## Budget Process Plan

CITY COUNCIL FEBRUARY 6, 2023



#### Objectives



Describe plan for the budget process over the next 6 months



Internal and external engagement



Input and decisions from Council and Committees



Work of finance staff

#### Budget Process

- Primary focus of Finance Department beginning December through June
- An effort to gather internal and external input to craft a plan to lay out what the city's priorities are and how to fund them
- Creates a legally required balanced budget for next two years



#### FY 22 Close-out

- ▶ FY22 audit
  - Review processes and financial position
  - Issue Annual Comprehensive Financial Report (ACFR)
- FY22 year-end balance; one-time surplus
  - Identify one-time needs for funding
  - Update Finance Committee on ACFR – 2/22
  - Seek Council direction on programming year-end balance – 3/20

#### FYs 23-25 Budget Biennium



SUPPORT STAFF TO DEVELOP FUNDING NEEDS AND PROPOSALS



GATHER PROPOSALS
AND ANALYZE TO
ENSURE SUSTAINABILITY



ENGAGE AND UPDATE COMMUNITY, COUNCIL, AND STAFF



PRODUCE A
BALANCED PROPOSAL



PRESENT TO COUNCIL FOR ACTION



PROGRAM COUNCIL
DIRECTION INTO
FINANCE SYSTEM

#### Engagement

#### Internal Engagement

(December & January)

- Meetings
- Finance Academy
- Finance Capacity

External Engagement

(February & March)

Community
 Engagement Meetings

Council Engagement

(February through May

- Finance Committee
- Council Work Sessions and Meetings

## City Council Work



Provide input to staff at key points during the process

Finance Committee: 4/26 Council Work Session: 3/13 Council Meetings: 2/6, 3/20, 4/17, 5/1



Receive Mid-Year Update and Allocate One-Time Surplus

Finance Committee: 2/22 Council Meeting: 3/20



Public hearings and approvals needed

Council Meetings

-Master Fee Schedule: 4/17

-Budget Adoption: 5/15

\*All dates are approximate and subject to change



#### Staff Work

- Revenues
  - Review trends and factors
  - Project going forward
- Expenditures
  - ▶ 60% of General Fund operating budget is staffing
  - Analyze:
    - ► Non-staffing needs
    - ► Capital budget: one-time capital and liability needs
- Ensure budget will be balanced
- Gather feedback
- Put together proposal for Council and the community

# Anticipated Budget Timeline – December & January

Internal Budget Kickoff

Meet With Departments to Review Positions, Provide Support Receive and Analyze Projects for One-Time Surplus Funding Department submissions of FYs 23-25 proposals

1 Dec.

1 Dec. - 20 Jan.

10 Dec. - 30 Jan.

30 Jan.

### Anticipated Budget Timeline -February

Council Meeting: Staff Review and Proposal Reviews Finance Committee: Community One-Time Surplus Meeting: Budget Preliminary Capital Analysis of Budget With City Manager Review ACFR: Discussion With Improvement Plan Allocation Engagement Council **Proposals** Presentation (CIP) Recommendations of One-Time Surplus 6 Feb. 8-17 Feb. 21-22 Feb. 22 Feb. 22 Feb. 25 Feb.

#### Anticipated Budget Timeline -March

Community Meeting: Budget Engagement

Council Work Session: Department Budget Presentations Council Meeting: FY23 Mid-Year Updates; Allocate One-Time Surplus From FY22

4 Mar.

13 Mar.

20 Mar.

#### Anticipated Budget Timeline - April

Staff Continues Analysis and Begins to Finalize Budget Proposal Council Meeting: Public Hearing on Master Fee Schedule & 911, EMT, Business License Taxes Proposed Budget Published to Council and Community

Proposed Budget Published to Council and Community Finance Committee: Preliminary Budget Presentation

3-19 Apr.

17 Apr.

24 Apr.

26 Apr.

#### Anticipated Budget Timeline – May & June

Council Meeting: Proposed Biennial Budget Presentation

Council Meeting: Public Hearing on Budget & CIP Adoption

Program Budget into Financial System

1 May

15 May

1-30 June

#### Questions