

**City of Santa Barbara**  
**Interim Financial Statements for the Six Months Ended December 31, 2014**  
**Proposed Budget Adjustments**

	<u>Increase (Decrease) in Appropriations</u>	<u>Increase (Decrease) in Estimated Revenues</u>	<u>Addition to (Use of) Reserves</u>
<b>GENERAL FUND (1000)</b>			
<b>Arts and Community Promotions</b>			
Increase Appropriations for TV Santa Barbara PEG Fees	\$ 12,208		\$ (12,208)
<p>In July 2014, City Council approved the Fiscal Year 2015 grant contract with TV Santa Barbara (TVSB) for operational and capital funding. Included in the contract were \$12,208 of PEG Fees for capital expenditures representing 50% of additional actual PEG fees received by the City for the fiscal year 2014. This recommended entry will increase appropriations in the arts and community promotions budget for the additional PEG Fees due to TVSB per the contract.</p>			
<b>Community Development</b>			
Increase Estimated Revenues for Additional Building & Safety Permit Revenues		67,000	67,000
Increase Appropriations for Salaries & Benefits - One Full-Time Plans Examiner	67,000		(67,000)
<p>In the prior fiscal year, City Council appropriated funds for Building &amp; Safety to hire one part-time hourly Plans Examiner. As a result of the hiring, the division has processed 11% more applications, trained staff and assisted customers with a new State Energy Code, and performed more over-the-counter reviews. Due to the favorable results, staff is requesting one full-time position of Plans Examiner in place of the part-time hourly position. Staff anticipates \$67,000 more in building permit revenue in the fiscal year as a result of increased permit activity, which staff projects are sufficient to cover the additional costs of the full-time position. These recommended entries will increase estimated revenues and appropriations by \$67,000.</p>			
<b>Police</b>			
Increase Appropriations for Community Service Officers - Safety Presence Pilot Project	150,000		(150,000)
Transfer Available Appropriations from the Downtown Parking Fund - Safety Presence Pilot Project		150,000	150,000
<p>On October 28, 2014, City Council voted for the Police Department to move forward with the Community Service Officer option for enhancing the safety presence in the downtown corridor. The Community Service Officers will be part of the Tactical Patrol Force Program and funding will cover salaries and benefits as well as uniforms and office supplies for the project. The \$150,000 funding for the safety presence pilot project was originally budgeted in the Downtown Parking Fund for Fiscal Year 2015. These recommended entries will transfer the appropriations from the Downtown Parking Fund to the Police Department in the General Fund.</p>			
<b>Library</b>			
Increase Estimated Revenues for Additional Literacy Program Funding		9,355	9,355
Increase Appropriations for the Central Library Reorganization	9,355		(9,355)
<p>During Fiscal Year 2015, the Central Library Reorganization project has been in process on the main floor of the Library. As part of the project, the Library Department is projecting additional unbudgeted costs in special services supplies as well as costs for new color photocopiers. Staff is projecting sufficient costs savings in other areas to offset all but \$9,355 of these unanticipated costs. These costs will be covered by anticipated additional revenues from the Literacy Program. These recommended entries will increase estimated revenues and appropriations by \$9,355.</p>			
<b>Total General Fund</b>	<u>\$ 238,563</u>	<u>\$ 226,355</u>	<u>\$ (12,208)</u>

	<u>Increase (Decrease) in Appropriations</u>	<u>Increase (Decrease) in Estimated Revenues</u>	<u>Addition to (Use of) Reserves</u>
<b>CAPITAL OUTLAY FUND (3000)</b>			
Increase Appropriations for Davis Center and Westside Center Facility Improvement Project	\$ 50,000	\$ -	\$ (50,000)
Transfer Available Appropriations from Streets Capital Fund		50,000	50,000

As part of the Fiscal Year 2015 budget, City Council appropriated \$100,000 in General Fund resources in the Streets Capital Fund for the design of future Community Development Block Grant eligible projects. The funds were appropriated in a Streets Division account (Streets Engineering) that is intended for miscellaneous streets related issues and is not typically used for specific capital projects. In November 2015, the Neighborhood Advisory Council approved \$50,000 to be used to complete the design of the Euclid Avenue Sidewalks and \$50,000 for the design of facility safety and access improvements at the Louise Lowry Davis Center and the Westside Community Center. These recommended entries will transfer the available appropriations in the Streets Capital Fund to the new projects in the Streets Capital Fund and Capital Outlay Fund.

