

# Agenda Report

**TO:** CITY COUNCIL  
**THROUGH:** Finance Committee

**DATE:** September 11, 2006

**FROM:** CITY MANAGER

**SUBJECT:** FISCAL YEAR 2007 OPERATING BUDGET, GENERAL FEE SCHEDULE AND SCHEDULE OF TAXES, FEES AND CHARGES AMENDMENTS

## RECOMMENDATION

It is recommended that the City Council:

- 1) Authorize a journal voucher implementing certain amendments to the fiscal year 2007 Operating Budget as detailed in the background section of this report;
- 2) Approve an amendment to the General Fee Schedule to correct the fee for vehicle impounding (non-victim), add a new fee for Limited Time Signage, Special Curb Markings and Firing Range Usage by Governmental Law Enforcement Agencies; and,
- 3) Approve an amendment to the Schedule of Taxes, Fees and Charges to correct the maximum amount of the Rose Bowl Admissions Tax for 2006/2007.

## BACKGROUND

### *Operating Budget Amendments*

On June 26, 2006 the City Council adopted the Operating Budget for fiscal year 2007. Subsequent to the adoption of the budget, as is often the case, several items have been identified that necessitate amendments to the budget. Accordingly, the following amendments are recommended for adoption:

1. Recognize and appropriate \$120,400 in grant funds from the State Office of Traffic Safety, Driving Under the Influence grant program to the Police Department Traffic Section account 101-407800. Revenue totaling \$195,000 from this grant program was recognized by the City Council on September 26, 2005. Of this total \$74,600 was expended during fiscal year 2006 for driving

under the influence check points, the purchase of a trailer equipped with simulators to allow teen drivers to experience the difficulty of driving under the influence and copies of the Every 15 Minutes anti-drunk driving video. Appropriating the remaining grant funds into the fiscal year 2007 operating budget will provide for the continuation of the enforcement and education programs supported by the grant.

2. Recognize and appropriate funds from the PCDC-Downtown Project Area in the amount of \$115,000, to the Playhouse Parking fund budget account 229-774410 and appropriate \$50,000 from Playhouse Parking fund balance to budget account 229-774410 to implement Phase I of the Playhouse Property Parking Program. On December 19, 2005 the City Council adopted the Parking Demand and Supply Analysis and Recommendations for the Pasadena Playhouse District (PBID). This action created a five year funding plan and this appropriation is for the second year of the plan.
3. Appropriate \$23,326 to budget account 101-774100 from unappropriated General Fund balance for debt service on the Equipment Lease Financing for the Overnight Parking Permit equipment approved by the City Council on June 19, 2006. This equipment lease repayment continues for the next five years beginning with FY 2007 and will be made part of subsequent recommended operating budgets.
4. Appropriate \$45,000 to budget account 231-605005-8101 for Library purchases funded by grant monies (First 5 Early Literacy Project) that were inadvertently omitted from the adopted budget. These revenues have already been recognized.
5. Reappropriate \$100,000 in the General Fund to the Finance Department operating budget account 8114-327100. These funds were budgeted in fiscal year 2006 to prepare for the federally mandated check imaging Check 21 Project but were not spent. Preliminary review of the requirements is in progress with a vendor software selection to follow.
6. Appropriate \$60,000 from unappropriated Parking Operations Fund balance to budget account 102-774200-8677 for debt service on the Equipment Lease Financing for the purchase of parking access and revenue control equipment at the Holly Street parking garage approved by City Council on January 30, 2006. This equipment lease repayment continues for the next five years beginning in FY 2007 and will be made part of subsequent recommended operating budgets.
7. Appropriate \$61,600 from unappropriated General Fund balance to budget account 101-101000, for costs associated with the PUSD management audit as approved by City Council on August 14, 2006.

