



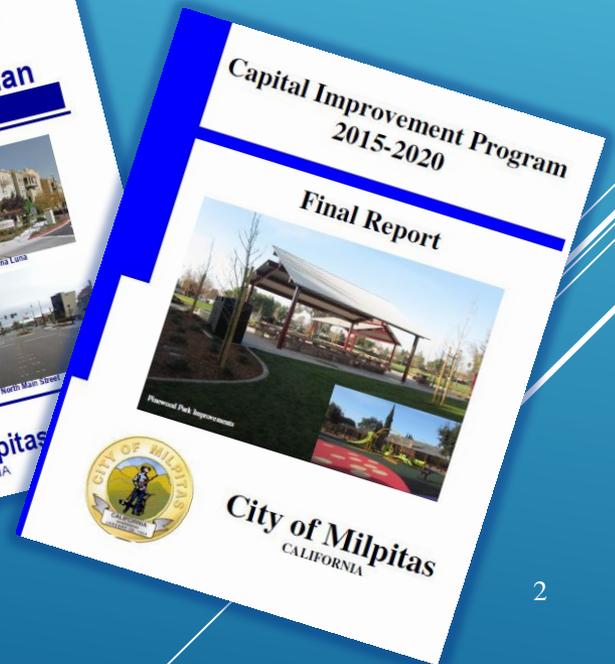
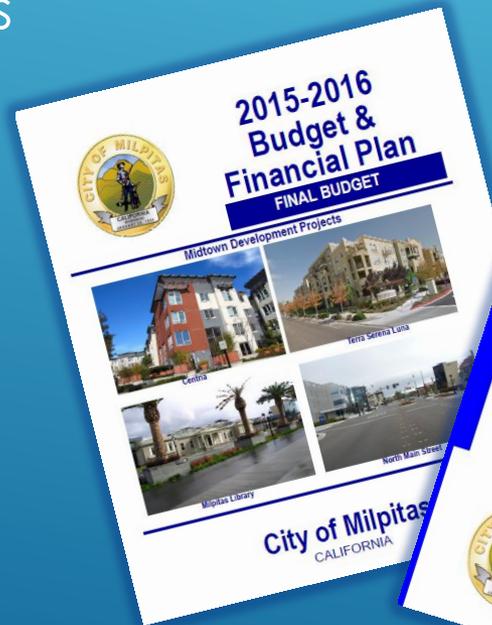
CITY OF MILPITAS

December 31, 2015

Financial Status Report

TONIGHT'S ACTION ITEMS

Receive the Financial Status Report
Discussion/Questions/Answers



REPORT HIGHLIGHTS

- Focus on the major funds - General, Water & Sewer
- Revenue projections \$1.2 million, or 1.6%, above budget overall
- Department expenditures slightly below budget at 48.5%
- General Fund balanced at the end of the year expected
- Water Fund is noteworthy reflects a drop in revenue as compared to budget
- Sewer Fund on course

FY 15-16 GENERAL FUND REVENUES DECEMBER 31, 2015

FY 14/15			FY 15/16				FY 15-16 Revised vs. Budget	
Actual	Year to Date	Percentage of Actual	Budget	Year to Date	Percentage of Budget	Revised Projection	Increase (Decrease)	
							Amount	Percentage
77,735,914	25,589,828		76,819,741	28,114,324	36.60%	78,034,200	1,214,459	1.58%

