



CITY COUNCIL REPORT

7A

DATE: FEBRUARY 21, 2017

TO: MAYOR AND COUNCIL MEMBERS

FROM: MICHELLE FITZER, CITY MANAGER
ANDREA MILLER, FINANCE DIRECTOR

SUBJECT: FY 2016-17 MID-YEAR FINANCIAL REPORT AND APPROVE MID-YEAR BUDGET ADJUSTMENTS

RECOMMENDATION

Receive the FY 2016-17 Mid-Year Financial Report and adopt Resolution approving budget adjustments per staff recommendations in Attachment A.

BACKGROUND

For the period July 2016 through December 2016, cash flows were sufficient to sustain normal City operations and to satisfy Enforceable Obligation payment commitments of the City's Successor Agency.

The City Council adopted a balanced General Fund budget for FY 2016-17 that anticipates maintaining a "balanced" Operating Budget through the continuation of numerous expenditure reductions, coupled with a sustained recovery in local tax revenues (sales, use, and property taxes). A policy commitment of spending restraints has provided time for the local tax base to recover from the last recession and to eliminate the recurrence of structural deficits.

Staff has completed a review of the mid-year financial performance for the City's FY 2016-17 Budget. The City's financial condition continues to show signs of significant improvement.

REVIEW AND ANALYSIS

General Fund Revenue Analysis

The adopted Budget for FY 2016-17 anticipated current year expenditures to be fully offset by operating revenues generating a modest surplus of \$585,103. Staff is now projecting a FY 2016-17 surplus of \$350,757. While Attachment A indicates the revised General Fund expenditures exceed General Fund revenue, this includes \$1,075,000 for the PERB settlement which was approved for allocation from reserves earmarked for this purpose at the first quarter financial review.

The economy in Pinole continues to show signs of fiscal recovery from the Recession of 2008 with overall revenue of 45% realized at mid-year. The City uses HdL, Coren & Cone Consultants to provide an analysis of Sales Tax and property assessed values. Sales Tax revenue is the City's largest General Fund revenue stream which has shown steady increases year-over-year with 40% of projections realized at mid-year. This is based on five months of revenue with December receipts expected in February.

The City has also experienced a significant increase in net property values above FY 2016-17 Property Tax forecasts which were based on a conservative estimate of HdL, Coren & Cone's analysis. Property Tax collections are the City's second largest General Fund revenue stream with 40% of projections realized at mid-year with the second and third installments of Property Tax due in April and June respectively.

Utility Users Tax is the City's third largest General Fund revenue stream with 47% realized at mid-year. Other Taxes which include Transient Occupancy Tax and Business Licenses are at 47% of projections; Franchise Tax is at 63% of projections; Intergovernmental revenue is at 49% of projections; Permit revenue is at 57% of projections with a \$17,000 adjustment proposed to account for additional permit revenue. Service Charges are at 57% of projections; Fines and Forfeitures are at 43% of projections, and Other Revenue is at 25% of projections.

Recommendation:

Staff is recommending FY 2016-17 General Fund revenue adjustments in the amount of \$17,000 to account for additional permit revenue related to the Gateway development as follows:

	FY 2016-17 Budget	Proposed Revisions	FY 2016-17 Updated Budget
Permits	40,275	17,000	57,275
Total Adjustments	40,275	17,000	57,275

General Fund Expenditure Analysis

The City Council approved the FY 2016-17 General Fund Budget with specific expenditure assumptions limiting expenditures to maintain a balance between anticipated revenues and planned expenditures. The goal was to maintain a balanced budget and continue the process of rebuilding General Fund Reserves by allocating Measure S 2014 funds of \$200,000 per year beginning in fiscal year 2016-17.

Operating expenditures for the City's General Fund departments are at 52% of projections at mid-year. As outlined in Attachment A, \$500 is proposed in the City Treasurer Office for training; and Police adjustments in Operations of \$1,508 and Dispatch of \$25,000 are proposed to appropriate additional funding for overtime to cover a staff person out on medical leave.

Recommendation:

Staff is recommending FY 2016-17 General Fund expenditure adjustments in the amount of \$25,500 as follows:

	FY 2016-17 Budget	Proposed Revisions	FY 2016-17 Updated Budget
City Treasurer	14,217	500	14,717
Police Dispatch	1,077,805	25,000	1,102,805
Total Adjustments	1,092,022	25,500	1,117,522

OTHER FUNDS

Measure S 2006 and 2014 Analysis

The voter-approved 2006 City Use Tax is levied at 0.5% on all retail sales. These taxes have been pledged by the City Council to fund Public Safety Programs as their highest funding priority. Measure S 2006 revenue collections were 41% of projections at mid-year based on five months of receipts (December is received in February), while expenditures are also at 41% of appropriations.

