
**CITY MANAGER'S OFFICE
CITY OF COSTA MESA
INTEROFFICE MEMORANDUM**

TO: City Council
FROM: Allan L. Roeder, City Manager
DATE: February 27, 2004
SUBJECT: RECOMMENDED PROCESS FOR CONSIDERATION OF
PROGRAM/SERVICE PRIORITIES

Subsequent to preparation and distribution of the Finance Department report on the above subject, I recognized that an important advisory element should be brought to your attention. Specifically, I believe it important to provide you with some recommended "process" in terms of your deliberations.

What your management staff is requesting of the City Council is the identification of those programs & services that you believe to be candidates for possible discontinuation or modification for the coming fiscal year. I want to stress that we are not asking you to make budgetary decisions at this time, but simply identify those programs and services you desire a closer review of prior to consideration of the FY 2004-05 Budget.

There are two aspects of this that I want to highlight for you:

1. With some 128 identified programs and services, it will be nearly impossible for staff to prepare a detailed analysis of each should you want all or even the majority of these reviewed between now and May. While we do routinely review how we are conducting programs & services and monitoring expenses, I expect that the level of detail provided for your budget deliberations will be extensive. Accordingly, I would like to remind the City Council that the level of review would be somewhat proportional to the number of programs and services identified for further analysis. We can provide a somewhat limited amount of detail covering numerous programs & services or a more detailed analysis on a more limited number of programs & services - but I do not believe we can provide a detailed analysis of an extensive number of programs and services.
2. As staff, we understand that each member of the City Council has their own preferences and priorities in terms of programs and services. In reality, this likely reflects differing opinions within the community as a whole. In terms of identifying program and services for further review, I would suggest the

City Council do so by majority vote. Basically, this would allow for individual members of the City Council to make motions to review a given program or service, obtain a second for the motion and call the question. Only those programs and services receiving majority support would go forward for further review.

The City Council could also consider a variation on the preceding by allowing each City Council member a limited number of discretionary programs and service selections for review, in addition to those acted on by a majority of the City Council.

I hope the preceding is of assistance to the City Council in its deliberations. In closing, I would likely expect members of the City Council to pose the question "How many Programs and Services do you believe staff can adequately review in the time available?" In my judgment there is no easy, definitive answer to this question. Much of this will depend on the specific Programs and Services identified. It is reasonably self-evident that a detailed review of providing "Fire Suppression Services" will entail a great deal more time and effort than "Shopping Cart retrieval", as an example. As the City's first effort in undertaking this level of review, I believe it best if the City Council exercise some degree of moderation until we gain greater experience in this regard.

/cg

c: Department Directors