



City of Culver City

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Staff Report Details (With Text)

File #: 18-0903 **Version:** 1 **Name:** Mid Year 17-18 Report
Type: Minute Order **Status:** Action Item
File created: 2/14/2018 **In control:** City Council Meeting Agenda
On agenda: 2/26/2018 **Final action:**
Title: CC - (1) Receive Presentation on Mid-Year Budget Monitoring Report and General Fund Financial Forecast, (2) Receipt and Filing of the Fiscal Year 2017/2018 Mid-Year Budget Monitoring Report, (3) Provide Notification to Public Inviting Comment and Input for the Upcoming Proposed Budget for Fiscal Year 2018/2019, (4) Approval of Proposed Blanket Purchase Order Amendments and (5) Approval of Proposed Budget Amendments (Four-Fifths Vote Requirement).

Sponsors:

Indexes:

Code sections:

Attachments: 1. FINAL - Mid-Year Report FY 17-18.pdf, 2. Adjustments for Mid-Year 17-18.pdf, 3. 2017-18 Mid-Year BPO Summary.pdf

Date	Ver.	Action By	Action	Result
2/26/2018	1	City Council Meeting Agenda		

CC - (1) Receive Presentation on Mid-Year Budget Monitoring Report and General Fund Financial Forecast, (2) Receipt and Filing of the Fiscal Year 2017/2018 Mid-Year Budget Monitoring Report, (3) Provide Notification to Public Inviting Comment and Input for the Upcoming Proposed Budget for Fiscal Year 2018/2019, (4) Approval of Proposed Blanket Purchase Order Amendments and (5) Approval of Proposed Budget Amendments (Four-Fifths Vote Requirement).

Meeting Date: February 26, 2018

Contact Person/Dept: Jeff Muir/Finance Department

Phone Number: (310) 253-5865

Fiscal Impact: Yes No **General Fund:** Yes No

Public Hearing: **Action Item:** **Attachments:**

Public Notification: (Email) Meetings and Agendas - City Council (02/20/18); (Email) Ongoing Topics - Fiscal and Budget Issues (02/20/18)

Department Approval: Jeff Muir, Chief Financial Officer (02/20/18)

RECOMMENDATION

Staff recommends the City Council (1) receive a presentation from staff on the Mid-Year Budget Monitoring Report and General Fund Financial Forecast and (2) receive and file the Fiscal Year 2017/2018 Mid-Year Budget Monitoring Report, (3) provide notification to public inviting comment and input for the upcoming Proposed Budget for Fiscal Year 2018/2019, (4) approve proposed blanket purchase order amendments, and (5) approve related budget amendments (**budget amendment requires a 4/5ths vote**).

BACKGROUND/DISCUSSION

Mid-Year Budget Monitoring Report and General Fund Financial Forecast

The attached Mid-Year Budget Monitoring Report (Mid-Year Report) presents the City Council with a snapshot of General Fund, Enterprise Funds and Internal Service Funds expenditures and revenues through the first half of Fiscal Year 2017/2018, which began on July 1, 2017. Other City funds are performing within expectations and are not a part of this report. The General Fund Financial Forecast (Forecast) takes the mid-year projections and forecasts revenues and expenditures out to Fiscal Year 2027/2028. The Forecast, along with the various assumptions used to arrive at the revenue and expenditure estimates, will be presented by staff during the City Council meeting.

Notification Inviting Public Comment and Input

Consistent with the City Council's general policy, the City is committed to being open and transparent in all matters, especially those involving the collection and expenditure of public funds. In order to continue this commitment, the public is being provided this first of several opportunities to comment and offer input on the City's upcoming FY 2018/2019 proposed budget.

The City Manager's Proposed Budget for Fiscal Year 2018/2019 is scheduled to be formally presented to the City Council on Monday, May 14, 2018. Prior to this date, there will be additional public comment opportunities currently scheduled throughout the month of March, and opportunities during the period the City Council discusses the proposed budget with City staff in May and June.

The public is also invited to submit comments and suggestions to the City at the following e-mail address: Budget.Priorities@culvercity.org <<mailto:Budget.Priorities@culvercity.org>>.

FISCAL ANALYSIS

The Mid-Year Report provides detail into General Fund revenues received and expenditures disbursed through December 31, 2017, as well as adjusted projections through the end of the Fiscal Year (to June 30, 2018). General Fund expenditures through December 31, 2017 are \$62.5 million, or 51.2% of current revised budget projections. General Fund operating revenues through December 31, 2017 are \$48.6 million, or 41.7% of current revised budget projections. Full year General Fund projections for Fiscal Year 2017/2018 show total estimated operating revenues at \$121.85 million, \$5.34 more than the current revised budget total.

Total expenditures are estimated at \$118.3 million, \$3.7 less than the current budget. General Fund total expenditures are projected to come in lower than operating revenue by an estimated \$3.6 million. Property Tax and Business License Tax receipts, along with various revenue sources within

Licenses and Permits are projected to come in stronger than the current revised budget amount, which contributes significantly to the difference. Operating revenues are expected to meet or exceed operating expenditure requirements again for Fiscal Year 2018-19.

The General Fund Financial Forecast has been expanded to Fiscal Year 2027/2028 in order to show the effect of the investment rate assumptions changes adopted by CalPERS in December of 2016. This information significantly affects the forecast. Staff will provide an in-depth presentation at the meeting.

ATTACHMENTS

1. Fiscal Year 2017/2018 Mid-Year Budget Monitoring Report
2. Proposed Budget Amendments
3. Proposed Blanket Purchase Order Summary Amendments

MOTION

That the City Council:

1. Receive a Presentation on the Mid-Year Budget Monitoring Report and General Fund Financial Forecast; and
2. Receive and file the Fiscal 2017/2018 Mid-Year Report as provided in Attachment 1; and
3. Provide notification to public inviting comment and input for the upcoming Proposed Budget for Fiscal Year 2018/2019; and
4. Approve the Blanket Purchase Order Summary Amendments as proposed in Attachment 3; and
5. Approve the Budget Amendments as proposed in Attachment 2 (**budget amendment requires a 4/5^{ths} vote**).