



CITY OF DEL REY OAKS

650 CANYON DEL REY BLVD., DEL REY OAKS, CALIFORNIA 93940
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Date: March 28, 2023
TO: Honorable Mayor and Finance Committee Members
FROM: John Guertin, City Manager
SUBJECT: Mid-Year Budget Review and Amendment for Fiscal Year 2022-2023

CEQA: This action does not constitute a "project" as defined by the California Environmental Quality Act (CEQA) guidelines section 15378 as it is an organizational activity of the City that will not result in direct or indirect physical changes in the environment.

Recommendation

The Finance Committee recommends approval of the mid-year budget adjustments.

Background

We are pleased to present the Mid-Year Budget Adjustments for Fiscal Year 2022-23. The mid-year budget uses actual revenues and expenditures through December 31, 2022 and incorporates staff's revised estimates for revenue and expenditures for the remainder of the fiscal year.

Summary & Discussion

The impact of the mid-year budget adjustments is summarized as follows for the General Fund:

	Current Budget	Revised Budget	Mid-Year Adjustments
<u>General Fund</u>			
Estimated Revenues	4,299,150	4,400,350	101,200
Appropriations	4,299,150	4,341,750	42,600
	-	58,600	58,600

The proposed Mid-Year budget adjustments result in General Fund estimated revenues increasing \$101,200, while appropriations are requested to increase \$42,600. This results in a net increase of \$58,600 to the original estimated operating surplus of \$-0- bringing the estimated surplus for the year to \$58,600. The detail of the changes are explained in the following sections.

Estimated Revenue Increase of \$101,200

The increase in estimated revenues is primarily due to the increase in TOT revenue from short-term rentals and the receipt of the one-time surplus payment from the COPS grants. Revenue adjustments are recommended only for known dramatic changes.

General Fund Appropriation Increase of \$42,600

The net increase in appropriations is due to an increase of \$30,500 in the Police Department and \$12,100 in non-departmental for property insurance premiums that were overlooked in the budget preparation. The details of the changes are shown on the attachment.

Fiscal Impacts

The increases in estimated revenues and appropriations will result in the Estimated General Fund operating surplus for the fiscal year increasing by 58,600.

Recommended Action

The Finance Committee reviewed the mid-year budget adjustments and recommended approval of the budget adjustments.

ATTACHMENTS:

Mid-Year Budget Amendment for FY 2022-2023

Respectfully submitted,

John Guertin
City Manager

	FY 22-23 Actual As of 12/31/22	YTD Budget - Revised	Percent of Budget Collected/ Used	FY 2023 Midyear Adjustments	FY 2023 Adjusted Budget
100 - General Fund					
Revenue					
Non Department Specific					
P/T-Secured	311,489	520,200	59.87%		520,200
P/T-Unsecured	24,140	23,000	104.95%	1,000	24,000
P/T-Prior Secured	2,893	6,000	48.20%		6,000
Prior Unsecured	-	100	0.00%		100
P/T-Unitary Tax	5,285	8,600	61.44%		8,600
P/T-Supplemental Roll (SB81:	6,424	12,000	53.52%		12,000
Property Tax - Vlf	89,683	167,000	53.70%		167,000
P/T-Int/Penal	219	800	27.43%		800
Sales Tax	216,459	450,000	48.10%		450,000
Sales Tax - Add On	472,570	803,000	58.85%		803,000
Cannabis Tax	62,426	200,000	31.21%	(80,000)	120,000
Transient Occupancy Tax	95,647	75,000	127.52%	115,000	190,000
Property Transfer Tax	-	5,000	0.00%		5,000
Sewer Impact	-	15,000	0.00%		15,000
Business Licenses	55,625	215,000	25.87%		215,000
Gas Franchises	-	5,800	0.00%		5,800
Electric Franchises	-	18,500	0.00%		18,500
Garbage Franchises	56,611	100,000	56.61%		100,000
Cable Tv Franchises	7,106	26,000	27.33%		26,000
Water Franchises	-	23,000	0.00%		23,000
Sb1186 Disability Access Func	1,443	1,000	144.27%		1,000
SB1473 Evironmental Assessr	33	100	33.04%		100
Building Permits	21,619	40,000	54.04%		40,000
Cannabis Business Permit	5,000	30,000	16.66%		30,000
Plan Check Fees	10,211	17,000	60.06%		17,000
Street Opening Permits Fees	2,750	5,000	55.00%		5,000
Plumbing Permits	1,000	1,600	62.50%		1,600
Electrical Permits	250	1,600	15.62%		1,600
Other Licenses/Permits	395	1,000	39.45%		1,000
Fines & Forfeitures	35	200	17.50%		200
Vehicle Code Fines	1,775	5,000	35.49%		5,000
Interest Earned	6,247	10,000	62.46%		10,000
Rental - Garden Ctr	18,000	36,000	50.00%		36,000
Rental - Airport RV	17,400	35,000	49.71%		35,000
Rental - PW Bldg	5,000	-	0.00%		-
HOPTR	309	1,200	25.75%		1,200
Vehicle License Collection	399	-	0.00%		-
Cop Monies	115,271	100,000	115.27%	65,200	165,200
AMBAG REAP Grant - Housing	3,124	-	0.00%		-
HCD LEAP Grant - Housing El	-	-	0.00%		-
SB1383 Organics Recycling	6,292	-	0.00%		-
Prop 172	13,108	25,000	52.43%		25,000

