

City of La Palma

Agenda Item No. 9



MEETING DATE: February 21, 2017

TO: CITY COUNCIL

FROM: CITY MANAGER

SUBMITTED BY: Sea Shelton, Administrative Services Director

AGENDA TITLE: Mid-Year Operating Report and Budget Adjustments, Fiscal Year 2016-17

RECOMMENDED ACTION:

It is recommended that the City Council take the following actions:

- a) Receive the presentation on the Second Quarter Operating Report
- b) Approve a Resolution amending the Fiscal Year 2016-17 Budget to adjust certain revenue, department, and program budgets.

BACKGROUND:

Staff is presenting a mid-year, comprehensive report to Council and the public on the state of the City's finances.

This report provides the following information:

1. A snapshot of the City's spendable fund balances at December 31, 2016, as well as the year-to-date change in spendable fund balances.
2. A review of the General Fund's revenue and expenditures through the second quarter of the fiscal year (50% of the year as of December 31, 2016), including brief discussions of relevant proposed budget amendments. A detailed analysis of the proposed budget amendments is presented as an attachment to this report.

For the quarterly report, no quarter-end accruals are recorded. Revenue is essentially reported when cash is received and expenditures are essentially reported when cash payments are made. Many revenue and expenditure transactions do not occur at uniform times or at equal intervals throughout the year. Consequently, although the second quarter represents 50 percent of the fiscal year, not all line items will be at 50 percent of the budget as of the end of the second quarter.

Making sense of the information presented herein requires consideration of the cash flow factors of major revenues and expenditures. For instance, while expenditure outflows for normal

operations tend to be relatively even, the cash flow timing of capital expenditures and major revenues such as property taxes are not distributed as evenly.

FINANCIAL SUMMARY:

Attached for review are the following first quarter summary schedules:

- Schedule of General Fund Revenues by Type
- Schedule of General Fund Expenditures by Department
- Schedule of General Fund Expenditures by Category
- Schedule of Spendable Fund Balances by Fund
- Schedule of Proposed Mid-Year Budget Adjustments

With data for six months of the year, staff is proposing budget adjustments to bring the original budget estimates into line with the year's actual activity. The revenue and expenditure schedules include these proposed budget amendments as proposed adjustments to the adopted budget amounts.

The City's overall spendable fund balance (the sum of cash, investments, and current receivables less current liabilities) has declined by \$3.3 million from the beginning of the fiscal year from \$30.6 million to \$27.3 million at December 31, 2016. In comparison, the City's spendable fund balance declined by \$2.6 million during this same period in the prior year. This means that the City's spendable fund balance declined by \$0.7 million more during FY 2016-17 than it did during the same time period in FY 2015-16. The reason for the additional reduction in spendable fund balance is mainly due to more capital project work happening during FY 2016-17 than in the prior year.

This \$3.3 million reduction in spendable fund balance is accounted for as follows:

- General Fund decreased by \$700,000
- Special Revenue Funds decreased by \$700,000
- Capital Outlay Revolving Fund decreased by \$900,000
- Water Fund decreased by \$500,000
- Internal Service Funds decreased by \$400,000

The remainder of the financial review section will focus on the activity in the funds with significant changes in spendable fund balance and on the proposed mid-year adjustments.

General Fund

As shown in the attached charts, General Fund revenues totaled \$4.0 million (39% of the proposed amended budget) while expenditures totaled \$4.7 million (47% of the proposed amended budget) as of December 31, 2016. The excess of expenditures over revenues equals the \$0.7 million reduction in spendable fund balance.

