

# Fiscal Year 2008-09 Budget Principles

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## Purpose

8 Principles

New Principle

- Are used by the CEO and Departments to development the proposed FY 2008-09 budget
- Provide a consistent, equitable approach for allocation of available resources
- Sets expectations regarding discretionary reserves and designations
- Defines full cost recovery as applied to various funds

# Fiscal Year 2008-09 Budget Principles

(Attachment A)

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Purpose
<b>8 Principles</b>
New Principle

1. Balanced Budget
2. Budget Target Allocations
3. New Positions
4. Budget Expansion requests
5. Costs and Revenues
6. Discrepancy Reserves and Designations
7. Performance Measurement
8. Budget Coordination

# Fiscal Year 2008-09 Budget New Principles

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Purpose

8 Principles

**New Principle**

**Accommodate  
spiking  
retirement  
costs**

Due to the County's current and projected financial condition, departments will receive no General Fund Contribution (GFC) increases for retirement rate cost increases for FY 08-09 over a base increase of 3.5%. Departments shall document in their budget request the reductions required to offset these retirement cost increases (Principle 2d).

# Fiscal Year 2008-09 Budget New Principles

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**New Principle**

**Budget  
reduction  
strategy**

Due to a projected further decline in fiscal year 2008-2009 property tax increases, departments shall submit their target budget plus a separate alternate budget reflecting a 5% reduction in General Fund contribution. These specific reductions and their impacts are to be documented in each budget request (Principle 2e).

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**New Principle**

Requests for new legal positions that would result in an increase to the total number of current year full-time equivalent budgeted positions authorized for a department or for new additional contractors on payroll, must be submitted as budget expansion Requests regardless of their funding

Source (Principle 3a).

**Slight  
wording  
change to  
existing  
principle**

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In the light of decreasing property tax growth, it is prudent to reduce the number of FTE's from the FY 2007-08 adopted level. Accordingly, departments shall budget 50% of vacant funded FTE's (not positions) at the time of preparation of the FY 2008-09 budget (Principle 3d).

**Reduce  
funding for  
vacant  
positions**

# Fiscal Year 2008-09

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**Preserve  
Flexibility**

Where not prohibited by law, departments must use non-General Fund revenue, existing designations, and agency funds, before using GFC amounts to fund programs. Unanticipated revenue should be used to reduce the department's GFC for the fiscal year except where prohibited by law. Within the context of meeting the need of countywide appropriation requirements, the CEO will accept and review a department's proposed one-time use of any unanticipated revenue for recommendation to the Board of Supervisors (Principle 5d).

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**Enhance  
Performance  
Management**

Review of the 2007 ICMA performance measure templates for those areas having functional area performance measures reporting. This is a new addition designed to reiterate to department staff that the County belongs to the national Center for Performance Management and that certain comparative performance measure data are available for staff to utilize in managing their departmental operations (Principle 7c).