



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: June 16, 2015

TO: Mayor and Councilmembers

FROM: Accounting Division, Finance Department
Engineering Division, Public Works Department

SUBJECT: Transfer Of All Grant Activities From The Streets Capital Fund To
The Streets Grants Fund

RECOMMENDATION:

That Council approve the changes to the Streets Capital Fund and Streets Grants Fund as presented in the Schedule of Proposed Streets Budget Adjustments in order to transfer all grant related activity for Fiscal Year 2015 into the Streets Grants Fund.

DISCUSSION:

BACKGROUND

The Public Works Department has established budget appropriations and estimated revenues related to grant-funded streets projects. The City's matching requirements are budgeted in the Streets Capital Fund, whereas the grant-funded portion of the project is budgeted in the Streets Grants Fund. Accordingly, as purchase orders and contracts are executed, these instruments must be allocated between the two Streets funds in accordance with the funding allocation. This same allocation process is also required when payments on purchase orders and contracts are made.

This approach for budgeting and accounting for grant-funded streets capital projects, while initially considered a good way to track project costs by funding source (City vs. granting agency), has created more work than anticipated. Because some costs are not eligible for reimbursement and because mistakes are sometimes made in the allocation of costs, a significant effort each year is required of both Finance and Public Works staff to reconcile the accounts. It also has made preparing required annual reports to granting agencies much more complicated.

Public Works and Finance staff are recommending transferring all Streets grant activities into the Streets Grants Fund, including the City's match. The use of one fund for all grant related activities is similar to how the City budgets for Airport grant activities. By tracking all grant revenues, including the match, and all grant expenditures in one

fund, staff can accurately match revenues and expenditures and ensure all encumbrances and payments are made from the proper fund. This will also significantly reduce the amount of reconciliation required at the conclusion of each grant project and will ensure accurate reporting on the City's Schedule of Expenditures of Federal Awards.

BUDGET/FINANCIAL INFORMATION:

Staff is recommending increases in estimated revenues and matching increases to appropriations in the Streets Grants Fund as well as decreases to estimated revenues and the use of available project appropriations in the Streets Capital Fund per the attached Schedule of Proposed Streets Budget Adjustments. No reserves are needed for the transfer of grant activities from the Streets Capital Fund to the Streets Grants Fund.

ATTACHMENT: Schedule of Proposed Streets Budget Adjustments

PREPARED BY: Julie Nemes, Treasury Manager
Michele DeCant, Public Works Business Manager

SUBMITTED BY: Robert Samario, Finance Director/Acting Assistant City Administrator
Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office

City of Santa Barbara
Transfer of Grant Activities from Streets Capital to Streets Grants
Proposed Streets Budget Adjustments

Attachment

Streets Capital Fund		Streets Grants Fund	
Increase (Decrease) in Appropriations	Increase (Decrease) in Est. Revenues	Increase (Decrease) in Appropriations	Increase (Decrease) in Est. Revenues

<i>Transfer Sale of Property Budgets in Streets Capital to Streets Grants:</i>			
<i>Decrease Sale of Property Estimated Revenues in Streets Capital:</i>			
Cabrillo at Mission Creek Bridge		(2,325,000)	
Cota St. Bridge/Mission Creek		(758,617)	
Mason St. Bridge Replacement		(298,622)	
<i>Increase Sale of Property Estimated Revenues in Streets Grants:</i>			
Cabrillo at Mission Creek Bridge			2,325,000
Cota St. Bridge/Mission Creek			758,617
Mason St. Bridge Replacement			298,622
<i>Decrease Sale of Property Project Appropriations in Streets Capital:</i>			
Cabrillo at Mission Creek Bridge	(2,325,000)		
Cota St. Bridge/Mission Creek	(758,617)		
Mason St. Bridge Replacement	(298,622)		
<i>Increase Sale of Property Project Appropriations in Streets Grants:</i>			
Cabrillo at Mission Creek Bridge			2,325,000
Cota St. Bridge/Mission Creek			758,617
Mason St. Bridge Replacement			298,622

<i>Transfer SB County Cost Share Match in Streets Capital to Streets Grants:</i>			
Decrease SB County Share Match Est. Revenues - Mason St. Bridge		(1,181,796)	
Increase SB County Share Match Est. Revenues - Mason St. Bridge			1,181,796
Decrease SB County Share Match Project Approp. - Mason St. Bridge	(1,181,796)		
Increase SB County Share Match Project Approp. - Mason St. Bridge			1,181,796

<i>Transfer Verizon Cost Share Contr. in Streets Capital to Streets Grants:</i>			
Decrease Verizon Share Est. Revenues - Cota St. Bridge/Mission Creek		(247,500)	
Increase Verizon Share Est. Revenues - Cota St. Bridge/Mission Creek			247,500
Decrease Verizon Share Project Approp. - Cota St. Bridge/Mission Creek	(247,500)		
Increase Verizon Share Project Approp. - Cota St. Bridge/Mission Creek			247,500

