

Civics 101

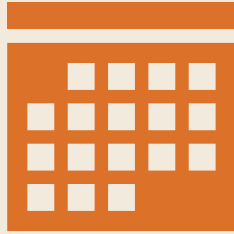
The County Budget
October 25, 2022

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County Chief Financial Officer

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2-Year Budget and Performance Cycle



**Implemented
in 2013**



Allow time to focus on
performance improvements



Facilitate longer-term
financial planning



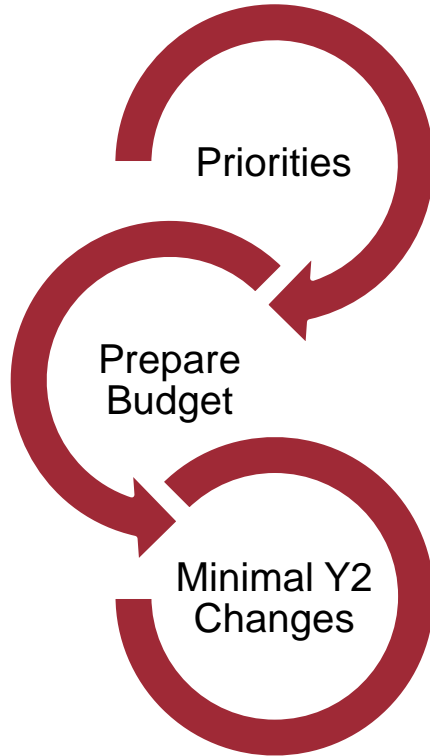
Year 1 Budget,
Year 2 Performance

Overview of the Two-Year Cycle

From Vision to Results



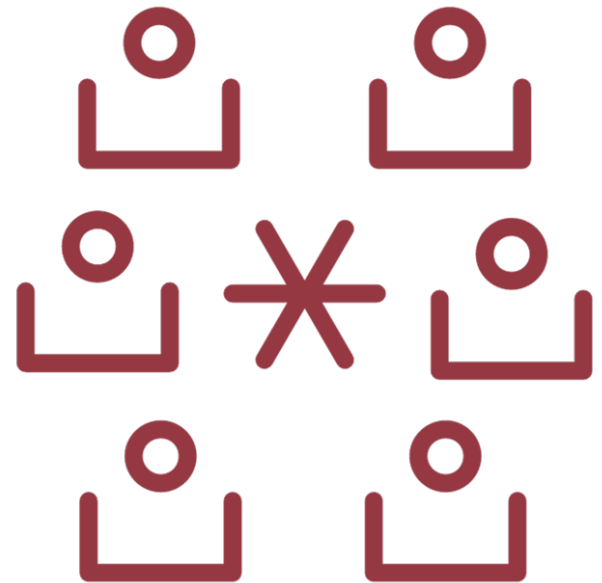
Highlights of Budget Cycle



- 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 2021-22 Total Sources

Taxes
22%

Intergovernmental
Revenues
24%

Fund Balance
30%

Charges
for
Services
10%

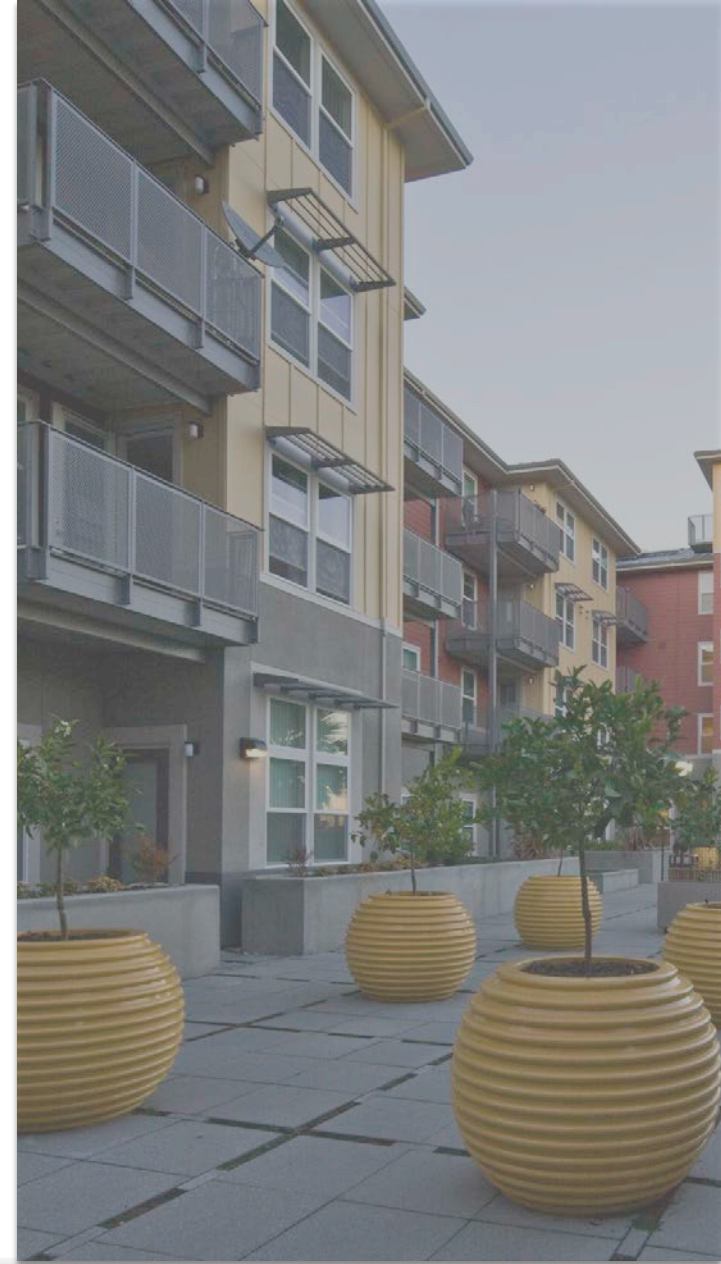
Other
14%



Total Requirements

Expenditure appropriations,
intrafund transfers and reserves

Where the money is spent





FY 2021-22 Total Requirements

Administration and
Fiscal
29%

Community
Services
25%

Health
25%

Criminal
Justice
13%

Social
Services
8%



Net County Cost (NCC)

