



Legislation Text

File #: 21-0246, **Version:** 1

Chief Administrative Office recommending the Board:

- 1) Receive and file the attached Fiscal Year 2020-21 Mid-Year Budget Report;
- 2) Approve and revise Board of Supervisors Policy B-16 Budget Policies; and
- 3) Receive a presentation from the Health and Human Services Agency regarding their mid-year projections and provide direction as needed.

FUNDING: N/A

DISCUSSION / BACKGROUND

Each year, the Chief Administrative Office works in conjunction with County departments to review the status of the current year's budget and presents a Mid-Year report which summarizes the County's budget status following the first two quarters of the fiscal year. The review and report is intended to identify any material variances in projected revenues and expenses and provides a fund balance estimate relative to the upcoming Fiscal Year budget preparation.

Included in the Mid-Year Budget report is Attachment A, a memo from the Chief Administrative Office summarizing the County's budget status. Attachment B is a table of each department's General Fund Projections. Attachment C is a narrative providing further information explaining the projections outlined in Attachment B.

In conjunction with the Budget Ad Hoc Committee, staff are recommending revisions to the Board Policy B-16: Budget Policies. In addition to minor typographical edits, the following changes are proposed:

- General Fund Contingency: the addition of one-time expenditures to General Fund adjusted appropriations calculations;
- Designation for Capital Projects: clarifying the annual goal of \$5,000,000 and purpose of the designation as "assisting in addressing unmet capital needs and building a replacements reserve";
- Fixed (Capital) Assets: revision of the word must to may in reference to the need for Board approved budget transfers, as a budget transfer is not necessary in all cases of fixed assets revisions; and
- Designation for Road Maintenance: the addition of a new designation with the goal of designating \$3,000,000 of unappropriated discretionary resources annually for Road Maintenance.

The Health and Human Services Agency (HHSA) has prepared a memo, Attachment E, and a presentation, Attachment F, to update the Board on the projected \$1.3 million increased General Fund contribution and their plan to mitigate this shortfall.

Departments are in the process of developing their FY 2021-22 budget requests. These requests are due to the Chief Administrative Office on February 19, 2020. A special Board meeting is planned for Monday, April 19, 2021, to discuss any major revenue, expenditure, and/or policy issues related to

the FY 2021-22 Recommended Budget, prior to the Chief Administrative Office finalizing work on the budget book. The CAO Recommended Budget for FY 2020-21 is estimated to be complete by mid-May, with the Budget Hearing set for June 7, 2021.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

All County departments participate in the development of this report by providing the CAO with mid-year projections and summary status information.

FINANCIAL IMPACT

There is no direct financial impact associated with the attached reports and mid-year budget presentations. Any direction that may have a financial impact will be brought back to the Board for approval.

CLERK OF THE BOARD FOLLOW UP ACTIONS

None

STRATEGIC PLAN COMPONENT

Good Governance

CONTACT

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