



Staff Report

City Council

Item No. {{section.number}}.C

Meeting Date: January 22, 2025

From: Kevin Biersack, Financial Services Director

Title: FY 2025/2026 and FY 2026/2027 Biennial Budget Overview Presentation

RECOMMENDATION:

This item is presented for information and discussion only.

BACKGROUND:

The City of Cathedral City is proud to participate in the Government Finance Officer Association's (GFOA's) Distinguished Budget Presentation Award program for the City's Biennial Budget. Since FY 2008/2009, we have received this prestigious award for the past nine (9) budget documents submitted, covering 17 years of annual budgets. The FY 2025/2026 and FY 2026/2027 Biennial Budget will be the City's 10th submission to GFOA for this award.

City staff are beginning preparation of the FY 2025/2026 and FY 2026/2027 Biennial Budget. The following discussion highlights key activities and timelines.

DISCUSSION:

In January, the Finance department will schedule a training session with each Department to provide an overview of Tyler ERP (MUNIS) Central Budget Entry. In the past, Finance sent out worksheets for the departments to enter their budget requests and justifications; this year, the departments will enter all that information into the ERP system. Central Budget Entry will provide the departments three (3) years of historical actual expenditures and one (1) year of budgeted expenditures. Subsequently, a current staffing summary and department narratives will be sent to the departments for their review and feedback/update. Narratives consisting of department goals, objectives (in meeting City Council goals), accomplishments and performance measures are also being provided to the departments for their review and update.

During February, the draft 5-Year Capital Improvement Programs (CIP) and Parks Improvement and Maintenance Plan will be prepared and submitted to the Public Works Department for review by the Engineering team. With this plan, there are meetings to determine the projects (existing, new and unfunded), scope, and funding/expense needs and timelines to accomplish these projects over the upcoming biennial budget period.

Separately, the departments will be finalizing their entries in Tyler ERP Central Budget Entry and updating their narratives to include strategic planning and performance measures.

During the months of mid-February through early April, we will have special Wednesday afternoon study sessions to review the department changes/plans for the upcoming biennial budget.

During March, there will be Financial Services and City Management review and department coordination to produce the upcoming biennial budget. The City Council will be provided the budget workbook with the timeline below:

- Workbook to Council
 - City Council Feedback/Questions
 - Staff Answers to Questions
- 03/14/2025
 - 03/28/2025
 - 04/04/2025

In April, we will have two Study Session discussions to review the budget workbooks and associated Council questions. The April 9th session will be dedicated to the General Fund and the April 23rd session will be devoted to the Special Revenue Funds, Internal Service Funds, and the Capital Improvement and Parks Improvement Plans.

The proposed budget will then be included on the May 14th Study Session Council Meeting. This version will include updates resulting from the previous budget reviews/discussions in April. With Council's concurrence at this meeting, the proposed FY 2025/2026 and FY 2026/2027 Biennial Budget will then be submitted to Council for final approval at the May 28th meeting.

The Budget Workbook is comprised of these sections and tabs:

- General Fund Revenue and Expense Summary
- Revenue Summary
- Expense Summary
- Staffing Summary

Department Narratives, including their respective goals, objectives (in meeting both department and Council goals) and past accomplishments. This is where we plan to include results from the Strategic Planning session and performance measures.

Budget Worksheets, for each Department and the associated Division(s) Operating Budgets (by account/object codes)

Departments include:

- Elected Officials
 - Community Organizations
 - Legal Services
 - City Management:
 - City Manager
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- Human Resources
- Communications and Events
- City Clerk
- Management Information Systems

- Financial Services:
 - Risk Management
 - Administration
 - Finance
 - Facilities

- Community and Economic Development:
 - Administration
 - Economic Development
 - Planning
 - Building
 - Code Compliance

- Public Works
 - Administration
 - Engineering
 - Maintenance
 - Grounds
 - Parks

- Police
 - Administration
 - Field Services
 - Investigative Services
 - Emergency Communication
 - Animal Control

- Fire
 - Administration
 - Emergency Services
 - Prevention
 - Ambulance Services
 - Emergency Management

- General Government

Other Funds with Operating Budgets

- Traffic Safety
 - Public, Education and Government (PEG)
 - Gas Tax (Street Maintenance)
 - Measure A (Street Maintenance)
 - Solid Waste (Environmental)
 - Housing
-

Proprietary (Internal Service) Funds

- Equipment Replacement
- Insurance
- Technology
- Facilities

Capital Improvement Program (CIP) - 5-Year Plan

- Existing Projects
- New Projects
- Unfunded Requirements

Parks Improvement Plan – 5-Year Plan

FISCAL IMPACT:

None

FIVE-YEAR STRATEGIC PLAN:

Goal C: Fiscal Stability and Sustainability

Objective: Cathedral City has economically prospered by facilitating the investment of private dollars in high quality development which benefits the community. We remain financially solvent by instituting prudent fiscal policies and transparent financial practices.

ATTACHMENTS:

None