



City of San Leandro

Meeting Date: October 1, 2018

Staff Report

File Number: 18-449 **Agenda Section:** CONSENT CALENDAR

Agenda Number: 8.B.

TO: City Council

FROM: Jeff Kay
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) 2017-18 and 2018-19 General Fund, Special Revenue Funds, Enterprise Funds, Internal Service Funds, Capital Projects Funds, and Agency Funds Budget

SUMMARY AND RECOMMENDATION

Staff recommends that the City Council review and approve FY 2017-18 and 2018-19 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 2017-18 Budget on June 5, 2017 and has made various adjustments since that date. The current FY 2018-19 Budget was adopted by Council on June 4, 2018.

DISCUSSION

Attachments 1 and 2 include summary and detail of budget adjustments that were made to departmental and fund appropriations over the last six months of FY 2017-18 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 2017-18 adopted budget that need to be carried over to FY 2018-19. 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 2017-18 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 \$39,196, mainly from donations and reimbursements, funded the increase of new General Fund expenditures of \$39,196.

The total change in the projected ending fund balance for the General Fund in FY 2018-19 amounts to a decrease of \$1,607,093. This is mainly the result of carry-overs from various projects and initiatives not completed in Fiscal Year 2017-18. This is a standard procedure for projects that take longer than one year to complete or those that were initiated later in the fiscal year. 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 2017-18 and 2018-19 Budget Amendments.

Attachments to Resolution

- Attachment 1 - Summary Budget Adjustments FY 2017-18
- Attachment 2 - Detailed Budget Adjustments FY 2017-18
- Attachment 3 - Summary Budget Carryover Adjustments FY 2018-19
- Attachment 4 - Detailed Budget Carryover Adjustments FY 2018-19



City of San Leandro

Meeting Date: October 1, 2018

Resolution - Council

File Number: 18-450 **Agenda Section:** CONSENT CALENDAR

Agenda Number:

TO: City Council

FROM: Jeff Kay
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) 2017-18 and 2018-19

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 2017-18 Budget on June 5, 2017 and has made various adjustments since that date; and

WHEREAS, the current FY 2018-19 Budget was adopted by Council on June 4, 2018; and

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

That the FY 2017-18 and 2018-19 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) 2017-18 and 2018-19 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 2017-18
CITY OF SAN LEANDRO

Funding Source	Revenue Adjustments	Expenditure Adjustments	Net Change to Fund Balance
General Fund	39,196	(39,196)	-
Special Grants Fund	64,710	(45,186)	19,524
CDBG Fund	-	144,563	144,563
Capital Improvement Projects Fund	166,989	(166,989)	-
Shoreline Enterprise Fund	-	(166,989)	(166,989)
Information Technology Fund	-	(72,292)	(72,292)
TOTAL	\$ 270,895	\$ (346,089)	\$ (75,194)

**Attachment 2 - Detailed Budget Adjustments FY 2017-18
CITY OF SAN LEANDRO**

GENERAL FUND

Revenue Budget Adjustments:

Community Development - State Reimbursement	\$ 4,100
Library - Donation from Friends of the Library	13,750
Library - Grant from Pacific Library Partnership	7,500
Police Department - Donation from Target Stores	2,000
Recreation - Donations for Special Events and Activities	11,846
Total Increase in Revenues	\$ 39,196

Expenditure Budget Adjustments:

Community Development - Supplies for Retro-Fit Classes	\$ (4,100)
Library - Supplies and Services for Summer Programs	(13,750)
Library - Grant to Purchase Tagalog and Arabic Books	(7,500)
Police Department - Supplies for United 4 Safety	(2,000)
Recreation - Special Events and Activities	(11,846)
Total Increase in Expenditures	\$ (39,196)

Total Change in Projected Ending Fund Balance	\$ -
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SPECIAL GRANTS FUND

Revenue Budget Adjustments:

City Manager - Cities of Service Prepared Together Grant	\$ 25,000
Library - State Funds for Project Literacy	39,710
Total Increase in Revenues	\$ 64,710

Expenditure Budget Adjustments:

City Manager - Cities of Service Prepared Together Grant	\$ (25,000)
Carryover Library - Remaining Funds Donated By Friends of the Library	(36,726)
Library - Project Literacy Funded by State	(39,710)
Public Works - Return Warden Park Appropriation to Fund Balance	56,250
Total Increase in Expenditures	\$ (45,186)

Total Change in Projected Ending Fund Balance	\$ 19,524
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CDBG FUND

Expenditure Budget Adjustments:

Community Development - Return Budget to Fund Balance	\$ 144,563
Total Decrease in Expenditures	\$ 144,563

Total Change in Projected Ending Fund Balance	\$ 144,563
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CAPITAL IMPROVEMENT PROJECTS FUND

