

Budget Engagement Commission

City of Arts & Innovation

TO: HONORABLE COMMISSIONERS DATE: JANUARY 24, 2018

FROM: FINANCE DEPARTMENT WARD: ALL

SUBJECT: REVIEW OF ASSUMPTIONS USED IN THE DEVELOPMENT OF THE

BASELINE FISCAL YEAR 2018-2020 BUDGET AND 2018-2023 FIVE-YEAR

FINANCIAL PLAN - GENERAL FUND AND MEASURE Z

ISSUE:

Review of assumptions used to develop the Baseline Two-Year Budget for Fiscal Years 2018-2020 and 2018-2023 Five-Year Financial Plan for the General Fund and Measure Z.

RECOMMENDATION:

That the Budget Engagement Commission (BEC) review and provide input on the assumptions used to develop the Baseline Two-Year Budget for Fiscal Years 2018-20 and 2018-23 Five-Year Financial Plan for the General Fund and Measure Z.

BACKGROUND:

As an advisory body to the City Council on budgetary matters, the Budget Engagement Commission's input is critical on the assumptions used in the development of the City's financial projections.

DISCUSSION:

Attached to this staff report are details on the history and assumptions used to develop revenue and expenditure projections for the Baseline Two-Year Budget for Fiscal Years 2018-2020 and 2018-2023 Five-Year Financial Plan for the General Fund and Measure Z. Staff will seek the Budget Engagement Commission's input on the assumptions during the meeting.

The General Fund and Measure Z collectively comprise 32% of the City's approximately \$1 billion budget (using Fiscal Year 2018-2019 figures). Four other major funds (Electric, Water, Sewer and Parking) account for an additional 58%, and will be presented to the BEC for input on projections in March 2018.

FISCAL IMPACT:

There is no direct fiscal impact through the recommended actions of this report.

Prepared by: Karen Johnson, Principal Management Analyst

Approved as to

availability of funds: Adam Raymond, Chief Financial Officer / City Treasurer

Approved by: Marianna Marysheva, Assistant City Manager

Attachments:

- 1. City Council Staff Report dated January 16, 2018 with revised attachments
- 2. Presentation