

OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

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Item Number: 3

Item: Proposed FY 2008 Budget Process

OVERVIEW

In order to prepare for the Fiscal Year 2008 Budget Process, the IBA has drafted the attached proposed schedule for budget review and Council and Committee hearings. Our aim at this time is to gather feedback on the Fiscal Year 2007 process and, using this proposed schedule as a foundation, seek to refine and enhance the process for the following year.

FISCAL/POLICY DISCUSSION

The IBA recommends that the Committee begin discussions for Fiscal Year 2008 as early as September in order to set policy priorities for the following year and create a strategic vision. Throughout the year, quarterly reports from the CFO as well as a mid-year Fiscal Year 2007 update are scheduled to ensure that the Council is informed about the City's budget status.

This proposed schedule for consideration of the Mayor's budget is consistent with the process used for the Fiscal Year 2007 Proposed Budget. One distinction is the IBA's recommendation to build in an additional week for Council and Committee hearings. This will allow more time for in-depth budget discussions and permit the Mayor's Office to make thorough responses to Council requests for information. This does extend the schedule by one week but complies with the Charter's requirement that Council pass a budget resolution by June 15 (Section 290(b)).

The schedule also proposes a single date for submission of all revisions/corrections proposed by the Mayor, similar to the Governor's May Revise, which is released on May

15 each year. This will give the Council the opportunity to evaluate the Mayor's revisions comprehensively and allow the IBA to review those proposals adequately for inclusion in our final report.

CONCLUSION

The IBA believes that this schedule will ensure a successful budget process in Fiscal Year 2008. We request feedback and direction on the proposal in order to finalize the schedule for Fiscal Year 2008 Budget Hearings.

[SIGNED]

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