



AGENDA REPORT

City Council

MEETING DATE: November 29, 2017

PREPARED BY: Tom Gallup, Finance
Manager
Contributions from All
Departments

INTERIM DEPT. DIRECTOR: James Riley

DEPARTMENT: Finance

CITY MANAGER: Karen P. Brust

SUBJECT:

Report on the Financial Results for Fiscal Year 2016-17.

RECOMMENDED ACTION:

Staff recommends that City Council take the following actions:

1. Approve and adopt the actual ending fund balances for FY 2016-17 as beginning fund balances for FY 2017-18 (**Attachment 1**, Column 8).
2. Approve the revised Schedule A, "Revised Budget Summary FY 2017-18," presented in **Attachment 4**.
3. Receive Capital Improvement Program End of Year Status Report (**Attachment 5**).
4. Adopt Resolution 2017-95 authorizing a:
 - a. Fund balance transfer in the amount of \$2,090,000 from General Fund carryover to Capital Improvement Funds consistent with the approved FY 2017-18 through FY 2022-23 Financial Plan and Capital Improvement Program;
 - b. Lump sum payment to CalPERS to reduce the City of Encinitas unfunded pension liability in the amount \$126,387, which is 5% of the remaining FY 2016-17 remaining General Fund budget carryover of \$2,527,730; and
 - c. Fund balance transfer in the amount of \$500,000 from remaining General Fund carryover to the Open Space Acquisition Fund (**Attachment 6**).

STRATEGIC PLAN:

This item falls within the Organizational Efficiency and Effectiveness focus area of the Strategic Plan by maintaining the City's financial health.

FISCAL CONSIDERATIONS:

General Fund – Fiscal Year 2016-17 ending fund balance in the General Fund totaled \$25,651,592. After deducting \$727,094 of fund balance that is restricted, committed or assigned for other purposes, the unassigned fund balance is \$24,924,498.

Per City Council policy from the unassigned fund balance, \$12,520,353 is reserved for contingencies (20% of operating FY 2016-17 approved operating expenditures) and \$1,417,046 is reserved for budget stabilization (2% of FY 2016-17 projected revenue).

The remaining unassigned fund balance of \$10,987,099 is available for City Council appropriation for future capital projects or one-time expenditures as identified by City Council.

General Fund Revenues – For budgeting purposes, the City’s revenue projections have historically been conservative. Actual revenue in FY 2016-17 (excluding transfers in) exceeded projections by \$856,251 and can be attributed to increased property tax receipts from higher value assessments and increased revenue from investment earnings and rent or lease revenue from the use of City property (recorded in the Use of Money and Property category). Table 1 below compares revenue projections to actual revenue received, by type of revenue:

Table 1

Description	FY 2015-16 Actual	FY 2016-17 Amended Budget	FY 2016-17 Actual	FY 2016-17 Carryover/ (Deficit)	% Variance
Property Tax	\$39,700,730	\$41,517,561	\$42,043,923	\$526,362	1.3%
Documentary Transfer Tax	637,189	510,000	519,777	9,777	1.9%
Sales Tax	14,166,771	12,825,000	12,549,609	(275,391)	-2.1%
Transient Occupancy Tax	1,616,171	1,610,040	1,774,557	164,517	10.2%
Franchise Tax	2,358,567	2,218,970	2,151,171	(67,799)	-3.1%
Licenses, Fees and Permits	232,227	249,000	250,749	1,749	0.7%
Intergovernmental Revenue	801,966	595,694	655,906	60,212	10.1%
Charges for Services	6,585,519	6,626,849	6,688,958	62,109	0.9%
Fines and Penalties	889,388	789,303	850,153	60,850	7.7%
Use of Money and Property	972,664	711,940	1,070,909	358,969	50.4%
Other Revenue	779,893	911,255	866,151	(45,104)	-4.9%
Total	\$68,741,085	\$68,565,612	\$69,421,863	\$856,251	1.2%

