

TO: James L. App, City Manager  
FROM: Mike Compton, Director of Administrative Services  
SUBJECT: Budget Appropriation for Fiscal Year 2004 Encumbrances  
DATE: October 5, 2004

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Needs: For the City Council to consider approval of carry-over appropriations for fiscal year 2004 encumbrance requests.

Facts:

1. Proposed encumbrances represent requests to carry-over unspent budget appropriations for the fiscal year just ended June 30, 2004.
2. Carry-over appropriations are *not* new requests. They represent previously approved Council budget appropriations for projects and/or equipment purchases that were not completed in the prior budget year. Thus, the appropriations weren't spent.
3. It has been past practice of the City to limit carryovers to one-time expenses such as capital outlay, capital improvements, special consultant services, etc.
4. Carry-over requests total \$46,937,100 of which \$44,885,200 is for capital improvement projects. Of the remaining \$2,041,900, \$755,700 is for the General Fund. Refer to attached Exhibit "A" for full details.
5. Approval of said requests will impact the budget for fiscal year 2005.

Analysis &  
Conclusion:

Encumbrances (carry-over requests) are recorded upon the financial records of the City as budget adjustments in the fiscal year they are planned for expenditure and, subsequently, as an expense only when they are actually expended. For example, if there were a budget appropriation to replace the air conditioner at city hall, and it was not completed within the planned budget year, the appropriation would NOT be included in year end results as an expenditure or payable. However, budget appropriations in the following year would be increased by the unspent amount and, when the expenditure is actually made, recorded against that year end result.

Fiscal  
Impact:

For a variety of reasons, not all of the projects and/or purchases authorized by Council for last year were completed.

The savings generated in fiscal year 2004 from not having spent said funds for the these items are recorded as increases to reserves/savings (assuming no other appropriations are over spent). These savings are therefore available in the following fiscal year to pay for their acquisition.

The unfortunate downside is that generally accepted accounting principals do not recognize the use of reserves/savings when measuring or reporting year end results. In past years, annual revenues have been sufficient to cover carry-over requests as well as operating expenditures. Thus, the City was able to report positive year end results. Given state budget woes and Council priorities, the adopted fiscal year 2005 budget already provides for the use of reserves/savings for operating expenditures. The carry-over requests will further impact projected results even though funds have been placed in reserves/savings to cover the expenditures.

Options:

- a. Adopt Resolution No. 04-xx approving budget appropriations for fiscal year 2004 carry-over requests; or
- b. Amend, modify, or reject the above option.

RESOLUTION NO. 04-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES  
APPROVING BUDGET APPROPRIATIONS FOR  
FISCAL YEAR 2004 BUDGET CARRY-OVER REQUESTS

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WHEREAS, the City has historically recorded encumbrances (carry-over requests) as budget appropriation increases in the subsequent fiscal year; and

WHEREAS, said requests have not yet been formally approved by the Council; and

WHEREAS, it is desirable to formally approve appropriations to be added to the fiscal year 2005 budget.

THEREFORE BE IT HEREBY RESOLVED by the City Council of the City of El Paso de Robles that the encumbrances (carry-over) requested in the attached Exhibit "A" are approved and shall be added to the fiscal year 2005 budget previously adopted.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 5<sup>th</sup> day of October 2004 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Frank R. Mecham, Mayor

ATTEST:

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Sharilyn M. Ryan, Deputy City Clerk

Exhibit "A"

Schedule of Carryover Requests

Capital Improvement  
Projects

130-910-5452-308	New River Crossing & Hwy 101/46W PSR	\$204,700
220-910-5452-322	New Well Installation #9	498,200
220-910-5452-323	New Well Installation #10	499,300
227-910-5452-340	28th Street Improvements	20,600
227-910-5452-341	LED Lighted Crosswalks	43,200
130-910-5452-412	13th Street Bridge Expansion	15,480,200
221-910-5452-425	Lift Station No. 11 Upgrade	184,400
216-910-5452-426	Sherwood Park Playground Equipment	187,900
216-910-5452-429	Centennial Park Rehab	636,900
120-910-5452-479	Transportation Center Improvements Phase V	250,000
227-910-5452-487	Municipal Pool Improvements	47,700
120-910-5452-492	Robbins Field Parking Improvements	214,000
221-910-5452-494	Upgrade Templeton Interceptor - Reach 7	1,500,000
221-910-5452-495	Upgrade Templeton Interceptor - Reach 8	3,000,000
220-910-5452-498	New Well Installation #11	500,000
600-910-5452-500	Rehab Cuesta Well	98,600
600-910-5452-501	Rehab Osborne Well #14	100,000
600-910-5452-502	Rehab Sherwood Well #19	100,000
600-910-5452-503	Rehab Sherwood Well #11	100,000
600-910-5452-504	Rehab Thunderbird Well #23	97,300
600-910-5452-505	Install Main: Golden Hill to Dallons	800,000
600-910-5452-506	Install Main: River Road Across 13th Street Bridge	150,000
225-910-5452-507	Rehab Union Road - Riverglen to Kleck	950,000
200-910-5452-510	Creston Road Improvements - Phases III & IV	230,000
200-910-5452-511	Design Pedistrian Walkway @ Riverside & 24th	15,000
200-910-5452-512	Rehab & Re-configure Niblick - Creston to WalMart	1,150,500
120-910-5452-513	Rehab Crestion - Niblick to Meadowlark	404,000
111-910-5452-514	Purchase & Install Modular for Fire Station	300,000
214-910-5452-520	Install Signal @ Niblick & High School	176,400
214-910-5452-521	Install Signal @ Niblick & Country Club	176,400
214-910-5452-523	Install Left Turn Lights @ Spring & 10th	40,000
214-910-5452-524	Install Signal @ Creston & Lana	200,000
214-910-5452-525	Install Signal @ 24th & Vine	200,000
120-910-5452-526	24th Street Bridge PSR	300,000
220-910-5452-550	Water Main Install - Thunderbird to Charlois	2,284,300
220-910-5452-554	Fire Flow @ SW City Limits	905,300
220-910-5452-555	New Water Reservoir @ SE Side of City	4,815,300
600-910-5452-556	Replace Roof on Westside Reservoir	1,279,600
600-910-5452-559	Rehab Dry Creek Well #18	100,000
600-910-5452-561	Telemetry System Upgrades	30,000

