



CITY OF SANTA BARBARA

FINANCE COMMITTEE AGENDA REPORT

AGENDA DATE: May 22, 2012

TO: Finance Committee

FROM: Administration Division, Finance Department

SUBJECT: Finance Committee Review Of The Fiscal Year 2013 Recommended Budget, Including Citywide Reserve Balances And Policies, Funding Of Infrastructure And Capital Maintenance, And Proposed Adjustments To The Recommended Budget

RECOMMENDATION:

That the Finance Committee:

- A. Hear a report from staff on citywide reserve balances and policies, and capital infrastructure and capital maintenance; and
- B. Receive, and forward to Council for approval, adjustments to the Recommended Operating and Capital Budget for Fiscal Year 2013, which are the result of new information and/or changed circumstances since the filing of the recommended budget on April 17, 2012.

DISCUSSION:

On Tuesday, April 17, 2012, the Recommended Operating and Capital Budget for Fiscal Year 2013 ("Recommended Budget") was submitted to Council. That day, Council heard an overview of the Recommended Budget and approved the Schedule of Council Budget Review Meetings and Public Hearings.

Earlier that day, the Finance Committee also approved its own budget review schedule, as well as the additional topics that it will review. The approved Finance Committee budget review schedule (as updated at the May 8th Finance Committee meeting) is attached to this report. Consistent with the updated budget review schedule, today's meeting will cover the following topics:

1. Review of citywide reserve balances and policies, and funding of infrastructure and capital maintenance;
2. Follow-up items requested by Finance Committee, if any;
3. Proposed adjustments to the Recommended Budget for Fiscal Year 2013;
4. Finance Committee decisions for recommendation to City Council.

PROPOSED ADJUSTMENTS

Since the filing of the Recommended Operating and Capital Budget for Fiscal Year 2013 on April 17, 2012, staff has identified the need for changes to the recommended budget stemming from a number of factors. In general, the changes stem from new information received, the need to correct or refine estimates, or changes in circumstances that give rise to the need to adjust the recommended budget. This is not unusual; in fact, each year staff brings a number of proposed adjustments to the Finance Committee and then Council for approval. The recommended adjustments are listed in the attached Schedule of Proposed Adjustments.

- ATTACHMENTS:**
1. Approved Finance Committee Budget Review Schedule
 2. Schedule of Proposed Adjustments to the Recommended Operating and Capital Budget for Fiscal Year 2013

PREPARED BY: Michael Pease, Budget Manager

SUBMITTED BY: Robert Samario, Finance Director

APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Updated Finance Committee Budget Review Schedule
Recommended Operating and Capital Budget for Fiscal Year 2013

| Meeting Date & Time | Department |
|--|---|
| Tuesday, April 24, 2012 12:00 p.m. – 1:45 p.m. | <ul style="list-style-type: none"> ➤ General Fund multi-year forecast & balancing strategy (20 min) ➤ General Fund non-departmental revenues (20 min) |
| Tuesday, May 1, 2012 11:30 a.m. – 1:30 p.m. | <ul style="list-style-type: none"> ➤ General Fund Impact from Redevelopment Dissolution (30 min) ➤ General Fund proposed departmental fee changes (1 hour) |
| Tuesday, May 8, 2012 11:00 a.m. – 1:30 p.m. | <ul style="list-style-type: none"> ➤ Enterprise fund proposed fee changes (1 hour 45 min) – Waterfront, Water, Wastewater, Golf, and Solid Waste |
| Tuesday, May 22, 2012 12:00 p.m. – 1:45 p.m. | <ul style="list-style-type: none"> ➤ Review of citywide reserve balances and policies, and funding of infrastructure and capital maintenance (30 min) ➤ Follow-up on items requested by Finance Committee, if any ➤ Staff recommended adjustments to FY 2013 Budget, if any ➤ Finance Committee decisions for recommendation to Council |

CITY OF SANTA BARBARA
Schedule of Proposed Adjustments
Recommended Operating and Capital Budget for Fiscal Year 2013

| | <u>Estimated Revenue</u> | <u>Appropriations</u> | <u>Addition to/ (Use of) Reserves</u> |
|--|------------------------------|-------------------------|---|
| GENERAL FUND | | | |
| Library Department | | | |
| Fund Children's library project development director with gift funds | 50,000 | 50,000 | |
| Updated Fee for Administration of Goleta/Small Branches | 2,253 | - | |
| Updated County Per Capita Revenue figures from County | 9,818 | - | |
| Increase hourly salaries budget | - | 12,071 | |
| General Fund Total | <u>\$ 62,071</u> | <u>\$ 62,071</u> | <u>\$ -</u> |
| COUNTY LIBRARY FUND | | | |
| Library Department | | | |
| Updated County Per Capita revenue figures for Goleta/Small Branches | 14,217 | - | |
| Updated revenue estimate for Goleta Library Parcel Tax | 10,806 | - | |
| Updated City Administration fee for Goleta/Small Branches | - | 2,253 | |
| County Library Fund Total | <u>\$ 25,023</u> | <u>\$ 2,253</u> | <u>\$ 22,770</u> |