General Fund Expenditures – Operating expenditures for the fiscal year (excluding transfers out) were \$3,428,027 or 5.7 percent less than budgeted primarily due to savings in personnel costs resulting from vacancies and reorganizations across City departments and savings in the contracts/services category. Expenditures in the Capital Outlay category exceeded the budget due to amortization of capital expenses at year end, which are not budgeted. Table 2 compares the expenditure budget to actual expenditures for the fiscal year by category:

Table 2

Description	FY 2015-16	FY 2016-17	FY 2016-17	FY 2016-17	FY 2016-17	%	%
	Actual	Adopted Budget	Amended Budget	Actual	Carryover/ (Deficit)	Budget	Variance
Personnel	\$28,986,234	\$31,110,754	\$31,188,616	\$29,344,223	1,844,393	94.1%	5.9%
Materials & Supplies	1,177,159	1,404,663	1,462,803	1,197,522	265,281	81.9%	18.1%
Contracts & Services	23,808,867	25,877,981	26,913,854	25,343,066	1,570,788	94.2%	5.8%
Internal Cost Allocation	418,479	452,654	452,654	449,898	2,756	99.4%	0.6%
Capital Outlay	525,186	80,394	98,650	353,842	(255,192)	358.7%	-258.7%
Debt/Finance	14,173	186,000	127,025	127,025	(0)	100.0%	0.0%
Expenditures Total	\$54,930,098	\$59,112,446	\$60,243,602	\$56,815,575	\$3,428,027	94.3%	5.7%

Actual expenditures by department compared with the operating budget are identified in Table 3 below.

Table 3

Description	FY 2015-16	FY 2016-17	FY 2016-17	FY 2016-17	%
	Actual	Amended Budget	Actual	Carryover/ (Deficit)	Variance
General Government	\$9,096,184	\$10,480,197	\$9,873,643	\$606,554	5.8%
Planning & Building	4,799,037	5,508,354	4,662,870	845,484	15.3%
Law Enforcement	12,859,862	13,626,325	13,448,657	177,668	1.3%
Fire & Marine Safety	14,013,171	14,627,906	14,051,012	576,894	3.9%
Public Works/Engineering	8,049,765	9,019,455	8,403,738	615,717	6.8%
Parks, Recreation & Cultural Arts	6,112,079	6,981,365	6,375,654	605,711	8.7%
Total	\$54,930,098	\$60,243,602	\$56,815,575	\$3,428,027	5.7%

Explanations for the variances within each revenue category and by department can be found in **Attachment 2a**.

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**.

Capital Improvement Program Status Update – Project-to-date expenditures for active projects totaled \$40,298,313. There are presently 101 active projects and 14 projects were completed or closed last year. Detailed information for each project is provided in **Attachment 5**.

BACKGROUND:

Each year following the close 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, inter-fund transfers and ending fund balances for all City funds.

ANALYSIS:

The final available fund balance for the General Fund of \$24,924,498 is \$4,617,732 greater than the projected FY 2016-17 available ending fund balance of \$20,306,766 (**Attachment 1**, General Fund, Column 10). The FY 2016-17 unassigned fund balance of \$24,924,498 is \$6,850,622 lower than the FY 2015-16 unassigned fund balance of \$31,775,120 due to fund balance committed to capital projects. Table 4 delineates the funds being added to the General Fund balance.

Table 4

Total General Fund Budget Variance Summary	
Revenues exceeding projections	\$856,251
Expenditure savings	3,428,027
Transfers (net increase to General Fund balance)	333,454
Returned to General Fund Balance:	\$4,617,732

Transfers of funds into the General Fund were \$229,459 more than projected, while transfers of funds out of the General Fund were \$103,995 less than projected. Overall, General Fund revenues were 1.2% higher than projected and General Fund expenditures were 5.7% 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 \$6,607,747 (**Attachment 1**, "TOTAL ALL FUNDS", Column 10).

