



OFFICE OF PLANNING AND BUDGET


Brian P. Kemp
Governor

Kelly Farr
Director

August 10, 2022

MEMORANDUM

TO: Agency Heads
Fiscal Officers

FROM: Kelly Farr 

RE: **Budget Instructions: Amended FY 2023 and FY 2024**

As we enter FY 2023 and begin to prepare for FY 2024, Georgia's strong economy continues to outpace the nation's. This past July the state's unemployment rate hit another record low, and over the last year, Georgia has announced an unprecedented number of economic development projects, meaning more Georgians are employed today than ever before. Yet, national economic policies that have resulted in 40-year high inflation, record gas prices, and disrupted supply chains are bringing more significant headwinds to Georgia. Rising costs are impacting critical state services just as they are impacting Georgia families. Though Georgia's economy and state revenues remain strong, inflationary pressures will be a significant driver in the upcoming budget cycle. Therefore, agencies are instructed to submit operational budgets equivalent to their current FY 2023 appropriation for Amended FY 2023 and FY 2024.

Just as everyday Georgians are having to reevaluate their household expenses to meet rising costs on their existing budget, Governor Kemp is asking state agencies to do the same. Over the last 3 years, I applaud the efforts of agencies who have looked internally at their existing resources to find opportunities to leverage technology and streamline processes to provide better service to our citizens. Finding better and more efficient ways to maximize taxpayer dollars remains a cornerstone of Governor Kemp's administration. Agencies who have identified ways to leverage technology to improve business processes or found other budgetary efficiencies may request to redirect resources within their existing budgets to use for new initiatives or to further improve their service delivery model. Any requested redirections must net to zero to be submitted.

The General Budget Preparation Procedures are available on the OPB website at opb.georgia.gov for use in preparing your agency's Amended FY 2023 and FY 2024 budget request. Planning and Budget Cloud Services (PBCS) instructions are also accessible on the OPB website. Each agency, department, and authority must submit a budget request that is in accordance with the Governor's budget instructions. In some instances, agencies may be permitted to request enrollment or workload driven growth items. OPB will notify your agency of those items. Budget submissions and performance measures are due on Wednesday, September 7, 2022.

In selecting a cutoff amendment for budget development, agencies should ensure that the base budget accurately reflects the known or planned expense of federal and other funds for the year. However, one-time federal

funding associated with federal COVID-19 stimulus acts should not be included in the base budget. Agencies may submit amendments to recognize these funds after they have completed any necessary base budget adjustments for the cutoff amendment.

Georgia's economy remains strong despite the challenges all states are seeing from the national level, but prudent fiscal stewardship during good economic times will ensure that we are well positioned to weather any challenges the federal government's national economic policy may bring. I appreciate your assistance in developing a budget for our upcoming fiscal year that will both maintain Georgia's record of conservative fiscal management while also investing in opportunities to move state government forward.

KF:sb