Office of Management and Budget

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│  Capital   ││ Operating││ Performance ││ Revenue and ││   Grants   │
│   Budget   ││  Budget  ││ Management  ││  Economic   ││ Management │
│            ││          ││(CountyStat) ││Analysis and ││            │
│            ││          ││             ││  Economic   ││            │
│            ││          ││             ││ Development ││            │
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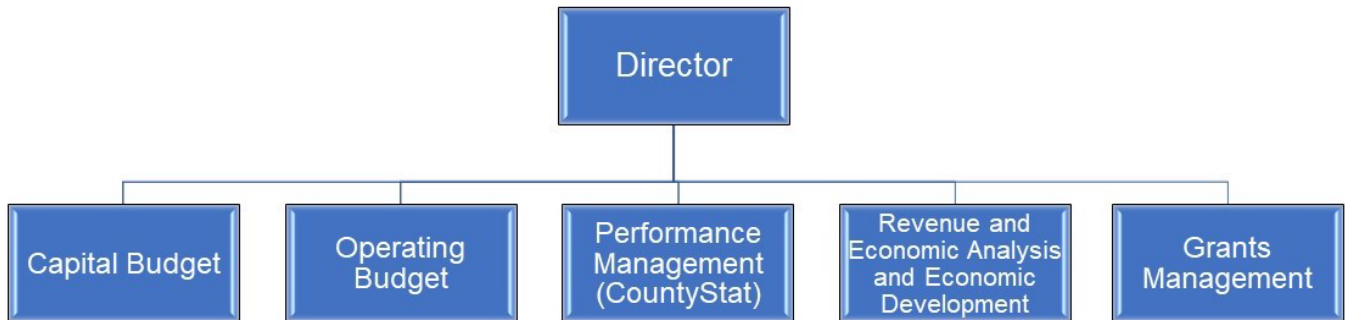## MISSION AND SERVICES

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 2019 KEY ACCOMPLISHMENTS

▪ Received the Distinguished Budget Presentation Award from the Government Finance Officers Association.

▪ Provided grant workshops to community organizations regarding the FY 2019 Local Development Council Local Impact and the County Executive's Community Partnership grant programs.

▪ Completed the full deployment and countywide training of the SAP Budget and Planning module for the FY 2020 budget season.

STRATEGIC FOCUS AND INITIATIVES FOR FY 2020

The agency's top priorities in FY 2020 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.

FY 2020 BUDGET SUMMARY

The FY 2020 approved budget for the Office of Management and Budget is $3,383,500, an increase of $264,800 or 8.5% over the FY 2019 approved budget.

Expenditures by Fund Type

Fund Types	FY 2018 Actual		FY 2019 Budget		FY 2019 Estimate		FY 2020 Approved	
	Amount	% Total	Amount	% Total	Amount	% Total	Amount	% Total
General Fund	$2,813,214	100.0%	$3,118,700	100.0%	$2,773,000	100.0%	$3,383,500	100.0%
Total	**$2,813,214**	**100.0%**	**$3,118,700**	**100.0%**	**$2,773,000**	**100.0%**	**$3,383,500**	**100.0%**

Reconciliation from Prior Year

	Expenditures
FY 2019 Approved Budget	**$3,118,700**
Increase Cost: Compensation - Mandated Salary Requirements	$157,400
Add: Compensation - New Position — Increase in the authorized staffing count due to the shift of a Budget Management Analyst III position from the Department of Public Works and Transportation (DPWT) to OMB to support the CountyStat program; this position was previously funded by DPWT	80,000
Increase Cost: Fringe Benefits — Net change due to a decrease in the fringe benefit rate offset by an increase in the staffing complement and compensation adjustments	34,400
Increase Cost: Operating - Office Automation Charge — Increase in OIT charges to support anticipated costs for SAP maintenance and the countywide laptop refresh program	16,700
Add: Operating — Increase to support the software maintenance cost for the new budget publishing system	16,000
Decrease Cost: Operating — Net change primarily to support an increase in training to support operational needs	3,100
Decrease Cost: Recovery Increase — Increase in recoveries due to countywide salary adjustments and anticipated fringe benefit costs	(42,800)
FY 2020 Approved Budget	**$3,383,500**

