

REPORT TO THE CITY COUNCIL



DATE: September 4, 2018

TITLE: Year-End Budget Adjustments for Fiscal Year 2017-2018

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Reviewed by: Geoffrey Buchheim, Finance Manager

RECOMMENDATION

Approve Year-End Budget Adjustments for Fiscal Year 2017-2018.

BACKGROUND

Every two years the City Council approves a two-year budget which is the financial plan for the Consolidated General Fund, Fiduciary Funds, Restricted Funds, Capital Improvement Funds, Special Revenue Funds, Agency Funds and the Successor Agency Fund.

During the regular course of business, budget adjustments are completed by staff and approved by Department Heads, the Finance Director and the City Manager (if necessary). Budget adjustments allow the City to continue daily operations, update revenue and expense estimates (based on actual performance), adjust salary and benefit costs for position changes and address varying demands for contracted services. Additionally, budget adjustments ensure on-going general repairs, maintenance and tenant improvements to the City's aging public facilities and equipment are funded.

During the fiscal year, the City's Finance staff reviews revenue, expenditure, and transfer line items in all funds and makes the necessary budget adjustments in compliance with governmental accounting standards, as well as the City's policy requiring City Council approval.

At this time staff has completed our year-end review of all funds.

DISCUSSION

General Fund

Transfers out from the General Fund (001) are estimated at the start of each new budget year. Often additional transfers are required during the year to cover costs in other funds. Transfers out of the General Fund (001) were made to the following restricted funds totaling \$163,096 with the following breakdown:

State Gas Tax Fund (140) transfer in to cover increased costs for traffic signal service due to accidents and vandalism and citywide street supplies and maintenance totaling \$33,000.

County Service Area 152 (Stormwater) Fund (250) transfer in to cover increased costs for flood control totaling \$39,996.

Landscaping, Lighting and Maintenance District - Citywide Fund (501) transfer in to cover increased costs for park maintenance and upgrades of citywide street medians totaling \$90,100. The assessments being collected for this district were not sufficient to cover all the costs associated to maintain the district.

Restricted Funds

Quimby Act (Parks) Fund (111) – Budgeted revenues for FY 2017-2018 were increased by of \$30,000 based on actual revenues received through the end of the fiscal year. Budgeted expenditures were increased by \$30,000 for the Mission Springs Park Walking Path project.

Drainage Assessment District - El Dorado Zone 7 Fund (560) – Budgeted revenues for FY 2017-2018 were increased by of \$3,207 based on actual revenues received through the end of the fiscal year. Budgeted expenditures were increased by \$1,500 due to additional required maintenance.

FISCAL IMPACT

General Fund (001) – Increases to transfers out total \$163,096 coming from fund balance.

Quimby Act (Parks) Fund (111) – The overall fiscal impact to revenues totals \$30,000. Increases in capital expenditures total \$30,000 for a net total (revenues less expenditures) of \$0.

Drainage Assessment District - El Dorado Zone 7 Fund (560) – The overall fiscal impact to revenues totals \$3,207. Increases in maintenance expenditures total \$1,500 for a net total (revenues less expenditures) of \$1,707.

EXHIBIT

1) Year-End Budget Adjustments FY 2017-2018