
OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

Date Issued: November 8, 2007

IBA Report Number: 07-108

Budget Committee Date: November 14, 2007

Item Number: 5

Fiscal Year 2009 Budget Development and Public Input Process

The purpose of this report is to propose a budget development and public input process for Fiscal Year 2009 that meets and exceeds legal requirements of the City Charter and provides substantial opportunity for public input on the proposed budget prior to its adoption. Once the City Council approves this process, there will be extensive public notification about the specific budget calendar so that citizens are fully aware and can plan to participate.

OVERVIEW OF BUDGET PROCESS IN STRONG MAYOR FORM OF GOVERNMENT

Under the City's Strong Mayor form of government, the Mayor is responsible for developing and proposing a balanced budget to the City Council by April 15 of each year and making it available to the public at this same time. The City Charter

requires the City Council to hold a minimum of two public hearings prior to June 15 of each year to consider the budget submitted by the Mayor. Also prior to June 15, the Council must pass a resolution either adopting the Mayor's budget as submitted or modifying it. The Council may call for adding new items or for increasing or decreasing any item.

The most important resource allocation decisions of a community are made through the annual budget process.

If the Council modifies the Mayor's budget, the Council returns the budget to the Mayor "as soon as practicable." The Mayor has five business days from receipt of the Council changes to approve, veto or modify any line item approved by the Council and resubmit the budget to the Council. The Council then has five business days to take action to override any vetoes or modifications made by the Mayor. Five votes of the Council are required for this override action. The final step in the process is the review and adoption of the Appropriation Ordinance by City Council, which is not subject to Mayor's veto.

The Council carries out their budget responsibilities through the work of the Budget and Finance Committee, which was first created in 2006. The Budget and Finance Committee and the City Council are assisted in this role by the Independent Budget Analyst, an office which was created as part of the Strong Mayor form of government.

PROPOSED PROCESS FOR FISCAL YEAR 2009 BUDGET

The proposed budget process for Fiscal Year 2009 will span January through July of 2008, and with a few exceptions, is similar to that used for the Fiscal Year 2007 and Fiscal Year 2008 budgets. The Fiscal Year 2009 schedule proposes holding an evening public hearing on April 30, one week later in the process. We propose that a specific budget topic of high interest to the community (e.g. Park and Recreation) be agendaized for the evening hearing.

Also, at the beginning of the budget hearing process on Wednesday, April 30, we have suggested the IBA provide an overview of our preliminary report on the Mayor's Proposed Budget to discuss issues of a City-wide nature and set the stage for departmental reviews and budget deliberations.

In addition to the regularly scheduled hearings on April 30, May 1, and May 7-8, the Council is being asked to place a tentative hold on Friday, May 2, from 9:00 a.m. to Noon, and Friday, May 9, from 9:00 a.m. to Noon. In the event that more hearing time is needed, this will avoid last minute changes to the legislative calendar.

Like last year, this schedule proposes a single date of May 14 for submission to the IBA of all revisions/corrections proposed by the Mayor. This corresponds with the date that Council members' budget priority memoranda are due to the Council President. These two documents, along with further IBA analysis, will form the basis for the IBA's final recommendations to Council on the Fiscal Year 2009 budget, which will be considered by Council on June 4.

Public input throughout the budget process is critical to assisting our elected leaders in identifying the community's highest priorities for our limited resources.

Attachment A presents the complete calendar for the budget process for the months of January through July for 2008.

RECOMMENDATION

The IBA believes that this schedule will ensure a successful budget process in Fiscal Year 2009. We recommend that the Budget and Finance Committee endorse the proposed process and forward it to City Council for adoption.

[SIGNED]

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Independent Budget Analyst

Attachment A: Proposed Budget Calendar for Fiscal Year 2009