



The City of Pismo Beach
FY 2012 -13
Mid-Cycle Budget
Adjustments



CITY OF PISMO BEACH

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FY 2012-13 Mid-Cycle Budget Adjustments City of Pismo Beach

SUMMARY

On September 18, 2012, the City Council of the City of Pismo Beach approved the FY 2012-13 Mid-Cycle Budget Adjustments as part of Resolution No. 2012-081. The resulting FY 2012-13 Budget is balanced for all funds. These changes include \$2.2 million of additional revenue appropriations across all funds and \$1.8 million of additional expenditures across all funds.

For the General Fund, the Mid-Cycle Adjustments include \$1.0 million of additional revenue, \$202 thousand of additional operating expenditures, and \$140 thousand of additional capital costs. These changes are illustrated in the following Table 1. The FY 2012-13 projected ending fund balance for the General Fund is \$2.1 million.

Table 1: FY 2012-13 Mid-Cycle Adjustments for the General Fund

		A	B	C = A + B
		FY 2012-13 Revised Budget	FY 2012-13 Mid-Cycle Adjustments	FY 2012-13 Revised Budget with Mid-Cycle Adjustments
a	Beginning Fund Balance (sum of below)	4,023,789	-	4,023,789
	Unallocated Fund Balance	2,965,366	-	2,965,366
	Other Allocated Items	1,058,422	-	1,058,422
b	Revenues	15,180,455	1,023,132	16,203,587
c	Expenditures	16,585,449	201,534	16,786,982
d=b-c	Net Operating (Revenues less Expend)	(1,404,994)	821,598	(583,395)
e	Capital Costs	1,159,622	140,000	1,299,622
f	Total Expenditures	17,745,071	341,534	18,086,605
g=a+d-e	Ending Fund Balance	1,459,173	681,598	2,140,771

For all other funds, the projected ending fund balances are positive and can be used to support future costs.

The following report provides a brief description of the budget process, a summary of the Mid-Cycle Budget Adjustments by fund, the budgeted ending fund balances for all funds. The last three sections of this report provide the details for the General Fund, Other Funds, and \$154,700 of Outside Agency Funding.



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BUDGET PROCESS

The City of Pismo Beach adopts a Two-Year Budget to help the City look beyond the first year and plan for future shortfalls that may be present in the future. At the end of the first year, a Mid-Cycle Budget Review is held to determine if any significant changes in circumstances would warrant changes from the second year budget.

On June 21, 2011, following various Budget Workshops and Public Hearings, the City Council adopted a Two-year Budget for Fiscal Years (FY) 2011-12 and FY 2012-13.

At a Special Meeting on August 28, 2012, the City Council reviewed materials with updated information on estimated financial results for the first year, FY 2011-12; the City Council received updated estimates for revenues and expenditures in key funds for FY 2012-13; the City Council received a long-term financial outlook for the General Fund to FY 2016-17; and reviewed requests from City Departments, Other Agencies, and City Council Members, and inputs from the Public regarding proposed adjustments and appropriations for FY 2012-13.

On September 19, 2012 at a Regular Meeting, Council approved the FY 2012-13 Mid-Cycle budget adjustments.



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Mid-Cycle Budget Adjustments

The following table lists the budget appropriation adjustments for each fund. Details of each appropriation adjustment is provided in the General Fund Budget Adjustments and Other Fund Budget Adjustments on pages of this report.

Table 2: FY 2012-13 Mid-Cycle Budget Appropriation Adjustments

Fund	Fund Title	Revenue	Expense
100	Gen. Fund	1,092,132	410,534
105	Half Cent Sales Tax	69,000	35,000
202	Gas Tax		50,000
208	Local Transportation Fund	32,689	-
209	RDA	(340,000)	(311,351)
222	PEG Access Fee Fund	30,000	10,420
243	Grants Fund	100,000	100,000
249	RDA Low/Mod Housing	(240,000)	(222,612)
265	LBID	100,000	31,000
301	Capital	50,000	50,000
512	Water Enterprise		31,363
513	Water Tax	23,875	(310,837)
521	Wastewater Enterprise	1,300,000	1,322,085
522	Wastewater Capital Projects		435,000
537	Transit	7,700	4,700
541	Pier	5,000	5,000
551	Parking		64,861
619	Motor Vehicle Replacement Fund		117,099
Total		2,230,396	1,822,262



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ALL FUNDS ENDING FUND BALANCES

The following table shows the fiscal impact by fund for those funds that have budget adjustments. Columns E and F include the net Mid-Cycle Budget Adjustments for revenues and expenditures, respectively. Column G provides the ending fund balance for each fund.

