



**SCANNED**

**POLICY AND PROCEDURE**

<b>Subject:</b> Vital Few Priorities	<b>Index:</b> Finance <b>Number:</b> 201-10-3
<b>Effective Date:</b> August 4, 2005	<b>Prepared By:</b> City Manager
<b>Supersedes:</b>	<b>Approved By:</b>

**1.0 PURPOSE:**

To provide a policy and guidelines for the initiation and development of determining the most vital projects that need to be considered by the City Council and directed to staff for accomplishment in the next fiscal year and the funding they will require. The Council-approved projects are to be included in the City's annual budget.

**2.0 ORGANIZATIONS AFFECTED:**

City Council/Commissions/Committees/all departments/divisions.

**3.0 REFERENCES:**

Not applicable.

**4.0 POLICY:**

4.1 These guidelines will establish a procedure for the City Council, Commission and Committees and staff to prepare Vital Few Priorities each budget year.

**5.0 DEFINITIONS:**

5.1 **VITAL FEW PRIORITIES (VFP)** - The City Council reviews the City's strategic plan annually and identifies the issues facing the City to determine goals and objectives for the next year. At an informal workshop, the Council evaluates the status of the previous year's VFPs; and the proposed program/project submittals. The Council ranks in priority order those projects having the greatest positive impact towards achieving goals benefiting the community and are within fiscal capability.

5.2 **BUDGET INSTRUCTION MANUAL (BIM)** – Manual for the staff who work on putting the budget together for presentation to the City Council.

**6.0 PROCEDURE:**

The following Vital Few Priorities schedules should be included in the Budget Instruction Manual (BIM):

- Date that commissions and committees are to submit their recommended VFP projects. The subject of proposed VFPs by commissions/committees should be placed on their respective agendas for discussion in the month of November. These VFPs are then submitted to their respective supporting staff to be analyzed. Staff's recommendation(s) are to be included with the proposed VFPs. All proposed VFPs from the commissions and committees are to go forward for City Council consideration. The City Manager will provide an independent recommendation to the City Council for each VFP submitted from the commissions and committees.
- Date that City Council should submit their VFP projects to the City Manager. The City Council's proposed VFP projects need to be submitted to the City Manager no later than January to enable staff to review and categorize the project requests. *In January, the City Manager should inquire from the City Council if they wish to add or delete any category(s) to the Vital Few Priorities. Then confirm Council's direction of any new or deleted categories to the department heads to provide them guidance in preparation of the VFPs.*
- Date for departments to turn in their updated VFPs from current fiscal year (BLUE PAPER).
- Date for departments to turn in their proposed VFPs for the next fiscal year (WHITE PAPER).
- Date for the Vital Few Priorities Workshop. The VFP Workshop follows the LTFP. This is to ensure Council has knowledge of the City's financial future. The City Council must commit to the dates for the VFP workshop and also the budget workshop(s) before the budget calendar is finalized. City Manager's office and Budget Officer need to review the dates before completion of Budget Manual for distribution. Allow enough time to make corrections, edit, and get clarification, City Manager review and changes.

*All key dates will go on the Budget Calendar in the Budget Instruction Manual.*

### **VFP Forms (samples attached)**

- **VFP Updates:** The Vital Few Priorities that were approved in the previous year's budget can be found in the templates under Budget, VFP Update.
  - Put the correct fiscal year is at the top of the page.
  - Project title is to be the same as initially submitted.
  - Update the Project Status and state the progress as one of the following:
    - **Done** – will be completed by beginning of next fiscal year.
    - **Ongoing** – project will span two or more fiscal years
    - **On hold** – on hold with City Manager approval
    - **Added** – project added to work program after budget adoption
    - **Behind** – project is behind schedule
    - **On Track** – project schedule is on track
  - Each VFP is to be saved in CH \City Manager\Public\Vital Few\vpf fiscal year updated\title.
  - Stamp the file name on each VFP.
  
- **VFP Proposed:** Forms can be found in the templates under Budget, VFP.
  - The category of the VFP is to be inserted The City Manager will confirm the categories for the Proposed VFPs.
  - The project titles should be brief, and sufficiently descriptive to clearly indicate what the project entails.
  - Estimated cost figures and potential grant funding information needs to be included on the proposed projects, including a projected timeline (months, years, etc.).
  - Each VFP is to be saved in CH \City Manager\Public\Vital Few\vpf fiscal year new\title.
  - Stamp the file name on each VFP.

### **Submitting the Updated and Proposed Vital Few Priorities to the City Manager**

- Note the due dates on the Calendar in the Budget Instruction Manual.
  