Revenues

Due to the timing of major revenue receipts, total General Fund revenue is at 41% of the adopted budget of \$9.7 million through the end of the second quarter. **The City anticipates receiving revenue of \$10.3 million by fiscal year end (106% of the adopted budget), an estimated**

increase of \$600,000 over the adopted budget. The largest reason for the proposed increase to General Fund revenue is \$275,000 expected to be received from the new voter-approved transaction and use tax. The Board of Equalization (BOE) will begin collection of the one percent transactions and use tax beginning April 1, 2017. The City will receive its first advance payment at the end of June 2017. Other proposed revenue budget changes are as follows:

- \$26,900 Property Tax (revised estimates)
- \$90,500 Sales Tax (revised estimates)
- \$89,000 Residual Property Tax (revised estimates)
- \$52,000 Licenses & Permits (trends indicate higher revenue)
- <\$35,000> Fines & Forfeitures (trends indicate lower revenue)
- <\$17,300> Intergovernmental (Peace Officer Standards & Training (POST) program funding reduction)
- \$103,000 Interfund Charges (revised to match interfund expenditures)

Following is a discussion of the three largest General Fund revenue source which are property tax, sales and use tax (including the new voter-approved transaction and use tax), and utility users tax. Together, these three revenues account for approximately 70% of the General Fund's revenue budget.

- **Property Tax:** The General Fund's largest revenue source, property tax, has \$1.1 million revenue recorded through December 31 (31% of the \$3.5 million budget). This is similar to the prior year receipt pattern – by the end of the second quarter of FY 2015-16, the City had received \$1.1 million or 32% of the budget.

The property tax line item includes secured and unsecured property taxes (budgeted at \$2.1 million) as well as the property tax in lieu of vehicle license fees (budgeted at \$1.4 million). Secured and unsecured property tax payments are distributed in two main payments; the first payment is distributed in December during the second quarter, and the second payment is distributed in April during the fourth quarter. Property tax payments in lieu of vehicle license fees will be received in two installments; the first distribution will be in January 2017 (during the third quarter) and the second installment will be in May 2017 (during the fourth quarter). **The City anticipates receiving all property tax revenue as budgeted and is proposing an increase of \$26,900 to the property tax revenue budget.**

- **Sales & Use Taxes**
 - **Sales Tax:** The next largest revenue source, sales tax, has \$882,000 recorded at December 31 (45% of the adopted \$1.9 million budget). Sales tax receipts always lag by two to three months, and **actual sales tax revenue is expected to be \$2.0 million for the fiscal year (105% of the adopted budget).**
 - **Transaction & Use Tax:** In November 2016, the voters approved a local add-on transaction and use tax which will be applied beginning in April 1, 2017. **The City estimates \$275,000 to be received during the fiscal year from this tax.**
- **Utility Users Tax:** The third largest revenue source is utility users tax, budgeted at \$1.1 million. Payments received through December 31 total 40% of budget at \$449,000. Utility users tax payments lag by one month; consequently, extrapolating the five months of payments received through December 31 to six months results in an estimate of \$539,000

which is 48% of the budget. **The City anticipates receiving \$1,115,000 in utility users tax revenue for the fiscal year.**

Expenditures

The General Fund's expenditures total \$4.7 million at December 31 (47% of the adopted \$9.97 million budget). This is comparable to the prior year, where 53% of the General Fund's annual expenditures were incurred by the end of the second quarter. **With proposed budget amendments, staff anticipates that expenditures within all departments will match the proposed amended budget amounts at fiscal year-end.**

- The General Government Department is comprised of the divisions for City Council, City Manager, Legal Services, and City Clerk. The adopted budget for this department totals \$634,200 and no proposed amendments are being recommended. As of December 31, expenditures total \$263,600 (41% of the budget).
- The Administrative Services Department is comprised of the divisions for Administration, Fiscal Services, Human Resources, and Technology and Communications. The adopted budget for this department totals \$2.2 million and has proposed reductions of \$43,300 resulting from an estimated reduction for leave payouts. As of December 31, expenditures total \$1.3 million (58% of the budget). The expenditures are relatively high at this point in the fiscal year due to paying \$738,000 pension liability payments at the beginning of the fiscal year rather than proportionately through the year.
- The Police Department has the largest expenditure budget at \$4.6 million (46% of the total General Fund budget) and has proposed increases of \$13,000 for rifle optic replacements. The City received a refund in the amount of \$10,900 in Fiscal Year 2015-16 from the manufacturer for previously purchased rifle optics that were later returned. As of December 31, expenditures totaled \$2.1 million (46% of the budget).
- The Community Services Department covers a wide range of services that are provided to the citizens including Health & Wellness, Recreation Facility Operations, Special Events, Youth and Family Services, Citywide Maintenance, Engineering, Parks & Medians, and Street Maintenance divisions. This department has a budget of \$2.1 million and has proposed reductions of \$50,000 resulting from salary savings due to a vacancy in a budgeted position. As of December 31, expenditures total \$849,000 (42% of the budget).
- The Community Development Department accounts for the Building and Safety, Code Enforcement, and Planning divisions. The adopted budget of \$457,400 is proposed to increase by \$11,500 mainly as a result of higher than expected building activity. As of December 31, expenditures totaled \$214,000 (46% of the budget).

