

City of Santa Barbara
Interim Financial Statements for the Year Ended June 30, 2016
Proposed Budget Adjustments

	<u>Increase (Decrease) in Appropriations</u>	<u>Increase (Decrease) in Estimated Revenues</u>	<u>Addition to (Use of) Reserves</u>
GENERAL FUND (1000)			
General Government			
Transfer to Successor Agency Operating Fund - ROPS cash adjustment	\$ 16,491		\$ (16,491)
<p>The Successor Agency ROPS Cash Balances have had several adjustments made since the RDA dissolution process since Fiscal Year 2012. There were several adjustments made during the dissolution process, charges thought to be allowed, were subsequently denied by the state. As a result of all these adjustments, the cash was out of balance by \$16,461. The state has asked that this be corrected. The recommended entries will correct this ongoing issue and align cash balance with the disallowed charges.</p>			
Community Development			
Decrease Appropriations for City Council - Arts & Community Promotion	(25,000)		25,000
Increase Appropriations for Community Development - Human Services	25,000		(25,000)
<p>During Fiscal Year 2016 budget process, Legal Aid Foundation was awarded a General Fund Grant for \$25,000 for the Common Ground Project. The funding was appropriated in the Arts & Community Promotion budget, however the funds are administered through the Community Development Department. These recommended entries align the appropriations with the expenditures.</p>			
Increase Estimated Revenues for Community Development - EIR Services		50,000	50,000
Increase Appropriations for Community Development - EIR Services	50,000		(50,000)
<p>Planning accepts deposits from developers to pay for planning services related to their projects. The expenditures associated with these services are paid from the Design Review budget. However revenues and appropriations were not budgeted for Fiscal Year 2016. The recommended entries will create the budget and appropriations that should have been created with the budget process.</p>			
Parks			
Increase Estimate Revenues for Parks Art and Craft Marketing		10,000	10,000
Increase Appropriations for Parks Art and Craft Marketing	10,000		(10,000)
<p>Parks Arts and Craft Show revenues have declined in relation to ongoing construction on Cabrillo Boulevard. The Arts and Crafts Advisory Committee approved a marketing fund funded by member fees, to be used for promotional activity. The recommended entries create the appropriation and the corresponding funding.</p>			
Total General Fund	<u>76,491</u>	<u>60,000</u>	<u>(16,491)</u>

	Increase (Decrease) in Appropriations	Increase (Decrease) in Estimated Revenues	Addition to (Use of) Reserves
SPECIAL REVENUE FUNDS			
Streets Operating Fund (2400)			
Decrease Appropriations for Maintenance and Replacement	(6,783)		6,783
<p>During the budget process, a vehicle was incorrectly allocated to the Streets Fund when it should have been allocated to the Facilities Operating Fund. The recommended entries align the appropriations with the actual costs for this vehicle.</p>			
Total Streets Operating Fund	\$ (6,783)	\$ -	\$ 6,783

SPECIAL REVENUE FUNDS cont'd

County Library Fund (2500)

Increase Appropriations for the Goleta Library	\$ 21,000		\$ (21,000)
Increase Donations Revenues for the Goleta Library		21,000	21,000

In Fiscal Year 2016, the Goleta Library received additional Donations of \$21,000 from the Friends of the Goleta Valley Library. These recommended entries increase the funding and appropriations allowing the department the ability to spend it.

Increase Appropriations for the Solvang Library	3,000		(3,000)
Increase Donations Revenues for the Solvang Library		3,000	3,000

In Fiscal Year 2016, the Solvang Library received additional Donations of \$3,000 from the Friends of the Santa Ynez Valley Library. These recommended entries increase the funding and appropriations allowing the department the ability to spend it.

Total County Library Fund

24,000	24,000	-
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Parks Grants Fund (2860)

Increase Estimated Donations Revenues to Summer Recreation Program		37,000	37,000
Increase Appropriations for the Summer Recreation Program	37,000		(37,000)

Youth Activities Program manages free drop ins for children over the summer vacation period. Staff has been successful in gaining additional grant funding of \$37,000 to extend the program by two weeks. The recommended entries will increase to appropriation and the corresponding funding to allow the department the ability to utilize the additional funding.