	FY 22-23 Actual As of 12/31/22	YTD Budget - Revised	Percent of Budget Collected/ Used	FY 2023 Midyear Adjustments	FY 2023 Adjusted Budget
Grants - Wellness	7,500	7,500	100.00%		7,500
Police Grants Other Agencies	-	5,000	0.00%		5,000
POST Reimbursements	2,636	-	0.00%		-
Police Reports	175	1,000	17.50%		1,000
Police Services	27,900	48,000	58.12%		48,000
Public Events	-	5,000	0.00%		5,000
Use Permits	21,060	20,000	105.30%		20,000
Maps/Publications	-	100	0.00%		100
Property Inspections	1,750	4,500	38.88%		4,500
Miscellaneous Revenue	10,161	10,000	101.60%		10,000
Donations	-	-	0.00%		-
Rental - Park	1,700	3,100	54.83%		3,100
Miscellaneous Refunds	3,110	-	0.00%		-
Restitution	-	-	0.00%		-
Total Non Department Specific	1,712,227	3,087,900	55.45%	101,200	3,189,100
Police					
Airport Police Services	447,771	1,211,250	36.96%		1,211,250
Total Police	447,771	1,211,250	36.97%	-	1,211,250
Total Revenue	2,159,998	4,299,150	50.24%	101,200	4,400,350

Expense

Council

Council Member Stipend	3,750	9,000	41.66%		9,000
Medicare	54	200	27.18%		200
Social Security	233	-	0.00%		-
Employer FUTA	23	-	0.00%		-
Dental Expense	2,239	7,400	30.25%		7,400
Member/Dues/Contributions	991	2,000	49.55%		2,000
Strategic Planning	-	12,000	0.00%		12,000
Travel Expenses	-	3,000	0.00%		3,000
Total Council	7,290	33,600	21.70%	-	33,600

City Clerk

Payroll	65,783	142,800	46.06%		142,800
Temp Payroll	-	25,000	0.00%	(15,000)	10,000
Overtime	3,204	5,000	64.07%	15,000	20,000
PERS UAL	38,622	40,000	96.55%		40,000
PERS Retirement	4,435	11,700	37.90%		11,700
Medicare	963	2,100	45.85%		2,100
Social Security	-	-	0.00%		-
Employer FUTA	42	-	0.00%		-
Dental Expense	953	3,400	28.03%		3,400
Health Insurance	18,409	47,200	39.00%		47,200
Health Insurance -Retiree	-	1,860	0.00%		1,860
Vision Ins	133	500	26.64%		500

