



Proposed Budget and Capital Improvement Plan

FISCAL YEAR 2020-2021

Topics

- ▶ Summary of Fiscal Year 2018-19 Financial Audit
- ▶ CalPERS
 - ▶ Increase in UAL Payment
 - ▶ UAL Amortization
 - ▶ New Fiscal Policy
- ▶ Reserve Policy
 - ▶ General Fund
 - ▶ Enterprise Fund
 - ▶ Internal Services

Summary of Fiscal Year 2018-19 Financial Audit

- ▶ General Fund Fiscal Year End Reserve Balance:
 - ▶ \$4,566,273 (\$1.3 to be applied to UAL per fiscal policy), available \$3,266,273
- ▶ 20% Reserve Policy amount is \$3,213,873
- ▶ Government Funds Balance:

Net position

Invested in capital assets, net of related debt	46,361,089
Restricted for:	
Capital projects	12,237,198
Community development	1,127,354
Debt service	778,550
Public safety	634,760
Streets and roads	6,668,915
Unrestricted	<u>(9,957,822)</u>
Total net position	<u>\$57,850,044</u>

CalPERS Increase

- ▶ \$173,993 increase in UAL from current fiscal year to 2020-2021
- ▶ Gains/Loss will now be amortization over 20 years:
 - ▶ Current Fiscal Year Losses will impact fiscal year 2022-23
 - ▶ Ramped up first five year then flatten for remaining 15 years
- ▶ New Fiscal Policy Adopted October 21, 2019:
 - ▶ All reserves over the 20% threshold will be allocated to the Unfunded Accrued Liability (UAL) and/or a Section 115 Trust.
 - ▶ City Council will direct staff during the budget process to appropriate funds. The amount appropriated will be no less than \$300,000

Reserve Policy

- ▶ General Fund:
 - ▶ 15% Operating Reserve
 - ▶ 5% Emergency Reserve
 - ▶ All reserves over the 20% threshold will be allocated to the Unfunded Accrued Liability (UAL) and/or a Section 115 Trust.

- ▶ Enterprise Funds:
 - ▶ Ambulance Fund:
 - ▶ 90 days of working capital including transfers out (\$1,993,538)
 - ▶ Pioneer Village:
 - ▶ 30 days of working capital (\$7,331)
 - ▶ Garbage Services:
 - ▶ 30 days of working capital (\$117,084)
 - ▶ Cultural Arts:
 - ▶ 30 days of working capital (\$13,010)
 - ▶ Transit Services:
 - ▶ 30 days of working capital (\$62,682)

Reserve Policy (Continued)

- ▶ Internal Services
 - ▶ Insurance Fund:
 - ▶ 90 days of working capital (\$304,435)
 - ▶ Fleet Management:
 - ▶ 90 days of working capital (\$135,091)
 - ▶ Building and Utility:
 - ▶ 90 days of working capital (\$75,948)
 - ▶ General Overhead:
 - ▶ 30 days of working capital (\$1,252)
 - ▶ Data Processing:
 - ▶ 60 days of working capital (\$29,779)