



City of San Leandro

Meeting Date: September 18, 2017

Staff Report

File Number: 17-519

Agenda Section: CONSENT CALENDAR

Agenda Number: 8.G.

TO: City Council

FROM: Chris Zapata
City Manager

BY: David Baum
Finance Director

FINANCE REVIEW: David Baum
Finance Director

TITLE: Staff Report for a Resolution Approving a Budget Amendment to the City's Fiscal Year (FY) 2016-17 and 2017-18 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 2016-17 and 2017-18 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 2016-17 Budget on June 6, 2016 and has made various adjustments since that date. The current FY 2017-18 Budget was adopted by Council on June 5, 2017.

DISCUSSION

Attachments one and two include summary and detail of budget adjustments that were made to departmental and fund appropriations over the last six months of FY 2016-17 and now require formal Council approval per Adopted Budget Policies. Attachments three and four include summary and detail of items that were included in the FY 2016-17 adopted budget that need to be carried over to 2017-18. 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 IMPACT

The projected ending fund balance for the General Fund in FY 2016-17 did not change as a result of departmental and fund appropriations over the last six months of the fiscal year. New General Fund revenues of \$226,914, mainly from donations and reimbursements, funded the increase of new General Fund expenditures of \$226,914.

The total change in the projected ending fund balance for the General Fund in FY 2017-18 amounts to a decrease of \$1,050,277. This is mainly the result of carry-overs from various projects and initiatives not completed in Fiscal Year 2016-17. 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 2016-17 and 2017-18 Budget Amendments.

PREPARED BY: David Baum, Finance Director



City of San Leandro

Meeting Date: September 18, 2017

Resolution - Council

File Number: 17-520 **Agenda Section:** CONSENT CALENDAR

Agenda Number:

TO: City Council

FROM: Chris Zapata
City Manager

BY: David Baum
Finance Director

FINANCE REVIEW: David Baum
Finance Director

TITLE: RESOLUTION Approving Amendments to the City of San Leandro Budget for Fiscal Year (FY) 2016-17 and 2017-18

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 2016-17 Budget on June 6, 2016 and has made various adjustments since that date; and

WHEREAS, the current FY 2017-18 Budget was adopted by Council on June 5, 2017; and

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

That the FY 2016-17 and 2017-18 Budgets are hereby amended as shown in the document entitled, Staff Report for a Resolution Approving a Budget Amendment to the City's Fiscal Year (FY) 2016-17 and 2017-18 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 2016-17
CITY OF SAN LEANDRO**

Funding Source	Revenue Adjustments	Expenditure Adjustments	Net Change to Fund Balance
General Fund	226,914	(226,914)	-
Street/Traffic Improvements (DFSI) Fund	-	89,047	89,047
Park Development Fee Fund	-	26,318	26,318
Measure B Fund	-	166,780	166,780
Asset Seizure Fund	-	(109,505)	(109,505)
Special Grants Fund	85,651	(85,651)	-
CDBG Fund	-	9,144	9,144
Capital Improvement Projects Fund	55,300	319,930	375,230
Water Pollution Control Plant Fund	-	154,366	154,366
Shoreline Enterprise Fund	-	(6,310)	(6,310)
TOTAL	\$ 367,865	\$ 337,205	\$ 705,070

**Attachment 2 - Detailed Budget Adjustments FY 2016-17
CITY OF SAN LEANDRO**

GENERAL FUND

Revenue Budget Adjustments:

Admin Reimbursement for State Mandated Taxes and Fees	\$	177,286
Donation from Friends of the Library		36,650
Donation for Recreation Special Events and Activities		11,697
Reimbursement from CSMFO for Training		1,181
Donation from Washington Manor HOA for Halloween Festival		100
Total Increase in Revenues	\$	226,914

Expenditure Budget Adjustments:

Building Division Training from State Mandated Taxes and Fees	\$	(177,286)
Library Summer Reading Program Activities		(36,650)
Recreation Special Events and Activities		(11,697)
CSMFO Training Food Costs		(1,181)
Manor Branch Halloween Festival		(100)
Total Increase in Expenditures	\$	(226,914)