The expenditure outflows for normal operations are at 47% of the budget. Personnel costs total \$3.1 million (49% of the adopted budget) and Maintenance & Operations costs total \$1.6 million (44% of the adopted budget). The cash flow timing of capital expenditures is not as equally distributed throughout the year, and capital outlay costs total \$8,200 (10% of the budget).

Special Revenue Funds

The Special Revenue Funds are comprised of a variety of funds whose revenues are restricted for specific purposes. During the six months ending December 31, 2016, the spendable fund balance of special revenue funds decreased by \$657,000 to \$1.3 million. The reason for the decrease in spendable fund balance is a result of pending grant reimbursement from the Community Development Block Grant program of \$200,000 (for Americans with Disabilities Act (ADA) improvements) and from the County's Measure M2 grant program of \$569,000 (for the arterial pavement management project). These decreases are somewhat reduced by accumulations of various other funding sources (e.g., park development receipts and police special funds) prior to the expenditures taking place.

Capital Outlay Reserve Fund

In accordance with the project budgets, the Capital Outlay Reserve Fund had expenditures of \$841,000 for the Residential Slurry Seal, Arterial Pavement Management, and ADA Improvements projects. These projects are being funded by using monies previously set-aside for this purpose, resulting in anticipated reductions in spendable fund balance.

Water & Sewer Funds

The Water and sewer funds had a total reduction in spendable fund balance of \$575,000. The reason for this is because revenues are less than expenses. The revenues totaled \$854,000 but lag by one to two months because of accounting for year-end receivables. Expenses totaled \$1,430,000 and include Metropolitan Water District of Southern California (MWD) water purchases of \$509,000 which have an annual budget of \$548,000. The emergency sediment removal project for the City Yard Well that was approved by City Council on August 2, 2016 is a primary factor in the increased expenditures. By year-end, revenues and expenditures are anticipated to approximate the budget amounts.

Internal Service Funds

The Internal Service Funds began the year with a spendable fund balance of \$2.7 million which has been reduced by \$0.4 million to \$2.2 million at December 31. The majority of the activity in the Internal Service Funds occurs in the Risk Management/Insurance Fund, Vehicle Replacement Fund, and the Technology Replacement Fund. The reduction in the spendable fund balance is mainly due to the annual insurance payments for workers' compensation, property, and general liability coverage which are due at the beginning of the fiscal year. The internal service funds recover costs by charging the General, Water, and Sewer funds for their proportional share of the costs. This cost recovery is distributed evenly over the fiscal year, even when costs are incurred at the beginning of the fiscal year.

FISCAL IMPACT:

Failure to adjust the budget now, in most cases, will merely cause the year-end budget to have a large number of over- and under-budgeted accounts. Some of the recommended adjustments, however, are necessary to fulfill certain spending commitments or to authorize expenditures for programs or projects authorized subsequent to the adoption of the budget.

