



Department Source: Finance

To: City Council

From: City Manager & Staff

Council Meeting Date: September 4, 2018

Re: Appropriation of one half of FY 2017 General Fund Savings

Executive Summary

This Ordinance will appropriate 50% of the FY 2017 General Fund Savings back to departments based on their proportion of the total savings for FY 2017.

Discussion

The Council approved an Incentive Based Budgeting initiative in March, 2013 to provide an incentive for general fund departments to not spend all of their budget each year. In years when there are savings in the general fund, one half of the savings will go back to departments based on the proportion of the total savings they generated. These savings can only be spent on one-time expenses since the savings may not occur in future years. The other half of the general fund savings is allocated by the City Council. The funds are set up in project accounts which allow funds to be carried into the next year if they are not completely spent. There were general fund savings allocated in FY 2012, FY 2014 and FY 2016. There were not savings to allocate in FY 2013 and FY 2015.

The General Fund savings for FY 2017 is \$2,909,966 of which 50% of that savings, \$1,454,983, goes back to the departments for one time purchases.

Fiscal Impact

Short-Term Impact: The General Fund Reserve will be reduced for FY 2018, but will be above the 20% cash target set forth in policy.

Long-Term Impact: None.

Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

Primary Impact: Operational Excellence, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

Comprehensive Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable



City of Columbia

701 East Broadway, Columbia, Missouri 65201

Legislative History

Date	Action
03/18/2013	REP43-13 Incentive Based Budgeting brought to Council

Suggested Council Action

Recommended passage of this Ordinance.