Total Change in Projected Ending Fund Balance	\$	-
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STREET/TRAFFIC IMPROVEMENTS (DFSI) FUND

Expenditure Budget Adjustments:

Return Funds from San Leandro Blvd Rehab to Fund Balance	\$	67,050
Return Funds from Washington/Monterey Signal to Fund Balance		21,997
Total Decrease in Expenditures	\$	89,047

Total Change in Projected Ending Fund Balance	\$	89,047
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PARK DEVELOPMENT FEE FUND

Expenditure Budget Adjustments:

Return Funds from Thrasher Park Play Equip to Fund Balance	\$	16,366
Return Funds from Siempre Verde Park Rehab to Fund Balance		10,952
Tai-Chi Pad at Washington Manor Park		(1,000)
Total Decrease in Expenditures	\$	26,318

Total Change in Projected Ending Fund Balance	\$	26,318
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MEASURE B FUND

Expenditure Budget Adjustments:

Return Funds from San Leandro Blvd Rehab to Fund Balance	\$	166,780
Total Decrease in Expenditures	\$	166,780

Total Change in Projected Ending Fund Balance	\$	166,780
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ASSET SEIZURE FUND

Expenditure Budget Adjustments:

Return of Funds for Department of Justice COPS Grant	\$	(109,505)
Total Increase in Expenditures	\$	(109,505)

Total Change in Projected Ending Fund Balance	\$	(109,505)
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SPECIAL GRANTS FUND

Revenue Budget Adjustments:

Grant for First 5 Alameda County Community Project	\$	42,973
Grant for Project Literacy		39,678
Grant for 2016 Big Read Program		3,000
Total Increase in Revenues	\$	85,651

Attachment 2 - Detailed Budget Adjustments FY 2016-17
CITY OF SAN LEANDRO

Expenditure Budget Adjustments:

First 5 Alameda County Community Grant Award	\$ (42,973)
Project Literacy Grant Award	(39,678)
2016 Big Read Program Grant Award	(3,000)
Total Increase in Expenditures	\$ (85,651)

Total Change in Projected Ending Fund Balance	\$ -
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CDBG FUND

Expenditure Budget Adjustments:

Return CDBG Funds to Fund Balance	\$ 9,144
Total Decrease in Expenditures	\$ 9,144

Total Change in Projected Ending Fund Balance	\$ 9,144
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CAPITAL IMPROVEMENT PROJECTS FUND

Revenue Budget Adjustments:

Reimbursement from Oro Loma	\$ 55,300
Total Increase in Revenues	\$ 55,300

Expenditure Budget Adjustments:

Return Funds from Siempre Verde Park Rehab to Fund Balance	\$ 355,610
Reimbursable Work for Oro Loma	(55,300)
Return Funds from Fiber Loop City Hall/Library to Fund Balance	19,620
Total Decrease in Expenditures	\$ 319,930

Total Change in Projected Ending Fund Balance	\$ 375,230
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WATER POLLUTION CONTROL PLANT FUND

Expenditure Budget Adjustments:

Return Funds from CIP Advance Planning to Fund Balance	\$ 125,000
Return Funds from Sanitary Sewer Line Project to Fund Balance	29,366
Total Decrease in Expenditures	\$ 154,366

Total Change in Projected Ending Fund Balance	\$ 154,366
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SHORELINE ENTERPRISE FUND

Expenditure Budget Adjustments:

Reimburse Monarch Bay Golf for Sign Repairs	\$ (6,310)
Total Increase in Expenditures	\$ (6,310)

Total Change in Projected Ending Fund Balance	\$ (6,310)
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TOTAL NET BUDGET ADJUSTMENTS FOR ALL FUNDS	\$ 705,070
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Attachment 3 - Summary Budget Carryover Adjustments FY 2017-18
CITY OF SAN LEANDRO

