



MEMORANDUM TO CITY COUNCIL

THROUGH CHARTER OFFICER: James R. Clinch, City Manager
FROM: James R. Clinch, City Manager
DEPARTMENT: City Manager

E-SIGN:

DATE: December 12, 2025

MEETING DATE: January 9, 2026

SUBJECT / TOPIC: Council Workshop - City Budgeting Process

BACKGROUND INFORMATION:

During the FY26 budget development process, several discussions and questions arose regarding the current City of Venice budgeting process. As we move into the FY27 budget cycle, this workshop is intended to review how the City builds its annual budget, why the process functions the way it does, and where there may be opportunities for enhancements moving forward. Staff would like to gain a better understanding of Council's budgeting goals, to ensure we provide clear and useful information throughout this lengthy process.

Each year, the City's budget process takes roughly eight months to fully develop. Starting with the initial departmental kickoff in January, the Strategic Planning workshop in February, the CIP workshop in April, and departmental reviews in the spring, this process continues throughout the first half of the year. City Council is then presented with the draft budget proposal at the June workshops, Council changes are incorporated, and then public hearings are held for the final budget adoption in September. This process is methodical, iterative, and involves every department within our organization.

The primary objective of this workshop is to provide an understanding of how the City's budget process functions and how it incorporates different elements from all five of the traditional budgeting methods. The presentation will include a brief overview of the five models used in local government which include Line-item, Program, Performance, Zero-based, and Priority Budgeting. Additionally, we will discuss how the City of Venice uses a blended approach to maintain a stable, predictable structure that is well-suited for a city of our size and complexity.

This workshop is an opportunity for City Council to provide policy-level feedback on how the FY27 budget process can be strengthened. Staff are asking for guidance on several key areas, including the desired level of transparency and budget reporting, the level of Council involvement throughout the process, budgeting methods that should be prioritized, and input on cost reductions while maintaining service levels. We will also seek input on how best to connect Council's strategic goals to measurable budget outcomes.

The City works every year to ensure the budget process remains transparent, collaborative, and aligned with Council's expectations, but these processes can always be updated and improved. Your feedback today will help guide staff in shaping an effective budget development process that meets the needs of the City and our residents. We look forward to your feedback and enhancing this process in preparation for the FY27 budget cycle.

SUPPORTS STRATEGIC PLAN: Goal Three: Ensure a Fiscally Sound City

COUNCIL ACTION REQUESTED: Consensus direction on budget process enhancements for FY27

Yes N/A

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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Document(s) Reviewed for ADA compliance <small>(required if for agenda posting)</small> |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | City Attorney Reviewed/Approval |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Risk Management Review |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Finance Department Review/Approval |
| | | Funds Availability (account number): |