

## General Fund

### Fund Statement

	<u>Actual 2010/2011</u>	<u>Actual 2011/2012</u>	<u>Budget 2012/2013</u>	<u>Revised Estimate 2012/2013</u>	<u>Budget 2013/2014</u>
Beginning Balance, July 1	\$ 1,748,557	\$ 2,077,006	\$ 2,595,708	\$ 3,244,239	\$ 2,949,122
Revenues	15,629,117	17,077,538	17,053,676	17,360,820	17,405,549
Encumbrance Variance	<u>271</u>	<u>2,647</u>	<u>0</u>	<u>0</u>	<u>0</u>
Funds Available	\$ 17,377,945	\$ 19,157,191	\$ 19,649,384	\$ 20,605,059	\$ 20,354,671
Expenditures	<u>15,300,939</u>	<u>15,912,952</u>	<u>17,184,247</u>	<u>17,655,937</u>	<u>17,688,707</u>
Ending Balance, June 30	<u>\$ 2,077,006</u>	<u>\$ 3,244,239</u>	<u>\$ 2,465,137</u>	<u>\$ 2,949,122</u>	<u>\$ 2,665,964</u>
<b>Increase (Decrease) in Fund Balance</b>	<b>\$ 328,449</b>	<b>\$ 1,167,233</b>	<b>\$ (130,571)</b>	<b>\$ (295,117)</b>	<b>\$ (283,158)</b>
<b>Minimum Fund Balance Per City Financial Policies (10% of General Fund Expenditures)</b>	<b>\$ 1,530,000</b>	<b>\$ 1,591,000</b>	<b>\$ 1,718,000</b>	<b>\$ 1,766,000</b>	<b>\$ 1,769,000</b>
<b>Amount Over (Under) Policy Minimum</b>	<b>\$ 547,006</b>	<b>\$ 1,653,239</b>	<b>\$ 747,137</b>	<b>\$ 1,183,122</b>	<b>\$ 896,964</b>
<b>Proposed New Minimum Fund Balance (15% of General Fund Expenditures)</b>					<b>\$ 2,653,000</b>
<b>Amount Over (Under) Proposed New Minimum Fund Balance</b>					<b>\$ 12,964</b>
<b>Ending Balance as a Percent of General Fund Expenditures</b>	<b><u>13.6%</u></b>	<b><u>20.4%</u></b>	<b><u>14.3%</u></b>	<b><u>16.7%</u></b>	<b><u>15.1%</u></b>

#### Explanation of Increases or Decreases in Fund Balances:

The City's current financial policies provide that the working balance of the General Fund be at least 10% of budgeted expenditures. The Moody's bond rating report in 2008 stated "Moody's considers the 10% level to be relatively narrow, and higher reserve levels may mitigate any unforeseen one-time expenses that may challenge financial operations". With that in mind, City Council has been budgeting for incremental increases in the General Fund balance as part of the budget process in recent years. At the end of 2013/2014, the General Fund balance is 15.1% of General Fund expenditures. In the upcoming year City Council will be considering amending the financial policies to reflect this increased minimum General Fund balance level. Consideration can be given each year for balances higher than the 15% with a long-term goal of reaching a consistent 20% level.