



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: September 16, 2008

TO: Mayor and Councilmembers

FROM: Accounting Division, Finance Department

SUBJECT: Fiscal Year 2008 Supplemental Appropriations For Police And Fire Departments

RECOMMENDATION: That Council:

- A. Increase Fiscal Year 2008 appropriations and estimated revenues by \$210,000 in the General Fund, Fire Department, to cover overtime costs incurred as a result of mutual aid provided to other fire agencies;
- B. Increase Fiscal Year 2008 appropriations by \$250,000 in the General Fund, Police Department, to cover unbudgeted costs; and
- C. Decrease Fiscal Year 2008 appropriations by \$250,000 in the General Fund, Finance Department, where savings were realized due to staff vacancies, to fund the proposed increased appropriations in the Police Department.

DISCUSSION:

During Fiscal Year 2008 the Fire Department responded to several calls for mutual aid assistance to fight fires in several jurisdictions. While some level of overtime costs are anticipated and budgeted, the high numbers of calls for mutual aid resulted in a higher level of overtime costs than what was provided in the budget. Correspondingly, the Department also received higher than expected revenues as reimbursement for providing mutual aid assistance, fully offsetting the additional overtime costs incurred. Therefore, staff recommends that Council increase estimated revenues for the General Fund, Fire Department by \$210,000 and increase appropriations by the same amount to fund fiscal year 2008 expenditures in excess of budgeted appropriations.

As directed by City Council last year, the Police Department over-hired for several positions during the fiscal year to ensure staffing levels in light of planned retirements, and the delays of moving candidates through the Police Academy. As part of the third quarter review to City Council, staff alerted the Finance Committee and City Council that Police Department expenditures would likely exceed budget by year end and that a supplemental adjustment would therefore be needed at year end. In addition, the Police Department incurred higher than expected fuel costs and paid out more than in previous years for vacation cash-outs and payment to retirees for accrued leave time. Staff recommends that Council increase appropriations in the Police Department by

\$250,000 and reduce appropriations in the Finance Department by an equal amount. The savings in the Finance Department were the result of positions that were vacant during the year.

BUDGET/FINANCIAL INFORMATION:

The requested adjustments will have no budgetary impact to the General Fund as the increased appropriations will be funded from either additional revenues or reductions in other appropriations.

Staff presented this recommendation to Finance Committee on September 9, 2008 and Finance Committee unanimously voted to recommend that Council approve this recommendation.

PREPARED BY: Rudolf J. Livingston, Accounting Manager

SUBMITTED BY: Robert D. Peirson, Finance Director

APPROVED BY: City Administrator's Office