



MEMORANDUM

TO: Boards and Commissions

FROM: Ed Van Eenoo, Deputy Chief Financial Officer *EW*

DATE: November 8, 2019

SUBJECT: FY 2020-21 Budget Calendar

The City is committed to an inclusive and transparent budget development process that utilizes resident and stakeholder feedback to ensure budget priorities are being met. An important component of this process is input received annually from the City's various boards and commissions. Over the past several years, your unique perspectives on the needs of our community coupled with your knowledge of City operations have resulted in a significantly more equitable and effective allocation of City resources.

Earlier this year, the State legislature lowered the cap on allowable property tax revenue growth to 3.5% annually without voter approval, significantly impacting our ability to balance future budgets in the face of growing demands for City services. Numerous initiatives to ensure the City's long-term financial sustainability—while maintaining high-quality municipal services—are already underway. These include: A review of existing programs for potential business process improvements, efficiency audits conducted by outside experts, ensuring the alignment of existing City programs to [Strategic Direction 2023](#), a review of the City's retirement systems, and a comprehensive look at options for increasing General Fund revenue.

Another effect of the new revenue cap legislation is the need to advance the annual budget cycle by approximately one month in order to preserve the option for the City Council to call a tax rate election should that prove necessary to meet policy objectives. The Council approved calendar for the FY 2020-21 budget is shown below:

- May 8 Department Budgets Due to the Budget Office
- July 13 Presentation of the FY20-21 Proposed Budget to City Council
- July 23 First Budget Hearing
- July 28 City Council Budget Work Session
- July 30 Second Budget Hearing
- August 4 City Council Budget Work Session
- August 12 Tax Rate Hearing and Budget Adoption

Please note that department budgets are due to the Budget Office this year on May 8. As such, any budget recommendations from boards and commissions will ideally be provided to departments no later than mid-April. In light of the significant restrictions on property tax revenue growth that we will begin experiencing next year, your recommendations should focus on the efficiency, effectiveness, and equity of existing City programs.

xc: Spencer Cronk, City Manager
Assistant City Managers
Chief Financial Officer