

REPORT TO CITY COUNCIL

DATE: JUNE 22, 2005

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: GREG RAMIREZ, CITY MANAGER

BY: GEORGETTE HOLT, FINANCE OFFICER

SUBJECT: RECEIVE AND FILE THE FIVE YEAR FORECAST: 2006-2010 FOR FISCAL YEAR 2005-06

This is the first year this document has been prepared and presented to the Finance Committee and the City Council as a working document. The purpose of this forecast is to help identify the General Fund's ability over the next five years to continue current services, maintain our existing assets and fund new initiatives such as enhanced operating programs or the acquisition of new facilities, equipment and infrastructure. The forecast does this by projecting ongoing revenues and subtracting from them operating costs, debt service and maintenance of existing assets. If positive, the balance remaining is available to fund "new initiatives;" if negative, it shows the likely "budget gap" to continue current service levels.

RECOMMENDATION:

It is recommended that the City Council receive and file the Five Year Forecast: 2006-2010 for fiscal year 2005-06.