



# CITY OF LONG BEACH **R-29**

DEPARTMENT OF FINANCIAL MANAGEMENT

333 West Ocean Boulevard 6<sup>th</sup> Floor • Long Beach, CA 90802

July 24, 2007

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Approve the Fiscal Year 2007 third quarter departmental and fund budget appropriation adjustments in accordance with existing City Council policy. (Citywide)

## DISCUSSION

On September 19, 2006, the City Council adopted the Appropriations Ordinance governing City expenditures for Fiscal Year 2007 (FY 07). From time to time, changes in revenue or operating conditions call for appropriation adjustments. For example, in some cases these adjustments enable departments to expend newly received grant revenue for which there is no existing appropriation. In addition, changes for multi-year grants/projects are necessary to bring appropriations in line with final grant/project award amounts. In accordance with the City's practice, these adjustments are presented quarterly to the City Council for consideration. Please see **Attachment A** for a Fund Balance Analysis of impacted City funds and **Attachment B** for a recap of FY 07 General Fund Budget Adjustments.

This letter was reviewed by Assistant City Attorney Heather A. Mahood on July 13, 2007.

## TIMING CONSIDERATIONS

The following requests for adjustments to FY 07 departmental and fund appropriations are necessary to reflect changes in operating conditions. City Council action is requested on July 24, 2007 to authorize the timely processing of payments.

## FISCAL IMPACT

### **Community Development**

The Department of Parks, Recreation and Marine has requested the services of the Project Development Bureau of Community Development to provide specialized project management services for improvements to the Colorado Lagoon. The Colorado Lagoon Improvement Project will require the management of complex and layered components involving multiple outside agencies and grant sources. Since these additional expenses are currently unbudgeted, an appropriation increase is being requested. The funding source for these expenses will be Tidelands Operating Funds, and has no impact on the General Fund.

- Increase appropriations in the Tidelands Operating Fund (TF) in the Department of Community Development by \$30,000.

On May 21, 2007, the Redevelopment Agency Board approved and authorized a Purchase and Sale Agreement of property at 306 E. Home Street for \$495,000 plus closing and relocation costs. The voluntary sale is to eliminate a nuisance property and blighting influence on the community. Redevelopment funds will pay the expenditure, so there is no impact on the General Fund.

- Increase appropriations in the Redevelopment Fund (RD) in the Department of Community Development by \$575,000.

On May 21, 2007, the Redevelopment Agency Board approved and authorized a Purchase and Sale Agreement and all other related documents to complete the purchase of property at 242-256 Long Beach Boulevard plus closing costs. The property is part of the site being assembled for development of the project known as the Broadway Block. Redevelopment funds will pay the expenditure, so there is no impact on the General Fund.

- Increase appropriations in the Redevelopment Fund (RD) in the Department of Community Development by \$2,325,000.

On May 7, 2007, the Redevelopment Agency Board approved a contract with Sequel Contractors, Inc. to: construct concrete curbs, gutters, sidewalks, asphalt concrete pavement; resurface with asphalt rubber pavement; remove concrete surfaces; and install pavement markers, markings and traffic striping. The contract amount shall not exceed \$1,785,000, and is paid for with Redevelopment funds, with no impact on the General Fund.

- Increase appropriations in the Redevelopment Fund (RD) in the Department of Community Development by \$1,785,000.

On May 7, 2007, the Redevelopment Agency Board approved and authorized a Purchase and Sale Agreement and all other related documents to complete the purchase of property at 1199 E. Artesia Boulevard for \$2,425,000 plus closing and relocation costs. The voluntary sale is for the construction of a fire facility. Redevelopment funds will pay the expenditure, so there is no impact on the General Fund.

- Increase appropriations in the Redevelopment Fund (RD) in the Department of Community Development by \$2,625,000.

On March 19, 2007, the Redevelopment Agency Board approved and authorized a Purchase and Sale Agreement and all other related documents to complete the purchase of property at 5365 Long Beach Boulevard for \$500,000 plus closing costs. The voluntary sale is to implement redevelopment of the Virginia Village historic core, a neighborhood-oriented retail commercial node. Redevelopment funds will pay the expenditure, so there is no impact on the General Fund.

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- Increase appropriations in the Redevelopment Fund (RD) in the Department of Community Development by \$550,000.