Dec 2014
\$25.6 M

Dec 2015
\$28.1 M

Projected
\$78.03 M

Increase
\$1.2 M
1.58%

FY 15-16 GENERAL FUND REVENUES DECEMBER 31, 2015



FY 15-16 GENERAL FUND REVENUES DECEMBER 31, 2015

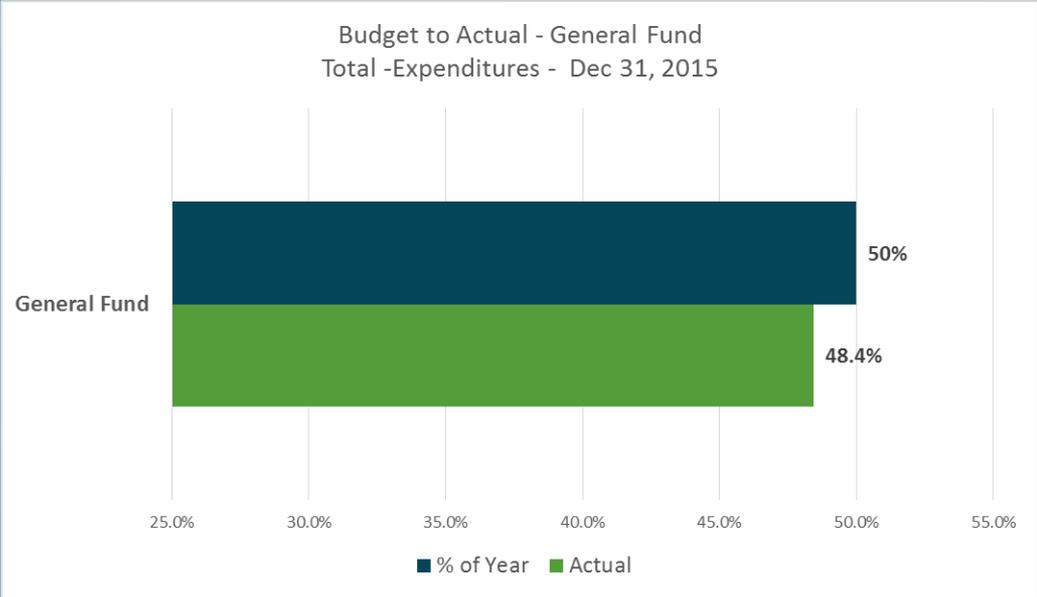
	FY 15/16				Projected vs. Budget Increase (Decrease)	
	Budget	Year to Date	Percentage of Budget	Revised Projection	Amount	Percentage
General Fund						
Property Taxes	\$ 20,327,000	\$ 5,177,381	25.47%	\$ 21,005,000	\$ 678,000	3.34%
RFTTF Distributions	4,353,000	-	0.00%	4,704,000	351,000	8.06%
Sales and Use Taxes	21,490,000	7,988,655	37.17%	19,863,000	(1,627,000)	-7.57%
Franchise Fees	3,520,000	745,630	21.18%	3,671,000	151,000	4.29%
Hotel/Motel (TOT) Tax	8,018,000	3,981,204	49.65%	9,189,000	1,171,000	14.60%
Building Permits	6,452,808	3,500,379	54.25%	6,606,000	153,192	2.37%
Charges for Current Services	5,607,000	3,199,137	57.06%	5,752,000	145,000	2.59%
Other Revenue Sources	2,582,933	1,287,438	49.84%	2,775,200	192,267	7.44%
Total General Fund	72,350,741	25,879,824	35.77%	73,565,200	1,214,459	1.68%
Internal Service Charges						
Charges for Services (Internal)	4,469,000	2,234,500	50.00%	4,469,000	-	0.00%
	\$76,819,741	\$28,114,324		\$78,034,200	\$1,214,459	1.58%

UNEMPLOYMENT RATES

	<u>Dec. 15</u>	<u>Dec. 14</u>	<u>Dec. 13</u>
U.S.	5.00%	5.60%	6.70%
California	5.80%	7.20%	8.50%
Milpitas (Nov)	3.50%	5.30%	6.40%

Source: Bureau of Labor Statistics and CA EDD

GENERAL FUND EXPENDITURES - DECEMBER 31, 2015 COMPARED TO BUDGET



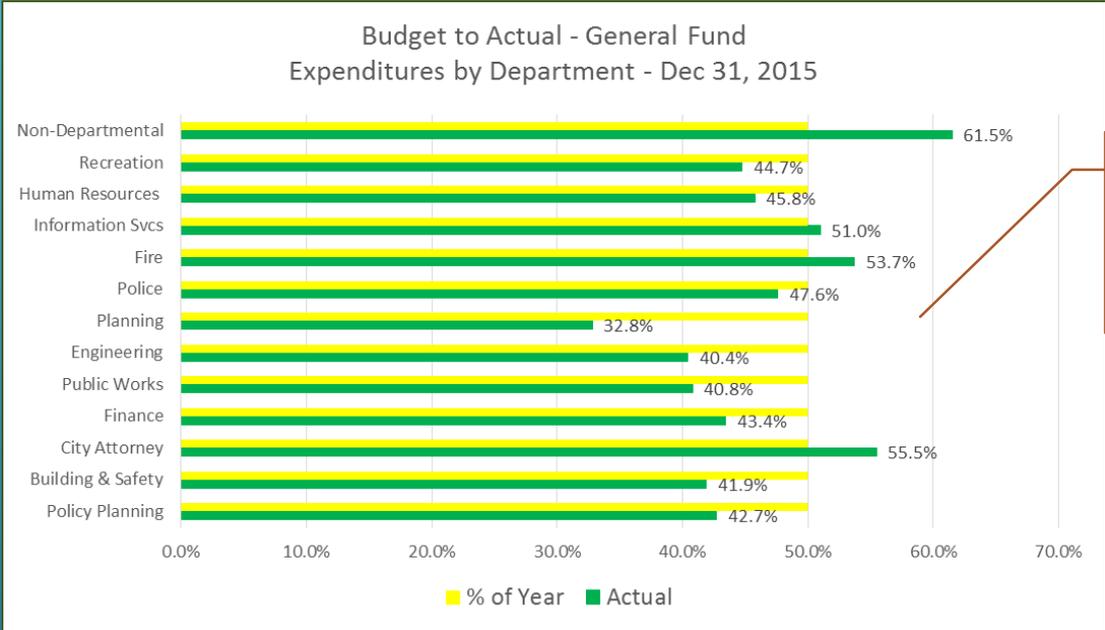
Expenditures are trending to be \$75.7 million or 1 to 3% under budget

