

FY2023 Unaudited General Fund Performance

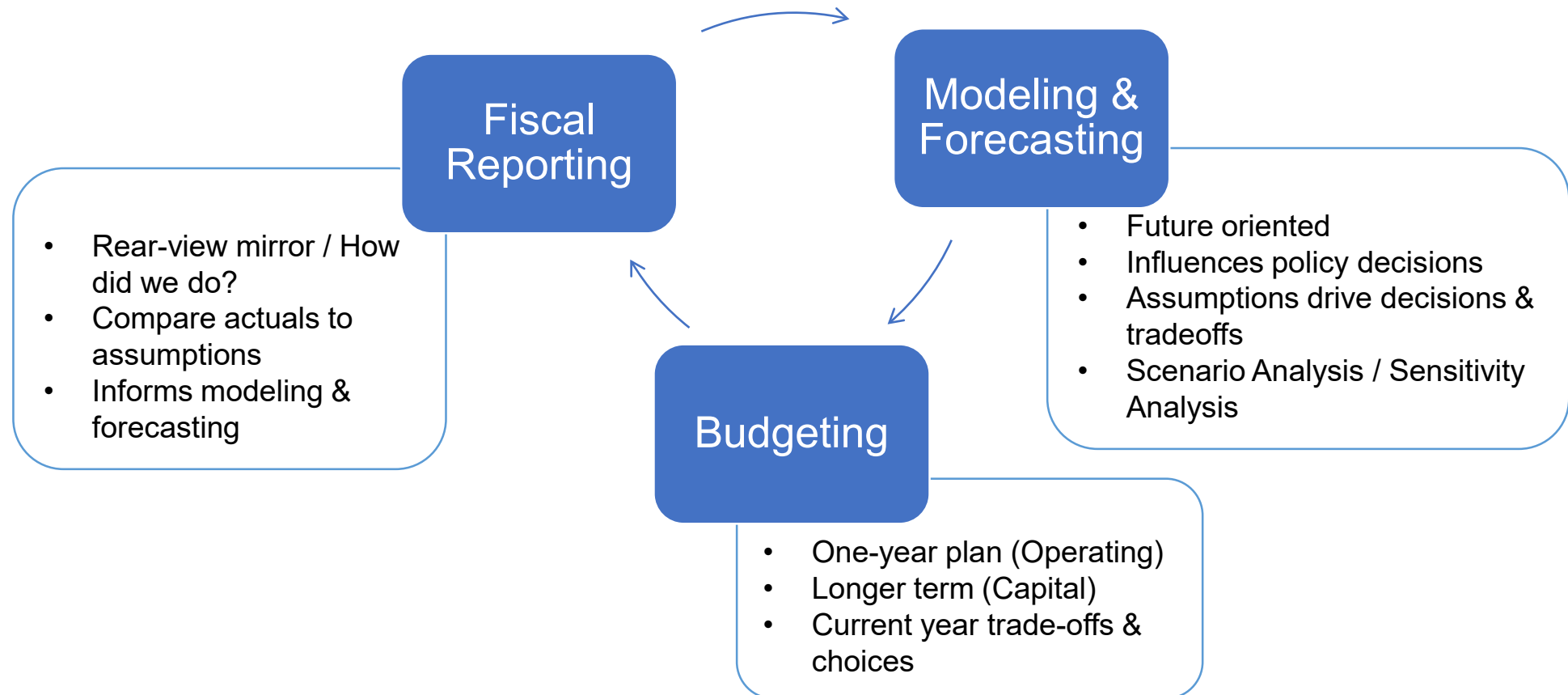
Presented by David Cooke

January 9, 2024

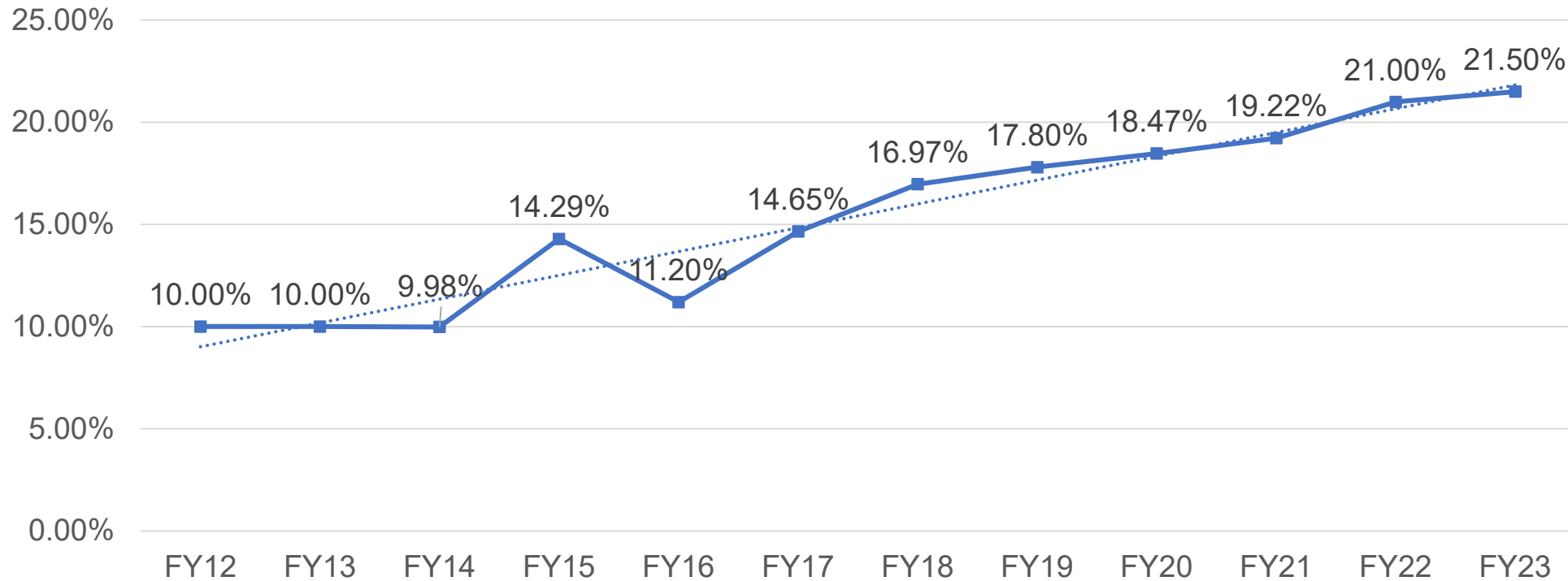
Purpose

- Update on Fiscal Year 2023 Financial Performance
- Discuss Increasing Unassigned Fund Balance
- Recommend Uses for Unaudited Available Fund Balance
- Next Steps to Close FY2023
 - M&C on January 23 to amend final budgets & assign and commit fund balance
 - Annual Financial Report presentation to Audit Committee and Council Work Session on March 5

Annual Financial Cycle



General Fund Unassigned Fund Balance



Prior to FY15: the minimum reserve requirement was 10% of regular operating expenditures

FY15 - FY19: the minimum requirement was 10% with a goal of two months (16.67%) of regular ongoing operating expenditures

FY2020 and Onward: The minimum requirement is two months (16.67 %) of the next fiscal year's budgeted operating expenditures with a goal of three months (25%) of regular ongoing operating expenditures

General Fund Financials (unaudited)

FY23 GENERAL FUND BALANCE PROJECTION	Amended Budget	Unaudited Actuals	variance
Beginning Fund Balance	\$244,430,283	\$244,430,283	
Revenue	936,004,071	989,438,164	53,434,093
<u>Expenditure</u>	<u>952,254,194</u>	<u>927,487,549</u>	<u>24,766,645</u>
<i><u>contribution to (use of) fund balance</u></i>	<u>(16,250,123)</u>	<u>61,950,615</u>	<u>78,200,738</u>
FY23 Ending Fund Balance - Projected	<u>\$228,180,160</u>	<u>\$306,380,898</u>	

Unaudited General Fund Projection of FY2023 Financials on a budgetary basis (estimate).

This data does not include adjustments for GAAP.

Revenue includes \$8,075,596 recognition of surplus government funds' interest earnings previously recorded in the General Debt Service Fund