<b>Total Capital Outlay Fund</b>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ -</u>
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### SPECIAL REVENUE FUNDS

#### Police Asset Forfeiture Fund (2310)

Increase Appropriations for Air Quality Study from Asset Forfeiture Capital Improvement Reserve	\$ 20,000		\$ (20,000)
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The Police Department used available appropriations in the General Fund in January 2015 for an unbudgeted Air Quality Study at the Police Department. These appropriations are needed for other projects in the Patrol Budget prior to June 30, 2015. This recommended entry will increase appropriations in the Asset Forfeiture Fund from the new Asset Forfeiture Capital Improvement Reserve by \$20,000 to cover the cost for the study out of the Asset Forfeiture Fund rather than the General Fund.

<b>Total Police Asset Forfeiture Fund</b>	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ (20,000)</u>
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#### Miscellaneous Grants Fund (2800)

Increase Estimated Revenues - Domestic Violence Solutions	\$ -	\$ 5,800	\$ 5,800
Increase Appropriations - Domestic Violence Solutions	5,800		(5,800)

Since the adoption of the Fiscal Year 2015 budget, the Police Department received \$5,800 from Domestic Violence Solutions. These funds will be used to offset the cost of officer time spent working with Domestic Violence Solutions in the creation of domestic violence protocols, training and outreach materials. These recommended entries will increase estimated revenues and appropriations by \$5,800.

<b>Total Miscellaneous Grants Fund</b>	<u>\$ 5,800</u>	<u>\$ 5,800</u>	<u>\$ -</u>
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#### County Library Fund (2500)

Increase Estimated Revenues from the Ariano Trust Gift Account	\$ -	\$ 4,600	\$ 4,600
Increase Appropriations for the Goleta Library - Lobby Enhancements	4,600		(4,600)

Subsequent to the development of the Library Department's Fiscal Year 2015 budget, the City of Goleta requested an enhancement of the lobby at the Goleta Library. To fund project costs, a transfer from the Ariano Trust of \$4,600 is needed. These recommended entries will increase estimated revenues and appropriations by \$4,600.

Decrease Estimated Revenues - Donations from Friends of the Library		(20,000)	(20,000)
Decrease Appropriations for Materials - Solvang	(20,000)		20,000

In December 2014, the Library Department received notification from the Friends of the Santa Ynez Valley Libraries of a reduction in their current year gift to the Solvang Library. The reduction in revenues requires a corresponding reduction in materials appropriations. These recommended entries will decrease estimated donations revenue and materials appropriations by \$20,000.

<b>Total County Library Fund</b>	<u>\$ (15,400)</u>	<u>\$ (15,400)</u>	<u>\$ -</u>
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	<u>Increase (Decrease) in Appropriations</u>	<u>Increase (Decrease) in Estimated Revenues</u>	<u>Addition to (Use of) Reserves</u>
<b>SPECIAL REVENUE FUNDS (cont.)</b>			
<b>Streets Capital Fund (3400)</b>			
Decrease Appropriations in Streets Engineering	\$ (100,000)	\$ -	\$ 100,000
Transfer Available Appropriations to New Euclid Avenue Sidewalk Infill Project	50,000	-	(50,000)
Transfer Available Appropriations to Capital Outlay Fund - New Davis & Westside Centers Project	50,000	-	(50,000)