Table 3: All Funds Ending Fund Balances

Fund Type	Fund Title	A	B	C	D = A+B-C	E	F	G = D+E -F
		Projected Beginning Fund Balance	Revenue Budget	Expenditure Budget	Projected Ending Fund Balance	Mid-Cycle Revenue Budget Adjustment	Mid-Cycle Expenditure Budget Adjustment	Ending Fund Balance with Mid- Cycle Adjustments
General Operating Funds								
100	General Fund	2,965,367	15,180,455	16,686,649	1,459,173	1,092,132	410,534	2,140,771
105	1/2 Cent Sales Tax Fund	844,061	1,050,000	1,681,111	212,951	69,000	35,000	246,951
Special Revenue Funds								
202	Gas Tax Fund	148,385	241,733	140,000	250,118	-	50,000	200,118
208	Local Transportation	90,171	52,000	13,449	128,722	32,689	-	161,411
209	RDA	0	340,000	311,351	28,649	(340,000)	(311,351)	0
222	PEG Access Fund	57,536	-	-	57,536	30,000	10,420	77,116
243	Grants-NonCapital	25,315			25,315	100,000	100,000	25,315
249	RDA-Low/Mod Housing	(0)	240,000	222,612	17,388	(240,000)	(222,612)	(0)
250	Housing In Lieu Fee	24,933	55,000	1,000	78,933			78,933
265	Local Business Improvem	138,214	560,000	607,302	90,912	100,000	31,000	159,912
Capital Project Funds								
301	Capital Projects	189,779	1,327,991	1,327,991	189,779	50,000	50,000	189,779
Enterprise Funds								
512	Water Enterprise	2,659,068	3,595,500	3,723,347	2,531,221	-	31,363	2,499,858
513	Water Tax (Lopez/State)	(0)	2,102,546	2,102,832	(286)	23,875	(310,837)	334,426
521	Wastewater Treatment	131,909	3,705,000	3,599,610	237,299	1,300,000	1,322,085	215,214
522	Wastewater Capital Proj	712,951			712,951	-	435,000	277,951
525	Wastewater Expansion	697,794	26,000	340,633	383,161			383,161
537	Local Trans Transit	567	-	3,355	(2,788)	7,700	4,700	212
541	Pier Enterprise	2,348	79,672	77,000	5,020	5,000	5,000	5,020
551	Parking Enterprise	1,346,380	500,500	277,943	1,568,937	-	64,861	1,504,076
Internal Service Funds								
619	Motor Vehicle Fund	2,726,083	739,242	639,121	2,826,204	-	117,099	2,709,104



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GENERAL FUND BUDGET ADJUSTMENTS

Positive numbers are cost decreases or revenue increases

Negative numbers are cost increases or revenue decreases

Dept	Type	Budget Request Description	Type of Change	One-time	On-going	Total	
01 City Council	Expense	Visitor Information Kiosk (VIK) additional printing costs	New Request		(2,500)	(2,500)	
01 City Council Total					(2,500)	(2,500)	
02 Administration	Expense	Transfer budget for Granicus from General Fund to Known New PEG Fee Fund	Expense Change		10,420	10,420	
02 Administration Total					10,420	10,420	
02 CVB	Expense	Various non-profits Outside Requests	New Request	(5,000)		(5,000)	
		VCB Membership	New Request	(20,000)		(20,000)	
		Reduce Collateral Materials Budget to cover outside request	New Request	5,000		5,000	
02 CVB Total					(20,000)	(20,000)	
03 Human Resources	Expense	Add budget for Labor Negotiator	New Request	(30,000)		(30,000)	
03 Human Resources Total					(30,000)	(30,000)	
04 Finance	Expense	Increase budget for postage due to increased postage machine costs.	New Request		(157)	(157)	
		Increase retiree health insurance to reflect new retirees	New Request		(15,000)	(15,000)	
		Add budget for Utility Billing Low Income Subsidy as approved in the 2007 Water and WW Rate Study	New Request		(7,000)	(7,000)	
		Suspend Sick Leave Buy Back for Miscellaneous Employees	Council approved	26,700		26,700	
04 Finance Total					26,700	(22,157)	4,543
05 Public Works	Revenue	FEMA Grant to Fund portion of Generators for Radio Tower Sites	New Request	28,054		28,054	
		Sidewalk Maintenance in Downtown	New Request	35,000		35,000	
	Expense	Generators for Radio Tower Sites	New Request	(40,000)		(40,000)	
		Increase budget for Water and Sewer Charges in the Pier Fund	New Request		(5,000)	(5,000)	
		Public Works Reorg on-going savings from FY 11/12	Council approved		106,851	106,851	
		Sidewalk Maintenance in Downtown	New Request	(35,000)		(35,000)	
05 Public Works Total					(11,946)	101,851	89,905



