

# Agenda Report

September 27, 2021

**TO:** Honorable Mayor and City Council  
**THROUGH:** Finance Committee  
**FROM:** Department of Finance  
**SUBJECT: AMENDMENTS TO FISCAL YEAR 2022 ADOPTED OPERATING BUDGET**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA") in accordance with Section 15061(b)(3), the General Rule that CEQA only applies to projects that may have an effect on the environment; and
2. Approve amending the Fiscal Year 2022 (FY 2022) Adopted Operating Budget as detailed in the following report and increasing the citywide total Full-time Equivalents (FTE) by 5.20 limited term FTEs and 2.0 permanent FTEs; and
3. Authorize the City Manager to enter into an agreement with the State of California Office of Traffic Safety for acceptance of the Selective Traffic Enforcement Program (STEP) and the Traffic Records Improvement Program (TRIP) Grant funds (in connection with Item #3).
4. Authorize the City Manager to execute a Memorandum of Understanding (MOU) with the Los Angeles County Metropolitan Transportation Authority (Metro) for acceptance of CARES Act equivalent funding (in connection with Item #6).

## **EXECUTIVE SUMMARY:**

Throughout the fiscal year, budget amendments are necessary to account for unanticipated changes to the adopted budget. These revenue and appropriation amendments are presented to the City Council for consideration. This agenda report includes proposed amendments to the FY 2022 Operating Budget as adopted by the City Council on June 21, 2021. The proposed budget amendments fall into one of the following categories:

- Re-appropriations or “carry-forwards” of previously approved appropriations from the FY 2021 budget that were unexpended as of June 30, 2021 (purchase orders, contracts, and grants), where sufficient funding was available in the account, and are now anticipated to be expended during FY 2022. As detailed in *Attachments A and B* of this report, approval of the proposed carry-forwards will increase FY 2022 total authorized operating appropriations across multiple funds by a net amount of \$4,493,068; or
- Amendments to the FY 2022 Operating Budget that are based on information that was not available when the Operating Budget was presented to the City Council for adoption on June 21, 2021. As detailed in *Attachment C* of this report, approval of the proposed budget amendments will increase FY 2022 total authorized operating appropriations across multiple funds by a net amount of \$223,628 and will authorize an increase of 5.20 limited term FTEs and 2.0 permanent FTEs.

### **Proposed Carry-Forward Items**

1. **Carry-Forward of FY 2021 Purchase Orders and Contracts** – The Department of Finance recommends appropriations in the amount of \$4,520,457 be carried forward from FY 2021 to FY 2022 throughout various funds. As detailed in *Attachment A*, the recommended appropriations represent 35 contractual obligations where goods or services were ordered in FY 2021, but will not be received until FY 2022. Delays were primarily caused by the COVID-19 pandemic shutdown affecting production and delivery of goods or services.
2. **Carry-Forward of FY 2021 Grants** – The Department of Finance recommends recognizing revenue of \$796,715 and appropriations of \$769,326, to carry forward grants from FY 2021 to FY 2022 across four funds. As detailed in *Attachment B*, the recommended revenue and appropriations represent nine grants. The multi-year grants will continue to fund a variety of programming – some of which includes formerly incarcerated community members, transportation safety education at local schools, WIC (Women, Infants, and Children) services and a mobile health operations center.

### **Proposed Budget Amendments**

3. **Pasadena Police Department Grants** – The Police Department recommends recognizing revenue and appropriating \$462,900 in the General Fund (101) for two grants and authorizing the City Manager to enter into an agreement with the State of California for acceptance of the STEP and TRIP Grant funds as outlined below:
  - a. The Department recommends recognizing revenue and appropriating \$339,000 in the General Fund for the STEP Grant. This grant is used for directed enforcement of driving under the influence checkpoints, bicycle safety and other traffic enforcement programs. The grant period is from October 2021 to September 2022.