City Council previously gave direction to staff to identify a funding option for the acquisition of open space. On June 28, 2017, as part of its final review of the FY 2017-18 and FY 2018-19 operating budget, Council agreed that General Fund carryover (if available) will be allocated in the following order:

1. Amount of fund balance committed to the next fiscal year in the most recently adopted Six-year Capital Improvement Program.
2. Five percent of the total carryover as a lump sum payment to reduce the City's unfunded pension liability.
3. Up to \$500,000 per year reserved for open space acquisition.
4. Carryover balance after items 1-3 will be reserved for future capital projects or other one-time expenditures as identified by City Council.

The adopted FY 2017-18 through FY 2022-23 ("Six-year") Financial Plan and Capital Improvement Program (CIP) identified \$2,090,000 from General Fund carryover that is to be allocated to capital projects and balance the CIP budget in FY 2017-18.

On November 14, 2014, as part of the FY 2013-14 year-end report, Council directed staff to bring back consideration of using year end carryover to make a payment towards the City's unfunded pension liability. The amount used in prior years was 5% of the year end carryover. Staff has calculated 5% of this year's remaining carryover (less \$2,090,000 earmarked for capital projects in the Council approved Six year CIP). The appropriation of \$126,387 would reduce General Fund available fund balance to a net total of \$8,666,212. Table 5 shows the history of lump sum payments towards unfunded pension liabilities along with the amount proposed to be allocated from the FY 2016-17 General Fund carryover.

Table 5

Lump Sum Payments To Reduce Unfunded Pension Liabilities					
Description	Actual FY 2013-14	Actual FY 2014-15	Actual FY 2015-16	Proposed FY 2016-17	Total
General Fund Carryover	\$ 5,221,590	\$ 6,839,114	\$ 4,408,679	\$ 2,527,730	\$ 18,997,113
Payment to reduce unfunded pension liability (5%)	\$ 262,000	\$ 341,956	\$ 220,434	\$ 126,387	\$ 950,777

A fund balance transfer of \$500,000 from General Fund carryover to the Open Space Acquisition Fees Fund (Fund 235) would further reduce General Fund available fund balance to a net total of \$8,270,712. Table 6 provides a summary of reserve requirements and proposed adjustments to the FY 2016-17 ending fund balance for the General Fund.

Table 6

General Fund - Fund Balance Reserve and Adjustment Summary	
FY 2016-17 End of Year Fund Balance	\$ 25,651,592
Committed and Unspendable Fund Balance	(727,094)
Contingency Reserve (20% of Operating Expenditures)	(12,520,353)
Budget Stabilization Reserve (2% of Revenues)	(1,417,046)
Remaining Unassigned Fund Balance	\$ 10,987,099
Fund Balance Transfer to Capital Improvement Funds	(2,090,000)
Payment to Reduce Unfunded Pension Liability	(126,387)
Fund Balance Transfer to Open Space Acquisition Fund (Fund 235)	(500,000)
General Fund - FY 2016-17 Available Fund Balance	\$ 8,270,712

Resolution 2017-95 authorizing a fund balance transfer of \$2,090,000 to Capital Improvement funds, a lump sum payment in the amount of \$126,387 to CalPERS to reduce the City of Encinitas unfunded pension liability and a fund balance transfer of \$500,000 from General Fund carryover to the Open Space Acquisition Fund (Fund 235) is included as **Attachment 6**.