The voter-approved 2014 City Use Tax is also levied at 0.5% on all retail sales. These funds are used to address some of the City's operational and capital improvement needs. Measure S 2014 revenue collections are 41% of projections at mid-year (also based on five months of receipts), while expenditures are 4% of appropriations. A large portion of Measure S 2014 is allocated to capital projects which will begin later in the fiscal year.

Recommendation:

Staff is not recommending mid-year adjustments to Measure 2006 or 2014 at this time.

SPECIAL REVENUE FUNDS

Gas Tax Analysis

The State imposes excise taxes on various transportation fuels which are levied on sales within the City limits. Use of Gas Taxes are restricted to street and road purposes. Gas Tax revenue at mid-year is 49% of projections while expenditures are 40% of appropriations.

Recommendation:

Staff is recommending expenditure adjustments from Gas Tax reserves to account for higher than expected utilities for street lights (\$19,000), and for attorney services (\$3,000) as follows:

Expenditures	FY 2016-17 Budget	Proposed Revisions	FY 2016-17 Updated Budget
Public Works	353,480	22,000	375,480
Total Adjustments	353,480	22,000	375,480

Police Grants Analysis

The City receives a variety of grants from Federal, State, and County governments to support public safety programs. The City had an active grant with the State of California Office of Traffic Safety (OTS) for their Selective Traffic Enforcement Program (STEP) grant. The grant period was from October 1, 2015 through September 30, 2016 for a total of \$147,000.

Recommendation:

Staff is recommending revenue and expenditure adjustments of \$13,118 each to account for the final OTS STEP grant related revenue and expenditures for the quarter ending September 30, 2016 as follows:

Revenue	FY 2016-17 Budget	Proposed Revisions	FY 2016-17 Updated Budget
Office of Traffic Safety	0	13,118	13,118
Total Adjustments	0	13,118	13,118

Expenditures	FY 2016-17 Budget	Proposed Revisions	FY 2016-17 Updated Budget
OTS STEP Grant	0	13,118	13,118
Total Adjustments	0	13,118	13,118

Recreation Analysis

In 2013, the City Council approved a reorganization of the Recreation Department which included standardization of job descriptions, reduction in hours and a three year rate increase. The purpose was to comply with the City Council's direction that the Recreation functions become self sustaining. Program fees for the After School and Tiny Tots Programs increased to generate sufficient revenues to cover operation costs, as well as to provide for a future sustainable revenue source while maintaining competitive rates. In addition, nonprofit organizations like the Pinole Area Senior Foundation continue to make contributions to the City to help finance programs and activities.

In November of 2016, staff presented an Organizational Assessment to the City Council. The City Council approved staff's recommendations to reduce the number of 10-hour per week Youth Center Recreation Leader positions by four from nine to five, and to increase the hourly wage for Senior Recreation Leader and Recreation Leader classifications in all divisions by \$2 with an anticipated net savings of (\$6,706).

Program revenue at mid-year is 34% of projections while expenditures are at 44% of appropriations. Recreation Administration expenditures are higher than average for the period (60%) because it includes Halloween Festival, Tree Lighting, and activity guide printing and mailing expenditures. Day Camp revenue and expenditures are lower than average for the period (34% and 24% respectively) because summer programs occur in May and June. Staff will continue to monitor revenue and expenditures in the Recreation program and will return to Council in March for a workshop to discuss service levels and recommend adjustments at that time.

Recommendation:

Staff is not recommending mid-year revenue or expenditure adjustments to Recreation at this time.

Senior Center Analysis

The Senior Center FY 2016-17 budget projects a positive year-end surplus. Revenue at mid-year is 47% of projections, and expenditures are 30% of appropriations at mid-year. Staff will continue to monitor revenue and expenditures in the Senior Center program and will return to Council in March for a workshop to discuss service levels and recommend adjustments at that time.

Recommendation:

Staff is not recommending mid-year revenue or expenditure adjustments to Senior Center at this time.

Building Fund Analysis

The Building Fund's FY 2016-17 adopted budget projected a net \$90,939 from fund balance to achieve a balanced budget. Revenue at mid-year is 36% of projections, while expenditures are 37% of appropriations. Adjustments of \$10,136 are proposed cover increased Planning Commission meeting associated expenses for PCTV (\$7,000); and minutes and publications (\$3,836).

Recommendation:

Staff is recommending FY 2016-17 Building Fund adjustments in the amount of \$10,136 as follows:

Expenditures	FY 2016-17 Budget	Proposed Revisions	FY 2015-16 Updated Budget
Community Development	327,329	10,136	337,465
Total Adjustments	327,329	10,136	327,329

Cable Access TV Analysis

General Fund support for Cable Access TV (PCTV) operations continues to be an ongoing concern. At mid-year, revenues received are lower than projected. Based on a preliminary assessment and an estimate of revenues and expenditures at year end, an additional subsidy of \$50,000 above the \$96,000 already budgeted will be required. Staff is not proposing any changes at this time as it continues to monitor revenue and expenditures in the PCTV program. Staff will return to Council in March for a workshop to discuss service levels and recommend adjustments at that time.

