



FY 20 BUDGET MEMO # 31

DATE: April 30, 2019

TO: The Honorable Mayor and Members of the City Council

THROUGH: Robert A. Stalzer, City Manager *RA Stalzer*

FROM: David Hodgkins, Assistant City Manager/Director of Finance

SUBJECT: Incremental effect of surplus at different tax rates

As requested by Councilmembers DeMarco and Yi.

Attachment I reflects how incremental reductions to the real estate tax rate will impact the estimated \$2.65M combined surplus (for FY19 and FY20) and the Fund Balance percentages for fiscal years ending June 30 2019 and 2020.

Changes in Tax Rate and Fund Balance % as a Result of Reductions in Projected Surplus

(1)	Real Estate	FY 2019	FY 2020
Projected	Tax Rate	Fund Balance	Fund Balance
Surplus/Deficit			
2,650,000	1.0875	13.99%	13.84%
2,408,422	1.0850	13.94%	13.68%
2,166,843	1.0825	13.89%	13.53%
1,925,265	1.0800	13.84%	13.37%
1,683,687	1.0775	13.79%	13.22%
1,442,108	1.0750	13.74%	13.06%
1,200,530	1.0725	13.69%	12.90%
958,951	1.0700	13.64%	12.74%
717,373	1.0675	13.59%	12.59%
475,795	1.0650	13.54%	12.43%
234,216	1.0625	13.49%	12.27%
(7,362)	1.0600	13.44%	12.11%
(171,635)	1.0583	13.40%	12.00%

(1) - the projected surplus/deficit reflects the combined results for FY 2019 and FY 2020.