

City Council
Mid-Year Budget Review
February 9, 2021



To: Mayor and Councilmembers

From: Tina Envia, Interim Administrative Services Director

Prepared by: Nadine Silva, Senior Accountant

Subject: Updates to Presentation of FY 2020/2021 Mid-Year Budget Review

The attached is an update to the presentation that will be made to the City Council at the Special Meeting on February 9, 2021 at 4:00 p.m. with regards to the Fiscal Year 2020/2021 Mid-Year Budget Review process to the City of Turlock's General and Non-General Fund Budgets.

Updates were made to provide additional details and enhance the information provided to Council and the Community.

The updates are the addition of several slides to provide more meaning to the original presentation, as follows:

Added Slides:

- General Fund through January 31, 2021
- General Fund Revenue Trends
- General Government Revenue Detail
- Frozen Positions
- Analysis of General Fund Balance
(added Fund Balance By Category detail)

Attachment: Updated presentation to Council detailing FY 2020/2021 Mid-Year Budget Adjustments

City of Turlock

Mid-Year 2020-2021 Budget Adjustments



PREPARED BY FINANCE DEPARTMENT

COUNCIL MEETING: FEBRUARY 9, 2021

General Fund Through January 31, 2021

	7 months ended 1/31/2021	2020-2021 Amended Budget	2020-2021 Remaining Budget	% of Budget Received/ Expended (Benchmark 58%)
Revenues	\$ 19,750,407	\$ 43,787,300	\$ 24,036,893	45%
Expenditures				
Administration	2,829,099	5,540,263	2,711,164	51%
COVID19	1,819,478	917,463	(902,015)	
Police	12,702,703	21,968,092	9,265,389	58%
Fire	5,705,381	9,862,684	4,157,303	58%
Development Services	408,004	793,689	385,685	51%
Public Facilities	129,446	289,199	159,753	45%
Parks	490,634	899,338	408,704	55%
Recreation	440,036	1,479,130	1,039,094	30%
Special Public Safety	409,511	857,845	448,334	48%
Tourism	162,753	354,808	192,055	46%
Total Expenditures	\$ 25,097,045	\$ 42,962,511	\$ 17,865,466	58%
Budgeted Revenue Over / (Under) Expenses		\$ 824,789		

General Fund Mid Year Highlights

Revenues

- Sales Tax trending higher than anticipated
- Measure A – new revenues will begin 4/1/2021
- Cannabis Businesses generating Development Agreement Fees
- Loss of Recreation Programs due to COVID-19 pandemic

Expenditures

- COVID-19 expenses
- Human Resources and City Manager offices position adjustments
- Labor negotiation costs
- Increased vehicle maintenance
- Decrease in Recreation staffing and supply costs due to suspended programs as a result of COVID-19 pandemic

