PLUMAS COUNTY
CALIFORNIA Administrative Officer

TO: **Honorable Chair and Board Supervisors**

FROM: **Debra Lucero, CAO**

MEETING DATE: **Nov. 5, 2024**

SUBJECT: CAO Report 9/1/24 – 9/30/24

FY24/25 BUDGET PROCESS ANALYSIS:
Feb. 6, 2024-Oct. 1, 2024 by Clifton, Larson & Allen

Project Description:

o Coordinate the data collection process for drafting the operational budget using County templates and inputs from management for any financial or cash related decisions. All key budgetary inputs, assumptions, and decisions will be reviewed and approved by management.

o Develop budgetary process improvements and recommendations in connection with project work performed.

Outcome: FY24/25 budget book was published to be adopted by 10/2/24 as outlined in California state law. Regular meetings to go over a budget to-do list with clear timelines during the month of August and September ensured deliverables and milestone were met.

Challenges: Delayed delivery of key materials, updating information after initial cutoff dates, inefficient manual processes put pressure to meet budget deadlines. Key issues were:

1. Budgeting for wages & payroll expenses

2. FY24/25 beginning fund balance estimation

3. Clarity & ownership on timing and source of external information for budget

4. Access to key personnel

5. Manual tracking of workflow management

6. No audit trails and lack of capturing details on budgeted items

Challenge 1: Wages and associated expense projection issues

Background: Due to the HR director being on administrative leave, there was a lack of a defined process, including roles, responsibilities, and key assumptions for projecting wages and associated expenses. This resulted in significant manual work as data was collected from multiple sources and merged into excel with various formulas. There were both complex and unclear assumptions included in the excel file. As more information was identified, discussed, and agreed, additional reworks of the calculations were made. Not enough time was allotted to source and compile the data, define assumptions and requirements, and review and analyze it for accuracy. For the Recommended Budget in June, departments were frustrated by the lack of details to support the budgeted wages and associated expenses. This made it difficult for them to feel confident that their budget for the June 25 hearing was sufficient. In August, the detailed salary budget by position was recreated (included step, longevity, cost of living, flat raises) and provided to Department heads for review. This provided transparency and helped catch potential errors prior to the September 6th publishing and September 17th board meeting. This led to a more accurate final budget, as departments could verify the numbers against their own data and identify discrepancies.

Solutions /Adaptations: In August, OpenGov Workforce was exported and manually-compiled Pentamation data was used to create a new excel file. Despite data not validated against PAFs, the basic information was there to support calculations with some modifications. Plumas team provided additional data and validations throughout the process.

Recommendations for FY25/26:

1. Clear responsibilities by department needs to be established to ensure ownership of budgeted Salary & Wage data. Document, agree, and share the assumptions and responsibilities for budgeting salary & wages.

2. Set aside adequate time for resource planning for data validation for OpenGov Workforce: Workforce is a budget building tools and not replacement of Munis payroll. During each budget process, position, job title, class, grade, FTE, hourly rate, job, step, longevity (this is a manual process in OpenGov), severance, sick payout, vacation payout, deferred holiday payout, health plan (available in April), level, retirement, boot allowance, cell phone plan, bilingual, meal reimbursement, level of coverage for health & dental plan, and workers compensations will all need to be updated and validated. HR and departments need to collaborate in the data gathering.

3. Decide on the cut-off date for data gathering: Workforce can only provide information at a point in time. It is not live data, so it is important to agree on the cut-off date for pulling data from Munis and matching positions to allocations. The recommendation is to finalize projected positions allocation by the end of December and pull payroll data as of the first pay cycle of January. This allows adequate time for data gathering and pushing out the preliminary salaries budget by mid-February. CAO aims to have cut off on 1/31 for mid-year and 7/31 for the second time.

4. The details will have to be reviewed and validated again in July and August before finalizing the budget. Updating of assumptions and data should be limited to items that materially affect the budget.