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. **FY 2016-17 Final Actual and Available Fund Balance Summary**
Presents final actual unassigned fund balances (Column 8). These are compared to previously projected fund balances (Column 9) with the differences shown in Column 10.
2. **FY 2016-17 Detail of General Fund Revenues, Expenditures and Transfers**
Presents a summary of General Fund Revenues, Expenditures and Transfers for FY 2016-17 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. **FY 2016-17 Comparison of Budget vs. Actuals: Operating Revenues and Expenditures – All City Funds**
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 12 of Attachment 3.
4. **FY 2017-18 Revised Budget Summary (Schedule A)**
Presents the adjusted budget summary for the current fiscal year with actual beginning fund balances and Council approved revenue projections, operating and capital expenditures and interfund transfers.
5. **FY 2016-17 Capital Improvement Program End of Year Status Report**
6. **Resolution 2017-95** authorizing a fund balance transfer of \$2,090,000 to Capital Improvement funds, a lump sum payment in the amount of \$126,387 to CalPERS to reduce the City of Encinitas unfunded pension liability and a fund balance transfer of \$500,000 from General Fund carryover to the Open Space Acquisition Fund (Fund 235).
7. **FY 2016-17 Budgetary Fund Balance Summary**

(Column 1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
		Fund Balance Detail								
		Total	Restricted, Committed or Assigned		Available			Actual	Projected	Variance
FUND NAME	Fund No	Fund Balance 6/30/2017 (Sum col 3-7)	Capital/Work Projects Reserve	Other Reserves	Budget Stabilization Reserve	Contingency (Operating) Reserve	Unassigned	Available Fund Balance 6/30/2017 (5+6+7)	Available Fund Balance 6/30/2017	Over/(Under) Projection (8-9)
GENERAL FUND										
General Fund	101	25,651,592		727,094	1,417,046	12,520,353	10,987,099	24,924,498	20,306,766	4,617,732
INFRASTRUCTURE FUNDS										
State Gasoline Taxes	201	334,835					334,835	334,835	334,835	-
State Capital Grants	203	(6,048,298)		(6,048,298)			-	-	-	-
TransNet Program	211	(4,435,832)		(4,435,832)			-	-	200,000	(200,000)
Coastal Zone Management Fund	212	609,947					609,947	609,947	559,193	50,754
Federal Capital Grants	223	(2,644,241)		(2,644,241)			-	-	204,840	(204,840)
TOTAL INFRASTRUCTURE FUNDS		(12,183,589)		(13,128,371)			944,782	944,782	1,298,868	(354,086)
GRANT FUNDS										
State Law Enforcement Grant	202	20,848					20,848	20,848	20,848	-
Government Education Access	213	101,181					101,181	101,181	51,442	49,739
Solid Waste, Recycling & HHW	214	1,012,351					1,012,351	1,012,351	802,371	209,980
Asset Forfeiture	215	103,361					103,361	103,361	93,899	9,462
Senior Nutrition Grant	221	-					-	-	7,096	(7,096)
Comm Devel Block Grant (CDBG)	222	(270,846)		(270,846)			-	-	-	-
Home Entitlement Program	227	-					-	-	-	-
Federal Law Enforcement Grant	228	-					-	-	-	-
Restricted Donations/Contributions	229	156,973					156,973	156,973	62,467	94,506
CSA17 Fire Operations	230	205,672					205,672	205,672	171,462	34,210
TOTAL GRANT FUNDS		1,329,540		(270,846)			1,600,386	1,600,386	1,209,585	390,801
DEVELOPMENT IMPACT FUNDS										
Park Development Fees	231	232,185					232,185	232,185	224,154	8,031
Parkland Acquisition Fees	232	563,851					563,851	563,851	505,384	58,467
Traffic Mitigation Fees	233	401,744					401,744	401,744	235,484	166,260
Regional Traffic Mitigation Fee (RTCIP)	234	869,164					869,164	869,164	926,518	(57,354)
