

REPORT TO THE CITY COUNCIL



DATE: September 3, 2019

TITLE: Year-End Budget Adjustments for the Fiscal Year 2018-2019

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Reviewed by: Geoffrey Buchheim, Acting Finance Director

RECOMMENDATION

Approve year-end budget adjustments for Fiscal Year 2018-2019.

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 that 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:

Total Consolidated General Fund revenues exceeded the budgeted amounts by \$441,888.

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 \$273,765 with the following breakdown:

Community Development Block Grant Fund (145): transfer in to cover increased costs for Mission Springs Park project and Corporate Yard Park project totaling \$33,511.

Cabot's Museum Fund (270): transfer in to cover increased utility and maintenance costs due to the modular office expansion totaling \$15,254.

Landscaping, Lighting and Maintenance District – Citywide Fund (501) transfer in to cover increased costs for park maintenance and upgrades of citywide streets, sidewalks and medians totaling \$225,000. The assessments being collected for this district were not sufficient to cover all the costs associated to maintain the district. With the addition of new parks and medians as well upgrades to city streets and sidewalks, these costs will continue to increase.

Restricted Funds:

Law Enforcement Facility Fund (105) – Budgeted revenues for FY 2018-2019 were increased by \$53,000 based on actual revenues received through the end of the fiscal year. Budgeted expenditures were increased by \$53,000 for Building B (Code Compliance) remodel expenses as well as the balance due on the Public Safety body cameras.

Measure 'A' Fund (127) – Budgeted revenues for FY 2018-2019 were increased by \$12,423 based on actual revenues received through the end of the fiscal year. Budgeted expenditures were increased by \$12,423 due to additional costs related to the Palm Drive entry way median upgrades capital improvement project.

Abandoned Vehicle Abatement Fund (233) – Budgeted revenues for FY 2018-2019 were increased by \$5,000 based on actual revenues received through the end of the fiscal year. Budgeted expenditures were increased by \$5,000 due to an increase in additional contracted services needed.

FISCAL IMPACT

General Fund (001) – The overall fiscal impact to revenues totals \$441,888. Increases to transfers out total \$273,765 for a net total (revenues less expenditures) of \$168,123.

Law Enforcement Facility Fund (105) – The overall fiscal impact to revenues totals \$53,000. Increases in capital expenditures total \$53,000 for a net total (revenues less expenditures) of \$0.

Abandoned Vehicle Abatement Fund (233) – The overall fiscal impact to revenues totals \$5,000. Increases in contract services total \$5,000 for a net total (revenues less expenditures) of \$0.

EXHIBIT

1) Year-End Budget Adjustments FY 2018-2019