



Staff Report

RESOLUTION AMENDING FY 2008 (MID-YEAR REVIEW)

Honorable Mayor and Council Members:

Summary

Staff presented the financial status and Mid Year Budget Adjustments to the City Council at the meeting of February 26, 2008. There was one change to the expenditure adjustments resulting in no need for an adjustment as the departments were able to absorb the expenses within their current budget.

Background

Annually, the City prepares an analysis of the current year budget at the six month mid point. This analysis is called the "Mid Year Review". The purpose of the Mid Year Review is to discuss the financial results of the organization and suggest corrective action in the event expectations differ from results.

Discussion

Financial reports and budget adjustments were fully discussed at the last meeting. The adjustments requested are inserted as part of this Resolution

Finance Commission Review –

As reported at the meeting of February 26, the Finance Commission reviewed and discussed the financial results for the six months ended December 31, 2007. No further action was required of the Commission.

General Plan/Vision Statement

No impact.

Fiscal Impact

The overall effect on the General Fund, increases the fund balance by \$411,345 and increases the fund balances in all other funds by a cumulative net amount of \$378,438 per the list of adjustments shown in the Resolution.

Public Contact

Posting of City Council agenda.

Recommendation

Adopt the resolution adjusting the fiscal year 2007-2008 budget as presented in the Resolution.

Alternatives

1. Take no action.
2. Direct staff to take other corrective measures.

Attachments

- A. Resolution

Respectfully submitted,

Thomas Fil
Finance Director

Jack R. Crist
City Manager

Staff Contact:

Maureen Lennon, Financial Consultant

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RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT AMENDING
THE FISCAL YEAR 2008 BUDGET AND APPROVING A REVISION TO REVENUE
AND SUPPLEMENTAL APPROPRIATION**

WHEREAS, City of Belmont requires additional funding for expenditures identified hereto;
and,

WHEREAS, the City of Belmont City Council finds that it is necessary to augment the budget
for those expenditures; and,

WHEREAS, there is additional revenue and undesignated fund balances available to cover the
augmentation; and,

WHEREAS, the following accounts require adjustment to address the variances as a result of
not being included in the regular budget process; and,

| EXPENDITURES | | | | | |
|---------------------|------------------|---|-------------|-------------------------|---------------|
| Fund | Account # | Expenditure Description | Ref. | Pre Approved | Amount |
| 101 | 4153 | Renewed City Attorney Contract | 1 | ✓ | \$7,000 |
| 101 | 4106-8599 | Green Vehicle Initiative Transfer from GF to Finance Non-Dept. | 1 | ✓ | 5,000 |
| 101 | 2104-8111 | Overtime Dispatch & Records | 1 | | 15,000 |
| 101 | 2101-8580 | Travel and Training Academy | 1 | | 76,891 |
| 101 | 2101-8353 | Pre-Employment Services shortfall | 1 | | 10,150 |
| 101 | 2101-8111 | Overtime covering for injured officers | 1 | | 35,000 |
| 101 | 4100-8580 | Travel & Training for new Councilmembers | 1 | | 5,000 |
| 101 | 5101-8430 | Landscape Median Ralston Avenue | 1 | | 13,000 |
| 206 | 4518-8430 | Library Awning Project/Air Conditioning Unit Repair | 2 | | 35,000 |
| 206 | 4518- New | Solar Energy Design Project | 2 | ✓ | 50,000 |
| 207 | 5701-8351 | Athletic Field Maint. Supplies | 3 | ✓ | 10,000 |
| 207 | 5701-8351 | Athletic Field Maint. Contract Svcs. | 3 | ✓ | 25,000 |
| 225 | 4225-9040 | LIVE SCAN equipment required by Dept. of Justice | 6 | ✓ | 40,009 |
| 231 | 3301-8430 | C/CAG Congestion Relief | 7 | | 18,586 |
| 234 | 4312-3114-9030 | Ralston Avenue Irrigation Project | 8 | | 38,000 |
| 308 | 4194-8030-9020 | Manor House Restoration Project | 9 | ✓ | 82,500 |
| 351 | 4610-9551-9030 | Econ. Develop. Enhancement Agreement with Keyser Marston | 10 | ✓ | 45,000 |

