

# AGENDA REPORT

## City Council

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**MEETING DATE:** October 28, 2015

**PREPARED BY:** Teri Shoemaker  
Contributions from All  
Departments

**DEPT. DIRECTOR:** Tim Nash

**DEPARTMENT:** Finance

**CITY MANAGER:** Karen P. Brust

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**SUBJECT:**

Report on the Financial Results for Fiscal Year 2014-15

**RECOMMENDED ACTION:**

Staff recommends City Council take the following actions:

1. Approve and adopt the actual ending fund balances for FY2014-15 as beginning fund balances for FY2015-16 (**Attachment 1**, Column 9).
2. Approve the revised Schedule A, Revised Budget Summary FY2015-16, presented in **Attachment 4**.
3. Approve Resolution 2015-72 authorizing a lump sum payment to CalPERS to reduce the City of Encinitas unfunded pension liability in the amount \$341,956 which is 5% of the FY 2014-15 budget surplus of \$6,839,114. (**Attachment 5**)

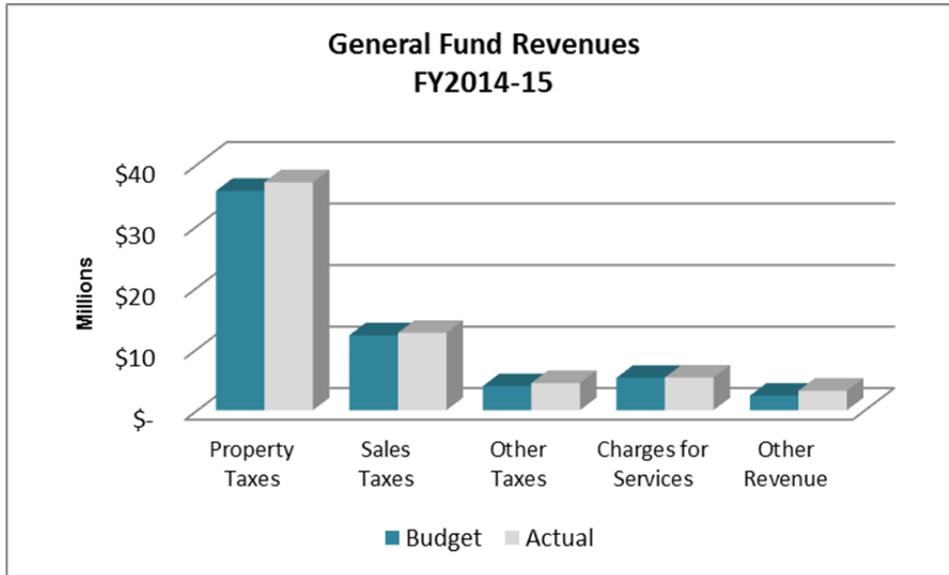
**STRATEGIC PLAN:**

This item falls within the Organizational Efficiency and Effectiveness focus area of the Strategic Plan.

**FISCAL CONSIDERATIONS:**

*General Fund* – Fiscal Year 2014-15 ending fund balance in the General Fund totaled \$41,402,445. After deducting the portion of fund balance that is restricted, committed or assigned for other purposes, the unassigned fund balance is \$31,258,850. Per City Council policy from the unassigned fund balance \$11,323,163 is reserved for contingencies and \$1,300,646 is reserved for budget stabilization. The remaining unassigned fund balance of \$18,635,041 is available for City Council appropriation.

Operating revenue received for the fiscal year exceeded operating expenditures by \$10,722,061. The City's revenue projections have historically been conservative. The budget to actual revenue exceeded projections by \$3,173,797 and can be attributed to increased property value assessments and strong sales tax revenue. The graph below compares revenue projections to actual revenue received:



Operating expenditures for the fiscal year were \$2,773,361 less than budget due to vacancies across City departments and savings in the contracts/services category. The table below compares expenditure budget to actual for the fiscal year by department:

Description	Budget	Actual	Surplus/(Deficit)	% Variance
General Government	\$9,893,908	\$9,026,251	\$867,657	8.8%
Planning & Building	5,132,945	4,692,650	440,295	8.6%
Law Enforcement	12,580,700	12,453,207	127,493	1.0%
Fire & Marine Safety	13,008,068	12,433,885	574,183	4.4%
Public Works/Engineering	8,629,020	8,197,281	431,739	5.0%
Parks & Recreation	5,286,891	4,954,897	331,994	6.3%
<b>Total</b>	<b>\$54,531,532</b>	<b>\$51,758,171</b>	<b>\$2,773,361</b>	<b>5.1%</b>

*All Other City Funds* - Any significant variances in other City funds, such as Infrastructure Funds, Grant Funds, Development Impact Fee Funds and Lighting and Landscape Funds are discussed in **Attachment 3a**.

**BACKGROUND:**

Each year following the close and audit of the City's financial books, the Finance Department reports the final year-end results to the City Council. The following report presents the actual revenues, expenditures and ending fund balances for all City funds.

**ANALYSIS:**

The final unassigned fund balance for the General Fund of \$31,258,850 is \$6,839,114 higher than projected in the FY 2014-15 budget and an increase of \$6,105,435 to the FY 2013-14 unassigned fund balance. The table on the following page delineates the funds being returned to the General Fund.

<b>Total General Fund Budget Variance Summary</b>	
Revenues exceeding projections	\$3,173,797
Expenditure savings	2,773,361
Transfer funds returned to General Fund	891,956
<b>Returned to General Fund Balance:</b>	<b>\$6,839,114</b>

Transfers of funds into the General Fund were \$0.4 million greater than projected and transfers of funds out of the General Fund were \$0.5 million less than projected. Overall, General Fund revenues were 5% higher than projected and General Fund expenditures were 5% below budget. The variances described above are discussed in detail in **Attachment 2a**.

The final unassigned fund balances for all City Funds were above projections by \$12,472,015. (**Attachment 1**, page 2, Column 11, "TOTAL ALL FUNDS").

On November 14, 2014 as part of the FY2013-14 year end report, Council directed staff to bring back consideration of using year end surplus to make a payment towards the City's unfunded pension liability. The amount used last year was 5% of the year end surplus. Staff has calculated 5% of this year's surplus and included a budget resolution with the agenda report if Council would like to make an appropriation this year. The appropriation of \$341,956 would reduce General Fund available fund balance.

#### **ENVIRONMENTAL CONSIDERATIONS:**

The action being considered by the City Council is exempt from the California Environmental Quality Act (CEQA) because it is not a "project" under Section 15378(b)(5) of CEQA Guidelines. The action involves an organizational or administrative activity of government that will not result in the direct or indirect physical change in the environment.

#### **ATTACHMENTS:**

##### **1: FY2014-15 Final Actual and Available Fund Balance Summary**

Presents final actual unassigned fund balances (Column 8). These are compared to previously projected fund balances (Column 10) with the differences shown in Column 11.

##### **2: FY2014-15 Detail of General Fund Revenues, Expenditures and Transfers (Schedule C)**

Presents a summary of General Fund Revenues, Expenditures and Transfers for FY2014-15 showing the original budget, final budget (with all off-cycle modifications), and actual amounts by category (revenues) and by department and division (expenditures). Significant variances are discussed in Attachment 2a.

##### **2a: Explanation of Variances between Budgeted & Actual Fund Balance- General Fund**

Presents explanations of variances between budget and actual revenue, expenditure and transfers as shown in Column 6 of Attachment 2.

##### **3: FY2014-15 Comparison of Budget vs. Actuals: Operating Revenues and Expenditures**

Presents a summary of budget versus actual for operating revenues and expenditures of all City funds.

**3a: Explanation of Variances between Budgeted & Actual Fund Balances- Other City Funds**

Presents explanations of variances between budget and actual operating revenue and expenditures as shown in Column 8 of Attachment 3.

**4: FY2015-16 Revised Budget Summary (Schedule A)**

Presents the adjusted budget summary for the current fiscal year with actual beginning fund balances for all funds from Column 2 of Attachment 1.

**5: Resolution 2015-72** of the City Council of the City of Encinitas amending the Fiscal Year 2015-16 budget for a lump sum payment to CalPERS for unfunded pension liability.

FY2014-15: Final Actual and Available Fund Balances Summary

(Column 1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Fund Balance Detail											
FUND NAME	Fund No	Total	Restricted, Committed or Assigned			Available			Actual	Projected	Difference (9-10)
		Fund Balance 6/30/2015 (Sum col 3-8)	Capital/Work Projects Reserve	Grants Receivable	Other Reserves	Budget Stabilization Reserve	Contingency Reserve	Unassigned	Available Fund Balance 6/30/2015 (6+7+8)	Available Fund Balance 6/30/2015	
<b>GENERAL FUNDS</b>											
General Fund	101	41,402,445	8,266,796		1,876,799	1,300,646	11,323,163	18,635,041	31,258,850	24,419,736	6,839,114
<b>INFRASTRUCTURE FUNDS</b>											
State Gasoline Taxes	201	448,090	72,544					375,546	375,546	259,272	116,274
State Capital Grants	203	(109,098)	1,242,158	(1,351,256)				-	-	-	-
TransNet Program	211	121,199	1,144,387	(1,023,188)				-	-	-	-
Coastal Zone Management Fund	212	983,912	251,851					732,061	732,061	608,180	123,881
Federal Capital Grants	223	(201,640)	1,537,560	(1,739,200)				-	-	-	-
Federal TDA Grants	224	-						-	-	-	-
<b>TOTAL INFRASTRUCTURE FUNDS</b>		1,242,463	4,248,500	(4,113,644)	-	-	-	1,107,607	1,107,607	867,452	240,155
<b>GRANT FUNDS</b>											
State Law Enforcement Grant	202	-						-	-	-	-
Government Education Access	213	1,194,637	581,686					612,951	612,951	549,699	63,252
Solid Waste, Recycling & HHW	214	1,034,383	128,136					906,247	906,247	852,497	53,750
Asset Forfeiture	215	103,755						103,755	103,755	94,236	9,519
Senior Nutrition Grant	221	-						-	-	-	-
Comm Devel Block Grant (CDBG)	222	-						-	-	-	-
Home Entitlement Program	227	(61,633)		(86,650)				25,017	25,017	-	25,017
Federal Law Enforcement Grant	228	-						-	-	-	-
Restricted Donations/Contributions	229	178,544	58,476					120,068	120,068	97,581	22,487
<b>TOTAL GRANT FUNDS</b>		2,449,686	768,298	(86,650)	-	-	-	1,768,038	1,768,038	1,594,013	174,025
<b>DEVELOPMENT IMPACT FUNDS</b>											
Park Development Fees	231	660,716	57,500					603,216	603,216	585,863	17,353
Parkland Acquisition Fees	232	1,711,439	447,629					1,263,810	1,263,810	1,223,184	40,626
Traffic Mitigation Fees	233	3,113,223	3,713,890					(600,667)	(600,667)	1,386,880	(1,987,547)
Regional Traffic Mitigation Fee (RTCIP)	234	894,316						894,316	894,316	47,227	847,089
Open Space Acquisition Fees	235	178,223	95,000					83,223	83,223	70,211	13,012
Recreational Trails Fees	236	33,768	9,335					24,433	24,433	21,161	3,272
Community Facilities Fees	237	-						-	-	-	-
Fire Mitigation Fees	238	-						-	-	-	-
Flood Control Mitigation Fees	239	584,185	242,387					341,798	341,798	376,560	(34,762)
In Lieu Fees Curb Gutter Sidewalks	251	12,550						12,550	12,550	12,515	35
In Lieu Fees Underground Utilities	252	560,601	630,106					(69,505)	(69,505)	470,215	(539,720)
In Lieu Fees Affordable Housing	253	1,359,632						1,359,632	1,359,632	1,355,237	4,395
<b>TOTAL DEVELOPMENT IMPACT FUNDS</b>		9,108,653	5,195,847	-	-	-	-	3,912,806	3,912,806	5,549,053	(1,636,247)
<b>LIGHTING &amp; LANDSCAPING DISTRICTS</b>											
Villanitas Road M.I.D.	291	255,749						255,749	255,749	252,600	3,149
Cerro Street M.I.D.	292	333,639						333,639	333,639	297,370	36,269
Village Park M.I.D.	293	140,964						140,964	140,964	131,189	9,775
Wiro Park M.I.D.	294	744						744	744	710	34
Encinitas Lighting Landscape District	295	801,396	43,876					757,520	757,520	477,140	280,380
Encinitas Ranch Lighting Landscape	297	1,308,964	40,000					1,268,964	1,268,964	1,251,366	17,598
<b>TOTAL LIGHTING &amp; LANDSCAPE DISTRICT FUNDS</b>		2,841,456	83,876	-	-	-	-	2,757,580	2,757,580	2,410,375	347,205

