

Fall 2024 Budget Process

2025 - 2026 Budget

BEN NOBLE, DIRECTOR, COUNCIL CENTRAL STAFF

Outline

1. Roles & Legal Framework
2. Annual Budget Development Process
3. Council's Fall Budget Process

Legal Framework:

Role of the Council and Mayor in the development and adoption of the annual budget (per the State Budget Act)

The Mayor:

- Prepares and submits to the Council a proposed annual budget 90 days prior to the next fiscal year
- Proposed budget must be balanced, meaning proposed spending is less than or equal to projected revenue

(Mayor's budget proposal can assume Council approval of legislative changes necessary to balance that proposal – like changes to taxes or fees or spending restrictions)

The Council:

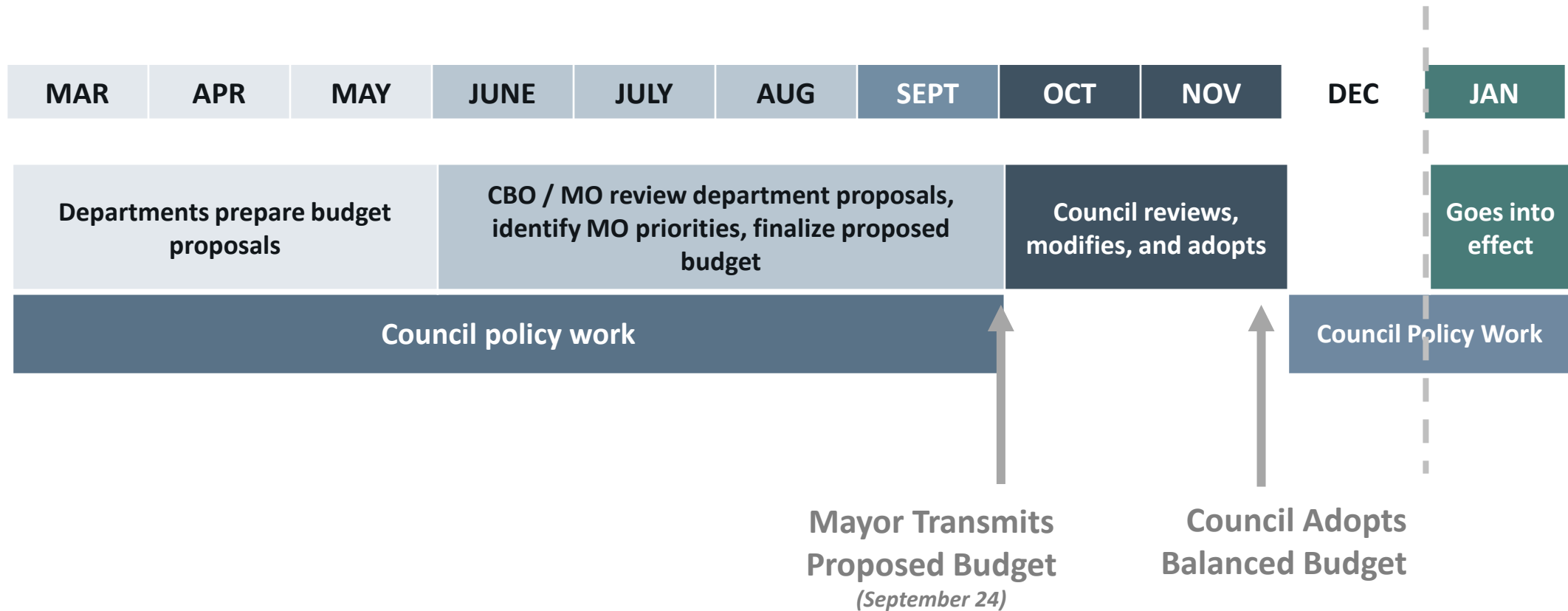
- Reviews and modifies the Mayor's proposal, and ultimately adopts a final balanced City budget no later than 30 days prior to the next fiscal year
- Holds a minimum of two public hearings to receive input from the public

Legislative Authority: Limitations

City Council has “power of the purse”: authority to authorize spending but not administrative authority to implement. The Mayor has sole administrative authority:

- Council cannot compel the Mayor to spend appropriated resources but can limit what appropriated monies can be used for via proviso or spending plans/constraints in ordinance (e.g., [JumpStart Spending Plan](#))
- In effect, Council can constrain or limit funding via conditions on appropriations, but the Council cannot force spending for specific purposes
- The City may only collect taxes as permitted by State law - there are limits to Council’s authority to generate new revenues
- The City may not give money to another party without receiving a public benefit in exchange (no gifts of public funds) and the Council, in most cases, cannot earmark funds for specific organizations)

