

RESOLUTION NO 10546 (2014 Series)

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN LUIS OBISPO
ADOPTING ITS FISCAL RESPONSIBILITY PHILOSOPHY**

WHEREAS, the City of San Luis Obispo strives to provide excellent service to the community at all times and believes fiscal responsibility is a means for promoting community health and well-being and

WHEREAS, the City has a robust financial planning process with a strong foundation of citizen input and sound fiscal policies to ensure a balanced budget and

WHEREAS, the City has used its fiscal health contingency plan as a means to proactively reduce the negative impacts of economic downturns and

WHEREAS, the City regularly examines its cost and revenue drivers and presents updated fiscal forecasts to Council and

WHEREAS, the City recognizes that personnel costs represent a significant portion of the City's total expenditures and as such adopted a Compensation Philosophy and continues to monitor report and propose means to effectively manage those costs and

WHEREAS the City will strive to achieve fiscal economic and environmental accountability and sustainability as well as maintain a quality of life residents find desirable for current and future generations and

WHEREAS ultimate accountability for the fiscal health of the community rests with the elected City Council

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of San Luis Obispo that the City's fiscal responsibility philosophy is adopted as follows

SECTION 1 The City is committed to fiscal responsibility through good economic times as well as economic downturns

SECTION 2 Definition Fiscal responsibility is the balanced approach to providing the infrastructure maintenance and services that preserve and enhance the quality of life in our community as identified and prioritized through community input

SECTION 3 In achieving and maintaining fiscal responsibility the City commits to the following

- A Informed Decision-making** The City will identify and consider immediate and long-term economic social and environmental impacts of all decisions considered by the Council
- B Shared responsibility** The City recognizes a shared responsibility between the employee and employer to appropriately fund employee benefits including pension benefits Ensuring an appropriate balance is a valuable tool in attracting and retaining

well qualified employees that deliver services to the community while maintaining a long-term sustainable and balanced budget

- C Increased Transparency** The City will conduct all business including labor negotiations and other employee compensation matters with transparency pursuant to all applicable laws and regulations. The City will continue to develop tools such as key measures and dashboards that make information readily available to community members in a timely and useful manner
- D Aligned Investments** The City shall allocate resources in alignment with community needs and priorities for maintaining and/or adding capital projects, assets, or services
- E Diversified and Aligned Revenue Sources** The City will pursue diversified revenue sources that are aligned with expenditures and community priorities
- F Long-Term Unfunded Liabilities** The City will identify all long-term liabilities including unfunded pension obligations and strive to achieve a higher funded portion of pension obligations and shall manage all liabilities to maintain and enhance fiscal responsibility
- G Continued Efficiency and Effectiveness** The City will explore and implement operational efficiencies including alternative service delivery, best management practices, and cost containment measures while preserving effectiveness

Upon motion of Council Member Smith, seconded by Council Member Ashbaugh and on the following roll call vote:

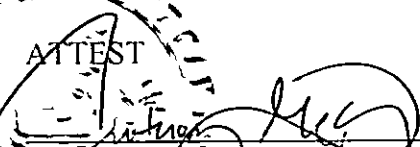
AYES	Council Members Ashbaugh and Smith, Vice Mayor Christianson And Mayor Marx
NOES	Council Member Carpenter
ABSENT	None

the foregoing resolution was adopted this 1st day of July 2014



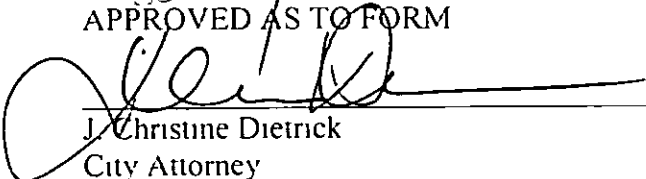
Mayor Jan Marx

ATTEST



Anthony J. Mejia, CMC
City Clerk

APPROVED AS TO FORM



J. Christine Dietrick
City Attorney