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Dept	Type	Budget Request Description	Type of Change	One-time	On-going	Total		
06 Police	Revenue	COPS Grant	Known Revenue Change	100,000		100,000		
	Expense	Add budget for Police Dept Handguns	New Request	(20,000)		(20,000)		
		COLA to Animal Services Control Contract of 3%	New Request			(1,000)	(1,000)	
		Decrease budget for Booking Fees as determined by State Budget in FY 11/12	Known Expense Change		76,710		76,710	
		Hazmat cleanup of old Police records in Old City Hall	New Request	(20,000)			(20,000)	
		Increase budget to cover services that are no longer paid by the County/State	New Request			(3,000)	(3,000)	
		Increase training budget	New Request			(2,000)	(2,000)	
		No longer funding the State Narcotics Task Force	Known Expense Change				20,000	20,000
		Purchase Stencil logger recorder software	New Request	(5,000)			(5,000)	
		COPS Grant	Known Expense Change		(100,000)		(100,000)	
		Increase temporary salary budget for 450 hrs for CALEA Accreditation & transition & funding reserves	New Request	(10,000)			(10,000)	
		06 Police Total				21,710	14,000	35,710
		07 Fire	Revenue	Transfer from Motor Vehicle Fund from Ladder Truck	New Request	117,810		117,810
Expense	Projected Increase in CalFire Contract		New Request	(132,060)		(132,060)		
	Cal Fire Contract Savings from Amador Support cost phasing		New Request	12,250		12,250		
	Cal Fire Contract Savings from reducing communications budget		New Request	1,000		1,000		
	Cal Fire Contract Savings from reduce travel budget		New Request	1,000		1,000		
07 Fire Total				-	-	-		
08 Community Development	Expense	Budget for California Code Check Contract	New Request	(60,000)		(60,000)		
08 Community Development Total				(60,000)		(60,000)		



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Dept	Type	Budget Request Description	Type of Change	One-time	On-going	Total	
09 Non-Departmental	Revenue	Increase Half Cent Sales Tax Revenues per HDL Estimates	Revenue Projection		69,000	69,000	
		Increase Plan Check Fees to reflect projected growth	Revenue Projection		50,000	50,000	
		Increase Property Tax In Lieu per HDL Estimates	Revenue Projection		23,000	23,000	
		Increase Retiree Health Trust Reimbursements to offset \$15K cost increases	Revenue Projection		15,000	15,000	
		Increase Sales Tax In Lieu per HDL Estimates	Revenue Projection		95,959	95,959	
		Increase Sales Tax per HDL Estimates	Revenue Projection		100,000	100,000	
		Increase TOT per actuals for FY 11-12	Revenue Projection		500,000	500,000	
		Remove budget for Motor Vehicle In Lieu per State Budget Estimates	Known Revenue Change			(34,000)	(34,000)
		Remove budget from former RDA Fund	Known Revenue Change			(57,691)	(57,691)
		Transfer PEG Access Franchise Fee Revenues from General Fund to new PEG Access Fee Fund	Known Revenue Change			(30,000)	(30,000)
		Increase South County Sanitation Franchise Fees per increase adopted in September 2011	Known Revenue Change			80,000	80,000
			Expense	Increase Half Cent Sales Tax Revenues per HDL Estimates	Revenue Projection		(69,000)
			Pay CCSIF for opened Workers' Comp claims	New Request	(70,000)		(70,000)
09 Non-Departmental Total				(70,000)	742,268	672,268	
10 Outside Requests	Expense	Various non-profits Outside Requests	New Request	(49,700)		(49,700)	
10 Outside Requests Total				(49,700)		(49,700)	
Various Departments	Expense	Benefit changes made through last negotiations	Council approved		30,952	30,952	
Various Departments Total					30,952	30,952	
Total				(193,236)	874,834	681,598	