<i>Transfer City Match/Non-Participating in Streets Capital to Streets Grants:</i>			
<i>Decrease Project Appropriations in Streets Capital:</i>			
Montecito/Yano Bridge Sidewalk	(414,930)		
Lower Milpas Pedestrian Improvements	(25,000)		
Cacique/Soledad Pedestrian/Bike Improvements	(111,972)		
Las Positas Multiuse Pathway	(203,000)		
School Zone Pedestrian Refuge Islands	(16,422)		
SRS-Local Cleveland School	(106,855)		
De La Vina & Arrellaga Intersection	(12,920)		
De La Vina & Figueroa Intersection	(14,612)		
Anapamu St. Bridge Replacement	(25,000)		
Quinientos St. Bridge Replacement	(25,000)		
Cabrillo at Mission Creek Bridge	(365,694)		
De La Guerra St. Bridge Replacement	(33,553)		
Gutierrez St. Bridge Replacement	(36,133)		
Bridge Preventative Maintenance Phase 2	(8,152)		
Cota St. Bridge/Mission Creek	(136,391)		
Mason St. Bridge Replacement	(63,970)		
Chapala Bridge Replacement	(8,710)		

	Streets Capital Fund		Streets Grants Fund	
	Increase (Decrease) in Appropriations	Increase (Decrease) in Est. Revenues	Increase (Decrease) in Appropriations	Increase (Decrease) in Est. Revenues
Increase Transfer Out Appropriations in Streets Capital:				
Montecito/Yano Bridge Sidewalk	414,930			
Lower Milpas Pedestrian Improvements	25,000			
Cacique/Soledad Pedestrian/Bike Improvements	111,972			
Las Positas Multiuse Pathway	203,000			
School Zone Pedestrian Refuge Islands	16,422			
SRS-Local Cleveland School	106,855			
De La Vina & Arrellaga Intersection	12,920			
De La Vina & Figueroa Intersection	14,612			
Anapamu St. Bridge Replacement	25,000			
Quinientos St. Bridge Replacement	25,000			
Cabrillo at Mission Creek Bridge	365,694			
De La Guerra St. Bridge Replacement	33,553			
Gutierrez St. Bridge Replacement	36,133			
Bridge Preventative Maintenance Phase 2	8,152			
Cota St. Bridge/Mission Creek	136,391			
Mason St. Bridge Replacement	63,970			
Chapala Bridge Replacement	8,710			
Increase Transfer In Estimated Revenues in Streets Grants:				
Montecito/Yano Bridge Sidewalk			414,930	
Lower Milpas Pedestrian Improvements			25,000	
Cacique/Soledad Pedestrian/Bike Improvements			111,972	
Las Positas Multiuse Pathway			203,000	
School Zone Pedestrian Refuge Islands			16,422	
SRS-Local Cleveland School			106,855	
De La Vina & Arrellaga Intersection			12,920	
De La Vina & Figueroa Intersection			14,612	
Anapamu St. Bridge Replacement			25,000	
Quinientos St. Bridge Replacement			25,000	
Cabrillo at Mission Creek Bridge			365,694	
De La Guerra St. Bridge Replacement			33,553	
Gutierrez St. Bridge Replacement			36,133	
Bridge Preventative Maintenance Phase 2			8,152	
Cota St. Bridge/Mission Creek			136,391	
Mason St. Bridge Replacement			63,970	
Chapala Bridge Replacement			8,710	
Increase Project Appropriations in Streets Grants:				
Montecito/Yano Bridge Sidewalk			414,930	
Lower Milpas Pedestrian Improvements			25,000	
Cacique/Soledad Pedestrian/Bike Improvements			111,972	
Las Positas Multiuse Pathway			203,000	
School Zone Pedestrian Refuge Islands			16,422	
SRS-Local Cleveland School			106,855	
De La Vina & Arrellaga Intersection			12,920	
De La Vina & Figueroa Intersection			14,612	
Anapamu St. Bridge Replacement			25,000	
Quinientos St. Bridge Replacement			25,000	
Cabrillo at Mission Creek Bridge			365,694	
De La Guerra St. Bridge Replacement			33,553	
Gutierrez St. Bridge Replacement			36,133	
Bridge Preventative Maintenance Phase 2			8,152	
Cota St. Bridge/Mission Creek			136,391	
Mason St. Bridge Replacement			63,970	
Chapala Bridge Replacement			8,710	
Total Fund Adjustments	\$ (4,811,535)	\$ (4,811,535)	6,419,846	6,419,846