

Commissioner Provided Items

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Proposal for the Improvement of the City of Huntington Beach Annual Budget Review Process

Action Item from the July Finance Commission meeting was to write up a proposal and recommendation to improve the ability of the Huntington Beach Finance Commission to better serve the community in its role of overseeing the yearly City Budgeting process.

Goal/Objective: Improve the yearly budget review and approval cycle by providing recommendations to staff on how to improve visibility into the yearly budget, provide the finance commission with an improved budget package for review, and ultimately provide the city council members with a budget package that is understandable and backed up with a rigorous basis of estimate. This will not only improve readability and transparency but ultimately help the city council members with the necessary information to aid in decisions to balance the yearly budget forecasted expenditures with the expected revenues.

Recommendation 1 – Provide the finance commission with a clear and concise matrix or outline of the entire set of accounts that make up the cities yearly budget. This should include the scope of work for each account that will be forecasted/budgeted. This should be provided before the first preliminary budget is generated

Recommendation 2 – From the outline defined above provide a definition for how the forecast/budget will be estimated. (i.e., identify the method that will be used to forecast each account – will it be based on a factor of prior year actuals, will it be a bottoms up estimate of headcount and purchased goods, etc)

Recommendation 3 – Once the preliminary budget package is completed, provide the detailed estimates for each account. Also provide a basis of estimate for how this budget estimate was generated, Provide as much detail as possible and support this budget estimate with basis for how this estimate was generated, preferably with metrics or headcount estimates, or quotes from suppliers, or other)