

Proposed FY 11-12 Budget Mayor's Overview

City Council
October 5, 2010



- Advance Redmond's future as a city with two urban centers in downtown and Overlake,
- Improve connections to our neighborhoods, and
- Provide high quality, responsive services in partnership with an engaged community







FY 09-10 Accomplishments

- Urban centers in Downtown, Overlake
- Permit processing improvements
- Customer service training/initiatives
- Innovations/efficiencies
- IT strategic plan
- Performance measures & management



FY 09-10 Economic Context

- Revenues dropped to pre-2005 collections – 8% below budget
- Expenses reduced 9% to manage to our revenues
- Forecasted 2011/12 shows 10% budget gap in General Fund



FY 11-12 Economic Context

- Mixed recovery signals in broader economy
- Continued lag in City revenues
- Strategic approach needed to balance expenditures and close projected gap



BP Priorities

- Business
- Clean and Green
- Community
- Infrastructure and Growth
- Responsible Government
- Safety

City of Redmond Budgeting by Priorities Process



Using focus groups and an open public meeting, City collects input on citizen's expectations







Safety





Community



Government

Each Results Team develops a Request for Offers to support its priority. Each RFO includes 3 indicators, a cause-and-effect map and purchasing strategies.



City Council approves priorities based on input from citizens in focus groups and open meeting



Results Teams (including city staff and citizens) are formed around each priority

Business







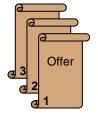




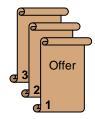












Citizens review RFOs, come to community meeting to submit their suggestions to departments



Departments review RFOs and data and decide on offers to write up for submittal to Results Teams.

Results Teams rank the offers based on contribution to the factors on the cause and effect map.

Based on rankings and feedback, Departments revise and resubmit offers. Results Teams rank offers again, this time including mandates



Results Teams use rankings to develop recommended purchases to advance priority.



Mayor uses Results Teams recommendations to develop Budget



Mayor presents Budget to Council on **Oct 5**





Council reviews budget, holds public hearings (Oct 19 & Nov 16) and adopts final budget in Nov/Dec





FY 11-12 Highlights

- Vision
- Citizen Priorities
- Accountability for Results
- Directors' Team Approach
- Documents for Council Review



Mayor's Proposed Budget

- Builds on strong foundation of FY 09-10 biennial budget
- Reflects community vision and priorities
- Honor Council policy direction
- Preserve core services
- Provide responsible stewardship of community resources



Strategic Approach: Closing the Gap

- Capture FY 09-10 innovation/efficiency savings
- Right-size city operations for service demand
- Decrease staff capacity/flexibility for peak service demand
- Reduce LOS in limited areas

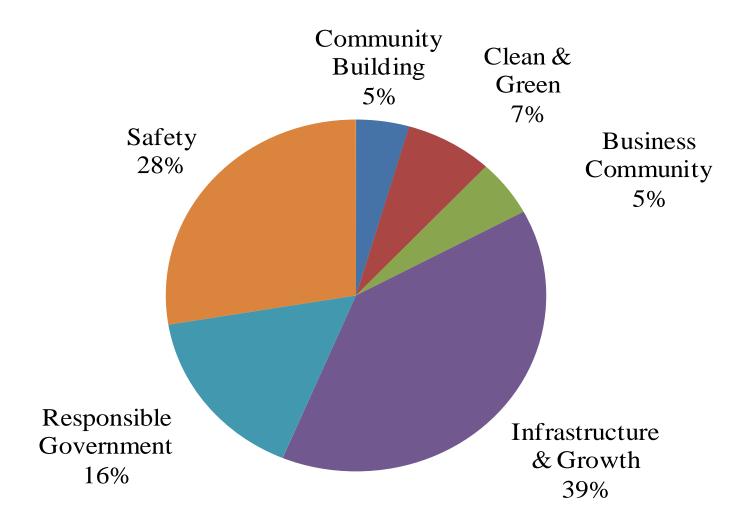


Budget-at-a-Glance Key Elements

- Includes 1% property tax increase
- Limits water/wastewater increase to 5%/2% annually
- Honors Council policy of 5% CIP transfer
- Net decrease of 50.86 FTEs from FY 09-10 staffing levels
- Uphold commitment on Fire Station 17, plus further investments in downtown

Budget-At-A-Glance







Key Policy Issues

- Limited growth in revenue
- Budget balancing approach
- Scalability in budget offers
- CIP strategy: priority projects vs. traditional allocations
- Impacts of Nov ballot initiatives
- Next steps on Council's policy agenda



The Road Ahead

- Maintain vision focus in challenging economy
- Need to think/act differently in "new normal"
- Continue organizational change efforts
- Emphasize cost-effective, customerfocused city services
- Engage the community more than ever in the decisions ahead



In Closing/Next Steps

- For the administration: to lead the organization in advancing the vision, improving customer service, and realizing efficiencies/innovation in service delivery
- For the Council: to provide legislative oversight and monitoring of the City's second Budgetingby-Priorities (BP) financial plan and progress on its 10-year BP implementation plan
- For employees: to (1) deliver on citizen priorities,
 (2) focus on performance measures, and (3) demonstrate accountability for results



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