



STAFF REPORT

Public Hearing to Consider Proposed Budget for Fiscal Year 2005

Honorable Mayor and Members of the City Council:

Summary:

At the close of the public hearing, and after consideration of testimony given, it is recommended that the City Council approve the attached resolutions implementing the Fiscal Year 2005 Budget, Appropriations Limit, Master Fee Schedule, Sewer Service Rate Adjustment, and Financial Policies for the City of Belmont.

Discussion:

On June 8th, City Council held a Public Hearing to hear testimony regarding adoption of the FY 2005 Budget. In order to allow for additional time to review the budget document, City Council continued the Public Hearing to June 22nd.

Revised Budget Correction Strategy

At the June 8th meeting, City Council provided specific direction to revise the Budget Correction Strategy and close the \$1.48 million budget gap. A supplement to this report details the strategies heretofore adopted, including revisions agreed to by consensus of the City Council. The result of those actions requires an additional correction of \$117 thousand to achieve the \$1.48 million package. To that end, staff has developed alternatives for Council's consideration that, if adopted, would close the difference; the proposed revisions are shown on Attachment 1.

Housecleaning

Since publication of the proposed budget, two housecleaning items require attention. Those items have been incorporated into the base budget and are included with this report as Attachment 2.

Gann Limit

Proposition 4, approved by California voters in 1979, requires cities to calculate and establish an appropriations limit every year. The limit is based on actual appropriations in the 1978-79 fiscal year, and is allowed to increase each year to the extent of population growth and inflation.

The City of Belmont's FY 2005 Appropriations Limit is \$10,048,438. The FY 2005 budget is within the stated limit. The calculations are attached to the implementing resolution, which is Attachment 3.

Master Fee Schedule

As part of the annual budget process, departments review their fee structure to ensure compliance with the City’s fee policy that specifies, where possible, the fee recovers the full cost (direct and indirect) of providing the service.

Consistent with policy, the Master Fee Schedule has been revised to reflect the following adjustments:

Type	Description	Amount
CPI	To reflect general increase in cost of service when not specifically based on level of effort.	1.1%
Hourly Rate	To reflect increase or decrease in productive hourly rates for service provided	Various
Markup	To reflect increase or decrease in markup for staff time and related costs to manage consultant work	No change
Level of Effort	To reflect increase or decrease in level of effort to complete one unit of service	Various

To facilitate City Council’s review of the proposed changes, both the current and proposed fees are shown in the exhibit with Attachment 4, the implementing resolution. **Shading** is used to denote the **current fee**.

Based on actions that have occurred throughout the year, staff is recommending two additional actions relative to the Master Fee Schedule: 1) The appeal fee has been revised and set at 50% of actual cost, with no provision for reimbursement. This represents a compromise position based on the City’s cost structure and a survey of neighboring communities; and 2) The recreation fee setting methodology, with approved subsidy levels, has been incorporated into the document.

Sewer Service Charges

Several years ago, the City Council implemented usage based sewer service rates based on winter water use to address a long-term structural imbalance between revenues and expenses with the sewer and storm drain enterprises. Hilton Farnkopf & Hobson (HFH), experts in the area of municipal rate setting, was engaged in 2001 to update the rate model annually for the next five years. The following briefly summarizes HFH’s findings and recommendations of this year’s analysis:

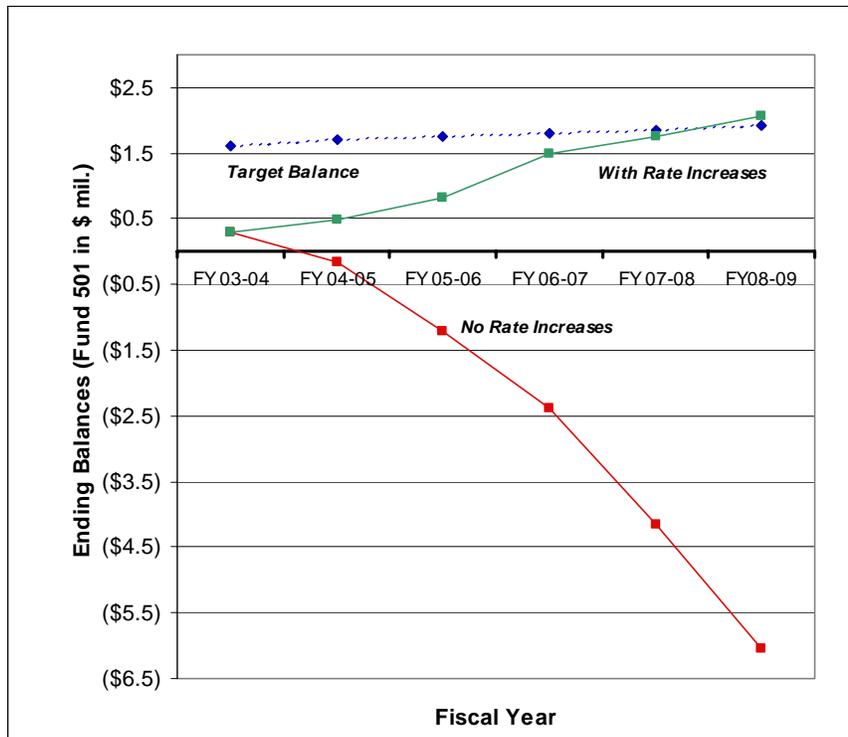
- The City should increase sewer rates by 16%, 16%, 8%, 3% and 3%, respectively, for the next several years. This rate increase is recommended to meet projected operating and maintenance costs, additional debt service associated with issuing a \$7.5 million bond in FY 2005 (second phase of a \$15 million capital improvement plan) and an additional bond projected in FY 2008, and additional reserve requirements in the next fiscal year.

- Annual projected sewer rates for the next five years are as follows:

Average Customer Charges (a)	Current	Recommended				
	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09
Rate Increase:	12%	16%	16%	8%	3%	3%
Low-Strength						
Residential	\$373	\$432	\$502	\$542	\$558	\$575
Retail/Commercial	\$373	\$432	\$502	\$542	\$558	\$575
Institutional/Public Authority	\$8,135	\$9,436	\$10,946	\$11,822	\$12,177	\$12,542
Industrial (w/ pretreatment)	\$6,242	\$7,240	\$8,399	\$9,070	\$9,343	\$9,623
High-Strength						
Restaurants (foods prepared on premises)	\$4,271	\$4,954	\$5,747	\$6,207	\$6,393	\$6,585
Supermarkets (w/ grinders)	\$9,943	\$11,534	\$13,379	\$14,450	\$14,883	\$15,330

a. Average annual charges based on sewer charges times average water use (in hundred cubic feet): Resid. = 114 HCF
 Retail/Comm. = 114 HCF, Inst./Public = 2,488 HCF, Industrial = 1,909 HCF, Restaurants = 767 HCF, and Supermarkets = 1,785 HCF.

- The ending sewer fund balances are adequate with the recommended rate increases but are severely deficient without these increases.



The full text of HFH’s study can be seen following Attachment 5 to this report.

The County of San Mateo collects the sewer fees on the property tax bill. The County charges a \$1.25 processing fee per charge. This fee will be added to the sewer service charges. The County requires a resolution authorizing them to add the sewer service charges to the bill. The resolution included as Attachment 5 reflects the 16% rate increase and meets the County’s requirements.

Financial Policies

The City Council has approved a set of policies to be followed by staff in their application of the various disciplines involved in public finance. The financial policies fall into two levels: Level 1 and 2. Level 1

policies can only be added, modified or deleted by an act of City Council. Level 2 policies can be added, modified or deleted by staff.

Financial Policies are updated regularly to include new or modified recommended practices. For FY 2005, the following new Level 2 financial policies have been added and are provided for informational purposes only: Improving the Effectiveness of Fund Accounting, Voluntary Presentation of Management's Discussion and Analysis, Enhancing Management Involvement with Internal Control, Use of Positive Pay Versus Reverse Positive Pay.

In addition, updates to the Level 1 financial policy for Community Group Funding have been made consistent with Council direction. To facilitate City Council's review of the proposed changes, the proposed changes are denoted by underlined text. The resolution adopting these changes is Attachment 6 to this report.

Finance Commission Review:

Budget:

On June 3rd, the Finance Commission reviewed the FY 2005 Base Budget and Budget Correction Strategy and unanimously recommended adoption by City Council with the proviso that suspended Community Group Funding monies be reserved.

Financial Policies:

On June 3rd, the Finance Commission reviewed and recommended for adoption the financial policies.

