



City of San Leandro

Meeting Date: October 3, 2016

Staff Report

File Number: 16-497

Agenda Section: CONSENT CALENDAR

Agenda Number: 8.F.

TO: City Council

FROM: Chris Zapata
City Manager

BY: David Baum
Finance Director

FINANCE REVIEW: Not Applicable

TITLE: Staff Report for a Resolution Approving a Budget Amendment to the City's Fiscal Year (FY) 2015-16 and 2016-17 General Fund, Special Revenue Funds, Enterprise Funds, Internal Service Funds, Capital Projects Funds, and Agency Funds Budget

SUMMARY AND RECOMMENDATIONS

Staff recommends that the City Council review and approve FY 2015-16 and 2016-17 Budget Amendments.

BACKGROUND

The City Council approves annual budgets based on the best revenue and expenditure information available several months prior to the actual adoption of budget appropriations. As a result, budget adjustments are periodically necessary for changes that arise and require additional budget appropriations or re-appropriations between budget line items. The City Council originally approved the FY 2015-16 Budget on June 1, 2015 and has made various adjustments since that date. The current FY 2016-17 Budget was adopted by Council on June 6, 2016.

DISCUSSION

Attachments 1 and 2 to the Resolution include summary and detail of budget adjustments that were made to departmental and fund appropriations over the last six months of FY 2015-16 and now require formal Council approval per Adopted Budget Policies. Attachments 3 and 4 include summary and detail of items that were included in the FY 2015-16 adopted budget that need to be carried over to 2016-17. Attachments 5 and 6 include summary and detail of budget adjustments that were made to departmental and fund appropriations over the first two months of FY 2016-17 and require formal Council approval per Adopted Budget Policies. Summaries include information regarding Funding Sources, Revenue and Expenditure

Adjustments, and Net Changes in Fund Balance. Detail reports include the same information, but also provide complete descriptions regarding the purpose of the adjustments.

FISCAL IMPACTS

The total change in the projected ending fund balance for the General Fund in FY 2015-16 amounts to a decrease of \$82,500. New General Fund revenues (mainly from donations) amount to \$23,745, leaving \$106,245 in new General Fund expenditures.

The total change in the projected ending fund balance for the General Fund in FY 2016-17 amounts to a decrease of \$1,405,004. This is mainly the result of carry-overs from various projects and initiatives not completed in Fiscal Year 2015-16. Should additional appropriation adjustments become necessary, they will be brought to Council for approval throughout the fiscal year as needed.

CONCLUSION

Staff recommends that the City Council review and approve FY 2015-16 and 2016-17 Budget Amendments.

ATTACHMENT(S) TO STAFF REPORT

- Attachment 1 - Summary Budget Adjustments FY 2015-16
- Attachment 2 - Detailed Budget Adjustments FY 2015-16
- Attachment 3 - Summary Budget Carryover Adjustments FY 2016-17
- Attachment 4 - Detailed Budget Carryover Adjustments FY 2016-17
- Attachment 5 - Summary Budget Adjustments FY 2016-17
- Attachment 6 - Detailed Budget Adjustments FY 2016-17

PREPARED BY: Norite Vong, Senior Accountant
Will Fuentes, Assistant Finance Director



City of San Leandro

Meeting Date: October 3, 2016

Resolution - Council

File Number: 16-498

Agenda Section: CONSENT CALENDAR

Agenda Number:

TO: City Council

FROM: Chris Zapata
City Manager

BY: David Baum
Finance Director

FINANCE REVIEW: Not Applicable

TITLE: RESOLUTION Approving Amendments to the City of San Leandro Budget for Fiscal Year (FY) 2015-16 and 2016-17

WHEREAS, the City Council approves annual budgets based on the best revenue and expenditure information available at the time budgets are prepared; and

WHEREAS, budget adjustments are periodically necessary for changes that arise and require additional budget appropriations or re-appropriations between budget line items; and

WHEREAS, the City Council originally approved the FY 2015-16 Budget on June 1, 2015 and has made various adjustments since that date; and

WHEREAS, the current FY 2016-17 Budget was adopted by Council on June 6, 2016; and

NOW, THEREFORE, the City Council of the City of San Leandro does RESOLVE as follows:

That the FY 2015-16 and 2016-17 Budget is hereby amended as shown on that certain document entitled Staff Report for a Resolution Approving a Budget Amendment to the City's Fiscal Year (FY) 2015-16 and 2016-17 General Fund, Special Revenue Funds, Enterprise Funds, Internal Service Funds, Capital Projects Funds, and Agency Funds Budget, copies of which are attached hereto and incorporated herein by reference.

