

SANTA BARBARA COUNTY BOARD AGENDA LETTER



Clerk of the Board of Supervisors
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Agenda Number:
Prepared on: 12/1/05
Department Name: Board of Supervisors
Department No.: 011
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Estimate Time: 15 minutes
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: William Kimsey,
Chair, Blue Ribbon Budget Task Force

STAFF CONTACT: Jason Stilwell, Project Manager
568-3413

SUBJECT: Blue Ribbon Budget Task Force extension

Recommendation(s):

That the Board of Supervisors:

Consider extending the deadline for the Blue Ribbon Budget Task Force to March 31, 2006.

Alignment with Board Strategic Plan:

This recommendation is primarily aligned with: 1) An efficient government able to anticipate and respond effectively to the needs of the community, and 2) A strong, professionally managed County organization.

Executive Summary and Discussion:

The Board of Supervisors appointed the five-member Blue Ribbon Budget Task Force in June 2005. The Board gave broad direction to the Task Force to examine the County's budget, opportunities for process improvements, and enhance public participation. The Task Force was given a six-month schedule to examine these issues and develop recommendations with the opportunity for an extension of up to six months to complete the work.

The Blue Ribbon Budget Task Force is meeting regularly, examining a number of issues, and developing recommendations. The Task Force would like an additional period of time to finalize recommendations and requests the Board of Supervisors grant the Blue Ribbon Budget Task Force an extension to March 31, 2006.

CURRENT STATUS OF AREAS EXAMINED BY THE BLUE RIBBON BUDGET TASK FORCE

The Task Force has spent the time since appointment examining a number of specific areas of county functions and operations. The review has focused on the financial future of the County and ways to improve or enhance operational efficiency. To date there are five broad areas that have been the focus of the Task Force. These are: the County's budget process and document, purchasing policies and procedures, staffing and the provision of services, County revenue, and process improvements.

County budget process and document

Examining the County's budget processes, budget document, and budget hearing schedule was one of the first orders of business for the Blue Ribbon Budget Task Force. The Task Force overall is very impressed with the County's budget document and processes.

Curious about how the County's budget document and processes compares to those of other counties, the Task Force asked the Budget Director to conduct a survey of other California counties. The survey was completed and the Task Force has had the opportunity to review the results which confirmed the high quality of the County's budgeting. The survey also suggested a few things other counties undertake that could be beneficial if applied in Santa Barbara County. These items relate to enhancing the public hearing process, the allocation of certain matching funds, and other process improvements. The Task Force is considering recommendations relating to these specific budget issues.

One reason the Board gave the Blue Ribbon Budget Task Force a six-month schedule with an option for a six-month extension was so budget recommendations could be incorporated into the development of the 2006-2007 budget. None of the potential budget recommendations now being considered by the Task Force is of the nature that they need to be considered at this point in order to be incorporated into the commencing budget development process.

Purchasing policies and procedures

The Blue Ribbon Budget Task Force spent significant time examining the County's purchasing policies and procedures. This entailed examining the role of the Purchasing Division, considering the County's purchasing policies and limits, reviewing County's use of service contracts, evaluating capital project construction, and assessing the County's fleet and vehicle policies. These areas are subjects where members of the Task Force have experience and expertise. As such, the Task Force is considering over a dozen potential recommendations broadly relating to purchasing policies and procedures.

Staffing and the provision of services

Staffing and the provision of services are a top priority for the County. Staffing costs constitute the largest single percentage of the County's budget. Also, as the Board is aware, many factors make it difficult for the County to recruit and retain qualified employees and these factors are projected to become a greater inhibitor in the future. The County has been adept at finding methods of providing services that are often more effective and efficient and less expensive than have been in the past (such as collaborating with non-profit organizations, outsourcing certain functions, and seeking public-private partnerships). As a result, the Task Force examined ways to balance the factors of staffing costs, the impending challenges the County faces relating to staffing, and the opportunities to continue providing quality county governmental services.

The Task Force began thoroughly examining these staffing issues in October and plans to continue reviewing the issues and developing potential recommendations in January if an extension is approved by the Board of Supervisors.

County revenue

County revenue is a paramount issue for the County. The Task Force has been receiving reports and presentations relating to the County's revenue streams from the County Executive Officer, Auditor-Controller, Treasurer-Tax Collector, and certain Department Directors of operating departments. The information has ranged from examining the County's Strategic Scan and the forecasts of the UCSB Economic Forecast Project to understanding details of specific revenue streams.

As a result, the Task Force has developed a strong understanding of the County's revenue streams, sources, and strategies. The Blue Ribbon Budget Task Force would like the opportunity to more thoroughly examine the County's revenue structure and revenue streams. The Task Force intends to delve into further details of the issue at its December 16, 2005 meeting and enter the new year developing specific recommendations relating to revenue policies and will seek potential enhancement opportunities for the Board of Supervisors to consider as part of the County's overall strategy.

Process improvements

In an organization as large and with such a diversity of services as that of the County there are likely opportunities for process improvement. The Task Force is seeking to identify certain opportunities relating to process improvement within the topics described above. In addition, there are potentially a few other areas of examination the Task Force could pursue if granted an extension by the Board of Supervisors.

Developing specific recommendations relating to County revenue will be the top priority of the Task Force if granted an extension. But the Task Force also hopes to be able to recommend, if not simply identify, potential areas that could benefit from process improvement.

NEXT STEPS

The Blue Ribbon Budget Task Force has developed a working calendar in the event the Board grants an extension to March 31, 2006. The calendar is aggressive as the members of the Task Force believe these areas are important to examine and to report to the Board of Supervisors. The Task Force hopes to complete the examination of these issues by the end of March, approve final recommendations prior to disbanding March 31, and have a final report to the Board shortly thereafter.

It has been an honor to be appointed to serve on the Blue Ribbon Budget Task Force and we look forward to returning to the Board with a final report.

Mandates and Service Levels:

None from the requested action.

Fiscal and Facilities Impacts:

There would be minimal fiscal impacts with approving the recommended action. The members are not compensated and the Task Force is utilizing in-house staff to support its work. There is a small fiscal impact relating to mileage reimbursements and services and supplies. In total the fiscal impact of extending the Blue Ribbon Budget Task Force to March 31, 2006 would be less than \$1000.

Special Instructions: None

Concurrence: None

Attachments: None

cc: Members of the Blue Ribbon Budget Task Force
Michael F. Brown, County Executive Officer
Bob Geis, Auditor-Controller
Bernie James, Treasurer-Tax Collector
Jason Stilwell, County Executive Office staff