

Legislation Text

File #: 3128, **Version:** 1

CC MEETING: February 21, 2017

DATE: February 15, 2017

TO: Erin Rinehart, City Manager

FROM: Bob Scott, Chief Financial Officer

Discuss **Multi-Year Budget And Financial Forecast.**

BACKGROUND:

Each late winter or early spring staff presents multi-year forecasts to the City Council, which includes emerging budget issues, in order to receive preliminary guidance regarding the preparation of the annual budget. The formal budget process for City Council will begin in late-July with the distribution of the preliminary budget culminating in mid-September with the adoption of the operating and capital budgets.

Over the coming months, staff will be preparing the Fiscal Year (FY) 2018 annual operating and capital budget to be presented to City Council on or before July 31, 2017. This budget will also include forecasts for Fiscal Years 2019 and 2020 for the operating funds. The attached Multi-year Budget and Financial Forecast was prepared using certain assumptions as to revenue and expenditure growth including the projected effects of planned additions of programs. Included are the General Fund and Utility Operating Fund. Staff is seeking City Council direction regarding the assumptions used and other items to consider in preparation of the upcoming FY 2018 annual operating and capital budget.

STAFF RECOMMENDATION/ACTION DESIRED:

Receive City Council policy direction on the following items related to the multi-year budget, operating budgets and strategic business planning:

- Appropriateness of expenditure assumptions.
- The need for any additional budget briefings prior to the submission of the preliminary budget.
- Areas the City Council may want to consider reducing or increasing service levels.
- Taxation of personal use leased vehicles.
- Other priorities or concerns of City Council not previously discussed.