| | | | | | |
|-----|----------------|---|----|---|------------------|
| 503 | 4356-7057-9030 | Basin 8 & Sewer Rehabilitation Project reduction | 11 | ✓ | (170,000) |
| 503 | 4326-7003-9030 | Standby Generator for San Juan Pump Station | 11 | ✓ | 100,000 |
| 525 | 4315-6010-9030 | Water Dog Lake Silt Removal | 12 | ✓ | (50,000) |
| 525 | 4315-6045-9030 | Storm Drain Capital Improvement Project | 12 | ✓ | (50,000) |
| 525 | 4315-6051-9030 | Corrugated Metal Pipe Replacement Project | 12 | ✓ | (100,000) |
| 525 | 4315-6049-8331 | Transfer from 525-4315-6001-9030 Master Storm Drain | 12 | ✓ | 16,720 |
| 525 | 4315-6001-9030 | Master Storm Drain Plan | 12 | ✓ | (16,720) |
| 620 | 3201-8430 | Sewer Vacuum Truck BAAQMD requirement | 13 | ✓ | 20,000 |
| 625 | 5304-8103 | Increase Temp. Part-Time | 14 | | 8,715 |
| 625 | 5304-8351 | Incr. Other Professional/Tech | 14 | | 1,500 |
| 625 | 5304-8423 | Custodial Services | 14 | | 2,000 |
| 625 | 5304-8430 | Repair & Maint. Services | 14 | | 2,000 |
| 625 | 5304-8610 | General Supplies | 14 | | 1,000 |
| 625 | 1701-9020 | City Hall Improvements Suites 104 and 105 | 14 | ✓ | 15,000 |
| 708 | 4968-8281 | Police Retirements | 1 | | 150,000 |
| 822 | 4633-9030 | RDA First-Time Homebuyer | 15 | ✓ | 100,000 |
| 822 | 6101-8313 | RDA Waived per Agreement | 15 | | (9,416) |
| 841 | 4637-8313 | RDA Waived per Agreement | 16 | | (37,010) |
| | | TOTAL | | | \$494,925 |

| REVENUES | | | | | |
|----------|-----------|---|------|--------------|--------------------|
| Fund | Account # | Revenue Description | Ref. | Pre Approved | Amount |
| 101 | 6101 | Property Tax Secured | 1 | | \$75,337 |
| 101 | 6103 | Property Tax Unsecured | 1 | | 61,356 |
| 101 | 6328 | HOPTR | 1 | | 4,585 |
| 101 | 6102 | Unitary | 1 | | 26,377 |
| 101 | 6121 | Sales Tax reduction | 1 | | (153,026) |
| 101 | 6111 | Motor Vehicle License In-Lieu | 1 | | 95,419 |
| 101 | 6125 | TOT | 1 | | 174,000 |
| 101 | 6103 | Unsecured Property Tax | 1 | | 12,600 |
| 101 | 7299 | Green Initiative Appropriation Authority | 1 | ✓ | 5,000 |
| 101 | 6110 | ERAF Refund came in Higher | 1 | | 276,738 |
| 207 | 6950 | Athletic Field User Fee per player | 3 | ✓ | 35,000 |
| 223 | 6101 | Property Tax Secured | 5 | | (129,952) |
| 223 | 6103 | Property Tax Unsecured | 5 | | (3,414) |
| 223 | 6328 | HOPTR | 5 | | (4,677) |
| 223 | 6102 | Unitary | 5 | | 20,883 |
| 234 | 6359 | Prop. 1B Misc. State Grants | 8 | | 417,516 |
| 234 | 6319 | Ralston Ave. Traffic Fed Grant Overstated | 8 | | (39,000) |
| 625 | 7151 | Lodge & Cottage Rental Rev. | 14 | | 3,160 |
| 625 | 7155 | Barrett Com. Center Revenue | 14 | | 5,760 |
| 625 | 7158 | Sports Complex Rental Revenue | 14 | | 6,295 |
| 822 | 6101 | Property Tax Secured RDA | 15 | ✓ | 87,926 |
| 841 | 6101 | Property Tax Secured RDA | 16 | | 318,605 |
| 841 | 6103 | Property Tax Unsecured RDA | 16 | | (11,780) |
| | | TOTAL | | | \$1,284,708 |

| SUMMARY EFFECT ON FUNDS | | | | |
|-------------------------|------|-------------|--------------|---------------------|
| Ref. | Fund | Revenues | Expenditures | Net Change per Fund |
| 1 | 101 | \$578,386 | \$167,041 | \$411,345 |
| 2 | 206 | | \$85,000 | (\$85,000) |
| 3 | 207 | \$35,000 | \$35,000 | 0 |
| 4 | 223 | (\$117,160) | | (\$117,160) |
| 5 | 225 | | \$40,009 | (\$40,009) |
| 6 | 231 | | \$18,586 | (\$ 18,586) |
| 7 | 234 | \$378,516 | \$38,000 | \$340,516 |
| 8 | 308 | | \$82,500 | (\$82,500) |
| 9 | 351 | | \$45,000 | (\$45,000) |
| 10 | 503 | | (\$70,000) | \$70,000 |
| 11 | 525 | | (\$200,000) | \$200,000 |
| 12 | 620 | | \$20,000 | (\$20,000) |
| 13 | 625 | \$15,215 | \$30,215 | (\$15,000) |