Open Space Acquisition Fees	235	146,033					146,033	146,033	162,202	(16,169)
Recreational Trails Fees	236	45,094					45,094	45,094	45,000	94
Community Facilities Fees	237	-					-	-	-	-
Fire Mitigation Fees	238	-					-	-	-	-
Flood Control Mitigation Fees	239	88,084					88,084	88,084	68,031	20,053
In Lieu Fees Curb Gutter Sidewalks	251	12,709					12,709	12,709	12,658	51
In Lieu Fees Underground Utilities	252	12,110					12,110	12,110	10,094	2,016
In Lieu Fees Affordable Housing	253	1,418,944					1,418,944	1,418,944	1,378,982	39,962
TOTAL DEVELOPMENT IMPACT FUNDS		3,789,918					3,789,918	3,789,918	3,568,507	221,411
MUNICIPAL IMPROVEMENT DISTRICTS										
Villanitas Road M.I.D.	291	248,172					248,172	248,172	242,752	5,420
Cerro Street M.I.D.	292	383,398					383,398	383,398	366,746	16,652
Village Park M.I.D.	293	128,712					128,712	128,712	121,144	7,568
Wiro Park M.I.D.	294	6,357					6,357	6,357	2,314	4,043
Encinitas Lighting Landscape District	295	871,097					871,097	871,097	364,090	507,007
Encinitas Ranch Lighting Landscape	297	1,310,340					1,310,340	1,310,340	1,274,911	35,429
TOTAL MUNICIPAL IMPROVEMENT DISTRICT FUNDS		2,948,076					2,948,076	2,948,076	2,371,957	576,119
DEBT SERVICE FUNDS										
Debt Service Fund	301	512,866		-			512,866	512,866	504,199	8,667
Encinitas Public Finance Authority	302	9,576		-			9,576	9,576	1,462,781	(1,453,205)
TOTAL DEBT SERVICE FUNDS		522,442					522,442	522,442	1,966,980	(1,444,538)
CAPITAL IMPROVEMENT FUNDS										
Capital Improvements Project Fund	401	34,574,550	34,574,550				-	0	0	0
Capital Improvements Project Fund	402	3,960,153	3,960,153				-	0	0	0
Facility Capital Maintenance Fund	403	2,452,296	1,845,570				606,726	606,726	606,726	0
TOTAL CIP FUNDS		40,986,999	40,380,273				30,598,307	606,726	606,726	0
CARDIFF SANITARY DIVISION FUNDS										
Operations	511	36,991,352		33,419,832	800,000	2,771,520	-	3,571,520	3,142,091	429,429
Capital Replacement	512	8,360,062	9,309,892				(949,830)	(949,830)	(830,728)	(119,102)
Capital Expansion	513	988,601					988,601	988,601	862,401	126,200
TOTAL CSD FUNDS		46,340,015	9,309,892	33,419,832	800,000	2,771,520	38,771	3,610,291	3,173,764	436,527
ENCINITAS SANITARY DIVISION FUNDS										
Operations	521	20,829,084		19,045,138	1,000,000	783,946	-	1,783,946	1,503,808	280,138
Capital Replacement	522	7,045,334	2,583,232				4,462,102	4,462,102	4,220,060	242,042
Capital Expansion	523	2,414,745					2,414,745	2,414,745	2,392,206	22,539
TOTAL ESD FUNDS		30,289,163	2,583,232	19,045,138	1,000,000	783,946	6,876,847	8,660,793	8,116,074	544,719
OTHER PROPRIETARY FUNDS										
Section 8 Housing- Admin	551	17,229					17,229	17,229	39,669	(22,440)
Section 8 Housing- HAP	552	1,768					1,768	1,768	(21,017)	22,785
Pacific Pines Affordable Housing	561	1,905,921		368,904			1,537,017	1,537,017	1,566,178	(29,161)
TOTAL OTHER PROPRIETARY FUNDS		1,924,918		368,904			1,556,014	1,556,014	1,584,830	(28,816)
INTERNAL SERVICE FUNDS										
Self Insurance	601	5,954,943		2,113,535			3,841,408	3,841,408	2,765,763	1,075,645
Wastewater Support	611	-					-	-	-	-
Fleet Maintenance	621	-					-	-	-	-
Vehicle Replacement	622	883,933					883,933	883,933	703,072	180,861
Machinery Equipment Replacement	623	1,283,707					1,283,707	1,283,707	1,044,106	239,601
Fire Apparatus Replacement	624	1,512,218					1,512,218	1,512,218	1,360,446	151,772
TOTAL INTERNAL SERVICE FUNDS		9,634,800		2,113,535			7,521,265	7,521,265	5,873,387	1,647,878
TOTAL ALL FUNDS		151,233,874	52,273,397	42,275,286	3,217,046	16,075,819	67,383,906	56,685,191	50,077,444	6,607,747