$$\text{NCC} = \text{Total Requirements} - \text{Total Sources}$$

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 2021-22 NCC

Criminal Justice
40%

Administration
and Fiscal
12%

Social
Services
31%

Community
Services
7%

Health
10%



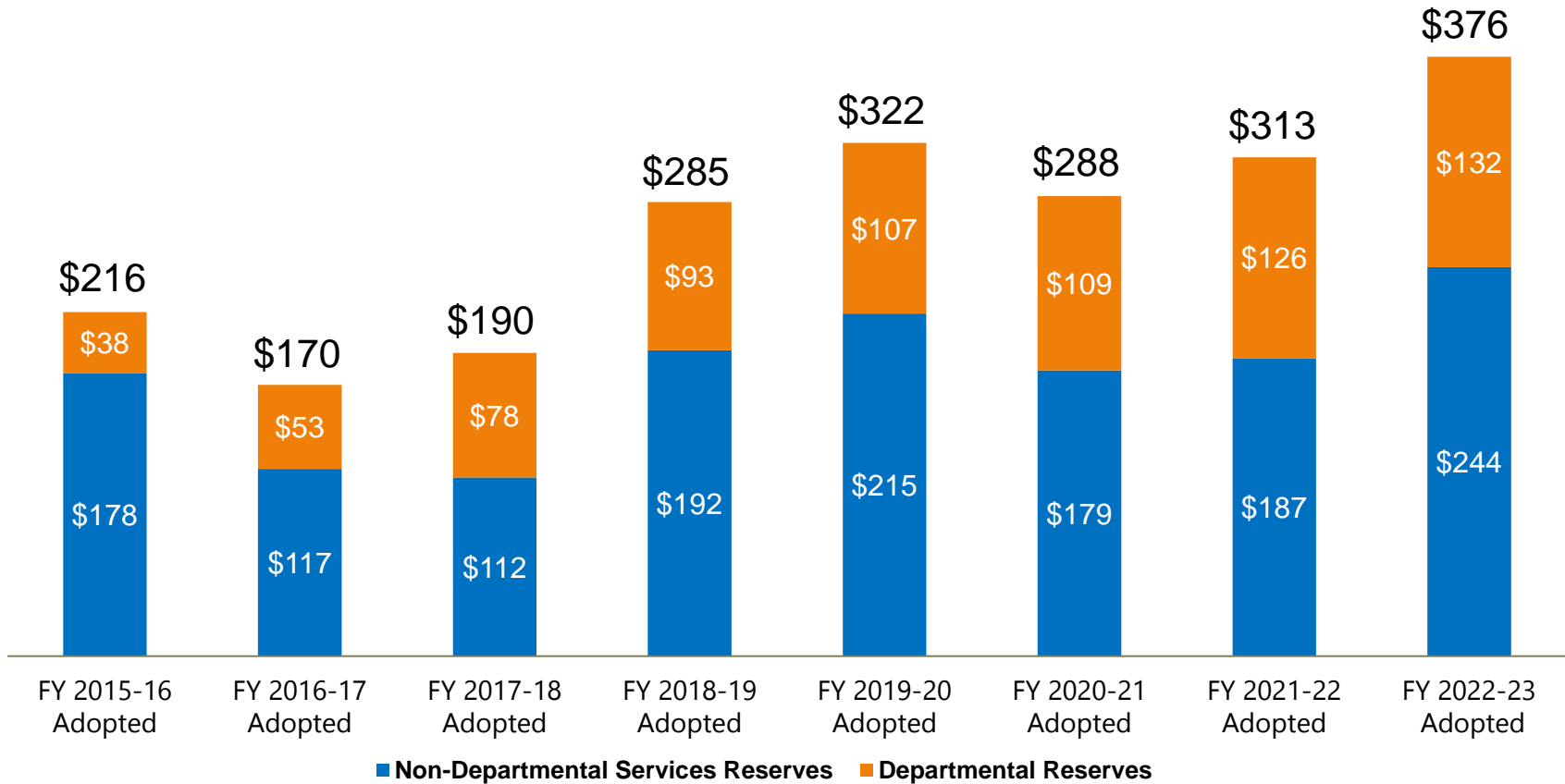


Reserves Policy

- 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 2015-23 County Reserves (in millions)





Budget Central

<https://www.smcgov.org/ceo>



COUNTY OF SAN MATEO





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

SMC Performance



Shared Vision
2020



Measure K



Department
Performance

Equity-Focus

To achieve **equity**, we must create the conditions that allow all to reach their full potential.



Shared Vision 2025

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

A woman with long brown hair, wearing a tan vest over a white shirt, is kneeling and pointing at a black tray filled with various colored and shaped stones. She is looking towards two young boys. One boy, wearing a green t-shirt and a blue plaid cap, is looking down at the stones. The other boy, wearing a dark t-shirt with a cartoon graphic and a blue backpack, is also looking at the stones. A woman with curly brown hair, wearing a blue shirt, is standing behind the boys, smiling and looking at the stones. The background shows a grassy area with trees and a fence.

Questions?

COUNTY OF SAN MATEO

