



May 10, 2022

www.cityofpaloalto.org/budget



OVERVIEW

COUNCIL POLICY PARAMETER ASSUMPTIONS

- Recovery period and transition, building on reinvestments approved by the City Council in FY 2022
- Use of one-time funding for priority services (i.e. ARPA, reserves, donations/fees)
 - ARPA allocation, \$5.5M
 - Use of Budget Stabilization Reserve for bridge funding
- Long Range Financial Forecast
 - Outlines need for fiscal sustainability solutions
- Continue proactive funding of long-term obligations

Preliminary FY 2022 Revenues, +\$14M

FY 2023 estimated BSR is \$45.8M, \$100,000 above 18.5% target

(\$800,000 once adjusted for reserves)

Property Tax

Transient Occupancy Tax

Sales Tax

Documentary Transfer Tax



NEW INFORMATION (AS OF MAY 10th 9AM)

- OpenBudget Web App updated to include FY 2023 Proposed Budget
- At-Places Memorandum
 - Issued May 10th to provide general information (i.e. vacancies, leases) and additional information requested by the City Council on May 2nd
- Staff Presentations for May 10th linked to agendas (<u>www.cityofpaloalto.org/budget</u>)
 - May 11th presentations will be posted prior to 9AM Wednesday



BUDGET HEARING GUIDELINES

- Meeting proceedings organized by agenda item:
 - Combined presentation from departments by service area
 - Highlight budgetary information and areas of emphasis
 - Finance Committee discussion with a 5-minute timer for Councilmember comments and questions
- Recommended Motions:
 - "Tentative Approval of [insert item]": majority vote
 - Recommend to be placed in the "parking lot": majority vote
 - Request additional information/staff follow up: majority vote

Budget Hearings



Budget Wrap



Council Adoption



"PARKING LOT"

- Used as a running list of items Committee will consider adjusting, using funds available.
- Status reviewed at the end of each day
- Will inform the basis of the discussions with Finance Committee at budget wrap

						Amount (cost)/savings	
Date	Finance Committee Adjustments to Budget*	FY 2023 GF	Dept	Date	Parking Lot Issues	or rev	Dept
10-May	Beginning Balance - Excess BSR	\$100,000 -					
		\$800,000					
			†				
			<u></u>				
	Remaining:	\$ -			Total:	\$ -	

Date	FY 2023 Council Contingency	
11-May	Beginning Balance	\$ 125,000
	Remaining:	\$ 125,000



JOIN THE CONVERSATION

Save the date on the following ways for the community to join the budget conversations:

 City Council FY 2023 Proposed Budget Study Session: May 2 @ 5:00 pm

Finance Committee Budget Hearings:

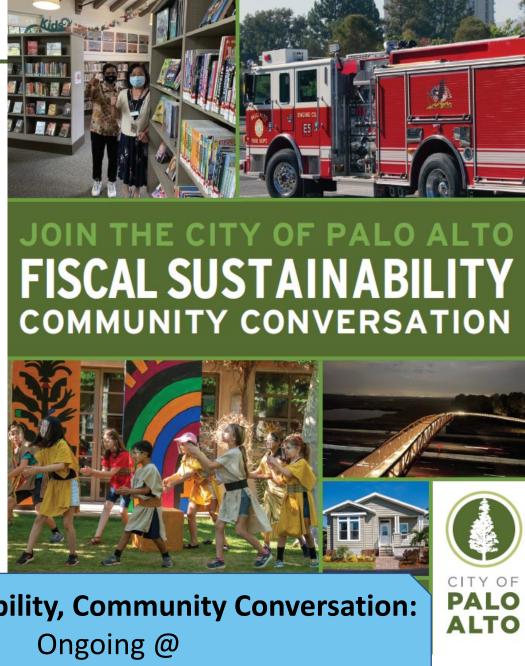
May 10 @ 9:00am

May 11 @ 9:00am

May 24 @12:00pm

City Council Budget Adoption:

June 20 @ 5:00pm



www.cityofpaloalto.org/fiscalsustainability