STAFF AND BUDGET RESOURCES

Authorized Positions	FY 2018 Budget	FY 2019 Budget	FY 2020 Approved	Change FY19-FY20
General Fund				
Full Time - Civilian	26	26	27	1
Full Time - Sworn	0	0	0	0
Subtotal - FT	26	26	27	1
Part Time	0	0	0	0
Limited Term	0	0	0	0
TOTAL				
Full Time - Civilian	26	26	27	1
Full Time - Sworn	0	0	0	0
Subtotal - FT	26	26	27	1
Part Time	0	0	0	0
Limited Term	0	0	0	0

Positions By Classification	FY 2020		
	Full Time	Part Time	Limited Term
Administrative Aide	1	0	0
Administrative Assistant	1	0	0
Budget Aide	1	0	0
Budget Management Analyst	19	0	0
Budget Management Manager	1	0	0
Deputy Director	1	0	0
Director	1	0	0
General Clerk	1	0	0
Programmer/Systems Analyst	1	0	0
TOTAL	**27**	**0**	**0**

Expenditures by Category - General Fund

Category	FY 2018 Actual	FY 2019 Budget	FY 2019 Estimate	FY 2020 Approved	Change FY19-FY20	
					Amount ($)	Percent (%)
Compensation	$2,102,734	$2,406,600	$2,117,800	$2,644,000	$237,400	9.9%
Fringe Benefits	573,394	724,400	598,200	758,800	34,400	4.7%
Operating	147,506	129,500	134,000	165,300	35,800	27.6%
SubTotal	**$2,823,634**	**$3,260,500**	**$2,850,000**	**$3,568,100**	**$307,600**	**9.4%**
Recoveries	(10,420)	(141,800)	(77,000)	(184,600)	(42,800)	30.2%
Total	**$2,813,214**	**$3,118,700**	**$2,773,000**	**$3,383,500**	**$264,800**	**8.5%**

In FY 2020, compensation expenditures increase 9.9% over the FY 2019 budget to support salary requirements for the current staffing complement and funding for a new Budget Management Analyst III position to support the CountyStat program. The new position is a transfer from the Department of Public Works and Transportation. Compensation costs include funding for 27 full-time positions. Fringe benefit expenditures increase 4.7% over the FY 2019 budget due to anticipated compensation adjustments and funding for a new position.

Operating expenditures increase 27.6% over the FY 2019 budget primarily due to an increase in the office automation charge to support SAP maintenance costs and the countywide laptop refresh program. Additionally, resources are allocated for software maintenance costs for the new budget publishing system and an increase in training funding to meet operational needs.

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 2024 Target	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Projected	Trend
7%	12%	14%	12%	13%	↔

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.

In FY 2020, the agency continues to focus on the full implementation, integration and maintenance of master data within the County's enterprise resource planning (ERP) system. The ERP system is expected to help facilitate priority-focused and program-based budgeting. In addition, multi-year fiscal planning including projections for operating budget levels in future fiscal years will be expanded. Multi-year planing will assist in reconciling the structural balance between revenues and expenditures over the long term.

