



CITY OF PACIFIC GROVE
300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council
FROM: Patty Maitland, Finance Director
MEETING DATE: April 20, 2016
SUBJECT: Quarterly Budget Report – 3rd Quarter Fiscal Year 2015-16
CEQA: Does not constitute a “Project” under California Environmental Quality Act (CEQA) Guidelines

RECOMMENDATION

Receive the report.

DISCUSSION

The following charts provide an overview of the revenues and expenditures for the 3rd quarter of FY 2015-16 budget (major funds), and a departmental status of expenditures through the reporting period ending March 31, 2015.

Overall Fund Revenues and Expenditures. With the exception of the General Fund, the City’s forecasted revenues are on target, exceeding the expected 75% of revenue for the fiscal year. Property taxes, the major source of General Fund revenues, will be distributed by the County in late April and will be reflected in the 4th Quarter report. Revenue for the Local Water Project (LWP) enterprise fund in the form of reimbursements and State Revolving Loans have not yet been received. The expenditures in the LWP Enterprise are currently utilizing General Funds.

Quarterly Budget Status 3Q FY 2015-16 - Major Funds				
		Budget	Revenues	% Budget
01	General Fund	\$ 18,928,600	\$ 12,729,919	67.25%
74	Local Water Project	\$ 7,907,000	\$ -	0.00%
75	Cemetery	\$ 266,000	\$ 200,239	75.28%
76	Sewer Fund	\$ 2,100,000	\$ 1,656,477	78.88%
77	Golf	\$ 300,000	\$ 256,705	85.57%
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		Budget	Expenditures/ Encumbrances	% Budget
01	General Fund	\$ 19,345,888	\$ 14,272,767	73.78%
74	Local Water Project	\$ 349,000	\$ 471,142	135.00%
75	Cemetery	\$ 247,839	\$ 187,331	75.59%
76	Sewer Fund	\$ 4,805,277	\$ 1,410,423	29.35%
77	Golf	\$ 293,000	\$ 237,606	81.09%

General Fund expenditures include correcting entries for employee costs that are charged to outside funds versus the General Fund. By way of explanation, if a portion of an employee's salary is charged to an outside fund, a proportionate charge for the benefits associated with that employee should also be made to the outside fund. Currently, the City's financial system (Sungard) requires that these cross charges be made manually. The future upgrade to the Sungard system in FY 2016-17 will permanently resolve this problem by automatically cross charging benefit costs associated with employee's salary costs.

Departmental and Program Expenditures. The following table provides the status of the various program budgets and expenditures through the 3rd quarter of the fiscal year. Note that the special division to track Project Bella reimbursable costs by the developer has been added to the summary chart. The LWP reflects those expenditures that occurred in the General Fund prior to the Local Water Project Fund being established as an enterprise fund.

3rd Quarter 2015-16 Budget Status - Departmental Status				
Department	Budget	Expenditures	Under/(Over) Budget	% of Budget
CITY COUNCIL	\$ 397,211	\$ 216,621	\$ 180,590	54.54%
CITY ATTORNEY	\$ 291,838	\$ 133,628	\$ 158,210	45.79%
CITY MANAGER	\$ 769,345	\$ 571,886	\$ 197,459	74.33%
FINANCE	\$ 997,982	\$ 677,235	\$ 320,747	67.86%
INFORMATION SERVICES	\$ 182,500	\$ 142,588	\$ 39,912	78.13%
COMMUNITY & ECONOMIC DEVELOPMENT	\$ 1,356,469	\$ 1,152,684	\$ 203,785	84.98%
POLICE	\$ 6,517,830	\$ 4,842,212	\$ 1,675,618	74.29%
FIRE	\$ 3,369,840	\$ 2,943,892	\$ 425,948	87.36%
LIBRARY	\$ 954,841	\$ 622,878	\$ 331,963	65.23%
MUSEUM	\$ 200,032	\$ 178,924	\$ 21,108	89.45%
RECREATION	\$ 487,840	\$ 335,047	\$ 152,793	68.68%
PUBLIC WORKS	\$ 3,432,160	\$ 2,355,921	\$ 1,076,239	68.64%
Local Water Project*	\$ 88,000	\$ 89,879	\$ (1,879)	102.13%
PROJECT BELLA	\$ 300,000	\$ 9,372	\$ 290,628	3.12%
	\$ 19,345,888	\$ 14,272,767	\$ 5,073,121	73.78%

*Pursuant to Council action on October 21, 2015, beginning in November 2015, the Local Water Project is now reported as an enterprise fund. The expenditures reflected in the General Fund are those that occurred in the current fiscal year prior to the creation of the enterprise fund.

FISCAL IMPACT

None.

RESPECTFULLY SUBMITTED:

Patty Maitland

Patty Maitland
Finance Director

REVIEWED BY:

Ben Harvey

Ben Harvey
Interim City Manager