On March 5, 2007, the Redevelopment Agency Board approved and authorized a Purchase and Sale Agreement and all other related documents to complete the purchase of property at 5661 Atlantic Avenue for \$555,000 plus closing costs. The voluntary sale is to implement redevelopment of the Village Center, a mixed-use development. Redevelopment funds will pay the expenditure, so there is no impact on the General Fund.

- Increase appropriations in the Redevelopment Fund (RD) in the Department of Community Development by \$600,000.

On February 5, 2007, the Redevelopment Agency Board approved and authorized a Purchase and Sale Agreement and all other related documents to complete the purchase of property at 5701 Atlantic Avenue for \$405,000 plus closing costs. The voluntary sale is to implement redevelopment of the Village Center, a mixed-use development. The property will be used for off-street parking until other development proceeds in the area. Redevelopment funds will pay the expenditure, so there is no impact on the General Fund.

- Increase appropriations in the Redevelopment Fund (RD) in the Department of Community Development by \$450,000.

### **Fire**

Since August 2003, the City Council authorized receipt of the Urban Area Security Initiative (UASI) Grants, totaling \$25,826,340 from the Department of Homeland Security (DHS) to augment the City and surrounding jurisdictions' Homeland Security response capabilities. Due to changes in the type and quantity of equipment to be procured and excess funds remaining from the planning, exercise, administration and police training categories, the current allocations in the various departments are not reflective of revised spending plans that will maximize use of the grant funds. The State Office of Homeland Security has approved the revised spending plans. Reallocating the funds among departments will enable the procurement of additional interoperable radios for the Police and Fire Departments as well as additional training courses for Fire Department personnel in technical search and rescue, and weapons of mass destruction. The Fire Department requests to reallocate the current appropriations to the departments/funds as listed below. All expenditures will be offset by like changes in grant revenue. There is no net impact to the UASI budget and is beneficial to the General Fund as training costs may now be transferred to the UASI grant.

- Increase appropriations in the General Grants Fund (SR 120) in the Fire Department (FD) by \$175,496.
- Decrease appropriations in the General Grants Fund (SR 120) in the Police Department by \$175,496.

On December 12, 2006, the City Council authorized an amendment to the contract with Zoll Medical Corporation for the purchase and upgrade of 12-lead electrocardiogram units. At that time it was stated that a subsequent request would be made to the City Council to increase the appropriation to cover equipment costs and overtime. The County of Los Angeles has reimbursed the City \$298,053 for this equipment and will reimburse the City an additional \$41,310 for overtime costs associated with training Fire Department personnel in the use of these new devices. As neither the equipment cost nor the overtime for staff training is currently budgeted, an appropriation increase of \$339,363 is being requested. The appropriation increase is fully offset by the reimbursement revenue from Los Angeles County. There is no net impact to the General Fund.

- Increase appropriations in the General Fund (GP) in the Fire Department (FD) by \$339,363.

### **Health and Human Services**

On February 6, 2007 the City Council authorized the City Manager to accept grant funding from the Department of Homeland Security for the purpose of enhancing the City's homeland security preparedness, and increased appropriations in the Health Fund by \$300,000. A budget adjustment is necessary to transfer these appropriations to the General Grants Fund.

- Increase appropriations in the General Grants Fund (SR 120) in the Department of Health and Human Services (HE) by \$300,000.
- Decrease appropriations in the Health Fund (SR 130) in the Department of Health and Human Services (HE) by \$300,000.

### **Library**

The Long Beach Public Library Foundation and the Friends of the Long Beach Public Library, which are both nonprofit organizations, have provided donations to the Library Services Department totaling \$143,750 for the purchase of books and material resources. The Long Beach Public Library Foundation was created in response to the cuts made to the Long Beach Public Library in the 1990's. They have been successful in providing support for the purchase of books and materials. The Friends of the Long Beach Public Library has been in existence since the 1960's. They began donating funds to support the purchase of books and materials in 1990 when the Friends bookstore opened. To allow the Department to expend these funds, a budget adjustment is required.

- Increase appropriations in the General Grants Fund (SR 120) in the Department of Library Services (LS) by \$143,750.

The Helen Fuller Cultural Carrousel is a Library support group, and an arm of the Friends of the Long Beach Public Library. The Carrousel's primary mission is to support the youth services librarians' work with the youth of Long Beach. The Carrousel has given the Library \$17,534 to cover the costs of all summer special events programming for children and teens

at the Main and neighborhood libraries. Presentations will be made by performers on a contractual basis at library locations as part of the program.

