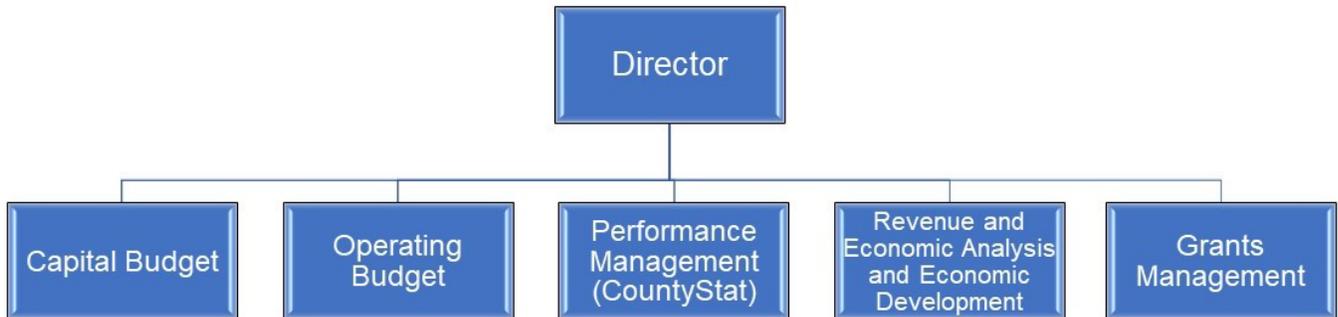


# Office of Management and Budget



## MISSION AND SERVICES

The Office of Management and Budget (OMB) provides financial planning and performance management to County agencies in order to ensure fiscal accountability and cost-effective use of service delivery resources.

### CORE SERVICES

- Financial planning, including the formulation, implementation and monitoring of the County's operating budget as well as the capital budget and the six-year Capital Improvement Program (CIP); grant and Economic Development Incentive Fund coordination; fiscal and economic analysis and administration of the County's tax differential program
- Performance management, in conjunction with CountyStat, including analysis of agency operational data, business processes, policy, regional benchmarks and national best practices

### FY 2020 KEY ACCOMPLISHMENTS

- Received the Distinguished Budget Presentation Award from the Government Finance Officers Association.
- Successfully implemented plan to allow quasi-governmental agencies to submit their FY 2021 operating budget and FY 2021- FY 2026 capital improvement program budget requests through the new budget system.
- Partnered with the Office of Human Resource Management and county agencies to implement the revamped position review process as well as updated critical fiscal and human resources data in the enterprise resource system.
- Provided a grant workshop to community organizations regarding the FY 2020 Local Development Council Local Impact Grant program.

## STRATEGIC FOCUS AND INITIATIVES FOR FY 2021

The office's top priorities in FY 2021 are:

- Maintain the County's General Fund fund balance at or above 7% of the General Fund budget by providing regular reporting to the Office of the County Executive in order to identify potential revenue shortfalls or agency overspending and take corrective action where appropriate.
- Increase the percentage of programs in County Government's service delivery inventory with primary source data that is reported to a centralized warehouse.
- Implement the personnel expenditure projection functionality of the SAP budget system which will be used to improve forecasting of all personnel and fringe benefit expenditures for the FY 2022 operating budget cycle.
- Support the implementation of the Open Budget dashboards that will display and track department operating budgets to the County Executive's priority outcomes and respective performance measures.

## FY 2021 BUDGET SUMMARY

The FY 2021 approved budget for the Office of Management and Budget is \$3,027,600, a decrease of \$355,900 or 10.5% under the FY 2020 approved budget.