5. Communicate clearly and regularly to departments. Manage expectations that Workforce plan is not live data for budgeting, changes made for Munis payroll will not be updated in Workforce. The only tie to Munis is the actual numbers being updated nightly.

Challenge 2: FY24/25 beginning fund balance estimation

Background: The original target date for receiving the estimated FY23/24 ending fund balance was April 5, 2024. In mid-April, CLA proposed a methodology to calculate and estimate the ending FY23/24 fund balance and requested review and approval from the Auditor Controller. Auditor Controller provided input on May 8, 2024, and CLA updated the beginning FY24/25 fund balance import file based on the input. On May 22, CLA received additional feedback from the Auditor Controller to modify methodology of the estimated calculation by gathering departments' input for significant adjustments on expected revenue and expenses remaining for the fiscal year to re-calculate the ending estimated fund balances. The timing of this information and coordination with departments put significant pressure on meeting the 6/7/24 budget book publication deadline.

Solutions /Adaptations: Departments were cooperative and provided information needed with tight deadlines. They also had multiple opportunities to review and edit before the final adoption in September.

Recommendations for FY25/26:

1. As soon as the FY23 audit is completed, fund balance reclassification journal entries should be recorded to Munis.

2. Monitor actual transactions to ensure revenue and expenses are posted timely. This will enable departments to estimate adjustments needed for forecasting. Departments will be able to do this via OpenGov since Munis transactions are pulled nightly to OpenGov.

3. Agree on a cutoff date on 4/15 to pull the estimated fund balance and request department heads to review and provide anticipated revenue and expenditures through the end of fiscal year for the June budget publication and set a materiality threshold for updating.

Challenge 3: Clarity & ownership on timing and source of external information

Background: There was a lack of timing, ownership, and clarity on sources for several budget items such as various insurance allocations, overhead cost allocations, OPEB, and UAL.

Solutions /Adaptations: CLA met with the CAO, Auditor Controller, Auditor Controller Consultant to clarify some points. Timeline and sources for information have been documented for future reference.

Recommendations for FY25/26:

1. Review FY24/25 Budget Book and complete the list of all items needed for budget assumptions and projections to prepare for the next budget cycle.

2. Add the list from above to FY25/26 budget calendar as deliverables and timelines to stay on track. Ownership of gathering and entering this information into OpenGov needs to be clearly assigned and team member responsible for these items must agree to be held accountable for the data and set deliverable deadlines.

Challenge 4: Access to Key personnel

Background: CLA encountered some challenges with key personnel being out on holidays and unavailable to review and provide feedback when needed to achieve publication deadlines.

Solutions /Adaptations: Some departments communicated before going on vacation, and their changes and feedback were incorporated into later versions of FY24/25 budget.

Recommendations for FY25/26:

1. Provide clear timelines and deadlines to all stakeholders and establish a mutual understanding of expectations at the beginning of the budget cycle.

2. Identify each departments review team & expectations of the role at the beginning of the budget cycle.

3. Advise departments that decision making for budget will be delegated back to CAO or Auditor Controller if responses or feedback on budget items are not provided to the CAO timely.

4. Host regular team meetings (bi-weekly, monthly) with departments for budget tasks, discussion, timelines, and deliverables.

Challenge 5: Manual tracking of workflow management

Background: Sending out various requests by email and tracking responses manually on a spreadsheet was inefficient. Recipients were added or removed from email chains, making it difficult to track information. As a result, some information was not captured.

Solutions /Adaptations: Sending out a form with clear and precise information, including examples and instructions on how to respond, improved the process. Utilizing a SharePoint site with instructions reduced the amount of email correspondence in some cases. The OpenGov process provides internal communication that will also assist this process.

Recommendations for FY25/26:

1. Utilize OpenGov budgeting process. The system provides the ability to filter and track the status of budget submissions. This will greatly improve the efficiency and transparency of the budgeting process.

2. Have departments identify and assign delegates for creating and submitting budget for each child department with alternate delegates at the beginning of the budget cycle and create a list.