Recommendation:

Staff is not recommending mid-year revenue or expenditure adjustments to Cable Access TV (PCTV) at this time.

Housing Administration Analysis

Activities associated with administering housing programs of the former Pinole Redevelopment Agency and use of Housing Set Aside funds and the provision of affordable housing within the community are maintained within the Housing Fund.

Revenue at mid-year is 56% of projections, while expenditures are 57% of appropriations. Revenue adjustments of \$95,000 are recommended to account for a claims settlement received in the amount of \$35,000; and housing loans principal and interest paid off in the amount of \$45,000 and \$15,000 respectively.

Expenditure adjustments of \$17,500 are proposed to cover \$5,000 for additional attorney services related to PALC, and \$12,500 for tree removal services.

Recommendation:

Staff is recommending revenue adjustments of \$95,000 and expenditures of \$17,500 as follows:

Revenue	FY 2016-17 Budget	Proposed Revisions	FY 2016-17 Updated Budget
Miscellaneous Revenue	0	35,000	35,000
Principal Loan Repayment	20,000	45,000	65,000
Interest Loan Repayment	1,000	15,000	16,000
Total Adjustments	21,000	95,000	116,000

Expenditures	FY 2016-17 Budget	Proposed Revisions	FY 2016-17 Updated Budget
Housing Admin	82,870	17,500	100,370
Total Adjustments	82,870	17,500	100,370

CAPITAL PROJECT FUNDS

L & L District Analysis

The Lighting and Landscape Assessment District maintains lighting and median landscape funded by assessments to property owners within the respective district. L & L District revenue at mid-year is 48% of projections while expenditures are 43% of appropriations.

Recommendation:

Staff is recommending expenditure adjustments from L & L District reserves to account for higher than expected median maintenance costs as follows:

Expenditures	FY 2016-17 Budget	Proposed Revisions	FY 2016-17 Updated Budget
Zone A/Kaiser Medians	23,628	500	24,128
Zone B/PV Shopping Ctr Medians	18,242	1,600	19,842
Total Adjustments	41,870	2,100	43,970

ENTERPRISE FUNDS

Sewer Enterprise Analysis

The Sewer Enterprise Fund maintains a balanced budget with anticipated revenues exceeding budgeted expenditures by \$1,264,882. Included in this figure is \$425,000 and \$290,000 for collection line repairs and depreciation of equipment at the Wastewater Plant, respectively to arrive at a net \$549,882 projected surplus.

FY 2016-17 revenue receipts are 48% at mid-year. Charges for Services collections are 57% at mid-year, while usage fees charged to Hercules collections are 28% at mid-year. Staff is recommending a \$12,000 revenue adjustment for Sewer Laterals.

Expenses are 39% at mid-year. Staff is recommending a \$20,500 expense adjustment in Sewer Collection to account for \$500 in annual fees for underground service alerts, and \$20,000 to cover preliminary hydraulic analysis of insulated area of the collection system to assess possible cause of sewer overflows.

Recommendation:

Staff is recommending FY 2016-17 Sewer Enterprise adjustments as follows:

Revenue	FY 2016-17 Budget	Proposed Revisions	FY 2016-17 Updated Budget
Sewer Laterals	0	12,000	12,000
Total Adjustments	0	12,000	12,000

Expenditures	FY 2016-17 Budget	Proposed Revisions	FY 2016-17 Updated Budget
Sewer Collection	1,100,649	20,500	1,121,149
Total Adjustments	1,100,649	20,500	1,121,149

Information Systems Analysis

Information Systems are maintained through cooperative efforts with departments within the organization. Hardware and software solutions to increase efficiency and effectiveness are coordinated through the Information Systems department and expensed to departments through an Internal Service Fund (ISF). Expense allocations are based on actual use and level of service.

The Information Systems Fund adopted FY 2016-17 budget projected \$173,156 net expense. Expense allocations to departments exceed actual expenses by 10% at mid-year.

Staff is recommending a \$5,600 expense adjustment to cover additional costs of information services contract.

