



Budget and Audit Committee Report

915 I Street, 1st Floor

Sacramento, CA 95814

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File ID: 2017-00229

February 7, 2017

Discussion Item 03

Title: Use of FY2015/16 Year-end Resources

Recommendation: Review and provide direction.

Location: Citywide

Contact: Leyne Milstein, Director, (916) 808-8491; Dawn Holm, Budget Manager, (916) 808-5574, Department of Finance

Presenter: Leyne Milstein, Director, (916) 808-8491, Department of Finance

Department: Finance

Attachments:

1- Description/Analysis

Description/Analysis

Issue Detail: As presented in the FY2015/16 Comprehensive Annual Financial Report (CAFR), the fiscal year ending June 30, 2016, resulted in one-time General Fund budgetary resources of \$19.6 million (less than 5%) of the adopted \$394.1 million General Fund expenditure budget. As detailed in the CAFR report the primary reason for the budgetary results is the receipt of revenues above budget.

The FY2016/17 Midyear Report included the addition of \$8.4 million in General Fund revenues and \$16.9 million in increased expenditures as outlined below.

General Fund (\$ in 000s)	Total
Revenues/Resources	
FY16 CAFR Resources (one-time)	19,607
FY2016/17 Additional Revenues	8,355
Total Resources	27,962
Expenditures^a	
Approved Council Actions (Resolutions)	2,750
Litigation	6,500
Audits	2,580
Council Priorities	1,035
City Manager (operations)	2,377
Crisis Intervention Training (I11002200)	750
ETP Pilot Program (I01000300)	950
Total Midyear Expenditures	16,942
Remaining FY2015/16 Year-end Resources	11,020

On January 24, 2017, the Budget and Audit Committee voted to separate the midyear actions from the discussion on the use of the remaining FY2015/16 year-end resources. The Committee discussed establishing the following priority programs with these one-time resources:

- Youth
- Neighborhood Services
- Affordable Housing
- Transportation

Policy Considerations: This report is consistent with Council's direction and adopted budget principles to use one-time resources strategically, maintain a fiscally sustainable balanced budget and keep the Council informed on the fiscal condition of the City.

Economic Impacts: None.

Environmental Considerations:

California Environmental Quality Act (CEQA): This report concerns administrative activities and government fiscal activities that do not constitute a “project” as defined by the CEQA Guidelines Sections 15378(b)(2) and 15378(b)(4) and are not subject to the provisions of CEQA (CEQA Guidelines 15060(c)(3)). CEQA review for any project, which utilizes funds allocated in this report, has been or will be performed in conjunction with planning, design, and approval of each specific project as appropriate.

Sustainability: Not applicable.

Commission/Committee Action: None.

Rationale for Recommendation: None.

Financial Considerations: The use of the \$11.02 million in available one-time resources for these programs will not create an ongoing impact to the City’s General Fund.

Local Business Enterprise (LBE): No goods or services are being purchased under this report.