### Expenditures by Fund Type

Fund Types	FY 2019 Actual		FY 2020 Budget		FY 2020 Estimate		FY 2021 Approved	
	Amount	% Total						
General Fund	\$2,800,664	100.0%	\$3,383,500	100.0%	\$2,817,200	100.0%	\$3,027,600	100.0%
<b>Total</b>	<b>\$2,800,664</b>	<b>100.0%</b>	<b>\$3,383,500</b>	<b>100.0%</b>	<b>\$2,817,200</b>	<b>100.0%</b>	<b>\$3,027,600</b>	<b>100.0%</b>

### Reconciliation from Prior Year

	Expenditures
<b>FY 2020 Approved Budget</b>	<b>\$3,383,500</b>
<b>Increase Cost: Operating - Technology Cost Allocation</b> — Increase in charges based on the new methodology to support anticipated countywide costs	\$86,800
<b>Increase Cost: Operating</b> — Increase in training costs to support operational needs	10,800
<b>Decrease Cost: Recovery Increase</b> — Increase in recoveries due to salary adjustments and anticipated fringe benefit costs	(12,300)
<b>Decrease Cost: Fringe Benefits</b> — Net change due to adjustments in the staffing complement and increased attrition; the fringe benefit rate increases from 28.7% to 28.8% to align with anticipated costs	(96,600)
<b>Decrease Cost: Compensation</b> — Decrease due to the downgrade of a management position and increased attrition	(344,600)
<b>FY 2021 Approved Budget</b>	<b>\$3,027,600</b>

### STAFF AND BUDGET RESOURCES

Authorized Positions	FY 2019 Budget	FY 2020 Budget	FY 2021 Approved	Change FY20-FY21
<b>General Fund</b>				
Full Time - Civilian	26	27	27	0
Full Time - Sworn	0	0	0	0
Subtotal - FT	26	27	27	0
Part Time	0	0	0	0
Limited Term	0	0	0	0
<b>TOTAL</b>				
Full Time - Civilian	26	27	27	0
Full Time - Sworn	0	0	0	0
Subtotal - FT	26	27	27	0
Part Time	0	0	0	0
Limited Term	0	0	0	0

Positions By Classification	FY 2021		
	Full Time	Part Time	Limited Term
Administrative Aide	1	0	0
Administrative Assistant	1	0	0
Budget Aide	1	0	0
Budget Management Analyst	20	0	0
Deputy Director	1	0	0
Director	1	0	0
General Clerk	1	0	0
Programmer/Systems Analyst	1	0	0
<b>TOTAL</b>	<b>27</b>	<b>0</b>	<b>0</b>

**Expenditures by Category - General Fund**

Category	FY 2019 Actual	FY 2020 Budget	FY 2020 Estimate	FY 2021 Approved	Change FY20-FY21	
					Amount (\$)	Percent (%)
Compensation	\$2,114,331	\$2,644,000	\$2,177,000	\$2,299,400	\$(344,600)	-13.0%
Fringe Benefits	600,193	758,800	611,700	662,200	(96,600)	-12.7%
Operating	129,335	165,300	151,300	262,900	97,600	59.0%
Capital Outlay	—	—	—	—	—	
<b>SubTotal</b>	<b>\$2,843,859</b>	<b>\$3,568,100</b>	<b>\$2,940,000</b>	<b>\$3,224,500</b>	<b>\$(343,600)</b>	<b>-9.6%</b>
Recoveries	(43,195)	(184,600)	(122,800)	(196,900)	(12,300)	6.7%
<b>Total</b>	<b>\$2,800,664</b>	<b>\$3,383,500</b>	<b>\$2,817,200</b>	<b>\$3,027,600</b>	<b>\$(355,900)</b>	<b>-10.5%</b>

In FY 2021, compensation expenditures decrease 13.0% under the FY 2020 budget primarily due to increased attrition to meet the mandated budget adjustment requirements as well as the downgrade of a management position. Compensation costs include funding for 27 full time positions and one contractual position. The contractual position support legislative affairs activities. Fringe benefit expenditures decrease 12.7% under the FY 2020 budget due to anticipated compensation adjustments.

Operating expenditures increase 59.0% over the FY 2020 budget primarily due to an increase in the technology allocation charge and additional funding for training to support current staff. Funding is also allocated for printing, general office supplies, interpretation services, membership costs and office equipment.

Recoveries increase 6.7% due to an anticipated increase in recoverable costs.

## SERVICE DELIVERY PLAN AND PERFORMANCE

**Goal 1** — To provide sound financial planning and monitoring of agency operations and expenditures in order to improve the fiscal health of County Government.

**Objective 1.1** — Maintain the County's General Fund balance at or above 7% of the General Fund budget.

FY 2025 Target	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimated	FY 2021 Projected	Trend
7%	14%	13%	14%	9%	↔

### Trend and Analysis

The percentage of total expenditures that reside in the County's fund balance is a critical indicator of the County's fiscal well-being, sustainability and a significant factor in maintaining the County's AAA bond ratings. It also provides critical protection against financial risk due to the County's limited ability to generate revenue as a result of charter-mandated and state-imposed tax caps or restrictions. The County's 5% charter-mandated restricted reserve and 2% policy-required committed operation reserve were established to control the County's exposure to financial risks and provide reserves in the event of emergencies.

The County has successfully kept its General Fund balance above 7% of its annual budget. Fund balances are achieved through prudent revenue forecasting, effective expenditure monitoring and the application of sound fiscal policies (such as limiting use of fund balance to one-time nonrecurring expenditures). The County continues to have a structural imbalance arising from the mismatch between limited revenue growth and significant service delivery cost increases. This is largely driven by an expansion in base budget costs such as personnel compensation and fringe benefits based on collective bargaining agreements. Multi-year fiscal planning including projections for operating budget levels in future fiscal years will be restored and expanded in order to execute a plan to reconcile the structural balance between revenues and expenditures.

### Performance Measures

Measure Name	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimated	FY 2021 Projected
<b>Resources (Input)</b>					
Operating budget analysts	11	11	10	9	11
<b>Workload, Demand and Production (Output)</b>					
General Fund expenditures (billion)	\$3.0	\$3.2	\$3.3	\$3.6	\$3.7
Position requests processed for all funds	1,157	1,202	1,114	1,200	900
Contracts processed for all funds	1,510	679	653	680	700
Travel requests received for all funds	618	778	831	900	750
<b>Quality</b>					
Recipient of Government Financial Officers Association Distinguished Budget Presentation Award	1	1	1	1	1
Variance of the General Fund budget and actual expenditures (negative numbers indicate overspending)	0%	2%	3%	1%	0%

**Performance Measures** *(continued)*

Measure Name	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimated	FY 2021 Projected
Variance between actual and budgeted General Fund revenues (negative numbers indicate lower revenue collections)	0%	1%	1%	1%	0%
<b>Impact (Outcome)</b>					
General Fund budget that is in fund balance	12%	14%	14%	13%	12%

**Objective 1.2** — Maintain grant budgets availability at fewer than 10 business days after submission to OMB.

FY 2025 Target	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimated	FY 2021 Projected	Trend
5	5	6	8	6	↔

**Trend and Analysis**

The agency is responsible for financial planning and ensuring that financial resources are available for agencies to utilize for their business operations. This metric reflects the duration of time between an agency forwarding the Notice of Grant Award to OMB and the subsequent loading of grant funds into the SAP system. In FY 2016, the agency implemented a full-service team structure in an effort address our increasing workload which resulted in additional analysts receiving specialized grant training and orientation to their assigned agencies' grant portfolio and technical assistance needs. In FY 2020, the agency experienced an increase in this measurement due to staffing changes; however, the overall performance remains at fewer than 10 business days.

**Performance Measures**

Measure Name	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimated	FY 2021 Projected
<b>Resources (Input)</b>					
Grant analysts	7	6	9	7	9
<b>Workload, Demand and Production (Output)</b>					
Agency trainings completed	2	0	1	2	2
Grant supplementals completed	3	2	1	2	2
Grant awards created	177	202	210	239	237
Grant funds appropriated from external sources (million)	\$227.5	\$215.7	\$180.6	\$228.7	\$252.5
General funds used as a match for grant funds (million)	\$3.1	\$5.5	\$2.2	\$4.8	\$6.9
<b>Efficiency</b>					
Grants monitored per analyst	25	34	23	34	26
<b>Impact (Outcome)</b>					
Days for grant budget to be available upon submission to the Office of Management and Budget (OMB)	6	5	6	8	6

**Objective 1.3** — Maintain the County's annual debt service payment at or below 8% of the General Fund County source revenues.

