



TOWN OF LOS GATOS
FINANCE COMMISSION REPORT

MEETING DATE: 05/01/2023

ITEM NO: 3

DATE: April 26, 2023
TO: Finance Commission
FROM: Laurel Prevetti, Town Manager
SUBJECT: Discuss, Comment, and Begin to Make Recommendations to the Town Council Regarding the Proposed Fiscal Year (FY) 2023/24 Proposed Operating and Capital Budgets

RECOMMENDATION:

Discuss, comment, and begin to make recommendations to the Town Council regarding the Proposed FY 2023/24 Proposed Operating and Capital Budgets.

BACKGROUND:

With the passage of Measure A, the Finance Commission has been tasked with several mandated duties as described in the provisions of the adopted Ordinance. Section 2.50.225. – Duties states that:

(a) The Finance Commission shall:

(2) Review the Town Manager's annual proposed budget prepared in accordance with section 2.30.295(6) of the Town Code. and provide written comments and recommendations to the Town Council.

(A) The Finance Commission's comments and recommendations shall include a recommendation about whether the Town Council should approve or disapprove the proposed budget. The Finance Commission may make a recommendation of approval of the budget conditional upon the Town Council's acceptance of one or more of the Finance Commission's recommendations.

(B) The Town Manager must provide a proposed budget to the Finance Commission at least twenty (20) business days before the first meeting at which the proposed budget is considered by the Town Council.

PREPARED BY: Gitta Ungvari
Finance Director

Reviewed by: Town Manager and Town Attorney

DISCUSSION:

On April 17, 2023, the Proposed FY 2023/24 Operating and Capital Budgets were posted to the Town's website and the links were provided to the Finance Commission. For Commissioners who were interested in hard copies, the documents were provided. On that same day, the Finance Commission held a special meeting. Staff gave a brief introductory presentation on the Proposed Operating and Capital Budgets, and answered the Commissioners' preliminary questions. Per Measure A, the Finance Commission received the Proposed Budgets 21 business days before May 16, 2023, which is the first meeting at which the Proposed Budgets will be considered by the Town Council.

Finance Commissioners had an opportunity to submit written questions to staff. The deadline to submit the questions was April 25th at the end of business day. All of the questions received before the deadline were posted with answers on the Town website (see Attachments 1 and 2). Commissioners' questions provided after April 25, 2023 at 5 p.m. will be responded to the extent feasible in a Desk Item on Monday, May 8, 2023. In addition, staff provided a list of corrections to the Proposed Budget based on staff and Commissioners review and observations as listed in Attachment 4.

At the Finance Commission special meeting on May 1, 2023, staff will continue to address the Commissioners' questions. The Finance Commission should continue its discussions and begin to formulate its comments and recommendations to the Town Council. To facilitate this work, the Commission has one additional meeting on the Proposed Budgets at its regular meeting on May 8, 2023.

At the conclusion of the regular Finance Commission meeting on May 8th, the Finance Commission is expected to compile and provide the Town Manager with its final comments and recommendations to be transmitted to the Town Council for its May 16, 2023 public hearing on the Budgets.

CONCLUSION:

Staff looks forward to the Commission's questions, discussion, comments, and recommendations.

Attachments:

1. Frequently Asked Questions Posted on April 25, 2023
2. Frequently Asked Questions Posted on April 26, 2023
3. Correction to the Proposed FY 2023/24 Operating and Capital Budgets