- Updated VFPs from the previous fiscal year are to be updated and printed on **BLUE** paper.
  
- New (proposed) VFPs are to be submitted to the City Manager's office on **WHITE** paper.

**VFP Notebooks**

**Required materials:** 19 binders – 1 inch, 3-ring, with window front.  
Tab dividers for each notebook  
Labels for tab dividers

**Distribution as Follows:**

City Council	5
City Manager	1
Assistant City Manager/FAS Director	1
Beaches, Parks & Recreation Director	1
City Clerk	1
Community Development Director	1
Fire Chief <i>(if they have any VFP's)</i>	
Police Services Chief <i>(if they have any VFP's)</i>	1
Public Works/Economic Development Director	1
City Engineer	1
Assistant to City Manager	1
Budget Officer	1
City Planner	1
Animal Shelter Director <i>(if they have any VFP's)</i>	1
Executive Secretary	1
<b>TOTAL BINDERS</b>	<b>19</b>
Additional Unbound copies with dividers for: O. C. Register; L. A. Times; Counter in City Hall Lobby; Library; and 3 extras	7
<b>TOTAL SETS</b>	<b>36</b>

## **Notebook Preparation:**

The covers can be located on CHI\citymanager\public\vitalfew\covers – each person's cover is in a folder. Update the information and ensure that the name/title of person is correct. Print out in color and place in front window of notebook.

Make 3-hole punched dividers for each category. (The categories are subject to change annually):

*Organization Chart*  
*Vital Few Summary*  
*Community/Economic Development*  
*Infrastructure Development*  
*Communications/Customer Service*  
*Organizational Development*  
*Quality of Life*

The Vital Few Priorities notebooks should be distributed to the City Councilmembers at least 10 days prior to the workshop. Any concerns or issues from the City Council are to be immediately taken to the City Manager, prior to the workshop. The Mayor is to determine if any VFPs can be added at the workshop.

## **VFP Workshop Preparation**

- Department Heads to do their own dry-run of prioritizing the projects (can be done at a Department Head meeting).
- City Manager and Department Heads hold a preview run of the VFP presentations, including PowerPoint. After this preview, no changes are to be made to the PowerPoint without City Manager approval.

## **Staff Responsibilities**

### **City Clerk**

- Reserve the location for the workshop.
- Make sure there are microphones for Councilmembers.
- Record the workshop
- Track the voting at the workshop.
- Do minutes of the workshop.

### **Assistant City Manager**

- Count the voting during the workshop.

Executive Secretary

- Prepare the notebooks and distribute at least 10 days prior to the workshop.
- Make cards for the Prior and Current Fiscal Years for each category. Make cards for each category. Make cards for each VFP on the same color card stock as the VFP (blue or white). These will be placed on a bulletin board for the workshop.
- **BLUE DOTS** for each Councilmember to place on their top ranking projects. **RED DOTS:** Each Councilmember can select ONE top ranking VFP. Ask the City Manager how many blue dots each Councilmember gets for their voting (usually 4 each). Each Councilmember will also get one red dot.
- Track the voting at the workshop.
- Take down the cards after the workshop.

Assistant to the City Manager

- Do a write-up of the Vital Few Priorities final ranking for the budget manual.

**Process at the workshop:**

*The City Council should be provided written guidelines in advance, so they clearly understand the meeting process as follows:*

- The City Manager reviews the status of the current projects as outlined in their notebooks and ask if Council has any questions about any of those projects.
- Then the City Manager could briefly describe the proposed Vital Few projects (using PowerPoint?). The Mayor can determine whether any new proposed VFPs can be added at the meeting.
- City Manager asks if any questions on current vital few.
- City Manager briefly reviews the proposed vital few.
- City Council makes adjustments to the list – deletions, title changes, etc.

- **Ranking the Proposed VFPs:**
  - The City Clerk calls on each Councilmember to give their ranking to the proposed projects category-by-category.
  - After each category is ranked, the Assistant City Manager or City Clerk should be prepared to announce the ranking results.
  - The cards on the board with the project titles are numbered in the order of ranking and then placed in ranking order (1 at the top, on down).
- **Blue Dots:** Each Councilmember places their blue dots on the most preferred proposed VFPs.
- **Red Dots:** Council could either place their one red dot to prioritize the overall Vital Few.
- An option to this process would be to have each Councilmember state their top five or six priority project prioritizations, then the Assistant City Manager or City Clerk would announce the overall Vital Few ranking.