As part of the Fiscal Year 2015 budget, City Council appropriated \$100,000 in General Fund resources in the Streets Capital Fund for the design of future Community Development Block Grant eligible projects. The funds were appropriated in a Streets Division account (Streets Engineering) that is intended for miscellaneous streets related issues and is not typically used for specific capital projects. In November 2015, the Neighborhood Advisory Council approved \$50,000 to be used to complete the design of the Euclid Avenue Sidewalks and \$50,000 for the design of facility safety and access improvements at the Louise Lowry Davis Center and the Westside Community Center. These recommended entries will transfer the available appropriations in the Streets Capital Fund to the new projects in the Streets Capital Fund and Capital Outlay Fund.

Increase Appropriations for Pedestrian Refuge Island Project	16,422	-	(16,422)
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As of December 31, 2014, Public Works staff have identified \$16,422 of additional needs in the Streets Capital Fund to cover final costs associated with the Pedestrian Refuge Island Project. The project exceeded budget due to additional costs required for staff to perform construction management. This recommended entry will increase appropriations from reserves to cover the final costs of the project.

Increase Appropriations for Highway Safety Improvement Crosswalk Enhancement Project	50,000	-	(50,000)
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As of December 31, 2014, Public Works staff have identified \$50,000 of additional needs in the Streets Capital Fund to cover additional costs associated with the Highway Safety Improvement Crosswalk Enhancement Project. Additional funding is being required to complete the design phase of the project due to higher than anticipated costs related to meeting Caltrans environmental requirements, obtaining approval for the project and coordinating with the Cabrillo Boulevard Bridge Replacement Project. This recommended entry will increase appropriations from reserves to cover the additional design costs of the project.

<b>Total Streets Capital Fund</b>	<u>\$ 66,422</u>	<u>\$ -</u>	<u>\$ (66,422)</u>
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**Streets Grants Fund (3410)**

Increase Estimated Revenues - Local Surface Transportation Program	\$ -	\$ 2,448	\$ 2,448
Increase Appropriations - Local Surface Transportation Program	2,448	-	(2,448)

Subsequent to the adoption of the Fiscal Year 2015 budget, the Public Works Department received notification that the City would be receiving an increase in its annual allocation for the Local Surface Transportation Program of \$2,448. These recommended entries increase estimated revenues for the increase in the annual allocation and a corresponding increase in appropriations for pavement work as part of the Local Surface Transportation Program.

<b>Total Streets Grants Fund</b>	<u>\$ 2,448</u>	<u>\$ 2,448</u>	<u>\$ -</u>
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**ENTERPRISE FUNDS**

**Water Operating Fund (5000)**

Transfer Available Reserves from Water Capital Fund	\$ -	\$ 1,949,833	\$ 1,949,833
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The Water Capital Fund ended Fiscal Year 2014 with \$1,949,833 of available reserves due to the completion of projects under budget and the elimination or postponement of certain projects. This recommended entry will transfer the available reserves in the Water Capital Fund to the Water Operating Fund for future re-appropriation for drought related costs.

