RULES COMMITTEE: 11/18/20 ITEM: D.1



## Memorandum

**TO:** RULES AND OPEN

**GOVERNMENT COMMITTEE** 

**FROM:** Jim Shannon

SUBJECT: 2020-2021/2021-2022 CITY

BUDGET CALENDAR AND BUDGET STUDY SESSION

**SCHEDULE** 

**DATE:** November 10, 2020

Approved

D.DSyl

Date

11/12/20

#### **RECOMMENDATION**

Approve the proposed 2020-2021/2021-2022 City Budget Calendar as presented in Attachment A and the detailed schedule for City Council Budget Study Sessions for the 2021-2022 Operating Budget, 2021-2022 Capital Budget and 2022-2026 City Capital Improvement Program, and 2021-2022 Fees and Charges Report as presented in Attachment B and explained in this memorandum.

#### **ANALYSIS**

Provided with this memorandum is a proposed calendar (Attachment A) to be used as a basic plan in preparing, reviewing, and approving the 2021-2022 Operating Budget, 2021-2022 Capital Budget and 2022-2026 Five-Year Capital Improvement Program, and 2021-2022 Fees and Charges Report. Adoption of this schedule and process follows the City of San José Annual Budget process as shown on Attachment C. In addition, the calendar includes details associated with monitoring and amending the 2020-2021 budget starting with City Council's approval of the 2019-2020 Annual Report that summarized prior year financial results and brought forward amendments to the 2020-2021 budget.

While last year's budget development process was significantly impacted by the sudden arrival of the COVID-19 pandemic, the schedule for the 2021-2022 budget development process recommended in this memorandum aligns more closely to a typical year. The release date for the Proposed Operating Budget, Proposed Capital Budget and Capital Improvement Program, and Proposed Fees and Charges Report are set for late April/early May as in previous years. Additionally, consistent with the City's Community Based Budgeting Process, the Community Budget Meetings will be held in May 2020. The Budget approval by the City Council will be on June 15, 2021 and adoption by the City Council will be on June 22, 2021. It should be noted that the date for the State of the City Address will be released by the Mayor's Office at a later date.

Subject: 2020-2021/2021-2022 City Budget Calendar and Budget Study Session Schedule

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The schedule for the City Council Study Sessions held during mid-May is also proposed as outlined on Attachment B. These six sessions are tentatively scheduled to take place in the City Council Chambers, though that may change depending on the status of the COVID-19 pandemic. A detailed schedule outlining the order of review for the 2021-2022 Operating Budget, 2021-2022 Capital Budget and 2022-2026 Capital Improvement Program, and 2021-2022 Fees and Charges Report will be released at a later date.

With the recent establishment of the Office of Racial Equity, the Administration will more formally integrate equity analysis into the budget development process, and will report back on the approach and status as part of the 2021-2022 City Manager's Budget Request and 2022-2026 Five-Year Forecast document scheduled for release at the end of February 2021.

#### **COORDINATION**

The proposed 2020-2021/2021-2022 City Budget Calendar and Budget Study Session Schedule have been coordinated with the Mayor's Office.

JIM SHANNON Budget Director

#### Attachments:

Attachment A – 2020-2021/2021-2022 City Budget Calendar

Attachment B – 2020-2021/2021-2022 City Budget Calendar/Budget Study Session Schedule

Attachment C – City of San José Annual Budget Process

## 2020-2021 / 2021-2022 City Budget Calendar

Date		Action/Event	
October 20, 2020	-	2019-20 Annual Report: Review/Approval by City Council	
January 29, 2021	-	2020-21 Mid-Year Budget Review Report: Released	
TBD	-	State of the City	
February 9, 2021	-	2020-21 Mid-Year Budget Review Report: Review/Approval by City Council	
February 11, 2021	-	Mayor's Budget Town Hall Meeting	
February 26, 2021	-	2021-22 City Manager's Budget Request & 2022-26 Five-Year Forecast and Revenue Projections: Released	
March 5, 2021	-	2021-22 Mayor's March Budget Message: Released	
March 16, 2021	-	2021-22 Mayor's March Budget Message: Public Hearing	
March 16, 2021	-	2021-22 Mayor's March Budget Message: Review by City Council	
April 26, 2021	-	2021-22 Proposed Capital Budget and 2022-26 Capital Improvement Program: Released	
May 3, 2021	-	2021-22 Proposed Operating Budget: Released	
May 7, 2021	-	2021-22 Proposed Fees and Charges Report: Released	
May 7, 2021	-	2021-22 Proposed Capital Budget: City Council Budget Document <i>Capital</i> Cost Estimates due to City Manager's Office	
May 10 - 28, 2021	-	2021-22 Proposed Capital/Operating Budgets: Community Budget Meetings	
May 12, 2021	-	2021-22 Proposed Operating Budget: City Council Budget Document <i>Operating</i> Cost Estimates due to City Manager's Office	
May 12, 2021	-	Planning Commission Study Session: 2021-22 Proposed Capital Budget and 2022-26 Capital Improvement Program	