Budget Adoption:

Implementing Resolutions

Attached for the Council's review and approval are the following resolutions implementing the FY 2005 Budget:

- Resolution approving Article XIII B appropriations (Gann Limit) (Attachment 3)
- Resolution adopting Master Fee Schedule (Attachment 4)
- Resolution adopting Sewer/Storm Drain Rates (Attachment 5)
- Resolution adopting Financial Policies (Attachment 6).
- Resolution establishing the base revenue, appropriation (expenditure) and capital improvement program budgets for the year, including the Revised Budget Correction Strategy (Attachment 7).

Further, this report includes a supplement identifying the Revised Budget Correction Strategy, including alternatives, for FY 2005 (Attachment 1), and a summary of housecleaning items (Attachment 2); those changes have been incorporated into the main adopting resolution (Attachment 7).

Recommended Process

To facilitate implementing the FY 2005 Budget, at the close of the public hearing, staff recommends the following actions be taken:

- Step 1 Make motion to adopt FY 2005 Budget as proposed in the attached Resolution (Attachment 7). Entertain a second to that motion.
- Step 2 Prior to voting on main motion, entertain motion(s) to amend main motion to reflect any individual amendments. Each proposed

amendment would require a second and should be voted upon separately.

- Step 3 Take a vote on main motion, as amended, to adopt FY 2005 Budget.
- Step 4 Make motions and take vote on other resolutions.

Follow Up:

1. Revise documents as directed.
2. Publish budget.
3. Update website.

Fiscal Impact: Establish the City of Belmont’s base revenue budget at \$34,952,074, base appropriation budget at \$26,932,812 and Capital Improvement Program budget at 13,117,490 for Fiscal Year 2005. The FY 2005 Budget contemplates the use of \$7,214,937 in fund balance. As proposed, implementation of the Revised Budget Correction Strategy further augments the base revenue budget by \$275,026 and appropriation budget by (\$1,043,982).

The FY 2005 Budget includes two operating loans totaling \$312,000 (\$200,000 for Recreation and \$112,000 for Facilities). The loans will be amortized over 5 years with interest indexed to the Local Agency Investment Fund (LAIF) rate earned on the City’s investment portfolio.

Recommendation: Adopt budget and related resolutions as proposed.

Alternatives:

1. Amend the resolution(s) and adopt an alternative budget.
2. With direction, refer the budget back to staff for further consideration.

Public Contact:

1. Public hearing was legally noticed.

Attachments:

1. Revisions to Budget Correction Strategy
2. Housecleaning Items
3. Appropriations Limit Resolution
4. Master Fee Resolution
5. Sewer/Storm Drain Resolution
6. Financial Policies Resolution
7. Budget Resolution

Respectfully submitted,

Thomas Fil, Finance Director

Jere Kersnar, City Manager

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REVISIONS TO FY 2005 BUDGET CORRECTION STRATEGY		
#	Description	Amount
Proposed Plan		
Sources		
D26	Suspend Community Group Funding	\$64,100
D45	Additional Reductions to Park Repair & Maintenance Services	\$5,000
D49	Additional Reductions to Contract Athletic Field Maintenance	6,000
D65	Increase Parks Allocation to Library CFD to 50%	20,000
New	3% Council Salary Reduction	702
New	3% City Treasurer Reduction	108
New	Labor Cost Adjustments	21,007
	Total	\$116,917
Uses		
D59	Reinstate CSO Position	\$57,400
D50	Reinstate Senior Marketing/Volunteer Coordinator	19,900
D51	Reinstate Senior Resource Specialist	8,900
D52	Reinstate Senior Transportation Program	23,400
D12	Correct Double Counting for Department Head Salary Reduction	7,317
	Total	\$116,917
Alternative Sources¹		
D52	Restructure Senior Transportation Program	\$6,500
New	Lease old Police Facilities in "as is" condition (subject to approvals)	64,800

¹ These sources may be used to offset existing sources or supplement additional uses.

