



Legislation Text

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2016 Monthly Financial Update and 2017 Budget Outlook

Presenter:

Kara Skinner, Chief Financial Officer

Summary:

This presentation will include the monthly financial update with an overview of end-of-year General Fund revenue and expenditure estimates, details regarding Sales and Use Tax collections, and a number of economic indicators, as well as a brief 2017 General Fund budget outlook.

Previous Council Action:

On November 24, 2015, per Ordinance No. 15-86, City Council approved the 2016 Budget. On April 12, 2016, per Ordinance No. 16-36, City Council approved a supplemental appropriation for City funded City projects from Fund Balance that was attributed to 2015 Public Works expenditure savings.

Background:

Beginning August, 2015, the Finance Department began presenting monthly financial reports to City Council at the second Worksession following the month through which the report was based. With that timing, the actual report could not be included in the agenda packet before the meeting. For the presentation to be included in the agenda packet the Finance Department moved the presentation to the first Worksession of the next month. This report follows that timeline.

The initial 2015 reports included end-of-year estimates. At the beginning of 2016, the reporting methodology was changed to report year-to-date budget to actual comparisons. At the June 13, 2016 City Council Worksession, City Council had many questions regarding the tables and the methodology used to present those year-to-date budget and actual comparisons. After further consideration, this monthly report reverts back to the methodology of providing end-of year revenue and expenditure estimates and provides a simplified format for more direct communication regarding those estimates.

The Finance Department considers these reports to be a work-in-progress and is open to modifying content and presentation as City Council requests.

Financial Implications:

Based upon the current 2016 end-of-year estimates, the City's General Fund, its most significant fund used to provide core municipal services, is trending approximately 0.6% below budget for revenue and approximately 1% under budget for expenditures.

Based upon current 2017 revenue projections and high priority expenditure increases, the City will

need to close a General Fund budget gap of approximately \$500,000.

Board/Commission Recommendation:

N/A

Stakeholder Process:

N/A

Alternatives:

N/A

Proposed Motion:

N/A

N/A