FY2014-15: Final Actual and Available Fund Balances Summary

(Column 1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
FUND NAME	Fund No	Fund Balance Detail									
		Total Fund Balance 6/30/2015 (Sum col 3-8)	Restricted, Committed or Assigned			Available			Actual	Projected	Difference  (9-10)
			Capital/Work Projects Reserve	Grants Receivable	Other Reserves	Budget Stabilization Reserve	Contingency Reserve	Unassigned	Available Fund Balance 6/30/2015 (6+7+8)	Available Fund Balance 6/30/2015	
<b>DEBT SERVICE FUNDS</b>											
Debt Service Fund	301	500,158	-	-	500,158	-	-	-	(417)	417	
Encinitas Public Finance Authority	302	2,598,658	-	-	2,598,658	-	-	-	18,577	(18,577)	
<b>TOTAL DEBT SERVICE FUNDS</b>		<b>3,098,816</b>	<b>-</b>	<b>-</b>	<b>3,098,816</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,160</b>	<b>(18,160)</b>	
<b>CARDIFF SANITARY DIVISION FUNDS</b>											
Operations	511	2,578,210	-	-	-	800,000	1,778,210	-	2,578,210	1,285,056	1,293,154
Capital Replacement	512	9,336,505	7,634,100	-	-	-	-	1,702,405	1,702,405	1,700,185	2,220
Capital Expansion	513	717,523	-	-	-	-	-	717,523	717,523	579,495	138,028
<b>TOTAL CSD FUNDS</b>		<b>12,632,238</b>	<b>7,634,100</b>	<b>-</b>	<b>-</b>	<b>800,000</b>	<b>1,778,210</b>	<b>2,419,928</b>	<b>4,998,138</b>	<b>3,564,736</b>	<b>1,433,402</b>
<b>ENCINITAS SANITARY DIVISION FUNDS</b>											
Operations	521	1,749,927	-	-	-	1,000,000	749,927	-	1,749,927	1,407,377	342,550
Capital Replacement	522	5,318,098	1,457,864	-	-	-	-	3,860,234	3,860,234	3,765,658	94,576
Capital Expansion	523	2,202,060	-	-	-	-	-	2,202,060	2,202,060	2,093,374	108,686
<b>TOTAL ESD FUNDS</b>		<b>9,270,085</b>	<b>1,457,864</b>	<b>-</b>	<b>-</b>	<b>1,000,000</b>	<b>749,927</b>	<b>6,062,294</b>	<b>7,812,221</b>	<b>7,266,409</b>	<b>545,812</b>
<b>OTHER PROPRIETARY FUNDS</b>											
Section 8 Housing- Admin	551	19,966	-	-	-	-	-	19,966	19,966	(17,000)	36,966
Section 8 Housing- HAP	552	7,110	-	-	-	-	-	7,110	7,110	(27,100)	34,210
Pacific Pines Affordable Housing	561	1,945,640	-	-	368,904	-	-	1,576,736	1,576,736	386,881	1,189,855
Recreation Programs	571	349,377	-	-	-	-	-	349,377	349,377	226,469	122,908
Jr Lifeguard Program	572	113,345	-	-	-	-	-	113,345	113,345	67,607	45,738
<b>TOTAL OTHER PROPRIETARY FUNDS</b>		<b>2,435,438</b>	<b>-</b>	<b>-</b>	<b>368,904</b>	<b>-</b>	<b>-</b>	<b>2,066,534</b>	<b>2,066,534</b>	<b>636,857</b>	<b>1,429,677</b>
<b>INTERNAL SERVICE FUNDS</b>											
Self Insurance	601	4,440,467	-	-	1,193,289	-	-	3,247,178	3,247,178	3,247,673	(495)
Wastewater Support	611	-	-	-	-	-	-	-	-	-	-
Fleet Maintenance	621	-	-	-	-	-	-	-	-	-	-
Vehicle Replacement	622	846,871	-	-	-	-	-	846,871	846,871	364,732	482,139
Machinery Equipment Replacement	623	1,292,929	-	-	-	-	-	1,292,929	1,292,929	485,538	807,391
Fire Apparatus Replacement	624	2,645,557	-	-	-	-	-	2,645,557	2,645,557	817,560	1,827,997
<b>TOTAL INTERNAL SERVICE FUNDS</b>		<b>9,225,824</b>	<b>-</b>	<b>-</b>	<b>1,193,289</b>	<b>-</b>	<b>-</b>	<b>8,032,535</b>	<b>8,032,535</b>	<b>4,915,503</b>	<b>3,117,032</b>
<b>TOTAL ALL FUNDS</b>		<b>93,707,104</b>	<b>27,655,281</b>	<b>(4,200,294)</b>	<b>6,537,808</b>	<b>3,100,646</b>	<b>13,851,300</b>	<b>46,762,363</b>	<b>63,714,309</b>	<b>51,242,294</b>	<b>12,472,015</b>

Detail of General Fund Revenues, Expenditures, and Transfers - Schedule C

ATTACHMENT 2

For the Year Ended FY 2014-15

Column 1	(2)	(3)	(4)	(5)	(6)	(7)
	FY14-15 Adopted Budget	Budget Amendment	FY14-15 Amended Budget	FY14-15 Actual Amounts	FY14-15 Variance* Over/(Under)	FY14-15 Variance* %
					(Column 5 - 4)	(Column 6 /4)
<b>REVENUES</b>						
<b>TAX REVENUE</b>						
1	PROPERTY TAXES - CURRENT SECURED	34,617,163	1,033,589	35,650,752	37,065,258	1,414,506 4.0%
2	DOCUMENTARY TRANSFER TAXES	408,000	50,000	458,000	630,382	172,382 37.6%
3a	SALES TAXES	9,069,210	-	9,069,210	9,450,777	381,567 4.2%
3b	SALES TAX TRIPLE FLIP	3,309,528	(191,186)	3,118,342	3,118,342	0 0.0%
4	TRANSIENT OCCUPANCY TAX	1,097,656	120,000	1,217,656	1,463,347	245,691 20.2%
5	FRANCHISE FEES	2,237,779	-	2,237,779	2,321,572	83,793 3.7%
6	<b>TAX REVENUE TOTAL</b>	<b>50,739,336</b>	<b>1,012,403</b>	<b>51,751,739</b>	<b>54,049,679</b>	<b>2,297,940 4.4%</b>
<b>OTHER REVENUE</b>						
7	LICENSES AND PERMITS	195,057	25,000	220,057	251,731	31,674 14.4%
8	INTERGOVERNMENTAL REVENUE	476,978	44,375	521,353	814,337	292,984 56.2%
9	CHARGES FOR SERVICES	5,006,577	242,445	5,249,022	5,315,722	66,700 1.3%
10	FINES AND PENALTIES	695,558	47,049	742,607	802,936	60,329 8.1%
11	USE OF MONEY AND PROPERTY	466,991	9,775	476,766	609,054	132,288 27.7%
12	OTHER REVENUE	13,363,721	(12,968,830)	394,891	686,774	291,883 73.9%
13	<b>OTHER REVENUE TOTAL</b>	<b>20,204,882</b>	<b>(12,600,186)</b>	<b>7,604,696</b>	<b>8,480,554</b>	<b>875,858 11.5%</b>
14	<b>REVENUES TOTAL</b>	<b>70,944,218</b>	<b>(1,587,783)</b>	<b>59,356,435</b>	<b>62,530,232</b>	<b>3,173,797 5.3%</b>
<b>EXPENDITURES</b>						
<b>GENERAL GOVERNMENT</b>						
15	CITY COUNCIL - ADMINISTRATION	393,915	1,000	394,915	363,745	(31,170) -7.9%
16	CITY COUNCIL - COMMUNITY GRANT	75,000	-	75,000	73,843	(1,157) -1.5%
17	CITY COUNCIL - CITY ATTORNEY	308,500	-	308,500	308,343	(157) -0.1%
18	CITY MANAGER - ADMINISTRATION	812,907	157,341	970,248	710,445	(259,803) -26.8%
19	CITY MANAGER - ARTS ADMIN	165,201	20,975	186,176	185,118	(1,058) -0.6%
20	CITY MANAGER - ECONOMIC DEV	185,500	(22,900)	162,600	102,354	(60,246) -37.1%
21	CITY MANAGER - HUMAN RESOURCES	804,244	-	804,244	732,424	(71,820) -8.9%
22	CITY MANAGER-INFORMATION TECH	1,652,513	142,933	1,795,446	1,639,833	(155,613) -8.7%
23	CITY MANAGER - GEOGRAPHIC INFO	639,940	-	639,940	635,630	(4,310) -0.7%
24	CITY CLERK - ADMINISTRATION	562,043	-	562,043	523,526	(38,517) -6.9%
25	CITY CLERK - ELECTIONS	90,000	-	90,000	58,887	(31,113) -34.6%
26	FINANCE - ADMINISTRATION	1,743,001	-	1,743,001	1,587,004	(155,997) -8.9%
27	NON DEPT - CENTRAL PURCHASES	211,045	-	211,045	181,343	(29,702) -14.1%
28	NON DEPT - SHARED EXPENSES	1,521,641	429,109	1,950,750	1,923,758	(26,992) -1.4%
29	<b>GENERAL GOVERNMENT TOTAL</b>	<b>9,165,450</b>	<b>728,458</b>	<b>9,893,908</b>	<b>9,026,251</b>	<b>(867,657) -8.8%</b>
<b>PLANNING AND BUILDING</b>						
30	PLAN BLDG - ADMIN CUST SVC	928,724	(1,044)	927,680	896,568	(31,112) -3.4%
31	PLAN BLDG - CURRENT PLANNING	1,108,464	(3,943)	1,104,521	968,378	(136,143) -12.3%
32	PLAN BLDG - APPLICANT DEPOSITS	14,000	12,000	26,000	1,250	(24,750) -95.2%
33	PLAN BLDG - ADVANCED PLANNING	638,784	(1,465)	637,319	600,885	(36,434) -5.7%
34	PLAN BLDG - CODE ENFORCEMENT	562,858	(195)	562,663	444,839	(117,824) -20.9%
35	PLAN BLDG - BUILDING SERVICES	1,623,253	251,509	1,874,762	1,780,729	(94,033) -5.0%
36	<b>PLANNING AND BUILDING TOTAL</b>	<b>4,876,083</b>	<b>256,862</b>	<b>5,132,945</b>	<b>4,692,650</b>	<b>(440,295) -8.6%</b>
<b>PUBLIC SAFETY</b>						
37	PLAN BLDG - PARKING CITATION	83,500	36,000	119,500	100,879	(18,621) -15.6%
38	PUBLIC SAFETY-LAW ENFORCEMENT	12,461,200	-	12,461,200	12,352,328	(108,872) -0.9%
39	<b>LAW ENFORCEMENT TOTAL</b>	<b>12,544,700</b>	<b>36,000</b>	<b>12,580,700</b>	<b>12,453,207</b>	<b>(127,493) -1.0%</b>
40	PUBLIC SAFETY - FIRE ADMIN	633,033	-	633,033	622,643	(10,390) -1.6%
41	PUBLIC SAFETY-FIRE OPERATIONS	10,580,557	-	10,580,557	10,160,312	(420,245) -4.0%
42	PUBLIC SAFETY-LOSS PREVENTION	660,344	(35,091)	625,253	522,311	(102,942) -16.5%
43	PUBLIC SAFETY - DISASTER PREP	164,886	-	164,886	158,017	(6,869) -4.2%
44	PUBLIC SAFETY - MARINE SAFETY	926,186	78,153	1,004,339	970,602	(33,737) -3.4%
45	<b>FIRE AND MARINE SAFETY TOTAL</b>	<b>12,965,006</b>	<b>43,062</b>	<b>13,008,068</b>	<b>12,433,885</b>	<b>(574,183) -4.4%</b>

