

FY18 Budget Kickoff

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Background

- All-time high revenues from property tax and local receipt categories
- AAA credit rating
- Low state aid
- Growth in fixed costs, anticipated at 9% for FY17
- Expiration of collective bargaining agreements

Two Step Process

- Maintenance request
- New budget proposals
 - Operational reforms
 - Budget savings
 - New initiatives/investments
 - Revenue proposals

Maintenance Request

- Reflect FY17 operations in terms of FY18 costs
- Review possible realignments during this period
 - Staff transfers and consolidations
 - Streamlining business processes
 - Shared service models
 - Reduce fragmentation and duplication of effort
 - Enhancing managerial controls

New Budget Proposals

- Operational reforms
 - Operational audit recommendations (BPHC's operational audit will begin in January, 2017)
 - Use experience guiding reforms to make operations more efficient, effective and responsive
 - One-time investments must show ROI and implementation steps
- Savings proposals
 - 2% reduction (\$990,808) must be proposed

New Budget Proposals (cont.)

- New initiatives/investments
 - Analysis to show measurable progress toward specific goals
 - Priority for projects that:
 - Data show investment will have a significant positive impact relative to the investment;
 - Targeted at the vision of a thriving, healthy and innovative city;
 - Leverage other spending and resources

New Budget Proposals (cont.)

- Revenue options
 - Estimates consistent with service levels in maintenance budget
 - Alternatives
 - Outdated fees and fines that haven't risen to keep pace with inflation
 - New opportunities to provide services and bring in revenue, e.g. SUDS treatment, mental health counseling
 - New revenue will support the entire budget, not just single appropriations

Capital Budget

- Addresses urgent needs while planning strategically for the city's future
- Facilities projects, submitted November, 2016
 - Public Facilities Department feasibility site visits and data collection ongoing
- IT and Equipment proposals due 12/31/16
- Departmental meetings January and February

Timeline

11/02/16	Capital instructions released
11/23/16	Capital facility requests submitted
12/14/16	COB maintenance budget instructions released
12/19/16	BPHC budget instructions released
12/21/16	Board meeting, review FY18 budget
12/22/16	Program Directors, review FY18 process
12/31/16	IT and equipment capital requests due to COB
01/04/17	Program files due to BPHC Budget Office
01/08/17	Budget office completes files review
01/13/17	Executive office completes budget review
01/17/17	Files finalized and submitted to COB
01/18/17	Board meeting to review FY18 as submitted
March	COB OBM budget meetings; Board presentation and vote; submit to mayor
April	Changes resulting from mayoral review
May	Final Board approval, City Council hearings
June	All staff meetings to review FY18 budget

Questions?