

Budget Development Updates Policies and Fiscal Strategies



**FOR DEVELOPMENT OF THE
FY2013-15 OPERATING PLANS**

OCTOBER 16, 2012

BOS – Budget Development Updates

2

- **Goal:** provide budget information to the BOS/Public as it becomes available.
- **Means:** Accomplished through a series of Budget Development Updates.
- **Result:** Allows for thoughtful deliberation
 - Time to study Service Level Impacts (SLI's)
 - Time for Board inquires to staff
 - Thorough research & response of SLI's from staff
 - Time for consideration and decision making

BOS – Budget Development Updates

3

#	Date	Proposed Items Presented to BOS
1.	10/16/12	Budget Policies & Fiscal Strategies for Developing the FY2013-15 Operating Plans
2.	11/06/12	Fiscal Outlook Report
3.	12/4/12	General Fund Allocation (Targets) Policies
4.	4/2/13	Service Level Impacts, Performance Outcomes and Update to the Fiscal Outlook Report
5.	4/16/13	Capital Improvement Program
	05/08/13	Distribute and Post the 2013-15 Operating Plan
6.	6/10/13	Start of Budget Hearings

Budget Policies & Fiscal Strategies

Policy #1 Building an Accountable Government

4

- 1. Accountability & Transparency**
 - Clear, transparent and understandable
 - By program & category
 - Oversight & monitoring
- 2. Policy-Based Budgeting**
 - GF distributions to depts. based on Board policy
 - historic spending patterns
 - Fed/State mandates
 - Avoid across the board cuts
- 3. Balanced Budget**
 - Structurally balanced
 - One time funds = one time expenditures
 - Evaluate cost saving strategies
 - Economic vitality & full cost recovery of fees

Budget Policies & Fiscal Strategies

Policy #1 Building an Accountable Government

5

4. Identify & Mitigate Future Risks

- North County New Jail Operating Fund
- Retirement and OPEB costs
- Workers Compensation & Healthcare costs
- Fire Operations
- ADMHS – Cost Settlement Reserves

5. Reserves

- 8% of GF Operating Revenue (30 days; ~\$33.3 million)
- \$1 million minimum to Strategic Reserve

Budget Policies & Fiscal Strategies

Policy #2 Focusing on Service to Customers

6

1. Service Levels

- Identify service level changes in budget
- Communicate to public

2. Capital & Infrastructure

- Identify necessary capital improvements & maintenance
- Develop strategy to fund backlog over time
- \$3 million to be allocated to FY 2013-14 for capital & maintenance