



Memorandum

Date: 6/9/2026

File No. CM 26-333

Meeting of: Committee of the Whole - Finance, Administration, and Communications

Type: Committee Memo

TO: Committee of the Whole - Finance, Administration, and Communications

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Finance	Kelley Cochran	425-556-2748
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DEPARTMENT STAFF:

Finance	Haritha Narra	Deputy Finance Director
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TITLE:

Budget Process Update: Long-Range Financial Strategy and Fiscal Policies Feedback Review & Budget Process Ground Rules

OVERVIEW STATEMENT:

As part of the City’s ongoing commitment to sound financial stewardship, the Long-Range Financial Strategy and the Fiscal Policies documents are currently being updated to reflect changing economic conditions, emerging community priorities, and best practices in municipal Finance. During the April 14 study session, Council was presented with draft versions of the updated Long-Range Financial Strategy and the updated Fiscal Policies, along with an overview of the draft recommendations that incorporate updated assumptions, clearer policy direction, and enhanced alignment with the City’s strategic goals. Council was provided with the opportunity to review the draft documents via the Council SharePoint site and provide feedback.

Additionally, in preparation for upcoming Council budget deliberations in the fall, the preliminary budget review ground rules have been attached for Council’s review.

Additional Background Information/Description of Proposal Attached

REQUESTED ACTION:

- Receive Information
- Provide Direction
- Approve

REQUEST RATIONALE:

- **Relevant Plans/Policies:**  
City of Redmond Long-Range Financial Strategy  
City of Redmond Fiscal Policies
- **Required:**  
City policies require routine updates to the Long-Range Financial Strategy.  
City and State policies require routine updates to the Fiscal Policies

- **Council Request:**

N/A

- **Other Key Facts:**

The review and update process for the Long-Range Financial Strategy and Fiscal Policies is included in the biennial budget process. The current update is significant, and it is important to discuss the recommended changes with Council.

**OUTCOMES:**

The City's Long-Range Financial Strategy and Fiscal Policies serve as the foundation for responsible governance, ensuring that Redmond remains financially resilient, transparent, and well-positioned to meet both current and future community needs. The guiding documents establish principles for budgeting, revenue management, expenditures, reserves, and long-term planning. Together, they help the City balance priorities such as infrastructure investment, service delivery, economic vitality, and sustainability.

Explanation of the Documents and Importance

The Long-Range Financial Strategy provides a forward-looking framework that forecasts revenues and expenditures over multiple years. It helps identify potential gaps, assess financial risks, and guide decision-making to maintain structural balance. Fiscal Policies establish the rules and standards that govern how financial decisions are made and implemented. The policies cover areas such as reserve levels, debt management, and revenue diversification.

These documents are essential because they:

- Promote financial stability and predictability
- Support transparent and accountable decision-making
- Protect the City's creditworthiness and fiscal health
- Enable proactive planning for economic uncertainty and growth
- Ensure alignment between community priorities and available resources

Council's feedback on both the Long-Range Financial Strategy and Fiscal Policies has been compiled into a matrix for each respective document. The discussion during the FAC meeting will be an opportunity to review the feedback matrices, and for Council to provide additional verbal feedback, which will be added to the respective matrices. The matrices will be reviewed again during the July FAC meeting, and in-depth discussion of the feedback captured in the matrices will take place during the July 28 study session.

Additionally, the attached budget review ground rules will be reviewed during future FAC meetings.

**COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:**

- **Timeline (previous or planned):**

N/A

- **Outreach Methods and Results:**

Public Hearings for the Budget Process

- **Feedback Summary:**

N/A

**BUDGET IMPACT:**

**Total Cost:**

N/A

**Approved in current biennial budget:**

Yes

No

N/A

**Budget Offer Number:**

N/A

**Budget Priority:**

Strategic and Responsive

**Other budget impacts or additional costs:**

Yes

No

N/A

*If yes, explain:*

N/A

**Funding source(s):**

N/A

**Budget/Funding Constraints:**

N/A

Additional budget details attached

**COUNCIL REVIEW:**

**Previous Contact(s)**

Date	Meeting	Requested Action
4/14/2026	Study Session	Receive Information
5/12/2026	Committee of the Whole - Finance, Administration, and Communications	Receive Information

**Proposed Upcoming Contact(s)**

Date	Meeting	Requested Action
7/14/2026	Committee of the Whole - Finance, Administration, and Communications	Provide Direction
7/28/2026	Study Session	Provide Direction

**Time Constraints:**

The final Long-Range Financial Strategy and Fiscal Policies documents will be proposed for approval as part of the budget adoption packet in November.

**ANTICIPATED RESULT IF NOT APPROVED:**

The City will continue to utilize the existing Long-Range Financial Strategy and Fiscal Policies.

**ATTACHMENTS:**

Attachment A: Draft Long-Range Financial Strategy

Attachment B: Feedback Matrix - Long-Range Financial Strategy

Attachment C: Draft Fiscal Policies

Attachment D: Feedback Matrix - Fiscal Policies

Attachment E: 2027-2028 Preliminary Budget Review Ground Rules