

BUDGET PRINCIPLES AND POLICIES FOR DEVELOPING THE FISCAL YEAR 2012 – 2013 OPERATING PLAN

Building a more accountable government

Accountability / Transparency

Provide clear and understandable information about how public monies are spent and the outcomes achieved in a format that displays recommended budget amounts by category, staffing and operations.

Balanced Budget / Fiscal Stability

A balanced budget (available ongoing funding sources equal to expenditures) for all County operating funds will be presented to the Board of Supervisors for scheduled public hearings before June 30, 2012. Use of one time funding is discouraged except in extraordinary circumstances or for one-time expenses. Efforts should be made to preserve available funding for future needs as revenue sources remain unpredictable and expenditures will be increasing as employee concessions expire. All requests for use of one-time funding must show a substantial return on investment and background documentation must be submitted.

Focusing on service to customers

Service Levels

Department budget requests will identify expected levels of service and service outcomes the community can expect in FY 2012-13.

Essential Infrastructure

The deferred maintenance backlog has been valued at over \$200 million. Consistent with past practices it will be recommended that \$3 million be allocated for infrastructure maintenance and repair. While this contribution amount is not ideal it is recommended that this practice continue until revenues recover to a point where more funds can be directed to deferred maintenance needs.

Future New Jail Operations

A contribution of \$2 million will be recommended for future jail operations in FY 2012-13 with an ongoing request to increase this allocation each fiscal year.

Program Increase Requests

Department program increase requests are strongly discouraged. All requests must fully document the need and new ongoing funding source.

Developing efficient services that produce positive outcomes

Continuous Improvement and Innovation Strategies

In developing the FY 2012-13 budget, departments and the County Executive Office will continue to work together to recommend organization-wide cost-saving strategies such as reorganizations, consolidations, reengineering, public-private partnerships, information technology innovations, new revenue generation, and other efficiency efforts.

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Policy-Based Budgeting

Department General Fund Contribution target allocations will be distributed according to Board policy direction, historical spending patterns and staffing levels, and Federal and State mandate levels within available sources. To facilitate the allocation of resources in a manner that supports Board strategic and programmatic goals, across-the-board target cuts will not be utilized.

Reserves

A minimum \$1 million annual strategic reserve contribution will be recommended to build a reserve equal to at least 30 days working capital (approximately \$33 million) if funds are available.