**Attachment 1 - Summary Budget Adjustments FY 2015-16
CITY OF SAN LEANDRO**

Funding Source	Revenue Adjustments	Expenditure Adjustments	Net Change to Fund Balance
General Fund	23,745	(106,245)	(82,500)
Special Grants Fund	74,774	(74,774)	-
TOTAL	\$ 98,519	\$ (181,019)	\$ (82,500)

**Attachment 2 - Detailed Budget Adjustments FY 2015-16
CITY OF SAN LEANDRO**

GENERAL FUND

Revenue Budget Adjustments:

Donation from Friends of the Library	\$ 13,070
Donation for Recreation Department Activities	9,886
Reimbursement for CSMFO Training	789
Total Increase in Revenues	\$ 23,745

Expenditure Budget Adjustments:

Alameda County Administrative Property Transfer Tax Fees	\$ (55,000)
Recreation ActiveNet Transaction Fees	(27,500)
Library Summer Reading Program Activities	(13,070)
Recreation Department Special Events and Activities	(9,886)
Reimbursement for CSMFO Training	(789)
Total Increase in Expenditures	\$ (106,245)

Total Change in Projected Ending Fund Balance	\$ (82,500)
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SPECIAL GRANTS FUND

Revenue Budget Adjustments:

Grant for Project Literacy	\$ 38,900
Grant for First 5 Alameda County Community Project	23,874
Grant for 2016 Big Read Program	12,000
Total Increase in Revenues	\$ 74,774

Expenditure Budget Adjustments:

Project Literacy Grant Award	\$ (38,900)
First 5 Alameda County Community Grant Award	(23,874)
2016 Big Read Program Grant Award	(12,000)
Total Increase in Expenditures	\$ (74,774)

Total Change in Projected Ending Fund Balance	\$ -
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TOTAL NET BUDGET ADJUSTMENTS FOR ALL FUNDS	\$ (82,500)
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Attachment 3 - Summary Budget Carryover Adjustments FY 2016-17
CITY OF SAN LEANDRO

Funding Source	Revenue Adjustments	Expenditure Adjustments	Net Change to Fund Balance
General Fund	-	(1,350,004)	(1,350,004)
Special Grants Fund	-	(250,612)	(250,612)
Gas Tax Fund	-	(100,000)	(100,000)
HOME Fund	-	(306,127)	(306,127)
Affordable Housing Assets Fund	-	(743,239)	(743,239)
Water Pollution Control Plant Fund	-	(587,890)	(587,890)
Environmental Services Fund	-	(5,000)	(5,000)
Facilities Maintenance Fund	-	(794,096)	(794,096)
Information Technology Fund	-	(138,887)	(138,887)
Insurance Services Fund	-	(1,350,000)	(1,350,000)
Equipment Maintenance Fund	-	(288,059)	(288,059)
TOTAL	\$ -	\$ (5,913,914)	\$ (5,913,914)

**Attachment 4 - Detailed Budget Adjustments FY 2016-17
CITY OF SAN LEANDRO**

GENERAL FUND

Expenditure Budget Adjustments:

Carryover	City Manager - Neighborhood Beautification	\$	(35,000)
Carryover	Community Development - Next Gen Funding for Pop-up Food		(200,000)
Carryover	Community Development - Phase II of Marea Alta and the San Leandro Tech Campus		(145,966)
Carryover	Community Development - Council-approved Funding for Restaurant and Brewery Incentives		(122,594)
Carryover	Community Development - Executed or Pending Façade/Energy Incentives		(89,967)
Carryover	Community Development - Executed Contracts for Broadband Incentive		(80,828)
Carryover	Community Development - Mural Arts Program		(80,000)
Carryover	Community Development - Council-approved Funding for Banners		(49,972)
Carryover	Community Development - Consulting Services for Façade Program		(35,050)
Carryover	Community Development - Installation of Decorative Benches on East 14th and Davis Street		(35,000)
Carryover	Community Development - Bay Fair TOD Specific Plan Contingency		(10,000)
Carryover	Community Development - Out-Of-State FEMA training and On-Site ICC Classes		(8,000)
Carryover	Community Development - Maryann Miller Novak Consulting Services		(5,000)
Carryover	Community Development - Economic Development Certificate Program and CEQA Workshop		(1,150)
Carryover	Finance - Business License Audit Services through HdL		(75,000)
Carryover	Finance - GFOA, CSMFO, CAPPO, and EDEN Training		(8,870)
Carryover	Finance - Postage for New Business License Services		(7,500)
Carryover	Library - Friends of the Library Donation		(4,867)
Carryover	Public Works - Tree Trimming By Contract		(23,647)
Carryover	Recreation - San Leandro Social Services Initiative		(281,593)
Carryover	Recreation - Art Commission's Art Master Plan		(50,000)
	Total Increase in Expenditures	\$	(1,350,004)
	Total Change in Projected Ending Fund Balance	\$	(1,350,004)

SPECIAL GRANTS FUND

Expenditure Budget Adjustments:

Carryover	Library - Grant Funds for Meeting Room and Furniture	\$	(110,965)
Carryover	Library - First Five Alameda County Joint Grant Funds		(107,047)
Carryover	Library - Veterans Connect and Big Read Grant Funds		(32,600)
	Total Increase in Expenditures	\$	(250,612)
	Total Change in Projected Ending Fund Balance	\$	(250,612)

GAS TAX FUND

Expenditure Budget Adjustments:

Carryover	Public Works - Concrete Pad Installation for Dump Ramp	\$	(50,000)
Carryover	Public Works - Graphic Application Table and Line Laser		(37,000)
Carryover	Public Works - Metal Decking Top Cover for Yard Storage		(13,000)
	Total Increase in Expenditures	\$	(100,000)
	Total Change in Projected Ending Fund Balance	\$	(100,000)

HOME FUND

Expenditure Budget Adjustments:

Carryover	Community Development - Marea Alta Senior Housing	\$	(256,761)
Carryover	Community Development - Acquisition/Construction Grant Funds		(49,216)
Carryover	Community Development - Funds for Travel/Training		(150)
	Total Increase in Expenditures	\$	(306,127)
	Total Change in Projected Ending Fund Balance	\$	(306,127)

AFFORDABLE HOUSING ASSETS FUND

Expenditure Budget Adjustments:

Carryover	Community Development - Marea Alta Senior Housing	\$	(743,239)
	Total Decrease in Expenditures	\$	(743,239)
	Total Change in Projected Ending Fund Balance	\$	(743,239)

WATER POLLUTION CONTROL PLANT FUND

Expenditure Budget Adjustments:

Attachment 4 - Detailed Budget Adjustments FY 2016-17
CITY OF SAN LEANDRO

Carryover	Public Works - Residential Recycled Water Fill Station, Drying Bed Repairs, and Sludge Hall	\$	(200,000)
Carryover	Public Works - Drying Bed Repairs After Debris Removal and Sludge Haul		(132,400)
Carryover	Public Works - Digester Cleaning and Repairs for Digest 1 and 2		(100,310)
Carryover	Public Works - Neptune Retrofit, Digester Cleaning, and Digester 4 Replacement Piping		(92,880)
Carryover	Public Works - Replacement Piping, Valves, and Appurtenances for Digester 4		(50,000)
Carryover	Public Works - Increased Costs in Software Maintenance		(12,300)
Total Increase in Expenditures		\$	(587,890)
Total Change in Projected Ending Fund Balance		\$	(587,890)

ENVIRONMENTAL SERVICES FUND

Expenditure Budget Adjustments:			
Carryover	Public Works - Green Halo Hosting Fee	\$	(5,000)
Total Increase in Expenditures		\$	(5,000)
Total Change in Projected Ending Fund Balance		\$	(5,000)

FACILITIES MAINTENANCE FUND

Expenditure Budget Adjustments:			
Carryover	Public Works - Funds for Projects Not Completed in FY2015-16	\$	(780,096)
Carryover	Public Works - Upgrade City Facilities to Meet ADA Requirements		(14,000)
Total Increase in Expenditures		\$	(794,096)
Total Change in Projected Ending Fund Balance		\$	(794,096)