| | | | | |
|----|--------------|--------------------|------------------|------------------|
| 14 | 708 | | \$150,000 | (\$150,000) |
| 15 | 822 | \$87,926 | \$90,584 | (\$2,658) |
| 16 | 841 | \$306,825 | (\$37,010) | \$343,835 |
| | TOTAL | \$1,284,708 | \$494,925 | \$789,783 |

REFERENCES

| No. | Explanation |
|-----|---|
| 1 | The General Fund 101 balance will be enhanced by \$411,345 |
| 2 | The Library Fund 206 fund balance will be reduced by the \$85,000 budget adjustment for the awning project, solar project and air conditioning unit repair. |
| 3 | The Athletic Field Maintenance fund 207 is a new fund that will generate revenue through User fees to offset the expenditures of \$35,000 for athletic field maintenance. |
| 4 | Fund 223 Property Tax Secured, Unsecured, and HOPTR are revised to come in less than budget by a total of \$138,043 and Unitary tax is revised to come in \$20,883 higher than budgeted for a net decrease in fund balance of \$117,160.. |
| 5 | Fund 225 fund balance earmarked for purchase of Live Scan program utilizing grant funding. |
| 6 | The Street Maintenance 231 fund balance of \$124,000 will be reduced by \$18,586 for increased dues to City/County Association of Governments (C/CAG). |
| 7 | The Street Improvements Fund 234 fund balance of \$395,000 will be increased by \$340,516 from Proposition 1B funds of \$417,516 not budgeted, a reduction of \$39,000 for an over-budgeted federal grant for Ralston Ave. traffic, and the additional expense of \$38,000 for Ralston Avenue Irrigation Project. |
| 8 | Capital Project Fund 308 fund balance of \$337,000 will be reduced by \$82,500 per Council action of 10/9/07 for the Manor House Restoration Project. |
| 9 | RDA Capital Project Fund 351 balance of \$5,614,000 will be reduced by \$45,000 for the contract with Keyser Marston for economic development enhancement per Council action of 10/9/07. |
| 10 | Sewer Capital Improvement Fund 503 fund balance of \$12,165,000 will be reduced by \$70,000 for net expenditure reduction of \$70,000 for the Basin & Sewer Rehabilitation project and the purchase of a standby generator for San Juan Pump Station in the amount of \$100,000 per Council action on 10/9/07. |
| 11 | Storm Drainage Enterprise 525 fund balance of \$3,331,000 will be increased by \$200,000 due to postponement of three budgeted projects: Water Dog Lake Silt Removal, Storm Drain Capital Improvement Project, and Corrugated Metal Pipe Replacement Project. |
| 12 | Fleet & Equipment Management 620 fund balance of \$3,960,000 will decrease by \$20,000 for the sewer vacuum truck required by the Bay Area Quality Management District (BAQMD). |
| 13 | Facilities Management 625 fund balance of \$44,000 will decrease by \$15,000, which is for City Improvements of Suites 104 and 105 and will eventually be compensated from enhanced rental revenue and a redistribution of employee costs out of the CM budget in the amount of \$6,866. |
| 14 | Fund 708 will be reduced by \$150,000 for Police buy-outs. |
| 15 | Low & Moderate Income Housing 822 fund balance of \$8,037,000 will be decreased by \$2,658 due to a combination of RDA First-Time Homebuyer payment of an unbudgeted |

| | |
|----|--|
| | amount of \$100,000 ,and a reduction in expenses in the amount of \$9,416 for the County pass-through, and an increase in anticipated revenue from secured property tax in the amount of \$87,926. |
| 16 | RDA Debt Service 841 fund balance of \$2,453,000 will be increased by \$343,835 as a result of increased anticipated property tax increment revenue in the net amount of \$306,825 and a decrease in County pass-through expenditures of \$37,010. |

WHEREAS, the above explanations are provided in support of the budget adjustments, and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Belmont hereby amends the Fiscal Year 2008 Budget per fund as reflected above,

* * * * *

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 March 11, 2008 by the following vote:

AYES, COUNCILMEMBERS: _____

NOES, COUNCILMEMBERS: _____

ABSTAIN, COUNCILMEMBERS: _____

ABSENT, COUNCILMEMBERS: _____

CLERK of the City of Belmont

APPROVED:

MAYOR of the City of Belmont