Detail of General Fund Revenues, Expenditures, and Transfers - Schedule C

ATTACHMENT 2

For the Year Ended FY 2014-15

Column 1	(2)	(3)	(4)	(5)	(6)	(7)
	FY14-15 Adopted Budget	Budget Amendment	FY14-15 Amended Budget	FY14-15 Actual Amounts	FY14-15 Variance* Over/(Under)	FY14-15 Variance* %
					(Column 5 - 4)	(Column 6 / 4)
<b>PUBLIC WORKS AND ENGINEERING</b>						
46 PUBLIC WORKS - ADMINISTRATION	226,806	20,000	246,806	176,783	(70,023)	-28.4%
47 PUBLIC WORKS - ENVIRONMENTAL	218,551	(109,440)	109,111	105,640	(3,471)	-3.2%
48 PUBLIC WORKS - STREET MAINT	1,812,293	27,536	1,839,829	1,759,013	(80,816)	-4.4%
49 PUBLIC WORKS-FAC MAINT CVC CTR	356,938	61,400	418,338	416,589	(1,749)	-0.4%
50 PUBLIC WORKS-FAC MAINT FIRE ST	213,676	27,100	240,776	235,811	(4,965)	-2.1%
51 PUBLIC WORKS-FAC MAINT PW YRD	228,498	34,800	263,298	263,304	6	0.0%
52 PUBLIC WORKS-FAC MAINT LIBRARY	300,342	28,000	328,342	326,676	(1,666)	-0.5%
53 PUBLIC WORKS-STORM WATER MAINT	698,842	-	698,842	674,262	(24,580)	-3.5%
54 PUBLIC WORKS-STORM WATER FLOOD	154,141	75,000	229,141	76,574	(152,567)	-66.6%
55 ENGINEERING - CITY ENGINEERING	2,581,763	91,663	2,673,426	2,650,115	(23,311)	-0.9%
56 ENGINEERING-TRAFFIC ENGINEERING	730,771	-	730,771	690,858	(39,913)	-5.5%
57 ENGINEERING - STORMWATER PROG	848,177	2,163	850,340	821,657	(28,683)	-3.4%
58 PUBLIC WORKS AND ENGINEERING TOTAL	8,370,798	258,222	8,629,020	8,197,281	(431,739)	-5.0%
<b>PARKS AND RECREATION</b>						
59 PARKS REC - ADMINISTRATION	933,509	38,337	971,846	985,610	13,764	1.4%
60 PARKS REC - PARK MAINTENANCE	1,705,960	(14,671)	1,691,289	1,586,996	(104,293)	-6.2%
61 PARKS REC - BEACH MAINTENANCE	515,621	59,471	575,092	481,248	(93,844)	-16.3%
62 PARKS REC - TRAIL MAINTENANCE	126,915	-	126,915	117,030	(9,885)	-7.8%
63 PARKS REC-RECREATION PROGRAMS	627,293	8,000	635,293	614,473	(20,820)	-3.3%
64 PARKS REC - COMM CENTER OPER	1,217,000	69,456	1,286,456	1,169,540	(116,916)	-9.1%
65 PARKS AND RECREATION TOTAL	5,126,298	160,593	5,286,891	4,954,897	(331,994)	-6.3%
66 EXPENDITURES TOTAL	53,048,335	1,483,197	54,531,532	51,758,171	(2,773,361)	-5.1%
67 EXCESS OF REVENUE OVER EXPENDITURES	17,895,883	(13,070,980)	4,824,903	10,772,061	5,947,158	
<b>GENERAL FUND TRANSFERS TO/FROM OTHER CITY FUNDS</b>						
68 TRANSFERS IN- OPERATING	1,026,339	-	1,026,339	1,275,358	249,019	
69 TRANSFERS IN- CAPITAL	20,000	-	20,000	20,000	-	
70 TRANSFERS IN- OTHER	-	13,000,000	13,000,000	13,174,373	174,373	
71 TRANSFERS OUT- OPERATING	(1,002,899)	(65,165)	(1,068,064)	(1,056,992)	11,072	
72 TRANSFERS OUT- CAPITAL	(14,960,800)	(715,117)	(15,675,917)	(15,675,917)	-	
73 TRANSFERS OUT- DEBT SERVICE	(5,289,723)	95,000	(5,194,723)	(4,737,231)	457,492	
74 TRANSFERS TOTAL	(20,207,083)	12,314,718	(7,892,365)	(7,000,410)	891,956	
75 GRAND TOTAL EXCESS OF REVENUE OVER EXPENDITURES & TRANSFERS:	(2,311,200)	(756,262)	(3,067,462)	3,771,651	6,839,114	

\*Significant variances are discussed in Attachment 2a

Total General Fund (101) Variance Summary:

Revenues (above projections)	3,173,797
Expenditure (savings)	2,773,361
Transfers (net return to General Fund)	891,956
<b>Returned to General Fund Balance:</b>	<b>6,839,114</b>

**Explanation of Variances between Budgeted & Actual Fund Balance - General Fund***(Refer to Attachment 2)*

<b>By Category</b>	<b>Budget</b>	<b>Actual</b>	<b>Surplus/(Deficit)</b>
<b>General Fund</b>			<b>\$6,839,114</b>
Operating Revenues	59,356,435	62,530,232	3,173,797
Operating Expenditures	54,531,532	51,758,171	2,773,361
Transfers In	14,046,339	14,469,731	423,392
Transfers Out	21,884,604	21,416,040	468,564

**GENERAL FUND REVENUES****Summary of Variance from Budget**

<b>Description</b>	<b>Budget</b>	<b>Actual</b>	<b>Surplus/(Deficit)</b>
<b>Property Taxes</b>	<b>\$35,650,752</b>	<b>\$37,065,258</b>	<b>\$1,414,506</b>

*Attachment 2, line 1*

Property tax is the City's largest revenue source providing 60% of the total General Fund revenue. Current secured property taxes exceeded projections by \$1,036,040. All other property tax came in at or above estimates for a total of \$378,466. Continued improvement in the housing market generated increased property sales which contributed to the surge in property tax revenue. Although a mid-year adjustment was made to bring property tax revenue estimates up, the actual revenue received for the year still exceeded estimates. Total property tax revenue received in FY2014-15 of \$37,065,258 is 5.5% higher than revenue received in FY2013-14. The City of Encinitas receives approximately 24 cents of each dollar of property tax revenue generated in the City.

<b>Description</b>	<b>Budget</b>	<b>Actual</b>	<b>Surplus/(Deficit)</b>
<b>Documentary Transfer Taxes</b>	<b>\$458,000</b>	<b>\$630,382</b>	<b>\$172,382</b>

*Attachment 2, line 2*

Documentary transfer tax is an excise tax imposed on the transfer of interest in real property. The County of San Diego levies the tax at a rate of 55 cents per \$500 of property value. The City receives one half of the county rate (i.e. up to 27.5 cents per \$500 of property value). The favorable variance is related to the number of homes sold during the fiscal year and the value of those properties sold. Even with a mid-year increase, this category still exceeded the increased adjustment by \$172,382 and will continue to follow an upward trend as it is closely related to property tax.

<b>Description</b>	<b>Budget</b>	<b>Actual</b>	<b>Surplus/(Deficit)</b>
<b>Sales Taxes</b>	<b>\$12,187,552</b>	<b>\$12,569,119</b>	<b>\$381,567</b>

*Attachment 2, line 3a/3b*

Sales tax is imposed on the sale of goods and services and is calculated as a percentage of the purchase price and collected by the seller. The City receives 1% of the total 8% sales tax rate for sales that occur within the City's jurisdiction. Sales tax is the City's second largest revenue source, providing 20% of General Fund revenue. Actual revenue received for the fiscal year exceeded projections by 3%. Strong sales in general consumer goods, restaurants/hotels and auto/transportation categories contributed to the increase. The City has a diversified retail sales tax base and is not heavily dependent on any one business or industry. Total sales tax revenue received in FY2014-15 is 4.1% higher than received in FY2013-14.