Recommendation:

Staff is recommending FY 2016-17 Sewer Enterprise adjustments as follows:

Revenue	FY 2016-17 Budget	Proposed Revisions	FY 2016-17 Updated Budget
Information Systems	173,156	5,600	178,756
Total Adjustments	173,156	5,600	178,756

FISCAL IMPACT

Fiscal impacts of the FY 2016-17 Financial Report proposed budget adjustments are summarized below and described in detail above and in Attachment A:

1. Net increase in General Fund revenues of \$17,000 offset by a net increase in General Fund expenditures of \$27,008.
2. A net increase in Gas Tax expenditures of \$22,000.
3. A net increase in Police Grant revenues of \$13,118 offset by a net increase in expenditures of \$13,118.
4. A net increase in Building Fund expenditures of \$10,136.
5. A net increase in Housing Fund revenue of \$95,000 offset by a net increase of \$17,500 in expenditures.
6. A net increase in L & L District expenditures of \$2,100.
7. A net increase in Sewer Enterprise revenue of \$12,000 offset by a net increase of expenses of \$20,500.
8. A net increase of Information Systems expenses of \$5,600.

ATTACHMENTS

Attachment A – FY 2016-17 Mid-Year Financial Report

Attachment B – Resolution Adjusting Fiscal Year 2016-17 Budget

**City of Pinole
Fiscal Year 2016-17
Mid-Year Financial Report**

ATTACHMENT A

General Fund - 100	FY 2016-17 Adopted Budget	Mid-Year Actual to Date Jul16-Dec16	Mid-Year Percent Actual	Proposed Budget Adjustments	FY 2016-17 Revised Budget	Notes
REVENUE:						
PROPERTY TAX	2,969,598	1,202,164	40%	-	2,969,598	
SALES TAX	3,567,941	1,443,452	40%	-	3,567,941	[1]
FRANCHISE TAX	682,334	429,082	63%	-	682,334	
OTHER TAXES	700,000	326,624	47%	-	700,000	[2,3]
UTILITY USERS TAX	1,819,059	859,038	47%	-	1,819,059	
INTERGOVERNMENTAL	1,684,346	833,041	49%	-	1,684,346	
PERMITS	40,275	22,763	57%	17,000	57,275	[4]
SERVICE CHARGES	378,500	216,052	57%	-	378,500	
FINES & FORFEITURES	56,050	24,279	43%	-	56,050	
OTHER REVENUE	124,525	31,220	25%	-	124,525	[5]
TOTAL REVENUE	12,022,628	5,387,716	45%	17,000	12,039,628	
EXPENDITURES:						
CITY COUNCIL	107,812	29,740	28%	-	107,812	[6]
CITY MANAGER	105,159	59,806	57%	-	105,159	
CITY CLERK	219,369	32,876	15%	-	219,369	
CITY TREASURER	14,217	823	6%	500	14,717	[7]
CITY ATTORNEY	205,000	72,805	36%	-	205,000	
FINANCE	361,585	202,164	56%	-	361,585	
HUMAN RESOURCES	274,875	137,432	50%	-	274,875	
GENERAL GOVERNMENT	1,191,604	668,409	56%	-	1,191,604	
BENEFITS CLEARING/INSURANCE	732,723	357,263	49%	-	732,723	
TOTAL ADMINISTRATIVE	3,212,344	1,561,318	49%	500	3,212,844	
POLICE OPERATIONS	2,809,003	1,212,038	43%	1,508	2,810,511	[8]
POLICE SERVICES	1,094,833	533,436	49%	-	1,094,833	
DISPATCH	1,077,805	657,190	61%	25,000	1,102,805	[9]
FIRE	3,674,230	2,192,958	60%	-	3,674,230	[10]
TOTAL PUBLIC SAFETY	8,655,871	4,595,622	53%	26,508	8,682,379	
ADMIN & ENGINEERING	150,510	55,999	37%	-	150,510	
VEHICLE MAINTENANCE	53,485	20,518	38%	-	53,485	
GENERAL MAINTENANCE	414,953	225,064	54%	-	414,953	
PARK MAINTENANCE	236,028	102,118	43%	-	236,028	
TOTAL PUBLIC WORKS	854,976	403,699	47%	-	854,976	
COMMUNITY DEVELOPMENT	8,084	4,210	52%	-	8,084	
TOTAL COMMUNITY DEVELOPEMNT	8,084	4,210	52%	-	8,084	
RECREATION	5,588	247	4%	-	5,588	
TOTAL RECREATION	5,588	247	4%	-	5,588	
TOTAL EXPENDITURES	12,736,863	6,565,096	52%	27,008	12,763,871	

NOTES:

- [1] December Sales Tax receipts are received in February.
- [2] Delay in posting business license receipts due to technical difficulties.
- [3] TOT higher than average (67%) for the period.
- [4] Permit revenue higher than average related to Gateway development.
- [5] Rent receipts for Post Office (\$13,575) posted to wrong period; Journal entry will be processed to correct. Timing of restitution re
- [6] Budget added for Council salary increases (\$18,750) approved effective January 1, 2017.
- [7] Training for City Treasurer.
- [8] OTS STEP Grant expenditures over allowance.
- [9] Dispatch overtime is at 95% of budget for the period. Employee on medical leave.
- [10] PERB settlement adjustment approved at Q1.