600-910-5452-565	Rehab Fox Well #21	100,000
601-910-5452-567	Rehab/replace Manholes	176,800
221-910-5452-573	Upgrade Headworks & Primary Sludge Facilities	560,000
601-910-5452-574	Replace Gringer @ Lift Station #12	70,000
221-910-5452-575	Lift Station #9 Upgrade	200,000
221-910-5452-576	Lift Station #7 Upgrade	16,100
221-910-5452-577	Lift Station #4 Upgrade	200,000
601-910-5452-578	Upgrade Telemetry System	211,000
221-910-5452-579	Upgrade Secondary Clarifier & Replace Chlorinator	990,000
221-910-5452-580	Various Plant Improvement Projects	150,000
221-910-5452-569	Upgrade Solids Handling Facilities	452,400
602-910-5452-585	Reconstruct Taxiway D	183,000
602-910-5452-586	Slurry Seal Parking Apron	40,000
602-910-5452-587	Slurry Seal Runway 13-31	108,100
602-910-5452-588	Slurry Seal Taxiway A-E	95,000
602-910-5452-589	Parking Apron Reconstruction	350,000
602-910-5452-590	Hanger Taxiway	175,000
602-910-5452-591	Taxiway A Extension	345,000
602-910-5452-592	Taxiway C Extension	394,500
602-910-5452-593	Runway 19 Extension	946,000
200-910-5452-594	Annual Street Overlay Program	412,300
227-910-5452-598	Homeless Ministry Center	26,200
221-910-5452-636	Sludge System Upgrade	212,400
600-910-5452-653	Rehab Thunderbird Well #17	100,000
120-910-5452-677	Creston/Niblick Bikeway - Final Design	101,600

#### City Manager's Office

100-130-5224-121	Zoning Code Update	9,200
600-140-5454-127	Financial System Server	21,000
112-210-5454-139	Livescan Server	9,000
600-310-5454-165	Copier	3,400
112-411-5454-183	Network Equipment	3,000

#### Administrative Services

100-140-5224-125	Citywide Fee Study	19,000
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#### Emergency Services

100-220-5454-150	Replace Heavy Rescue Vehicle	240,000
100-220-5340-150	Heavy Rescue Vehicle Debt Service	43,300
100-220-5341-150	Heavy Rescue Vehicle Debt Service	11,000
100-220-5454-150	FEMA GrantCapital Equipment	34,300
100-220-5454-150	FEMA Grant Equipment	50,100

#### Public Works

218-310-5235-162	Tree Replacement Program	34,200
200-310-5221-162	Airport Road Medians	20,000
200-310-5221-162	Handicap Ramps	7,000
200-310-5224-162	Mountain Springs Road Study	10,000
601-310-5235-163	Sewer Master Plan	16,500
601-310-5235-163	Sewer Atlas Update	10,100
601-310-5235-163	Sewer/Water Study	40,000
601-310-5235-164	WWTP Audit and Constituent Study	97,800
600-310-5235-165	Sewer/Water Study	40,000
600-310-5235-165	Water Atlas Update	5,000
600-310-5235-165	Water Master Plan Update	25,000
600-310-5235-165	Water Conservation Program	14,500
602-310-5451-166	Re-roof FAA Building	3,500
116-310-5221-173	Re-plaster Main Pool	29,900
602-910-5224-331	Airport Master Plan	41,000
217-310-5224-479	Storm Water Master Plan	287,400
217-310-5235-162	Storm Water Education Program	22,500
100-310-5235-168	Upgrade L&L Landscaping & PR Campaign	94,800

Community  
Development

100-710-5224-209	County GIS Project	6,900
100-710-5224-209	Hwy 46E Corridor Study	6,100
227-710-5235-211	Lifestyle's Drug & Alcohol Counseling	2,800
112-710-5454-212	Replace Autocad Printer	10,000
100-710-5235-217	Electronic Inspection Input System	22,100
701-810-5235-485	PSHH Creekside Gardens Apartments	5,100
701-810-5235-486	CalHome First Time Homebuyer Program	12,000
100-910-5452-596	General Plan Update	218,900
701-810-5235-597	Oak Park Senior Housing	520,000
227-710-5235-599	Homeless Motel Voucher Program	5,500

Total All Requests \$46,937,100

Summary Totals By Fund

100	General Fund	\$745,700
111	General Reserve Fund	300,000
112	Vehicle Replacement Fund	22,000
116	City/School Repair Fund	29,900
120	Capital Projects Fund	1,269,600
130	Measure D Construction Fund	15,684,900
200	Gas Tax Fund	1,844,800
214	Signalization Development Impact Fund	792,800
216	Park Development Impact Fund	824,800
217	Storm Drain Development Impact Fund	309,900
218	Street Tree Fund	34,200

220	Water Connections Fund	9,502,400
221	Sewer Connections Fund	7,465,300
225	Union/46 Specific Plan Fund	950,000
227	Community Development Block Grant Fund	146,000
600	Water Operations Fund	3,164,400
601	Sewer Operations Fund	622,200
602	Airport Operations Fund	2,681,100
701	RDA LMI Housing Fund	<u>537,100</u>
		<u>\$46,937,100</u>