

REPORT

To the Honorable Mayor and City Council
From the City Manager

June 19, 2006

Subject

Fiscal Year 2005/2006 Appropriation Revisions

Recommendation

It is recommended that the City Council approve, by resolution, appropriating and transferring certain funds for specified purposes to conform the budgeted amounts to actual expenditures approved for transactions, which have occurred during fiscal year 2005/2006.

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 approved at the beginning of each fiscal year. 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 presents the appropriation changes to Council for approval as appropriate, generally twice a year.

Summary of Recommended Budget Changes by Fund

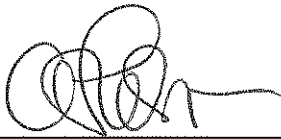
	Transfers	Revenue	Expenditures	Net Change in Fund Balance
	\$	\$	\$	\$
General Fund	(322,000)	25,760	\$325,760	(622,000)
Self-Insurance Fund	322,000	0	322,000	0
Total Revision	0	25,760	647,760	(622,000)

Alternative

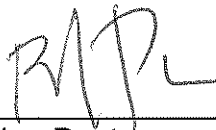
Should the Council elect not to approve all or any of these recommended adjustments, the consequences will vary depending upon the circumstances surrounding each specific line item. If Council has previously approved an item in concept then an expenditure or commitment may have already been made and 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.

Fiscal Impact

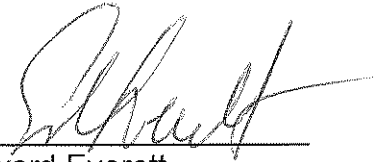
Some of these revisions are necessary to transfer or formally appropriate funds to implement many projects and issues that the Council has previously approved. Sufficient resources are available within the unreserved fund balance in the respective funds or will be made available through grants or increased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



Araceli Fierro
Senior Accountant



Brian Ponty
Director of Finance
and Financial Planning



Edward Everett
City Manager

Attachments

- A - Changes in Revenues
- B - Changes in Expenditures

RESOLUTION NO. _____

RESOLUTION APPROPRIATING AND TRANSFERRING CERTAIN FUNDS FOR SPECIFIED PURPOSES TO CONFORM BUDGETED AMOUNTS TO ACTUAL EXPENDITURES DURING FY 2005/06

WHEREAS, during the course of a fiscal year, the City Council may take actions that change or modify the City's existing and approved budgets; and

WHEREAS, grants and revenue are received during the course of the fiscal year which were not anticipated when the City's budgets were first approved; and

WHEREAS, appropriations need to be established in order for staff to utilize grants and revenues received; and

WHEREAS, generally, twice a year staff will present appropriation changes to the City Council for approval; and

WHEREAS, staff has presented written documentation, which is attached hereto as Exhibits "A" and "B" which sets forth in particularity the revisions necessary to transfer for formally appropriate funds to implement many projects and issues that the City Council has previously approved; and

WHEREAS, 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 the recommended appropriations.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF REDWOOD CITY AS FOLLOWS:

1. The following stated amounts, as set forth in full in Exhibits "A" and "B" which are attached hereto and made a part hereof, 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:

SUMMARY OF RECOMMENDED BUDGET CHANGES BY FUND

	<u>Transfers</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Net Change in Fund Balance</u>
General Fund	\$(322,000)	\$25,760	\$325,760	\$(622,000)
Self-Insurance Fund	<u>322,000</u>	<u>0</u>	<u>322,000</u>	<u>0</u>
Total Revisions	\$0	\$25,760	\$647,760	\$(622,000)

This Council does hereby establish as the appropriation revisions for Fiscal Year 2005/06.

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**EXHIBIT A
FY 2005/06
Changes in Revenues and Transfers**

General Fund		
A-1	Police Department	
	Police Activities League – Program Revenue Additional Program Revenue not previously budgeted for After School Programs.	\$ 25,760
A-2	Transfer to General Liability Self Insurance Fund	(\$322,000)
	Total General Fund	(\$296,300)
General Liability Self Insurance Fund		
A-3	Finance Department – Risk Management	
	Transfer from General Fund	\$ 322,000
	Total Self-Insurance Fund	\$ 322,000
Grand Total of Revenue and Transfers		\$ 25,760

**EXHIBIT B
FY 2005/06
Changes in Expenditures**

GENERAL FUND

Attachment	Department	Description	Amount
B-1	FINANCE Administrative Support	Professional services related to real property negotiations – Century 12 site.	\$ 170,000
B-2	POLICE DEPARTMENT	Police Activities League program expenditure appropriations for FY 05-06 not previously budgeted. Additional Program revenue will also be appropriated.	\$ 75,760
B-3	HUMAN RESOURCES	Legal expenditures related to employee litigation.	\$ 80,000
		TOTAL GENERAL FUND	\$ 325,760

General Liability Self-Insurance Fund

Attachment	Department	Description	Amount
B-3	FINANCE Department – Risk Management	Funds required for employee litigation settlement approved by Council.	\$ 322,000
		TOTAL GENERAL LIABILITY – SELF INSURANCE FUND	\$ 322,000

Grand Total of Expenditure Changes

\$ 647,760