8. Appropriate \$12,000 from unappropriated General Fund balance to budget account 101-181000. These funds will cover the cost of ethics training provided by the City Attorney's Office and made necessary by the enactment of Assembly Bill 1234.
9. Reduce appropriations in the Health Fund by \$90,000. These funds were inadvertently budgeted twice, once in the Capital Budget for the Community Health Center – Service Expansion and again as transfers out of the Health Fund for the same purpose in the Operating Budget.
10. Appropriate \$5,000 from unappropriated General Fund balance to budget account 101-101000, Foreign Cities Affiliation. The current budget includes \$2,000 for each of the five sister cities. This action will increase each city's allocation by \$1,000 to \$3,000 annually and will allow for the ongoing support of this program. In fiscal year 2005, Sister Cities had a budget of \$10,000 and spent \$11,100. In fiscal year 2006 their budget was \$10,000 and they spent \$13,700. In each of these fiscal years, there was sufficient funding available in the City Council's budget to cover the overages. The contract with Sister Cities is for \$10,000 per year and if this recommendation is approved, the contract amount will also be increased.
11. Recognize and appropriate \$15,500 in Underground Storage Tank Enforcement Fines and Penalties to Fire Department budget account 101-362100, project number 91101. As a result of the settlement of a statewide underground storage tank (UST) enforcement case (People vs. Pacific Bell Telephone Company) the City has been awarded a total of \$62,000 in penalties to be paid in four annual installments of \$15,500. By State Law, these penalties are limited to support UST enforcement efforts within the City. For FY 2007, the \$15,500 will be used for document imaging to convert in excess of 15 file drawers of hardcopy UST files into an easily retrievable electronic format. Beginning with FY 2008 these funds will be made part of subsequent recommended operating budgets.

### *General Fee Schedule Amendments*

#### Transportation Department:

1. Addition of a new fee for Limited Time Parking Signage Request Renewal - \$112.00. This fee is for bi-annual inspection of requested time limited parking zones to determine if removal or refurbishment is needed. This fee was included in the cost of service study but inadvertently omitted from the General Fee Schedule.

2. Addition of a new fee for Green, Yellow, White, other special curb markings – Renewal - \$97.00. This fee is for bi-annual inspection of requested curb markings to determine if removal or refurbishment is needed. This fee was included in the cost of service study but inadvertently omitted from the General Fee Schedule.

Police Department:

3. Addition of a new fee for Firing Range Usage by Governmental Law Enforcement Agencies - \$10 per shooter per day. This fee was approved by the City Council on October 24, 2005 but was not included in the General Fee Schedule due to an oversight during the processing of the updates resulting from the cost of service study. The fee is based on a market pricing survey of local indoor firing range facilities.
4. Correct the Impounded Vehicles (Non-Victim) fee that was misstated in the General Fee Schedule adoption from \$19.00 to \$107.00. The cost of service study for this fee inadvertently omitted the labor expenses associated with the Police Officers and Specialists needed to perform the function. The fee of \$107.00 accurately reflects the cost of providing this service utilizing the methodology of cost of service study.

*Schedule of Taxes, Fees and Charges Amendments*

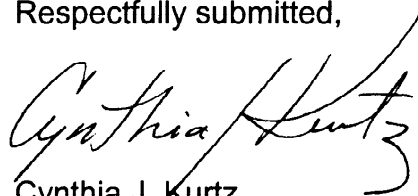
1. Correct the maximum amount of the Rose Bowl Admissions Tax that was misstated in the Schedule of Taxes, Fees and Charges from \$1.34 to \$1.33. On February 27, 2006 the City Council approved annual increases to the Rose Bowl admissions tax, the grandstand seat surcharge and the grandstand permit application fee for 2006/2007. The maximum amount of the Rose Bowl Admissions Tax was incorrectly rounded to \$1.34. The correct figure based on the formula set forth in Pasadena Municipal Code Section 1.08.060 is \$1.33. The Tournament of Roses has been advised of the correct figure.

## FISCAL IMPACT

The proposed recommendation will result in the following changes:

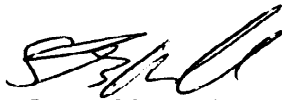
- Increase General fund appropriations by \$337,826, estimated revenues by \$135,900 and reduce unappropriated fund balance by \$201,926
- Increase Parking Operations fund appropriations by \$60,000 and reduce unappropriated fund balance by \$60,000
- Increase Playhouse Parking fund appropriations by \$165,000, increase estimated revenues by \$115,000 and reduce unappropriated fund balance by \$50,000
- Increase First 5 Literacy Project fund appropriations by \$45,000
- Increase PCDC-Downtown Project Area fund appropriations and reduce unappropriated fund balance by \$115,000
- Reduce Health Fund appropriations by \$90,000.

Respectfully submitted,



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CITY MANAGER

Approved by:



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Prepared by:



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