- Increase appropriations in the General Fund (GP) in the Department of Library Services (LS) by \$17,534.

### **Parks, Recreation and Marine**

The Long Beach Midnight Basketball Program (LBMBP) Summer League is a diversion program offered to provide young adults, ages 17 to 25, residing in Long Beach, with positive opportunities by offering mentoring and self-development workshops combined with recreational competitive activity, in a safe environment. This unique, comprehensive program provides an alternative to negative uses of leisure time while promoting positive behavior. Mandatory educational counseling is a requirement to continue to participate in the program. Appropriation for this program will be transferred from the 6<sup>th</sup> District Council Office to the Department of Parks, Recreation and Marine.

- Decrease appropriations in the General Fund (GP) in the Legislative Department (LD) by \$15,000.
- Increase appropriations in the General Fund (GP) in the Department of Parks, Recreation and Marine (PR) by \$15,000.

The Parks, Recreation and Marine Department (PR) works closely with the Public Works Department (PW) on many Capital Improvement Projects. By mutual agreement between the Departments, projects that do not require engineering support from PW may be managed by PR. The funding for the Park Bike Path Replacement Project being managed by PR is currently appropriated partially in PW and partially in PR. The Parks, Recreation and Marine Department is requesting to consolidate appropriations for this projects under a single department.

- Decrease appropriations in the Tidelands Operating Fund (TF) in the Department of Public Works (PW) by \$32,281.
- Increase appropriations in the Tidelands Operating Fund (TF) in the Department of Parks, Recreation and Marine (PR) by \$32,281.

On June 21, 2005 the City Council approved the expenditure of the Central Long Beach Project Area Bond proceeds, in the amount of \$2,500,000, to be used for the acquisition of property for the Drake Park/Cesar Chavez Greenbelt Expansion Project. The Council letter did not include the appropriation of the funds. Therefore, a budget adjustment is requested at this time.

- Increase appropriations in the Capital Projects Fund (CP) in the Department of Parks, Recreation and Marine (PR) by \$2,500,000.

### **Police**

On June 20, 2006, the City Council authorized the City Manager to execute the fourth amendment to the Memorandum of Understanding (MOU), and all subsequent amendments,

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between the City of Long Beach and the Los Angeles County Probation Department for the expansion of Long Beach Police Athletic League (PAL) and Explorer programs. Amendment No. 5, and Amendment to Amendment No. 5 continue the implementation of the programs services, with \$90,000 in funding. To utilize these funds, an appropriation increase is being requested. There is no impact to the General Fund.

- Increase appropriations in the General Grants Fund (SR 120) in the Police Department (PD) by \$90,000.

On March 6, 2007, the City Council authorized the acceptance of the State of California Citizens Option for Public Safety Program funding from the County of Los Angeles Supplemental Law Enforcement Services Fund (State COPS 07). When the funds were appropriated, interest earnings were not included in the appropriation. As of April 30, 2007, interest earnings totaled \$23,050. Earlier State COPS grants have an additional \$17,619 in interest earnings to be rolled into the State COPS 07 for a total of \$40,669. To ensure that all State COPS funds and the grant's realized interest earnings are expended, a budget adjustment is necessary to increase expenditure appropriations.

- Increase appropriations in the General Grants Fund (SR 120) in the Police Department (PD) by \$40,669.

On May 11, 2007 Financial Management returned \$219,975 of unused financing and accrued interest, for the purchase of Toughbook computers, to Bank of America and charged the transaction to the Police Department. The unused principal of \$188,768 was budgeted revenue and expense in FY07, however the accrued interest of \$31,207 was not budgeted. A budget adjustment is necessary to increase the expenditure appropriation for this transaction.

- Increase appropriations in the General Fund (GP) in the Police Department (PD) by \$31,207.

### **Public Works**

On January 2, 2007, the City Council authorized the City Manager to execute the First Amendment to Contract. No. 29217 with General Physics Corporation to install an additional 15,000-gallon above ground liquefied natural gas bulk storage vessel for an estimated amount of \$775,000. An appropriation increase of \$775,000 is being requested for this project.

- Increase appropriation in the Refuse Fund (EF 330) in the Department of Public Works (PW) by \$775,000.

