

FINAL FY 2013 BUDGET GUIDANCE
DIRECTION TO MANAGER FOR PREPARATION OF FY 2013 BUDGET
November 29, 2011

GOALS:

The County Board directs the County Manager to prepare a FY 2013 budget that reflects current economic conditions, while honoring the County's vision and legacy. Specifically, the FY 2013 budget must, at a minimum, fund services that protect the health and safety of our residents, continue our investments in affordable housing and environmental sustainability, adequately support the public schools, and ensure a safety net for those in need.

The County Manager is directed to use the following principles in developing her proposed FY 2013 budget.

PRINCIPLES:

1. Provide a balanced budget that limits FY 2013 ongoing County expenditures (excluding schools transfer) to the FY 2012 adopted level plus 1.0% (Consumer Price Index (Urban) is 3.5%).
2. Allow for expenditures greater than noted above in the following situations:
 - a. To meet explicit commitments previously made by the County Board for the operation of new facilities (i.e., Mary Marshall Assisted Living Facility, Long Bridge Park Phase 1, Penrose Square, Court Square East);
 - b. To include an appropriate level of contingent funding for unanticipated expenditures;
 - c. Where proposed expenditure is to be fully offset by fee revenue.
3. Maintain the County/School revenue sharing allocation (53.9% County / 46.1% Schools) adopted by the County Board in FY 2012 and outlined in the County Board guidance to the Manager in Attachment 1.
4. Ensure that the budget provides for long-term financial sustainability.
5. Preserve the County's high grade bond ratings.
6. Fully fund all debt, lease and other contractual commitments including those "subject to appropriation" in the base budget.
7. Eliminate duplication and inefficiencies.
8. Provide the County Board with either FY2013 or multi-year strategic options and/or recommendations in the following areas:
 - a. Compensation - Options should ensure the County sustains a competitive compensation package and may address salary, health care, retirement and other forms of compensation. Staff will provide a comparative analysis of compensation in the region, standardized and coordinated among the localities to the greatest degree possible, upon which these options will be based

- b. Pay-as-you-go capital – Options should incorporate into the FY 2013 budget, as appropriate, recommendations in response to the CIP Working Group.
- c. Libraries – Options should bring to bear Libraries’ recent work on strategic future needs while building on past County Board actions to restore library services/hours reduced in the recent economic downturn.
- d. Housing – Options should be based on a comprehensive analysis of the full range of current County housing programs (as outlined in the County’s Consolidated Plan) and offer funding alternatives to meet growing needs identified in adopted County goals and pending County planning efforts.