	FY 22-23 Actual As of 12/31/22	YTD Budget - Revised	Percent of Budget Collected/ Used	FY 2023 Midyear Adjustments	FY 2023 Adjusted Budget
Workers Comp	5,181	7,900	65.58%		7,900
Wellness Program	724	1,100	65.83%		1,100
Materials/Supply	15,727	16,300	96.48%		16,300
Office Supplies	3,861	11,200	34.47%		11,200
Repair/Maintenance	1,777	3,000	59.23%		3,000
Telephone	1,918	7,680	24.96%		7,680
Internet	-	-	0.00%		-
Website Design & Maintenan	112	3,800	2.95%		3,800
Postage / Shipping	3,538	2,400	147.40%		2,400
Training	518	5,000	10.35%		5,000
Liability/Prop Non-Dpt	8,305	14,900	55.73%		14,900
Contract Services - IT	4,519	5,000	90.37%		5,000
Contract Services - HR	27	40,000	0.06%	(8,500)	31,500
Organic Waste Regs Services	-	12,000	0.00%		12,000
Agenda Management System	4,920	4,920	100.00%		4,920
Document Management Syst	-	1,500	0.00%		1,500
Municipal Code Service	3,278	10,000	32.78%		10,000
Records Retention Services	-	5,000	0.00%		5,000
Member/Dues/Contributions	200	1,000	20.00%		1,000
Election Cost	8,478	-	0.00%	8,500	8,500
Furniture, Equipment & Vehi	-	3,000	0.00%		3,000
Total City Clerk	195,627	435,260	44.94%	-	435,260
City Manager					
Payroll	90,020	175,000	51.43%	12,000	187,000
PERS UAL	893	900	99.22%		900
PERS Retirement	5,937	13,100	45.32%		13,100
Medicare	1,303	2,500	52.11%		2,500
Employer FUTA	-	-	0.00%		-
Dental Expense	966	1,700	56.85%		1,700
Health Insurance	16,489	23,600	69.87%		23,600
Vision Ins	178	200	88.80%		200
Workers Comp	6,484	9,700	66.84%		9,700
Wellness Program	-	500	0.00%		500
Deferred Compensation	-	12,000	0.00%	(12,000)	-
Admin Leave	-	7,000	0.00%		7,000
Auto Allowance	2,492	5,400	46.15%		5,400
Office Supplies	126	1,530	8.21%		1,530
Liability/Prop Non-Dpt	10,454	18,200	57.43%		18,200
Member/Dues/Contributions	550	3,500	15.71%		3,500
Books and Periodicals	-	300	0.00%		300
Travel Expenses	-	8,000	0.00%		8,000
Contingency	-	8,830	0.00%		8,830
Total City Manager	135,893	291,960	46.54%	-	291,960
Audit/Treasurer					
ADP Payroll Fees	200	7,100	2.81%		7,100