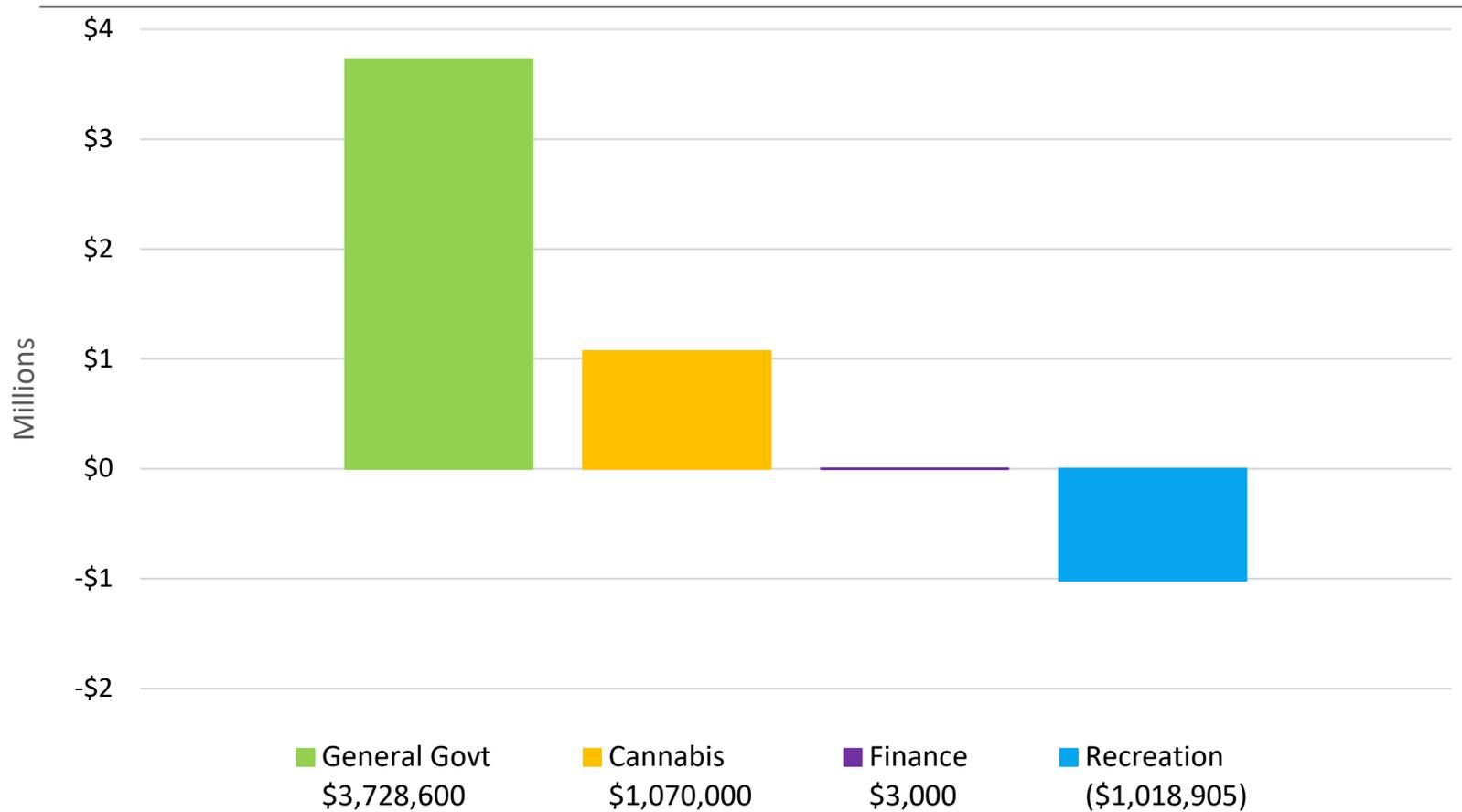
General Fund Revenue Trends

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- **Sales Tax** at \$6.8 million (July-November 2020) at 51% of the annual budget, trending at 10% above benchmark of 41% (at 5 months)
 - **Sales Tax – Measure A** = 3/4 cent sales tax effective April 1, 2021 with estimated impact of \$2.7 million of new revenue for FY 2020/2021
 - **TOT (hotel/motel)** at \$817,000 through 12/31/20 at 54% of the annual budget
 - **Garbage Franchise Fees** at \$826,000 through 12/31/20 at 45% of the annual budget
 - **Card Room Operators Franchise Fees** at \$28,000 through 1/31/21 which is less than 10% of the annual budget
 - **Property Tax** 1st property tax installment of \$2.9 million was received in January 2021 – revenues are on track with annual budget
 - **CARES Revenues** of \$3,426,048
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General Fund - Revenue Detail

