

City of Santa Barbara
Interim Financial Statements for the Year Ended June 30, 2015
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 25% of Estimated Surplus to Capital Outlay Fund	861,435		(861,435)
Per City reserve policies, 50% of each year-end surplus will be transferred to the Capital Outlay Fund to provide additional funding for capital projects. However, in order to close the gap in reserves relative to city policy by 2017, Council direction was to reduce this to 25% for Fiscal Years 2015 through 2017. These recommended entries transfer 25% of the Fiscal Year 2015 year-end surplus, amounting to \$861,435, to the Capital Outlay Fund.			
General Government			
Repayment of Waterfront loan to General Fund		1,001,237	1,001,237
The Waterfront Operating Fund ended Fiscal Year 2015 with surpluses exceeding expectations. These recommended entries will transfer funds to the General Fund to fully repay one of the two outstanding loans.			
Community Development			
Decrease Appropriations for Community Development - Questy's Data Conversion	(4,899)		4,899
Transfer to Capital Outlay Fund - CD Technology Upgrade Reserve	4,899		(4,899)
In Fiscal Year 2015, funds were appropriated in the Community Development Fund for Questy's Data Management System. Final costs were less than appropriated. Remaining funds are being transferred to the Capital Outlay Fund and will be reserved for Community Development Technology Upgrade.			
Fire			
Increase Appropriations for Fire Operations - Mutual Aid Salaries & Benefits	550,000		(550,000)
Increase Estimated Revenues - Mutual Aid		322,000	322,000
Due to a high fire season, the Fire Department experienced higher than anticipated mutual aid expenditures related to the cost of providing assistance to other locations in the state. These recommended entries increase the appropriations and estimated revenues for the additional overtime costs incurred responding to these calls, which are partially reimbursable per mutual aid agreements.			
Total General Fund	<u>\$ 550,000</u>	<u>\$ 1,323,237</u>	<u>\$ (88,198)</u>
CAPITAL OUTLAY FUND (3000)			
Transfer 25% of Estimated Surplus to Capital Outlay Fund		861,435	861,435
Per City reserve policies, 50% of each year-end surplus will be transferred to the Capital Outlay Fund to provide additional funding for capital projects. However, in order to close the gap in reserves relative to city policy by 2017, Council direction was to reduce this to 25% for Fiscal Years 2015 through 2017. These recommended entries transfer 25% of the Fiscal Year 2015 year-end surplus, amounting to \$861,435, to the Capital Outlay Fund.			
Community Development			
Increase Appropriations for CD Technology Upgrade Reserve	4,898		(4,898)
Transfer from General Fund - Community Development - Questy's Data Conversion		4,898	4,898
In Fiscal Year 2015, funds were appropriated in the Community Development Fund for Questy's Data Management System. Final costs were less than appropriated. Remaining funds are being transferred to the Capital Outlay Fund and will be reserved for Community Development Technology Upgrade.			
Total Capital Outlay Fund	<u>\$ 4,898</u>	<u>\$ 866,333</u>	<u>\$ 861,435</u>