	FY 22-23 Actual As of 12/31/22	YTD Budget - Revised	Percent of Budget Collected/ Used	FY 2023 Midyear Adjustments	FY 2023 Adjusted Budget
Bank Service Charges	3,114	1,000	311.38%		1,000
Accounting Software	-	3,600	0.00%		3,600
Contractual Services - Audit	11,750	31,000	37.90%		31,000
Actuarial Services	-	4,500	0.00%		4,500
Contract Services - Accountin	77,825	180,000	43.23%		180,000
Total Audit/Treasurer	92,889	227,200	40.88%	-	227,200
Legal					
Contract Services - Legal	65,101	200,000	32.55%		200,000
Legal Advert	158	1,500	10.50%		1,500
Total Legal	65,258	201,500	32.39%	-	201,500
Planning & Building Regulation					
Economic Development Servi	6,466	30,000	21.55%		30,000
Contract Services - Planning	20,137	40,000	50.34%		40,000
Contract Services - Housing E	-	-	0.00%		-
Building Inspections Services	24,530	30,240	81.11%		30,240
Engineering Services	-	5,000	0.00%		5,000
Member/Dues/Contributions	-	-	0.00%		-
Travel Expenses	-	3,000	0.00%		3,000
Total Planning & Building Regu	51,132	108,240	47.24%	-	108,240
Government Buildings					
Repair/Maintenance	3,802	20,000	19.01%		20,000
Janitorial Fund	2,300	2,100	109.52%		2,100
Total Government Buildings	6,102	22,100	27.61%	-	22,100
Non-Departmental					
Materials/Supply	3,008	6,120	49.14%		6,120
Telephone	67	1,120	5.98%		1,120
Liability/Prop Non-Dpt	12,066	-	0.00%	12,100	12,100
Member/Dues/Contributions	11,625	13,000	89.42%		13,000
Misc Expenses	-	1,000	0.00%		1,000
S.M.I.P.	31	200	15.72%		200
Sb 1473	49	100	49.40%		100
Total Non-Departmental	26,847	21,540	124.64%	12,100	33,640
Police					
Payroll	460,849	1,026,100	44.91%		1,026,100
Overtime	85,343	120,000	71.11%	50,000	170,000
Reserves Payroll	38,573	100,000	38.57%	(23,000)	77,000
PERS UAL - Post 06/30/18	-	6,100	0.00%		6,100
PERS UAL	105,353	102,900	102.38%	2,500	105,400
PERS Retirement	53,179	127,500	41.70%		127,500
PERS 457 Expense	16,350	36,000	45.41%		36,000
Medicare	8,476	14,900	56.88%		14,900
Social Security	990	-	0.00%		-
Employer FUTA	111	-	0.00%		-
Dental Expense	6,106	19,400	31.47%		19,400
Health Insurance	115,165	243,000	47.39%	(1,100)	241,900

	FY 22-23 Actual As of 12/31/22	YTD Budget - Revised	Percent of Budget Collected/ Used	FY 2023 Midyear Adjustments	FY 2023 Adjusted Budget
Health Insurance -Retiree	832	700	118.85%	1,100	1,800
Vision Ins	1,235	2,900	42.59%		2,900
Workers Comp	86,697	212,800	40.74%		212,800
Wellness Program	1,825	5,300	34.43%		5,300
Uniform Allowance	2,250	10,000	22.50%		10,000
Admin Leave	-	-	0.00%		-
Materials/Supply	45,714	45,000	101.58%		45,000
Ammunition	4,679	4,000	116.97%	1,000	5,000
Office Supplies	1,894	3,000	63.13%		3,000
PD Safety Equip Lease - Princ	-	24,300	0.00%		24,300
PD Safety Equip Lease - Inter	-	1,000	0.00%		1,000
Auto Ops - Supplies / Equip	89	2,500	3.54%		2,500
Auto Ops - Fuel	14,818	30,000	49.39%		30,000
Repair/Maintenance	5,421	14,000	38.71%		14,000
Telephone	8,104	14,000	57.88%		14,000
Internet	474	2,500	18.94%		2,500
Records Management Softwa	2,639	3,400	77.61%		3,400
Annual Maintenance	-	3,400	0.00%		3,400
Postage / Shipping	203	500	40.67%		500
Training	5,960	15,000	39.73%		15,000
Liability/Prop Non-Dpt	54,785	111,800	49.00%		111,800
Contractual Services - Audit	-	4,500	0.00%		4,500
Contract Services - IT	4,750	6,000	79.16%		6,000
Contract Services - HR	-	3,000	0.00%		3,000
Janitorial Fund	-	2,000	0.00%		2,000
Radio Dispatch Police	57,212	73,300	78.05%		73,300
Auto Repair/Maintenance	5,287	14,000	37.76%		14,000
Animal Regulation Fire	-	500	0.00%		500
Fund Jail & Prisoner	-	200	0.00%		200
Acjis System Police	3,001	9,000	33.34%		9,000
Personnel Recruit & Pre-Emp	-	3,000	0.00%		3,000
Member/Dues/Contributions	990	5,000	19.80%	(1,000)	4,000
Books and Periodicals	159	900	17.66%		900
Travel Expenses	12,734	12,000	106.11%	1,000	13,000
Total Police	1,212,246	2,435,400	49.78%	30,500	2,465,900
Fire/Animal Control					
Fire Seaside	54,776	219,100	25.00%		219,100
Total Fire/Animal Control	54,776	219,100	25.00%	-	219,100
Public Works/Streets					
Payroll	36,902	79,700	46.30%		79,700
Overtime	-	3,000	0.00%		3,000
PERS UAL	893	1,000	89.30%		1,000
PERS Retirement	2,722	6,000	45.35%		6,000
Medicare	533	1,200	44.39%		1,200
Dental Expense	635	1,700	37.34%		1,700