\$3,782,695

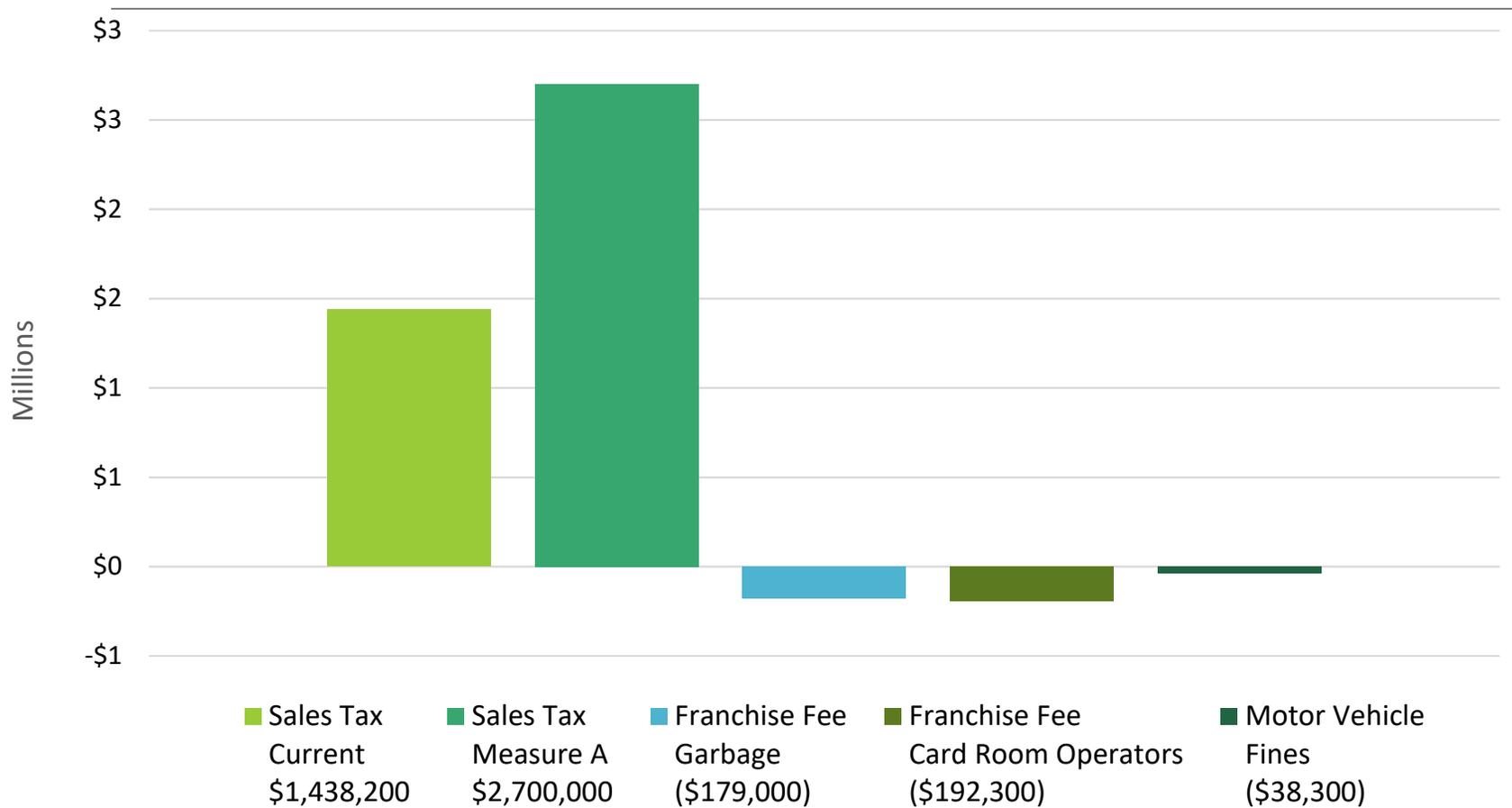
Mid Year Budget Adjustment Requests



General Government Revenue Detail