3. Understand the capabilities and limitations of OpenGov workflow management before the new budget cycle.

Challenge 6: No audit trails and lack of capturing details on budgeted items

Background The system administrator assigned a budget role to each user, allowing access to his/her specific departments. When new accounts were added and if the systems administrator was not made aware, there was a delay in getting access to correct departments, thus delaying entering/editing budgets. In Munis, the systems administrator can lock the budget entry access by moving the budget stage, but not by specific department or by a user. This means it is either giving everyone with department level access the ability to edit the budget or none. Additionally, not having/using fields within the system to capture details of budgeted items decreased transparency on what was budgeted and required extra communication to understand the data via phone/ emails. Users had options to put in detailed level of accounts, but this was not utilized consistently and still didn't provide enough visibility as the reviewer would have to export each budget to excel to review.

Solutions /Adaptations: In the process of sorting out parent-children departments and the chart of accounts clean up; roles were also sorted. Departments addressed and made requests as they came across issues. Multiple review opportunities for schedule 9 details also provided departments to request corrections/adjustments.

Recommendations for FY25/26:

1. Inquire with OpenGov implementation team if an audit trail reporting is available for budget submission and approval process before the implementation and plan accordingly.

2. Utilize OpenGov budget process for FY25/26 budget preparation. Once a user submits a budget detail for review and approval, it is locked until it is released back down to the lower level.

3. Advise departments that decision making for budget will be delegated back to CAO or Auditor Controller if budget is not submitted for review timely.

4. Utilize Account Description sections and line itemization of OpenGov proposal worksheet for FY25/26 budget preparation as it provides more detailed information to reviewer/approver.

Next Steps and Follow up Actions:

Prepare a workshop budget meeting to hear recommendations from departments on budget process & discuss ideas to incorporate into FY25/26 plan. Include prompts to discuss ways to increase revenues and decrease expenses and what actions should be started.

Identify roles & responsibilities for budget creation team to replace CLA and plan for Melodie's leave. Both of these resources have been crucial to the Budget creation & a plan is needed to support FY25-26 Budget.

Revise the budget calendar with actionable items to streamline the Plumas County budgeting process throughout the year. The calendar will be based on the GFOA Best Practices and the California County Budget Process Guide. Break down each deliverable into smaller tasks with specific timelines, assigned responsible parties, key dependencies.

Prepare kick-off budget meeting to share calendar with deliverables, budget assumptions, actionable items from budget workshop meeting, and the plan for using OpenGov, etc.

Schedule recurring monthly department budget meetings for the year via Teams. This will help Plumas County stay organized, transparent, and on track with its budgeting efforts.

GRANTS MANAGER
- Assisted with Viewpoint planning
- Review of Community Coordinator Job position
- Long Term Recovery Plan for 2021 Wildfire content review
- Program hand-off of OHV financials from Facilities
- Received and processed Opioid funds
- Attended:
    - Best Practices Check List Digital Equity Leadership Grant workshop
    - OpenGov prep meetings

RISK MANAGEMENT
- o 20k Lives presentation
- o Meeting with Project Camp regarding children in an emergency
- o Fire safe council board meeting and general meeting
- o AAR Gold Complex
- o LISTO's Disaster Ready Summit – Redding
- o Met with new Cal OES lead
- o EAP Seminar for Upper Feather River Dams
- o DWR Media Briefing
- o LAFFCO meeting
- o PCMC
- o Hazard Mitigation review of consultants
- o Executive Committee Trindel
- o Ergonomic evaluations

CAL-OES UPDATE
9/4 – 20k Lives presentation – Genasys, VOAD, AFN with PRS

9/5 – NWS Webinar

9/5 – Meeting with Project Camp regarding children in an emergency

9/9 – Hazard Mitigation questions posted on website

9/12 – Fire safe council board meeting and general meeting

9/12 – California Mass Care 2024 kickoff seminar

9/16 – VOISE Partner Call – Strength in Unity: The Power of Mass Partnerships

9/18 – Webinar – surviving the storm – preparing employees for disaster

9/18 – Webinar – Emergency Technologies & AI What Emergency Management Leaders Need to Know

