

Agenda Report

TO: CITY COUNCIL **DATE:** October 11, 2004
THROUGH: Finance Committee
FROM: CITY MANAGER
SUBJECT: FISCAL YEAR 2005 OPERATING BUDGET AMENDMENTS

RECOMMENDATION

It is recommended that the City Council approve a journal voucher implementing certain amendments to the fiscal year 2005 Operating Budget as detailed in the Background Section of this report.

BACKGROUND

On June 28, 2004 the City Council adopted the Operating Budget for fiscal year 2005. Subsequent to the adoption of the budget, as is often the case, several items have been identified that necessitate amendments to the adopted budget. The amendments recommended in this report are intended to correct items in the budget, make modifications to the budget which do not change overall appropriations, and re-appropriate funds that were approved in fiscal year 2004 for purchases but were not spent or encumbered by June 30th.

1. Add 3.00 FTEs, (Senior Information Systems Engineer, Information Technology Analyst II and Information Technology Technician II), to the Computing and Communications Fund 501, Department of Finance, Information Technology Services Division (ITSD). The proposed positions will primarily focus on Network and Desktop support and would be funded by a reallocation of \$176,404 for the balance of the fiscal year, from services and supplies to personnel line items; consequently there is no increase in appropriations. Previously the Division had been utilizing contract service providers, however, the ongoing level of support needed by city departments necessitates the establishment of full time regular FTEs.
2. Transfer \$24,801 in appropriations from Operating Budget account 8130-101-401200 to account 8011-230-403100. On September 20, 2004 State Homeland Security funds for use by the Police Department were

recognized and appropriated in the General Fund. This action moves the appropriation to a separate fund that has been set up specifically to track such funds for control and audit purposes.

3. Reappropriate \$67,611 in the General Fund to the Human Resources Department operating budget account 481000 (\$28,454) and 485000 (\$39,157). The \$28,454 was budgeted in fiscal year 2004 for implementation of and training on the Labor Relations and Training modules of the High Line human resources management information system. However, given ongoing work on the payroll portion of the system, it was not possible to move forward on this project last year. The \$39,157 was also budgeted last year but not expended and will be used to upgrade computers and audiovisual equipment to more efficiently handle multiple training classes running concurrently. The Human Resources Department was under budget in fiscal year 2004 by \$109,247.
4. Reappropriate \$17,000 from the Computing & Communications Fund (501) to the Department of Finance, Information Technology Services Division (ITSD) operating budget account 8611-501-328310. The \$17,000 was budgeted in fiscal year 2004 for application development in the radio shop; however, the project was not completed before the end of the fiscal year. Approval of this request will fund the completion of the project. ITSD expended only 88.7% of its fiscal year 2004 operating budget.
5. Eliminate the \$396,545 interfund transfer from the Old Pasadena Parking Meter Fund (213) to the General Fund and increase the interfund transfer from the Old Pasadena Parking Structure Fund (407) to the General Fund by a like amount. During the preparation of the operating budget, the interfund transfer intended to come from the Old Pasadena Parking Structure Fund was inadvertently budgeted for the Old Pasadena Parking Meter Fund. This correction will adjust appropriations in each of the respective funds, but will not change overall budget appropriations.
6. Eliminate duplicative interfund transfers totaling \$1,080,779 from across several Transportation funds to the General Fund. These transfers, which represent charges for services, also known as abatements, were inadvertently budgeted both in the Transportation Department's operating budget as an expense under Services and Supplies, as well as in the non-departmental portion of the following Transportation funds. Failure to correct this will result in the funds being charged twice for the same services.

Fund	Amount \$
217	26,347
405	52,391
407	79,111

229	28,033
213	381,683
214	58,429
208	315,177
209	139,608
Total	1,080,779

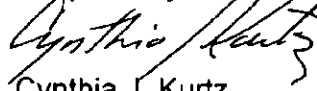
FISCAL IMPACT

The proposed recommendation will change fiscal year 2005 appropriations and revenues as follows:

- Increase appropriations in the Homeland Security Grant Fund (230) by \$24,801.
- Increase appropriations in the General Fund by \$42,810.
- Reduce appropriations in the Old Pasadena Parking Meter Fund by \$396,545 and increase the same by a like amount in the Old Pasadena Parking Structure Fund.
- Increase appropriations in the Computing and Communications fund by \$17,000.
- Reduce appropriations in several Transportation funds as indicated below:

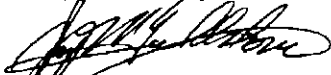
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Respectfully submitted,



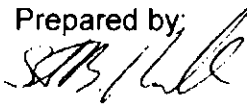
Cynthia J. Kurtz
City Manager

Approved by:



Jay M. Goldstone
Director of Finance

Prepared by:



Steve Mermell
Budget Administrator