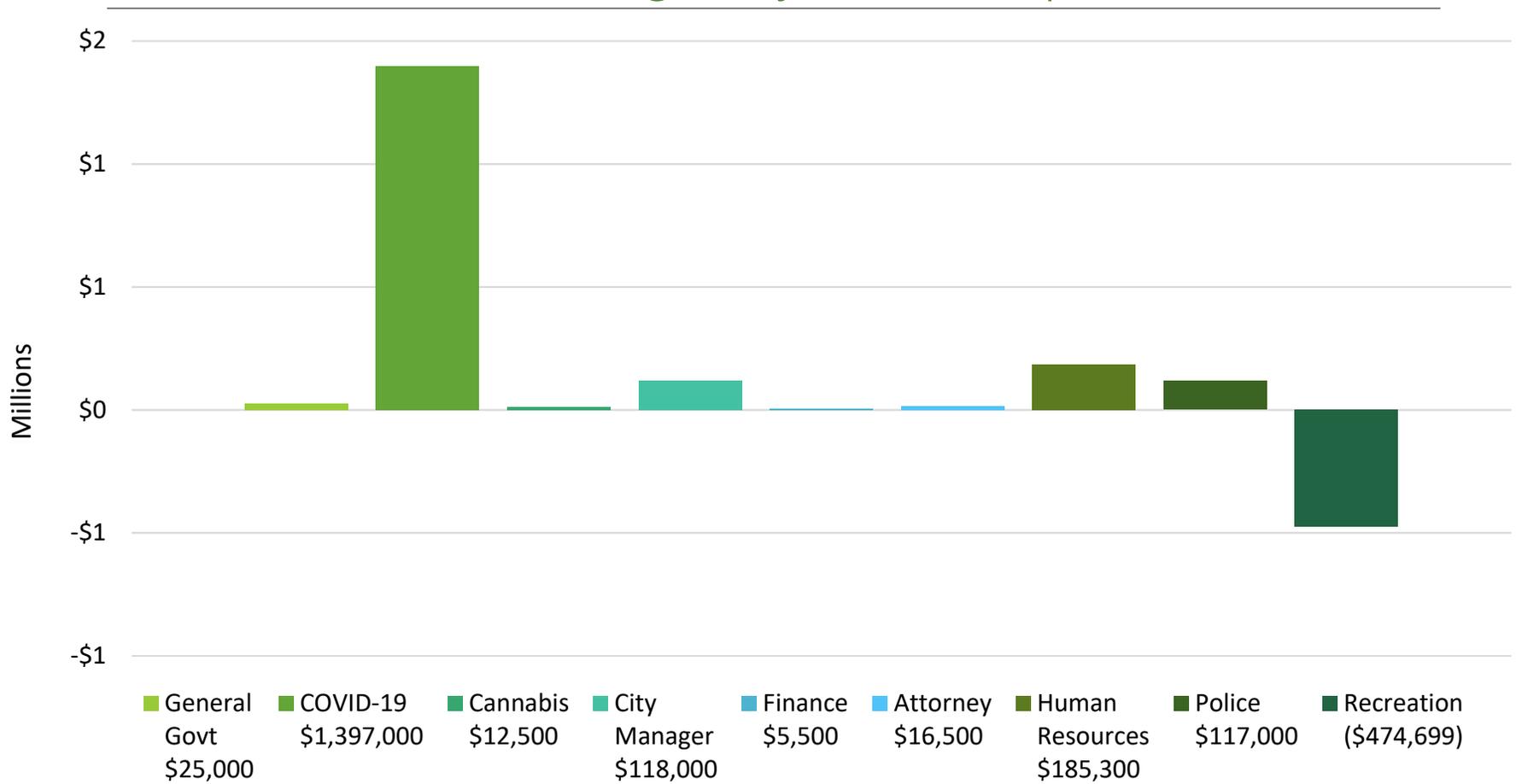
Budget Adjustment Requests

\$3,728,600



General Fund - Expenditure Detail (\$1,402,101)