Funding Source	Revenue Adjustments	Expenditure Adjustments	Net Change to Fund Balance
General Fund	-	(1,050,277)	(1,050,277)
Special Grants Fund	-	(203,147)	(203,147)
Gas Tax Fund	-	(294,809)	(294,809)
Heron Bay Fund	-	(123,241)	(123,241)
CDBG Fund	-	(309,610)	(309,610)
HOME Fund	-	(13,360)	(13,360)
Water Pollution Control Plant Fund	-	(524,978)	(524,978)
Shoreline Enterprise Fund	-	(25,000)	(25,000)
Facilities Maintenance Fund	-	(1,181,991)	(1,181,991)
Insurance Services Fund	-	(300,000)	(300,000)
Equipment Maintenance Fund	-	(99,739)	(99,739)
TOTAL	\$ -	\$ (4,126,152)	\$ (4,126,152)

Attachment 4 - Detailed Budget Adjustments FY 2017-18
CITY OF SAN LEANDRO

GENERAL FUND

Expenditure Budget Adjustments:

Carryover	City Manager - Consulting Services for Minimum Wage & Medical Cannabis Implementation	\$ (48,286)
Carryover	City Manager - Vendor for Record Management and Record Destruction	(9,464)
Carryover	City Manager - Municipal Clerk Certification Training and Office Supplies	(658)
Carryover	Community Development - Incentive Funds for Historical Improvements and Pop-Up Restaurants	(300,000)
Carryover	Community Development - Funds for Pending Incentive Projects	(260,000)
Carryover	Community Development - Funds for Code Enforcement Services, Supplies, and Furniture	(73,037)
Carryover	Community Development - Decorative Street Banners, Marketing Posters in City Hall	(55,000)
Carryover	Community Development - 21Tech Consulting Services	(40,000)
Carryover	Community Development - Funds for Interactive Online Zoning Map	(29,211)
Carryover	Community Development - Design Assistance Funds for Façade Improvement Projects	(25,000)
Carryover	Community Development - Pressure Washing of Downtown Areas	(20,000)
Carryover	Community Development - Bay Fair TOD Specific Plan Contingency	(9,621)
Carryover	Community Development - Funds for Planning Services Billing Software (Harvest)	(3,000)
Carryover	Community Development - Women Entrepreneurship Lab Sponsorship	(2,000)
Carryover	Finance - Alameda County Property and Transfer Tax Administrative Service Charges	(70,000)
Carryover	Finance - GASB 45 and 74 Implementation Costs	(50,000)
Carryover	Finance - Increased Consulting Costs for Investment Portfolio	(25,000)
Carryover	Finance - California State Controller Report Consulting Fees	(10,000)
Carryover	Finance - Training and Membership Fees for GFOA and CSMFO	(6,000)
Carryover	Library - Museum Programs and Services	(9,000)
Carryover	Library - Funds Donated from Friends of Library	(5,000)
	Total Increase in Expenditures	\$ (1,050,277)
	Total Change in Projected Ending Fund Balance	\$ (1,050,277)

SPECIAL GRANTS FUND

Expenditure Budget Adjustments:

Carryover	Library - First Five Alameda County Joint Grant Funds	\$ (115,852)
Carryover	Library - Public Library Grant Funds	(87,295)
	Total Increase in Expenditures	\$ (203,147)
	Total Change in Projected Ending Fund Balance	\$ (203,147)

GAS TAX FUND

Expenditure Budget Adjustments:

Carryover	Public Works - Road Repair Projects Not Completed in FY2016-17	\$ (200,809)
Carryover	Public Works - Asphalt for Increase in Street Prep in FY2017-18	(94,000)
	Total Increase in Expenditures	\$ (294,809)
	Total Change in Projected Ending Fund Balance	\$ (294,809)

HERON BAY FUND

Expenditure Budget Adjustments:

Carryover	Public Works - Tidal Gate Repairs	\$ (123,241)
	Total Increase in Expenditures	\$ (123,241)
	Total Change in Projected Ending Fund Balance	\$ (123,241)

CDBG FUND

Expenditure Budget Adjustments:

Carryover	Community Development - ADA Transition Plan from FY2016-17	\$ (134,436)
Carryover	Community Development - Childcare Center in BRIDGE Housing Project	(100,000)
Carryover	Community Development - City ADA Transition Plan from FY2014-15	(45,256)
Carryover	Community Development - CDBG General Administration Funds	(29,342)
Carryover	Community Development - ECHO Housing - Fair Housing Balance	(576)
	Total Increase in Expenditures	\$ (309,610)
	Total Change in Projected Ending Fund Balance	\$ (309,610)

HOME FUND

Expenditure Budget Adjustments:

Attachment 4 - Detailed Budget Adjustments FY 2017-18
CITY OF SAN LEANDRO

Carryover	Community Development - HOME Grant Administration Funds	\$ (13,360)
	Total Increase in Expenditures	\$ (13,360)
	Total Change in Projected Ending Fund Balance	\$ (13,360)

WATER POLLUTION CONTROL PLANT FUND

Expenditure Budget Adjustments:

Carryover	Public Works - Sludge Piping, Drying Bed Repair, and Recycled Water Fill Station	\$ (243,078)
Carryover	Public Works - Digester Cleaning and Repair of Piping and Pumps	(110,000)
Carryover	Public Works - Neptune Lift Station Retrofit	(50,500)
Carryover	Public Works - Cost to Haul Large Quantities of Class B Biosolids	(45,400)
Carryover	Public Works - Roof Replacement and Repair at Wicks Storm Lift Station	(21,000)
Carryover	Public Works - Pump Replacement and New Laboratory Balance	(19,000)
Carryover	Public Works - Installation of Digester 4	(15,000)
Carryover	Public Works - SCADA Improvements Post Upgrade	(11,000)
Carryover	Public Works - Cabinets for Kitchen Upgrade	(5,000)
Carryover	Public Works - Neptune Lift Station Check Valves	(5,000)
	Total Increase in Expenditures	\$ (524,978)
	Total Change in Projected Ending Fund Balance	\$ (524,978)

SHORELINE ENTERPRISE FUND

Expenditure Budget Adjustments:

Carryover	Public Works - Tree Work at Marina Park	\$ (15,000)
Carryover	Public Works - Tidal Gate Maintenance	(10,000)
	Total Increase in Expenditures	\$ (25,000)
	Total Change in Projected Ending Fund Balance	\$ (25,000)

FACILITIES MAINTENANCE FUND

Expenditure Budget Adjustments:

Carryover	Public Works - Building Maintenance Projects Not Completed In FY2016-17	\$ (1,110,486)
Carryover	Public Works - Deferred Painting Projects at History Museum and South Branch Library	(25,000)
Carryover	Public Works - Emergency Generator Rental	(20,000)
Carryover	Public Works - ADA Upgrades Not Completed in FY2016-17	(16,505)
Carryover	Public Works - Increased Cost of 5-Year Sprinkler Inspections	(10,000)
	Total Increase in Expenditures	\$ (1,181,991)
	Total Change in Projected Ending Fund Balance	\$ (1,181,991)

INSURANCE SERVICES FUND

Expenditure Budget Adjustments:

Carryover	Risk Management - Increased Defense Costs for Increased Litigation Cases	\$ (300,000)
	Total Increase in Expenditures	\$ (300,000)
	Total Change in Projected Ending Fund Balance	\$ (300,000)

EQUIPMENT MAINTENANCE FUND

Expenditure Budget Adjustments:

Carryover	Public Works - Purchase of Forklift #686	\$ (51,239)
Carryover	Public Works - Replace Wheel Balancing/Lift Machine	(25,000)
Carryover	Public Works - Replace Outdated Vehicle Diagnostic Machine	(15,500)
Carryover	Public Works - Purchase Aqueous Automotive Parts Washer	(6,000)
Carryover	Public Works - Office Furniture for New Fleet Supervisor	(2,000)
	Total Increase in Expenditures	\$ (99,739)
	Total Change in Projected Ending Fund Balance	\$ (99,739)

TOTAL NET BUDGET ADJUSTMENTS FOR ALL FUNDS		\$ (4,126,152)
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