



Legislation Text

File #: 17-335, **Version:** 1

Report Prepared by: Steven S. Carrigan, City Manager

SUBJECT: Continued Public Hearing - Adoption of Fiscal Year 2017-2018 Budget

REPORT IN BRIEF

Continued Public Hearing and adoption of the Fiscal Year 2017-2018 City Council, Public Financing and Economic Development Authority, and Parking Authority Budget.

RECOMMENDATION

City Council - Adopt a motion:

- A. Adopting **Resolution 2017-37**, Resolution of the City Council of the City of Merced, California, Adopting the Budget and Appropriating Revenue for Fiscal Year 2017-2018; and,
- B. Approving capital projects based upon the Planning Commission's June 7, 2017 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, 2017.

Public Financing and Economic Development Authority - Adopt a motion:

- A. Adopting **Resolution PFA 2017-06**, a Resolution of the City of Merced Public Financing and Economic Development Authority, Adopting the Budget and Appropriating Revenue for Fiscal Year 2017-2018; and,
- B. Approving capital projects based upon the Planning Commission's June 7, 2017 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, 2017.

Parking Authority - Adopt a motion:

- A. Adopting **Resolution PA 2017-07**, a Resolution of the City of Merced Parking Authority, Adopting the Budget and Appropriating Revenue for Fiscal Year 2017-2018; and,
- B. Approving capital projects based upon the Planning Commission's June 7, 2017 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, 2017.

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 Mayor and City Council and Chair and Commissioners of the Authorities have received and reviewed the City Manager/Executive Director's recommended budgets for Fiscal Year 2017-2018. The Proposed Budget addresses the City Council's service priorities and the budget guidelines that direct the 2017-2018 Budget balance expenditures to revenues generated during the fiscal year. The Proposed Budget has minor modifications to the City Manager's recommended budget that reflect the City Council's direction to enhance youth programs. It is a sustainable budget that meets the City Council's goal of the expenditures being less than the revenues planned for the fiscal year.

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 the projects, programs and funding included in the Proposed Fiscal Year 2017-2018 Budget. An Errata List is attached for review. If the "Recommended Budget" is approved by the City Council the Errata List will be included as part of the 2017-2018 Adopted Budget. In addition, any approved increases in Maintenance District annual assessments during the June 19, 2017 City Council meeting will also be included as part of the 2017-18 Adopted Budget.

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 Core Budget of \$39.7 million, several one-time expenditures are recommended to be included in the City's annual adopted budget. The one-time expenditures include funds for Park maintenance, Legislative Advocacy Contract, a Quiet Zone study, a Substandard Housing Pilot, an initial investment in acquiring a new Enterprise Resource Planning (ERP) System and the continued support of the Revenue Stabilization and Economic Development Opportunity funds. The total one-time expenditures are \$2.06 million.

The Measure C Oversight Committee met on May 23, 2017 to review the proposed 2017-2018 budget. The Committee approved the City Manager's Recommended Budget for Fiscal year 2017-2018, which includes the transfer of 2.0 full-time equivalent (FTE) to the General Fund, with a total FTE of 12.8 fire and 21.99 police personnel.

The five-year Capital Improvement Program (CIP) was reviewed by the Planning Commission at the June 7, 2017 meeting and was found to be consistent with the General Plan as required by State Law.

ATTACHMENTS

1. City Council Resolution

2. Public Finance Resolution
3. Parking Authority Resolution
4. Errata List