



Legislation Details (With Text)

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Title: Community Development Agency, Administration and Finance Division, recommending the Board approve and authorize the Chair to sign a budget transfer adjusting various program budgets for Fiscal Year 2014/15 to accommodate projected expenditures based on recently completed midyear projections. This is a standard annual process taken to accurately reflect adjustments noted during the mid Fiscal Year period. (4/5 vote required)

FUNDING: Various. (No Federal Funds)

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - Midyear Budget Transfer 3-31-15, 2. B - Summary for BOS 3-31-15

Date	Ver.	Action By	Action	Result
3/31/2015	1	Board of Supervisors	Approved	Pass

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Fiscal Impact/Change to Net County Cost

No fiscal impact or change to Net County Cost. Other funding increases are made to County Engineer time & material revenues; Road Fund fund balance; Fleet Services charges for services; CSA #3 fund balance; CSA #10 interest revenue; Code Enforcement, Ridgeview Village Unit 5A, and Barnett Business Park Special Revenue Account fund balances; Planning permit revenue; Erosion Control Plan Check revenues; and Public Utility Inspection revenues.

Background

County Engineer: Due to a shift in work assignments for the Community Development Agency (CDA), Transportation Division (Transportation) and Long Range Planning staff away from County Engineer work, the Agency needs to increase the budgeted appropriations for professional services by \$479,500 to accommodate the increased need to hire consultants for inspection work. There is a largely offsetting decrease of \$442,765 in charges for Transportation and Long Range Planning staff time, along with an overall increase of \$36,735 in revenues as compared to budget, due to the increase of development-based activity in the County.

Road Fund: Due to a shift in work assignments in Transportation, Road Fund staff have been working less on County Engineer tasks and there have been vacancies in allocations that traditionally

work on County Engineer; therefore, the charges from Transportation to County Engineer have decreased and are projected to continue at a decreased level. This results in the need to decrease Interfund Revenue from County Engineer to the Road Fund by \$324,350. This reduction in interfund revenue is offset by a reduction in Road Fund salary and benefit costs of \$290,336, as well as an increase in revenue from Operating Transfers from the Ridgeview Village Unit 5A, Barnett Business Park, and Bond: Encroachment Prepayments special revenue accounts (see below) of \$34,014.

Airports: Due to an increase in actual healthcare costs as compared to budget, along with an anticipated annual compensated absence charge, appropriations for salary and benefits need to increase by \$8,138 for the County airports. Additionally, the need to repair a damaged gate controller at the Placerville Airport necessitates an increase in Professional Services of \$15,000. This is more than offset by reductions in appropriations for fuel purchases (\$667), CDA Administration cost allocation (\$3,249), fixed assets for a snow plow blade for the airport truck that will not be purchased in FY 14-15 (\$8,000), and the use of the airports' Appropriation for Contingency (\$19,017). The result is an overall reduction in charges to the Placerville and Georgetown airports, with an offsetting reduced budgeted use of Placerville Fund Balance of \$3,704 and slightly reduced revenue of \$4,091 from fuel sales in Georgetown.

Fleet: Due to an increase in actual healthcare costs as compared to budget, as well as increases in salary due to the new Operating Engineers Local Union No. 3 Memorandum of Understanding (OE3 MOU), the salary and benefits appropriation needs to increase by \$12,804 for Fleet Operations. Based on Year to Date (YTD) actuals, there is also a need to increase the appropriations for vehicle maintenance service by \$5,006, and because of an increase in projected vehicle use mileage, appropriations for depreciation must also be increased by \$114,005. These increases in appropriations are matched by an increase of \$131,815 in the budgeted Charges for Services revenue collected by Fleet for vehicle use.

Special Districts: Due to a change in the method of acquisition of a road grader in FY 14-15, CSA #3 West Slope Snow Removal needs to shift appropriations to allow for the repayment of a General Fund loan. Appropriations for Retirement of Long Term Debt will increase by \$68,333, Interest of Long Term Debt will increase by \$288, and intrafund expenditures for increased CSA #9 administrative charges will increase by \$1,140, with an offsetting reduction in appropriations in Rent & Lease of Equipment (\$69,761). This results in a reduction in CSA #9 Administration's use of fund balance of \$1,140. Additionally, appropriations for Designations of Fund Balance are needed to be increased by \$48,539 along with an increased use of Fund Balance in CSA #3 West Slope Snow Removal to correct an error in budgeting which resulted in a currently negative designation of fund balance.

