



City of San Leandro

Meeting Date: November 18, 2019

Staff Report

File Number: 19-525 **Agenda Section:** CONSENT CALENDAR

Agenda Number: 8.E.

TO: City Council

FROM: Jeff Kay
City Manager

BY: David Baum
Finance Director

FINANCE REVIEW: David Baum
Finance Director

TITLE: Staff Report for the City of San Leandro City Council to Approve a Resolution for Budget Amendments to the City's Fiscal Year 2018-19 and 2019-20 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 of San Leandro City Council review and approve 2018-19 and 2019-20 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 2018-19 Budget on June 4, 2018 and has made various adjustments since that date. The current 2019-20 Budget was adopted by City Council on June 3, 2019.

DISCUSSION

Attachments 1 and 2 include summary and detail of budget adjustments that were made to departmental and fund appropriations over the last seven months of 2018-19 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 2018-19 adopted budget that need to be carried over to 2019-20. The Summary Report includes information regarding Funding Sources, Revenue and Expenditure Adjustments, and Net Changes in Fund Balance. The Detailed Report includes the

same information, but also provides complete descriptions regarding the purpose of the adjustments.

FISCAL IMPACT

The projected ending fund balance for the General Fund in 2018-19 will increase by \$2,030,006 as a result of appropriations originally approved by City Council and not spent over the last seven months of the 2018-19 fiscal year.

The total change in the projected ending fund balance for the General Fund in 2019-20 amounts to a decrease of \$2,030,006. This is mainly the result of funding carry-overs from various projects and initiatives not completed in Fiscal Year 2018-19. 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 2018-19 and 2019-20 Budget Amendments.

Attachments to Resolution

- Attachment 1 - Summary Budget Adjustments 2018-19
- Attachment 2 - Detailed Budget Adjustments 2018-19
- Attachment 3 - Summary Budget Carryover Adjustments 2019-20
- Attachment 4 - Detailed Budget Carryover Adjustments 2019-20



City of San Leandro

Meeting Date: November 18, 2019

Resolution - Council

File Number: 19-526

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 of the City of San Leandro City Council Approving Amendments to the City of San Leandro Budget for Fiscal Year 2018-19 and 2019-20

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 2018-19 Budget on June 4, 2018 and has made various adjustments since that date; and

WHEREAS, the current 2019-20 Budget was adopted by Council on June 3, 2019; and

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

That the 2018-19 and 2019-20 Budget is hereby amended as shown on that certain document entitled Staff Report for the City of San Leandro City Council to Approve a Resolution for Budget Amendments to the City's Fiscal Year 2018-19 and 2019-20 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 2018-19
CITY OF SAN LEANDRO

Funding Source	Revenue Adjustments	Expenditure Adjustments	Net Change to Fund Balance
General Fund	8,000	(8,000)	-
Shoreline Enterprise Fund	950	(950)	-
TOTAL	\$ 8,950	\$ (8,950)	\$ -

**Attachment 2 - Detailed Budget Adjustments 2018-19
CITY OF SAN LEANDRO**

GENERAL FUND

Revenue Budget Adjustments:

Public Works - National League of Cities - Resilient San Leandro event	\$ 8,000
Total Increase in Revenues	\$ 8,000

Expenditure Budget Adjustments:

Public Works - Resilient San Leandro Event expenses	\$ (8,000)
Total Increase in Expenditures	\$ (8,000)

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

Revenue Budget Adjustments:

Public Works - CUPA settlements to be used for CUPA related expenses	\$ 950
Total Increase in Revenues	\$ 950

Expenditure Budget Adjustments:

CUPA related expenses	\$ (950)
Total Increase in Expenditures	\$ (950)

Total Change in Projected Ending Fund Balance	\$ -
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TOTAL NET BUDGET ADJUSTMENTS FOR ALL FUNDS	\$ -
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Attachment 3 - Summary Budget Carryover Adjustments 2019-20
CITY OF SAN LEANDRO