**FY 2005 PROPOSED BUDGET
HOUSECLEANING ITEMS**

Debit:

Fund	Account #	Description	Reference	Amount
234	4312-3003-8351	Street Improvements: Other Professional/Technical	1	\$21,450
101	1301-8103	City Manager: Temporary Part Time	2	5,083
			TOTAL	\$26,533

Credit:

Fund	Account #	Description	Reference	Amount
234	5299	Undesignated fund balance	1	\$21,450
101	5299	Undesignated fund balance	2	5,083
			TOTAL	\$26,533

The following explanations are provided in support of the budget adjustments, and

Reference	Explanation
1	C/CAG Assessment Adjustment
2	To increase budget for part time assistance

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT
APPROVING THE ARTICLE XIII B APPROPRIATIONS LIMIT FOR
THE FISCAL YEAR 2005.**

WHEREAS, the voters of California on November 6, 1979 added Article XIII B to the State Constitution placing various limitations on the appropriations of the State and local governments; and

WHEREAS, Proposition 111 adopted by the California voters on June 5, 1990, amended Article XIII B to provide that the Appropriations Limit for each fiscal year be calculated by adjusting the base year appropriations of fiscal year 1986-87 for changes in the cost of living and populations; and

WHEREAS, Article XIII B requires public entities in the State of California to set an annual appropriations limit; and

WHEREAS, the appropriations limit is based on factors which include the appropriations limit for the prior fiscal year; and

WHEREAS, the League of California Cities issued in March, 1991, uniform guidelines for the implementation of the provisions of Article XIII B; and

WHEREAS, Article XIII B requires the City Council to select the population and inflation factors for each year's appropriations limit calculation; and

WHEREAS, information for making this limit calculation for the City of Belmont has been available for public inspection in the City offices for the 15 days prior to the scheduled adoption of this resolution, in accordance with Government Code Section 7910 requirements; and

WHEREAS, the information necessary for making these adjustments is attached; and

WHEREAS, Exhibit A attached hereto is provided in support of the Gann Limit calculation.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Belmont the following:

Section 1. The Appropriations Limit for the City of Belmont for the FY 2005 shall be \$10,048,438.

Section 2. The inflation factor being utilized to calculate the FY 2005 appropriations limit is the California per capita income.

Section 3. The population factor being utilized to calculate the FY 2005 appropriations limit is the County of San Mateo's population growth.

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I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of Belmont at a regular meeting thereof held on June 22, 2004 by the following vote:

**AYES, COUNCIL MEMBERS:** \_\_\_\_\_

**NOES, COUNCIL MEMBERS:** \_\_\_\_\_

**ABSTAIN, COUNCIL MEMBERS:** \_\_\_\_\_

**ABSENT, COUNCIL MEMBERS:** \_\_\_\_\_

\_\_\_\_\_  
**Clerk of the City of Belmont**

**APPROVED:**

\_\_\_\_\_  
Mayor of the City of Belmont

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION ADOPTING FY 2005 MASTER FEE SCHEDULE**

**WHEREAS**, the City Council has determined the need to charge fees for general government, police, recreation, development, engineering, park in-lieu, sewer, storm drainage and other services; and

**WHEREAS**, DMG-Maximus completed a comprehensive study of the City’s fee structure based on a full cost allocation model in FY 2002; and

**WHEREAS**, staff reviewed and updated the Master Fee Schedule to ensure that an appropriate fee is charged by reflecting one of the following adjustments:

| Type            | Description                                                                                          | Amount    |
|-----------------|------------------------------------------------------------------------------------------------------|-----------|
| <b>CPI</b>      | To reflect general increase in cost of service                                                       | 1.1%      |
| Hourly Rate     | To reflect increase or decrease in productive hourly rates for service provided                      | Various   |
| Markup          | To reflect increase or decrease in markup for staff time and related costs to manage consultant work | No change |
| Level of Effort | To reflect increase or decrease in level of effort to complete one unit of service                   | Various   |

**WHEREAS**, the City of Belmont desires to have all fees located in one document; and

**WHEREAS**, a public hearing was held and all objections or protests were heard on the proposed fees.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council that the attached Master Fee Schedule (Exhibit A) be adopted.

