Operating Budget Guiding Principles

City of Boulder Vision:
Service Excellence for an Inspired Future

The City of Boulder develops an annual budget (could be biennial), as required by charter and state law. This budget serves as a financial plan and guiding tool to support organizational strategies and values. The budget allocates resources across programs and service areas in order to achieve stated outcomes, which reflect community priorities and meet legal and fiscal requirements. The operating budget is designed to provide funding for all ongoing city operations, as well as one-time, non-capital projects and work efforts, and to provide general support of the city and council work plan. The city prioritizes its operating budget resource allocation both across and within funds based on the following guiding principles.

The City of Boulder Operating Budget should be developed:

1. in accordance with the city's Budget Policies. Two of the primary policies are:
   a. One-time revenues shall only be used to cover one-time costs. Ongoing costs should not be greater than ongoing revenues.
   b. Debt service shall not be utilized for operating expenses.

   The full list of policies can be found on-line at: Budget Policies;
2. under the overarching guide of the Sustainability Framework, to reflect the principles of Priority Based Budgeting (PBB) and align resource allocation so as to have the most impact on achieving PBB results;
3. in support of the city as a whole (One City, One Boulder): maximizing outcomes, providing efficient and effective service delivery, implementing continuous improvement, meeting service needs, and supporting collaboration and community partnerships, across the city and not limited by department boundaries;
4. consistent with, and in support of, council-accepted master plans and strategic plans;
5. to maintain critical services to the greatest extent possible;
6. to fund ongoing operating and maintenance costs, and provide for appropriate and strategic levels of replacement funding;
7. strategically along with the Capital Improvement Program; aligning operating and capital investments for coordinated and efficient results; weighing the impact of capital investment on operating costs and evaluating operating savings that can be realized through capital investment;
8. to be nimble and flexible, providing capacity to respond to emerging and unanticipated needs, and in support of building resilience as an organization;
9. to invest in organizational capacity by supporting training and employee development;
10. to optimize leveraged external funding opportunities;
11. to maintain an adequate level of reserves and support a strong bond rating;
12. using sound decision-making based on robust metrics, when available.