Schedule C: General Fund Revenue, Expenditures and Transfers Detail

	FY 2016-17 Adopted Budget 6/22/16	FY 2016-17 Budget Amendment	FY 2016-17 Amended Budget	FY 2016-17 Actual Amounts	FY 2016-17 Budget \$ Variance Over/(Under)	FY 2016-17 Budget % Variance Over/(Under)
REVENUES						
TAX REVENUE						
1 PROPERTY TAXES	\$ 41,517,561	\$ -	\$ 41,517,561	\$ 42,043,923	\$ 526,362	101%
2 DOCUMENTARY TRANSFER TAXES	510,000	-	510,000	519,777	9,777	102%
3 SALES TAXES	13,190,000	(365,000)	12,825,000	12,549,609	(275,391)	98%
4 TRANSIENT OCCUPANCY TAX	1,610,040	-	1,610,040	1,774,557	164,517	110%
5 FRANCHISE FEES	2,218,970	-	2,218,970	2,151,171	(67,799)	97%
6 TAX REVENUE TOTAL	59,046,571	(365,000)	58,681,571	59,039,037	357,466	101%
OTHER REVENUE						
7 LICENSES AND PERMITS	249,000	-	249,000	250,749	1,749	101%
8 INTERGOVERNMENTAL REVENUE	510,693	85,001	595,694	655,906	60,212	110%
9 CHARGES FOR SERVICES	6,138,225	488,624	6,626,849	6,688,958	62,109	101%
10 FINES AND PENALTIES	679,303	110,000	789,303	850,153	60,850	108%
11 USE OF MONEY	671,940	40,000	711,940	1,070,909	358,969	150%
12 OTHER REVENUE	597,900	313,355	911,255	866,151	(45,104)	95%
13 OTHER REVENUE TOTAL	8,847,061	1,036,980	9,884,041	10,382,826	498,785	105%
14 REVENUE TOTAL	67,893,632	671,980	68,565,612	69,421,863	856,251	101%
EXPENDITURES						
GENERAL GOVERNMENT						
15 CITY COUNCIL - ADMINISTRATION	462,021	-	462,021	397,342	(64,679)	86%
16 CITY COUNCIL - CITY ATTORNEY	375,500	-	375,500	375,435	(65)	100%
17 CITY MANAGER - ADMINISTRATION	1,148,441	(13,103)	1,135,338	946,794	(188,545)	83%
18 CITY MANAGER - ARTS ADMIN	178,098	(178,098)	-	(9,191)	(9,191)	
19 CITY MANAGER - ECONOMIC DEV	108,500	-	108,500	97,000	(11,500)	89%
20 CITY MANAGER - HUMAN RESOURCES	817,598	25,000	842,598	759,464	(83,134)	90%
21 CITY MANAGER - IT	1,704,344	-	1,704,344	1,701,671	(2,673)	100%
22 CITY MANAGER - GIS	677,469	-	677,469	603,170	(74,299)	89%
23 CITY CLERK - ADMINISTRATION	584,014	-	584,014	557,259	(26,755)	95%
24 CITY CLERK - ELECTIONS	101,900	138,881	240,781	183,669	(57,113)	76%
25 FINANCE - ADMINISTRATION	1,877,388	-	1,877,388	1,787,102	(90,286)	95%
26 NON DEPT-CENTRAL PURCHASES	153,136	-	153,136	130,713	(22,423)	85%
27 NON DEPT-SHARED EXPENSES	2,198,673	120,434	2,319,107	2,343,216	24,109	101%
28 GENERAL GOVERNMENT TOTAL	10,387,082	93,115	10,480,197	9,873,643	(606,554)	94%
PLANNING AND BUILDING						
29 PLAN BLDG-CUSTOMER SERVICE	669,022	14,930	683,952	594,232	(89,720)	87%
30 PLAN BLDG-MANAGEMENT SERVICE	618,469	81,708	700,177	435,504	(264,673)	62%
31 PLAN BLDG-CURRENT PLANNING	1,015,245	37,787	1,053,032	1,024,114	(28,918)	97%
32 PLAN BLDG-APPLICANT DEPOSITS	12,500	-	12,500	3,200	(9,300)	26%
33 PLAN BLDG-ADVANCED PLANNING	591,505	(1,837)	589,668	510,920	(78,748)	87%
34 PLAN BLDG-CODE ENFORCEMENT	621,688	(68,963)	552,725	373,312	(179,413)	68%
35 PLAN BLDG-PARKING CITATION	83,500	30,000	113,500	106,151	(7,349)	94%
36 PLAN BLDG-BUILDING SERVICES	1,802,800	-	1,802,800	1,615,436	(187,364)	90%
37 PLANNING AND BUILDING TOTAL	5,414,729	93,625	5,508,354	4,662,870	(845,484)	85%
PUBLIC SAFETY - LAW ENFORCEMENT						
38 PUBLIC SAFETY-LAW ENFORCEMENT	13,685,300	(58,975)	13,626,325	13,448,657	(177,668)	99%
PUBLIC SAFETY - FIRE AND MARINE SAFETY						
39 PUBLIC SAFETY - FIRE ADMIN	646,045	-	646,045	571,375	(74,670)	88%
40 PUBLIC SAFETY-FIRE OPERATIONS	11,552,347	196,320	11,748,667	11,336,411	(412,257)	96%
41 PUBLIC SAFETY-LOSS PREVENTION	642,844	-	642,844	640,197	(2,647)	100%
42 PUBLIC SAFETY - DISASTER PREP	171,336	-	171,336	150,214	(21,122)	88%
43 PUBLIC SAFETY - MARINE SAFETY	1,197,562	-	1,197,562	1,156,128	(41,434)	97%
44 PUBLIC SAFETY - JR LIFEGUARDS	221,452	-	221,452	196,687	(24,765)	89%
45 PUBLIC SAFETY TOTAL	14,431,586	196,320	14,627,906	14,051,012	(576,894)	96%