Mid Year Budget Adjustment Requests



FROZEN POSITIONS

Salary and Benefit Savings

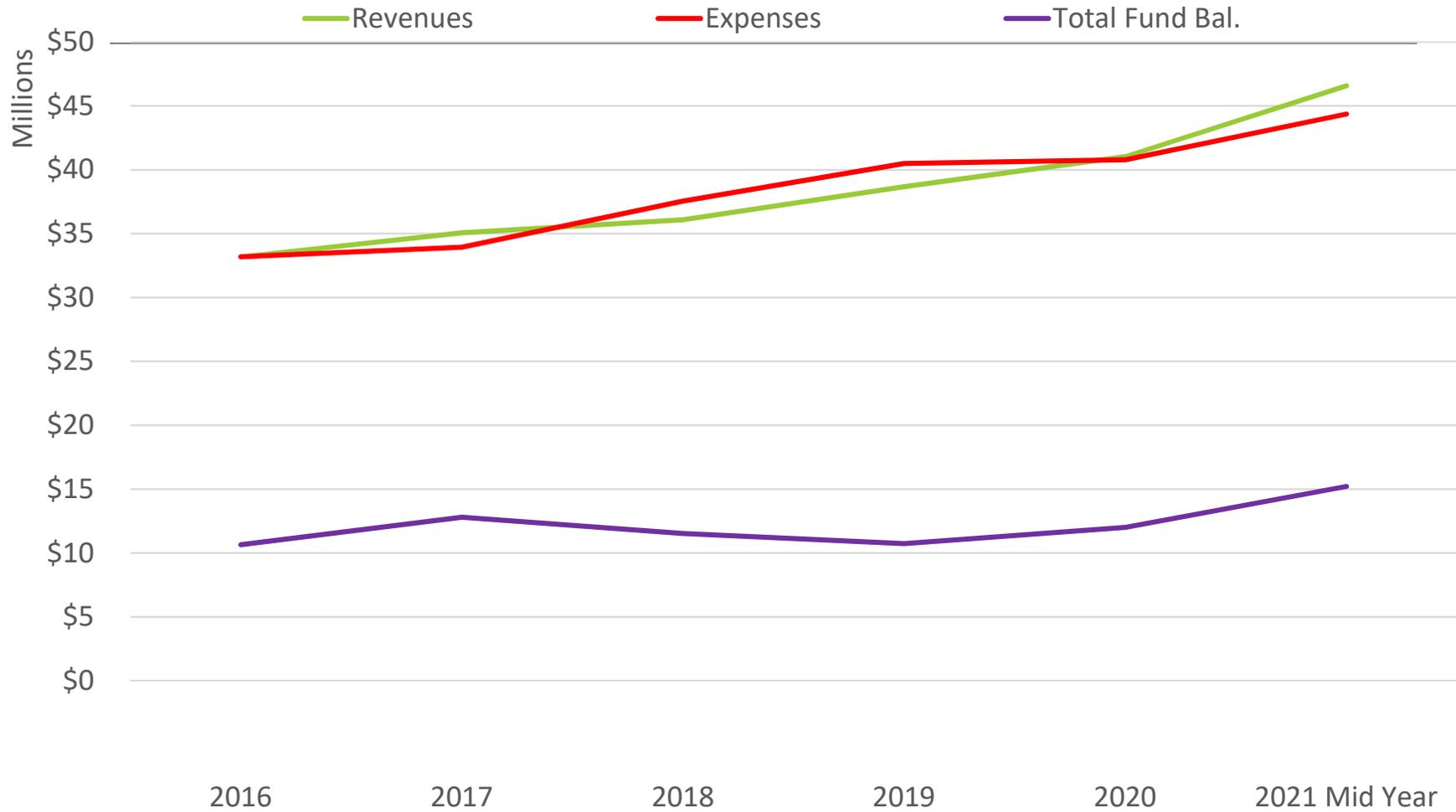
(based on FY 20/21 projections):

Department	# of Positions	FY 19/20 & FY 20/21 (cumulative)
Administration	4	\$ 597,621
Police	10	\$ 1,378,157
Fire	8	\$ 1,346,225
Development Services	8	\$ 799,332
Public Facilities	2	\$ 157,397
Parks	1	\$ 144,011
Recreation	1	\$ 70,907
TOTAL	35	\$ 4,493,649

Analysis of General Fund Balance

	2020 Actuals (Unaudited)	2021 Budgeted Prior to Mid Year Adjustments	2021 Budgeted After Mid Year Adjustments
Beginning Balance	\$10,741,498	\$12,004,198	\$12,004,198
Revenues	\$42,035,479	\$43,787,300	\$47,569,995
Expenditures	<u>(\$40,772,779)</u>	<u>(\$42,962,511)</u>	<u>(\$44,364,612)</u>
Net	\$1,262,700	\$824,789	\$3,205,383
Ending Fund Balance	<u>\$12,004,198</u>	<u>\$12,828,987</u>	<u>\$15,209,581</u>
Fund Balance By Category			
 Nonspendable	30,515		31,000
 Committed	1,811,478		1,927,777
 Assigned	529,976		535,000
 Unassigned	9,632,229		12,715,804

General Fund Trends 2016 to 2021 Mid Year



Non General Fund Highlights

- Housing – Payoff of old CDBG loans and related use of program income
 - Water Fund – Reflect costs of Stanislaus Regional Water Authority
 - Water Quality Control – Computer, software, and licensing for utilities TV van
 - Fund 219 SB1 Transportation Tax – Hot mix truck/trailer
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