On July 15, 2003 and March 16, 2004, the City Council authorized the acceptance and execution of grants from the Federal Aviation Administration's (FAA) Airport Improvement Program for entitlement and discretionary funds for airport security, airport rescue and fire fighting, and Runway 12/30 rehabilitation at the Long Beach Airport. On May 7, 2007, the FAA increased the amount of the grant award by \$61,806 and the Airport's matching fund

obligation by \$6,867. An appropriation increase is necessary to recognize these unbudgeted FAA grant funds and \$6,867 in matching funds from Airport Capital.

- Increase appropriation in the Airport Fund (EF 320) in the Department of Public Works (PW) by \$68,673.

An appropriation increase for State Proposition 42 funding derived from Traffic Congestion Improvement Act funds (AB 2928) of \$287,252 is required to match the monies received and recognize interest earnings. An increase of \$91,572 is needed to match the payment received from the State, while \$63,467 is needed for FY 06 interest and \$132,213 for FY 07 interest. The interest earnings and additional budgeted apportionment will offset approved expenditures for various street improvement projects.

- Increase appropriation in the Gas Tax Street Improvement Fund (SR 181) in the Department of Public Works (PW) by \$287,252.

On February 20, 2007, the City Council authorized an agreement with Electrical Transportation Engineering Corporation in the amount of \$275,000 for installation of five airline ground service equipment electric charging stations at the Long Beach Airport using AB2766 funds provided by the South Coast Air Quality Management District. An appropriation increase is necessary to complete this project.

- Increase appropriation in the Transportation Fund (SR 182) in the Department of Public Works (PW) by \$275,000.

During FY 07, the Office of Councilmember Gary DeLong has agreed to provide \$10,000 in funding from his Council Office Budget for saw-cutting repairs at 400 sidewalks, as well as \$5,000 for installation of a new curb. A budget adjustment is necessary to transfer the funds to the Capital Improvement Project.

- Decrease appropriations in the General Fund (GP) in the Legislative Department (LD) by \$15,000.
- Increase appropriations in the General Fund (GP) in the Citywide Activities Department (XC) by \$15,000.
- Increase appropriations in the Capital Projects Fund (CP) in the Department of Public Works (PW) by \$15,000.

### **Technology Services**

An appropriation increase is necessary to match FY 07 expenditures for the Hansen Land Management project with budgeted revenues. An appropriation increase is requested to bring expenditure appropriation into alignment with budgeted revenue.

- Increase appropriations in the General Services Fund (IS 385) in the Department of Technology Services (TS) by \$193,126.

During FY 07, the Department of Library Services requested additional support services from Technology Services in the form of a Systems Technician, to be funded by salary savings from a vacant position in the Library's FY 07 budget. Technology Services hired a Systems Technician. Since these costs are currently unbudgeted, an appropriation increase is necessary. The Technology Services Department expenditure increase in the General Services Fund will be fully offset by revenue from Library Services.

- Increase appropriations in the General Services Fund (IS 385) in the Department of Technology Services (TS) by \$40,332.

At the request of the Department of Financial Management, the Technology Services Department is providing project management services to implement and integrate new systems for revenue-generating activities such as parking citations and ambulance billing. An appropriation increase in the Technology Services Department in the General Services Fund is necessary, and will be fully offset with revenue from charges to Financial Management.

- Increase appropriations in the General Services Fund (IS 385) in the Department of Technology Services (TS) by \$110,000.

Due to the recent United States Postal Service rate increase and increased mailings expenditures for postage will exceed appropriation in FY 07 by approximately \$100,000. An appropriation increase in the Technology Services Department in the General Services Fund is necessary, and will be fully offset by charges to departments.

- Increase appropriations in the General Services Fund (IS 385) in the Department of Technology Services (TS) by \$100,000.

### **Citywide**

On April 25, 2000, the Council authorized a Location Agreement between the City of Long Beach and Edison Material Supply LLC (EMS), a retail Material Supply Company. Pursuant to Section 2(b) of the Location Agreement, the City receives the first \$3 million per year in local sales tax revenue, with a 75 percent (EMS)/ 25 percent (City) sharing of local sales tax revenues above that amount during years 6 through 10 of the agreement. When the sales tax revenue is remitted to the City by the State Board of Equalization (SBOE) in the following fiscal year, the City must forward the EMS share of the sales tax to the company. The total sales tax generated by EMS in Fiscal Year 2006 was \$5,692,114. Consequently, the current payment due to EMS in Fiscal Year 2007 is \$2,019,085. A budget adjustment is necessary to increase expenditure appropriation to support the payment to EMS.