<u>Funding Source</u>	<u>Revenue Adjustments</u>	<u>Expenditure Adjustments</u>	<u>Net Change to Fund Balance</u>
General Fund	-	(2,030,006)	(2,030,006)
Gas Tax Fund	-	(55,847)	(55,847)
Measure BB Fund	-	(9,040)	(9,040)
Heron Bay Fund	-	(43,871)	(43,871)
Special Grants Fund	-	(141,133)	(141,133)
CDBG Fund	-	(521,534)	(521,534)
HOME Fund	-	(600)	(600)
Water Pollution Control Plant Fund	-	(112,600)	(112,600)
Environmental Services Fund	-	(70,042)	(70,042)
Shoreline Enterprise Fund	-	(38,000)	(38,000)
Storm Water Fund	-	(13,000)	(13,000)
Facilities Maintenance Fund	-	(1,085,194)	(1,085,194)
Insurance Services Fund	-	(829,900)	(829,900)
Equipment Maintenance Fund	-	(1,197,194)	(1,197,194)
Successor Agency to the Redevelopment Agency	-	(50,667)	(50,667)
TOTAL	\$ -	\$ (6,198,628)	\$ (6,198,628)

Attachment 4 - Detailed Budget Carryover Adjustments 2019-20
CITY OF SAN LEANDRO

GENERAL FUND

Expenditure Budget Adjustments:

City Manager - Unspent 2018-19 Art Commission Funding	\$ (34,159)
City Manager - Consultant expenditures for personnel matters	(50,000)
City Manager - 2019-20 Citywide translation services	(15,000)
City Manager - CMO Contingency Funds Earmarked for 2019-20 Projects	(40,000)
City Manager - Downtown Lighting Program	(26,000)
Community Development - Committed Business Incentive Agreements	(205,000)
Community Development - Unspent Building & Safety Trust Funds	(278,862)
Community Development - Pop-Up Restaurant Funds	(200,000)
Community Development - Consulting Funds for Shoreline Development services	(40,000)
Community Development - Accela Support via Young Consulting and Third-Party Services	(10,000)
Community Development - Decorative Street Banners	(33,550)
Community Development - Department Unspent Training and Travel Funds	(6,002)
Community Development - Department Unspent supplies for Code Enforcement and Planning	(2,629)
Community Development - Department Unspent Rehab grant commitments	(27,500)
Community Development - Expanded abatement efforts including San Leandro Creek tree removal	(20,000)
Finance - Consulting Fees for staffing backfill, and increased rates charged for services	(216,500)
Fire Department - Equipment for new ladder truck to be delivered in 2019-20	(236,578)
Library - Funds Donated from Friends of Library for Program Supplies and Services	(23,000)
Police Department - Emergency Services training and supplies	(76,734)
Police Department - Pre-employment background check services increased rates	(27,742)
Police Department - Record digitizing project for completion in 2019-20	(35,000)
Police Department - Police briefing room furniture project postponed until 2019-20	(11,300)
Public Works - Replacement of Traffic Signal Cabinets and damaged street light poles	(50,000)
Public Works - Supplies for Sustainability Intern	(5,000)
Public Works - Sycamore and Eucalyptus tree trimming and removal, and safety equipment	(77,700)
Public Works - Park irrigation repair, landscape needs, picnic & playground repair and replacement	(88,000)
Recreation - Remaining funding for Community Assistance Human Services Implementation Plan	(157,000)
Recreation - Remaining Council Approved Community Assistance Program (CAP) Grants	(24,300)
Recreation - Community Facilities - Security Services	(12,450)
Total Increase in Expenditures	<u>\$ (2,030,006)</u>
Total Change in Projected Ending Fund Balance	<u>\$ (2,030,006)</u>

GAS TAX FUND

Expenditure Budget Adjustments:

Public Works - Slurry Seal Projects	\$ (55,847)
Total Increase in Expenditures	<u>\$ (55,847)</u>
Total Change in Projected Ending Fund Balance	<u>\$ (55,847)</u>

MEASURE BB FUND

Expenditure Budget Adjustments:

Engineering - Traffic Safety K8 Students and Senior Adults	\$ (9,040)
Total Increase in Expenditures	<u>\$ (9,040)</u>
Total Change in Projected Ending Fund Balance	<u>\$ (9,040)</u>

Attachment 4 - Detailed Budget Carryover Adjustments 2019-20
CITY OF SAN LEANDRO

HERON BAY MAINTENANCE ASSESSMENT FUND

Expenditure Budget Adjustments:	
Engineering - Heron Bay Marshland Management	\$ (132,059)
Engineering - Alameda County reimbursement	88,188
Total Increase in Expenditures	\$ (43,871)
Total Change in Projected Ending Fund Balance	\$ (43,871)