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I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of Belmont at a regular meeting thereof held on June 22, 2004 by the following vote:

**AYES, COUNCIL MEMBERS:** \_\_\_\_\_

**NOES, COUNCIL MEMBERS:** \_\_\_\_\_

**ABSTAIN, COUNCIL MEMBERS:** \_\_\_\_\_

**ABSENT, COUNCIL MEMBERS:** \_\_\_\_\_

\_\_\_\_\_  
**Clerk of the City of Belmont**

**APPROVED:**

\_\_\_\_\_  
**Mayor of the City of Belmont**

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION SETTING SEWER/STORM DRAIN RATES TO BE COLLECTED BY THE COUNTY OF SAN MATEO ON THE PROPERTY TAX ROLL – FY 2005**

**WHEREAS**, the City Council has determined the need to charge fees for sewer and storm drainage services; and

**WHEREAS**, Hilton Farnkopf & Hobson has completed an update of the sewer revenue requirement for the next five years calling for an adjustment to sewer service charges (Exhibit A); and

**WHEREAS**, a public hearing was held and all objections or protests were heard on the proposed fees.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Belmont that:

Section 1. The sewer usage charge for FY 2005, as established in Exhibit B, shall be adopted and made part of the City’s FY 2005 Master Fee Schedule.

Section 2. The County of San Mateo is hereby authorized to collect said sewer usage charges as part of the property tax billing process, and City staff are hereby directed to take all steps necessary to assist said collections.

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I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of Belmont at a regular meeting thereof held on June 22, 2004 by the following vote:

**AYES, COUNCIL MEMBERS:** \_\_\_\_\_

**NOES, COUNCIL MEMBERS:** \_\_\_\_\_

**ABSTAIN, COUNCIL MEMBERS:** \_\_\_\_\_

**ABSENT, COUNCIL MEMBERS:** \_\_\_\_\_

\_\_\_\_\_  
**Clerk of the City of Belmont**

**APPROVED:**

\_\_\_\_\_  
**Mayor of the City of Belmont**

**EXHIBIT B**

| <i>Customer Class</i>                                                                                                                                                                                                                                    | <i>Monthly Fee<br/>Per Unit</i> | <i>Minimum Annual Fee<br/>(1)</i>      |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|----------------------------------------|
| <b>Low Strength</b>                                                                                                                                                                                                                                      |                                 |                                        |
| Residential – including, but not limited to:<br>Single family dwelling, developable parcels, duplex<br>and multiple family dwellings, apartments (per<br>unit) and flats                                                                                 | \$3.79                          | 101.51 units<br>X 50%<br>\$ 192.36     |
| Retail/Commercial – including, but not limited to:<br>Motels/Hotels, commercial houses, office<br>buildings, car<br>washes, Laundromats, restaurant (with food<br>prepared off the premises), and food markets (with<br>foods prepared off the premises) | \$3.79                          | 101.51 units<br>X 50%<br>\$ 192.36     |
| Institutional/Public Authorities – including, but not<br>limited to:<br>Nursing homes, retirement homes, sanitariums<br>government institutions, and schools                                                                                             | \$3.79                          | 101.51 units<br>X 50%<br>\$ 192.36     |
| Industrial (with permitted pretreatment facilities)                                                                                                                                                                                                      | \$3.79                          | 101.51 units<br>X 50%<br>\$ 192.36     |
| <b>High Strength</b>                                                                                                                                                                                                                                     |                                 |                                        |
| Restaurants (foods prepared on premises)                                                                                                                                                                                                                 | \$6.46                          | 767.59 units<br>X 50%<br>\$ 2,479.32   |
| Supermarkets (with grinders)                                                                                                                                                                                                                             | \$6.46                          | 1,786.89 units<br>X 50%<br>\$ 5,771.65 |
| Note (1):The minimum annual charge shall be set at fifty percent (50%) the average annual unit<br>usage of the customer class multiplied by the per unit charge of the customer class.                                                                   |                                 |                                        |
| <b>Additional Transaction Fee</b>                                                                                                                                                                                                                        |                                 |                                        |
| \$1.25 per Parcel                                                                                                                                                                                                                                        |                                 |                                        |

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION ADOPTING FINANCIAL POLICIES**

**WHEREAS**, in 2001, the City Council adopted a comprehensive set of financial policies;  
and

**WHEREAS**, the policies are designed to provide staff with guidance on sound financial management practices; and

**WHEREAS**, the policies are intended to enhance techniques and provide effective strategies for staff; and

**WHEREAS**, the policies have been updated to include new and modified recommended practices; and

**WHEREAS**, the new and modified policies shown in Exhibit A were reviewed by the Finance Commission; and

**WHEREAS**, the Finance Commission recommend that the City Council adopt the policies;  
and

**WHEREAS**, the financial policies fall into two levels: Level 1 and 2, and Level 1 policies can only be added, modified or deleted by an act of City Council and Level 2 policies can be added, modified or deleted by staff, the Level 2 policies have been adopted; and

**NOW, THEREFORE, BE IT RESOLVED** that the City Council adopts the Level 1 Financial Policies as presented by staff on June 22, 2004.