- Increase appropriations in the General Fund (GP) in the Citywide Activities Department (XC) by \$669,085.

On September 19, 2006, the City Council approved a contract with EDAW Associates and CITYWORKS to assist with the update of the City's General Plan. As part of the City Council action, the costs for General Plan updating services were allocated across various City



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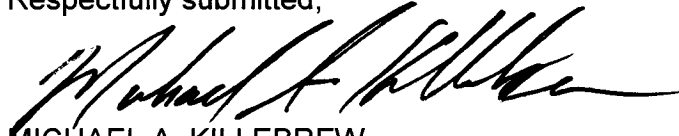
departments and funds. An appropriation increase of \$299,571 is requested at this time in the Tidelands Operating Fund (TF) and the Citywide Department (XC) to contribute its share of the General Plan update costs.

- Increase appropriations in the Tidelands Operating Fund (TF) in the Citywide Activities Department (XC) by \$299,571.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



MICHAEL A. KILLEBREW  
DIRECTOR OF FINANCIAL MANAGEMENT

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ATTACHMENTS

APPROVED:



ANTHONY W. BATTS  
CITY MANAGER

## Effects of 3rd Quarter Budget Adjustments on Fund Balance

	<u>Budgeted Expenditure</u>	<u>Budgeted Revenue</u>	<u>Budgeted Fund Balance</u>
<b>General Fund (GP)</b>			
Beginning Fund Balance*			\$ 5,224,409
* Does not include the \$36.1 million Emergency Fund Balance Reserve			
Unreserving/(Reserving) of Restricted Fund Balance			463,713
FY 07 Adopted Budget	377,404,000	377,406,152	2,152
Prior Year Adjustment to Actuals			46,734
City Council Approved Adjustments to Date (521/522 and 511)	6,303,907	2,250,000	(4,053,907)
Proposed 3rd Quarter Adjustments:			
12-Lead EKG Reimbursement	339,363	339,363	-
Helen Fuller Cultural Carrousel	17,534	17,534	-
Unused Toughbooks Financing	31,207	31,207	-
Edison Material Supply Payment	669,085	-	(669,085)
Adjusted Budget Including 3rd Quarter Adjustments	\$ 384,765,096	\$ 380,044,256	\$ 1,014,016
<b>Airport Fund (EF 320)</b>			
Beginning Fund Balance			\$ 14,174,119
Unreserving/(Reserving) of Restricted Fund Balance			7,382,049
FY 07 Adopted Budget	31,859,545	25,317,952	(6,541,593)
Prior Year Adjustment to Actuals			-
All-years Carryover Budget	31,733,983	25,946,220	(5,787,763)
City Council Approved Adjustments to Date (521/522 and 511)	9,242,502	7,355,375	(1,887,127)
Proposed 3rd Quarter Adjustments:			
FAA Grant Increase	68,673	61,806	(6,867)
Adjusted Budget Including 3rd Quarter Adjustments	\$ 72,904,703	\$ 58,681,353	\$ 7,332,818
<b>Capital Projects (CP)</b>			
Beginning Fund Balance			14,192,558
Unreserving/(Reserving) of Restricted Fund Balance			11,265,703
FY 07 Adopted Budget	15,053,445	14,522,930	(530,515)
Prior Year Adjustment to Actuals			18,352
All-years Carryover Budget	61,711,427	37,401,235	(24,310,192)
City Council Approved Adjustments to Date (521/522 and 511)	7,878,412	7,242,505	(635,907)
Proposed 3rd Quarter Adjustments:			
Drake Park/Cesar Chavez Greenbelt Project	2,500,000	2,500,000	-
Saw Cutting Sidewalk Repairs/New Curb	15,000	15,000	-
Adjusted Budget Including 3rd Quarter Adjustments	\$ 87,143,283	\$ 61,666,670	\$ -

