

City of Hesperia

STAFF REPORT



DATE: May 1, 2018

TO: Mayor and City Council Members
Chair and Board Members, Hesperia Water District

FROM: Nils Bentsen, City Manager

BY: Casey Brooksher, Director of Finance

SUBJECT: FY 2018-19 Budget Workshop #2 – Operating Budget

RECOMMENDED ACTION

It is recommended that the City Council and the Hesperia Water District Board of Directors receive and file this staff report and presentation, which provides information about the current status of the City of Hesperia's proposed operating budget for FY 2018-19.

BACKGROUND

In compliance with the City Council's policy direction, staff annually develops an expenditure budget. While the budget gives the City the legal authority to secure goods and services, it is also a communication tool that provides information to the citizens about the City's programs and projects. To ensure that the budget is developed to meet the City Council's direction, a series of budget workshops have been developed. The first workshop focused on CalPERS and its impact on the four active Hesperia plans. This second workshop will highlight the proposed operating budget. During the second City Council meeting in May, the third workshop will focus on use of reserves for non-operating expenditures. Finally, the proposed annual budget will be presented at the last budget workshop in June 2018.

ISSUES/ANALYSIS

For this second budget workshop, a brief overview of the City's and Water District's operating budget will be given. The operating budget includes planned ongoing revenues and expenditures for the upcoming fiscal year, as well as revisions to the FY 2017-18 Budget. It should be noted, that the goal for developing the FY 2018-19 Budget was to minimize the use of reserves and enhance cash reserves. This goal will be highlighted during the presentation.

FISCAL IMPACT

There are no financial impacts at this time, as this is a workshop to discuss the proposed FY 2018-19 operating budget.

ALTERNATIVE(S)

1. Provide alternative direction to staff.

ATTACHMENT(S)

None