9/18 – Webinar - EPA Tools & Resources Webinar: Assessing Community Vulnerabilities to Potential Contaminant Releases from Extreme Events

9/18 – Webinar - PG&E Regional Working Group

9:19 – PDH Decon Tent setup

9/19 – AAR Gold Complex

9/19 – Extreme weather draft

9/20 – Test run of presentation for the Upper Feather River Dam Presentation

9/23 – LISTO's Disaster Ready Summit – Redding

9/23 – Met with new Cal OES lead

9/23 – AWR 329 Leveraging Tools for Coordinated Communications

9/25 – PCPHA re: trainings for 2025 IPP

9/26 – EAP Seminar for Upper Feather River Dams – presented

9/26 – DWR Media Briefing

9/30 – Integrated Preparedness Plan submitted

The Hazard Mitigation grant has taken a lot of my time. We received 13 proposals (50pages each), scored and getting references.

OTHER CAO MEETINGS/ACTIVITIES
9/3 – Budget Meeting

9/3 – Agenda Review & BOS Meeting

9/4 – CLA Budget Project Status

9/4 – Anthony Davis with Viewpoint Interivew
9/4 – Budget Book with OpenGov
9/4 – Greenville/IVCSD EIFD Discussion
9/4 – Budget Meeting
9/5 – Budget Meeting
9/5 – MRG Weekly Check-In
9/5 – Anthony Davis with Viewpoint Meeting
9/5 – Social Services Meeting
9/5 – Lunch with Anne Kassebaum

9/6 – Budget Book available to the public
9/6 – PCMC Meeting
9/6 – Dixie Fire Insurance Property Loss Meeting
9/6 – Engie Financing Logistics Call
9/6 – Public Health Meeting
9/6 – New Hire Process with Sheriff, SEA
9/9 – ClientFirst Budget Meeting w/Jamie Shell
9/9 – Employee Disciplinary Meeting
9/9 – BOS Agenda Review & Meeting
9/9 – ClientFirst Homework
9/9 – Eastern Beckwourth District Consolidation
9/11 – Rob Thorman – Public Works
9/11 – IDR Discussion on Employee Matter
9/12 – MRG Weekly Check-In
9/12 – Budget PPT
9/12 – Lunch meeting with Building official
9/12 – MRG Catch-Up
9/12 – Labor Negotiations
9/12 – Agendizing Budget – AC, CC
9/13 – HR Specialist interviews
9/16 – Ag Department, Risk Mgt.
9/16 – HR Meeting
9/17 – BOS Meeting
9/17 – OpenGov Operating Budget Meeting
9/17 – Dixie Fire Property Loss/Insurance Meeting
9/18 – Trindel HR & Risk Management Training in Chico
9/26 – Negotiations Etiquette and County Structure Training
9/27 – HR Meeting
9/30 – Viewpoint Meeting w/staff
9/30 – Contract Discussion w/Grant Manager
9/30 – OpenGov Reporting Dashboards