## Effects of 3rd Quarter Budget Adjustments on Fund Balance

	<u>Budgeted Expenditure</u>	<u>Budgeted Revenue</u>	<u>Budgeted Fund Balance</u>
<b><u>Gasoline Tax Street Improvement (SR 181)</u></b>			
Beginning Fund Balance			\$ 5,371,513
Unreserving/(Reserving) of Restricted Fund Balance			-
FY 07 Adopted Budget	16,218,563	16,960,667	742,104
Prior Year Adjustment to Actuals			-
All-years Carryover Budget	10,371,859	16,352,885	5,981,026
City Council Approved Adjustments to Date (521/522 and 511)	(504,425)	(504,425)	-
Proposed 3rd Quarter Adjustments:			
Traffic Congestion Improvement Act funds	287,252	287,252	-
Adjusted Budget Including 3rd Quarter Adjustments	\$ 26,373,249	\$ 33,096,379	\$ 12,094,643
<b><u>General Grants (SR 120)</u></b>			
Beginning Fund Balance			\$ 61,912
Unreserving/(Reserving) of Restricted Fund Balance			(72,051)
FY 07 Adopted Budget	8,594,063	8,594,063	-
Prior Year Adjustment to Actuals			-
All-years Carryover Budget	5,032,586	5,044,547	11,961
City Council Approved Adjustments to Date (521/522 and 511)	5,235,557	5,233,736	(1,822)
Proposed 3rd Quarter Adjustments:			
PAL and Explorer Programs	90,000	90,000	-
Friends of the Long Beach Public Library	143,750	143,750	-
COPS Grants	40,669	40,669	-
Homeland Security Preparedness	300,000	300,000	-
Adjusted Budget Including 3rd Quarter Adjustments	\$ 19,436,625	\$ 19,446,765	\$ -
<b><u>General Services (IS 385)</u></b>			
Beginning Fund Balance			\$ 2,721,169
Unreserving/(Reserving) of Restricted Fund Balance			-
FY 07 Adopted Budget	34,499,612	32,706,890	(1,792,722)
Prior Year Adjustment to Actuals			-
All-years Carryover Budget	35,523	35,523	-
City Council Approved Adjustments to Date (521/522 and 511)	297,682	290,648	(7,033)
Proposed 3rd Quarter Adjustments:			
Hansen Project	193,126	-	(193,126)
Library Support	40,332	40,332	-
Commercial Services Project Support	110,000	110,000	-
Increase Postage Costs	100,000	100,000	-
Adjusted Budget Including 3rd Quarter Adjustments	\$ 35,276,275	\$ 33,283,393	\$ 728,288

## Effects of 3rd Quarter Budget Adjustments on Fund Balance

	<u>Budgeted Expenditure</u>	<u>Budgeted Revenue</u>	<u>Budgeted Fund Balance</u>
<b><u>Health Fund (SR 130)</u></b>			
Beginning Fund Balance (Per Adopted Budget)			\$ 254,986
Unreserving/(Reserving) of Restricted Fund Balance			-
FY 07 Adopted Budget	45,188,238	45,710,609	522,371
Prior Year Adjustment to Actuals			-
All-years Carryover Budget	37,152,840	37,025,298	(127,542)
City Council Approved Adjustments to Date (521/522)	2,262,946	2,256,322	(6,624)
Proposed 3rd Quarter Adjustments:			
Homeland Security Preparedness	(300,000)	(300,000)	-
Adjusted Budget Including 3rd Quarter Adjustments	\$ 84,304,024	\$ 84,692,229	\$ 643,191
<b><u>Redevelopment Agency</u></b>			
Beginning Fund Balance (Per Adopted Budget)			\$ 47,760,964
Unreserving/(Reserving) of Restricted Fund Balance			-
FY 07 Adopted Budget	103,081,127	76,228,054	(26,853,073)
Prior Year Adjustment to Actuals			-
All-years Carryover Budget	12,101,156	-	(12,101,156)
City Council Approved Adjustments to Date (521/522 and 511)	1,341,532	-	(1,341,532)
Proposed 3rd Quarter Adjustments:			
Sequel Contractors Street & Sidewalk Contract	1,785,000	-	(1,785,000)
Property Purchase & Sale Agreements	7,125,000	-	(7,125,000)
Adjusted Budget Including 3rd Quarter Adjustments	\$ 118,308,815	\$ 76,228,054	\$ 5,680,203
<b><u>Refuse &amp; Recycling Fund</u></b>			
Beginning Fund Balance (Per Adopted Budget)			\$ 21,574,566
Unreserving/(Reserving) of Restricted Fund Balance			-
FY 07 Adopted Budget	40,263,890	34,616,128	(5,647,762)
Prior Year Adjustment to Actuals			281,175
All-years Carryover Budget	112,374	(507,299)	(619,673)
City Council Approved Adjustments to Date (521/522 and 511)	36,211	-	(36,211)
Proposed 3rd Quarter Adjustments:			
LNG Tank	775,000	-	(775,000)
Adjusted Budget Including 3rd Quarter Adjustments	\$ 41,187,475	\$ 34,108,829	\$ 14,777,094

