



Legislation Text

File #: 18-287, Version: 1

Report Prepared by: Steven S. Carrigan, City Manager

SUBJECT: Continued Public Hearing-Adoption of Fiscal Year 2018-19 Budget

REPORT IN BRIEF

Continued Public Hearing and adoption of the Fiscal Year 2018-19 City Council, Public Financing and Economic Development Authority, and Parking Authority Budget.

RECOMMENDATION

City Council - Adopt a motion:

A. Adopting **Resolution 2018-46**, Resolution of the City Council of the City of Merced, California, Adopting the Budget and Appropriating Revenue for Fiscal Year 2018-2019; and,

B. Approving capital projects based upon the Planning Commission's May 23, 2018 finding of consistency of Capital Improvement Program with the General Plan and as modified by recalculation of carryover projects to reflect actual balances as of June 30, 2018.

Public Financing and Economic Development Authority - Adopt a motion:

A. Adopting **Resolution PFA 2018-01**, Resolution of the City of Merced Public Financing and Economic Development Authority, Adopting the Budget and Appropriating Revenue for Fiscal Year 2018-2019; and,

B. Approving capital projects based upon the Planning Commission's May 23, 2018 finding of consistency of Capital Improvement Program with the General Plan and as modified by recalculation of carryover projects to reflect actual balances as of June 30, 2018.

Parking Authority - Adopt a motion:

A. Adopting **Resolution PA 2018-01**, Resolution of the City of Merced Parking Authority, Adopting the Budget and Appropriating Revenue for Fiscal Year 2018-2019; and,

B. Approving capital projects based upon the Planning Commission's May 23, 2018 finding of consistency of Capital Improvement Program with the General Plan and as modified by recalculation of carryover projects to reflect actual balances as of June 30, 2018.

ALTERNATIVES

1. Approve, as recommended by City Manager; or

2. Approve, subject to other than recommended by City Manager (identify specific findings and/or conditions amended to be addressed in the motion); or
3. Deny; or,
4. Refer to City Manager for reconsideration of specific items (specific items to be addressed in the motion); or,
5. Continue to a future meeting (date and time to be specified in the motion).

AUTHORITY

Charter of the City of Merced, Sections 1104 and 1105.

DISCUSSION

The City Council has held two budget review sessions, three town hall meetings, and a Budget Priority Session that has provided for public input on projects, programs and funding included in the Proposed Fiscal Year 2018-19 Budget.

Based on the City Council's on-going priority of supporting additional public safety, staff presented alternative staffing options on June 4, 2018. Per Council direction the Proposed Budget includes the following changes from the City Manager Recommended Budget:

- Added one Dispatcher for a total of two new Dispatchers
- Added one Police Officer
- Moved one Records Clerk from the General Fund back to Measure C (originally moved two to the General Fund)
- Moved Fire Extra Help to Measure C
- Added Community Funding of \$23,000 included as General Fund operating budget
- Removed Legislative Director funding
- Reduced Supplement to Fund 017-Development Services by
 - Removing the Deputy Director of Development Services
 - Reducing Contingency
- Removed Trust 115 allocation

The city also received revised FY 2018-19 gas tax revenue estimates. Section 2103 estimates are substantially lower because the State Board of Equalization did not take action on the staff recommended 4 cent increase as had been expected.

If the "Recommended Budget" is approved by the City Council the Errata List will be included as part of the 2018-19 Adopted Budget. An Errata List is attached for review.

The General Fund proposed budget meets the City Council's goal of balancing the expenditures to the revenues to be realized during the Fiscal Year and can be sustained as presented. In addition to the Operating Budget of \$41.7 million, some one-time expenditures are recommended to be included in the City's annual adopted budget. The one-time expenditures include funds for the Compensation Study, Elections costs, funding for the 2nd phase of the Enterprise Resource Planning system, and the continued support of the Revenue Stabilization and Economic Development Opportunity Funds. The total one-time expenditures are \$724,250.

Due to lack of a quorum, staff was unable to present the proposed FY 2018-19 budget to the Measure C Oversight Committee for approval. Per Council Direction, the Measure C proposed budget includes moving one Police Clerk to the General Fund. This would result in a total of 12.8 fire and 20.99 police personnel supported by Measure C.

The five-year Capital Improvement Program (CIP) was reviewed by the Planning Commission at the May 23, 2018 meeting and was found to be consistent with the General Plan as required by State Law.

ATTACHMENTS

1. City Council Resolution
2. Public Finance and Economic Development Authority Resolution
3. Parking Authority Resolution
4. Errata List
5. Fund Summary