



Finance Committee, Regular Meeting

FINANCE COMMITTEE MEETING MINUTES

April 20, 2016 – 3:00PM

City Hall – Conference Room 111

COUNCILMEMBERS PRESENT: Kathleen Huckabay (Chair), Tom Odell, Tom Hornish

STAFF PRESENT: Lyman Howard, Chris Gianini

1. 2015 Year-end Financial Management Report Highlights

2015 ended with a positive variance of \$20,861,812. Revenues exceeded budget by \$2,820,993 primarily from sales tax and real estate excise tax. Expenditures were \$18,040,819 less than budgeted. Budgeted operating and capital contingency funds of over \$6.5 million were not spent and capital expenditures were under budget by over \$10 million. A significant portion of the capital under-expenditures will be carried forward to 2016.

2. 2015 to 2016 Administrative Carryforwards

The mid-budget carryforwards total \$14,234,350. Of this amount \$13,209,703 is for capital projects budgeted for 2015 that are expected to be spent in 2016. Operating carryforwards of \$1,024,647 will fund the trails, bikeways, and paths plan update, right of way inventory, retrofitting of sidewalks, streetlights, and signals, website redesign, and purchase/implementation of a human resources system.

3. Quarter 1 2016 Financial Management Report Highlights.

Development revenues are tracking above expectations for the first quarter along with real estate excise taxes. Expenditures are in line with expectations for the first quarter.

The year-end, administrative carryforwards, and first quarter highlights will be presented at the May 3, 2016 City Council meeting. The Powerpoint presentation was reviewed by the Finance Committee. One additional slide showing expenditures by type for 2015 was requested and will be added to the final presentation.

4. Identifying & Quantifying Future Liabilities

Staff is working on the transportation, parks, and stormwater capital plans for presentation to Council in June. The plan is to present the three capital plans and a coordinated list of all projects along with sources of revenue. Revenues will be identified as restricted to particular projects/ types of projects or available for use on any type of project.

5. Miscellaneous

The question of sufficient staffing arose. Lyman responded that Community Development is very tight with no extra capacity. Stormwater was also mentioned as an area that may need more staffing.

Lyman outlined the budget cycle in response to the question-When does the budget cycle start?

Do we need to look at Council salaries?

Has the city considered zero based budgeting? Lyman responded that we look at all budget lines each budget cycle rather than just repeating the prior budget with an inflation factor. Contingency funds are budgeted for unanticipated items with Council approval sought to spend contingency funds.

The Finance Committee will meet twice a month during budget preparation.

Meeting adjourned.

Next Meeting: May 24th @ 10:30 AM in Conference Room 111