**GENERAL FUND REVENUES**  
*Summary of Variance from Budget – continued*

Description	Budget	Actual	Surplus/(Deficit)
<b>Transient Occupancy Tax</b>	<b>\$1,217,656</b>	<b>\$1,463,347</b>	<b>\$245,691</b>

*Attachment 2, line 4*

Transient Occupancy Tax (TOT) is a tax imposed on persons staying 30 days or less in a lodging establishment. In FY2008-09, Encinitas voters approved a measure to extend the TOT tax to short-term vacation rentals (STVR). The City's TOT rate is 10% of the room charge and is collected by hoteliers and paid to the City. Eighty percent of the TOT tax collected is deposited to the General Fund and 20% is deposited to the Coastal Zone Management Fund for sand replenishment. TOT revenue for hotels within the City exceeded projections by \$79,055 while STVR revenue exceeded projections by \$166,636. The increase can be attributed to the warmer-than-usual temperatures and expanded special events. Total TOT tax revenue received in FY2014-15 was 16% higher than revenue received in FY2013-14.

Description	Budget	Actual	Surplus/(Deficit)
<b>Franchise Taxes</b>	<b>\$2,237,779</b>	<b>\$2,321,572</b>	<b>\$83,793</b>

*Attachment 2, line 5*

While AT&T and EDCO revenues exceeded projections by \$262,615 and \$13,597, respectively, Cox Communications revenue fell \$81,373 below projections; Time Warner came in at \$63,808 below projections; and Southern California Gas Company was \$846 below projections. SDGE revenue for the fiscal year was \$789,629 which is \$46,392 lower than projected, although this is an increase from the prior year (FY2013-14) when total revenue received was \$696,746. The City audited SDG&E during FY2010-11 and it was determined that SDG&E was reporting correctly. Revenue projections for this category were adjusted during the FY2015-16 and FY2016-17 budget development process to more accurately reflect provider usage within the City.

Description	Budget	Actual	Surplus/(Deficit)
<b>Licenses and Permits</b>	<b>\$220,057</b>	<b>\$251,731</b>	<b>\$31,674</b>

*Attachment 2, line 7*

All revenue exceeded projections in this category which includes business operation permits, business registration, short-term rental permits and other miscellaneous permits. The majority of the favorable projection is due to security alarm permits which were \$12,807 more than projected and short-term vacation permits came in at \$10,344 above projections. Surf permit revenue, which was transferred from the Recreation Fund to the General Fund, was \$4,320 higher than projections and the remaining overage of \$4,203 was for business registrations and miscellaneous permits.

**GENERAL FUND REVENUES**  
*Summary of Variance from Budget – continued*

Description	Budget	Actual	Surplus/(Deficit)
<b>Intergovernmental Revenue</b>	<b>\$521,353</b>	<b>\$814,337</b>	<b>\$292,984</b>

*Attachment 2, line 8*

The City received \$327,244 from the State of California for state mandated reimbursements ranging from 1996 through 2004, exceeding the revenue projection for claim reimbursements by \$296,032. The State also remitted an unexpected payment of \$26,708 for Motor Vehicle License fees from collections for FY2013-14. Projected revenue of \$14,375 for ESD/CSD/SDWD share of payroll system costs were budgeted but not booked. These costs will be appropriated and expensed in FY2015-16. The City's Information Technology agreement with SEJPA was \$1,335 less than projected. The Fire Management Service Agreement estimate came in \$14,046 under projections due to a Battalion Chief vacancy in the first quarter because of a retirement, during which revenue wasn't collected for the shared position from the member agencies. This decrease in revenue is offset by a decrease in salary and benefit expenditures in the Fire Operations division for the first quarter.

Description	Budget	Actual	Surplus/(Deficit)
<b>Charges for Services</b>	<b>\$5,249,022</b>	<b>\$5,315,722</b>	<b>\$66,700</b>

*Attachment 2, line 9*

The Arts program exceeded estimates by \$6,318 or 54%. The internal cost allocation and other administrative charges were \$305 below projections. Planning and Building fees were \$185,986 or 6.3% lower than projections, while Engineering and Fire fees exceeded estimates by \$205,311 and \$26,059, respectively. Recreation fees also came in higher than expected by \$15,303.

Description	Budget	Actual	Surplus/(Deficit)
<b>Fines and Penalties</b>	<b>\$742,607</b>	<b>\$802,936</b>	<b>\$60,329</b>

*Attachment 2, line 10*

Fines and Penalties include vehicle code and red light violations, parking citations and vehicle abatement. Red light violations exceeded projections by \$53,035, while vehicle code violation revenue was up \$28,954. Parking citations were \$10,367 less than projected and alarm violations were down \$12,381 which is actually a positive trend since it is an indication that fewer citations are being issued. Other miscellaneous administrative citations were \$1,088 higher than projected.

Description	Budget	Actual	Surplus/(Deficit)
<b>Use of Money and Property</b>	<b>\$476,766</b>	<b>\$609,054</b>	<b>\$132,288</b>

*Attachment 2, line 11*

This category includes investment earnings, rental/insurance payments for the use of City property, contributions and donations. For the first time in five years, investment earnings exceeded projections, coming in \$34,061 higher than expected. Income from City property rentals were \$98,227 or 38% higher than projections. There were no projections or revenue received for contributions and donations.

**GENERAL FUND REVENUES**

**Summary of Variance from Budget – continued**

Description	Budget	Actual	Surplus/(Deficit)
<b>Other Revenue</b>	<b>\$394,891</b>	<b>\$686,774</b>	<b>\$291,883</b>

*Attachment 2, line 12*

This category includes interfund revenue, booking fees, cost recovery and other miscellaneous revenue. The majority of the favorable overage is in the cost recovery category which exceeded projections by \$329,881, but it should be noted that there are some offsetting expenses for this revenue. Interfund revenue was \$41,501 less than estimated. The remaining overage of \$3,503 is related to unanticipated miscellaneous revenue received from scrap metal recycling, state and federal reimbursements and credit card incentives for paying the City purchasing card invoices promptly.

**GENERAL FUND EXPENDITURES**

**Summary of Budget to Actual from Approved Expenditure Plans**

Description	Budget	Actual	Surplus/(Deficit)	% Budget
Personnel	\$28,791,337	\$27,287,908	\$1,503,429	5.2%
Materials & Supplies	1,199,167	1,066,640	132,527	11.1%
Contracts & Services	23,598,709	22,483,983	1,114,726	4.7%
Internal Cost Allocation	427,837	427,837	-	
Capital Outlay/Debt/Other	514,482	491,803	22,679	
<b>Total</b>	<b>\$54,531,532</b>	<b>\$51,758,171</b>	<b>\$2,773,361</b>	<b>5.1%</b>

Description	Budget	Actual	Surplus/(Deficit)	% Budget
General Government	\$9,893,908	\$9,026,251	\$867,657	8.8%
Planning & Building	5,132,945	4,692,650	440,295	8.6%
Law Enforcement	12,580,700	12,453,207	127,493	1.0%
Fire & Marine Safety	13,008,068	12,433,885	574,183	4.4%
Public Works/Engineering	8,629,020	8,197,281	431,739	5.0%
Parks & Recreation	5,286,891	4,954,897	331,994	6.3%
<b>Total</b>	<b>\$54,531,532</b>	<b>51758171</b>	<b>\$2,773,361</b>	<b>5.1%</b>

**General Government**

**City Council Administration, Attachment 2, line 15** **\$31,170**    **7.9%**    **Below Budget**

This division had an overall savings of \$31,170. The personnel category exceeded the budget by \$7,858 due to an unanticipated vacation buyout and changes in flex benefit costs. Contracts/services expenditures were \$33,890 less than budgeted due to savings in Council reimbursements and training and travel expenses. Materials/supplies are \$5,138 less than budgeted primarily due to savings in special recognitions and events.

**Community Grant, Attachment 2, line 16** **\$1,157**    **1.5%**    **Below Budget**

This division includes the City allocation and matching funds provided by the Mizel Family Foundation for community projects. The \$1,157 variance is because two grant recipients did not spend their full grant allocation.



**General Government** - continued**Non-Departmental, Attachment 2, line 28** **\$26,992** **1.4%** **Below Budget**

This division was created to appropriate funds for those activities beneficial on a citywide basis and not directly chargeable to any one department or division, such as the General Fund's share of the Internal Cost Allocation. Property Tax administrative fees paid to the County came in \$14,554 higher than projected. Cost of Issuance for the Pacific View/Marine Tower financing was budgeted at \$174,373, but the actual expenses were \$155,804 creating a surplus of \$18,569. The internal cost allocation was \$22,977 less than budgeted due to savings in operating costs in the Fleet Maintenance program.

**Planning & Building****Planning and Building, Attachment 2, line 36** **\$440,295** **8.6%** **Below Budget**

The Planning and Building department had a savings of \$250,632 in personnel costs mostly due to staffing vacancies in the Current Planning, Advanced Planning and Code Enforcement divisions. Contracts/services showed a savings of \$188,005 due to replacing a contract position with two new planning staff; a reduction in conference attendance; a reduction in graffiti activity; and reduction in training and membership dues. Materials/supplies came in \$1,658 less than anticipated due to a reduction in postage meter costs and a reduction in the cost of two iPads and desktop scanner.

**Public Safety****Public Safety-Law Enforcement, Attachment 2, line 39** **\$127,493** **1%** **Below Budget**

The Parking Citations division had a savings of \$18,621 primarily due to a decreased amount of parking citations issued and/or appealed therefore all of the associated costs with the processing of those citations were lower than anticipated. The timing between receiving contract estimates from the Sherriff's department and budgeting for the Law Enforcement contract resulted in a savings of \$108,872.

**Public Safety-Fire and Marine Safety, Attachment 2, line 45** **\$574,183** **4.4%** **Below Budget**

Fire and Marine Safety includes *Fire Administration, Fire Operations, Fire Prevention, Disaster Preparedness* and *Marine Safety* divisions. Overall savings for personnel costs were \$495,140 (primarily due to various vacancies in the divisions as a result of retirements and promotions) which included savings in salaries, flexible benefits plan spending and holiday and vacation pay buyouts. Additional savings resulted from hiring probationary firefighters at the Tier II and III retirement levels rather than at the Tier I budgeted level. Contracts/services was \$46,425 under budget due to a savings from lower than anticipated costs for dispatch services and radio maintenance and less training provided due to lower staffing levels as a result of vacancies. Materials/supplies finished the year \$33,554 under budget due to savings in fuel costs from lower than anticipated prices, reduced expenditures on fire station and marine safety supplies and safety equipment that was instead purchased with grant funding. Expenditures in the Capital Outlay category were \$936 over budget due to unanticipated core equipment upgrades required for the visual and audio alerting systems at Fire Stations 4 and 5.

**Public Works/Engineering****Public Works/Engineering Department, Attachment 2, line 58** **\$431,739** **5%** **Below Budget**

The *Administration* division of Public Works had a net savings of \$70,023 which was due to savings in the personnel category of \$25,575 for a vacant part-time intern position, savings of \$42,647 in contracts/services, primarily due to anticipated maintenance cost for Pacific View not being realized as costs were captured for only the third and fourth quarters. A slight savings of \$1,801 in materials/supplies is due to lower spending on office supplies. The *Environmental* division had a net savings of \$3,471 for professional services in the contract/services category.