APPROVED:



Administrative Services Director



City Manager

Attachments:

1. Second Quarter Summary Schedules:
 - General Fund Revenue Summary
 - General Fund Expenditures by Department
 - General Fund Expenditures by Category
 - Spendable Fund Balance Summary
2. Proposed Resolution
3. Recommended Mid-Year Budget Adjustments (Exhibit A of Proposed Resolution)

CITY OF LA PALMA
SECOND QUARTER FINANCIAL REPORT, FISCAL YEAR 2016-17
GENERAL FUND REVENUES BY TYPE
FISCAL YEAR QUARTER ENDING DECEMBER 31, 2016

Revenue Type	FY 2016-17						FY 2015-16			Q2 Variance FY 2016-17 to FY 2015-16 Increase / <Decrease>
	Adopted Budget	Proposed Budget Amendment	Proposed Amended Budget	Proposed Budget Change	Year-to-Date Actual through 12/31/2016 (50% of FY)	Q2 Actual as a % of Amended Budget	Prior Year Actual Annual Revenue	Prior YTD Actual through 12/31/2015 (50% of FY)	Q2 Actual as a % of Annual Revenue	
Property Tax	\$ 3,484,000	\$ 26,900	\$ 3,510,900	0.77%	\$ 1,070,865	31%	\$ 3,407,901	\$ 1,085,330	32%	\$ (14,465)
Sales Tax	1,949,500	90,500	2,040,000	4.64%	882,019	43%	2,341,421	822,632	35%	59,387
Transaction & Use Tax	-	275,000	275,000	n/a	-	0%	-	-	n/a	-
Utility Users Tax	1,125,000	(10,000)	1,115,000	-0.89%	449,159	40%	1,078,903	497,865	46%	(48,706)
Residual Property Tax	131,000	89,000	220,000	67.94%	45,988	21%	158,252	-	0%	45,988
Franchise Fees	426,400	(14,700)	411,700	-3.45%	85,570	21%	394,345	66,450	17%	19,120
Transient Occupancy Tax	370,000	-	370,000	0.00%	106,618	29%	390,823	107,623	28%	(1,005)
Licenses and Permits	302,700	52,000	354,700	17.18%	323,026	91%	373,165	248,085	66%	74,941
Intergovernmental	31,400	(17,300)	14,100	-55.10%	3,810	27%	22,560	19,313	86%	(15,503)
Charges for Services	488,900	24,875	513,775	5.09%	280,069	55%	607,852	282,270	46%	(2,201)
Fines and Forfeitures	160,200	(35,000)	125,200	-21.85%	40,583	32%	148,689	60,731	41%	(20,148)
Use of Money and Property	313,600	14,000	327,600	4.46%	233,330	71%	371,676	77,020	21%	156,310
Other Revenue	398,500	-	398,500	0.00%	138,279	35%	451,017	133,565	30%	4,714
Interfund Charges	484,400	103,300	587,700	21.33%	293,850	50%	587,700	293,850	50%	-
Total Revenues	\$ 9,665,600	\$ 598,575	\$ 10,264,175	6.19%	\$ 3,953,166	39%	\$ 10,334,304	\$ 3,694,734	36%	\$ 258,432

CITY OF LA PALMA

SECOND QUARTER FINANCIAL REPORT, FISCAL YEAR 2016-17

GENERAL FUND EXPENDITURES BY DEPARTMENT

FISCAL YEAR QUARTER ENDING DECEMBER 31, 2016

Department	FY 2016-17						FY 2015-16			Q2 Variance FY 2016-17 to FY 2015-16 Increase / <Decrease>
	Adopted Budget	Proposed Budget Amendment	Proposed Amended Budget	Proposed Budget Change	Year-to-Date Actual through 12/31/2016 (50% of FY)	Q2 Actual as a % of Amended Budget	Prior Year Actual Annual Expenditures	Prior YTD Actual through 12/31/2015 (50% of FY)	Q2 Actual as a % of Annual Expenditures	
General Government	\$ 634,200	\$ -	\$ 634,200	0.00%	\$ 263,584	42%	\$ 618,523	\$ 292,732	47%	\$ (29,148)
Administrative Services	2,197,400	(43,300)	2,154,100	-1.97%	1,258,319	58%	2,289,804	1,388,143	61%	(129,824)
Police	4,628,900	13,000	4,641,900	0.28%	2,116,374	46%	4,334,964	2,280,433	53%	(164,059)
Community Services	2,051,900	(50,000)	2,001,900	-2.44%	848,945	42%	1,859,625	901,106	48%	(52,161)
Community Development	457,400	11,475	468,875	2.51%	213,618	46%	448,055	190,139	42%	23,479
Total	\$ 9,969,800	\$ (68,825)	\$ 9,900,975	-0.69%	\$ 4,700,840	47%	\$ 9,550,971	\$ 5,052,553	53%	\$ (351,713)