- b. The Department recommends recognizing revenue and appropriating \$123,900 in the General Fund for the TRIP Grant. This grant is used for the purchase of a Complete Electronic Citation Data System. This system will be used to purchase hand-held devices and to collect citation data electronically in the field. The information will be transferred electronically to the Police Department's Report Management System and to the courts. The grant period is from October 2021 to September 2022.
4. **Pasadena Public Health Department (PPHD) Grants** – The PPHD recommends recognizing revenue and appropriating \$578,175 in the Public Health Fund (203) for three grants. This will support an additional 4.70 limited term FTEs and program related expenses. The details are as follows:
  - a. The Department recommends recognizing revenue and appropriating \$349,783 to the Public Health Fund for the Public Health Emergency Preparedness – COVID-19 Public Health Workforce Supplemental Funding Grant. Secondly, the PPHD recommends adding 3.70 limited term, grant funded positions consisting of a 1.0 FTE Community Services Representative II, 1.0 FTE Senior Public Health Nurse, 1.0 FTE Management Analyst III, and 0.7 FTE Environmental Health Technician. The funding is provided by the Centers for Disease Control and Prevention as a pass-through grant from Los Angeles County Department of Public Health. The purpose of this grant is to establish, expand, train, and sustain the public health workforce to support jurisdictional COVID-19 prevention, preparedness, response, and recovery initiatives, including school-based health programs.
  - b. The Department recommends recognizing revenue and appropriating \$208,392 to the Public Health Fund for the Centers for Disease Control and Prevention – COVID-19 Health Disparities Grant. Secondly, the PPHD recommends adding a 1.0 FTE limited term, grant funded Program Coordinator I. Funding is provided by the Centers for Disease Control and Prevention, as a pass-through grant from Los Angeles County Department of Public Health. The purpose of this grant is to address COVID-19 health disparities among populations at high-risk and underserved, including racial and ethnic minority populations and rural communities.
  - c. The PPHD recommends recognizing revenue and appropriating \$20,000 to the Public Health Fund for the Pasadena Community Foundation – Promotora Project Grant. The purpose of this grant is to promote COVID-19 vaccination efforts in the community through trained "Promotoras/es" or community health workers.
5. **Public Works Department Budget Adjustment** – The Public Works Department recommends appropriating \$355,000 in Measure W Local Return Dollars Fund (243) and unappropriating \$294,550 in Sewer Fund (205). With the passage of Measure W in 2018, Los Angeles County imposed a special parcel tax to fund safe, clean water resources programs and projects to increase urban and stormwater capture, and reduce urban and stormwater pollution. The

Department will now utilize Measure W funding for expenditures that were previously supported by the Sewer Fund. Some of these expenditures include catch basin maintenance, the City's Safe Clean Water Program, stormwater and National Pollutant Discharge Elimination System permits, and Enhanced Watershed Management Program monitoring. The Department will best assess how to utilize the unappropriated Sewer Funds.

6. **Transportation Department Budget Adjustments** – The Transportation Department recommends recognizing revenue of \$208,620 and appropriating \$72,000.
  - a. The Department recommends recognizing revenue and appropriating \$72,000 in the General Fund (101) for a grant from the California Department of Transportation. On April 20, 2020, City Council approved receipt of the grant award; however, due to the delay of the execution of the contract with Caltrans, the project was delayed. A Request for Proposal was released in FY 2021 for consultant work and the contract was awarded in August 2021. The consultant work for development of a Local Road Safety Plan will be completed in FY 2022.
  - b. The Department recommends recognizing revenue of \$136,620 in the Prop C Local Transit Fund (209) for acceptance of CARES Act equivalent funding from Metro. Metro approved CARES Act equivalent funding to transit agencies to support transit programs impacted by COVID-19. Additionally, the Department recommends authorizing the City Manager to execute the MOU with Metro that includes base level funding for the National Transit Database (NTD) Program and the additional CARES Act equivalent funding. This one-time adjustment to the base level funding is for collecting and reporting data for the NTD.
7. **Transfer CARES Act Grant** – The Housing Department recommends transferring \$220,000 of CARES Act funding within the Emergency Solutions Grant (ESG-CV) Fund (224) to the Pasadena Public Health Department (PPHD) Fund (203). The original intent was to utilize the ESG-CV funding for Homelessness Prevention services; however, at the advisement of the Department of Housing and Urban Development, the Housing Department requests to reallocate funding to Emergency Shelter activities, which include motel vouchers. The Housing Department does not provide direct homeless services such as motel vouchers, whereas PPHD does provide motel voucher services, when resources are available, through programs such as the Pasadena Outreach Response Team (PORT), the Geriatric Empowerment Model (GEM) and the Transitional Age Youth (TAY). The reallocated funding will enable PPHD to resume motel voucher services to their program participants. Up to ten percent of the funds can be used for administrative costs and up to ninety percent may be used for motel vouchers. This action is in conjunction with City Council's authorization of the reprogramming of the ESG-CV funding on September 20, 2021. The funds are required to be expended by September 30, 2022.