## Effects of 3rd Quarter Budget Adjustments on Fund Balance

	<u>Budgeted Expenditure</u>	<u>Budgeted Revenue</u>	<u>Budgeted Fund Balance</u>
<b><u>Transportation Fund (SR 182)</u></b>			
Beginning Fund Balance			\$ 20,917,558
Unreserving/(Reserving) of Restricted Fund Balance			-
FY 07 Adopted Budget	14,415,576	14,492,930	77,354
Prior Year Adjustment to Actuals			358,888
All-Years Carryover Budget	19,066,621	4,128,790	(14,937,831)
City Council Approved Adjustments to Date (521/522 and 511)	(483,698)	-	483,698
Proposed 3rd Quarter Adjustments:			
Airport Electric Charging Stations	275,000	-	(275,000)
<b>Adjusted Budget Including 3rd Quarter Adjustments</b>	<b>\$ 33,273,499</b>	<b>\$ 18,621,720</b>	<b>\$ 6,624,667</b>
<b><u>Tidelands Fund (TF)</u></b>			
Beginning Fund Balance			\$ 1,224,107
Unreserving/(Reserving) of Restricted Fund Balance			-
FY 07 Adopted Budget	113,191,473	113,033,981	(157,492)
Prior Year Adjustment to Actuals			1,137,577
All-Years Carryover Budget	17,829,523	18,007,075	177,552
City Council Approved Adjustments to Date (521/522 and 511)	5,056,475	18,397	(5,038,078)
Proposed 3rd Quarter Adjustments:			
Colorado Lagoon Improvement Project	30,000	-	(30,000)
General Plan	299,571	-	(299,571)
<b>Adjusted Budget Including 3rd Quarter Adjustments <sup>(1)</sup></b>	<b>\$ 136,407,042</b>	<b>\$ 131,059,453</b>	<b>\$ (2,686,334)</b>

**(1) As a matter of practice, the City does not adjust its revenue budget during the fiscal year to make the budget match actual operating experience.**

**General Fund  
FY 07 Budget Adjustment Recap**

	<u>Budgeted Expenditure</u>	<u>Budgeted Revenue</u>	<u>Net Impact</u>
<b><u>Previous City Council Actions</u></b>			
Carryover of Prior Year Encumbrances (Beginning Fund Balance is Net of this Amount)	1,274,209	-	(1,274,209)
Federal Legislative Representation Services	135,000	-	(135,000)
Revenue Adjustments	-	2,250,000	2,250,000
<b>Subtotal - Ad Hoc Council Action</b>	<b>1,409,209</b>	<b>2,250,000</b>	<b>840,791</b>
<b><u>1st Quarter Approved Budget Adjustments</u></b>			
Fire Station #1	155,000	-	(155,000)
City Prosecutor's Office Staff Pay Adjustment	329,258	-	(329,258)
Reclaimed Water Usage	600,000	-	(600,000)
Park Ranger Station	80,488	-	(80,488)
Police Longevity Pay	2,350,000	-	(2,350,000)
Allied Engineering Settlement	743,115	-	(743,115)
Transfer to Development Services Fund	600,000	-	(600,000)
<b>Subtotal - 1st Quarter</b>	<b>4,857,861</b>	<b>-</b>	<b>(4,857,861)</b>
<b><u>2nd Quarter Approved Budget Adjustments</u></b>			
Illegal Tree Removal	36,916	-	(36,916)
<b>Subtotal - 2nd Quarter</b>	<b>36,916</b>	<b>-</b>	<b>(36,916)</b>
<b><u>3rd Quarter Approved Budget Adjustments (Pending)</u></b>			
12-Lead EKG Reimbursement	339,363	339,363	-
Helen Fuller Cultural Carrousel	17,534	17,534	-
Unused Toughbooks Financing	31,207	31,207	-
Edison Material Supply Rebate	669,085	-	(669,085)
<b>Subtotal - 3rd Quarter</b>	<b>1,057,189</b>	<b>388,104</b>	<b>(669,085)</b>
<b><u>4th Quarter Approved Budget Adjustments</u></b>			
<b>Subtotal - 4th Quarter</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total FY 07 Budget Adjustments to Date</b>	<b>7,361,175</b>	<b>2,638,104</b>	<b>(4,723,071)</b>