	FY 22-23 Actual As of 12/31/22	YTD Budget - Revised	Percent of Budget Collected / Used	FY 2023 Midyear Adjustments	FY 2023 Adjusted Budget
Health Insurance	12,684	23,600	53.74%		23,600
Vision Ins	99	300	33.02%		300
Workers Comp	2,372	4,400	53.90%		4,400
Wellness Program	-	500	0.00%		500
Materials/Supply	19,888	16,500	120.53%		16,500
Office Supplies	477	1,530	31.20%		1,530
Auto Ops - Supplies / Equip	1,813	2,500	72.52%		2,500
Auto Ops - Fuel	3,419	5,000	68.37%		5,000
Repair/Maintenance	28,539	41,000	69.60%		41,000
Gabilan Crew	-	5,000	0.00%		5,000
Utilities/Pge	6,161	12,000	51.33%		12,000
Utilities/Water	1,981	3,200	61.89%		3,200
Telephone	-	-	0.00%		-
Training	-	5,000	0.00%		5,000
Liability/Prop Non-Dpt	3,827	5,500	69.58%		5,500
Auto Repair/Maintenance	470	8,300	5.66%		8,300
Storm Water Project - Phase	7,067	23,000	30.72%		23,000
Contingency	-	8,820	0.00%		8,820
Total Public Works/Streets	130,481	258,750	50.43%	-	258,750
Parks/Recreation					
Materials/Supply	10,379	16,500	62.90%		16,500
Repair/Maintenance	15,583	25,000	62.33%		25,000
Utilities/Water	1,512	2,000	75.62%		2,000
Travel Expenses	-	1,000	0.00%		1,000
Total Parks/Recreation	27,474	44,500	61.74%	-	44,500
Total Expense	2,006,014	4,299,150	46.66%	42,600	4,341,750
Excess(Deficit) of Revenue Over Exp	153,985	-	0.00%	58,600	58,600
210 - Gas Tax Fund					
Revenue					
Non Department Specific					
Gas Tax 2103	6,827	15,000	45.51%		15,000
Gas Tax 2105	4,537	10,400	43.62%		10,400
Gas Tax 2106	5,388	9,100	59.20%		9,100
Gas Tax 2107	5,288	14,200	37.23%		14,200
Gas Tax 2107.5	1,000	1,000	100.00%		1,000
Total Non Department Specific	23,040	49,700	46.36%	-	49,700
Total Revenue	23,040	49,700	46.36%	-	49,700
Expense					
Public Works/Streets					
Street Sweeping	-	10,000	0.00%		10,000
Street Lighting	4,187	15,000	27.91%		15,000