Development Services (Includes CDA Administration and Long Range Planning): Due to staff in Long Range Planning performing less work for the County Engineer program than anticipated in the FY 14-15 budget, Interfund Abatements are needed to decrease (which is an increase to expenditure appropriations) by \$118,415. This is offset by an anticipated decrease in Long Range Planning's Professional Services appropriations of the same \$118,415. CDA Administration's Professional Services are projected to decrease by \$3,249, while Planning Services' Professional Services appropriations need to increase \$80,000 because of an increase in consultant work preparing environmental impact reports (EIRs) for development projects. This results in a net increase in appropriations of \$76,751, which is matched by a net increase in budgeted revenue of the same amount due to increases in Operating Transfers In from the Code Enforcement Grant Program and Planning Projects special revenue funds (see below); and reductions in Interfund Revenues for the

administrative allocation to Airports and in Miscellaneous Reimbursement revenue for specific plan funding agreement work.

Environmental Management CSA #10: The Appropriation for expenditures to Other Governmental Agencies, along with the budgeted revenue for Interest earned needs to increase by \$250 in order to make the anticipated payment of the AB939 fees to the city of South Lake Tahoe.

Code Enforcement Grant Program - Special Revenue Fund: This account has had no activity since August 2007, and in order to be able to transfer the balance of this fund to Code Enforcement Operations, the appropriations for Operating Transfers Out needs to be increased by \$4,971. This is offset by an increase to the budget for revenue from interest of \$13, and an increased Use of Fund Balance of \$4,958.

Planning Projects - Special Revenue Fund: Budgeted revenue needs to increase by \$216,285 based on increased development project revenue on YTD actuals and midyear projections. To transfer this revenue to Planning Services operations, the appropriations for Operating Transfers Out needs to increase by the same \$216,285.

County Engineer Time and Materials - Special Revenue Fund: Based on actual deposits made in FY 14-15 as well as projected revenue, budgeted Time and Materials Deposit revenue needs to increase by \$203,000. This is due to an increase in development activity performed by the County Engineer function of Transportation. In order to transfer this revenue to the County Engineer operating fund, the appropriations for Operating Transfers Out needs to increase by the same \$203,000.

Erosion Control Plan Check - Special Revenue Fund: Similar to the County Engineer Time and Materials fund above, this fund transfers revenue to the County Engineer operating fund and based on deposits and projections, and because of increased activity, budgeted revenues are needed to be increased by \$2,500. To move this revenue to County Engineer, the appropriated Operating Transfers Out needs to increase by \$2,500.

Ridgeview Village Unit 5A - Special Revenue Fund: Transportation's maintenance unit has performed road maintenance in the Ridgeview Village Unit 5A area, and in order to transfer funds to cover the cost, budgeted appropriations for Operating Transfers Out of this fund are needed to increase by \$22,190. To accommodate this transfer out, the budgeted Use of Fund Balance must increase by \$22,189 and budgeted Interest revenue must increase by \$1.

Barnett Business Park - Special Revenue Fund: Maintenance has been performed by Transportation on roads within the Barnett Business Park, and appropriations for Operating Transfers Out must be increased by \$9,824 in order to transfer funds to Transportation. Revenues need to be increased by \$9,823 for Use of Fund Balance, and \$1 for Interest Revenue.

Bond: Encroachment Prepayments - Special Revenue Fund: Due to increased activity for public utility inspections in Transportation, the revenue into this special revenue fund are increasing, and the budgeted revenues need to increase by \$2,000. To move this funding to Transportation, appropriations for Operating Transfers Out needs to increase by \$2,000 as well.

Reason for Recommendation

Approving the budget transfer will:

- 1) Allow the Agency to pay invoices from consultants for County Engineer inspection work performed.

- 2) Correct the budgeted appropriations in Airports and Fleet for salary and benefits, covering the increases due to the new memorandum of understanding with Operating Engineers Local Union No. 3, as well as higher than anticipated healthcare costs.
- 3) Allow for maintenance and the anticipated depreciation of Fleet vehicles.
- 4) Allow CSA#3 to make the first annual reimbursement payment to the General Fund for the purchase of a road grader for snow removal.
- 5) Allow for a correction to an existing negative Designation of Fund Balance in CSA #3.
- 6) Allow for Planning to pay invoices from consultants for EIR work performed.
- 7) Allow the full transfer of AB939 fees to the City of South Lake Tahoe.
- 8) Allow the transfer of funds from Special Revenue accounts to Transportation, Planning Services, Code Enforcement, and County Engineer for services performed.

Clerk of the Board Follow Up Actions

- 1) The Clerk will obtain the Chair's signature on the original budget transfer.
- 2) The Clerk will forward to the Auditor/Controller for processing.

Contact

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