

Information Item

Date: November 14, 2023

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Scott Tesh, Budget and Performance Management Director

Subject: First Quarter Budget Update on FY 2022-23 Year-End and FY 2024-25 Budget Issues

Strategic Focus Area: Service Excellence

Strategic Objective: Maintain City's Financial Strength

Strategic Plan Action Item: No

Key Work Item: No



Annually, the Budget and Performance Management Department provides quarterly updates on potential issues impacting the upcoming year's budget. Prior to the kick-off of the City's internal budget development process, the budget staff will give an early forecast of the upcoming year's general fund budget in February. In April, the budget staff presents a trial balanced budget that provides a more refined forecast of general fund revenues and expenditures and identifies potential measures to close any projected budget gaps. City staff may also include updates on the financial outlooks of select major enterprise funds such as transit, stormwater, and off-street parking.

The attached memo provides a recap of FY 2022-23 year-end general fund revenues, expenditures, and fund balance and outlines issues identified by staff that could impact the FY 2024-25 budget.