**Public Works/Engineering** - continued

The *Street Maintenance, Clean Water/NPDES* and *Storm Water/Flood* divisions had an overall savings of \$257,963. The personnel category had a savings of \$99,345 due mostly to staffing vacancies that were filled at a lower level. Savings of \$164,686 in contracts/services were primarily due to prior retro-fitting of the U.V. Station (Joint Powers Authority Pass-Thru Account) which did not require fourth quarter maintenance and the La Costa Basin permits were unavailable during the fiscal year to perform maintenance. Materials/supplies were over budget \$6,957 due to purchases for FY2015-16 that were invoiced in FY2014-15. There was an additional savings of \$889 in capital outlay for machinery/equipment primarily due to the purchase of a 72" sweeper attachment for the Bobcat that came in lower than the original quoted price.

The *Facilities Maintenance* division is responsible for maintaining the Civic Center, all Fire Stations and Lifeguard facilities, the Library and the Public Works yard. The division ended the year under budget by a net total of \$8,374 due to a slight increase in personnel of \$3,491, a slight savings in materials/supplies of \$1,345 and a savings of \$10,520 in contracts/services for electricity and carpet cleaning costs.

The Engineering divisions of Public Works include the *General Engineering, Traffic Engineering, and Storm Water Program*. Overall Engineering was under budget by \$91,908. Personnel savings of \$22,550 was mostly due to an intern position which was vacant most of the fiscal year. Contracts/services had \$46,070 in savings due to the timing of invoices and the Redflex billings were less than projected. Savings in the materials/supplies category were \$23,288 due to the deferral of data management software purchase and savings on other supplies not purchased during the fiscal year.

**Parks & Recreation**

**Parks and Recreation Department, Attachment 2, line 65**      **\$331,994**      **6.3% Below Budget**

The Parks and Recreation Department achieved an overall savings of \$331,994 for the fiscal year. Personnel costs were under budget by \$108,859 due to vacancies of the park supervisor and park superintendent. There was a savings of \$196,031 in contracts/services for utilities at the Community Center due to the timing of the opening of Encinitas Community Park and the reduced purchase of materials and supplies created \$27,104 in savings.

**SUMMARY OF TRANSFERS TO AND FROM THE GENERAL FUND**  
(Attachment 2, line 74)

	Budget	Actual	Surplus/(Deficit)
<b>Transfers In to General Fund</b>	<b>\$14,046,339</b>	<b>\$14,469,731</b>	<b>\$423,392</b>
Community Facilities Fee - Fund :	34,260	51,086	16,826
HUTA Gas Tax - Fund 201	953,748	1,154,012	200,264
Fire Mitigation Fee - Fund 238	38,331	70,260	31,929
CSD/ESD - Fund 511/521	20,000	20,000	-
Debt Issuance	13,000,000	13,174,373	174,373
<b>Transfers Out of General Fund</b>	<b>\$21,938,704</b>	<b>\$21,470,140</b>	<b>\$468,564</b>
Senior Nutrition Grant - Fund 221	46,539	35,467	11,072
Wiro Park - Fund 294	6,200	6,200	-
Section 8 Housing -Admin - Fund	46,068	46,068	-
Recreation Programs - Fund 571	10,000	10,000	-
Self Insurance - Fund 601	894,257	894,257	-
Vehicle Replacement - Fund 622	65,000	65,000	-
General Fund to Debt Service (2)	5,194,723	4,737,231	457,492
General Fund to CIP	15,675,917	15,675,917	-
<b>Net Return to General Fund</b>			<b>\$891,956</b>

(1) Only actual amount of subsidy needed to fund the program was transferred.

(2) Difference due to a lower payment of the Pacific View/Moonlight Beach in the first year.

Budgeted Transfers In to the General Fund included \$34,260 for the Community Facilities Fees (Fund 237) while the actual transfer amount was \$51,086 resulting in a difference of \$16,826. The HUTA (Gas Tax Fund 201) transfer for operating costs of \$953,748 was actually \$1,154,012 due to an adjustment made by the State creating a surplus of \$200,264. The Fire Mitigation Fee (Fund 238) transfer of \$38,331 came in at \$70,260, \$31,929 higher than expected. Additionally, bond proceeds of \$174,373 were recorded as a transfer in to the General Fund to offset cost of issuance expenses.

Transfers Out of the General Fund were \$468,564 under budget. This variance was related to several factors. The transfer to the Senior Nutrition Grant (Fund 221) to subsidize the Senior Nutrition Program was approved as \$46,539. The subsidy needed at year end was only \$35,467, for a favorable difference of \$11,072 (only the amount of the subsidy needed to run the program was transferred). The transfer from the General Fund to Debt Service (Funds 301/302) was estimated at \$5,194,723. The actual transfer was \$4,737,231 or \$457,492 less than budgeted. This difference was mostly due to a lower payment of the Pacific View/MLB Tower financing in the first year resulting in a net savings of \$436,241 and a savings in the 1992 COPS bond of nearly \$25,000 for interest expense that will be paid in FY2015-16.

(Column 1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
FUND NAME	Fund	Operating Revenues FY 2014-15 Approved	Operating Revenues FY 2014-15 Actual	Over (Under)	Operating Expenditures FY 2014-15 Approved	Operating Expenditures FY 2014-15 Actual	Over (Under)	Net Surplus (Deficit)
<b>GENERAL FUNDS</b>								
General Fund	101	59,356,435	62,530,232	3,173,797	54,531,532	51,758,171	(2,773,361)	5,947,158
<b>INFRASTRUCTURE FUNDS</b>								
State Gasoline Taxes	201	1,635,028	1,890,037	255,009			-	255,009
State Capital Grants	203	830,430	924,556	94,126			-	94,126
Transnet Program (Prop A Sales Tax)	211	1,594,630	1,537,059	(57,571)			-	(57,571)
Coastal Zone Management Fund	212	243,818	366,470	122,652	230,758	229,529	(1,229)	123,881
Federal Capital Grants	223	11,509	354,381	342,872			-	342,872
Federal TDA Grants	224	-	-	-			-	-
<b>TOTAL INFRASTRUCTURE FUNDS</b>		4,315,415	5,072,503	757,088	230,758	229,529	(1,229)	758,317.46
<b>GRANT FUNDS</b>								
State Law Enforcement Grant	202	100,000	100,000	-	100,000	100,000	-	-
Government Education Access	213	425,895	439,763	13,868	206,148	156,764	(49,384)	63,252
Solid Waste, Recycling & HHW	214	420,500	411,130	(9,370)	511,782	448,663	(63,119)	53,749
Asset Forfeiture	215	388	-	(388)	10,093	93	(10,000)	9,612
Sr Nutrition Grant	221	84,000	78,440	(5,560)	126,143	113,907	(12,236)	6,676
Comm Devel Block Grant (CDBG)	222	489,387	254,647	(234,740)	489,323	254,647	(234,676)	(64)
Home Entitlement Program	227	233,003	(27,273)	(260,276)	233,003	34,360	(198,643)	(61,633)
Federal Law Enforcement Grant	228	10,000	11,913	1,913	10,000	11,913	1,913	-
Restricted Donations & Contributions	229	38,000	43,172	5,172	101,440	26,806	(74,634)	79,806
<b>TOTAL GRANT FUNDS</b>		1,801,173	1,311,792	(489,381)	1,787,932	1,147,153	(640,779)	151,399
<b>DEVELOPMENT IMPACT FUNDS</b>								
Park Development Fees	231	151,460	226,312	74,852			-	74,852
Park Acquisition Fees	232	406,319	601,505	195,186			-	195,186
Traffic Mitigation Fees	233	2,064,024	76,476	(1,987,548)			-	(1,987,548)
RTCIP (Regional Arterial System) Fee	234	132,092	211,127	79,035			-	79,035
Open Space Acquisition Fees	235	25,589	38,602	13,013			-	13,013
Recreational Trails Fees	236	6,531	9,802	3,271			-	3,271
Community Facilities Fees	237	34,260	51,086	16,826			-	16,826
Fire Mitigation Fees	238	38,331	70,259	31,928			-	31,928
Flood Control Mitigation Fees	239	120,731	85,968	(34,763)			-	(34,763)
In Lieu Fees Curb Gutter Sidewalks	251	24	59	35			-	35
In Lieu Fees Underground Utilities	252	1,341,885	802,165	(539,720)			-	(539,720)
In Lieu Fees Affordable Housing	253	2,000	6,395	4,395			-	4,395
<b>TOTAL DEVELOPMENT IMPACT FUNDS</b>		4,323,246	2,179,756	(2,143,490)	-	-	-	(2,143,490)
<b>LIGHTING &amp; LANDSCAPE DISTRICTS</b>								
Villanitas Road M.I.D.	291	21,483	13,519	(7,964)	27,238	16,125	(11,113)	3,149
Cerro Street M.I.D.	292	39,060	44,955	5,895	48,236	17,862	(30,374)	36,269
Village Park M.I.D.	293	33,149	33,316	167	43,089	33,481	(9,608)	9,775
Wiro Park M.I.D.	294	11,030	11,015	(15)	18,386	18,338	(48)	33
Encinitas Lighting Landscape District	295	1,210,272	1,368,726	158,454	1,410,707	1,288,781	(121,926)	280,380
Encinitas Ranch Lighting Landscape	297	618,688	625,959	7,271	605,626	595,300	(10,326)	17,598
<b>TOTAL LIGHTING &amp; LANDSCAPE DISTRICT FUNDS</b>		1,933,682	2,097,491	163,809	2,153,282	1,969,887	(183,395)	347,204

\* This schedule contains operating revenue and expenditures only and does not include transfers in/out