8. **Limited term 0.5 FTE for City Manager Department** – The City Manager Department requests a 0.5 FTE for a limited term administrative intern in the Public Affairs Division. This request will be funded by savings of \$22,000 in materials and supplies and not require additional appropriations. The position will assist with the production of various communication products including newsletters, social media, and website news. This position will also write, edit, and publish informational material in print and digital formats for the public, community groups, and employees.
9. **2.0 FTEs for City Attorney/City Prosecutor Department** – The City Attorney/City Prosecutor Department recommends appropriating \$299,798 from the General Fund (101) 5% Operating Reserve and adding 2.0 FTEs.
  - a. The Department recommends appropriating \$192,636 and adding 1.0 FTE Deputy City Attorney position that will provide advice on public records matters, handle related litigation, and handle other advisory and transactional duties, as assigned. Over the past several years the City has placed greater reliance on electronic communication and systems that has significantly increased the volume and diversity of electronic records the City must manage. In order to comprehensively advise staff in their processing of public records requests and to assist staff in the handling of complex and/or sensitive requests, this position will enable the City to better enhance transparency and comply with legal requirements of the California Public Records Act.
  - b. The Department recommends appropriating \$107,162 and adding 1.0 FTE Management Analyst I position that will assist with public records requests supporting the Deputy City Attorney position and will provide additional support to the Principal Administrative Analyst assigned to the newly-created Community Police Oversight Commission, which was created by the City Council in October 2020. It is anticipated the Commission's first meeting will be in late October 2021.

**COUNCIL POLICY CONSIDERATION:**

The City Council's strategic planning goal of maintaining fiscal responsibility and stability will be advanced by monitoring the FY 2022 Adopted Operating Budget and by implementing necessary budget amendments.

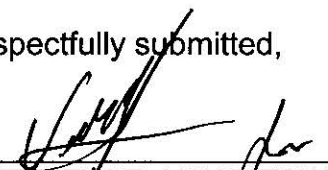
**FISCAL IMPACT:**

As detailed in *Attachments A and B* of this report, approval of the proposed carry-forward items will increase FY 2022 total authorized operating appropriations across multiple funds by \$5,289,783, which will be offset through increased revenues of \$796,715.

As detailed in *Attachment C*, approval of the proposed budget amendments will increase FY 2022 total authorized operating appropriations across multiple funds by \$1,693,323, which will be offset through increased revenues of \$1,469,695 resulting in a net increase of \$223,628.

Full-Time Equivalents will increase overall by 5.20 limited term FTEs and 2.0 permanent FTEs. The cost associated with the additional 2.0 FTEs in the General Fund will add to the fund's projected deficit.

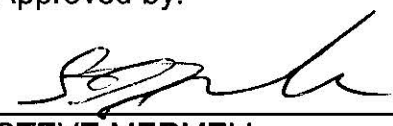
Respectfully submitted,

  
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MATTHEW E. HAWKESWORTH  
Director of Finance

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Approved by:

  
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STEVE MERMELL  
City Manager

Attachments: (3)

- 1) Attachment A: Listing of Carry-Forward Purchase Orders and Contracts
- 2) Attachment B: Listing of Carry-Forward Grants
- 3) Attachment C: Summary of Proposed Q1 FY 2022 Budget Amendments