Estimated Additional Spend Opportunity

Unassigned Fund Balance at 21.50%

\$217,969,664

FY24 Budgeted Expenditures \$1,013,812,390

Last year's FB Reserve was \$192,221,585 | 21.00%

The minimum requirement is two months (16.67%) of the next fiscal year's budgeted operating expenditures with a goal of three months (25%).

Available for Assignment, after Non-Spendable & Committed

\$54,415,467

This amount is free to put toward increasing the reserve or for spend in FY24 based on the 21.50% reserve

Fund Balances Including Assignments

Projected General Fund Balances by Category

Non-Spendable	\$3,589,073
Previously Committed	13,031,838
Add'l Committed	17,374,856
Assigned	54,415,467
Unassigned	217,969,664
Total Ending Fund Balance	<u>\$306,380,898</u>

Assigning the proposed projects still allows the City to meet its desired 21.50% reserve level for Unassigned Fund Balance

These are preliminary, unaudited estimates on a budgetary basis

Committed

Project	Amount
Previously Committed (Sales Tax Repayment)	\$13,031,838
Committed Expenditures for Dept. Rollovers	2,374,856
Juneteenth Museum (Previously Assigned)	15,000,000
TOTAL	\$30,406,694

Recommended Assignments

Project	Amount
Library Capital Projects (Net Sales Proceeds from Sale of the Central Library)	\$16,034,527
Capital Projects Shortfalls	30,305,344
Capital Projects Shortfalls-Surplus Interest Earnings	8,075,596
TOTAL	\$54,415,467

Next Steps

- FY2023 Year End Closeout M&C on January 23, 2024
- Audit Committee and Council Work Session presentations on March 5, 2024
- Review & Analyze FY2023 Details to Inform Improvements for FY2025 Budget

Thank you