(Column 1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
FUND NAME	Fund	Operating Revenues FY 2014-15 Approved	Operating Revenues FY 2014-15 Actual	Over (Under)	Operating Expenditures FY 2014-15 Approved	Operating Expenditures FY 2014-15 Actual	Over (Under)	Net Surplus (Deficit)
<b>DEBT SERVICE FUNDS</b>								
Debt Service Fund	301	2,315	184	(2,131)	835,939	810,938	(25,001)	22,870
Encinitas Public Finance Authority	302	35,685	37,397	1,712	4,378,624	3,936,608	(442,016)	443,728
<b>TOTAL DEBT SERVICE FUNDS</b>		<b>38,000</b>	<b>37,581</b>	<b>(419)</b>	<b>5,214,563</b>	<b>4,747,545</b>	<b>(467,018)</b>	<b>466,599</b>
<b>CARDIFF SANITATION DISTRICT FUNDS</b>								
Operations	511	4,765,804	4,585,451	(180,353)	2,898,291	2,815,890	(82,401)	(97,952)
<b>TOTAL CSD FUNDS</b>		<b>4,765,804</b>	<b>4,585,451</b>	<b>(180,353)</b>	<b>2,898,291</b>	<b>2,815,890</b>	<b>(82,401)</b>	<b>(97,952)</b>
<b>ENCINITAS SANITARY DIVISION FUNDS</b>								
Operations	521	2,888,372	2,883,895	(4,477)	1,478,745	1,423,469	(55,276)	50,799
<b>TOTAL ESD FUNDS</b>		<b>2,888,372</b>	<b>2,883,895</b>	<b>(4,477)</b>	<b>1,478,745</b>	<b>1,423,469</b>	<b>(55,276)</b>	<b>50,799</b>
<b>OTHER PROPRIETARY FUNDS</b>								
Section 8 Housing- Admin	551	230,875	232,456	1,581	293,990	258,604	(35,386)	36,967
Section 8 Housing- HAP	552	947,501	962,104	14,603	975,440	955,833	(19,607)	34,210
Pacific Pines Affordable Housing	561	217,642	235,033	17,391	219,382	140,500	(78,882)	96,273
Recreation Programs	571	1,130,000	1,263,801	133,801	1,127,032	1,137,926	10,894	122,907
Jr Lifeguard Program	572	204,320	237,303	32,983	206,393	193,638	(12,755)	45,738
<b>TOTAL OTHER PROPRIETARY FUNDS</b>		<b>2,730,338</b>	<b>2,930,696</b>	<b>200,358</b>	<b>2,822,237</b>	<b>2,686,501</b>	<b>(135,736)</b>	<b>336,094</b>
<b>INTERNAL SERVICE FUNDS</b>								
Self Insurance	601	973,365	1,380,872	407,507	1,862,648	1,684,906	(177,742)	585,248
Wastewater Support	611	988,715	919,416	(69,299)	996,015	919,416	(76,599)	7,300
Fleet Maintenance	621	562,944	531,119	(31,825)	570,696	531,119	(39,577)	7,752
Vehicle Replacement	622	123,000	136,478	13,478	301,000	213,805	(87,195)	100,673
Mach Equipment Replacement	623	185,000	253,728	68,728	534,048	468,994	(65,054)	133,782
Fire Apparatus Replacement	624	678,000	392,743	(285,257)	375,000	356,094	(18,906)	(266,351)
<b>TOTAL INTERNAL SERVICE FUNDS</b>		<b>3,511,024</b>	<b>3,614,355</b>	<b>103,331</b>	<b>4,639,407</b>	<b>4,174,334</b>	<b>(465,073)</b>	<b>568,404</b>
<b>TOTAL ALL FUNDS</b>		<b>85,663,489</b>	<b>87,243,753</b>	<b>1,580,264</b>	<b>75,756,747</b>	<b>70,952,479</b>	<b>(4,804,268)</b>	<b>6,384,532</b>

\* This schedule contains operating revenue and expenditures only and does not include transfers in/out

**Explanation of Variances between Budgeted & Actual Fund Balances - Other City Funds**  
(Refer to Attachment 3)

**INFRASTRUCTURE FUNDS**

Description	Budget	Actual	Surplus/(Deficit)
<b>Gas Tax - Fund 201</b>			<b>\$255,009</b>
Revenues	1,635,028	1,890,037	255,009
Expenditures	-	-	-

The City receives gas tax revenue from the State of California which is restricted to maintenance and operations of City streets. A portion of the revenue received is used to offset costs for the Streets Maintenance division of Public Works. The rest of the revenue is used to fund capital improvement projects. The City received more revenue than anticipated due to an adjustment in the State's calculation.

Description	Budget	Actual	Surplus/(Deficit)
<b>State Capital Grant - Fund 203</b>			<b>\$94,126</b>
Revenues	830,430	924,556	94,126
Expenditures	-	-	-

This fund is based on the actual reimbursement requests from various granting agencies. The City received higher than expected reimbursements for the fiscal year.

Description	Budget	Actual	Surplus/(Deficit)
<b>TransNet Program (Prop A) - Fund 211</b>			<b>(\$57,571)</b>
Revenues	1,594,630	1,537,059	(57,571)
Expenditures	-	-	-

The revenue in this fund is based on the actual draw down requests from SANDAG from the City to cover CIP projects. The actual available fund balance at year-end was \$57,571 below estimates.

Description	Budget	Actual	Surplus/(Deficit)
<b>Coastal Zone Management - Fund 212</b>			<b>\$123,881</b>
Revenues	243,818	366,470	122,652
Expenditures	230,758	229,529	1,229

This fund was established following an election held in November 1998, increasing the hotel Transient Occupancy Tax (TOT) from 8% to 10%. The additional 2% tax is used for beach sand replenishment and stabilization programs. Revenues exceeded projections which is likely due to the improved economy and increase in tourism.

Description	Budget	Actual	Surplus/(Deficit)
<b>Federal Capital Grant - Fund 223</b>			<b>\$342,872</b>
Revenues	11,509	354,381	342,872
Expenditures	-	-	-

This fund is based on the actual reimbursement requests from various granting agencies. The City received higher than expected reimbursements for the fiscal year.

**GRANT FUNDS**

Description	Budget	Actual	Surplus/(Deficit)
<b>Government/Education Access - Fund 213</b>			<b>\$63,252</b>
Revenues	425,895	439,763	13,868
Expenditures	206,148	156,764	49,384

The favorable fund balance for this fund was due to revenue which came in higher than projected, specifically for the AT&T franchise fees. Expenditure savings from contracts/services is from having the video production crew broadcast less meetings than projected. Savings in materials/supplies is from purchasing less hardware and software than projected.

Description	Budget	Actual	Surplus/(Deficit)
<b>Solid Waste Recycling - Fund 214</b>			<b>\$53,749</b>
Revenues	420,500	411,130	(9,370)
Expenditures	511,782	448,663	63,119

Operating costs in the Solid Waste/Household Hazardous Waste fund were lower than projected primarily due to savings in street sweeping and HHW collection costs. Revenues were slightly lower than projected due to a delay in receiving the beverage container grant from CalRecycle.

Description	Budget	Actual	Surplus/(Deficit)
<b>Asset Forfeiture - Fund 215</b>			<b>\$9,612</b>
Revenues	388	-	(388)
Expenditures	10,093	93	10,000

Asset Forfeitures are resources obtained through legal asset seizures (cash, property) by law enforcement officials in Encinitas. Funds are used to acquire additional non-personnel expense items to aid in law enforcement activities. There was no revenue received in the fiscal year and a minimal amount of expenditures resulting in a surplus of \$9,612.

Description	Budget	Actual	Surplus/(Deficit)
<b>Senior Nutrition Grant - Fund 221</b>			<b>\$6,676</b>
Revenues	84,000	78,440	(5,560)
Expenditures	126,143	113,907	12,236

This fund provides tracking of revenues and expenditures associated with the Senior Nutrition Program. The program is funded through a grant from the County of San Diego, participant donations and a transfer from the General Fund. Year-end savings resulted from a part-time staff vacancy and less meals served.

**GRANT FUNDS - continued**

Description	Budget	Actual	Surplus/(Deficit)
<b>CDBG Grant - Fund 222</b>			<b>(\$64)</b>
Revenues	489,387	254,647	(234,740)
Expenditures	489,323	254,647	234,676

Actual revenues and expenditures were less than projected mostly due to the entire running balance of the Residential Rehabilitation Program (Res Rehab) being reflected in the budgeted number. A total of five Res Rehab projects were processed in FY2014-15. The City received reimbursement for all except one, which is expected to be received in FY2015-16. Audit costs paid in FY2014-15 for the FY2013-14 audit as well as legal advertisement costs were less than anticipated. A mid-year request for \$64 was made to transfer salary budget over to the Housing Element Update project (WC14B) in order to cover the overtime costs associated with the dialog sessions.

Description	Budget	Actual	Surplus/(Deficit)
<b>HOME Grant - Fund 227</b>			<b>(\$61,633)</b>
Revenues	233,003	(27,273)	(260,276)
Expenditures	233,003	34,360	198,643

Actual revenues and expenditures were less than projected mostly due to the entire running balance of the Residential Rehabilitation Program (Res Rehab) as well as the Tenant Based Rental Assistance Program (TBRA) being reflected in the budgeted number. One Res Rehab project was processed in FY2014-15 for which the City is anticipating reimbursement in FY2015-16. There are an additional six projects that have yet to be reimbursed to the City from previous the fiscal year. That revenue is also anticipated to be realized in FY2015-16.

Description	Budget	Actual	Surplus/(Deficit)
<b>Federal Law Enforcement Grant - Fund 228</b>			<b>-</b>
Revenues	10,000	11,913	1,913
Expenditures	10,000	11,913	(1,913)

The Federal Justice Assistance Grant program appropriates funds for local jurisdictions to supplement law enforcement services. This is an annual block grant and the City uses the funds for services on law enforcement radio communications systems.

Description	Budget	Actual	Surplus/(Deficit)
<b>Restricted Donations Grant - Fund 229</b>			<b>\$79,806</b>
Revenues	38,000	43,172	5,172
Expenditures	101,440	26,806	74,634

This fund provides tracking of revenues and expenditures associated with donations received by the City that are restricted for a specific use. Revenue received in FY2014-15 includes a donation from the Surfing Madonna Oceans Project (SMOP) and the initial Encinitas Community Park (ECP) paver program. Year-end savings results from fewer supplies purchased and unidentified projects.

**DEVELOPMENT IMPACT FUNDS**

Description	Budget	Actual	Surplus/(Deficit)
<b>Development Impact Funds</b>			<b>(\$2,143,490)</b>
<i>Funds 231 - 239; and 251 - 253</i>			
Revenues	4,323,246	2,179,756	(2,143,490)
Expenditures	Appropriations to various CIP projects		

**Park Development, Park Acquisition, Open Space, Recreation Trails and Community Facilities Fees Funds** all exceeded revenue projections. Revenue received for these funds were more than projected due to more new residential units being developed than were originally projected. The budget reflects a projected 60 units for the year, but actuals came at 91 units.

**Traffic Mitigation Fee Fund** – Revenue from the Traffic Mitigation Fees were \$76,476 which was \$12,452 or 19%, greater than the amount budgeted. Traffic Mitigation Fees are those traffic fees that are charged to commercial development and can vary widely from year to year depending on development. For example, the revenues in FY2012-13 were \$43,826 and in FY2013-14 revenues were \$596,919. The original budget projection included \$2,000,000 for intergovernmental agency revenue. This was for the Carlsbad share of the La Costa Avenue Improvements project which has been delayed. Therefore, the revenue was not received in FY2014-15.

**RTCIP Fee Fund** – Revenue from RTCIP fees were \$211,127, which was \$79,035, or 60%, greater than the amount budgeted. The budgeted amount was a conservative amount based on prior year actuals.

**Flood Control Fee Fund** – Revenue from the Flood Control Fees were \$85,968, which was \$34,763, or 29%, less than the amount budgeted.

Residential building activity in FY2014-15 continued the brisk pace of the previous year with permits for 135 new dwelling units issued. Shea Homes is near completion of construction of the 69-unit “Coral Cove” project on North Vulcan Avenue. Additionally, Shea has applied for or has been issued permits for most of the 69-unit 1 Channel Island project, just north of the Leichtag Foundation holdings between Quail Gardens Drive and Saxony Road. According to Shea, all phases, including those that have not begun construction, are in escrow or contracted for sale. City Ventures 14-lot subdivision on Lake Drive in Cardiff is nearing completion with more than half of the units completed or under construction. Lennar is nearing completion of construction of a 28-lot subdivision on Normandy Road at Piraeus Street. The CityMark 11-lot subdivision on Olivenhain Road is completed and occupied. Construction of stand-alone single-family projects continues at a brisker pace than has been seen in several years. In addition to the anticipated completion of the projects discussed above, there are several new subdivision applications for various residentially zoned properties throughout the City, some of which recently garnered Planning Commission approval and will soon be under construction.