INFORMATION TECHNOLOGY FUND

Expenditure Budget Adjustments:			
Carryover	Information Technology - 21Tech Contract	\$	(31,667)
Carryover	Information Technology - Library Self-Print Machine, PD Doc Scanners, and Software Integration		(28,333)
Carryover	Information Technology - Cisco Call Manager Phone System Upgrade		(27,087)
Carryover	Information Technology - Veeam Backup Software and Support		(18,500)
Carryover	Information Technology - Vmware Support		(15,000)
Carryover	Information Technology - SharePoint Consulting Contract Extension		(10,000)
Carryover	Information Technology - PD New World System Upgrade		(8,300)
Total Increase in Expenditures		\$	(138,887)
Total Change in Projected Ending Fund Balance		\$	(138,887)

INSURANCE SERVICES FUND

Expenditure Budget Adjustments:			
Carryover	Risk Management - Anticipated Settlement and Increased Litigation Related to Fatalities	\$	(1,350,000)
Total Increase in Expenditures		\$	(1,350,000)
Total Change in Projected Ending Fund Balance		\$	(1,350,000)

EQUIPMENT MAINTENANCE FUND

Expenditure Budget Adjustments:			
Carryover	Police Department - Fleet Vehicle Purchases	\$	(288,059)
Total Increase in Expenditures		\$	(288,059)
Total Change in Projected Ending Fund Balance		\$	(288,059)

TOTAL NET BUDGET ADJUSTMENTS FOR ALL FUNDS		\$	(5,913,914)
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**Attachment 5 - Summary Budget Adjustments FY 2016-17
CITY OF SAN LEANDRO**

Funding Source	Revenue Adjustments	Expenditure Adjustments	Net Change to Fund Balance
General Fund	23,000	(78,000)	(55,000)
Street/Traffic Improvements (DFSI) Fund	-	(260,000)	(260,000)
Special Grants Fund	39,324	(39,324)	-
Information Technology Fund	-	(102,440)	(102,440)
Equipment Maintenance Fund	-	(150,000)	(150,000)
TOTAL	\$ 62,324	\$ (629,764)	\$ (567,440)

**Attachment 6 - Detailed Budget Adjustments FY 2016-17
CITY OF SAN LEANDRO**

GENERAL FUND

Revenue Budget Adjustments:

Donation from Friends of the Library	\$ 23,000
Total Increase in Revenues	\$ 23,000

Expenditure Budget Adjustments:

Alameda County Administrative Property Transfer Tax Fees	\$ (55,000)
Library Summer Reading Program Activities	(23,000)
Total Increase in Expenditures	\$ (78,000)

Total Change in Projected Ending Fund Balance	\$ (55,000)
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STREET/TRAFFIC IMPROVEMENTS (DFS) FUND

Expenditure Budget Adjustments:

Pedestrian Crossing Improvements	\$ (260,000)
Total Increase in Expenditures	\$ (260,000)

Total Change in Projected Ending Fund Balance	\$ (260,000)
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SPECIAL GRANTS FUND

Revenue Budget Adjustments:

Award from City of Services Grant	\$ 25,000
Award from Measure WW Grant	14,324
Total Increase in Revenues	\$ 39,324

Expenditure Budget Adjustments:

City of Services Grant Award	\$ (25,000)
Measure WW Grant Award	(14,324)
Total Increase in Expenditures	\$ (39,324)

Total Change in Projected Ending Fund Balance	\$ -
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INFORMATION TECHNOLOGY FUND

Expenditure Budget Adjustments:

Taser Body Camera Maintenance for Police Department	\$ (72,440)
SirsiDynix Fees for Library	(25,000)
Information Technology Training	(5,000)
Total Increase in Expenditures	\$ (102,440)

Total Change in Projected Ending Fund Balance	\$ (102,440)
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EQUIPMENT MAINTENANCE FUND

Expenditure Budget Adjustments:

Purchases and Replacement of Police Vehicles	\$ (150,000)
Total Increase in Expenditures	\$ (150,000)

Total Change in Projected Ending Fund Balance	\$ (150,000)
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TOTAL NET BUDGET ADJUSTMENTS FOR ALL FUNDS	\$ (567,440)
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