you, the reader, to better understand the information contained in Nevada County's budget document for the Fiscal Year starting July 1, 2012 and ending June 30, 2013. Our goal is to present the information about the County's budget in a format that meets state and federal guidelines and provides easy readability to the citizens of Nevada County.

Creating the Annual Budget for Nevada County is a large project requiring significant collaboration. The County Executive Officer and Board of Supervisors strongly desire that the County budget development and adoption process be transparent to Nevada County's citizens. Anyone can follow the budget process on the County Budget Home Page.

The County Budget Home Page - Nevada County citizens can get up-to-date information about the County's budget development, and County staff will find the tools needed to develop budgets at the County's unique [Budget Home Page](#).

The Budget Home Page makes it easy for anyone to see the latest information about the County's fiscal status, and provides links to the most useful and real-time websites concerning State budget impacts.

When the proposed and final budget documents are ready, they will be placed on the site as a PDF file, which can be viewed with Adobe Acrobat Reader. If you don't already have that software, you can download it free directly from Adobe.

The Budget Home Page is divided into four distinct areas to assist staff and citizens in quickly locating the information they seek. These areas are: Information for citizens and staff, Budget Forms and Instructions for staff, Budget Resource Materials for staff and Contact the Team.

The County of Nevada is committed to effective, efficient and reliable improvements in the budget process, including the use of the Budget Home Page. Please contact the Nevada County Executive Office if you cannot find the information you need.



County Budget Portal

1. [Budget Message for FY 2012-13](#)
2. [Budget Calendar](#)
3. [County Goals & Objectives](#)
4. [Subcommittee Calendar](#)
5. Final Budget for FY 2012-13

County Executive Office staff is available to answer your questions regarding the budget process or the budget document. Any comments, suggestions or ideas about the budget website, including how it can be better illustrated or made more useful, should be directed to the County Executive Office at (530) 265-7040 or via e-mail at: <mailto:ceo@co.nevada.ca.us>

Written comments may be mailed to:
Richard A. Haffey, County Executive Officer
County of Nevada
950 Maidu Avenue
Nevada City, California 95959

Statement of Philosophy – The County's budget is an annual financial and operational plan. It is a clear statement of County priorities as established by the County Goals. Any alteration of the adopted plan requires approval of the Board of Supervisors. The primary purpose of the annual budget development process and this resulting document is to identify the several hundred services provided by the County and the resources that support them.



Reader's Guide

Budget Subcommittee - The County Executive Officer is responsible for recommending a proposed budget to the Board of Supervisors for consideration and adoption. As a recommending body to the County Executive Officer, a Budget Subcommittee is appointed whose members provide a comprehensive review of department requests for service levels, funding, and staffing. The Subcommittee consists of two members of the Board of Supervisors. Also serving as advisors are the elected Auditor-Controller, the County Executive Officer and the County's Deputy County Executive Officer. Each department head and appropriate staff appears before the Budget Subcommittee to discuss their budget request.

This year, the Budget Subcommittee spent nearly one hundred hours in working sessions to review and make recommendations concerning the departments' operating budgets and County reserves. The result is a set of budget policies and priorities, an open and transparent process and a balanced budget delivered on schedule.

Budget Policies - As the departments prepared their 2012-2013 budget requests for consideration by the Budget Subcommittee, they were guided by the following policies as identified by the County Board of Supervisors:

1. Every effort will be made to provide the same level of service as 2011-2012, understanding that this will require, for many agencies, departments and programs, reorganization or streamlining of current resources.
2. The budget must be balanced. Specifically, income must be equal to or greater than expenses. The total expenses of a department in 2012-2013 will be their expenses from the 2011-2012 fiscal year as modified by MOU changes and minor increases in services and supplies to the extend resources allow. All departments are expected to review their sources of income for correctness and validity.
3. There will be no unfunded positions included in the budget or staffing resolution. The vacancy review instituted over seven years ago remains in effect to create a pool of positions to either be eliminated if the State continues to divert local revenues or to be filled to avoid layoffs if other positions are eliminated. All positions will be reviewed. If revenue contingent positions lose their funding from the state or Federal government, those positions will be eliminated first before other cuts are enacted. No new positions will be considered unless there is new income for the position that covers not only the cost of the position, but any indirect and overhead costs as well. There must also be a reasonable expectation that there will be an ongoing funding stream for any new position.
4. The 2012-2013 budget will only use reserve funds for emergency and one-time expenditures or for purposes that the reserve is designated to fund. Every effort will be used to preserve reserve funds. A one-time use of an appropriate level of General Fund fund balance is authorized for the 2012-2013 budget from amounts previously set aside for economic downturns.
5. If the County contributes funds to Non-Profit or Community Partners for other than the purchase of services, it will give priority to one-time initiatives (as opposed to operational subsidies), and to those who demonstrate collaboration with other Community Partners. Funding will be adjusted based upon discretionary revenues available as with other County departments. Loans and advances will not be considered unless extraordinary events occur and must be secured.
6. Economic Development will remain a priority. Funding will be maintained at its current level and will not be adjusted downward based upon discretionary revenues available as is occurring with other County departments.
7. Investment in technology will be maintained.
8. The budget format and terminology will be standardized so that pertinent and relevant performance and financial information is provided for presentation to the public.



