

Art Budget for FY 2023-2024

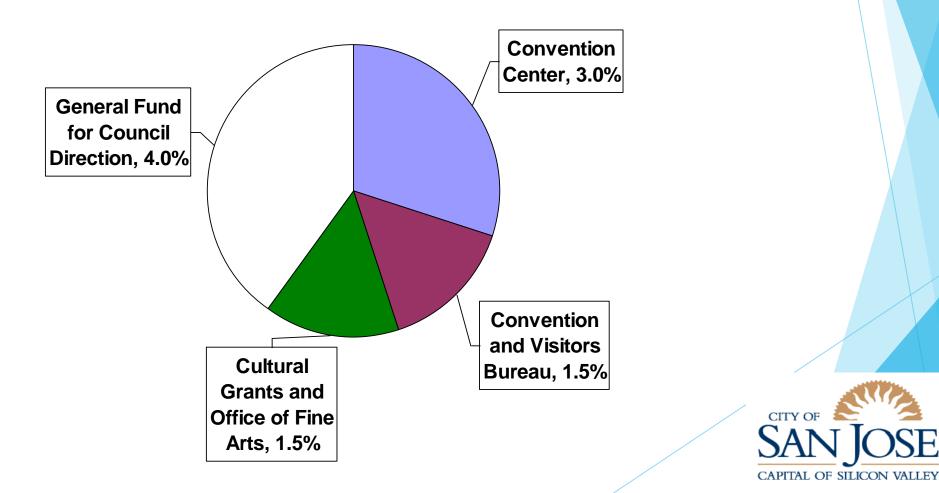
How Arts and Culture are Funded & Annual Funding Process

Primary Municipal Funding Sources for Arts, Culture, & Cultural Facilities

- 1. 10% Transient Occupancy Tax (TOT) of which OCA receives 15%
 - Funds cultural programs, projects, public art maintenance & OCA admin
- 2. 1% for Public Art, sets aside 1% of eligible City CIP Projects (RWF exemption)
 - Funds public art for designated capital projects
- 3. 10% TOT of which 40% goes to General Fund
 - Funds City-owned cultural facility capital repair/maintenance \$400k annually
- 4. 10% TOT of which 45% goes to Team San Jose
 - Funds Team San Jose managed City-owned convention and cultural facilities (four theaters)
- 5. General Fund City-Wide
 - Funds 6 City-owned cultural facility O&M agreements with nonprofit partners

San Jose's 10% Transient Occupancy Tax

Does not include HBID 4% assessment



Per Ordinance: How Arts TOT Can Be Spent

Section 4.72.060.2 Use of TOT Tax Revenue:

"Funding of the cultural grant program and fine arts division programs, including:

a) **Funding of cultural grants**, including the San Jose Symphony and the San Jose Museum of Art, and a rental subsidy for cultural use of city facilities, and

b) **Funding the expenses of the fine arts division** of the convention and cultural department, including but not limited to personal, nonpersonal, and equipment expenses, fringe benefits, and overhead."

CITY OF SAN JOSE ANNUAL BUDGET PROCESS

	RESIDENTS	MAYOR & CITY COUNCIL	
October	Input on Budget Priorities and Direction Through: Direct contact with Mayor and City Council Community-Wide Surveys and Meetings	Review of Prior-Year Financial and Service Results Provides feedback and guidance to Administration on service priorities	Annual Report of Prior-Year Financial and Service Results Report to City Council and Community on results achieved
November December January			Preliminary General Fund Forecast and City Service Area (CSA) Budget Proposal Submittal In context of forecast, CSAs develop service delivery and investment strategies for upcoming budget process
Pebruary		Council Priority Setting Process Develop budget priorities for the City based on input from the Community, Staff, and City Council	Transmit to Council City Manager's Budget Request and Final 5-Year Forecast and Revenue Projections for the General Fund and Capital Improvement Program Projects revenues for next 5-year period Projects General Fund expenditures at amounts that allow same service level as previous year
March	Public Hearing on Mayor's March Budget Message City Council meets to receive public input on Mayor's March Budget Message	Mayor's March Budget Message Provides more specific direction for preparation of the Proposed Budget	Finalize City Manager's Proposed Budget/Capital Improvement Program CSAs incorporate strategic planning and City Council direction into results-driven spending plans Analyze budget strategies and other service delivery options within context of fiscal outlook
April			
May	Initial Public Hearing on Proposed Budget City Council meets to receive public input on Proposed Budget	Review Proposed Budget in Budget Study Sessions Working sessions with City Manager, CSA and department representatives to review details of the Proposed Budget	Release City Manager's Proposed Budget/Capital Improvement Program Provide strategic service planning context and City Administration's proposed revenue projections and balanced spending plan
		Release of City Council Budget Documents Requested reports and amendments to the Proposed Budget	Release of City Manager's Budget Addenda Administration's reports and amendments to the Proposed Budget are submitted for City Council review
June V	Final Public Hearing on Proposed Budget Last opportunity for public input on Proposed Budget	Mayor's June Budget Message Changes to Proposed Budget based on feedback from City Council and public	

Final City Council Budget Adoption

FY 2023-2024 Direction & Proposed Allocations

Direction in Mayor's March Budget Message

Stabilize Cultural Funding Portfolio with 1 time allocation