

Proposed FY 2020 Statement of Budgetary Principles

Budget & Government Efficiency Committee
Item 2

July 17, 2019



Independent Budget Analyst



Background

- The Statement of Budgetary Principles was first put into place in FY 2008 to address issues of budgetary authority
- The Principles represent an annual agreement between the City Council and the Mayor, which we recommend be continued in FY 2020
- IBA Report #19-17 includes the FY 2020 Statement of Budgetary Principles
- FY 2020 Principles closely mirror those adopted in FY 2019 with minor revisions to dates

Highlights of the FY 2020 Principles

- The Mayor, or his designee, will provide reports to the Council on a quarterly basis regarding the administration of the affairs of the City
- Neither the Council nor the Mayor has unilateral authority to make changes to the spending authority contained in the FY 2020 Budget
- The Mayor shall in good faith fulfill the legislative intent reflected in the FY 2020 Budget

Highlights of the FY 2020 Principles *(cont'd)*

- The Council shall have no authority to make or adopt changes to the FY 2020 Budget without first receiving a funding recommendation of the Mayor
- The “Structural Budget Deficit Principles” adopted by Council in 2010 should be continually adhered to, ensuring a structurally balanced budget
- The Mayor will update the City’s Five-Year Financial Outlook in November 2019

Highlights of the FY 2020 Principles *(cont'd)*

- In FY 2020 the City's performance dashboard, PerformSD, will display historical information and targets for performance measures, which may be evaluated for updates during the fiscal year
- The Mayor will address the City's deferred capital backlog by implementing funded projects and working with the Council to identify resources necessary to address remaining unfunded deferred capital and new infrastructure needs

Request for Committee Action

- Review the draft FY 2020 Statement of Budgetary Principles and forward the item, with any desired modifications, to the full City Council with recommendation for approval.