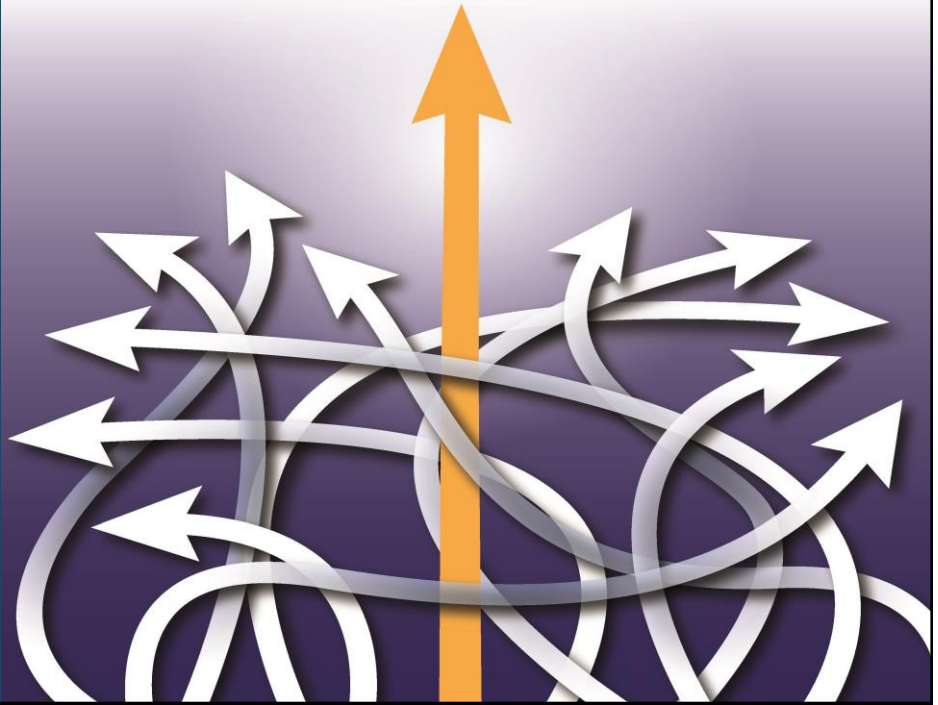


Budget Focus In Difficult Times



1

Budgeting in the Real World

- ✓ We forecasted every revenue
- ✓ We prioritized spending so every penny is spoken for
- ✓ We're done for 2 years. Staff simply executes the balanced budget and keeps us informed.
 - What could go wrong?

2

Tough Decision-making Fundamentals

(Memorize these and keep them handy)

- ✓ **Money will fix every problem in our city**
- ✓ **There is not enough money**

- ✓ **We can do anything**
- ✓ **We can't do everything**

3

Wait List Budgeting is Your Best Friend

What's NOT in the budget
can be more important than
what's IN the budget

4

Wait List Budgeting is Your Best Friend

You **HAVE** to maintain a “**Wait List**” that you update, prioritize and believe in:

1. Invite any and all budget requests
2. ALL new requests go straight to the Wait List
3. We hear you, you’re important,
4. We want to capture needs, we won’t lose them
5. Transparent, open and fair
6. Governing Body and Chief Executive make better decisions with more complete information

5

Prioritizing

Seek Clarity:

- Existing ^{vs.} New
- Past Due ^{or} Imminent ^{or} Can Wait

		Eisenhower Matrix	
		Important	
		High	Low
Urgent	High	Do first	Avoid
	Low	Plan & Focus	Keep on List