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OTHER FUNDS BUDGET ADJUSTMENTS

Fund	Fund	Department	Rev/Exp	Budget Request Description	Type of Change	One-time	Ongoing	Total
105	Half Cent Sales Tax	05 Public Works	Expense	Sidewalk Maintenance in Downtown	New Request	(35,000)		(35,000)
		09 Non-Departmental	Revenue	Increase Half Cent Sales Tax Revenues per HDL Estimates	Revenue Projection		69,000	69,000
Half Cent Sales Tax Total						(35,000)	69,000	34,000
202	Gas Tax	05 Public Works	Expense	Left Turn Signal at Five Cities Drive Outlet Center and Highway 101	New Request	(50,000)		(50,000)
Gas Tax Total						(50,000)		(50,000)
208	Local Transportation Fund	09 Non-Departmental	Revenue	Increase budget for TDA Funds per estimates provided by SLOCOG	Known Revenue Change		32,689	32,689
Local Transportation Fund Total							32,689	32,689
209	RDA	08 RDA	Expense	Remove RDA Budget per dissolution of RDA by State as of February 1, 2012	Known Expense Change		311,351	311,351
		09 Non-Departmental	Revenue	Remove revenue budget for RDA	Known Revenue Change		(340,000)	(340,000)
RDA Total							(28,649)	(28,649)
222	PEG Access Fee Fund	02 Administration	Expense	Transfer budget for Granicus from General Fund to New PEG Fee Fund	Known Expense Change		(10,420)	(10,420)
		09 Non-Departmental	Revenue	Transfer PEG Access Franchise Fee Revenues from General Fund to new PEG Access Fee Fund	Known Revenue Change		30,000	30,000
PEG Access Fee Fund Total							19,580	19,580
243	Grants Fund	06 Police	Revenue	COPS Grant	Known Revenue Change	100,000		100,000
			Expense	COPS Grant	Known Expense Change	(100,000)		(100,000)
Grants Fund Total							-	-
249	RDA Low/Mod Housing	08 RDA	Expense	Remove RDA Budget per dissolution of RDA by State as of February 1, 2012	Known Expense Change		222,612	222,612
		09 Non-Departmental	Revenue	Remove revenue budget for RDA	Known Revenue Change		(240,000)	(240,000)
RDA Low/Mod Housing Total							(17,388)	(17,388)



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Fund	Fund	Department	Rev/Exp	Budget Request Description	Type of Change	One-time	Ongoing	Total	
265	LBID	02 CVB	Expense	VCB Membership	New Request	(31,000)		(31,000)	
		09 Non-Departmental	Revenue	Increase LBID Assessment per TOT revenue estimates	Revenue Projection		100,000	100,000	
		LBID Total						(31,000)	100,000
301	Gas Tax	05 Public Works	Revenue	Left Turn Signal at Five Cities Drive Outlet Center and Highway 101	New Request	50,000		50,000	
			Expense	Left Turn Signal at Five Cities Drive Outlet Center and Highway 101	New Request	(50,000)		(50,000)	
		Gas Tax Total						-	-
512	Water Enterprise	04 Finance	Expense	Change Utility Bills to include intelligent mail barcode	New Request	(2,000)		(2,000)	
			05 Public Works	Expense	Flood Control Zone 3 & Area 12: Adjust City's budget to SLO County Budget Estimates	Known Expense Change		3,782	3,782
		Northern Cities Management Area Technical Group contract costs for professional services.	Expense	Northern Cities Management Area Technical Group contract costs for professional services.	New Request	(38,456)		(38,456)	
			State Water: Adjust City's budget to CCWA Budget Estimates	Expense	State Water: Adjust City's budget to CCWA Budget Estimates	Known Expense Change		837	837
			Various Departments	Expense	Benefit changes made through last negotiations	Council approved		4,474	4,474
		Water Enterprise Total						(40,456)	9,093
513	Water Tax	05 Public Works	Expense	Flood Control Zone 3 & Area 12: Adjust City's budget to SLO County Budget Estimates	Known Expense Change		19,719	19,719	
			State Water: Adjust City's budget to CCWA Budget Estimates	Expense	State Water: Adjust City's budget to CCWA Budget Estimates	Known Expense Change		291,118	291,118
		09 Non-Departmental	Revenue	Increase Water Tax Assessments per new rate change	Council approved		23,875	23,875	
Water Tax Total						-	334,712	334,712	



