



DATE: February 1, 2023
TO: Council Budget and Finance Committee
FROM: Director of Finance
SUBJECT: Fiscal Year 2024 Budget Process Overview

RECOMMENDATION

That the Committee receives an overview of the FY 2024 Budget Process

SUMMARY

This report provides an overview to the Committee on the FY 2024 Budget process. The City's annual budget process begins in January. The budget process includes several significant steps that facilitate the development of the proposed budget and its presentation to the City Council for consideration prior to adoption in June. Graph 1 provides a visualization of the FY 2024 annual budget process.

BACKGROUND AND DISCUSSION

The annual budget process begins in January 2023. Departments identify both operational budgetary needs, as well as emerging capital infrastructure needs as part of the City's Capital Improvement Program (CIP). By February, departments submit budget requests for both operating and CIP needs for the upcoming fiscal year.

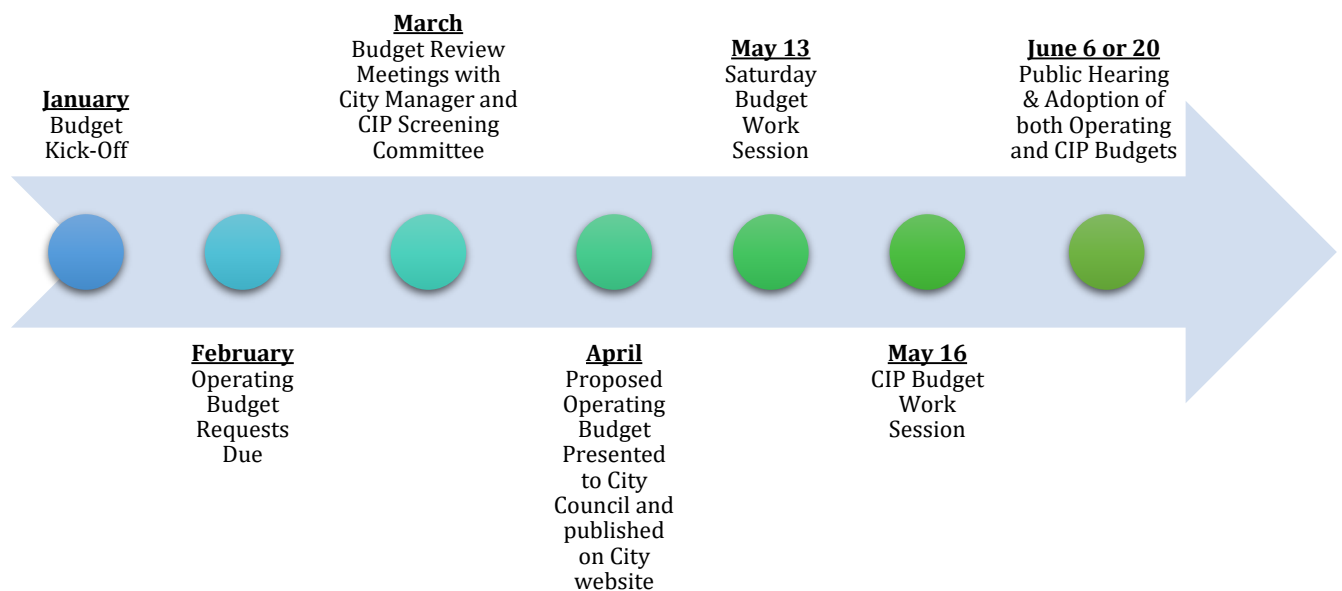
As part of the Operating Budget process, each department presents its operating budget requests to the City Manager during a series of meetings in early March. The City Manager reviews all department requests prior to making a recommendation to the City Council for consideration. These recommendations are included in the proposed FY 2024 Operating Budget, which will be provided to the full Council and published on the City's website by the end of April.

As part of the CIP Budget process, several CIP Screening Committee meetings are held throughout February and March, prior to the presentation of the draft CIP to the City Manager and Assistant City Managers in March. The recommended CIP Budget will be provided to the full Council and published on the City's website in mid-April.

On May 13, 2023, a City Council Budget Work Session will be held to review the proposed FY 2024 Operating Budget. A separate CIP Budget Work Session is scheduled for May 16, 2023.

Upon completion of all budget work sessions, the Proposed FY 2024 Operating and CIP Budgets are scheduled for a Public Hearing and Adoption on June 6, 2023. Should the Public Hearing result in necessary changes to the Proposed FY 2024 Operating and CIP Budgets, the item will be continued to June 20, 2023, for final adoption.

Graph 1: FY 2024 Annual Budget Timeline



ECONOMIC IMPACT

There is no economic impact associated with this report as it is informational only.

STRATEGIC ROADMAP

This agenda item is a routine operational item and is not specifically related to a project currently identified in the Strategic Roadmap.

FISCAL IMPACT

There is no fiscal impact associated with this report as it is informational only.

PUBLIC CONTACT

The agenda for this item was posted in compliance with the California Brown Act.

NEXT STEPS

The proposed FY 2024 Operating Budget will be presented to City Council and published on the City's website by the end of April. A Saturday budget work session will be held on May 13, 2023, followed by a Public Hearing and Adoption of the FY 2024 Operating and CIP Budgets on June 6 or 20, 2023.

Prepared & Recommended by: Nicole Gonzales, Director of Finance

Approved by:

A handwritten signature in black ink, appearing to read 'K. McAdoo', with a long horizontal stroke extending to the right.

Kelly McAdoo, City Manager