City of Pinole
Fiscal Year 2016-17
Mid-Year Financial Report

ATTACHMENT A

OTHER FUNDS	FY 2016-17 Adopted Budget	Mid-Year Actual to Date Jul16-Dec16	Mid-Year Percent Actual	Proposed Budget Adjustments	FY 2016-17 Revised Budget	Notes
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Measure S -2006 - 105

REVENUE:

Sales Tax	1,855,350	754,767	41%		1,855,350	[1]
Investment Earnings	1,000	(1,159)	-116%		1,000	
TOTAL REVENUE	1,856,350	753,609	41%	-	1,856,350	

EXPENDITURES:

POLICE	1,283,066	564,797	44%	-	1,283,066	
FIRE	569,966	226,413	40%	-	569,966	
DEBT SERVICE	70,433	-	0%	-	70,433	
TOTAL EXPENDITURES	1,923,465	791,210	41%	-	1,923,465	

MEASURE S-2014 - 106

REVENUE:

Sales Tax	1,855,350	757,256	41%		1,855,350	[1]
Investment Earnings	500	(969)	-194%		500	
TOTAL REVENUE	1,855,850	756,287	41%	-	1,855,850	

EXPENDITURES:

CITY ATTORNEY	25,000	-	0%	-	25,000	
FINANCE	2,500	-	0%	-	2,500	
GENERAL GOVERNMENT	961,364	-	0%	-	961,364	
INFORMATION SERVICES	280,000	70,676	25%	-	280,000	
POLICE	53,837	8,883	16%	-	53,837	
FIRE	253,962	11,589	5%	-	253,962	
PUBLIC WORKS	162,521	-	0%	-	162,521	
RECREATION	7,000	5,676	81%	-	7,000	
CAPITAL PROJECTS	600,900	4,542	1%	-	600,900	
TOTAL EXPENDITURES	2,347,084	101,365	4%	-	2,347,084	

NH-RE RstrRsale - 155

REVENUE:

MISCELLANEOUS REVENUE	39,798	1,835	5%	-	39,798	
TOTAL REVENUE	39,798	1,835	5%	-	39,798	

EXPENDITURES:

GENERAL MAINTENANCE	50,700	11,101	22%	-	50,700	
TOTAL EXPENDITURES	50,700	11,101	22%	-	50,700	

NOTES:

[1] December Sales Tax receipts are received in February.

City of Pinole
Fiscal Year 2016-17
Mid-Year Financial Report

ATTACHMENT A

SPECIAL REVENUE FUNDS	FY 2016-17 Adopted Budget	Mid-Year Actual to Date Jul16-Dec16	Mid-Year Percent Actual	Proposed Budget Adjustments	FY 2016-17 Revised Budget	Notes
Gas Tax Fund - 200						
REVENUE:						
Gas Tax #2106	62,558	37,311	60%		62,558	
Gas Tax #2107	164,321	64,669	39%		164,321	
Gas Tax #2107.5	4,000	4,000	100%		4,000	
Gas Tax #2105	118,330	53,506	45%		118,330	
Gas Tax #2103	44,686	33,521	75%		44,686	
TOTAL REVENUE	393,895	193,008	49%	-	393,895	
EXPENDITURES:						
PUBLIC WORKS	353,480	166,805	47%	22,000	375,480	[1,2]
CAPITAL PROJECTS	60,750	-	0%	-	60,750	
TOTAL EXPENDITURES	414,230	166,805	40%	22,000	436,230	
AB172 Public Safety Fund - 203						
REVENUE:						
State Safety Sales Tax	150,000	67,392	45%		150,000	
Investment Earnings	-	(116)	-100%		-	
TOTAL REVENUE	150,000	67,276	45%	-	150,000	
EXPENDITURES:						
Admin Debits	135,712	68,012	50%		135,712	
TOTAL EXPENDITURES	135,712	68,012	50%	-	135,712	
Police Grants - 204						
REVENUE:						
Office of Traffic Safety	-	13,118	-100%	13,118	13,118	[3]
Misc Grant	320,000	-	0%		320,000	
TOTAL REVENUE	320,000	13,118	4%	13,118	333,118	
EXPENDITURES:						
POLICE GRANTS	320,000	182,413	57%	-	320,000	
OTS STEP GRANT	-	14,626	-100%	13,118	14,626	[3]
TOTAL EXPENDITURES	320,000	197,038	62%	13,118	334,626	

NOTES:

[1] Addition of attorney services (\$3,000).

[2] Utilities higher than expected (\$19,000).

[3] Final OTS STEP grant revenue and expenses. Move \$1,508 over grant allowance to General Fund.