CITY OF LA PALMA
SECOND QUARTER FINANCIAL REPORT, FISCAL YEAR 2016-17
GENERAL FUND EXPENDITURES BY CATEGORY
FISCAL YEAR QUARTER ENDING DECEMBER 31, 2016

Expenditure Type	FY 2016-17						FY 2015-16			Q2 Variance FY 2016-17 to FY 2015-16 Increase / <Decrease>
	Adopted Budget	Proposed Budget Amendment	Proposed Amended Budget	Proposed Budget Change	Year-to-Date Actual through 12/31/2016 (50% of FY)	Q2 Actual as a % of Amended Budget	Prior Year Actual Annual Expenditures	Prior YTD Actual through 12/31/2015 (50% of FY)	Q2 Actual as a % of Annual Expenditures	
Personnel Services	\$ 6,338,200	\$ (100,000)	\$ 6,238,200	-1.58%	\$ 3,117,577	50%	\$ 6,332,950	\$ 3,583,958	57%	\$ (466,381)
Maintenance and Operations	3,548,300	31,175	3,579,475	0.88%	1,575,052	44%	3,203,006	1,463,338	46%	111,714
Capital Outlay/Improvements	83,300	-	83,300	0.00%	8,211	10%	15,015	5,257	35%	2,954
Total	\$ 9,969,800	\$ (68,825)	\$ 9,900,975	-0.69%	\$ 4,700,840	47%	\$ 9,550,971	\$ 5,052,553	53%	\$ (351,713)

CITY OF LA PALMA
SECOND QUARTER FINANCIAL REPORT, FISCAL YEAR 2016-17
SPENDABLE FUND BALANCE - FISCAL YEAR CHANGE
THROUGH THE FISCAL YEAR QUARTER ENDING DECEMBER 31, 2016

<u>Fund #</u>	<u>Fund Title</u>	<u>Balance 6/30/2016</u>	<u>Balance 12/31/2016</u>	<u>FY Change through 12/31/2016</u>
1	General Fund	\$ 2,279,457	\$ 1,531,783	\$ (747,674)
3	Emergency Reserve Fund	9,000,000	9,000,000	-
5	Economic Development Fund	228,814	228,814	-
	Subtotal General Funds	11,508,271	10,760,597	(747,674)
11	Streets Fund	98,453	118,548	20,095
12	Measure M2	559,195	(10,282)	(569,477)
14	Community Development Block Grant	-	(200,000)	(200,000)
15	Air Quality Fund	92,888	98,788	5,900
16	PEG Fund	201,466	206,535	5,069
20	Asset Seizure Fund	75,252	75,730	478
21	Public Safety Augmentation Fund	116,898	138,382	21,484
22	Supplemental Law Enforcement Fund	66,714	116,487	49,773
23	SVC Authority for Abandoned Vehicles	26,206	26,373	167
33	Park Development Fund	44,291	100,149	55,858
38	SA Housing Entity Fund	641,152	595,210	(45,942)
	Subtotal Special Revenue Funds	1,922,515	1,265,920	(656,595)
35	Capital Outlay Reserve Fund	5,373,576	4,563,565	(810,011)
36	One-Time Projects Fund	661,851	613,373	(48,478)
	Subtotal Capital Projects Funds	6,035,427	5,176,938	(858,489)
50	Water Fund	942,859	209,464	(733,395)
55	Water Capital reserve Fund	3,960,118	4,151,377	191,259
	Subtotal Water Related Funds	4,902,977	4,360,841	(542,136)
52	Sewer Fund	980,353	934,093	(46,260)
56	Sewer Capital Reserve Fund	2,583,990	2,596,616	12,626
	Subtotal Sewer Related Funds	3,564,343	3,530,709	(33,634)
60	Risk Management/Insurance	828,568	294,911	(533,657)
61	Employee Benefits Fund	44,779	45,130	351
62	Building Maintenance & Replacement Fund	51,791	52,120	329
63	Vehicle Replacement Fund	1,100,971	1,180,528	79,557
64	Technology Replacement Fund	637,845	668,984	31,139
	Subtotal Internal Service Funds Funds	2,663,954	2,241,673	(422,281)
	Total All Funds	\$ 30,597,487	\$ 27,336,678	\$ (3,260,809)

