

# REPORT

To the Honorable Mayor and City Council  
From the City Manager

June 20, 2005

## Subject

Fiscal Year 2004/2005 Appropriation Revisions

## Recommendation

It is recommended that the City Council introduce an ordinance by the affirmative vote of five-sevenths (5/7ths) of all council members appropriating and transferring certain funds for specified purposes in order to conform the budgeted amounts to actual expenditures approved for transactions, which have occurred during fiscal year 2004/2005.

## Background

The following are summaries of recommended changes in appropriations for both revenues and expenditures by fund. A detailed explanation of these revisions is provided in Attachments A (revenue changes) and B (expenditure changes). Council takes many actions throughout the year that change or modify the budget. Moreover, grants and other revenues are received that were not anticipated when the budget was prepared. Appropriations need to be established so that staff may spend these grants and revenues. Staff holds these changes and periodically presents the appropriation changes to Council for approval.

### Summary of Recommended Budget Changes by Fund

	<u>Revenues</u>	<u>Expenditures</u>	<u>Net Change in Fund Balance</u>
	\$	\$	\$
General Fund	408,000	463,046	(55,046)
Special Revenue Fund	9,000	9,000	(0)
Water Utility Enterprise Fund	0	42,390	(42,390)
Capital Outlay Fund	<u>0</u>	<u>19,945</u>	<u>(19,945)</u>
Total Revisions	<u>417,000</u>	<u>534,381</u>	<u>(117,381)</u>

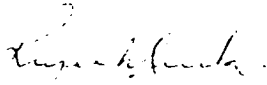
## Alternative

Should the Council elect not to approve all or any of these recommended adjustments, the consequences will vary depending upon the circumstances surrounding each specific line item. If Council has previously approved an item in concept then an expenditure or commitment may have already been made and the program or project budget will then be over-expended. If the recommended adjustment concerns a grant then staff will be unable to utilize the grant. In other situations, staff will need to forego the underlying action.

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**Fiscal Impact**

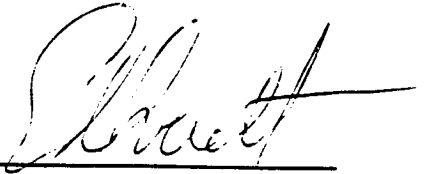
These revisions are necessary to transfer or formally appropriate funds to implement many projects and issues that the Council has already approved. Sufficient resources are available within the unreserved fund balance in the respective funds or will be made available through grants or increased revenues that will be received this fiscal year to support these recommended appropriations.



Rajesh Séwak  
Accountant



Brian Ponty  
Director of Finance  
and Financial Planning



Edward Everett  
City Manager

Attachments

A - Changes in Revenues

B - Changes in Expenditures

2004/05  
Changes in Revenues

**GENERAL FUND**

A-1	Human Resources Department Monies received - Human Resources Services Fees	\$ 13,000
A-3	Business License Revenue	259,000
	<b>Total General Fund</b>	<b><u>\$ 272,000</u></b>

**SPECIAL REVENUE FUND**

A-2	Seaport Landscape Maintenance District Reimbursement from insurance company – An irrigation controller was damaged by insured motorist	9,000
	<b>Total Special Revenue Fund</b>	<b><u>\$ 9,000</u></b>
	<b>Grand Total of Revenue Changes</b>	<b><u>\$ 281,000</u></b>

**2004/05  
Changes in Expenditures**

**GENERAL FUND**

B-1	Human Resources Department		
	1. Purchase Learning Management System software	10,000	
	2. Additional costs of fingerprinting	<u>3,000</u>	\$ 13,000
B-2	Administrative Support Services		
	1. Consulting agreement with MBIA MuniServices Company to provide business license discovery and audit services.		104,000
B-3	Central Stores		
	1. Write-off obsolete inventory		210,046 <sup>1</sup>
	<b>Total General Fund</b>		<b>\$ <u>327,046</u></b>

**SPECIAL REVENUE FUND**

B-4	Seaport Landscape Maintenance District		
	An irrigation controller was damaged by insured motorist (Insurance company will reimburse)		9,000
	<b>Total Special Revenue Fund</b>		<b>\$ <u>9,000</u></b>

**WATER UTILITY ENTERPRISE FUND**

B-5	Central Stores		
	1. Write-off obsolete inventory		42,390 <sup>1</sup>
	<b>Total Water Utility Enterprise Fund</b>		<b>\$ <u>42,390</u></b>

**CAPITAL OUTLAY FUND**

B-6	Reimburse Redwood City School District for Water connection fees		19,945
	<b>Total Capital Outlay Fund</b>		<b>\$ <u>19,945</u></b>
	<b>Grand Total of Expenditure Changes</b>		<b>\$ <u>398,381</u></b>

Attachment B

<sup>1</sup> There will be no impact upon unreserved fund balance as reserves were previously established (i.e. set aside from unreserved fund balance) for the central stores inventory.

ORDINANCE NO. \_\_\_\_\_

**ORDINANCE APPROPRIATING SPECIFIED AMOUNTS FROM DESIGNATED UNAPPROPRIATED FUND BALANCES TO SPECIFIED APPROPRIATIONS, CANCELING CERTAIN APPROPRIATIONS, AND TRANSFERRING SPECIFIED AMOUNTS FROM DESIGNATED APPROPRIATIONS TO OTHER SPECIFIED APPROPRIATIONS**

**THE COUNCIL OF REDWOOD CITY DOES ORDAIN AS FOLLOWS:**

**SECTION 1.** The following stated amounts are hereby appropriated, transferred, or canceled from the stated appropriations or balances and are appropriated or transferred to Employee Costs, Supplies and Services, or Capital Allocations appropriations:

	<u>Revenue for:</u>	<u>Amount</u>
General Fund	Human Resources	13,000
	Administrative Support Services	259,000
Special Revenue Fund	Seaport Landscape Maintenance District	9,000
 <u>From:</u>		
Unappropriated balance, General Fund	Human Resources	13,000
	Administrative Support Services	104,000
	Public Works Services - Central Stores	210,046
Unappropriated balance, Special Revenue Fund	Seaport Landscape Maintenance District	9,000
Unappropriated balance, Water Utility Enterprise Fund	Public Works Services - Central Stores	42,390
Unappropriated balance, Capital Outlay Fund	Redwood City School District	19,945

**SECTION 2.** The foregoing sums appropriated, transferred, or canceled, for the purposes hereinabove specified are effective for the fiscal year July 1, 2004 - June 30,

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2005, and shall be in addition to all other sums appropriated, transferred, or canceled for such purposes during such fiscal year.

**SECTION 3.** This Ordinance shall be effective thirty (30) days from the date of its adoption; provided, that it shall be operative retroactively from and after its date of adoption.

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