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I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of Belmont at a regular meeting thereof held on June 22, 2004 by the following vote:

**AYES, COUNCIL MEMBERS:** \_\_\_\_\_

**NOES, COUNCIL MEMBERS:** \_\_\_\_\_

**ABSTAIN, COUNCIL MEMBERS:** \_\_\_\_\_

**ABSENT, COUNCIL MEMBERS:** \_\_\_\_\_

\_\_\_\_\_  
**Clerk of the City of Belmont**

**APPROVED:**

\_\_\_\_\_  
**Mayor of the City of Belmont**

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION ADOPTING THE PROPOSED FY 2005 REVENUE, APPROPRIATIONS, CAPITAL IMPROVEMENT PROGRAM BUDGETS AND ESTABLISH PERMANENT STAFFING PLAN FOR THE CITY OF BELMONT**

**WHEREAS**, the City Council desires to have a fiscal plan for the City of Belmont in order to plan for anticipated revenues and control expenditures; and

**WHEREAS**, the fiscal year revenue, appropriation capital improvement plan for the City of Belmont is expressed in the budget documents entitled “City of Belmont FY 2005 Budget”; and

**WHEREAS**, the City Council and the Finance Commission reviewed the proposed budgets for compliance with the goals and objectives of the community; and

**WHEREAS**, the City Council authorizes the use of operating loans with interest indexed to the LAIF rate and maturity date of no later than June 30, 2010 to fund operating deficits for Recreation and Facilities Management Funds from the Fleet and Equipment Fund; and

**WHEREAS**, the City Council has held Public Hearings on the programs and fiscal policies to obtain public comments regarding the Proposed Budget document.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council that the Revenue, Appropriations and Capital Improvement Program (CIP) budgets for Fiscal Year 2005 shall be adopted as follows and that the permanent staffing plan be established at 130.65 full time equivalent positions.

| <b>Fund</b> | <b>Fund Title</b>                     | <b>Revenue</b> | <b>Appropriation</b> | <b>Capital</b> | <b>Net Transfers</b> |
|-------------|---------------------------------------|----------------|----------------------|----------------|----------------------|
| <b>101</b>  | General Fund                          | \$12,362,541   | \$11,924,737         |                | (\$1,152,448)        |
| <b>205</b>  | Co-Sponsored Recreation               | 1,008,638      | 1,597,464            |                | 557,938              |
| <b>206</b>  | Library Maintenance & Operating       | 150,000        |                      |                |                      |
| <b>210</b>  | Development Services                  | 1,552,188      | 1,527,886            |                |                      |
| <b>225</b>  | ABC Grant                             |                |                      |                |                      |
| <b>227</b>  | Supplemental Law Enforcement Services | 100,000        | 114,173              |                | 14,173               |
| <b>228</b>  | Law Enforcement Block Grants          |                |                      |                |                      |
| <b>229</b>  | Asset Seizure & Forfeitures           | 4,094          | 6,000                |                |                      |
| <b>231</b>  | Gas Tax                               | 735,204        | 1,049,708            |                | 314,505              |

