



Budget Process

- **Long-Range Financial Strategy Update**
 - **Fiscal Policies Update**
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Agenda

- Long-Range Financial Strategy Update
 - Overview
 - Recommended Updates
 - Community Investment Rate (CIR)
 - Long-Range Financial Plan
- Fiscal Policies Update
 - Overview
 - Recommended Updates
- Next Steps
 - Council Review
 - Adoption





Budgeting for Outcomes

Long-Range Financial Strategy

Long-Range Financial Strategy

The financial decision-making framework used to align resources with the community's long-term service priorities.

- Defines the City's service commitments.
- Provides a strategic, sustainable, and fiscally responsible road map to fulfill them.
- Offers insights into future financial capacity.
- Helps guide decisions that balance community's needs, expectations, and level of services.

Community Informed Plans and Budget



Guiding Principles Recommendations

Current	Proposed
1. Resource awareness	1. Resource awareness
2. Understanding interdependencies	2. Understanding interdependencies
3. Strategic alignment	3. Strategic alignment
4. Outcome-based financial planning	4. Outcome-based financial planning
5. Community-informed service outcomes	5. Community-informed service outcomes
	6. Commitment to diversity, equity, and inclusion
	7. Environmental stewardship
	8. Sustaining infrastructure investments
	9. Innovation and continuous improvements
	10. Collaboration and partnerships

Philosophy Recommendations

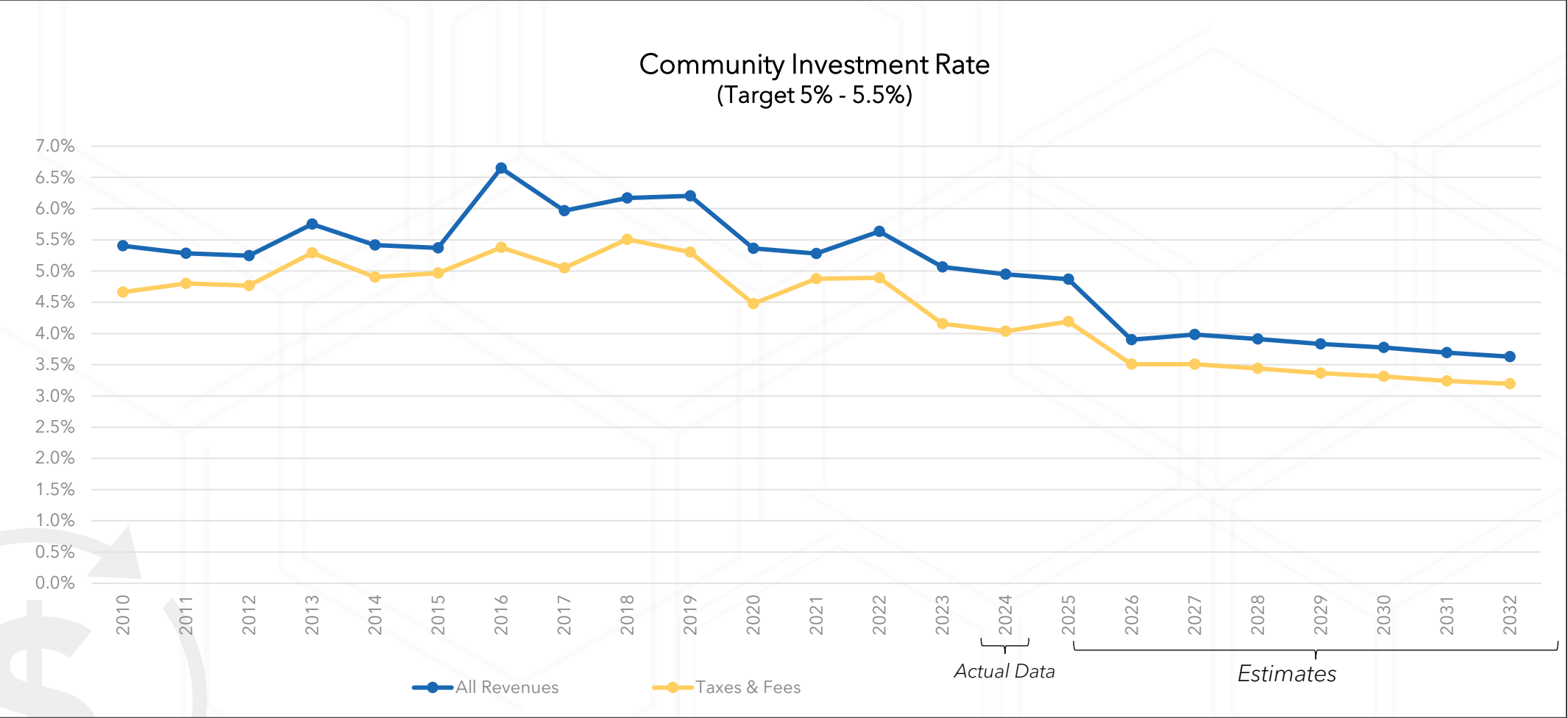
Current	Proposed
1. Balancing the financial burden on community members with the level of service	1. Balance service levels with financial impacts
2. Being intentional in how the revenues are structured	2. Intentional City revenue structure