Total Parks Grants Fund

37,000	37,000	-
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	Increase (Decrease) in Appropriations	Increase (Decrease) in Estimated Revenues	Addition to (Use of) Reserves
CAPITAL OUTLAY FUND (3000)			
Increase Estimate Revenues - Cargo Container Live Burn Training System		17,227	17,227
Increase Appropriations - Cargo Container Live Burn Training System	17,227		(17,227)
<p>The Cargo Container Live-Burn Training System scope of work has been increased to include the installation of a motorized gate at the entrance. Increased Donation Revenue has been identified to fund this increase in scope. The recommended entries will increase to appropriation and the corresponding funding.</p>			
Increase Appropriations - Fire Station 7 Remodel	27,000		(27,000)
<p>Originally the Fire Station 7 Remodel Project was budgeted for \$60,000 for the architectural design costs. Proposals received back, at \$87,000, were higher than estimates. The recommended entries will provide the additional budget needed for the design costs for the project, from capital outlay reserves.</p>			
Total Capital Outlay Fund	44,227	17,227	(27,000)

ENTERPRISE FUNDS

Airport Operating Fund (5700)

Transfer from Airport Grants Fund for Reimbursement of FAA Grant fees		4,800	4,800
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The Airport funds certain portions of FAA eligible projects up front. Airport Operating Fund funded the independent cost estimate which was required by the FAA prior to award of grant funds for the Wildlife Hazard Assessment and Management Plan. The recommended entries will reimburse the Airport Operating fund for the cost estimate paid before the grant was awarded.

Total Airport Operating Fund

\$ -	\$ 4,800	\$ 4,800
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Airport Grants Fund (5720)

Transfer to Airport Operating Fund for Reimbursement of FAA Grant fees	\$ 4,800		\$ (4,800)
Decrease appropriations for Professional Services to increase "transfe	(4,800)		4,800

The Airport funds certain portions of FAA eligible projects up front. Airport Operating Fund funded the independent cost estimate which was required by the FAA prior to award of grant funds for the Wildlife Hazard Assessment and Management Plan. The recommended entries will reimburse the Airport Operating fund for the cost estimate paid before the grant was awarded.

Total Airport Grants Fund

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	<u>Increase (Decrease) in Appropriations</u>	<u>Increase (Decrease) in Estimated Revenues</u>	<u>Addition to (Use of) Reserves</u>
ENTERPRISE FUNDS cont'd			
Water Operating Fund (5000)			
Increase Estimated Revenues for the Pump Station Rehab Project		81,000	81,000
Transfer to Water Capital Fund for the Pump Station Rehab Project	81,000		(81,000)
<p>The City water main was damaged in a landslide in the early 1960's, and all the affected property owners in the San Roque Canyon area signed an agreement to pay "their share" toward the cost of the permanent water project. In 1984, Water Resources made an agreement with certain property owners over a permanent water main project to serve their properties. Since then, one of the properties changed hands and the title company for the purchaser missed this agreement in the title search. The title company paid the City \$81,000, the estimated amount owed, which has been held as a deposit in the water fund. These recommended entries will provide the appropriation authority to use the funds and allocate the \$81,000 the Cater Cross-Tie pump improvements project to better supply water to the San Roque Canyon area.</p>			
Total Water Operating Fund	<u>81,000</u>	<u>81,000</u>	<u>-</u>
Water Capital Fund (5010)			
Transfer from Water Operating Fund		81,000	81,000
Increase Appropriations - The Pump Station Rehab Project	81,000		(81,000)
<p>The City water main was damaged in a landslide in the early 1960's, and all the affected property owners in the San Roque Canyon area signed an agreement to pay "their share" toward the cost of the permanent water project. In 1984, Water Resources made an agreement with certain property owners over a permanent water main project to serve their properties. Since then, one of the properties changed hands and the title company for the purchaser missed this agreement in the title search. The title company paid the City \$81,000, the estimated amount owed, which has been held as a deposit in the water fund. These recommended entries will provide the appropriation authority to use the funds and allocate the \$81,000 the Cater Cross-Tie pump improvements project to better supply water to the San Roque Canyon area.</p>			
Total Water Capital Fund	<u>81,000</u>	<u>81,000</u>	<u>-</u>
Wastewater Operating Fund (5100)			
Transfer to Wastewater Capital Fund for Sanitary Sewer Overflow Compliance Project	900,000		(900,000)
<p>A Project to line the large sewer mains along Cabrillo Blvd. is needed. Because it ties into the construction taking place on Cabrillo Boulevard / Cabrillo Bridge Project this project cannot be delayed. The recommended entries will transfer funding from Wastewater Operating Fund reserves to appropriate additional funds needed for the project.</p>			
Total Wastewater Operating Fund	<u>\$ 900,000</u>	<u>\$ -</u>	<u>\$ (900,000)</u>

