



City of San Leandro

Meeting Date: December 14, 2020

Staff Report

File Number: 20-587 **Agenda Section:** CONSENT CALENDAR

Agenda Number: 8.P.

TO: City Council

FROM: Jeff Kay
City Manager

BY: Susan Hsieh
Finance Director

FINANCE REVIEW: Susan Hsieh
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 2020-21 General Fund, Special Revenue Funds, Enterprise Funds, and Internal Service Funds Budget

SUMMARY AND RECOMMENDATION

Staff recommends that the City of San Leandro City Council review and approve the Fiscal Year 2020-21 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 current Fiscal Year 2020-21 Budget on June 15, 2020.

DISCUSSION

Attachments 1 and 2 include summary and detail of items that were included in the Fiscal Year 2019-20 adopted budget that were not spent or completed and need to be carried over to Fiscal Year 2020-21. The Summary Report includes information regarding 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 and Other Funds in Fiscal Year 2019-20

will increase by \$3,439,125 as a result of appropriations originally approved by City Council and not spent over the last several months of the 2019-20 Fiscal Year. Of this amount, \$1,377,536 is for the General Fund and \$2,061,589 is for Other Funds.

The total change in the projected ending fund balance for the General Fund and Other Funds in Fiscal Year 2020-21 amounts to a decrease of \$3,439,125 as stated above. This is mainly the result of funding carry-overs from various projects and initiatives not completed. This is a standard procedure for projects and programs that take longer than one year to complete or those that were initiated later in the fiscal year. The COVID-19 pandemic and the shelter-in-place orders in Alameda County also impacted program activities. Should additional appropriation adjustments become necessary, they will be brought to Council for approval throughout the fiscal year.

CONCLUSION

Staff recommends that the City Council review and approve the 2020-21 Budget Amendments.

Attachments to Resolution

- Attachment 1 - Summary Budget Carryover Adjustments 2020-21
- Attachment 2 - Detailed Budget Carryover Adjustments 2020-21



City of San Leandro

Meeting Date: December 14, 2020

Resolution - Council

File Number: 20-588 **Agenda Section:** CONSENT CALENDAR

Agenda Number:

TO: City Council

FROM: Jeff Kay
City Manager

BY: Susan Hsieh
Finance Director

FINANCE REVIEW: Susan Hsieh
Finance Director

TITLE: RESOLUTION of the City of San Leandro City Council Approving Amendments to the City of San Leandro Budget for Fiscal Year 2020-21

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 Fiscal Year 2020-21 Budget on June 15, 2020 and has made various adjustments since that date; and

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

That the Fiscal Year 2020-21 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 2020-21 General Fund, Special Revenue Funds, Enterprise Funds, and Internal Service Funds copies of which are attached hereto and incorporated herein by reference.

Attachment 1 - Summary Budget Carryover Adjustments 2020-21
CITY OF SAN LEANDRO

Funding Source	Revenue Adjustments	Expenditure Adjustments	Net Change to Fund Balance
General Fund	\$ -	\$ (1,377,536)	\$ (1,377,536)
Gas Tax Fund	-	(100,000)	(100,000)
Special Grants Fund	-	(119,820)	(119,820)
CDBG Fund	-	(595,697)	(595,697)
Environmental Services Fund	-	(61,072)	(61,072)
Storm Water Fund	-	(37,000)	(37,000)
Facilities Maintenance Fund	-	(350,000)	(350,000)
Insurance Services Fund	-	(798,000)	(798,000)
TOTAL	\$ -	\$ (3,439,125)	\$ (3,439,125)

**Attachment 2 - Detailed Budget Carryover Adjustments 2020-21
CITY OF SAN LEANDRO**

GENERAL FUND

Expenditure Budget Adjustments:

City Manager - Election costs for services, notices and publications	\$ (111,419)
City Manager - Records management PRA system services	(12,560)
City Manager - Budget Task Force consulting services	(40,000)
City Manager - Multilingual outreach services	(15,000)
City Manager - Community Investment programs	(10,000)
City Manager - Arts Commission funds for projects	(70,000)
City Manager - Contingency funds for public outreach program and transparency consultant	(52,000)
City Manager - Downtown Lighting Program	(30,000)
Community Development - Committed Business Incentive Agreements	(136,216)
Community Development - Unspent Building & Safety Trust Funds	(227,696)
Community Development - Auto Mall sign refresh	(16,700)
Community Development - Consulting Funds for Shoreline management services	(25,000)
Community Development - COVID-19 relief efforts	(55,000)
Community Development - Funds to assist Public Works with homeless encampment cleanup	(10,000)
Finance - Consulting services for budget graphic design, accounting and auditing	(100,000)
Library - Book items held back due to COVID-19 SIP now receiving items to include in collection	(32,190)
Public Works - Street tree trimming	(135,000)
Public Works - Park irrigation repair and park tree trimming	(10,000)
Recreation - Remaining funding for Community Assistance Human Services Implementation Plan	(260,475)
Recreation - Marketing/Community engagement of essential services and facility/program reopening	(28,280)
Total Increase in Expenditures	\$ (1,377,536)
Total Change in Projected Ending Fund Balance	\$ (1,377,536)

GAS TAX FUND

Expenditure Budget Adjustments:

Public Works - Crack Sealer replacement	\$ (100,000)
Total Increase in Expenditures	\$ (100,000)
Total Change in Projected Ending Fund Balance	\$ (100,000)

SPECIAL GRANTS FUND

Expenditure Budget Adjustments:

Library - First Five of Alameda County Grant Funds for Early Childhood Program Services	\$ (62,020)
Library - State Public Library Funds for Furnishings and Fixtures	(57,800)
Total Increase in Expenditures	\$ (119,820)
Total Change in Projected Ending Fund Balance	\$ (119,820)

CDBG FUND

Expenditure Budget Adjustments:

Community Development - Building Futures shelter rehab funds	\$ (143,725)
Community Development - Rental assistance program consulting	(90,000)
Community Development - Rental assistance program funding	(361,972)
Total Increase in Expenditures	\$ (595,697)
Total Change in Projected Ending Fund Balance	\$ (595,697)

**Attachment 2 - Detailed Budget Carryover Adjustments 2020-21
CITY OF SAN LEANDRO**

ENVIRONMENTAL SERVICES FUND

Expenditure Budget Adjustments:

Public Works - Hazardous Waste Enforcement project	\$ (42,964)
Public Works - UST Enforcement from Shell Settlement Funds	(18,108)
Total Increase in Expenditures	\$ (61,072)

Total Change in Projected Ending Fund Balance	\$ (61,072)
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STORM WATER FUND

Expenditure Budget Adjustments:

Public Works - Increased disposal costs (ACI contract)	\$ (37,000)
Total Increase in Expenditures	\$ (37,000)

Total Change in Projected Ending Fund Balance	\$ (37,000)
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FACILITIES MAINTENANCE FUND

Expenditure Budget Adjustments:

Public Works - Building Maintenance Projects Not Completed In 2019-20	\$ (350,000)
Total Increase in Expenditures	\$ (350,000)

Total Change in Projected Ending Fund Balance	\$ (350,000)
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INSURANCE SERVICES FUND

Expenditure Budget Adjustments:

Risk Management - Increased legal defense costs and fees	\$ (550,000)
Risk Management - Increased insurance premiums and third party administration costs	(248,000)
Total Increase in Expenditures	\$ (798,000)

Total Change in Projected Ending Fund Balance	\$ (798,000)
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TOTAL NET BUDGET ADJUSTMENTS FOR ALL FUNDS	\$ (3,439,125)
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