FY 2025 Target	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimated	FY 2021 Projected	Trend
8%	5%	6%	6%	7%	↔

### Trend and Analysis

The County's fiscal policy requires that the ratio of debt service costs to General Fund County source revenues does not exceed 8%. Currently, debt service payments are below 8%. However, the trend is growing due to the extensive Board of Education modernization plan that is estimated to cost over \$8 billion over the span of 20 years. Also, the County has several expensive capital improvement projects that are underway such as the public safety driver training and gun range, significant building improvements at the Community College, a new Regional Health and Human Services Center and infrastructure improvements to many bridges in the County. Debt service payments in recent years have benefited from bond premiums, therefore lowering overall debt costs. The office will continue to monitor the County's debt affordability and prioritize CIP projects within a long-term strategic framework in collaboration with all stakeholders including the Board of Education and County agencies.

### Performance Measures

Measure Name	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimated	FY 2021 Projected
<b>Resources (Input)</b>					
Capital budget analysts	9	9	9	8	11
General Fund County Source revenues (billion)	\$1.9	\$2.0	\$2.1	\$2.2	\$2.1
<b>Workload, Demand and Production (Output)</b>					
Capital projects authorized	165	194	335	366	369
New capital projects	36	36	38	47	6
Projects supported by GO Bonds in budget year	65	88	63	81	74
General obligation bond sales (#)	1	2	1	1	1
General obligation bond sales (\$) (millions)	\$293.3	\$888.2	\$263.8	\$363.8	\$343.2
<b>Impact (Outcome)</b>					
Debt service expenditures (millions)	\$103.6	\$101.9	\$126.1	\$130.6	\$156.8
Annual debt service as a percentage of General Fund County Source revenues	6%	5%	6%	6%	7%

**Goal 2** — To provide analysis of agency operations and services in order to improve the effectiveness and efficiency of service delivery.

**Objective 2.1** — Increase the County's on-time service delivery rate.

FY 2025 Target	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimated	FY 2021 Projected	Trend
92%	90%	87%	88%	90%	↑

**Trend and Analysis**

This objective contains one of the County Executive's Key Performance Indicators [KPI] of the Proud Priorities Proud Results planning process and will be under regular review by the CountyStat team.

The KPI is Revising the Top Ten Customer Service Request Service Level Agreements as appropriate. CountyStat as established a public dashboard to monitor this KPI

<https://tinyurl.com/TopTenCSRs>.

In August 2016, the County launched a new enterprise workflow management system, which provides accurate on-time closure rate information for agency service delivery. Working in conjunction with Office Community Relations, the CountyStat office is responsible for ensuring the County's operations and service delivery are efficient through the monitoring and analysis of agency data and workflows. With the new enterprise workflow management system operational, CountyStat monitors service delivery data in real time and works with agencies to identify strengths, weaknesses, gaps and redundancies to continually refine and expand the system. FY 2020 and FY 2021 will bring a host of service level agreement adjustments across multiple agencies which may impact the overall on-time service delivery rate. Beginning in FY 2020, CountyStat will focus on the 27 Key Performance Indicators that support the administration's Proud Priorities, Proud Results strategic plan.

**Performance Measures**

Measure Name	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimated	FY 2021 Projected
<b>Resources (Input)</b>					
Performance management analysts	3	3	2	2	3
<b>Workload, Demand and Production (Output)</b>					
Agencies participating in performance management	34	36	35	36	36
Agency objectives	96	140	145	160	165
Public datasets	17	28	30	30	30
Client projects	0	27	12	10	10
Public safety overtime reports	18	21	21	21	21
Service request types analyzed	0	130	220	180	75
<b>Efficiency</b>					
Participating agencies per performance management analyst	11	14	18	18	18

**Performance Measures** *(continued)*

<b>Measure Name</b>	<b>FY 2017 Actual</b>	<b>FY 2018 Actual</b>	<b>FY 2019 Actual</b>	<b>FY 2020 Estimated</b>	<b>FY 2021 Projected</b>
Client reports submitted on-time	0%	100%	100%	100%	100%
<b>Impact (Outcome)</b>					
Countywide CSRs closed on-time	0%	90%	87%	88%	90%