
MISSION DIRECTED BUDGET (MDB) SAVINGS POLICY

Policy

The county adopted the Mission Directed Budget policy to reward departments for efficient management of funds by allocating a portion of the unassigned year-end excess revenues over expenses to fund special priority projects. This policy emphasizes the linkage of resources to programs and services that support the county's vision, mission, and goals. However, in times of fiscal stress the county board may elect to suspend the provisions of this policy in the interest of sound financial management.

Funding made available through this policy will be referred to as mission directed budget savings.

Guidelines

- A. If budget reductions are implemented, or if there are limited year-end excess revenues over expenses from countywide operations, no mission directed budget savings will be allocated, as recommended by the county administrator.

- B. If there are year-end excess revenues over expenses, they will be allocated in the following manner:
 - 1. Twenty-five percent of the departmental year-end excess revenues over expenses will be allocated to the individual departments that experienced savings as departmental mission directed budget savings.
 - 2. Twenty-five percent of the departmental year-end excess revenues over expenses will be allocated to the countywide mission directed budget savings pool.
 - 3. Fifty percent of the departmental year-end excess revenues over expenses will be returned to the appropriate fund balances.
 - 4. Exception: 100% of year-end excess revenues over expenses in the Building Services Division of the Public Works Department will be transferred to the Capital Repair Fund.
 - 5. If the county administrator finds that the county's fund balance meets or exceeds the appropriate level as guided by the county Policy #2801 Fund Balances, the county administrator may recommend to the board the

portion of mission directed savings identified to be returned to the appropriate fund balances be allocated wholly or partially to help fund the county's post-retirement benefit liability (OPEB), to fund other high-priority projects, or be included in the countywide mission directed pool.

- C. Departments will be eligible to receive departmental mission directed budget savings and will contribute to the countywide mission directed budget savings pool based on a net positive amount returned to the unassigned fund balance as a result of actual revenues and transfers-in exceeding actual expenditures and transfers-out.
 - 1. Effective with the 2015 mission directed budget allocation, departmental mission directed budget savings funding will be available for five years from the date the funds were first allocated.
 - 2. Funding from the mission directed budget savings program is allocated on a first-in, first-out method.
 - 3. Any unspent, unallocated departmental mission directed budget savings remaining at the end of the five-year period will be reallocated to the countywide mission directed budget savings pool as part of year-end procedures.
- D. Year-end excess revenues over expenses are measured at the appropriate department or division level.
- E. Mission directed budget savings should be used for activities that assist the county in supporting the county's vision, mission, and goals. Projects that have a countywide or multi-departmental benefit will be given priority for funding from the countywide mission directed savings pool. Departmental mission directed budget savings may be utilized to pay for staff or ongoing costs if there is a plan on how to fund those costs within the department's operating budget in future years. Mission directed budget savings may be utilized for up to three years of ongoing staff costs for pilot projects or positions that are identified as special projects. The departmental mission directed budget savings balance for a department that is proposing to cover more than one year of costs must have the total funds needed for the project prior to its approval.
- F. Departments proposing to use their departmental mission directed budget savings to fund projects must submit, to the Office of Administration, a request explaining the project and its benefits. The county administrator or designee has final approval of the proposed expenditures and budget amendments.
- G. Any department may submit, to the Office of Administration, written proposals for funding through the countywide mission directed budget savings pool. The

proposal must explain the project and how it supports the county's mission and goals, and identify the cost/benefit to the county.

- H. During the annual budget cycle, and at the recommendation of the county administrator, unallocated balances in the countywide mission directed budget savings pool may be used to fund high-priority projects.

Responsibility

- A. The county administrator approves the departmental mission directed budget allocation and associated departmental projects.
- B. The county board approves final countywide pool allocations and associated countywide projects.
- C. Departments will provide project updates to the Office of Administration, as needed.
- D. The Office of Administration will provide an annual status report to the county board of all outstanding departmental and countywide pool projects.

Source

County Board Resolution #93-043, dated April 20, 1993
County Board motion on August 29, 2000; December 16, 2003; July 26, 2005
Replaces county Policy #1401 MDB section
County Board motion on February 5, 2008
County Board motion on December 8, 2009
County Board motion on February 26, 2013
County Board motion on January 19, 2016