GENERAL FUND EXPENDITURES - DECEMBER 31, 2015 COMPARED TO BUDGET (MILLIONS)

<u>CATEGORY</u>	<u>Budget</u>	<u>YTD Expenditures</u>	<u>% Expended</u>
PERSONNEL SERVICES	\$62,423,212	\$30,527,350	48.90%
MATERIALS & SERVICES	<u>15,741,274</u>	<u>7,340,730</u>	<u>46.63%</u>
	\$78,164,486	\$37,868,080	48.45%

Expenditure Categories In Line

GENERAL FUND EXPENDITURES - DECEMBER 31, 2015 COMPARED TO BUDGET



On line with estimates but diligent cost control remains central

Under Budget Overall (48.45%) – Some Operations Over at Mid-Year

FY 15-16 GENERAL FUND BUDGET PROJECTIONS (MILLIONS)

Projected Revenues (includes RPTTF)	\$ 73.56
Internal Service Charges	4.47
Less: Projected Expenditures	<u>(75.70)</u>
Revenue available for CIP (Preliminary)	\$ 2.33



UTILITY REVENUES DECEMBER 31, 2015

▶ **Water Service charges**

- ▶ **Budget \$23.3 million, received \$10.35 million,**
- ▶ **Estimated to be below budget by \$3.85 million**

This is a topic to further discussed in the upcoming mid-year budget adjustments report

- Mid -year Budget Actions Addresses:
- CIP Timing with respect to reserve preservation
 - Delay in 15-16 Revenue Stream

UTILITY REVENUES DECEMBER 31, 2015

- ▶ **Sewer Service charges**
 - ▶ Budget \$14.20 million, received \$7.74 million,
 - ▶ On track with budget

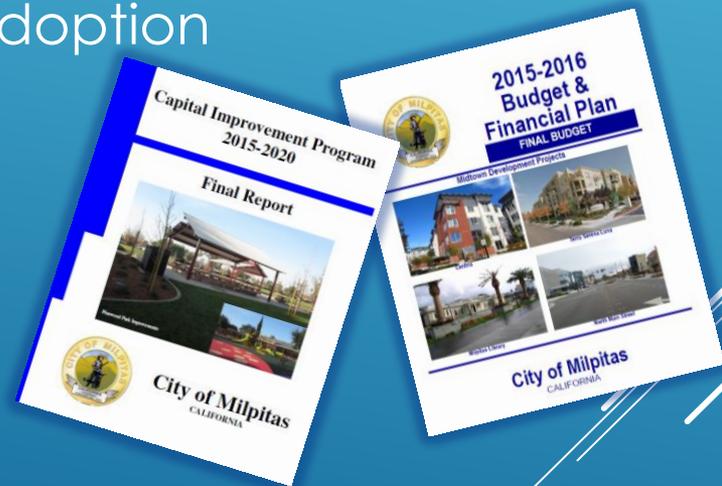
Future budgets will need to address regional infrastructure funding needs

REPORT HIGHLIGHTS

- Focus on the major funds - General, Water & Sewer
- Revenue projections \$1.2 million, or 1.6%, above budget overall
- Department expenditures slightly below budget at 48.5%
- Projected balanced General Fund at the end of the year
- Cost control remains a fiscal focal point
- Water Fund reflects a drop in revenue compared to budget
- Sewer Fund on course as planned

FY 16-17 CONFIRM KEY BUDGET DATES

3/31/2016	Planning Commission Review of Capital Projects
4/05/2016	Budget Study Session (TBD) (5:30PM)
4/19/2016	Review Draft CIP
5/17/2016	Budget Hearing /Adoption





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Q & A