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
Total Sources

Combination of revenues to fund expenditures

*Where the money comes from*
FY 2023-24 Total Sources

- Taxes: 24%
- Intergovernmental Revenues: 23%
- Fund balance: 27%
- Charges for Services: 11%
- Other: 15%
Expenditure appropriations, intrafund transfers and reserves

Where the money is spent
FY 2023-24 Total Requirements

Health: 30%
Admin / Fiscal: 29%
Community Services: 20%
Criminal Justice: 13%
Social Services: 8%
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.
Health includes the Medical Center
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
General Fund Reserves and Contingencies (in Millions)

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Budget Central

https://www.smcgov.org/ceo
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.
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
- Children and Families
- Emergency Preparedness
- Data-Driven Program Analysis
Questions?