

ADMINISTRATIVE REPORT

Date: January 15, 2019

Agenda Item No.: 5D

Council Action Date: January 19, 2019

To: Honorable Mayor and City Council

From: Alex McIntyre, City Manager
Mary Eckman, Interim Finance and Technology Director

Subject: Budget Principles

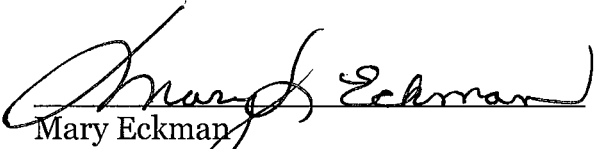
RECOMMENDATION

It is recommended that the City Council review budget principles, affirm or provide input to staff on revisions.

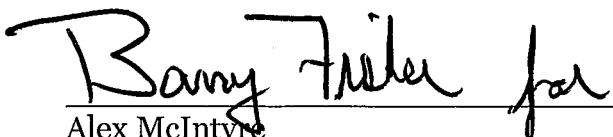
DISCUSSION

City Council has adopted budget principles as the central policy document, showing how it will prioritize and achieve its short and long-term objectives. The budget is a contract between the citizens and the City, showing how resources are raised and allocated for the delivery of public services. Such a document must be clear, transparent and credible if it is to command trust, and to serve as a basis of accountability.

Staff is recommending that City Council review the attached Budget Principles and provide input to staff, allowing the Budget Principles to be affirmed.


Mary Eckman
Interim Finance and Technology Director

FORWARDED TO THE CITY COUNCIL


Alex McIntyre
City Manager

Attachment – Budget Principles

ATTACHMENT

BUDGET PRINCIPLES

City Council will/has adopted budget principles as the central policy document, showing how it will prioritize and achieve its short and long-term objectives. The budget is a contract between the citizens and the City, showing how resources are raised and allocated for the delivery of public services. Such a document must be clear, transparent and credible if it is to command trust, and to serve as a basis of accountability.

Budgeting is not a standalone process, removed from the other channels of government action. Good budgeting is supported by, and in turn supports, the various pillars of modern public governance: integrity, openness, participation, accountability and a strategic approach to planning and achieving objectives. Budgeting is thus an essential keystone in the architecture of trust between the City and its citizens.

This year's budget principles will be/were affirmed in January 2019 with these important foundational principles and further refined into the following areas:

- Promote the City's long-term financial sustainability through monitoring and reporting on changes in pension liabilities and including those changes in the City's long-term forecast.
- Incorporate a budget assumption for employee vacancies and resulting salary savings into the forecast.
- Actively pursue revenue enhancements and strive to achieve full cost recovery for all fee-based services, except where the City council sees a clear public interest in providing a subsidy.
- Clearly define the cost and timing of all cash outlays associated with major projects, to allow investment of idle cash, while maintaining liquidity.
- Enhance and maintain core City services and infrastructure by prioritizing City Council adopted initiatives and strategies that contribute to the quality of life in Ventura.
- Evaluate one-time revenues for highest and best investment.
- Improve productivity through continual review of City services, identifying new programs/initiatives and enhancing, reducing, or eliminating existing programs.
- Manage staff capacity to efficiently deliver services to the community through investment in new technologies that drive efficiency and productivity.
- Develop programs and initiatives that strengthen Ventura's standing as an employer of choice to retain and attract highly qualified personnel.
- Proactively manage the loss of institutional knowledge through succession planning efforts including the ability to provide for overlap in critical positions, at the discretion of the City Manager.
- Communicate the City's financial position by continuing to refine the budget document and provide comparison to actual results, while enhancing the public's access to financial information.