

October 16, 2020



Dear Mayor and City Council:

In a year that has brought both extraordinary challenges and unique opportunities to demonstrate our resilience and flexibility as an organization, it is a pleasure to present to you the proposed 2021 City of Naperville Annual Operating Budget and Capital Improvement Program.

The result of months of preparation amidst frequently changing circumstances, we are proud to bring forth a budget that continues the tradition of providing outstanding services to our community and preparing for a post-pandemic future while being mindful of ongoing local, regional, and national circumstances determining the pace and impact on recovery.

The 2021 budget's theme of *Investing in Naperville* focuses on our budget as a City asset in and of itself and explores the coming year's efforts through the lens of four pillars – our services, our people, our programs, and our local economy – and the revenue, expenditure, and resource requirements needed to successfully achieve these efforts, some of which may span the course of multiple years.

Throughout the budget process, staff remained mindful of the pandemic's impacts and sought to provide a comprehensive range of services and programming that does not unduly burden our community's taxpayers. City Council's efforts to adhere to its financial principles since 2015, along with a strategic desire to utilize flexibility in certain financial areas this year, has positioned the City well to maintain service levels in the coming year.

Flexibility is a major component of the 2021 budget and is the driving force behind how revenue sources will appropriately fund the resources needed to achieve the City's goals. The 2021 budget focuses on continued delivery of core services and addresses previously planned initiatives postponed due to the pandemic's onset. Fiscal constraints limited the ability to consider service expansion; however, continued capital investment will allow for continuous improvement of service delivery now and into the future.

The City of Naperville's 2021 budget is recommended at \$507.26 million, an overall increase of 8.8% from the \$491.7 million 2020 budget. As in years past, the proposed budget underwent two rounds of review with the Finance Department and City Manager's Office to ensure department requests aligned with the City's mission statement and ends policies, as well as the unique circumstances surrounding the pandemic. All changes made during the review process are included in the proposed budget document.

On behalf of the entire Director Leadership Team, we are pleased to bring forth a recommendation that moves our organization forward under challenging circumstances, remains mindful of the global and national economic environment, and positions Naperville to continue delivering exceptional service to our residents and businesses. We believe that by investing in these four pillars noted above, Naperville will successfully navigate the financial impacts of the pandemic and position itself for rapid recovery and continued growth once this life-altering event is behind us. We look forward to the upcoming three budget workshops and discussion at each.

Respectfully submitted this 16th day of October 2020,

Douglas A. Krieger

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