|     |                                     |                     |                     |                     |                    |
|-----|-------------------------------------|---------------------|---------------------|---------------------|--------------------|
| 234 | Street Improvements-Measure A       | 1,044,750           | 14,125              | 1,058,456           |                    |
| 235 | Traffic Mitigation                  | 674                 |                     |                     |                    |
| 238 | COPSMORE 96                         | 78,589              | 78,589              |                     |                    |
| 240 | Police Communications Consort.      | 192                 | 4,409               |                     |                    |
| 305 | City Hall Retrofit/Police Facility  | 422,634             | 37,326              | 5,149,034           | 1,712,550          |
| 306 | Belmont Library                     | 602,000             | 15,087              | 3,732,500           | 700,000            |
| 308 | General Facilities                  | 5,592               | 24,000              |                     |                    |
| 310 | Unanticipated Infrastructure Repair | 2,383               |                     |                     |                    |
| 337 | Direct Access-Ralston/101 Is. Park  |                     |                     |                     |                    |
| 341 | Planned Park                        | 14,226              | 11,641              | 235,000             | (700,000)          |
| 343 | Open Space                          | 17                  |                     |                     |                    |
| 401 | Debt Service                        |                     | 68,243              |                     | 68,243             |
| 406 | Library CFD Bond                    | 813,873             | 615,310             |                     |                    |
| 501 | Sewer Enterprise-Operations         | 4,059,145           | 3,527,628           |                     | (743,722)          |
| 503 | Sewer Enterprise-Capital            | 7,621,894           | 519,163             | 1,545,000           | (1,120,382)        |
| 505 | Sewer Enterprise-Treatment Plant    | 88,874              | 153,581             |                     |                    |
| 525 | Storm Drainage Enterprise           | 409,079             | 1,185,133           | 1,182,500           | 1,864,104          |
| 601 | Worker's Compensation               | 604,921             | 668,743             |                     |                    |
| 605 | Property & Casualty Risk            | 606,028             | 577,712             |                     |                    |
| 607 | Self Insured Vision                 | 29,396              | 30,161              |                     |                    |
| 620 | Fleet & Equipment Management        | 1,472,686           | 1,700,953           | 75,000              |                    |
| 625 | Facilities Management               | 897,236             | 1,094,344           |                     | 197,589            |
| 704 | Special Assessment Districts        | 2,039               |                     | 140,000             |                    |
| 708 | Benefit Stabilization               | 263,181             | 386,696             |                     |                    |
|     | <b>TOTALS</b>                       | <b>\$34,952,074</b> | <b>\$26,932,812</b> | <b>\$13,117,490</b> | <b>\$1,712,550</b> |

**IN ADDITION, WHEREAS,** City of Belmont requires additional funding and reduced expenditures, and

**WHEREAS,** the City of Belmont City Council finds that it is necessary to adopt a Budget Correction Strategy to the Base Budget for those revenues and expenditures, and

**WHEREAS,** the fiscal year revenue, appropriation, capital improvement program and permanent staffing plan for the City of Belmont is expressed in the budget documents entitled "City of Belmont FY 2005 Budget"; and

**WHEREAS**, the City Council has held Public Hearings on the programs and fiscal policies to obtain public comments regarding the Budget Correction Strategies.

**NOW, THEREFORE, BE IT FURTHER RESOLVED** by the City Council that the Revenue, Appropriations and Capital Improvement Program (CIP) budgets for Fiscal Year 2005 shall be adjusted as follows and that the permanent staffing plan be adjusted to 125.65 full time equivalent positions.

| <b>Fund</b> | <b>Fund Title</b>               | <b>Revenue</b>      | <b>Appropriation</b>    | <b>Capital</b> | <b>Net Transfers</b> |
|-------------|---------------------------------|---------------------|-------------------------|----------------|----------------------|
| <b>101</b>  | General Fund                    |                     | \$(692,432.00)          |                | \$10,000.00          |
| <b>205</b>  | Co-Sponsored Recreation         | \$15,000.00         | (133,289.00)            |                |                      |
| <b>210</b>  | Development Services            | 25,000.00           | (77,108.00)             |                |                      |
| <b>231</b>  | Gas Tax                         | 235,026.00          | (2,598.00)              |                | 197,731.00           |
| <b>501</b>  | Sewer Enterprise-<br>Operations |                     | (93,011.00)             |                |                      |
| <b>525</b>  | Storm Drainage Enterprise       |                     | (12,744.00)             |                |                      |
| <b>620</b>  | Fleet & Equipment<br>Management |                     | (32,800.00)             |                |                      |
| <b>625</b>  | Facilities Management           |                     |                         |                | 55,000.00            |
|             | <b>TOTAL</b>                    | <b>\$275,026.00</b> | <b>\$(1,043,982.00)</b> |                | <b>\$262,731.00</b>  |

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of Belmont at a regular meeting thereof held on June 22, 2004 by the following vote:

**AYES, COUNCIL MEMBERS:** \_\_\_\_\_

**NOES, COUNCIL MEMBERS:** \_\_\_\_\_

**ABSTAIN, COUNCIL MEMBERS:** \_\_\_\_\_

**ABSENT, COUNCIL MEMBERS:** \_\_\_\_\_

\_\_\_\_\_  
**Clerk of the City of Belmont**

**APPROVED:**

\_\_\_\_\_  
**Mayor of the City of Belmont**