Although most of the formerly vacant retail spaces in the City are now occupied, commercial development saw some increase in FY2014-15. Downtown, a mixed-use project is under construction at I Street and South Coast Highway 101 and Wells Fargo has set up shop in Pacific Station. Several proposed mixed-use projects downtown are in the review process, and a couple of new shops, coffee bars, delis, taco shops, and restaurants have cropped up in the downtown area. Petco is in the process of moving east across the freeway to the Encinitas Town and Country shopping center (Smart & Final/CVS) and Z-Gallerie recently moved from The Forum in Carlsbad to the Encinitas Ranch Towne Center.

**LIGHTING AND LANDSCAPE DISTRICT FUNDS**

<b>Description</b>	<b>Budget</b>	<b>Actual</b>	<b>Surplus/(Deficit)</b>
<b>Maintenance Improvement Districts</b>			<b>\$49,226</b>
<i>Fund 291; 292; 293; and 294</i>			
Revenues	104,722	102,805	(1,917)
Expenditures	136,949	85,806	51,143

The Maintenance Improvement District funds provides tracking of revenues and expenditures associated with the Villanitas; Cerro Street; Village Park; and Wiro Park assessment districts. Year-end savings resulted from less maintenance activities than anticipated.

<b>Description</b>	<b>Budget</b>	<b>Actual</b>	<b>Surplus/(Deficit)</b>
<b>Encinitas LLD - Fund 295</b>			<b>\$280,380</b>
Revenues	1,210,272	1,368,726	158,454
Expenditures	1,410,707	1,288,781	121,926

The Encinitas Landscape and Lighting District (ELLD) fund provides tracking of revenue and expenditures associated with the city-wide landscaping and lighting assessment district. Year-end savings resulted from less maintenance activities than anticipated and savings in electric and water utilities.

<b>Description</b>	<b>Budget</b>	<b>Actual</b>	<b>Surplus/(Deficit)</b>
<b>Encinitas Ranch LLD - Fund 297</b>			<b>\$17,597</b>
Revenues	618,688	625,959	7,271
Expenditures	605,626	595,300	10,326

Encinitas Ranch Landscape and Lighting District (ELLD Zone H) fund provides tracking of revenues and expenditures associated with the Encinitas Ranch landscaping and lighting assessment district. Year-end savings resulted from the reduced purchase of supplies for repairs and maintenance.

**DEBT SERVICE FUNDS**

<b>Description</b>	<b>Budget</b>	<b>Actual</b>	<b>Surplus/(Deficit)</b>
<b>Debt/Encinitas PFA - Fund 301/302</b>			<b>\$466,599</b>
Revenues	38,000	37,581	(419)
Expenditures	5,214,563	4,747,545	467,018

This fund accounts for the leases such as the Civic Center lease and fire truck lease (2011-2013). Bonds include Library bonds, Park bonds, Civic Center bonds, and Pacific View/Moonlight Beach. Due to the timing on the closing of the bonds, only one payment was made in the fiscal year creating a savings.

**ENTERPRISE FUNDS**

Description	Budget	Actual	Surplus/(Deficit)
<b>Cardiff Sanitary Division - Fund 511</b>			<b>(\$97,952)</b>
Revenues	4,765,804	4,585,451	(180,353)
Expenditures	2,898,291	2,815,890	82,401

Original FY2014-15 revenue projections assumed a rate increase which did not go into effect until this year. In addition, investment income did not meet initial projections. Operating expenses were under budget due to savings in Line Maintenance and Admin Support.

Description	Budget	Actual	Surplus/(Deficit)
<b>Encinitas Sanitary Division - Fund 521</b>			<b>\$50,799</b>
Revenues	2,888,372	2,883,895	(4,477)
Expenditures	1,478,745	1,423,469	55,276

Revenue from manual sewer billings was slightly less than original projections. Operating expenses were under budget due to savings in Line Maintenance and Admin Support.

**OTHER PROPRIETARY FUNDS**

Description	Budget	Actual	Surplus/(Deficit)
<b>Section 8 Housing - Fund 551</b>			<b>\$36,967</b>
Revenues	230,875	232,456	1,581
Expenditures	293,990	258,604	35,386

Revenue was higher than projections due to higher administration fee rates being paid by HUD. Additionally, fees paid from other Housing Authorities for their port-outs was higher. Expenditures are lower than projections due to an underfilled Housing Administrator position.

Description	Budget	Actual	Surplus/(Deficit)
<b>Section 8 Housing HAP - Fund 552</b>			<b>\$34,210</b>
Revenues	947,501	962,104	14,603
Expenditures	975,440	955,833	19,607

Actual revenues were higher due to the number of Section 8 vouchers estimated, 110 actual vouchers versus an estimated 105. Expenditures were lower than projected due to the port-outs being less than estimated, four versus eight.

Description	Budget	Actual	Surplus/(Deficit)
<b>Pacific Pines Aff Housing - Fund 561</b>			<b>\$96,273</b>
Revenues	217,642	235,033	17,391
Expenditures	219,382	140,500	78,882

Revenue from earned interest came in higher than projected along with an insurance payment reimbursement from flooding that occurred in previous years. Expenditures are lower due to cost increases for the units that didn't materialize and savings in replacement of appliances that didn't require replacement.

**OTHER PROPRIETARY FUNDS- *continued***

Description	Budget	Actual	Surplus/(Deficit)
<b>Recreation Program - Fund 571</b>			<b>\$122,907</b>
Revenues	1,130,000	1,263,801	133,801
Expenditures	1,127,032	1,137,926	(10,894)

The Recreation Program is a fee-for-use program and tracks revenues and expenditures. Fees are designed to cover direct program costs such as staff for administration and instruction, services and supplies. The surplus is a result of the increased enrollment and facility rentals.

Description	Budget	Actual	Surplus/(Deficit)
<b>Jr. Lifeguard Program - Fund 572</b>			<b>\$45,738</b>
Revenues	204,320	237,303	32,983
Expenditures	206,393	193,638	12,755

The Jr. Lifeguard Program is a fee-for-use program and tracks revenues and expenditures. Fees are designed to cover direct program costs such as staff for administration and instruction, services and supplies. The surplus is a result of the timing of expenses.

**INTERNAL SERVICE FUNDS**

Description	Budget	Actual	Surplus/(Deficit)
<b>Self Insurance Program - Fund 601</b>			<b>\$585,248</b>
Revenues	973,365	1,380,872	407,507
Expenditures	1,862,648	1,684,907	177,741

This fund provides a tracking of revenue and expenditures associated with claims, legal defense costs, insurance procurement, insurance dividends and safety programs. An increase in insurance dividends along with reduced overall budgeted expenses resulted in the surplus.

Description	Budget	Actual	Surplus/(Deficit)
<b>Wastewater Support - Fund 611</b>			<b>\$7,300</b>
Revenues	988,715	919,416	(69,299)
Expenditures	996,015	919,416	76,599

This fund is to account for operational costs related to Wastewater Operations. The expenditures are allocated to CSD (Fund 501) and ESD (Fund 521) based on Wastewater efforts and benefits.

Description	Budget	Actual	Surplus/(Deficit)
<b>PW Fleet Maintenance - Fund 621</b>			<b>\$7,752</b>
Revenues	562,944	531,119	(31,825)
Expenditures	570,696	531,119	39,577

Actual repair costs were less than anticipated due to lower major repair requirements fleet-wide.

**INTERNAL SERVICE FUNDS – continued**

Description	Budget	Actual	Surplus/(Deficit)
<b>PW Fleet Vehicle Replacement - Fund 622</b>			<b>\$100,673</b>
Revenues	123,000	136,478	13,478
Expenditures	301,000	213,805	87,195

The appropriated expenditures for FY2014-15 were \$301,000. The City purchased the following vehicles:

Ford Escape SUV; Ford F-150 Pick-up truck; Ford Transit Passenger Van; Ford F-350 Work Truck; Ford C-Max Hybrid sedan; Ford Fusion Hybrid; Ford Escape

The combined cost of all vehicle replacements for FY2014-15 was \$213,805, which created a savings of \$87,195 in the Vehicle Replacement Fund. Actual revenue received was \$13,478 higher than projected. Proceeds of disposed vehicles were \$3,950 more than estimated and the City received \$9,528 in cost recovery for damage to a fleet vehicle.

Description	Budget	Actual	Surplus/(Deficit)
<b>PW Machinery &amp; Equipment Replacement - Fund 623</b>			<b>\$133,782</b>
Revenues	185,000	253,728	68,728
Expenditures	534,048	468,994	65,054

The appropriated expenditures for FY2014-15 were \$534,048. The City purchased a Vac-Con Combination Sewer Cleaning Truck for the Public Works Operations Division at a cost of \$393,502 and a Bobcat Loader at a cost of \$75,492. The combined cost of all equipment for FY2014-15 was \$468,994, which created a savings of \$65,054 in the Machinery and Equipment Replacement Fund. The actual revenue received for proceeds of disposed vehicles was \$68,727 more than the estimated revenue projection of \$15,000.

Description	Budget	Actual	Surplus/(Deficit)
<b>PW Fire Apparatus Replacement - Fund 624</b>			<b>(\$266,351)</b>
Revenues	678,000	392,743	(285,257)
Expenditures	375,000	356,094	18,906

The appropriated expenditures for FY2014-15 were \$375,000. The City purchased a Pierce Brush Engine for \$356,094 resulting in a savings of \$18,906 in the Fire Apparatus Replacement Fund. In FY2014-15 a long term lease of \$300,000 was budgeted for the anticipated purchase of a pumper fire truck. When the truck was purchased, it was determined that the balance in the fund was sufficient to cover the purchase. Therefore the budgeted amount was not needed, resulting in a net \$285,257 less than anticipated in revenue for the fund.

