



**TOWN OF LOS GATOS**  
**FINANCE COMMISSION REPORT**

MEETING DATE: 05/13/2024

ITEM NO: 5

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DATE: May 9, 2024  
TO: Finance Commission  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Conclude Recommendations to the Town Council Regarding the Proposed Fiscal Year (FY) 2024/25 Operating and Capital Improvement Program (CIP) Budgets

**RECOMMENDATION:**

Conclude recommendations to the Town Council regarding the Proposed FY 2024/25 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

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Reviewed by: Town Manager and Assistant Town Manager

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BACKGROUND (continued):

On April 22, 2024, the Proposed FY 2024/25 Operating and Capital Budgets were posted to the Town's website and the links (listed below) were provided to the Finance Commission. For Commissioners who were interested in hard copies, the documents were provided. Per Measure A, the Finance Commission received the Proposed Budgets 21 business days before May 21, 2024, which is the first meeting at which the Proposed Budgets will be considered by the Town Council.

Proposed Operating Budget:

<https://www.losgatosca.gov/2957/Proposed-FY-2024-25-Operating-Budget>

CIP Budget:

<https://www.losgatosca.gov/2956/Proposed-FY-2024-25-Capital-Budget>

DISCUSSION:

At the Finance Commission special meeting on April 29, 2024, the Finance Commission began its discussion of the Operating Budget and focused on the Capital Budget at the May 6 meeting. The Finance Commission requested additional details that were provided either in writing or answered during the meeting.

At its May 6 meeting, the Commission requested additional details on General Fund charges and services, intergovernmental revenues, and consultant and contractor services. Detailed information can be found in Attachment 1.

The Commission also inquired about the percentage complete and percentage spent on the on the Enterprise Resource Planning (ERP) project. Currently the project is 75% complete and 64% of the allocated budget has been expended.

In response to questions, the Parks and Public Work Department has provided additional information on FY 2024/25 CIP project delivery methods (Attachment 2) and information on the Highway 17 Bicycle and Pedestrian Overcrossing Project (Attachment 3).

A list of updates to the Proposed Budgets based upon further staff review and Commission comments are listed in Attachment 4.

The Finance Commission is scheduled to complete its recommendations on the Budget at its regular meeting on May 13, 2024. The Commission's final comments and recommendations to Council will be transmitted to the Town Council for its May 21, 2024 public hearing on the Proposed FY 2024/25 Proposed Operating and Capital Budgets.

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SUBJECT: Proposed FY 2024/25 Operating and Capital Budgets

DATE: May 9, 2024

CONCLUSION:

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

Attachments:

1. Additional Detailed Information
2. Summary of FY 2024/25 CIP Projects and Delivery Methods
3. Additional Information on Highway 17 Bicycle and Pedestrian Overcrossing Project
4. Corrections and clarifications to the Proposed FY 2024/25 Operating and Capital Budgets
5. Commissioner Communication