	FY 22-23 Actual As of 12/31/22	YTD Budget - Revised	Percent of Budget Collected/ Used	FY 2023 Midyear Adjustments	FY 2023 Adjusted Budget
Total Public Works/Streets	4,187	25,000	16.75%	-	25,000
Total Expense	4,187	25,000	16.75%	-	25,000
Excess(Deficit) of Revenue Over Exp	18,853	24,700	76.32%		
211 - SB1 Fund					
Revenue					
Non Department Specific					
SB 1 Funds	17,102	36,900	46.34%		36,900
MBASIA Contribution	-	10,000	0.00%		10,000
Total Non Department Specific	17,102	46,900	36.46%	-	46,900
Total Revenue	17,102	46,900	36.46%	-	46,900
Expense					
Portola/Work Walkway					
Street Improvements	-	-	0.00%		-
Total Portola/Work Walkway	-	-	0.00%	-	-
Street Improvements					
Street Improvements	-	70,000	0.00%		70,000
Total Street Improvements	-	70,000	0.00%	-	70,000
Total Expense	-	70,000	0.00%	-	70,000
Excess(Deficit) of Revenue Over Exp	17,102	(23,100)	-74.03%		
212 - Measure X Fund					
Revenue					
Non Department Specific					
Measure X	-	92,000	0.00%		92,000
Total Non Department Specific	-	92,000	0.00%	-	92,000
Total Revenue	-	92,000	0.00%	-	92,000
Expense					
Via Verde/Los Encinos Street Repair					
Street Improvements	-	30,000	0.00%		30,000
Total Via Verde/Los Encinos St	-	30,000	0.00%	-	30,000
Angelus/Rosita Storm Drain Repair (Engineering)					
Street Improvements	-	10,000	0.00%		10,000
Total Angelus/Rosita Storm Dr	-	10,000	0.00%	-	10,000
Angelus/Rosita Storm Drain Repair (Construction)					
Street Improvements	-	60,000	0.00%		60,000
Total Angelus/Rosita Storm Dr	-	60,000	0.00%		60,000
Debt Service - Measure X					
Principal - Measure X Loan	-	90,000	0.00%		90,000
Interest - Measure X	-	2,000	0.00%		2,000

	FY 22-23 Actual As of 12/31/22	YTD Budget - Revised	Percent of Budget Collected / Used	FY 2023 Midyear Adjustments	FY 2023 Adjusted Budget
Total Debt Service - Measure X	-	92,000	0.00%		92,000
Total Expense	-	192,000	0.00%	-	192,000
Excess(Deficit) of Revenue Over Exp	-	(100,000)	0.00%		
221 - FORA Habitat Management Fund					
Expense					
Planning & Building Regulation					
Habitat Management Plannir	-	-	0.00%		-
Total Planning & Building Regu	-	-	0.00%		
Total Expense	-	-	0.00%		
Excess(Deficit) of Revenue Over Exp	-	-	0.00%		
223 - ARPA Fund					
Revenue					
Non Department Specific					
ARPA Grant	197,836	197,870	99.98%		197,870
Total Non Department Specific	197,836	197,870	99.98%	-	197,870
Total Revenue	197,836	197,870	99.98%	-	197,870
Expense					
City Clerk					
Agenda Management System	3,150	-	0.00%		
Computer Server Replace	-	12,000	0.00%		12,000
Total City Clerk	3,150	12,000	26.25%	-	12,000
City Hall Parking Lot Imp					
Parking Lot Improvements	-	150,000	0.00%		150,000
Total City Hall Parking Lot Imp	-	150,000	0.00%	-	150,000
Park Parking Lot					
Parking Lot Improvements	-	60,500	0.00%		60,500
Total Park Parking Lot	-	60,500	0.00%	-	60,500
Total Expense	3,150	222,500	1.42%	-	222,500
Excess(Deficit) of Revenue Over Exp	194,686	(24,630)	-790.44%		
311 - Prop 68 Grant Fund					
Revenue					
Non Department Specific					
Donations	-	30,000	0.00%		30,000
Total Non Department Specific	-	30,000	0.00%	-	30,000
Total Revenue	-	-	0.00%	-	-
Expense					

	FY 22-23 Actual As of 12/31/22	YTD Budget - Revised	Percent of Budget Collected / Used	FY 2023 Midyear Adjustments	FY 2023 Adjusted Budget
Park Play Structure					
Park Improvements	10,362	13,850	74.81%		13,850
Total Park Play Structure	10,362	13,850	74.82%	-	13,850
Basketball Court Reconstruction					
Park Improvements	-	30,000	0.00%		30,000
Total Basketball Court Reconst	-	30,000	0.00%	-	30,000
Park Parking Lot/Accessibility Project					
Park Improvements	-	59,500	0.00%		59,500
Total Park Parking Lot/Accessit	-	59,500	0.00%	-	59,500
Total Expense	10,362	103,350	10.03%	-	103,350

Excess(Deficit) of Revenue Over Exp (10,362) (73,350) 14.12%