2 Year Budget and Performance Cycle

- Implemented in 2013
- Allow time to focus on performance improvements
- Facilitate longer-term financial planning
- Year 1 Budget, Year 2 Performance
Overview of the Two Year Cycle
From Vision to Results

Planning
Goals and Priority-Setting
Performance Measurement & Evaluation
Budget Resource Allocation
Progress/Goal Achievement

Shared Vision Community Goals
Highlights of Budget Cycle

- Review goals and set priorities
- Mid-Year financial update
  - 5 Year projections
  - Major trends
  - Budget Issues
- Get Board direction
- Prepare budget
  - Line-item budgets for 2 years
- Minimal changes in Year 2
Key Stakeholders

- County Residents
- Board of Supervisors
- County Manager’s Office
- Department Heads
- Program Managers
- County Staff
- State and Federal Government
Budget Components
Total Sources

Combination of revenues to fund expenditures

Where the money comes from
FY 2019-20 Total Sources

- **Fund Balance**: 27%
- **Taxes**: 24%
- **Intergovernmental Revenue**: 22%
- **Charges for Services**: 12%
- **Other**: 15%
Total Requirements

Expenditure appropriations, intrafund transfers and reserves

*Where the money is spent*
FY 2019-20 Total Requirements

- County Health: 29%
- Community Services: 25%
- Administration and Fiscal: 23%
- Criminal Justice: 14%
- Social Services: 9%
Net County Cost (NCC)

NCC = Total Requirements - Total Sources

Non-Departmental or general purpose revenue (property taxes, sales tax, vehicle license fees)
NCC Targets

• Most Non-General Fund departments have no Net County Cost, meaning they don’t depend on General Fund to operate

• Targets are based on a number of factors, including growth in revenue and costs, Countywide priorities, and other needs
FY 2019-20 NCC

- Criminal Justice: 44%
- County Health: 29%
- Administration and Fiscal: 11%
- Social Services: 10%
- Community Services: 7%
Reserves Policy

- Established 1999
- Department minimum = 2%
- Overall reserves = 10% + $4 million for Capital & IT
- 50/50 fund balance split
- One-time use of funds or pay-down of liabilities
FY 2012-2019 County Reserves

FY 2012-2019 County Reserves

- ERAF Reserves
- Department Reserves
- Contingencies

FY 12-13 Adopted: $180 M
FY 13-14 Adopted: $211 M
FY 14-15 Adopted: $216 M
FY 15-16 Adopted: $216 M
FY 16-17 Adopted: $170 M
FY 17-18 Adopted: $190 M
FY 18-19 Adopted: $285 M
FY 19-20 Adopted: $322 M
Highlights of Performance Cycle

- Prioritize resources for next two-year cycle
- Continuous evaluation and improvement
- Compare to benchmarks/best practices
- Dashboards to monitor and communicate performance
Our Shared Vision for 2025 is for a healthy and safe, prosperous, livable, environmentally conscious and collaborative community.
Community Impact Goals

Prosperous
- Improve Affordability
- Close Achievement Gap

Healthy and Safe
- Reduce Crime
- Increase Life Expectancy

Livable
- Transit Accessibility
- Community Engagement

Environmentally Conscious
- Greenhouse Gases
- Natural Resources

Collaborative
- Effective and Collaborative Government
Priorities

- Homelessness/Affordable Housing
- Foster youth – high school graduation and 2 years community college
- Reading proficiency - 3rd graders reading at grade level
- Older adults – aging in place
Shared Vision 2020

Measure K

Department Performance
Questions?