	Increase (Decrease) in Appropriations	Increase (Decrease) in Estimated Revenues	Addition to (Use of) Reserves
SPECIAL REVENUE FUNDS			
Police - Supplemental Law Enforcement Services Fund (SLESF) Fund (2320)			
Increase Appropriations for the SLESF Program	5,000	-	(5,000)
Increase Estimated Revenues for the SLESF Program	-	5,000	5,000
<p>In Fiscal Year 2015, the Police Department SLESF Fund received additional funding of \$5,000. These recommended entries increase the funding and appropriations allowing the department the ability to spend it.</p>			
Total Police SLESF Fund	\$ 5,000	\$ 5,000	\$ 5,000
Streets Operating Fund (2400)			
Transfer to Streets Capital Fund for creation of new fund	7,209,659		(7,209,659)
Transfer to Measure A Capital Fund for creation of new fund	1,334,854		(1,334,854)
<p>In Fiscal Year 2015, Public Works created two new Capital Funds, the Streets Capital Fund and the Measure A Capital Fund, to account for capital projects that were previously combined in the Streets Operating Fund. The two new funds were created, and the budgets were moved into the new funds. These recommended entries will provide the administrative corrections the move cash and reserves to the new funds, to properly match the appropriations.</p>			
Transfer to Streets Grant Capital Fund	6,773		(6,773)
<p>Subsequent to the adoption of the Fiscal Year 2015 budget, the Public Works Department determined additional appropriations were needed to complete two of the Streets Grant Capital Projects, De La Guerra St Bridge Replacement Project and Bridge Preventative Maintenance Project Phase 2. These recommended entries will transfer funding from Streets Operating Fund reserves to appropriate the additional funds needed to complete the projects.</p>			
Total Streets Operating Fund	\$ 8,551,285	\$ -	\$ (8,551,285)
Miscellaneous Grants Fund (2830)			
Increase Appropriations for the Explorers Program	2,500	-	(2,500)
Increase Estimated Revenues for the Explorers Program - Donations	-	2,500	2,500
<p>In Fiscal Year 2015, the Police Department Explorers Program received additional funding of \$2,500 in donations. These recommended entries increase the appropriations and estimated revenues.</p>			
Total Miscellaneous Grants Fund	\$ 2,500	\$ 2,500	\$ -
Streets Capital Fund (3400)			
Transfer from Streets Operating Fund for creation of new fund		7,209,659	7,209,659
<p>In Fiscal Year 2015, Public Works created two new Capital Funds, the Streets Capital Fund and the Measure A Capital Fund, to account for capital projects that were previously combined in the Streets Operating Fund. The two new funds were created, and the budgets were moved into the new funds. These recommended entries will transfer funding identified from savings in two projects in the Streets Capital Fund, into the Streets Grant Capital Fund Projects.</p>			
Transfer to Streets Grant Capital Fund	10,945		(10,945)
Decrease Appropriations - Streets Engineering Project	(2,858)		2,858
Decrease Appropriations - Carrillo/Anacapa Int Improvement Project	(8,087)		8,087
<p>In Fiscal Year 2015, CalTrans grants in the Streets Grants Capital Projects Fund were audited and determined to require adjustments to the overhead charges calculated by an outside consultant, slightly reducing the grant reimbursement rates and requiring additional local match in six projects. These recommended entries will transfer funding identified from savings in two projects in the Streets Capital Fund, into the Streets Grant Capital Fund Projects.</p>			
Total Streets Capital Fund	\$ -	\$ 7,209,659	\$ 7,209,659

