PROPOSAL FOR A FINANCE AND BUDGET TASK FORCE
BY COUNCILMEMBER MARK PIERZCHALA

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Purpose: The purpose of a Finance and Budget Task Force is to help define better tools and procedures for Mayor and Council and City Staff to formulate Rockville's annual budget of approximately $100M.

Need: The budget has grown over the years as revenues have increased, but now Rockville is faced with stagnant or declining revenues and greater expenses. Some sources of revenue and some expenses are not entirely in Rockville's control. As a result, Mayor and Council may have to reduce or eliminate some programs in this or future years.

Rockville's Finance Department possesses great expertise and the budget book has been cited 19 years running for its presentation. Rockville's budgets have been crafted with very conservative assumptions over the years in order to handle 'worst-case' scenarios. Further, it is recognized that the Finance Department has already anticipated the need for Mayor and Council to see information in a different way, for examples 2 new budget tools were introduced in the Budget Preview, Part I. Yet because of the unprecedented and uncertain situation in which the City finds itself, through no fault of its own, a technical and narrowly focused Task Force can contribute additional expertise and fresh points of view that would help City Staff and elected officials.

Goals and products: A Finance and Budget Task Force would have three technical goals to: (1) review Rockville's Financial Management Policies; (2) review Rockville's budget process, and (3) review the budget book, especially the presentation of budget data. The Task Force would make positive recommendations to City Staff and Mayor and Council. There would be a short interim report by the end of March 2010 and a finished report by the end of June 2010. This proposal recognizes that the budget process for FY2011 is already well underway and that some recommendations could only be implemented for FY2012.

> The interim report would give a first review of the financial management principles. It would also give strategic and achievable recommendations on data presentation that might help decision makers compare one program with another for FY2011.
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> The final report would give a final review of the financial management principles. It would make additional budget-book recommendations, and possibly define additional kinds of data presentations such as (1) historical time series, (2) spreadsheets, or (3) web-based displays. The final report would also make recommendations on the budget-making process after having observed the process for FY2011.

Task Force Membership: Because of the technical nature of this Task Force, citizen members should apply for membership. Individuals should have relevant expertise with local government financing or accounting, data display, process management, or related fields. The selection of individuals will be by nomination and vote of the Mayor and Council.