

Agenda Report

TO: CITY COUNCIL
THROUGH: Finance Committee

DATE: October 8, 2007

FROM: CITY MANAGER

SUBJECT: FISCAL YEAR 2008 OPERATING BUDGET AMENDMENTS

RECOMMENDATION

It is recommended that the City Council:

- 1) Authorize a journal voucher implementing certain amendments to the fiscal year 2008 Operating Budget as detailed in the background section of this report. The net effect of these amendments to the various fund balances is as follows: a reduction to General Fund of \$388,734; a reduction to First 5 Early Literacy Project Fund of \$45,000; a reduction to Old Pasadena Parking Fund of \$159,303; a reduction to the Sewer Maintenance and Construction Fund of \$35,170. In addition there will be a decrease of \$6,125 to the HOME Investment Partnership Fund; and
- 2) Authorize the addition of four positions to the Police Department consisting of one Sergeant and three Police Officers.

BACKGROUND

On June 25, 2007 the City Council adopted the Operating Budget for fiscal year 2008. 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. Appropriate \$45,000 from the First 5 Early Literacy Project Fund to the Information Services Department for Library purchases funded by grant monies that were inadvertently omitted from the adopted budget. These revenues have already been recognized.
2. Reduce estimated revenues and appropriations to the Housing & Development Division from the HOME grant award by \$6,125. At the time the budget was adopted the City recognized \$1,217,277 for this grant. The City received the

actual award amount for this grant shortly thereafter which is \$1,211,152. This action will not impact planned projects or programs.

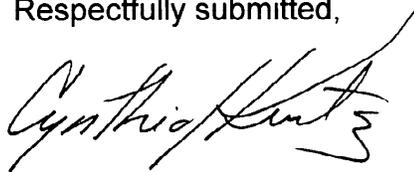
3. Appropriate \$159,303 from Old Pasadena Parking unappropriated fund balance to the Old Pasadena Parking Structures program in the Transportation Department. This appropriation will be used for garage maintenance and repair as well as additional personnel costs in the areas of cashiering and security. The total number of visits to the garages in FY 2007 was 60,000 more than last year. The increased funding will allow OPMD to continue operating the City's garages with the highest level of safety, efficiency and professionalism, while maintaining the ability to grow with the ever increasing levels of District business development.
4. Appropriate \$35,170 from the Sewer Maintenance and Construction unappropriated fund balance to the Public Works Department. The funds will be used for consultant services to conduct a Storm Drain Sewer Use Rate Study to review the current fee amounts and determine an appropriate rate that will cover the cost of the operation, maintenance and replacement of the City's storm drain system.
5. Appropriate \$388,734 from the General Fund unappropriated fund balance to the Police Department and add three Police Officers, one Sergeant, two vehicles with fuel, maintenance and replacement costs. The fiscal year 2008 budget added three Police Officers to Patrol to replace officers transferred to special details and new programs in response to emerging issues. The adopted budget also recommended that additional officers be added in fiscal year 2009. Appropriation of these funds now will allow the Department to add these positions six months earlier than originally expected. This action will support the Department's ability to provide timely responses, remain proactive at suppressing crime and enhance community policing efforts.

FISCAL IMPACT

The proposed recommendation will result in the following changes:

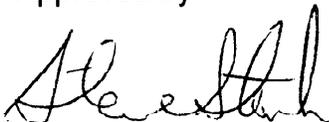
- Increase General Fund appropriations by \$388,734 and reduce unappropriated fund balance by a like amount.
- Increase Old Pasadena Parking fund appropriations by \$159,303 and reduce unappropriated fund balance by \$159,303.
- Increase First 5 Literacy Project fund appropriations by \$45,000.
- Decrease HOME Partnership Investment appropriations and revenues by \$6,125.
- Increase Sewer Maintenance and Construction Fund appropriations by \$35,170 and reduce unappropriated fund balance.

Respectfully submitted,



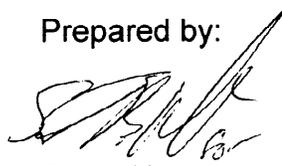
Cynthia J. Kurtz
CITY MANAGER

Approved by:



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