

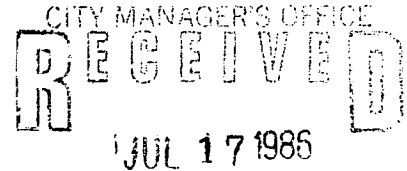


CITY OF SACRAMENTO

DEPARTMENT OF FINANCE

BUDGET DIVISION

July 17, 1986
BA:86040:EM:KMF



Budget and Finance Committee
Sacramento, California

Honorable Members in Session:

SUBJECT: General Fund Contingency Status Report

SUMMARY

This report provides a status report on the General Fund Contingency.

BACKGROUND

Upon adoption of the 1986-87 Budget, a General Fund Contingency of \$1,017,000 was established. There are four major reasons for this Contingency to change throughout the year:

1. Council Approved Augmentations (Reductions). During the course of the year the Council may approve requests for augmentations (reductions) to the operating or capital budget.
2. Administrative Augmentations/Reductions. As provided in the Budget Resolution, the City Manager has the authority to transfer up to and including \$20,000 (per request) from the Administrative Contingency. (Requests in excess of \$20,000 must have Council approval.) Generally, such transfers are used to deal with unanticipated costs which have little or no programmatic impact.
3. Capital Project Closures. When Capital projects are closed out, any remaining funds are returned to the originating Contingency/Fund balance. Conversely, if at project close-out there is an overrun, a transfer is made from the originating Contingency/Fund balance. Overruns in excess of \$20,000 are brought to Council for approval of the transfer.
4. Midyear Adjustments to Revenue, Beginning Fund Balance. During the year, staff will prepare updates on beginning fund balance, revenues, and expenditures. A formal adjustment of beginning fund balance will result in a similar adjustment to Contingency, e.g., if beginning fund balance comes in higher than anticipated the incremental adjustment will be appropriated to Contingency.

Likewise, the Midyear reestimate of revenues can also impact Contingency.

CURRENT CONTINGENCY STATUS

The following table details year-to-date transfers from the General Fund Contingency.

**STATUS REPORT
GENERAL FUND CONTINGENCY
-THROUGH JULY 18, 1986**

<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>AUTHORIZATION</u>
Approved Budget	\$1,017,000	Council
Less:		
o Transfer to Metro Arts for Symphony	-30,000	Council
o Morey Terrace Street Abandonment	-20,000	Council
Balance as of 7-18-86	<u>\$ 967,000</u>	

RECOMMENDATION

This report is for Committee information.

Respectfully submitted,

Betty Masuoka
BETTY MASUOKA
Budget Officer

APPROVED FOR COMMITTEE INFORMATION:

Solon Wisham, Jr.

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Assistant City Manager