Performance Measures

Measure Name	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Projected
Resources (Input)					
Number of operating budget analysts	8	11	11	11	11
Workload, Demand and Production (Output)					
Number of position requests processed for all funds	1,074	1,157	1,202	1,224	1,200
Number of contracts processed for all funds	1,296	1,510	679	880	1,135
Number of travel requests received for all funds	530	618	778	882	1,000
Quality					
Recipient of GFOA Distinguished Budget Presentation Award	yes	yes	yes	yes	yes
Percent variance of the General Fund budget and actual expenditures	-2%	3%	2%	0%	0%

Performance Measures (continued)

Measure Name	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Projected
Percent variance between actual and budgeted General Fund revenues	2%	1%	1%	0%	0%
Impact (Outcome)					
Percent of the General Fund budget that is in fund balance	12%	12%	14%	12%	13%

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

FY 2024 Target	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Projected	Trend
10.0	6.3	5.1	5.6	6.0	↔

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. 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 has stabilized its performance in this area at fewer than 10 business days. The agency will continue to evaluate this specific metric in an effort to determine if the target should be adjusted. Additionally, the agency will continue to investigate the need for additional indicators that track the full grant lifecycle as this metric currently reflects the measurement of time between the agency forwarding the Notice of Grant Award (NGA) to the office and the subsequent loading of grant funds only.

Performance Measures

Measure Name	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Projected
Resources (Input)					
Number of grant analysts	7	7	6	7	7
Workload, Demand and Production (Output)					
Number of agency trainings completed	4	2	0	2	4
Number of grant supplementals completed	3	3	2	2	3
Number of grant awards created	207	177	202	185	200
Total amount of grant funds appropriated from external sources (in millions)	$212.0	$227.5	$215.7	$219.8	$234.4
Amount of general funds used as a match for grant funds (in millions)	$2.2	$3.1	$5.5	$4.3	$4.7

Performance Measures (continued)

Measure Name	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Projected
Efficiency					
Number of grants monitored per analyst	30	25	34	26	29
Impact (Outcome)					
Average number of days for grant budget to be available upon submission to OMB	6.4	6.3	5.1	5.6	6.0

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

FY 2024 Target	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Projected	Trend
8%	6%	5%	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 roads and 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 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Projected
Resources (Input)					
Number of capital budget analysts	5	9	9	9	9
Amount of General Fund County Source revenues (in billions)	$1.8	$1.9	$2.0	$2.1	$2.1
Workload, Demand and Production (Output)					
Number of capital projects authorized	230	165	194	233	200
Number of new capital projects	38	36	36	40	41
Number of projects supported by GO Bonds in budget year	82	65	88	101	110
Number of general obligation bond sales	1	1	2	1	1
Value of general obligation bond sales (in millions)	$115.8	$293.3	$888.2	$255.7	$348.1

Performance Measures *(continued)*

Measure Name	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Projected
Impact (Outcome)					
Debt service expenditures (in millions)	$94.3	$103.6	$101.9	$125.9	$136.6
Annual debt service as a percentage of General Fund County Source revenues	5%	6%	5%	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 2024 Target	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Projected	Trend
94%	86%	90%	92%	93%	↑

Trend and Analysis

In August 2016, the County launched a new enterprise workflow management system, which provides accurate on-time closure rate information for agency service delivery. 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 will bring a host of service level agreement adjustments across multiple agencies which may impact the overall on-time service delivery rate.

Performance Measures

Measure Name	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Projected
Resources (Input)					
Number of performance management analysts	4	3	3	2	3
Workload, Demand and Production (Output)					
Number of agencies participating in performance management	33	34	36	37	37
Number of agency objectives	138	137	140	145	150
Number of public datasets	0	20	28	30	33
Number of Enterprise Project Meetings	0	12	8	10	10
Number of client projects	17	19	27	35	50
Number of public safety overtime reports	15	21	21	21	21
Number of service request types analyzed	0	119	130	155	175
Efficiency					
Average number of participating agencies per performance management analyst	8.3	11.3	14.4	15.4	12.3

Performance Measures *(continued)*

Measure Name	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Projected
Percentage of client reports submitted on-time		89%	100%	100%	100%
Impact (Outcome)					
Percent of Countywide customer service requests (CSRs) closed on-time (excluding bulky trash)		78%	86%	88%	90%
Percent of all Countywide CSRs closed on-time		86%	90%	92%	93%