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Fund	Fund	Department	Rev/Exp	Budget Request Description	Type of Change	One-time	Ongoing	Total
521	Wastewater Enterprise	04 Finance	Expense	Change Utility Bills to include intelligent mail barcode	New Request	(2,000)		(2,000)
		05 Public Works	Revenue	Costs to tie back seawall at the St Andrews Lift Station to protect the lift station.	New Request	1,300,000		1,300,000
			Expense	Costs to tie back seawall at the St Andrews Lift Station to protect the lift station.	New Request	(1,300,000)		(1,300,000)
				Wastewater Refunding Annual Savings	Council approved		65,304	65,304
				Add budget for Water and Sewer Charges in the Wastewater Fund	New Request		(18,500)	(18,500)
				Add budget for Fiscal Agent Fees for Wastewater Bonds	Council approved		(2,000)	(2,000)
				Arbitrage Rebate Liability	Council approved	(71,100)		(71,100)
		Various Departments	Expense	Benefit changes made through last negotiations	Council approved		6,211	6,211
Wastewater Enterprise Total						(73,100)	51,015	(22,085)
522	Wastewater Capital Projects	05 Public Works	Expense	Costs to tie back seawall at the St Andrews Lift Station to protect the lift station.	New Request	(435,000)		(435,000)
Wastewater Capital Projects Total						(435,000)		(435,000)
537	Transit	05 Public Works	Expense	Increase budget for Ride-On Contract	Known Expense Change		(4,700)	(4,700)
		09 Non-Departmental	Revenue	Increase budget for TDA Funds per estimates provided by SLOCOG	Known Revenue Change		7,700	7,700
Transit Total							3,000	3,000
541	Pier	05 Public Works	Revenue	Transfer from General Fund for increase Water & Sewer Charges	New Request		5,000	5,000
			Expense	Increase budget for Water and Sewer Charges in the Pier Fund	New Request		(5,000)	(5,000)
Pier Total							-	-



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Fund	Fund	Department	Rev/Exp	Budget Request Description	Type of Change	One-time	Ongoing	Total
551	Parking	08 Community Development	Expense	Add 10% Community Development Direction Salary from former RDA Budget	New Request		(21,443)	(21,443)
				Purchase 3 Digital Parking Machines	New Request	(39,200)		(39,200)
				Second Electric Vehicle for Parking	New Request	(5,000)		(5,000)
		Various Departments	Expense	Benefit changes made through last Council approved negotiations	Council approved		782	782
Parking Total						(44,200)	(20,661)	(64,861)
619	Motor Vehicle Replacement Fund	07 Fire	Expense	Transfer from Motor Vehicle Fund from Ladder Truck	New Request	(117,810)		(117,810)
		Various Departments	Expense	Benefit changes made through last Council approved negotiations	Council approved		711	711
Motor Vehicle Replacement Fund Total						(117,810)	711	(117,099)
Total						(826,566)	553,102	(273,464)



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OUTSIDE AGENCY FUNDING

The Outside Agency Fund provided below is included in the General Fund Budget Adjustments and Other Fund Budget Adjustments sections.

<u>Agency / Program</u>	<u>Approved</u>	<u>Funding Source</u>
American Red Cross	3,500	General Fund
AMPSURF	2,000	General Fund
Assistance League of SLO County	1,500	General Fund
CAP-SLO (EOC) - Maxine Lewis Memorial Shelter	2,200	General Fund
CAP-SLO (EOC) - Adult Wellness & Prevention Screening Program	2,000	General Fund
Destination Imagination	3,000	General Fund
ECO-SLO - County Coastal Cleanup	2,000	General Fund
Economic Vitality Corp	5,000	General Fund
Five Cities Meals on Wheels	4,000	General Fund
People's Self-Help Housing	500	General Fund
Pismo Beach Chamber of Commerce - Clam Festival	10,000	General Fund
Pismo Beach Chamber of Commerce - Band Review	5,000	General Fund
SLO County 211 Hotline - United Way	3,000	General Fund
SLO County Housing Trust Fund	2,000	General Fund
SLO County YMCA	2,000	General Fund
San Luis Obispo Int'l Film Festival	2,000	General Fund
Subtotal Donations from General Fund	\$ 49,700	
Unallocated Fund Balance		
Basin Street Regulars / Jubilee by the Sea	5,000	General Fund CVB Budget
SLO County VCB	100,000	\$40K Gen. Fund CVB, \$60K LBID
Total Donations	\$ 154,700	