	Increase (Decrease) in Appropriations	Increase (Decrease) in Estimated Revenues	Addition to (Use of) Reserves
SPECIAL REVENUE FUNDS (cont)			
Streets Grants Capital Fund (3410)			
Transfer from Streets Capital Fund		10,945	10,945
Increase Appropriations - Cota Street Bridge/Mission Ck	1,969		(1,969)
Increase Appropriations - De La Guerra St Bridge Replacement	331		(331)
Increase Appropriations - Gutierrez St Bridge Replacement	361		(361)
Increase Appropriations - Chapala Bridge Replacement	197		(197)
Increase Appropriations - Mason Street Bridge Replacement	3,177		(3,177)
Increase Appropriations - Cabrillo @ Mission Creek Bridge	4,909		(4,909)
<p>In Fiscal Year 2015, CalTrans grants in the Streets Grants Capital Projects Fund were audited and determined to require adjustments to the overhead charges calculated by an outside consultant, slightly reducing the grant reimbursement rates and requiring additional local match in six projects. These recommended entries will transfer funding identified from savings in two projects in the Streets Capital Fund, into the Streets Grant Capital Fund Projects.</p>			
Transfer from Streets Operating Fund		6,773	6,773
Increase Appropriations - De La Guerra St Bridge Replacement	5,026		(5,026)
Increase Appropriations - Bridge Preventative Maint Phase 2	1,747		(1,747)
<p>Subsequent to the adoption of the Fiscal Year 2015 budget, the Public Works Department determined additional appropriations were needed to complete two of the Streets Grant Capital Projects, De La Guerra St Bridge Replacement Project and Bridge Preventative Maintenance Project Phase 2. These recommended entries will transfer funding from Streets Operating Fund reserves to appropriate the additional funds needed to complete the projects.</p>			
Total Streets Grants Capital Fund	\$ 17,718	\$ 17,718	\$ -
Measure A Capital Fund (3440)			
Transfer to Measure A Capital Fund for creation of new fund		1,334,854	1,334,854
<p>In Fiscal Year 2015, Public Works created two new Capital Funds, the Streets Capital Fund and the Measure A Capital Fund, to account for capital projects that were previously combined in the Streets Operating Fund. The two new funds were created, and the budgets were moved into the new funds. These recommended entries will provide the administrative corrections the move cash and reserves to the new funds, to properly match the appropriations.</p>			
Total Measure A Capital Fund	\$ -	\$ 1,334,854	\$ 1,334,854
ENTERPRISE FUNDS			
Airport Operating Fund (5700)			
Transfer to Airport T Hangar Fund to Restore Reserves	\$ 32,618		\$ (32,618)
<p>The T Hangar Fund had a beginning negative reserves balance due to tenant vacancies and low interest earnings that have occurred in the fund since 2007. At the end of the year, the fund had a slight surplus, reducing this negative balance to \$32,618. These recommended entries will transfer funds to the T Hangar Fund and eliminate any remaining negative reserve balances.</p>			
Total Airport Operating Fund	\$ 32,618	\$ -	\$ (32,618)
Airport T Hangar Fund (5750)			
Transfer from Airport Operating Fund to restore T Hangar Fund Reserves		\$ 32,618	\$ 32,618
<p>The T Hangar Fund had a beginning negative reserves balance due to tenant vacancies and low interest earnings that have occurred in the fund since 2007. At the end of the year, the fund had a slight surplus, reducing this negative balance to \$32,618. These recommended entries will transfer funds to the T Hangar Fund and eliminate any remaining negative reserve balances.</p>			
Total Airport T Hangar Fund	\$ -	\$ 32,618	\$ 32,618

ENTERPRISE FUNDS (cont)

Waterfront Operating Fund (5800)

Repayment to General Fund for Waterfront loan

<u>Increase (Decrease) in Appropriations</u>	<u>Increase (Decrease) in Estimated Revenues</u>	<u>Addition to (Use of) Reserves</u>
\$ 1,001,237	\$ -	\$ (1,001,237)

The Waterfront Operating Fund ended Fiscal Year 2015 with surpluses exceeding expectations. These recommended entries will transfer funds to the General Fund to fully repay one of the two outstanding loans.

Due to the

Total Waterfront Operating Fund

<u>\$ 1,001,237</u>	<u>\$ -</u>	<u>\$ (1,001,237)</u>
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Waterfront Capital Fund (5810)

Adjust Capital Project Budgets:

Increase Appropriations - Stearns Wharf Annual Repair Program	23,350	-	(23,350)
Increase Appropriations - Harbor ADA Restroom Remodel	15,845	-	(15,845)
Increase Appropriations - Stearns Wharf Waterline Replacement	7,756	-	(7,756)
Increase Appropriations - Seawall ADA Handrail And Sidwalk	25,007	-	(25,007)
Increase Appropriations - Replace Hoists	11,737	-	(11,737)
Increase Appropriations - Ice Machine	25,010	-	(25,010)
Decrease Appropriations - 117 Harbor Way Improvements	(108,705)	-	108,705

Since the adoption of the Fiscal Year 2015 budget, the Waterfront Department has identified addition funding needs for 6 of their Harbor Maintenance Projects and they have identified funding to these projects. These recommended entries will transfer available appropriations to the projects from the deferral of the 117 Harbor Way Improvements Project.

Total Waterfront Capital Fund

<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
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