Note: Spendable Fund Balance is defined as cash and current assets less current liabilities.

RESOLUTION NO. 2017-__

**A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF LA PALMA AMENDING THE
FISCAL YEAR 2016-17 ADOPTED BUDGET**

WHEREAS, the Administrative Services Director did on February 21, 2017, present to the City Council an update of estimated revenues and expenditures for Fiscal Year 2016-17; and

WHEREAS, the City Council did receive information about various adjustments needed to Department and Program budgets in order to align projected expenditures and revenues with appropriations; and

WHEREAS, the proposed amendments to the Fiscal Year 2016-17 budget are enumerated in Exhibit A to this resolution; and

WHEREAS, the adopted Fiscal Year 2016-17 Budget will be revised so as to reflect each and all of the amendments which the City Council, up to the time of adoption of this Resolution, believes should be made as per Exhibit A; and

NOW, THEREFORE, The City Council of the City of La Palma does hereby resolve as follows:

SECTION 1. The amendments for the Fiscal Year 2016-17 adopted budget as so amended, modified, revised, and corrected including those changes directed by the City Council at the February 21, 2017, Council Meeting, are approved and adopted. In adopting said budget amendments, the City Council hereby approves and instructs the City Manager to implement the distribution of the salary detail, supplies and services detail, capital outlay and improvements detail, policy revisions, and contractual arrangements as necessary.

SECTION 2. The budget amendments for the Fiscal Year 2016-17 as now before this City Council and as enumerated in Exhibit A, and as amended, modified, revised, and corrected by the City Council and staff, in open session, shall be placed on file in the office of the City Clerk, shall be open to public inspection, and are expressly incorporated in this Resolution and made a part hereof.

SECTION 3. The City Manager is hereby authorized and instructed to take all steps necessary to implement this resolution.

SECTION 4. The City Manager, for the purpose of administrative necessity in implementing the budget, shall have the authority to transfer monies to the appropriate item, account, program, or fund to cover expenditures which have been approved by the City Council, except where such transfer is expressly prohibited in a resolution or ordinance approved by the City Council such as utility replacement funds.

APPROVED AND ADOPTED by the City Council of the City of La Palma at a regular meeting held on the 21st day of February 2017.

Michelle Steggell
Mayor

ATTEST:

Kimberly Kenney
Deputy City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS.
CITY OF LA PALMA)

I, KIMBERLY KENNEY, Deputy City Clerk of the City of La Palma, California,
DO HEREBY CERTIFY that the foregoing Resolution was adopted by the City Council of
said City at a regular meeting of said City Council held on the 21st day of February 2017,
and that it was so adopted by called vote as follows:

AYES:

NOES:

