



Sunnyvale

FY 2017/18 Budgetary Year-End Report and Comprehensive Annual Financial Report

Tim Kirby, Director of Finance

FY 2017/18 Budgetary Year End Report

- Budgetary Year-End Report
 - Budgetary Basis, looking at current resources
 - Cash flow – Cash available for spending
- CAFR – Recorded when revenues earned and expenditures incurred, regardless of when cash is received or paid

Major General Fund Revenues

Major Revenue Category	Budget	Actuals	Variance
Property Tax	\$ 73.8 M	\$ 74.3 M	0.8%
Sales Taxes	31.8 M	33.0 M	3.8%
Other Taxes	9.3 M	8.9 M	(5.0%)
Transient Occupancy Tax	16.3 M	17.7 M	8.9%
Service Fees	6.3 M	7.0 M	12.5%
Sale of Surplus Property	21.0 M	21.0 M	0.0%
Total Revenue	\$ 203.5 M	\$ 210.5 M	3.5%
Net Revenue		\$ 7.0 M	3.5%

General Fund Revenues

- General Fund revenues finished the year favorably coming in approximately \$7.0 M better than forecast
- Transient Occupancy Tax, Property Tax, and Sales Tax showed large positive variances
- Service fees, such as Development Fees and Public Safety fees also performed well

