



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY MANAGER

File #: 19-114

Board Meeting Date: 2/12/2019

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: Michael P. Callagy, County Manager
Subject: Fiscal Year 2019-21 Budget Cycle

RECOMMENDATION:

Fiscal Year 2019-21 Budget Cycle Update.

BACKGROUND:

On September 25, 2018, your Board directed staff to provide a schedule for the Fiscal Year (FY) 2019-21 budget cycle, including when discussions on funding priorities will occur with the Board of Supervisors. In a member's memo dated October 10, 2018 we stated that we would come to this board with our initial plan, request Board directions for the upcoming cycle, and where the board would be included in the process.

DISCUSSION:

In preparation for the upcoming FY 2019-21 budget cycle, we have a few recommendations that we would like to review with you:

1. Board retreat (Mid-March) where we will discuss the County's financial position, the possibilities of the next bond cycle, upcoming and ongoing capital projects, and brain storm ideas as to where we would like to go as a county over the next few years.
2. Utilization of the unanticipated onetime Excess ERAF of 60 million:
 - a. \$25 million additional contribution towards the unfunded pension liability.
 - b. \$28.5 million to address capital projects at Flood Park, Memorial Park, the Promenade, and beta test the idea of small ranger houses in our parks.
 - c. \$6.5 million to be used to fund other one-time capital outlays that will be discussed at the retreat.
3. Budget exercise for departments: 2.5% planning exercise. This is an exercise that we would like to see on a yearly basis moving forward to help us prepare for any future economic changes that may arise.

4. Work collectively to find ways to recognize and honor our staff that are going above and beyond and truly moving our county forward.
5. Increasing civic engagement in our ongoing processes and continuing to strive for a transparent government.
6. Work on detailed succession planning and determining ways to recruit the best and brightest employees.
7. Developing affective processes to complete projects in an efficient manner.

Recognizing that ongoing projects and initiatives are likely to continue into the next budget cycle and that those projects are dependent upon continued funds to provide important services to the community, the budget process is intended help us progress our idea of finding ways to change with the ongoing needs of our residents.

FISCAL IMPACT:

There is not fiscal impact in accepting this memo.