

CITY COUNCIL

For City Clerk's Use:

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APPROVED

☐

DENIED

Reso No. _____

File No. _____

Ord No. _____

Agenda Item No.: 4

Date: April 28, 2010

TO: Honorable Mayor and Members of the City Council

FROM: Gilbert Rojas, Director of Finance

SUBJECT: Fiscal Year 09/10 Budget Amendment

RECOMMENDATION:

It is requested that Council approve an amendment to the FY 2009/10 Operating Budget. This amendment will accomplish the following 3 changes:

1. Budget the State take away of Redevelopment Funds
2. Increase the Fire Department Budget
3. Recognize the County lawsuit settlement payment

FISCAL ANALYSIS:

1. The amount of \$8,556,226 due to the State SERAF Fund will be paid out of the Redevelopment Fund Balance.
2. The General Fund Budget modification has no financial affect on the General Fund since Estimated Revenue and Fire Budget increase together.
3. The payment from the County of San Diego in response to the Hohar Dulce Hogar lawsuit will be accounted for in the Redevelopment Agency revenues since the agency reimbursed the Housing Set Aside Fund.

PREVIOUS ACTION:

The FY 2009/10 budget was adopted on June 29, 2009, and amended on March 3, 2010.

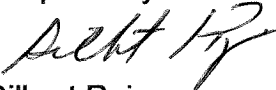
BACKGROUND:

1. The State of California Budget that was approved by the legislature and signed by the governor in July 2009 includes ABX4-26 which authorized a \$2.05 billion raid of Redevelopment Funds. The City of Escondido's portion of that total is \$8,556,226. The California Redevelopment Association has filed a lawsuit in Sacramento Superior Court challenging the constitutionality of taking these funds.
2. As of March 31, 2010, the paramedic transport revenue is exceeding our estimate by \$400,000. As a result, the budget amount for transport supplies has been exceeded by the

Fire Department. The \$60,000 should allow the Fire Department to maintain supplies through the end of the fiscal year.

3. The \$1,671,224 represents the County of San Diego's share of the Hugar Dulce Hugar housing lawsuit. The Redevelopment Agency transferred Redevelopment Funds to the Housing Fund in 2005 so these funds will go to Redevelopment as a reimbursement of that payment in 2005.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Gilbert Rojas", written over the printed name.

Gilbert Rojas
Director of Finance

Date of Request: April 8, 2010 _____

Department: Finance _____

Division: _____

Project/Budget Manager: Gil Rojas 4322
Name Extension

Council Date (if applicable): 4/28/2010
(attach copy of staff report)

Log # _____
Fiscal Year _____

_____ Budget Balances
_____ General Fund Accts
_____ Revenue
_____ Interfund Transfers
_____ Fund Balance

Project/Account Description	Account Number	Amount of Increase	Amount of Decrease
1. Fund Balance	3050-388		8,556,226
ERAF Payments	5192-388-187	8,556,226	
2. Paramedic Services	4255-001	60,000	
Office & Operating Supplies	5101-001-600	60,000	
3. Recoveries	4913-388	1,671,224	
Fund Balance	3050-388	1,671,224	

1. To budget State imposing budget bill ABX4-26; this requires an ERAF payment to the County.
2. Medical transport are exceeding budget and the Fire Department needs additional supplies used in transports. Estimated revenue will increase as a result of the increased transports.
3. The County of San Diego paid their share of the Hogar Dulce Hogar lawsuit.

Department Head	Date	City Manager	Date
<i>Deht 18</i>	<i>4/8/10</i>		
Finance	Date	City Clerk	Date

Original: Finance