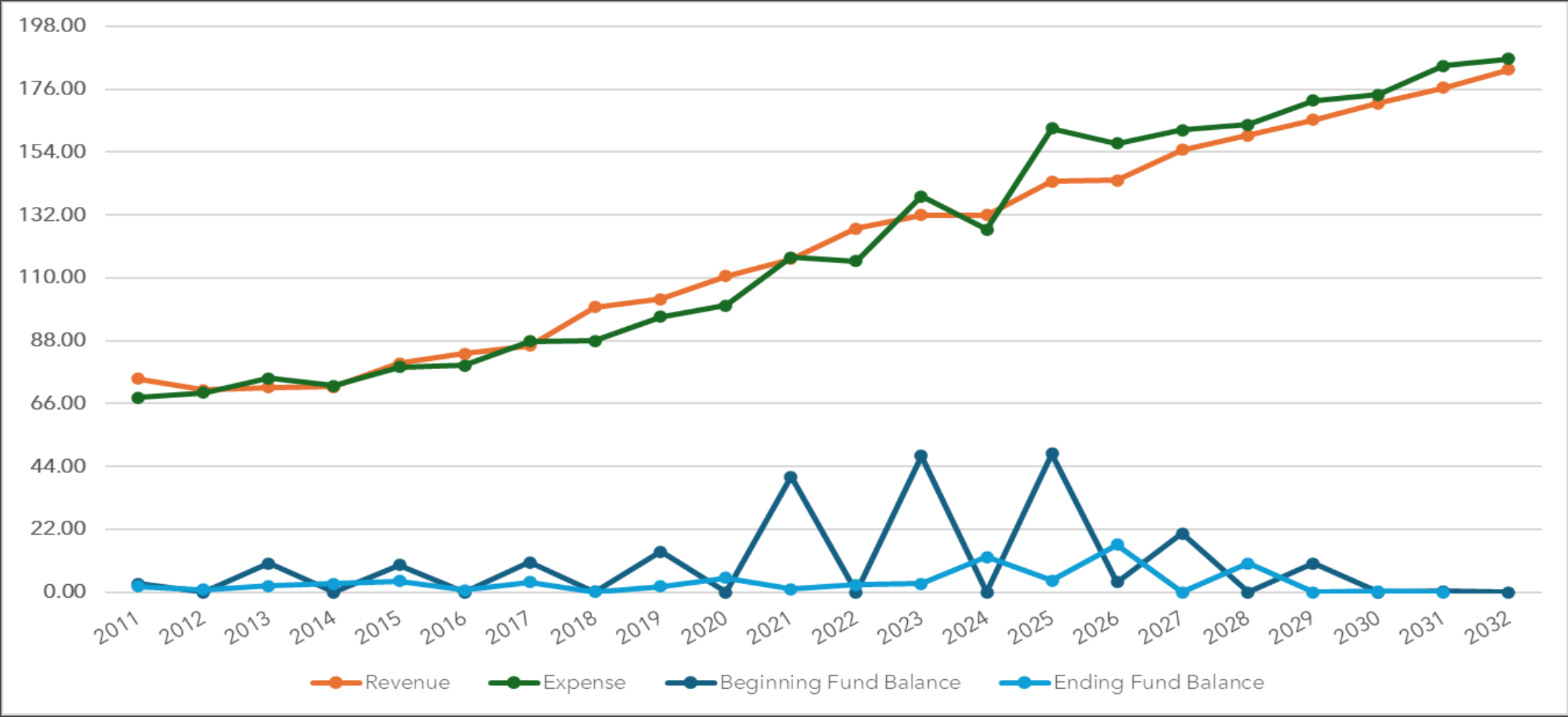
Financial Strategies Recommendations

Current	Proposed
1. Community-based budgeting (8)	1. Community Investment Plan
2. The Price of Government (1)	2. Revenue policy framework
3. Revenue philosophy (2)	3. Long-range financial planning
4. Long-range financial planning (3)	4. Community-informed citywide planning
5. Budgeting by Priorities (8)	5. Economic Development Strategic Plan (New)
6. The “value proposition” (performance measurement) (9)	6. Capital Investment Strategy (CIS)
7. Capital investments (6)	7. Business Technology Investment Strategy (New)
8. Maintaining prior investments (6, 7)	8. Community-based budgeting
9. The Capital Facilities Plan as element of Comprehensive Plan (6)	9. Fiscal resilience and reserve management
10. The Capital Investment Strategy (CIS) (6)	10. Performance management
11. Capital Investment Program Business Technology Investment Program (6,7)	

Community Investment Rate



Long-Range Financial Plan



Appendices Recommendations

Current	Proposed
Fiscal policies	Fiscal policy overview
The budget process	Community Investment Rate Calculation
	Biennial Budget Process
	City operating revenues
	City capital investment revenues
	Other available revenues
	Current rates and fees
	History of Redmond revenues
	History of the Long-Range Financial Strategy



Budgeting for Outcomes

Fiscal Policies Update

Fiscal Policies Update

- Initial review: Financial Planning Manager, Senior Financial Analysts, Accounting Manager and Purchasing Manager
- Updated with recommendations that address:
 - Alignment with best practices, legal requirements, regulatory compliance
 - Clarity and equity of policies
 - Consistency across all fund types and programs
 - Legal and regulatory compliance
- Documented crosswalk, key observations, and expected outcomes of recommendations

Update Overview

- Best Practice
 - Government Finance Officer Association (GFOA)
 - State Auditor's Office (SAO)
 - Generally Accepted Accounting Principles (GAAP)
 - Governmental Accounting Standards Board (GASB)
 - Debt Management Team
- Legal and regulatory compliance
- Consistency across all fund types and programs
- Consolidation, clarity, and ease of document
- Webpage enhancements



Recommendations

Policy Type	Proposed
Biennial Budget	Reductions due to economic downturns
Capital Investment	Financing of lease purchases
Capital Investment	Combine CIP and BTIP policy sections
Capital Investment	Design/Build project approval from Council in planning phase
Capital Investment	Annual CIP increase for impact fees and capital facility charges
Capital Investment	Material Change Policy for Transportation Benefit District
Capital Investment	Expanded Asset Management section
Financial Compliance	Monthly Financial Report
Financial Compliance	Expand Internal Controls section
Investment Policies	Add new section instead of stand-alone policy document

Next Steps

- Internal review and edits continuing
- Council review
 - May, June, and July FAC meeting check-ins with Council for input
- Council approval with 2027-2028 biennial budget adoption



Thank you

Any Questions?



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