Schedule A: Revised Budget Summary FY2015-16\*

(Column 1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
FUND NAME	FUND	Unassigned Fund Balance July 1, 2015	Revenue Projections	Approved Operating Expenditures	Approved Capital Expenditures	Interfund Transfers In	Interfund Transfers Out	Interfund Transfers Debt Service	Interfund Transfers Capital	Current Year Summary (+3-4+(5...8))	Unassigned Projected Fund Balance (+2+9)
<b>GENERAL FUNDS</b>											
General Fund**	101	19,097,763	65,032,302	56,615,817		1,184,360	(2,646,724)	(4,994,187)	(4,769,090)	(2,809,155)	16,288,608
Contingency Reserves (20% of Operating Expend)	101	11,323,163								-	11,323,163
Budget Stabilization Reserve (2% of revenues)	101	1,300,646								-	1,300,646
<b>TOTAL GENERAL FUNDS</b>		<b>31,721,572</b>	<b>65,032,302</b>	<b>56,615,817</b>	<b>-</b>	<b>1,184,360</b>	<b>(2,646,724)</b>	<b>(4,994,187)</b>	<b>(4,769,090)</b>	<b>(2,809,155)</b>	<b>28,912,417</b>
<b>INFRASTRUCTURE FUNDS</b>											
State Gasoline Taxes	201	375,546	1,380,849	-			(1,085,652)		(295,197)	-	375,546
State Capital Grants	203	-	1,700,000						(1,700,000)	-	-
Transnet Program (Prop A Sales Tax)	211	-	2,473,000						(2,615,000)	(142,000)	(142,000)
Coastal Zone Management Fund	212	732,061	300,000	238,599					(225,000)	(163,599)	568,462
Federal Capital Grants	223	-	-	-					-	-	-
Federal TDA Grants	224	-	-	-					-	-	-
<b>TOTAL INFRASTRUCTURE FUNDS</b>		<b>1,107,607</b>	<b>5,853,849</b>	<b>238,599</b>	<b>-</b>	<b>-</b>	<b>(1,085,652)</b>	<b>-</b>	<b>(4,835,197)</b>	<b>(305,599)</b>	<b>802,008</b>
<b>GRANT FUNDS</b>											
State Law Enforcement Grant	202	-	100,000	100,000					-	-	-
Government Education Access	213	612,951	425,895	187,345					(947,290)	(708,740)	(95,789)
Solid Waste, Recycling and HHW	214	906,247	426,250	462,262					-	(36,012)	870,235
Asset Forfeiture	215	103,755	533	10,197					-	(9,664)	94,091
Senior Nutrition Grant	221	-	83,000	122,443		46,539			-	7,096	7,096
Comm Development Block Grant (CDBG)	222	-	393,741	222,092		24,496			(196,000)	145	145
HOME Entitlement Program	227	25,017	1,445	6,107		4,662			-	-	25,017
Federal Law Enforcement Grant	228	-	10,000	10,000					-	-	-
Donations & Contributions	229	120,068	563,000	245,590		75,000			(472,000)	(79,590)	40,478
<b>TOTAL GRANT FUNDS</b>		<b>1,768,038</b>	<b>2,003,864</b>	<b>1,366,036</b>	<b>-</b>	<b>150,697</b>	<b>-</b>	<b>-</b>	<b>(1,615,290)</b>	<b>(826,765)</b>	<b>941,273</b>
<b>DEVELOPMENT IMPACT FUNDS</b>											
Park Improvement Fees	231	603,216	151,460	-					-	151,460	754,676
Park Acquisition Fees	232	1,263,810	203,119	-					-	203,119	1,466,929
Traffic Mitigation Fees	233	(600,667)	388,303	-					(852,000)	(463,697)	(1,064,364)
RTCIP-(Regional Arterial System) Fee	234	894,316	922,704	-					(576,000)	346,704	1,241,020
Open Space Acquisition Fees	235	83,223	34,049	-					-	34,049	117,272
Recreational Trails Fees	236	24,433	6,531	-					-	6,531	30,964
Community Facilities Fees	237	-	45,680	-		(45,680)			-	-	-
Fire Mitigation Fees	238	-	43,028	-		(43,028)			-	-	-
Flood Control Mitigation Fees	239	341,798	51,139	-					(75,000)	(23,861)	317,937
In Lieu Fees Curb Gutter Sidewalks	251	12,550	24	-					-	24	12,574
In Lieu Fees Underground Utilities	252	(69,505)	1,885	-					-	1,885	(67,620)
Affordable Housing	253	1,359,632	2,000	-					-	2,000	1,361,632
<b>TOTAL DEVELOPMENT IMPACT FUNDS</b>		<b>3,912,806</b>	<b>1,849,922</b>	<b>-</b>	<b>-</b>	<b>(88,708)</b>	<b>-</b>	<b>(1,503,000)</b>	<b>258,214</b>	<b>4,171,020</b>	
<b>LIGHTING &amp; LANDSCAPE DISTRICTS</b>											
Villanitas Road M.I.D.	291	255,749	11,760	20,805					-	(9,045)	246,704
Cerro Street M.I.D.	292	333,639	40,700	35,837					-	4,863	338,502
Village Park M.I.D.	293	140,964	33,010	45,013					-	(12,003)	128,961
Wiro Park M.I.D.	294	744	11,010	19,099		8,400			-	311	1,055
Encinitas Lighting Landscape District	295	757,520	1,231,550	1,422,776					(100,000)	(291,226)	466,294
Encinitas Ranch Lighting Landscape	297	1,268,964	622,620	503,723					-	118,897	1,387,861
<b>TOTAL LIGHTING &amp; LANDSCAPE DISTRICT FUNDS</b>		<b>2,757,580</b>	<b>1,950,650</b>	<b>2,047,253</b>	<b>-</b>	<b>8,400</b>	<b>-</b>	<b>-</b>	<b>(100,000)</b>	<b>(188,203)</b>	<b>2,569,377</b>

Schedule A: Revised Budget Summary FY2015-16\*

(Column 1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
FUND NAME	FUND	Unassigned Fund Balance July 1, 2015	Revenue Projections	Approved Operating Expenditures	Approved Capital Expenditures	Interfund Transfers In	Interfund Transfers Out	Interfund Transfers Debt Service	Interfund Transfers Capital	Current Year Summary (+3-4+(5...8))	Unassigned Projected Fund Balance (+2+9)
<b>DEBT SERVICE FUNDS</b>											
Debt Service Fund	301	-	240	477,242	-	-	477,002	-	-	-	-
Encinitas Public Finance Authority	302	-	37,240	4,554,425	-	-	4,517,185	-	-	-	-
<b>TOTAL DEBT SERVICE FUNDS</b>		-	37,480	5,031,667	-	-	4,994,187	-	-	-	-
<b>CAPITAL IMPROVEMENT FUNDS</b>											
Capital Project Fund	401	-	-	-	11,590,578	-	-	-	11,590,578	-	-
Facility Maintenance Fund	402	-	-	-	1,362,000	1,000,000	-	-	1,232,000	870,000	870,000
<b>TOTAL CAPITAL IMPROVEMENT FUNDS</b>		-	-	-	12,952,578	1,000,000	-	-	12,822,578	870,000	870,000
<b>CARDIFF SANITARY DIVISION FUNDS</b>											
Operations	511	2,578,210	4,801,711	3,556,420	-	-	-	(930,347)	314,944	2,893,154	
Capital Replacement	512	1,702,405	-	-	3,664,762	-	-	930,347	(2,734,415)	(1,032,010)	
Capital Expansion	513	717,523	51,255	-	-	-	-	-	51,255	768,778	
<b>TOTAL CSD FUNDS</b>		4,998,138	4,852,966	3,556,420	3,664,762	-	-	-	(2,368,216)	2,629,922	
<b>ENCINITAS SANITARY DIVISION FUNDS</b>											
Operations	521	1,749,927	2,839,344	1,499,854	-	-	-	(1,496,940)	(157,450)	1,592,477	
Capital Replacement	522	3,860,234	-	-	1,376,587	-	-	1,496,940	120,353	3,980,587	
Capital Expansion	523	2,202,060	72,360	-	-	-	-	-	72,360	2,274,420	
<b>TOTAL ESD FUNDS</b>		7,812,221	2,911,704	1,499,854	1,376,587	-	-	-	35,263	7,847,484	
<b>OTHER PROPRIETARY FUNDS</b>											
Section 8 Housing- Admin	551	19,966	208,480	275,713	-	67,043	-	-	-	(190)	19,776
Section 8 Housing- HAP	552	7,110	971,447	986,500	-	-	-	-	-	(15,053)	(7,943)
Pacific Pines Affordable Housing	561	1,576,736	219,342	221,879	-	13,327	-	-	-	10,790	1,587,526
Recreation Programs**	571	-	-	-	-	-	-	-	-	-	-
Jr Lifeguard Program**	572	-	-	-	-	-	-	-	-	-	-
<b>TOTAL OTHER PROPRIETARY FUNDS</b>		1,603,812	1,399,269	1,484,092	-	80,370	-	-	-	(4,453)	1,599,359
<b>INTERNAL SERVICE FUNDS</b>											
Self-Insurance Fund	601	3,247,178	1,005,687	1,880,550	-	894,257	-	-	-	19,394	3,266,572
Wastewater Support	611	-	1,044,337	924,037	-	-	(113,000)	-	-	7,300	7,300
Fleet Maintenance	621	-	596,820	596,820	-	-	-	-	-	-	-
Vehicle Replacement	622	846,871	10,000	328,000	-	113,000	-	-	-	(205,000)	641,871
Mach Equipment Replacement	623	1,292,929	10,000	140,000	-	125,000	-	-	-	(5,000)	1,287,929
Fire Apparatus Replacement	624	2,645,557	525,000	875,855	-	378,000	-	-	-	27,145	2,672,702
<b>TOTAL INTERNAL SERVICE FUNDS</b>		8,032,535	3,191,844	4,745,262	-	1,510,257	(113,000)	-	-	(156,161)	7,876,374
<b>TOTAL ALL FUNDS</b>		<b>63,714,309</b>	<b>89,083,850</b>	<b>76,585,000</b>	<b>17,993,927</b>	<b>3,934,084</b>	<b>(3,934,084)</b>	-	-	<b>(5,495,075)</b>	<b>58,219,234</b>

\* Revised 10/28/15 to reflect final audited fund balances and adjustments due to placeholders for approved budget items for which account numbers were not available at the adoption publication.

\*\* Funds 571 and 572 were merged into the General Fund (101) beginning in FY2015-16 and are included in the beginning fund balance.

**RESOLUTION NO. 2015-72**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ENCINITAS  
AMENDING THE FISCAL YEAR 2015-16 BUDGET**

WHEREAS, on June 10, 2015 the City of Encinitas City Council adopted Resolution No. 2015-32 appropriating the budget for Fiscal Year 2015-16; and

WHEREAS, changes in anticipated revenues and/or expenditures of the City of Encinitas necessitates a revision of the appropriations for Fiscal Year 2015-16; and

WHEREAS, the City Council has reviewed the proposed Fiscal Year 2015-16 budget amendments; and

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED that the City Council of the City of Encinitas does, hereby, adopt the amendments for Fiscal Year 2015-16 as summarized herein:

(1) Funding Source	(2) Organization Code and Object Code or Project No.	(3) Current Budget	(4) Amendment	(5) Revised Budget	(6) Revenue Exp.
101	10190901-428.6 Lump sum payment to CalPERS to reduce unfunded pension liability	-0-	\$341,956	\$341,956	Expenditure

PASSED AND ADOPTED this 28<sup>th</sup> day of October, 2015, by the following vote, to wit:

- AYES:
- NAYS:
- ABSENT:
- ABSTAIN:

\_\_\_\_\_  
Kristin Gaspar, Mayor  
City of Encinitas

ATTEST:

\_\_\_\_\_  
Kathy Hollywood, City Clerk