Kimberly Kenney
Deputy City Clerk

Item Description		Adopted Budget	Budget Adjustment	Amended Budget	Justification
General Fund (001)					
REVENUES					
001	100 4014-00000	1,369,900	26,900	1,396,800	Revised HdL/County Estimate
001	100 4050-00000	1,949,500	90,500	2,040,000	Revised HdL Estimate
001	100 4055-00000	-	275,000	275,000	New tax effective 4/1/2017
001	100 4060-00000	1,125,000	(10,000)	1,115,000	Trending Lower
001	100 4072-00000	131,000	89,000	220,000	Revised HdL/County Estimate
001	100 4082-00000	114,700	(14,700)	100,000	Trending Lower
001	500 4103-00000	61,500	22,500	84,000	Trending Higher
001	500 4104-00000	3,200	16,200	19,400	Trending Higher
001	500 4105-00000	28,600	10,300	38,900	Trending Higher
001	500 4106-00000	11,200	3,000	14,200	Trending Higher
001	200 4202-00000	21,800	(17,300)	4,500	Program Funding Reduction
001	500 4301-00000	40,000	13,000	53,000	Trending Higher
001	500 4304-00000	7,000	3,500	10,500	Trending Higher
001	500 4308-00000	1,500	15,000	16,500	Trending Higher
001	500 4311-00000	1,800	2,000	3,800	Trending Higher
001	300 4317-00000	18,000	6,000	24,000	Trending Higher
001	200 4322-00000	160,000	(35,000)	125,000	Trending Lower
001	400 4401-35030	34,000	(4,000)	30,000	Trending Lower
001	400 4402-35010	95,000	(5,000)	90,000	Trending Lower
001	400 4403-34020	16,500	(1,625)	14,875	Actuals Lower
001	400 4407-00000	24,000	(4,000)	20,000	Trending Lower
001	100 4500-00000	86,000	14,000	100,000	Trending Higher
001	100 4950-00000	452,800	103,600	556,400	Correction to match revenues with expenditures in FY 16-17 Budget
001	100 4952-00000	31,600	(300)	31,300	Correction to match revenues with expenditures in FY 16-17 Budget
			598,575		
TOTAL GENERAL FUND REVENUES		9,785,600	598,575	10,384,175	
EXPENDITURES					
Administrative Services					
Fiscal Services					
001	160 6020-00000	6,300	6,700	13,000	HdL Sales Tax Recovery Fee
Human Resources					
001	170 5150-00000	300,000	(50,000)	250,000	Fewer accrued leave cash outs than anticipated
Police Services					
Patrol					
001	235 7250-00000	200	13,000	13,200	Replacement rifle optics; Refund of \$10,900 received from manufacturer in FY2015-16
Community Services					
Health and Wellness					
001	320 5010-00000	15,400	(10,000)	5,400	Salary Savings from vacant Recreation Supervisor position
Special Events					
001	340 5010-00000	41,700	(20,000)	21,700	Salary Savings from vacant Recreation Supervisor position
Youth and Family					
001	350 5010-00000	42,900	(20,000)	22,900	Salary Savings from vacant Recreation Supervisor position
Community Development					
Administration					
001	510 6000-00000	600	1,875	2,475	Required Point in Time Homeless Survey
Building and Safety					
001	520 6000-00000	129,000	8,000	137,000	Higher than projected building activity
001	520 6540-00000	1,400	1,600	3,000	Scanning of building plans
Subtotal General Fund Expenditure Adjustments			(68,825)		

Item Description	Adopted Budget	Budget Adjustment	Amended Budget	Justification
Transfers Out				
6.4% of Revenues	587,600	(262,600)	325,000	Transfer \$325,000 to COR and forego transfer to One Time Projects Fund of \$260,600
TOTAL GENERAL FUND EXPENDITURE ADJUSTMENTS		(331,425)		
Revised FY 2016-17 Surplus (Deficit)				
Revised Revenues	10,384,175			
Revised Expenditures	(9,900,975)			
Revised Transfer Out	(325,000)			
Revised FY 2016-17 Surplus (Deficit)	158,200			

Streets Fund (011)