## 2020-2021 / 2021-2022 City Budget Calendar

Date		Action/Event	
May 12 - 17, 2021	-	Council Study Sessions: 2021-22 Proposed Budgets and 2021-22 Proposed Fees and Charges Report	
May 18, 2021	-	Initial Public Hearing: 2021-22 Proposed Capital/Operating Budgets and 2021-22 Proposed Fees & Charges Report	
May 21, 2021	-	2021-22 City Council Budget Document Cost Estimates Finalized and Released to City Council Offices	
May 26, 2021	-	2021-22 City Council Budget Documents due to Mayor's Office	
June 7, 2021	-	2021-22 Mayor's June Budget Message: Released	
June 14, 2021	-	Final Public Hearing: 2021-22 Proposed Capital/Operating Budgets and 2021-22 Proposed Fees & Charges Report (evening)	
June 15, 2021	-	2021-22 Mayor's June Budget Message: Final Review/Approval by City Council	
June 15, 2021	-	2021-22 Proposed Capital/Operating Budgets and 2022-26 Proposed Fees & Charges Report: Approved by City Council	
June 22, 2021	-	2021-22 Capital/Operating Budgets and 2021-22 Fees & Charges Report: Adopted by City Council	

### 2020-2021 / 2021-2022 City Budget Calendar/ Budget Study Session Schedule\*

Date	Time	Action/Event
Wednesday, May 12, 2021	9:00 am - 11:30 am	2021-2022 City Budget Overview/Budget Study Session on 2021-2022 City Operating/Capital Budget, 2022-2026 Capital Improvement Program, and 2021-2022 Fees and Charges Report
Thursday, May 13, 2021	9:00 am - 12:00 pm 1:30 pm - 5:00 pm	2021-2022 City Budget Overview/Budget Study Session on 2021-2022 City Operating/Capital Budget, 2022-2026 Capital Improvement Program, and 2021-2022 Fees and Charges Report
Friday, May 14, 2021	9:00 am - 12:00 pm	2021-2022 City Budget Overview/Budget Study Session on 2021-2022 City Operating/Capital Budget, 2022-2026 Capital Improvement Program, and 2021-2022 Fees and Charges Report
Monday, May 17, 2021	9:00 am - 12:00 pm 1:30 pm - 5:00 pm	2021-2022 City Budget Overview/Budget Study Session on 2021-2022 City Operating/Capital Budget, 2022-2026 Capital Improvement Program, and 2021-2022 Fees and Charges Report

<sup>\*</sup> Budget Study Sessions are tentatively scheduled to be held in the City Council Chambers.

# CITY OF SAN JOSE ANNUAL BUDGET PROCESS

	COMMUNITY	MAYOR & CITY COUNCIL	CITY ADMINISTRATION
October	Input on Budget Priorities and Direction Through:  Direct contact with Mayor and City Council  Community-Wide Surveys and Meetings	Review and Approval of Annual Report  Provides understanding of the fiscal status and condition of the City to inform the upcoming budget process	Annual Report on Prior-Year Financial and Service Results ■ Report to City Council and Community on financial performance of the City for the preceding fiscal year
November December			Preliminary General Fund Forecast Planning and Department Budget Proposal Submittal In context of the preliminary budget outlook, departments develop service delivery and budget strategies for upcoming budget process
January		City Council Priority Setting Process ■ Develop budget priorities for the City based on input from the Community, Staff, and City Council	Release City Manager's Budget Request and Five-Year Forecast and Revenue Projections for the General Fund and Capital Improvement Program Projects revenues for next 5-year period Projects General Fund expenditures to achieve previously approved by City Council service levels
March	Public Hearing on Mayor's March Budget Message ■ City Council meets to receive public input on Mayor's March Budget Message	Review and Approval of Mayor's March Budget Message  Provides more specific direction for preparation of the Proposed Budget	Finalize City Manager's Proposed Budget/Capital Improvement Program  CSAs incorporate strategic planning and City Council direction into results-driven spending plans  Analyze budget strategies and other service delivery options within context of budgetary outlook
April			
May	Initial Public Hearing on Proposed Budget ■ City Council meets to receive public input on Proposed Budget	Review Proposed Budget in Budget Study Sessions  Working sessions with City Manager, CSA, and department representatives to review details of the Proposed Budget	Release City Manager's Proposed Operating and Capital Budgets, Capital Improvement Program, and Fees and Charges Report  Provide service delivery strategies in the context of proposed revenue projections and a balanced spending plan
		Release City Council Budget Documents  Requested reports and amendments to the Proposed Budget	Release City Manager's Budget Addenda Administration's reports and amendments to the Proposed Budget are submitted for City Council review and consideration
June	Final Public Hearing on Proposed Budget ■ Last opportunity for public input on Proposed Budget	Review and Approval of Mayor's June Budget Message Changes to Proposed Budget based on feedback from City Council and public	

**Final City Council Budget Adoption**