



# CITY OF SACRAMENTO

7

## DEPARTMENT OF FINANCE

915 I STREET  
ROOM 112

SACRAMENTO, CALIFORNIA 95814  
TELEPHONE (916) 449-5738

JACK R. CRIST  
DIRECTOR OF FINANCE

ROBERT C. LELAND  
ASSISTANT DIRECTOR

February 13, 1985  
FA:85059:JRC:KMF

Budget and Finance Committee  
Sacramento, California

Honorable Members in Session:

**SUBJECT:** Changing the Fiscal Year from an Even 52 Week Fiscal Year Beginning the First Saturday of Each July to July 1 - June 30

### SUMMARY

It is recommended that the Budget and Finance Committee review and approve the attached report and ordinance modifying the fiscal year.

Respectfully submitted,

JACK R. CRIST  
Director of Finance

RECOMMENDATION APPROVED:

SOLO WISHAM, JR.  
Assistant City Manager

cc: All Department Heads

All Districts  
February 19, 1985



# CITY OF SACRAMENTO

## DEPARTMENT OF FINANCE

915 I STREET  
ROOM 112

SACRAMENTO, CALIFORNIA 95814  
TELEPHONE (916) 449-5736

JACK R. CRIST  
DIRECTOR OF FINANCE

ROBERT C. LELAND  
ASSISTANT DIRECTOR

February 13, 1985  
FA:85059:JRC:KMF

City Council  
Sacramento, California

Honorable Members in Session:

**SUBJECT:** Changing the Fiscal Year from an Even 52 Week  
Fiscal Year Beginning the First Saturday of Each July  
to July 1 - June 30

### SUMMARY

For administrative convenience, the City staff proposes to change the fiscal year from an even 52 week period ending the first Friday of July to a July 1 - June 30 period. Approval of the attached ordinance is recommended.

### BACKGROUND

City Charter Section 110 provides that "The fiscal year for the City shall be determined by ordinance enacted by the City Council."

The City Code currently says "The fiscal year shall commence on the first Saturday of each July. (Sec. 64.200)."

For fiscal year 1984-85, the first day of the fiscal year was Saturday, July 7, 1984. For fiscal year 1985-86, the first day of the fiscal year will be Saturday, July 6, 1985 under the current ordinance.

The current ordinance was enacted effective with the beginning of Fiscal Year 1982-83. Prior to that time, the fiscal year began on July 1 and ended on June 30. The intent of always ending the fiscal year on Friday was to simplify year end payroll cutoff information (payroll periods always end on a Friday). Quite honestly, the theory was fine, but in practice the change has caused more problems than it has solved. Departmental users are often confused by the current ordinance, outside banking and investment firms generally utilize month end reporting dates and the State Controller's Office insists that we report month end information. As a result, it is proposed that the attached ordinance be adopted which would change the fiscal year back to a traditional July 1 to June 30 fiscal year effective July 1, 1985.

**FINANCIAL**

The effect of the change is to reduce the City's 1984-85 fiscal year by five (5) days. Revenue collections from July 1 to July 5 will be recorded in fiscal year 1985-86, rather than 1984-85.

Payroll expenditures approximating \$1.8 million will not be incurred in fiscal year 1984-85, thus resulting in expenditure savings. Departmental budgets will be reduced by their pro rata share. Also debt service payments of \$.9 million will shift from fiscal year 1984-85 to 1985-86.


**CITY COUNCIL BUDGET AND FINANCE COMMITTEE**

The Budget and Finance Committee reviewed this report at their meeting of February 19, 1985. Committee action will be reported to the full Council verbally during the City Council meeting.

**RECOMMENDATION**

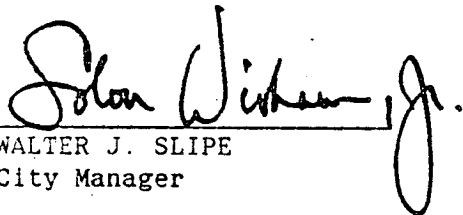
That the attached ordinance be approved authorizing "the fiscal year to commence on the first day of July". This change shall be effective July 1, 1985.

Respectfully submitted,



JACK R. CRIST  
Director of Finance

RECOMMENDATION APPROVED:



for: WALTER J. SLIPE  
City Manager

# ORDINANCE NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

**AN ORDINANCE AMENDING SECTION 64.200 OF  
CHAPTER 64 OF THE SACRAMENTO CITY CODE  
RELATING TO THE FISCAL YEAR**

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

**SECTION 1.**

City Code Section 64.200, relating to the City's fiscal year is hereby amended to read as follows:

Sec. 64.200 Fiscal Year.

The fiscal year shall commence on the first day of July.

PASSED FOR PUBLICATION:

ENACTED:

EFFECTIVE:

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK