

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input checked="" type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: James Cameron *J.C.* Agenda Item No. 0-1Reviewed By: City Manager *JRB* City Attorney *W* Finance *J.C.* Other (Specify) _____

DATE: June 4, 2012

TO: City Council

FROM: James Cameron *James Cameron*
Chief Financial Officer

SUBJECT: Fiscal Year 2012-13 Budget Balancing Discussion

RECOMMENDATION

1. That City Council receive an update of the Fiscal Year 2012-13 General Fund Budget and approve options for balancing the Fiscal Year 2012-13 Budget.
2. Receive Departmental presentations that may include: Police, Fire, Recreation and Community Services, Public Works, and General Services.

DISCUSSION

On July 19, 2011 the City Council approved the Fiscal Years 2011-12 & 2012-13 Two-Year Budget. The Fiscal Year 2012-13 (FY 2013) budget included a \$111.2 million General Fund revenue projection and expenditure appropriation.

The FY 2013 General Fund revenue projects have been reduced to \$104.2 million with a \$109.7 million base expenditure budget. The \$7 million reductions in revenues include lower tax receipts, as well as charges for services due to a slower recovery over the last 12 months than anticipated. This included lost vehicle license fees of \$744,000 taken by the State to balance its budget. In addition, repayment of \$1 million in advances to the former Community Development Commission has been eliminated. FY 2013 General Fund expenditures include salary adjustments based on current agreements with the various employee groups, vacancy management savings for non-public safety (fire and police officers) employees, and debt service requirements, including lease payments for the Public Safety CAD/RMS system. Base FY 2013 expenditures do not include additional costs for fuel and overtime. Attachment 1 includes a summary of revenues and expenditures.

In previous budget discussions, Council directed staff to return with options for budget balancing. Staff will present options for Council's consideration at the meeting of June 19, 2012.

FINANCIAL IMPACT

Fiscal Year 2012-13 Budget Discussion

June 19, 2012

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Budget balancing options approved by Council will be incorporated in the FY 2013 budget recommendations for Council review at the Budget Public Hearing scheduled for July 17, 2012.

JC:tr

Attachment 1 – Fiscal Year 2012-13 General Fund Budget Summary

Fiscal Year 2012-13 General Fund Budget Summary

	FY 11-12 ADOPTED BUDGET	FY 11-12 REVISED BUDGET	FY 12-13 ORIGINAL BUDGET	FY12-13 BASE BUDGET	FY12-13 Change
Revenues					
Taxes	67,364,000	67,073,000	70,618,000	68,299,000	(2,319,000)
Franchise, License and Permit Fees	9,581,000	10,725,000	9,887,000	9,858,000	(29,000)
Charges for Services (excludes internal)	5,770,000	5,197,000	5,963,000	5,348,000	(615,000)
Internal Charges	16,675,000	16,716,900	16,868,000	16,752,400	(115,600)
Miscellaneous Revenues	2,660,000	2,403,000	2,736,000	2,465,000	(271,000)
Transfers and One-time Sources	5,016,000	4,138,700	5,135,000	1,522,000	(3,613,000)
Total Revenues	107,066,000	106,253,600	111,207,000	104,244,400	(6,962,600)
Expenditures					
Personnel Services	78,050,941	78,055,541	81,849,611	79,990,723	(1,858,888)
Supplies and Minor Equipment	2,359,344	2,411,189	2,359,344	2,501,948	142,604
Contracted Services, Maintenance and Utilities	12,935,102	12,946,542	12,979,902	13,061,441	81,539
Fixed Charges and Equipment	8,056,761	8,078,761	8,056,761	7,176,928	(879,833)
Debt Service and Transfers	5,663,852	5,808,567	5,961,382	4,639,229	(1,322,153)
Total Expenditures	107,066,000	107,300,600	111,207,000	107,370,269	(3,836,731)
Difference	-	(1,047,000)	-	(3,125,869)	(3,125,869)