



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

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council
FROM: Tori Hannah, Administrative Services Director
MEETING DATE: November 15, 2017
SUBJECT: Quarterly Budget Report – First Quarter Fiscal Year 2017-18
CEQA: Does not constitute a “Project” under California Environmental Quality Act (CEQA) Guidelines.

RECOMMENDATION

Receive the report.

DISCUSSION

The following charts provide a budgetary comparison of revenues and expenditures for major funds, along with a budget update on departmental expenditures. The information listed below represents financial records for the first quarter ending September 30, 2017.

Overall Fund Revenues and Expenditures. The first quarter General Fund revenues represent approximately 9.5% of the Fiscal Year 17/18 Budget. While this percentage is below the targeted amount, it is primarily related to the receipt of Property Tax disbursements in December. Additional factors include timing differences associated with an internal service fund transfer of approximately \$1.3 million and Transient Occupancy Taxes (TOT) of approximately \$643,500. The difference in TOT receipting patterns is primarily related to the new use of a third-party provider for TOT collection services. The majority of the General Fund expenditures are relatively consistent with the budget of prior year, with the exception of timing differences associated with internal fund transfers. This difference is more prevalent in the Fire and Police Department budgets. The Local Water Project has expended \$510,719, with reimbursement revenues pending.

First Quarter Fiscal Year 17/18 - Major Fund Revenues					Prior Year First Quarter
Fund	Budget	Year to Date	% of Budget		
1 General Fund	\$ 22,051,000	\$ 2,084,139	9.5%	\$	3,684,522
74 Local Water Project	6,277,000	-	0.0%		-
75 Cemetary	343,900	118,913	34.6%		111,713
76 Sewer Fund	3,170,479	25,851	0.8%		3,711
77 Golf	348,450	101,787	29.2%		100,658

First Quarter Fiscal Year 17/18 - Major Fund Expenditures					Prior Year First Quarter
Fund	Budget	Year to Date	% of Budget		
01 General Fund	\$ 23,918,683	\$ 5,849,276	24.5%		\$ 7,347,691
74 Local Water Project	5,900,642	510,719	8.7%		299,216
75 Cemetary	418,737	92,484	22.1%		99,302
76 Sewer Fund	2,862,741	490,498	17.1%		497,043
77 Golf	322,489	200,068	62.0%		166,719

Departmental and Program Expenditures. The following table provides a budgetary update for departmental and program expenditures. The Fire Department expenditure performance is slightly over target for the reporting period, as the fixed costs associated with the fire service agreement require a longer period of time to offset the initial Pension Obligation Bond debt; and interfund service charges are applied at the beginning of the fiscal year. Decreased spending in the Information Services budget is primarily associated with the timing of technology projects, as well as the potential implementation of a shared services agreement with the City of Monterey. Staff plans to provide a presentation to Council regarding the Information Technology Assessment Plan in December.

First Quarter Fiscal Year 17/18 Budget Status - Department Information					
Department	Budget	Year to Date Expenditures	Under/(Over) Budget	% of Budget	Prior Year First Quarter
City Council	\$ 393,637	\$ 118,964	\$ 274,673	30.2%	\$ 87,510
City Attorney	297,704	18,694	279,010	6.3%	22,396
City Manager	922,046	245,306	676,740	26.6%	244,867
Finance	1,087,572	249,376	838,196	22.9%	312,389
Information Services	623,294	24,424	598,870	3.9%	56,221
Comm. & Econ. Development	2,118,758	398,959	1,719,799	18.8%	353,361
Police	8,086,258	2,001,048	6,085,210	24.7%	2,877,419
Fire	4,154,962	1,450,710	2,704,252	34.9%	1,895,564
Library	1,155,387	291,841	863,546	25.3%	334,017
Museum	268,518	74,233	194,285	27.6%	79,811
Recreation	596,133	179,112	417,021	30.0%	158,720
Public Works	4,214,414	796,609	3,417,805	18.9%	925,416
	\$ 23,918,683	\$ 5,849,276	\$ 18,069,407	24.5%	\$ 7,347,691

FISCAL IMPACT

There is no fiscal impact associated with receipt of this report.

RESPECTFULLY SUBMITTED:



Tori Hannah
Administrative Services Director

REVIEWED BY:



Ben Harvey
City Manager