



**Town of Paradise
Council Agenda Summary
Date: June 26, 2018**

Agenda Item: 6a

Originated by: Gina S. Will, Administrative Services Director/Town Treasurer
Approved by: Lauren Gill, Town Manager
Subject: 2017/18 Operating and Capital Budget Update

Council Action Requested:

1. Approve staff recommended budget adjustments for the 2017/18 fiscal year

Background:

As part of compiling the 2018/19 budget, the 2017/18 budget continues to be analyzed and scrutinized. In order to take appropriate steps before the new budget is implemented, staff is bringing forward one last adjustment to the 2017/18 budget for Town Council's consideration.

Discussion:

General Fund (without Measure C) estimated actual revenues are up \$51,000 from the current amended budget. This is a 4.9% increase from the prior 2016/17 fiscal year. Further estimated actual expenses are up \$18,770 from the current amended budget a 1.85% increase from 2016/17. This provides an estimated increase in net position of \$56,789. Staff recommends splitting this net position three ways by making an additional contribution to the OPEB trust, by transferring a third to the asset replacement and repairs fund, and finally, to leave a third in cash flow reserves. The attached report details the above described adjustments.

Fiscal Impact:

These adjustments result in an estimated end of year cash flow reserve of \$1.38 million or 10.7% of 2017/18 estimated expenses.