City of Pinole
Fiscal Year 2016-17
Mid-Year Financial Report

ATTACHMENT A

SPECIAL REVENUE FUNDS	FY 2016-17 Adopted Budget	Mid-Year Actual to Date Jul16-Dec16	Mid-Year Percent Actual	Proposed Budget Adjustments	FY 2016-17 Revised Budget	Notes
Traffic Safety - 205						
REVENUE:						
Traffic Safety Fund	57,750	17,808	31%		57,750	
Investment Earnings	-	(51)	-100%		-	
TOTAL REVENUE	57,750	17,757	31%	-	57,750	
EXPENDITURES:						
POLICE GRANTS	38,504	3,548	9%	-	38,504	
TOTAL EXPENDITURES	38,504	3,548	9%	-	38,504	
SLESF - 206						
REVENUE:						
AB3229/AB1913	100,000	48,357	48%		100,000	
TOTAL REVENUE	100,000	48,357	48%	-	100,000	
EXPENDITURES:						
Admin Debits	92,033	50,212	55%		92,033	
TOTAL EXPENDITURES	92,033	50,212	55%	-	92,033	
NPDES STORM DRAIN - 207						
REVENUE:						
Investment Earnings	-	(13)	-100%		-	
NPDES Assessment	315,768	6,155	2%		315,768	
TOTAL REVENUE	315,768	6,143	2%	-	315,768	
EXPENDITURES:						
NPDES STORM DRAIN	315,768	134,528	43%	-	315,768	
TOTAL EXPENDITURES	315,768	134,528	43%	-	315,768	

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SPECIAL REVENUE FUNDS	FY 2016-17 Adopted Budget	Mid-Year Actual to Date Jul16-Dec16	Mid-Year Percent Actual	Proposed Budget Adjustments	FY 2016-17 Revised Budget	Notes
Recreation - 209						
REVENUE:						
RECREATION ADMIN	47,247	13,258	28%	-	47,247	
SENIOR CENTER	227,000	54,440	24%	-	227,000	
SWIM CENTER	52,500	7,500	14%	-	52,500	
MEMORIAL HALL	5,300	-	0%	-	5,300	
TINY TOTS	197,418	85,519	43%	-	197,418	
PERFORMING ARTS	44,900	24,836	55%	-	44,900	
TENNIS	2,750	510	19%	-	2,750	
DAY CAMP	117,350	39,965	34%	-	117,350	
YOUTH CENTER	160,495	60,675	38%	-	160,495	
TOTAL REVENUE	854,960	286,703	34%	-	854,960	

EXPENDITURES:						
RECREATION ADMIN	150,147	90,374	60%	-	150,147	[1]
SENIOR CENTER	264,618	101,151	38%	-	264,618	
SWIM CENTER	40,544	16,130	40%	-	40,544	
MEMORIAL HALL	4,600	1,693	37%	-	4,600	
TINY TOTS	100,020	45,786	46%	-	100,020	
PERFORMING ARTS	44,000	19,794	45%	-	44,000	
TENNIS	2,500	1,097	44%	-	2,500	
DAY CAMP	68,368	16,157	24%	-	68,368	
YOUTH CENTER	169,173	79,717	47%	-	169,173	
TOTAL EXPENDITURES	843,970	371,898	44%	-	843,970	

Senior Center Program - 211

REVENUE:						
SENIOR CENTER	320,450	150,822	47%	-	320,450	
TOTAL REVENUE	320,450	150,822	47%	-	320,450	

EXPENDITURES:						
SENIOR CENTER	301,550	91,040	30%	-	301,550	
TOTAL EXPENDITURES	301,550	91,040	30%	-	301,550	

NOTES:

[1] Expenses associated with Halloween Festival, Tree Lighting, and activity guide printing and mailing.

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SPECIAL REVENUE FUNDS	FY 2016-17 Adopted Budget	Mid-Year Actual to Date Jul16-Dec16	Mid-Year Percent Actual	Proposed Budget Adjustments	FY 2016-17 Revised Budget	Notes
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Bldg & Planning - 212

REVENUE:

BUSINESS LICENSE	1,800	469	26%	-	1,800
INTERGOVERNMENTAL	2,400	-	0%	-	2,400
CONSTRUCTION PERMITS	645,900	182,528	28%	-	645,900
SERVICE CHARGES	191,500	111,856	58%	-	191,500
FINES & FORFEITURES	800	-	0%	-	800
OTHER REVENUE	7,000	9,173	131%	-	7,000
TOTAL REVENUE	849,400	304,026	36%	-	849,400

EXPENDITURES:

COMMUNITY DEVELOPMENT	327,329	93,904	29%	10,136	337,465	[1]
BUILDING INSPECTION	613,010	256,521	42%	-	613,010	[2]
TOTAL EXPENDITURES	940,339	350,424	37%	10,136	950,475	

AB 939 REFUSE MANAGEMENT - 213

REVENUE:

Dept.of Conservation	-	5,128	-100%	-	-
AB939 Rate Increase	60,060	30,319	50%	-	60,060
Investment Earnings	-	(407)	-100%	-	-
TOTAL REVENUE	60,060	35,040	58%	-	60,060

EXPENDITURES:

REFUSE MANAGEMENT	112,712	44,477	39%	-	112,712
CAPITAL PROJECT	100,000	-	0%	-	100,000
TOTAL EXPENDITURES	212,712	44,477	21%	-	212,712

Measure C/J Fund - 215

REVENUE:

Measure C	303,590	-	0%	-	303,590
Investment Earnings	-	(538)	-100%	-	-
TOTAL REVENUE	303,590	(538)	0%	-	303,590

EXPENDITURES:

PUBLIC WORKS	145,356	31,466	22%	-	145,356
CAPITAL PROJECTS	127,177	-	0%	-	127,177
TOTAL EXPENDITURES	272,533	31,466	12%	-	272,533

NOTES:

- [1] Planning meeting budget was understated for PCTV, minutes and publication expenses.
- [2] Reallocate budget from salary savings to cover attorney fees and contract building inspector services.

City of Pinole
Fiscal Year 2016-17
Mid-Year Financial Report

ATTACHMENT A

SPECIAL REVENUE FUNDS	FY 2016-17 Adopted Budget	Mid-Year Actual to Date Jul16-Dec16	Mid-Year Percent Actual	Proposed Budget Adjustments	FY 2016-17 Revised Budget	Notes
Cable Access TV - 228						
REVENUE:						
FRANCHISE-CABLE	62,651	24,422	39%		62,651	
Video Production	96,500	28,456	29%		96,500	
PEG Access Fees	59,200	16,227	27%		59,200	[1]
Contributions-Special Events	5,500	3,750	68%		5,500	
Transfers In	96,364	-	0%		96,364	[2]
TOTAL REVENUE	320,215	72,855	23%	-	320,215	
EXPENDITURES:						
CABLE ACCESS TV	320,215	153,189	48%	-	320,215	
TOTAL EXPENDITURES	320,215	153,189	48%	-	320,215	
Housing-Land Held - 285						
REVENUE:						
Investment Earnings	75,000	(56,053)	-75%		75,000	
Ground Lease Rentals	72,253	36,127	50%		72,253	
Miscellaneous Revenue	-	35,000	-100%	35,000	35,000	[3]
Principal Loan Repayment	20,000	63,315	317%	45,000	65,000	[4]
Interest Loan Repayment	1,000	15,522	1552%	15,000	16,000	[4]
TOTAL REVENUE	168,253	93,910	56%	95,000	263,253	
EXPENDITURES:						
HOUSING ADMIN	82,870	46,998	57%	17,500	100,370	[5,6]
TOTAL EXPENDITURES	82,870	46,998	57%	17,500	100,370	

NOTES:

- [1] Designated for capital expenditures.
- [2] General Fund support for operations is an ongoing concern.
- [3] Claims settlement receipt.
- [4] Housing loan payoff.
- [5] Additional attorney services for PALC (\$5,000).
- [6] Tree removal service (\$12,500).

City of Pinole
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ATTACHMENT A

CAPITAL PROJECT FUNDS	FY 2016-17 Adopted Budget	Mid-Year Actual to Date Jul16-Dec16	Mid-Year Percent Actual	Proposed Budget Adjustments	FY 2016-17 Revised Budget	Notes
L&L Districts - 310						
REVENUE:						
NPDES Assessment	33,870	18,822	56%		33,870	
TRANSFERS IN	5,000	-	0%	-	5,000	
TOTAL REVENUE	38,870	18,822	48%	-	38,870	
EXPENDITURES:						
ZONE A/KAISER MEDIANS	23,628	10,969	46%	500	24,128	[1]
ZONE B/PV SHOPPING CTR MEDIANS	18,242	7,023	38%	1,600	19,842	[2]
TOTAL EXPENDITURES	41,870	17,992	43%	2,100	43,970	
PV Caretaker's - 317						
REVENUE:						
Rentals	15,000	6,250	42%		15,000	
TOTAL REVENUE	15,000	6,250	42%	-	15,000	
EXPENDITURES:						
PARKS/REC FACILITY	14,824	7,416	50%	-	14,824	
TOTAL EXPENDITURES	14,824	7,416	50%	-	14,824	

NOTES:

[1] Additional median maintenance costs from reserves.

[2] Additional median maintenance costs from reserves.

