



**FY 2023 PROPOSED
OPERATING AND
CAPITAL BUDGETS**

**Finance Committee
Item #1**

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 (www.cityofpaloalto.org/budget)
 - 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**



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



JOIN THE CITY OF PALO ALTO
FISCAL SUSTAINABILITY
COMMUNITY CONVERSATION



Fiscal Sustainability, Community Conversation:
Ongoing @
www.cityofpaloalto.org/fiscalsustainability