

Information Item

Date: November 8, 2021

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Ben Rowe, Assistant City Manager
Scott Tesh, Budget and Performance Management Director

Subject:
First Quarter Update on FY 2020-21 Year-End and FY 2022-23 Budget Issues

Strategic Focus Area: Service Excellence
Strategic Objective: Maintain City's Financial Strength
Strategic Plan Action Item: No
Key Work Item: No



Annually, the Budget and Performance Management Department provides quarterly updates on potential issues impacting the upcoming year's budget. Prior to the kick-off of the City's internal budget development process, the budget staff will give an early forecast of the upcoming year's general fund budget in January. In late March, the budget staff presents a trial balanced budget that provides a more refined forecast of general fund revenues and expenditures and identifies potential measures to close any projected budget gaps. City staff may also include updates on the financial outlooks of select major enterprise funds such as transit, stormwater, and off-street parking.

The attached memo provides a recap of FY 2020-21 year-end general fund revenues, expenditures, and fund balance and outlines issues identified by staff that could impact the FY 2022-23 budget.