SPECIAL GRANTS FUND

Expenditure Budget Adjustments:	
Engineering - Traffic Safety K8 Students and Senior Adults	\$ (1,955)
Engineering - Bay-Friendly rated landscape certification	(4,957)
Library - First Five of Alameda County Grant Funds for Early Childhood Program Services	(55,281)
Library - State Public Library Funds for Furnishings and Fixtures	(58,940)
Police - K9 purchases (2) in 2019-20	(20,000)
Total Increase in Expenditures	\$ (141,133)
Total Change in Projected Ending Fund Balance	\$ (141,133)

CDBG FUND

Expenditure Budget Adjustments:	
Community Development - ADA Transition Plan from 2010-11	\$ (21,402)
Community Development - ADA Transition Plan from 2011-12	(12,014)
Community Development - ADA Transition Plan from 2012-13	(55,000)
Community Development - ADA Transition Plan from 2013-14	(40,000)
Community Development - ADA Transition Plan from 2014-15	(55,000)
Community Development - ADA Transition Plan from 2017-18	(134,144)
Community Development - ADA Transition Plan from 2018-19	(203,974)
Total Increase in Expenditures	\$ (521,534)
Total Change in Projected Ending Fund Balance	\$ (521,534)

HOME FUND

Expenditure Budget Adjustments:	
Community Development - HOME Grant Housing Staff training	\$ (600)
Total Increase in Expenditures	\$ (600)
Total Change in Projected Ending Fund Balance	\$ (600)

WATER POLLUTION CONTROL PLANT FUND

Expenditure Budget Adjustments:	
Public Works - Dump truck rental and repair	\$ (20,000)
Public Works - Installation of confined space safety equipment at tanks to enable safer entry	(25,000)
Public Works - Repair 3 water Paco pumps and 2 influent pumps	(21,700)
Public Works - Boiler repairs	(16,900)
Public Works - Lab and Operations truck replacement costs increased not covered in 690 Fund	(29,000)
Total Increase in Expenditures	\$ (112,600)
Total Change in Projected Ending Fund Balance	\$ (112,600)

Attachment 4 - Detailed Budget Carryover Adjustments 2019-20
CITY OF SAN LEANDRO

ENVIRONMENTAL SERVICES FUND

Expenditure Budget Adjustments:

Public Works - Community event, advertising/supplies for public education (SB 1383 implementation)	\$ (8,900)
Public Works - UST Enforcement from Shell Settlement Funds	(61,142)

Total Increase in Expenditures **\$ (70,042)**

Total Change in Projected Ending Fund Balance **\$ (70,042)**

SHORELINE ENTERPRISE FUND

Expenditure Budget Adjustments:

Public Works - Increased Cost for Tital Gate Repairs	\$ (10,000)
Public Works - Tree trimming at Marina Park	(28,000)

Total Increase in Expenditures **\$ (38,000)**

Total Change in Projected Ending Fund Balance **\$ (38,000)**

STORM WATER FUND

Expenditure Budget Adjustments:

Public Works - Increased disposal costs (ACI contract)	\$ (13,000)
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Total Increase in Expenditures **\$ (13,000)**

Total Change in Projected Ending Fund Balance **\$ (13,000)**

FACILITIES MAINTENANCE FUND

Expenditure Budget Adjustments:

Public Works - Building Maintenance Projects Not Completed In 2018-19	\$ (1,082,814)
Public Works - ADA Upgrades Not Completed in 2018-19	(2,380)

Total Increase in Expenditures **\$ (1,085,194)**

Total Change in Projected Ending Fund Balance **\$ (1,085,194)**

INSURANCE SERVICES FUND

Expenditure Budget Adjustments:

Risk Management - Settlement adjustment for 2019-20	\$ (345,000)
Risk Management - Increased defense costs for active cases	(400,000)

Risk Management - Increased insurance premiums and third party administration costs \$ (84,900)

Total Increase in Expenditures **\$ (829,900)**

Total Change in Projected Ending Fund Balance **\$ (829,900)**

EQUIPMENT MAINTENANCE FUND

Expenditure Budget Adjustments:

Public Works - Replacement Vehicles Not Purchased in 2018-19	\$ (1,197,194)
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Total Increase in Expenditures **\$ (1,197,194)**

Total Change in Projected Ending Fund Balance **\$ (1,197,194)**

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY

Expenditure Budget Adjustments:

Engineering - Downtown Parking Management Plan and Implementation	\$ (50,667)
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Total Decrease in Expenditures **\$ (50,667)**

Total Change in Projected Ending Fund Balance **\$ (50,667)**

TOTAL NET BUDGET ADJUSTMENTS FOR ALL FUNDS **\$ (6,198,628)**