



City Council Agenda Report

Meeting Date: November 12, 2024
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Approved By: Gabriel Engeland

Subject: Adopt a Resolution Amending the FY2024-25 CIMMP Budget increasing Capital Improvement and Major Maintenance Program Project expenditures by \$2,676,752.

COUNCIL PRIORITY AREA

- Business Communities
- Circulation Safety and Efficiency
- Environmental Sustainability
- Housing
- Neighborhood Safety Infrastructure
- General Government

RECOMMENDATION

Adopt a Resolution Amending the FY2024-25 CIMMP Budget increasing Capital Improvement and Major Maintenance Program Project expenditures by \$2,676,752.

FISCAL IMPACT

Approval of this resolution would result in a \$2,676,752 Million increase in CIMMP expenditures for FY2024-25. Additionally, transfers into the CIP Fund would increase by \$5,396,752 as well as transfers out of the General and Special Revenue Funds which also total \$5,396,752.

Fund balance projections for the FY2024-25 Budget year have been updated to reflect the above recommended changes to the CIMMP Budget. The updated beginning and ending fund balances are detailed in Attachment III. FY2024-25 Fund Balance Summary Schedule.

ENVIRONMENTAL REVIEW

Not applicable.

PREVIOUS COUNCIL CONSIDERATION

None

DISCUSSION/ANALYSIS

Each year the City budgets for Capital Improvement and Major Maintenance Projects. Some of those projects are developed over multiple years and have complex multi-year budgets. These budgets are estimated for multiple years over the life of the project, and as the years are

completed, based on progress and actual costs, the budget for future years is changed based on the actual costs and progress made for each year completed

After each year is closed a comparison is made between budgeted and actual expenditures for each ongoing CIMMP project, and if the project spent less than what was budgeted, and the unspent funds are anticipated to be needed in the upcoming year, those unspent appropriations must be added to next year's budget.

In analyzing the FY2023-24 ongoing CIMMP Projects, we identified 10 projects that underspent their budgets, whose appropriations are needed in the current year. Those unspent appropriations total \$7,257,752 and we are requesting to carry forward those appropriations from the prior year into the current fiscal year budget.

As part of this process, City staff also reviewed FY2024-25 CIMMP projects and identified 10 projects with current year budgets that need to be reduced, based on planned delays, or deferral to a future period. These adjustments total -\$4,581,000 and we are asking to reduce the current year budgets for these projects in this amount.

The net adjustment of CIMMP carry forward appropriations plus current year reductions totals \$2,676,752. In total 20 project budgets are affected and are listed in Attachment I. Eight fund budgets will be affected by this action and include the following funds, which are also detailed in Attachment II.: Net budget adjustment by Fund:

1. Public Art Fund 21 (\$6,000)
2. General Fund 01 \$3,809,100
3. In-Lieu Park Fund 27 (\$1,057,000)
4. Technology Fund 61 (\$415,000)
5. Gas Tax Fund 14 \$861,932
6. Road Maintenance Fund 07 \$744,354
7. Vehicle Registration Fund 24 \$629,367
8. Sewer Fund 30 (\$2,720,000)

Total \$2,676,752

When carrying forward appropriations from the prior year, the result is: 1) Prior year expenses are less than projected, 2) Prior year ending fund balance is higher than projected, 3) Current year expenditures are increased and higher than projected, and 4) Current year projected ending fund balance is effectively unchanged, as the impact is shifting the timing of expenditures between years, with a net \$0 impact.

ATTACHMENTS

1. Resolution No. 2024-xxx
2. Attachment I. CIP Budget Carry Forward by Project
3. Attachment II. CIP Budget Carry Forward by Fund
4. Attachment III FY2024-25 Fund Balance Summary Schedule