City of Pinole
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ATTACHMENT A

ENTERPRISE FUNDS	FY 2016-17 Adopted Budget	Mid-Year Actual to Date Jul16-Dec16	Mid-Year Percent Actual	Proposed Budget Adjustments	FY 2016-17 Revised Budget	Notes
Sewer Enterprise - 500						
REVENUE:						
Sewer Usage Fees	4,901,704	2,799,946	57%		4,901,704	
Sewer Plant-Hercules	2,300,720	639,248	28%		2,300,720	
SEWER LATERALS	-	7,905	-100%	12,000	12,000	[1]
Investment Earnings	-	(3,989)	-100%		-	
TOTAL REVENUE	7,202,424	3,443,109	48%	12,000	7,214,424	
EXPENSES:						
SEWER TREATMENT PLANT	3,560,405	1,375,957	39%	-	3,560,405	
SEWER COLLECTION	1,100,649	296,559	27%	20,500	1,121,149	[2,3]
SEWER PROJECTS	60,000	-	0%	-	60,000	
DEPRECIATION EXPENSE	580,000	182,394	31%	-	580,000	
WPCP EQUIP/DEBT	636,488	443,823	70%	-	636,488	
TOTAL EXPENSES	5,937,542	2,298,733	39%	20,500	5,958,042	
Plant Expansion - 503						
REVENUE:						
Cap Proj Reimb	14,075,281	22,582	0%		14,075,281	
Investment Earnings	-	398	-100%		-	
TOTAL REVENUE	14,075,281	22,981	0%	-	14,075,281	
EXPENSES:						
SEWER PROJECTS	12,811,987	51,856	0%	-	12,811,987	
TOTAL EXPENSES	12,811,987	51,856	0%	-	12,811,987	
Information Systems - 525						
EXPENSES:						
INFORMATION SYSTEMS	173,156	(17,284)	-10%	5,600	178,756	[4]
TOTAL EXPENSES	173,156	(17,284)	-10%	5,600	178,756	

NOTES:

- [1] Add budget for sewer lateral revenue.
- [2] Underground service alert annual fees (\$500).
- [3] Preliminary hydraulic analysis of insulated area of the collection system to assess possible cause of sewer overflows (\$20,000).
- [4] Allocate salary and benefits vacancy savings to professional services. Increase budget by \$5,600 for contract service.

City of Pinole
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Mid-Year Financial Report

ATTACHMENT A

AGENCY FUNDS	FY 2016-17 Adopted Budget	Mid-Year Actual to Date Jul16-Dec16	Mid-Year Percent Actual	Proposed Budget Adjustments	FY 2016-17 Revised Budget	Notes
RORF - 750						
REVENUE:						
SECURED PROPERTY TAX	253,500	-	0%		253,500	
OTHER REVENUE	-	4,047	-100%	-	-	
TOTAL REVENUE	253,500	4,047	2%	-	253,500	
EXPENSES:						
REDEV-ADMIN	253,500	100,405	40%	-	253,500	
NON-HOUSING RDA	-	8,219	-100%	-	-	
DEBT SERVICE	-	2,852,573	-100%	-	-	[1]
DEPRECIATION EXPENSE	-	90,936	-100%	-	-	
TOTAL EXPENSES	253,500	3,052,133	1204%	-	253,500	

NOTES:

[1] Debt service payments are included on the approved Recognized Obligation Payment Schedule (ROPS). The City only includes budget for the administrative expenses we receive funding for.

RESOLUTION NO. 2017-xx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, AMENDING THE CITY BUDGET FOR FISCAL YEAR 2016-17

WHEREAS, the City Council did adopt an Operations Budget for City Operations by Resolution number 2016-49 on June 21, 2016; and

WHEREAS, the Finance Director has presented proposed recommendations for amendment of the adopted budget for the City of Pinole Operations for fiscal year 2016-17 as part of a Mid-Year Budget Review at the regular City Council Meeting held on February 21, 2017; and

WHEREAS, the City Council has considered these recommended changes, as to the matter of the City budget; and

WHEREAS, the City Council has solicited public input on the proposed amendments to the 2016-17 City Operations Budgets.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Pinole as follows:

Amendments to the budget and program of services for the City of Pinole for fiscal year 2016-17 commencing July 1, 2016 and ending June 30, 2017 are hereby approved and adopted, as set forth in Exhibit #1 (herein incorporated).

PASSED AND ADOPTED this 21st day of February 2017, by the following vote, to-wit:

- AYES: COUNCILMEMBERS:
- NOES: COUNCILMEMBERS:
- ABSENT: COUNCILMEMBERS:
- ABSTAIN: COUNCILMEMBERS:

Rosa Acosta
City Clerk

FY 2016-17 Mid-Year Adjustments

General Fund

Revenues	\$17,000
Expenditures	\$27,008

Gas Tax

Expenditures	\$22,000
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Police Grants

Revenues	\$13,113
Expenditures	\$13,113

Building Fund

Expenditures	\$10,136
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Housing Fund

Revenue	\$95,000
Expenditures	\$17,500

L&L District Fund

Expenditures	\$21,000
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Sewer Enterprise

Revenue	\$12,000
Expenditures	\$20,500

Information Systems

Expenditures	\$5,600
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