6

Trust is Critical

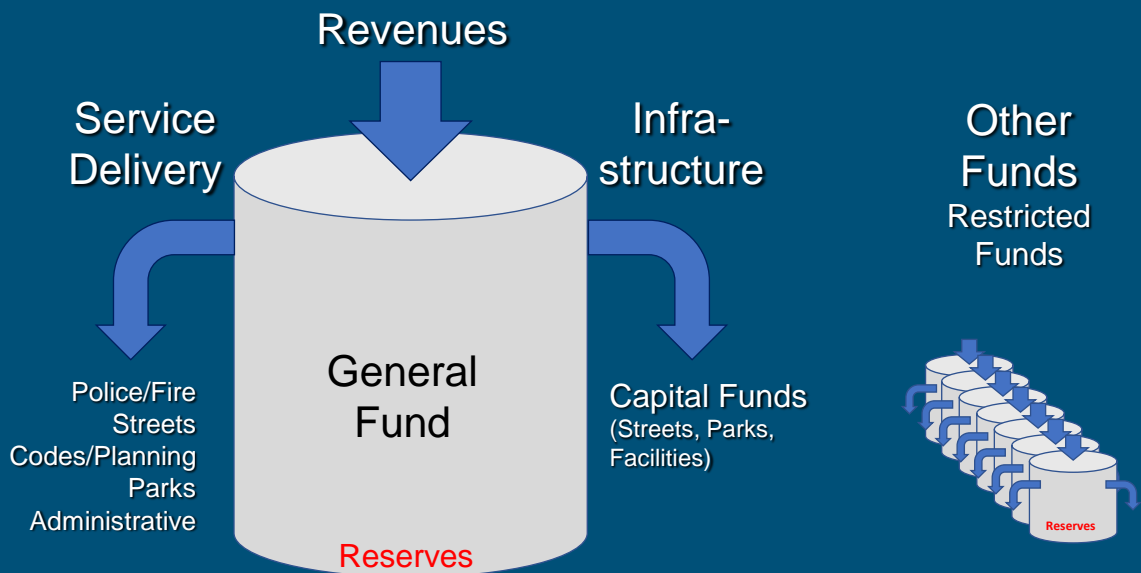
All requests go on the list

- Popular? Goes on the list
- Urgent? Goes on the list
- Luxury? Goes on the list
- New program? On the list

Communicate: I hear you, you are important, your need will not be forgotten

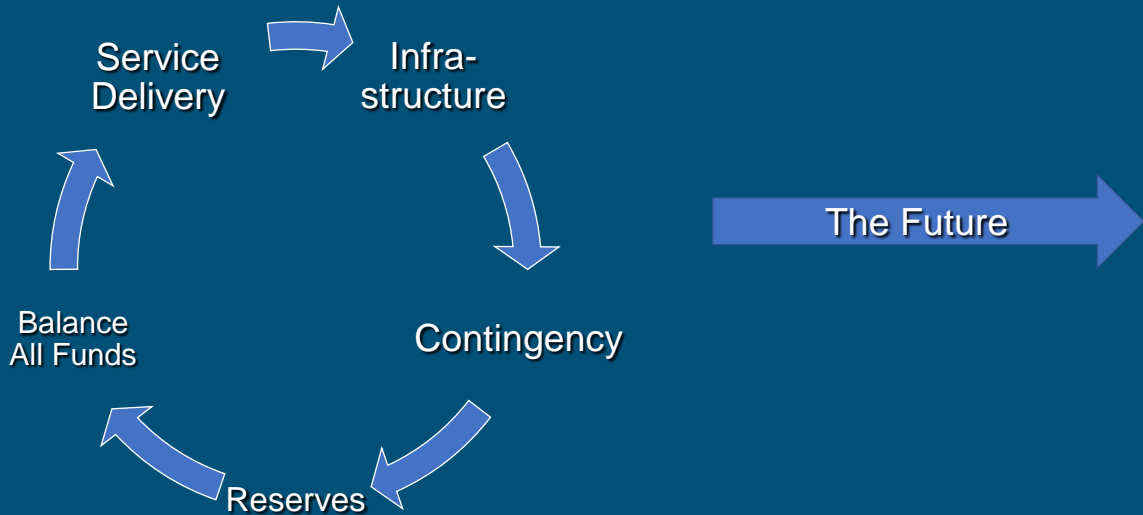
7

Fund Infrastructure Perpetual Replacement



8

3D Budget Balancing



9

Perpetual Replacement

- **Budget every year**
 - 20 Playgrounds that last 20 years each . . .
 - Vehicles that last 7 years
 - Avoid debt as a default philosophy

10

Budget Philosophy

- 1. Take care of existing obligations first**
- 2. No new obligations without new revenue**
- 3. Some assets can be liabilities**
- 4. TNSTAAFL**

11

Governance is Policy

**Budgets are NOT about money
They're about priorities**

**Budgeting decisions flow from policy
decisions**

12

Budget Focus In Difficult Times