Reader's Guide

9. There will be a high level of fiscal discipline by the Department Heads, Budget Subcommittee, County Executive officer and Board of Supervisors. Every effort will be made to maximize County assets, achieve a high level of funding for employee retirement promises, evaluate cost per service item and develop and maintain contracts with vendors within Nevada County.
10. Staff will apply the approved space guidelines to include newly proposed space and Staff will continue to identify income streams for the improvement of the County's capital facilities.

Excellent Services – The 2012-2013 budget will have equal emphasis on what we do and how well we do it. Our services should not only be judged by how much they cost, but by how they protect our citizens and improve our community.

Accountability – There are several levels of financial accountability mechanisms built into the budget process. Our internal Auditor-Controller, an independent elected official, pre-audits payments to determine appropriateness under County guidelines. Externally, the County hires an independent audit firm to perform an audit of our books to determine their conformity with generally accepted accounting principles and to make management recommendations based upon their observations. Finally, the Nevada County Civil Grand Jury periodically investigates and reports regarding County operations and finances.

Budget Development - Department heads are responsible for preparing and managing their budgets at the line item level. The County Executive Office reviews departmental projections for expense and income accuracy, consistency with budget policies, and planned attainment of the County's goals and objectives. The Budget Subcommittee reviews the recommendations of the CEO Office analysts and solicits input from department heads on past completion of goals and objectives and planned performance measures. The Board of Supervisors is responsible for adopting the budget, after

considering it as a whole, and gauging its success in reflecting countywide goals and priorities for the community.

Performance Measures - Included in the section, *Office Summaries By Department*, are overviews of each service budget unit that include the mission, service description, previous year's major accomplishments, and performance measures for the new fiscal year.

Each year, the Board of Supervisors adopts a set of goals to guide the development of the annual budget. This process begins with a collaborative effort and assessment by the County management team, which provides input to the Board on needs and critical issues.

Board-adopted County goals are issued to the County departments along with budget instructions. These goals provide the foundation on which County budgets are built. Resource allocation is intrinsically tied to the achievement of these goals. Departments are required to provide performance measures addressing as many County goals as applicable to their areas of service. These performance measures are monitored throughout the year. The performance measures are intended to be outcome-oriented. In other words, how do the County's customers benefit from our services, and how can we quantify the services we provide?

Budget Summaries for each Service Budget Unit are presented in section two of this budget. These summaries provide an overview of the revenues and expenses budgeted for fiscal year 2012-13 as well as information about prior years to assist the reader in identifying trends. Note that direct comparisons between years are not always possible due to changes in accounting practices. The Budget Summaries also provide a summary of changes in the balances of the Funds that comprise that Budget Service Unit.

Fund Balances – When revenues do not equal expenses during a particular fiscal year, the result is a change in Fund Balance. The County maintains a variety of Funds, corresponding to specific restrictions on the use of funds as specified by law or



Reader's Guide

regulation or by the source of funds. The timing of the receipt of funds from various sources does not always coincide with the schedule for expenditure of those funds. When revenue is received which is not scheduled to be expended until the following fiscal year, the budget will show that amount as "Fund Balance Added." Conversely, if the planned expenses will require using revenue received in a prior year, the budget will show the amount as "Fund Balance Used." Please refer to the Glossary at the back of this budget book for further discussion of Funds and the various types of Funds that the County maintains.

Fiscal Monitoring Throughout the Year –

After adoption of the budget, the County Executive Office staff reviews and monitors revenues and expenses quarterly and assists departments in fiscal management as necessary. Departments submit an operating analysis to the CEO Office each quarter, and the CEO presents quarterly consolidated reports to the Board of Supervisors.

Budget Amendments -

Periodically, changes to the budget are necessary to seize opportunities that occur throughout the year, or to increase appropriations for unanticipated expenses. In addition, it is important to revise the budget downward when opportunities do not materialize. Budget amendments are required in order to increase or decrease revenues or appropriations and the Board of Supervisors must approve prior to committing any County resources. Consolidated budget amendments are processed through the County Executive Office at least twice a year.

