


TO: James L. App, City Manager

FROM: Mike Compton, Director of Administrative Services 

SUBJECT: Budget Appropriation for Fiscal Year 2005 Encumbrances

DATE: October 18, 2005

Needs: For the City Council to consider approval of carry-over appropriations for fiscal year 2005 encumbrance requests.

Facts:

1. Proposed encumbrances represent requests to carry-over unspent budget appropriations for the fiscal year just ended June 30, 2005.
2. Carry-over appropriations are *not* new requests. They represent previously approved Council budget appropriations for projects and/or equipment purchases that were not completed in the prior budget year. Thus, the appropriations weren't spent.
3. It has been past practice of the City to limit carryovers to one-time expenses such as capital outlay, capital improvements, special consultant services, etc.
4. Carry-over requests total \$1,821,800 of which \$274,800 is for the General Fund. Refer to attached Exhibit "A" for full details.

Analysis &
Conclusion:

Encumbrances (carry-over requests) are recorded upon the financial records of the City as budget adjustments in the fiscal year they are planned for expenditure and, subsequently, as an expense only when they are actually expended. For example, if there were a budget appropriation to replace the air conditioner at city hall, and it was not completed within the planned budget year, the appropriation would NOT be included in year end results as an expenditure or payable. However, budget appropriations in the following year would be increased by the unspent amount and, when the expenditure is actually made, recorded against that year end result.

For a variety of reasons, not all of the projects and/or purchases authorized by Council for last year were completed.

Fiscal
Impact:

Generally accepted accounting principals (GAAP) do not recognize the use of reserves/savings when measuring or reporting year end results. Thus, approved carry-over requests will negatively impact year end results for fiscal year 2006. For the General Fund the impact is \$274,800.

Options:

- a. That the Council adopt the attached resolution approving budget appropriations for fiscal year 2005 carry-over requests; or
- b. Amend, modify, or reject the above option.

RESOLUTION NO. 05-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
APPROVING BUDGET APPROPRIATIONS FOR FISCAL YEAR
2005 BUDGET CARRY-OVER REQUESTS

WHEREAS, THE City has historically recorded encumbrances (carry-over requests) as budget appropriation increases in the subsequent fiscal year; and

WHEREAS, said requests have not yet been formally approved by the Council; and

WHEREAS, it is desirable to formally approve appropriations to be added to the fiscal year 2006 budget.

THEREFORE BE IT HEREBY RESOLVED by the City Council of the city of El Paso de Robles that the encumbrances (carry-overs) requested in the attached Exhibit "A" are approved and shall be added to the fiscal year 2005 budget previously adopted.

ADOPTED by the City Council of the City of El Paso de Robles at a regular meeting of said Council held on the 18th day of October 2005 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Frank R. Mecham, Mayor

ATTEST:

Sharilyn M. Ryan, Deputy City Clerk

EXHIBIT "A"

Schedule of Carry-over Appropriations
from
Fiscal Year 2004-2005

City Manager's Office	100-130-5224-121	Zoning Code Update	9,200
	100-130-5235-116	Classification Study	65,000
	100-130-5235-773	Salinas River Project	32,500
Administrative Services	100-140-5235-125	FEMA Consultant	36,300
	112-140-5454-134	Replace City Hall General Copier	24,000
	100-140-5224-125	Software Upgrade to 'Select'	1,700
	600-140-5454-127	Software Upgrade to 'Northstar'	28,200
	601-310-5454-163	Software Upgrade to 'Northstar'	4,000
	601-310-5454-164	Software Upgrade to 'Northstar'	4,000
Police Services	100-210-5103-136	Grant - Overtime Wages	111,600
	100-210-5226-136	Grant - Travel & Training	3,200
	100-210-5212-136	Grant - Equipment	3,700
	100-000-4617-000	Grant Revenues	(118,500)
Emergency Services	100-220-5454-150	Replace Heavy Rescue Vehicle	240,000
	100-000-4507-000	Proceeds from Lease-Purchase Financing	(240,000)
Public Works	600-310-5224-772	General Engineering Services - C. Halley	8,100
	601-310-5224-772	General Engineering Services - C. Halley	8,100
	601-310-5224-756	Update Sewer Master Plan	133,700
	601-310-5224-757	Update Sewer Standards & Specs	47,200
	600-310-5224-760	Update Water Master Plan	175,700
	601-310-5224-757	Update Water Standards & Specs	44,700
	217-310-5235-162	Storm Water Education Program	22,500
	217-000-4617-000	Grant Revenues - Storm Water Education Program	(22,500)
	220-910-5224-770	Adaptive Integrated Water Resources Plan	56,700
	600-910-5224-770	Adaptive Integrated Water Resources Plan	88,500
	221-910-5224-770	Adaptive Integrated Water Resources Plan	130,500
	601-910-5224-770	Adaptive Integrated Water Resources Plan	14,500
	116-310-5221-173	Re-plaster Main Pool	29,900
	100-310-5235-168	Upgrade L&L Landscaping & PR Campaign	6,300
	100-310-5224-768	Geothermal Resource Feasibility Study	120,500
	100-000-4617-768	Geothermal Resource Grant	(120,500)
Community Development	100-710-5224-209	County GIS Project	3,800
	100-710-5224-711	Purple Belt Plan	120,000
	227-710-5235-211	Various Special Projects	100,100
	112-710-5454-212	Replace Autocad Printer	10,000
	227-910-5452-341	LED Lighted Crosswalks	10,000
	227-910-5452-529	LED Lighted Crosswalks	48,200
	701-910-5452-485	Creekside Gardens Apartments	4,100
	701-810-5235-486	CalHome First Time Homebuyer Program	10,300
	227-910-5452-487	MuniPool/Therapy Pool Improvements	27,500
	227-910-5452-598	2nd Baptist Homeless Ministry	18,100
	701-810-5235-597	Oak Park Senior Housing	520,000
	227-710-5235-599	Homeless Motel Voucher Program	900

\$ 1,821,800

100	General Fund	\$ 274,800
112	Equipment Replacement Fund	34,000
116	City/School Repair Fund	29,900
220	Water Connections Fund	56,700
221	Sewer Connections Fund	130,500
227	Community Development Block Grant Fund	204,800
600	Water Operations Fund	300,500
601	Sewer Operations Fund	256,200
701	RDA LMI Housing Fund	534,400
		<u>\$ 1,821,800</u>