



Legislation Text

File #: 19-292, **Version:** 1

Report Prepared by: Steven S. Carrigan, City Manager

SUBJECT: Public Hearing - Affords the Interested Public an Opportunity to Provide Input on the Content of the City Council, Public Financing and Economic Development Authority and the Parking Authority Fiscal Year 2019-20 Proposed Budget

REPORT IN BRIEF

Public Hearing to afford the interested public an opportunity to provide input on the content of the 2019-20 City Council, Public Financing and Economic Development Authority, and Parking Authority Proposed Budget

RECOMMENDATION

City Council/Public Financing and Economic Development Authority/Parking Authority - It is recommended that the City Council/Authorities conduct the Public Hearing and provide direction to the City Manager on the content of the Fiscal Year 2019-20 Budget; and adopt a motion continuing the Public Hearing to the June 17, 2019 Council Meeting.

ALTERNATIVES

1. Approve, as recommended by staff; or
2. Approve, subject to other than recommended by staff (identify specific findings and/or conditions amended to be addressed in the motion); or,
3. Deny; or,
4. Refer to staff 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, Section 1104

DISCUSSION

The City Council held three town hall meetings and a budget goals and priority session that has provided for public input on the projects, programs, and funding included in the Proposed Fiscal Year 2019-20 Budget. On May 20, 2019, staff presented the City Council with the Proposed Budget for Fiscal Year 2019-2020. The total City proposed budget for FY 2019-20 is \$255 million, with no increase in total number of positions, it will remain at 493 authorized positions.

As proposed, the General Fund estimated revenue is \$42 million and estimated total expenditures is \$43.9 million, which includes an operational deficit of \$69,808. The General Fund FY 2019-20 budget includes non-operating expenditure recommendations for a March primary ballot measure,

replacement of the citywide data storage system, set-aside funding for the second phase of the Enterprise Resource Planning system and Trust 115 for pension liability, and continued support of the Economic Development Opportunity and Revenue Stabilization Funds. The total one-time expenditures are \$1,524,594.

Staff presented the proposed FY 2019-20 budget to the Measure C committee for approval. Measure C proposed budget includes moving .50 of a Police Officer and .50 of a firefighter to Community Facilities Districts. This would result in a total of 12.3 fire and 19.49 police personnel supported by Measure C.

With the understanding that a General Fund operating deficit does not meet the City Council policy of balancing operating expenditures to revenues, staff presented three options that would balance the General Fund. Direction was provided to staff to bring back a fourth option for consideration, which would include the potential of un-funding vacant positions in order to eliminate the deficit.

All options will be presented to the City Council for consideration on June 3, 2019, including updates on FY 2019/20 Council Goals & Priorities. After direction, staff will bring back a revised version of the budget to Council on June 17, 2019 for final approval.

ATTACHMENTS

1. City Manager Budget Message