	<u>Increase (Decrease) in Appropriations</u>	<u>Increase (Decrease) in Estimated Revenues</u>	<u>Addition to (Use of) Reserves</u>
ENTERPRISE FUNDS cont'd			
Wastewater Capital Fund (5110)			
Transfer from Wastewater Operating Fund		\$ 900,000	\$ 900,000
Increase Appropriations - Sanitary Sewer Overflow Compliance Projec	900,000		(900,000)
<p>A Project to line the large sewer mains along Cabrillo Blvd. is needed. Because it ties into the construction taking place on Cabrillo Boulevard / Cabrillo Bridge Project this project cannot be delayed. The recommended entries will transfer funding from Wastewater Operating Fund reserves to appropriate additional funds needed for the project.</p>			
Total Wastewater Capital Fund	<u>900,000</u>	<u>900,000</u>	<u>-</u>
INTERNAL SERVICE FUNDS			
Facilities Operating Fund (6300)			
Increase Appropriations for Maintenance and Replacement	6,783		(6,783)
<p>During the budget process, a vehicle was incorrectly allocated to the Streets Fund when it should have been allocated to the Facilities Operating Fund. The recommended entries align the appropriations with the actual costs.</p>			
Total Facilities Operating Fund	<u>6,783</u>	<u>-</u>	<u>(6,783)</u>
Facilities Capital Fund (6310)			
Increase Appropriations for Police Department Locker Room Remodel	100,000		(100,000)
Decrease Appropriations for Public Works Fuel Island Concrete Project	(100,000)		100,000
<p>The Police Department Locker Room Remodel project is budgeted for Fiscal Year 2017, but due to various circumstances, this project is now moving forward more quickly. To accomplish this priority with budgeted revenues, the Public Works Fuel Island Concrete project will be delayed in order to fund the Locker Room Remodel. The recommended entries will allocate the funding between the two projects.</p>			
Total Facilities Capital Fund	<u>-</u>	<u>-</u>	<u>-</u>
Fleet Replacement Fund (6410)			
Increase Appropriations for Fleet Replacement-Fire Trucks	175,000		(175,000)
<p>During the Fiscal Year 2016 budget process, it was determined the Fire Department required a new Type 6 Fire Engine apparatus to be purchased and placed into service. The determination was too late to appropriate the funds, therefore it was decided to request the budget adjustment when the department was prepared to purchase the truck. There are sufficient reserves in the Fleet Replacement Fund for this request. The recommended entries increase the appropriations to allow for the purchase.</p>			
Total Fleet Replacement Fund	<u>175,000</u>	<u>-</u>	<u>(175,000)</u>

SUCCESSOR AGENCY FUND (7105)	Increase (Decrease) in Appropriations	Increase (Decrease) in Estimated Revenues	Addition to (Use of) Reserves
Successor Agency Operating Fund			
Transfer from General Fund Non Departmental to correct cash balance from ROPS adjustments		16,491	16,491
<p>The Successor Agency ROPS Cash Balances have had several adjustments made since th RDA dissolution process since Fiscal Year 2012. There were several adjustments made during the dissolution process, charges thought to be allowed, were subsequently denied by the state. As a result of all these adjustments, the cash was out of balance by \$16,461. The state has asked that this be corrected. The recommended entries will correct this ongoing issue and align cash balance with the disallowed charges.</p>			
Total Successor Agency Operating Fund	<u>\$ -</u>	<u>\$ 16,491</u>	<u>\$ 16,491</u>