



Legislation Details (With Text)

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Title: Fiscal Year 2018/19 Mid-Year Budget Adjustments

Attachments: 1. Att#1 2018-19 Mid-Yr Adjst.pdf

Date	Ver.	Action By	Action	Result
2/19/2019	2	City Council/Public Financing Authority	approved	Pass

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Fred A. Wilson, City Manager

PREPARED BY: Gilbert Garcia, Chief Financial Officer

Subject:
Fiscal Year 2018/19 Mid-Year Budget Adjustments

Statement of Issue:

The Finance Department is undergoing the mid-year budget review for the fiscal year that began on July 1, 2018. Departments have requested adjustments to their budgets to: ensure there are sufficient appropriations for essential programs; and, expend actual revenue that has been received in grants or restricted funds.

Financial Impact:

1. General Fund (100) budget adjustments are requested for the Fire Department for the Fire Strike Team reimbursement costs (\$719,853) and (\$51,000) for the new programs added to the Junior Lifeguard Programs.
2. The Police Department is requesting to appropriate a total amount of \$425,119 that includes \$259,347 in the SLESF Grant 12/13 Fund (984); \$136,000 in the Narcotics Forfeiture - Federal Fund (212); and, \$29,722 in the AB109 Public Safety Realignment Fund (979).
3. The Information Services Department is requesting a budget appropriation of \$616,000 in the Technology Fund (323) and \$13,000 in the Property Tax In Lieu of Sales Tax Fund (127).
4. The Library Services Department is requesting to appropriate \$100,000 in the Library Development Impact Fund (229).
5. The City Manager's Office of Business Development is requesting to appropriate \$15,460 in Huntington Beach Downtown Business Improvement District Fund (710).
6. The Fire Department is requesting a budget appropriation of \$18,091 in Fund (894) - Weapons of Mass Destruction, Department of Health and Human Services (WMD-DHHS).
7. The Finance Department is requesting to appropriate \$7,952 in the Debt Service - McDonnell

CFD 2002-1 Fund (408).

There are sufficient revenues, cash, and/or fund balances to support the above adjustments.

Recommended Action:

Approve mid-year budget adjustments to the FY 2018/19 Revised Budget in the Funds and by the amounts contained in Attachment 1.

Alternative Action(s):

The FY 2018/19 Budget was adopted by the City Council on June 4, 2018, for the fiscal year beginning July 1, 2018. The Finance Department has compiled recommended budget adjustments to cover additional costs and/or provide appropriations necessary to expend funds that have been received for specific purposes. The City has received revenues or has set-aside prior year fund balances that will support the requested adjustments in the General Fund. The Other Funds adjustments will be funded by available revenue or fund balances within each distinct Fund.

GENERAL FUND (100)

The 2018 wildfire season is the deadliest and most destructive wildfire season on record in California. The recent batch includes the Woolsey Fire and the Camp Fire. The State of California Fire and Rescue Mutual Aid System coordinates resources from various jurisdictions in California when the local agency is quickly overwhelmed. As a result, the Fire Department responded to multiple mutual aid requests throughout California to assist in these major fires. To date, the Fire Department spent \$719,853 in strike team personnel costs, which will be reimbursed by the State of California including 18 percent of administrative costs. Since there is no annual appropriation for this unit, the Fire Department is requesting corresponding appropriation.

Additionally, the Fire Department is requesting \$51,000 in appropriations to offset expenses related to the newly added Junior Lifeguard Programs. The Marine Safety Division offered a new all-day program option for children age 9-17, and a Sand Crab program for children age 6-8. The program fee covers the cost of instructors, equipment, supplies and overhead. This past summer, the additions to the Junior Lifeguard Program generated sufficient revenues to cover the costs.

OTHER FUNDS

SLESF Grant Fund (984)

In 2016, the Police Department launched a Body Worn Camera Pilot Program purchasing 75 cameras and implementing them into the patrol workforce. The Pilot Program has been successfully implemented. The Police Department is requesting appropriation of \$250,000 from the Supplemental Law Enforcement Services Fund (SLESF), Fund 984 available fund balance to expand the implementation of body worn camera program, which requires the purchase of additional cameras along with licenses, digital storages and phones. In addition, the Police Department is also requesting an appropriation of \$9,347 from Fund 984 to fund the costs associated with outfitting the Homeless Task Force vehicle.

Technology Fund (323)

The Information Services Department in conjunction with the Police Department to modernize the

Police Department's most critical enterprise application - the Computer Aided Dispatch/Records Management System (CAD/RMS). The preliminary total project cost estimate is \$2.0 million. The vendor selection process is comprehensive and it encompasses various phases. The Information Services Department is requesting appropriation of \$28,000 from Fund 323 to contract with an experienced project manager to ensure selection of the most qualified CAD/RMS vendor and to ensure integrity of the process. In addition, the Information Services Department is requesting to appropriate \$588,000 from Fund 323 for the purpose of funding the implementation of the automation of the online forms and paperless initiative; the purchase of mobile devices to provide mobile access to Fire Department field staff; the replacement of the Police Department's six-year old computers and twenty (20) year-old jail intercom systems; and, the purchase of Anti-Virus, Microsoft, and Adobe Software licenses for all City employees.

Asset Forfeiture - Federal Fund (212)

The Police Department is requesting a total appropriation of \$136,000 from Fund 212 available fund balance to purchase a Miniaturized Red Dot Sights (MRDS) for a pilot program for duty handguns (\$6,000); fund software programs that utilize artificial intelligence to support the Investigations Division that will consolidate open source information in alive and user-friendly format to assist Patrol and Investigative operations by identifying people and places (\$30,000); and, cover the eligible costs associated with the City's partnership with the Orange County Regional Narcotics Suppression Program (OCRNSP).

Library Development Impact Fund (229)

The Library Services Department is requesting an appropriation of \$100,000 in Fund 229 available fund balance to purchase new collection materials for the five (5) branch locations. The funding would allow the Library Services Department to build and strengthen the Library collection at all branch locations and better serve the community.

BID - Downtown Fund (710)

On May 21, 2018, City Council adopted Resolution No. 2018-33, a resolution declaring the City's intention to levy an assessment for FY 2018/19 within the Huntington Beach Downtown Business Improvement District. An appropriation increase of \$15,460 in Fund 710 is being requested as a result of this action.

AB109 Public Safety Realignment Fund (979)

The Police Department is requesting appropriation of \$29,772 from Fund 979 to offset personnel expenses related to a police sergeant assigned to Orange County Regional Narcotics Suppression Program (OCRNSP).

VARIOUS OTHER FUNDS

The Fire Department is requesting to appropriate \$18,091 from Fund WMD-DHHS Fund (894) available fund balance to purchase an all-terrain vehicle (ATV) for use during large, city-sponsored special events. The Information Services Department is requesting appropriation of \$13,000 from Property Tax In Lieu of Sales Tax Fund (127) existing fund balance associated with the ELM project. The Finance Department is requesting appropriation of \$7,952 from Debt Service Fund (408) to true up budget to required debt service amounts per Community Facilities District (CFD) No. 2002-1 for

the McDonnell Centre Business Park debt service schedule.

Environmental Status:

Not applicable.

Strategic Plan Goal:

Improve quality of life

Enhance and Maintain Infrastructure

Strengthen Economic and Financial Sustainability

Enhance and Maintain Public Safety

Enhance and Maintain City Service Delivery

Attachment(s):

1. Fiscal Year 2018/19 Recommended Mid-Year Adjustments.