Revenue Budget Adjustments:

Public Works - Transfer In from Shoreline Enterprise Fund for Golf Course CIP	\$ 166,989
Total Increase in Revenues	\$ 166,989

Expenditure Budget Adjustments:

Public Works - Golf Course Capital Improvement Projects	\$ (166,989)
Total Decrease in Expenditures	\$ (166,989)

Total Change in Projected Ending Fund Balance	\$ -
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SHORELINE ENTERPRISE FUND

Expenditure Budget Adjustments:

Public Works - Transfer Out for Golf Course Capital Improvement Projects	\$ (166,989)
Total Increase in Expenditures	\$ (166,989)

**Attachment 2 - Detailed Budget Adjustments FY 2017-18
CITY OF SAN LEANDRO**

Total Change in Projected Ending Fund Balance	\$ (166,989)
INSURANCE SERVICES FUND	
Expenditure Budget Adjustments:	
Risk Management - Increase in Workers Comp' Claims	\$ (72,292)
Total Increase in Expenditures	\$ (72,292)
Total Change in Projected Ending Fund Balance	\$ (72,292)
TOTAL NET BUDGET ADJUSTMENTS FOR ALL FUNDS	\$ (75,194)

**Attachment 3 - Summary Budget Carryover Adjustments FY 2018-19
CITY OF SAN LEANDRO**

Funding Source	Revenue Adjustments	Expenditure Adjustments	Net Change to Fund Balance
General Fund	-	(1,607,093)	(1,607,093)
Parking Fund	-	(402,792)	(402,792)
Special Grants Fund	-	(285,890)	(285,890)
Gas Tax Fund	-	(261,366)	(261,366)
CDBG Fund	-	(403,363)	(403,363)
HOME Fund	-	(13,697)	(13,697)
Water Pollution Control Plant Fund	-	(16,000)	(16,000)
Environmental Services Fund	-	(72,853)	(72,853)
Shoreline Enterprise Fund	-	(31,000)	(31,000)
Storm Water Fund	-	(7,000)	(7,000)
Facilities Maintenance Fund	-	(966,411)	(966,411)
Insurance Services Fund	-	(900,000)	(900,000)
Equipment Maintenance Fund	-	(286,867)	(286,867)
TOTAL	\$ -	\$ (5,254,332)	\$ (5,254,332)

Attachment 4 - Detailed Budget Carryover Adjustments FY 2018-19
CITY OF SAN LEANDRO

GENERAL FUND

Expenditure Budget Adjustments:

City Manager - Unspent FY2017-18 Art Commission Funding	\$ (100,000)
City Manager - One-Time Appopriations for Bal Theatre Renovations	(91,879)
City Manager - CMO Contingency Funds Earmarked for FY2018-19 Projects	(24,000)
City Manager - Downtown Lighting Program	(13,000)
Community Development - Committed Business Incentive Agreements	(275,000)
Community Development - Unspent Building & Safety Trust Funds	(203,392)
Community Development - Pop-Up Restaurant Funds	(200,000)
Community Development - Consulting Funds for Third-Party Plan Check Assistance	(118,000)
Community Development - Accela Support via Young Consulting and Third-Party Services	(105,961)
Community Development - Decorative Street Banners	(50,000)
Community Development - Design Assistance Projects	(24,088)
Community Development - Downtown Pressure Washing	(20,000)
Community Development - Department Unspent Training and Travel Funds	(11,660)
Community Development - Bay Area Affordable Homeownership Alliance (BAAHA)	(9,100)
Community Development - Downtown Event Marketing Video	(3,600)
Engineering - Community Workforce Agreement Implementation	(26,530)
Finance - Alameda County Property Transfer Tax Administrative Service Charges	(46,500)
Finance - Consulting Fees for State Controller Office's Financial Reports	(10,700)
Library - Funds Donated from Friends of Library for Program Supplies and Servcies	(38,223)
Police Department - ESRI Software Deployment for Crime Analysis	(35,000)
Public Works - Replacement of Traffic Signal Cabinets and Etherwan Switches	(57,000)
Public Works - Increased Cost of Median Maintenance and Extra Work	(9,715)
Public Works - Extra Work in Landscape Maintenance	(9,345)
Public Works - Traffic Transit Van Outfitting	(5,000)
Recreation - Community Assistance Homeless Prevention/Outreach	(64,900)
Recreation - Remaining Council Approved Community Assistance Program (CAP) Grants	(30,000)
Recreation - Hot Thursdays Concert Series	(18,000)
Recreation - Community Facilities - Security Services	(6,500)
Total Increase in Expenditures	\$ (1,607,093)
Total Change in Projected Ending Fund Balance	\$ (1,607,093)

PARKING FUND

Expenditure Budget Adjustments:

Community Development - Downtown Parking Management Plan	\$ (402,792)
Total Increase in Expenditures	\$ (402,792)
Total Change in Projected Ending Fund Balance	\$ (402,792)

SPECIAL GRANTS FUND

Expenditure Budget Adjustments:

City Manager - Cities of Service Grant Program Supplies	\$ (4,887)
Library - First Five of Alameda County Grant Funds for Early Childhood Program Services	(109,829)
Library - State Funding for Adult Literacy Program	(64,249)
Library - State Public Library Funds for Furnishings and Fixtures	(59,925)
Recreation - Paratransit Flex Shuttle Program Transportation - Program Outreach	(47,000)
Total Increase in Expenditures	\$ (285,890)
Total Change in Projected Ending Fund Balance	\$ (285,890)

GAS TAX FUND

Expenditure Budget Adjustments:

Public Works - Council Approved Slurry Seal Project	\$ (180,000)
Public Works - Council Approved Paving Pick-Up Truck	(33,692)
Public Works - SB1 Projects	(24,674)
Public Works - Street Markings Not Completed in FY2017-18	(23,000)
Total Increase in Expenditures	\$ (261,366)
Total Change in Projected Ending Fund Balance	\$ (261,366)

CDBG FUND

Attachment 4 - Detailed Budget Carryover Adjustments FY 2018-19
CITY OF SAN LEANDRO

Expenditure Budget Adjustments:

Community Development - ADA Transition Plan from FY2016-17	\$ (134,436)
Community Development - ADA Transition Plan from FY2017-18	(134,144)
Community Development - ADA Transition Plan from FY2010-11	(90,000)
Community Development - ADA Transition Plan from FY2015-16	(44,783)
Total Increase in Expenditures	\$ (403,363)
Total Change in Projected Ending Fund Balance	\$ (403,363)

HOME FUND

Expenditure Budget Adjustments:

Community Development - HOME Grant Administration Funds	\$ (13,697)
Total Increase in Expenditures	\$ (13,697)
Total Change in Projected Ending Fund Balance	\$ (13,697)

WATER POLLUTION CONTROL PLANT FUND

Expenditure Budget Adjustments:

Public Works - Bypass Equipment for Lift Stations	\$ (16,000)
Total Increase in Expenditures	\$ (16,000)
Total Change in Projected Ending Fund Balance	\$ (16,000)

ENVIRONMENTAL SERVICES FUND

Expenditure Budget Adjustments:

Public Works - HazWaste Enforcement from AT&T Settlement Funds	\$ (37,005)
Public Works - UST Enforcement from Shell Settlement Funds	(35,848)
Total Increase in Expenditures	\$ (72,853)
Total Change in Projected Ending Fund Balance	\$ (72,853)

SHORELINE ENTERPRISE FUND

Expenditure Budget Adjustments:

Public Works - Increased Cost for Tital Gate Repairs	\$ (20,000)
Public Works - Tree Work at Marina Park	(11,000)
Total Increase in Expenditures	\$ (31,000)
Total Change in Projected Ending Fund Balance	\$ (31,000)

STORM WATER FUND

Expenditure Budget Adjustments:

Public Works - Increased Garbage Rates - 3.41% Effective July 1st, 2018	\$ (7,000)
Total Increase in Expenditures	\$ (7,000)
Total Change in Projected Ending Fund Balance	\$ (7,000)

FACILITIES MAINTENANCE FUND

Expenditure Budget Adjustments:

Public Works - Building Maintenance Projects Not Completed In FY2017-18	\$ (949,031)
Public Works - ADA Upgrades Not Completed in FY2017-18	(12,380)
Public Works - Supplies for Resilient San Leandro Events	(5,000)
Total Increase in Expenditures	\$ (966,411)
Total Change in Projected Ending Fund Balance	\$ (966,411)

INSURANCE SERVICES FUND

Expenditure Budget Adjustments:

Risk Management - Settlement for Pending Cases and Transfers to Workers' Comp	\$ (600,000)
Risk Management - Increased Defense Costs for Increased Litigation Cases	(300,000)
Total Increase in Expenditures	\$ (900,000)
Total Change in Projected Ending Fund Balance	\$ (900,000)

EQUIPMENT MAINTENANCE FUND

Expenditure Budget Adjustments:

Public Works - Replacement Vehicles Not Purchased in FY2017-18	\$ (259,867)
Public Works - Council Approved Traffic Transit Van	(27,000)

Attachment 4 - Detailed Budget Carryover Adjustments FY 2018-19
CITY OF SAN LEANDRO

Total Increase in Expenditures	\$ (286,867)
Total Change in Projected Ending Fund Balance	\$ (286,867)
TOTAL NET BUDGET ADJUSTMENTS FOR ALL FUNDS	\$ (5,254,332)