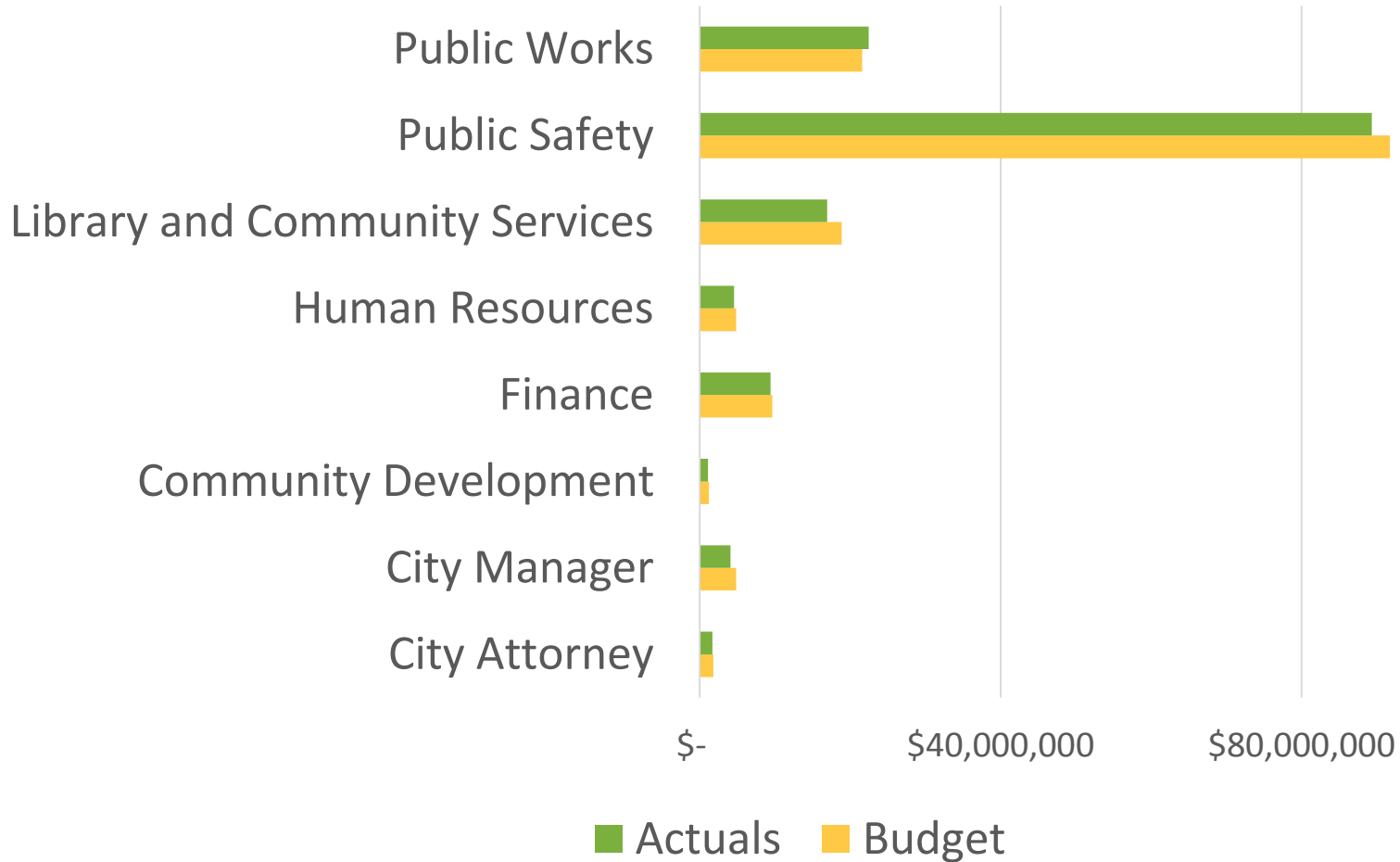
General Fund Expenditures

Description	Final Budget	Actuals	Variance
Appropriations	\$ 239.3 M	\$ 203.7 M	14.9%
Carryover/Deferred Transfers		31.1 M	
Total Expenditure w/Carryover	\$ 239.3 M	\$ 234.9 M	1.9%
Net Savings		\$ 4.5 M	

General Fund Expenditures

- General Fund expenditures finished the year about \$7.0M below budgeted levels - \$2M set aside for emergency generators
- \$5.1M of savings due to vacancies in operating departments; DPS and LCS contributed the most savings
- Department of Public Works exceeded its expenditure budget due to water rate increases associated with the Neighborhood Parks and Open Space Management program

General Fund Expenditures



Impact on Budget Stabilization Fund

Higher than Estimated Revenue	\$ 7.0 M
Higher than Estimated Expenditures**	\$ 4.5 M
CAFR Adjustment/Reserve Reconciliation	\$ 0.2 M
Net Increase to FY 2017/18 Budget Stabilization Fund	\$ 11.7 M

Budget Modification No. 13

- Increase General Fund Expenditures due to transfers:
 - \$1.0M to OPEB Trust
 - \$1.0M to Pension Trust
 - \$2.0M to CalPERS to reduce unfunded liability
 - \$2.0M to General Fund Capital Improvement Projects Reserve

Budget Modification No. 13

Reserves	Current	Increase/ (Decrease)	Revised
Contribution to General Fund Capital Projects Reserve	\$ 3.3 M	\$ 2.0 M	\$ 5.3 M
Increase to Budget Stabilization Fund	\$ 34.5 M	\$ 11.7 M	\$ 46.3 M
Revised Budget Stabilization Fund	\$46. 3 M	(\$ 6.0 M)	\$ 40.3 M

Comprehensive Annual Financial Report

- CAFR independently audited by Macias Gini & O'Connell (MGO)
- Prepared based on the format prescribed by the Governmental Accounting Standard Boards (GASB)
- Received an unmodified opinion which is the optimal result from the independent audit

Other Items

- Sunnyvale Financing Authority – 2009 Government Office Center Certificates of Participation
- Closed Projects – Some projects being closed due to changing circumstances since initial appropriation

Recommendation

City Council

- Receive and File the FY 2017/18 Budgetary Year-End Financial Report, the Audited Comprehensive Annual Financial Report (CAFR), and the Report to the City Council issued by the Independent Auditor, and Approve Budget Modification No. 13 and the list of Proposed Closed Projects

Sunnyvale Financing Authority

- Receive and file the FY 2017/18 Sunnyvale Financing Authority Financial Report