Annual Development of City Budget



Fall 2024 Select Budget Committee Calendar

Week 1 - 5

	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
Week 1	23 September	24 Mayor transmits Proposed 2025-2026 Proposed Budget Council Meeting	25 CBO Overview 2025-2026 Proposed Budget 9:30 AM	26	27 Department Presentations 9:30 AM
Week 2	30 September	1 October	2	3	4
	Department Presentations 9:30 AM each day				
Week 3	7 October	8	9	10	11
Week 4	14 October Indigenous Peoples' Day	15	16	17	18
	Central Staff Presentation: Policy Considerations 9:30 AM each day				
	Public Hearing Oct. 16, 5 PM				
Week 5	21 October	22	23	24	25
	Central Staff Presentation 9:30 AM	Revenue Forecast Update Joint Meeting Select Budget Committee & Forecast Council 9:30 AM			

Week 6 - 9

	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
Week 6	28 October	29	30	31	1 November
			Chair's Balancing Package 9:30 AM		Due Date for Councilmember Proposed Amendments
Week 7	4 November	5 Election Day	6	7	8
Week 8	11 November Veterans' Day	12	13	14	15
		Public Hearing 5 PM	Budget Amendments 9:30 AM each day Discussion & Voting on Councilmember Amendments		
Week 9	18 November	19	20	21	22
		Budget Committee Final Actions 9:30 AM		Special City Council Meeting Final action on 2025-2026 Budget 2 PM	

Council's Budget Review and Adoption: 5-Step Process



Step 1
Sept 24 - 27th

Mayor's 2025-2026 Proposed Budget Presented to the Council; Council deliberations begin

The Mayor's Proposed 2025-2026 Budget is scheduled to be delivered to Council on Tuesday, September 24. Central Staff and Council Offices begin reviewing the proposed budget:

- Central Staff analysts comb through all of the submittal documents and begin to identify areas/departments for deeper review.
- In the first two weeks Council offices have time to:
 - Compile questions and begin identifying areas to consider changes
 - Begin to refine priorities and identify preliminary ideas that may result in amendments
 - Meet with constituents and stakeholder groups

Step 2

Sept 27 - Oct 22nd

Budget Hearings: CBO & Department Presentations, Central Staff Presents
Policy Considerations; Revenue Forecast Update

1/3

First meeting of the Fall 2024 Select Budget Committee Deliberations (September 25):

- Central Staff – Overview of Council’s fall 2024 budget deliberation process
- CBO – Overview of 2025-2026 Proposed Budget

Department Presentations (Sept 30 – Oct 3):

- CBO and select departments present the Mayor’s proposal, describing proposed changes to funding for existing programs, service, or staffing relative to the 2024 Adopted Budget, and any new proposed initiatives.

Step 2

Sept 27 - Oct 22nd

Budget Hearings: CBO & Department Presentations, Central Staff Presents Policy Considerations; Revenue Forecast Update

2/3

Central Staff Presentation of Policy Considerations (Oct 16-21):

- Identify potential budget issues and, where appropriate, offer policy options associated with the Proposed Budget.
- Opportunity for the committee to review, discuss, and ask questions about the proposed budget, and provide direction to staff on issues and amendments they are considering.
- Councilmembers may also share amendment ideas they are considering with their colleagues during these discussions

Step 2

Sept 27-Oct 22nd

Budget Hearings: CBO & Department Presentations, Central Staff Presents
Policy Considerations; Revenue Forecast Update

3/3

October Economic & Revenue Forecast Update (October 22)

- Joint meeting of the Select Budget Committee and the Forecast Council
- Forecast Office and CBO present an updated economic and revenue forecast and the Forecast Council decides whether to approve
- CS will be available to answer questions and provide initial analysis on how or if the updated forecast impacts balancing the 2025-2026 Budget

Step 3

Oct 30 - Oct 31

Presentation of Chair's Balancing Package & CM Proposed Amendments

1/2

Central Staff works with the Budget Chair to develop a balanced package of changes to the proposed budget that is presented on October 30th. Typically includes:

- Amendments to the proposed budget to address the October revenue forecast update
- Changes to reflect priorities identified by individual councilmembers in committee discussions and one-on-one meetings with the Budget Chair and Central Staff

Step 3

Oct 30 - Oct 31

Presentation of Chair's Balancing Package & CM Proposed Amendments

2/2

Step 4

Nov 13 – 15th

CM Proposed Amendments & Vote on Balancing Package and Amendments

CM Proposals Due: Friday, November 1

Requirements: All proposed amendments must meet the requirements for a complete request:

1. Be submitted by the deadline
2. Include three sponsors (CM proposing the amendment and two additional CMs); and
3. Be self-balanced (e.g., you must provide an offsetting reduction to support any proposed increased spending)

LA Role:

- Submit all amendment requests before deadline.
- Be available to respond to CS follow-up questions promptly.

The Committee votes on the Balancing Package, including amendments, on November 14 and 15. The Chair will organize amendments into voting groups.

Step 5
Nov 19 & 21

Final Council Action

Tuesday - 11/19

The Committee takes any final votes on budget legislation and technical amendments

Thursday - 11/21

City Council takes final action on proposed budget and all associated budget legislation.