<b>Total Water Operating Fund</b>	<u>\$ -</u>	<u>\$ 1,949,833</u>	<u>\$ 1,949,833</u>
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	<u>Increase (Decrease) in Appropriations</u>	<u>Increase (Decrease) in Estimated Revenues</u>	<u>Addition to (Use of) Reserves</u>
<b>ENTERPRISE FUNDS (cont.)</b>			
<b>Water Capital Fund (5010)</b>			
Transfer Available Reserves to Water Operating Fund	\$ 1,949,833	\$ -	\$ (1,949,833)
The Water Capital Fund ended Fiscal Year 2014 with \$1,949,833 of available reserves due to the completion of projects under budget and the elimination or postponement of certain projects. This recommended entry will transfer the available reserves in the Water Capital Fund to the Water Operating Fund for future re-appropriation for drought related costs.			
<b>Total Water Capital Fund</b>	<u>\$ 1,949,833</u>	<u>\$ -</u>	<u>\$ (1,949,833)</u>
<b>Downtown Parking Fund (5300)</b>			
Decrease Appropriations in the Safety Presence Pilot Project	\$ (150,000)	\$ -	\$ 150,000
Transfer Available Appropriations to the Police Department in the General Fund	150,000	-	(150,000)
On October 28, 2014, City Council voted for the Police Department to move forward with the Community Service Officer option for enhancing the safety presence in the downtown corridor. The Community Service Officers will be part of the Tactical Patrol Force Program and funding will cover salaries and benefits as well as uniforms and office supplies for the project. The \$150,000 funding for the safety presence pilot project was originally budgeted in the Downtown Parking Fund for Fiscal Year 2015. These recommended entries will transfer the appropriations from the Downtown Parking Fund to the Police Department in the General Fund.			
<b>Total Downtown Parking Fund</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>INTERNAL SERVICE FUNDS</b>			
<b>Facilities Management Fund (6300)</b>			
Transfer Funds to the Facilities Capital Fund for the FY15 Budgeted Projects	\$ 1,267,070	\$ -	\$ (1,267,070)
As part of the annual budget process, staff proposes the transfer of funds from the Facilities Management Fund to the Facilities Capital Fund to cover the cost of any planned capital projects in excess of estimated revenues. This recommended entry is a technical correction to transfer \$1,267,070 from the Facilities Management Fund to cover the deficit in the Facilities Capital Fund.			
<b>Total Facilities Management Fund</b>	<u>\$ 1,267,070</u>	<u>\$ -</u>	<u>\$ (1,267,070)</u>
<b>Facilities Capital Fund (6310)</b>			
Transfer Funds from the Facilities Management Fund for FY15 Budgeted Projects	\$ -	\$ 1,267,070	\$ 1,267,070
As part of the annual budget process, staff proposes the transfer of funds from the Facilities Management Fund to the Facilities Capital Fund to cover the cost of planned capital projects in excess of estimated revenues. This recommended entry is a technical correction to transfer \$1,267,070 from the Facilities Management Fund to the Facilities Capital Fund as this transfer was not requested for the fiscal year 2015 budget.			
<b>Facilities Capital Fund (6310) (cont.)</b>			
Adjust Capital Project Budgets:			
Decrease Appropriations - Police Department HVAC Replacement Project	(371,220)	-	371,220
Decrease Appropriations - Central Library Gutter / Eave Repair Project	(75,000)	-	75,000
Decrease Appropriations - Corp Yard Paving Repair Project	(71,000)	-	71,000
Increase Appropriations - Police Carpet and Paint Project	35,000	-	(35,000)
Increase Appropriations - Miscellaneous Staff Projects	99,980	-	(99,980)
Increase Appropriations - Pershing Park Ballfield Project	86,550	-	(86,550)
Increase Appropriations - Miscellaneous Facilities Renewal Projects	131,976	-	(131,976)
Increase Appropriations - Laguna Lot Permeable Paving Project	163,714	-	(163,714)
Since the adoption of the Fiscal Year 2015 budget, the Public Works Department has identified additional funding needs for various facilities projects, such as the Pershing Park Ballfield, the required City match for the Laguna Lot Permeable Paving Project, miscellaneous staff projects, and miscellaneous facilities renewal projects. Staff have identified project savings in the Facilities Capital Fund, primarily in the Police Department HVAC Project, the Central Library Gutter Repair Project and the Corp Yard Paving Repair Project, to cover all of these additional funding needs. These recommended entries will transfer available appropriations from projects expected to be completed under budget, reduced in scope or deferred to the future to the projects requiring additional funding.			
<b>Total Facilities Capital Fund</b>	<u>\$ -</u>	<u>\$ 1,267,070</u>	<u>\$ 1,267,070</u>