REVENUES					
011 300 4208-00000	State Gas Tax Section 2103	37,700	850	38,550	Revised Projections from State
011 300 4210-00000	State Gas Tax Section 2105	99,700	(5,750)	93,950	Revised Projections from State
011 300 4211-00000	State Gas Tax Section 2106	53,500	8,000	61,500	Revised Projections from State
011 300 4212-00000	State Gas Tax Section 2107	138,500	(17,150)	121,350	Revised Projections from State
011 300 4213-00000	State Gas Tax Section 2107.5	4,000	-	4,000	Revised Projections from State
011 300 4500-00000	Interest - Investments	300	700	1,000	Trending Higher
	Total Streets Revenue Adjustment	333,700	(13,350)	320,350	

Asset Seizure Fund (020)

REVENUES					
020 200 4266-00000	Asset Seizures	-	67,400	67,400	Unanticipated Revenue
	Total Asset Seizure Fund Revenue Adjustments	-	67,400	67,400	
EXPENDITURES					
020 280 7330-00000	Special Departmental Supplies	-	37,000	37,000	Various Police Safety and Field Equipment
	Total Asset Seizure Fund Expenditure Adjustments	-	37,000	37,000	<i>(Outer Vest Carriers, Rifles & Accessories, Field Trauma Kits, Safety Vests, Evidence Drying Equip., Tactical Shield, Rescue Entry Kit)</i>

Capital Projects (035)

035 900 9120-00000	Arterial Block Wall Painting	-	90,000	90,000	Reinstated funding due to increased revenues
	Total Capital Projects Fund Expenditure Adjustments	-	90,000	90,000	

One Time Projects Fund (036)

REVENUES					
036 100 4951-00000	Transfers In	260,600	(260,600)	-	Forego transfer to One Time Projects Fund as part of 6.4% transfer
	Total One Time Projects Fund Revenue Adjustments	260,600	(260,600)	-	

Water Capital Reserve Fund (055)

REVENUES					
055 300 4955-00000	Transfer from Water Fund	213,900	10,800	224,700	Correction to match expenditures with revenues in FY 16-17 Budget
	Total Water Capital Fund Revenue Adjustments	213,900	10,800	224,700	
EXPENDITURES					
055 900 XXXX-00000	Emergency Water Connection Project with Buena Park	-	50,000	50,000	Joint project to establish emergency water connection
	Total Water Capital Fund Expenditure Adjustments	-	50,000	50,000	

Risk Management Fund (060)

REVENUES					
060 610 4901-00000	Charges to General Fund	1,011,700	(8,200)	1,003,500	Correction to match revenues with expenditures in FY 16-17 Budget
060 610 4911-00000	Charges to Streets Fund	19,900	(500)	19,400	Correction to match revenues with expenditures in FY 16-17 Budget
060 610 4950-00000	Charges to Water Fund	75,400	(1,900)	73,500	Correction to match revenues with expenditures in FY 16-17 Budget
060 610 4952-00000	Charges to Sewer Fund	10,500	(200)	10,300	Correction to match revenues with expenditures in FY 16-17 Budget
	Total Risk Management Fund Revenue Adjustments	1,117,500	(10,800)	1,096,400	

Item Description	Adopted Budget	Budget Adjustment	Amended Budget	Justification
Vehicle Replacement Fund (063)				
REVENUES				
063 640 4901-00000 Charges to General Fund	95,100	12,000	107,100	Correction to match revenues with expenditures in FY 16-17 Budget
063 640 4700-00000 Expense Reimbursements	-	21,680	21,680	Insurance payment for police vehicle determined to be complete loss
Total Vehicle Replacement Fund Revenue Adjustments	95,100	12,000	107,100	
EXPENDITURES				
063 640 8050-00000 Vehicles	222,000	35,000	257,000	Purchase of police vehicle determined to be a complete loss by insurance
Total Vehicle Replacement Fund Expenditure Adjustments	222,000	35,000	257,000	
Technology Replacement Fund (064)				
REVENUES				
064 650 4901-00000 Charges to General Fund	72,800	1,500	74,300	Correction to match revenues with expenditures in FY 16-17 Budget
064 650 4950-00000 Charges to Water Fund	5,600	400	6,000	Correction to match revenues with expenditures in FY 16-17 Budget
Total Technology Replacement Fund Revenue Adjustments	78,400	1,900	80,300	