TRANSIENT OCCUPANCY TAX (TOT) REPORT
Granicus generated the following reports:
September 2, 2024 so it can be compared to this month's October 2, 2024 report.
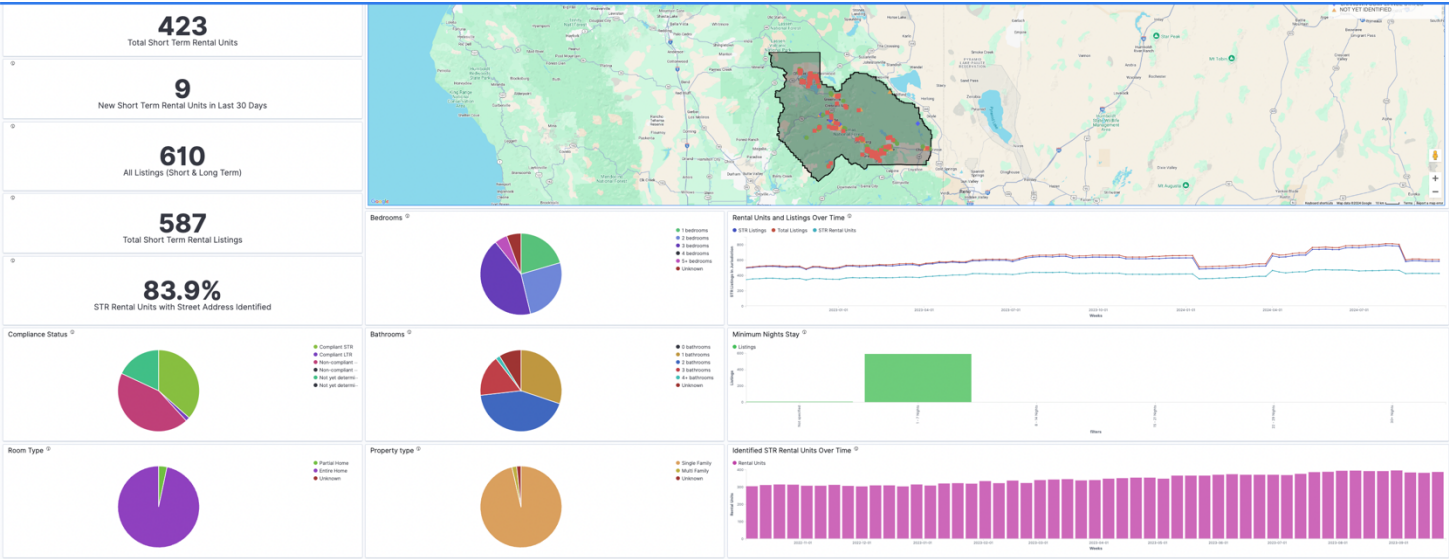
SEPTEMBER 2, 2024

Monthly status report

Report for Plumas County, CA (Plumas County, CA) generated on September 2, 2024.

429
Properties in or near Plumas County, CA

351
Properties in or near Plumas County, CA with address identified

162
Compliant Short Term Rentals

181
Non-compliant properties

86
Properties with unknown compliance

211
Properties that have received letters since first mailing

118
Properties that have received letters and are now compliant

93
Properties that have received letters but are still non-compliant

OCTOBER 2, 2024

Monthly status report

Report for Plumas County, CA (Plumas County, CA) generated on October 2, 2024.

423
Properties in or near Plumas County, CA

355
Properties in or near Plumas County, CA with address identified

157
Compliant Short Term Rentals

189
Non-compliant properties

77
Properties with unknown compliance

214
Properties that have received letters since first mailing

121
Properties that have received letters and are now compliant

93
Properties that have received letters but are still non-compliant

520 MAIN STREET ⬥ ROOM 309 ⬥ QUINCY, CA 95971-4111 ⬥ (530) 283-6446 ⬥ FAX (530) 283-6288

OCTOBER 2024

423
Total Short Term Rental Units

9
New Short Term Rental Units in Last 30 Days

610
All Listings (Short & Long Term)

587
Total Short Term Rental Listings

83.9%
STR Rental Units with Street Address Identified

Compliance Status

Room Type

Bedrooms

Bathrooms

Property type

Rental Units and Listings Over Time

Minimum Nights Stay

Identified STR Rental Units Over Time

SEPTEMBER 2024

428
Total Short Term Rental Units

6
New Short Term Rental Units in Last 30 Days

612
All Listings (Short & Long Term)

590
Total Short Term Rental Listings

81.5%
STR Rental Units with Street Address Identified

Compliance Status

Room Type

Bedrooms

Bathrooms

Property type

Rental Units and Listings Over Time

Minimum Nights Stay

Identified STR Rental Units Over Time