Schedule C: General Fund Revenue, Expenditures and Transfers Detail

	FY 2016-17 Adopted Budget 6/22/16	FY 2016-17 Budget Amendment	FY 2016-17 Amended Budget	FY 2016-17 Actual Amounts	FY 2016-17 Budget \$ Variance Over/(Under)	FY 2016-17 Budget % Variance Over/(Under)
PUBLIC WORKS						
46 PUBLIC WORKS - ADMINISTRATION	219,707	-	219,707	162,597	(57,110)	74%
47 PUBLIC WORKS - STREET MAINT	1,944,777	109,000	2,053,777	1,977,975	(75,802)	96%
48 PUBLIC WORKS-FAC MAINT CVC CTR	433,430	18,478	451,908	434,412	(17,496)	96%
49 PUBLIC WORKS-FAC MAINT FIRE ST	242,647	-	242,647	243,633	986	100%
50 PUBLIC WORKS-FAC MAINT PW YRD	238,609	-	238,609	238,794	185	100%
51 PUBLIC WORKS-FAC MAINT LIBRARY	336,995	-	336,995	336,491	(504)	100%
52 PUBLIC WORKS-STORM WATER MAINT	717,665	-	717,665	670,658	(47,007)	93%
53 PUBLIC WORKS-STORM WATER FLOOD	140,927	-	140,927	69,305	(71,622)	49%
54 ENGINEERING - CITY ENGINEERING	2,815,042	248,697	3,063,739	2,839,568	(224,171)	93%
55 ENGINEERING-TRAFFIC ENGINEERING	713,085	(5,000)	708,085	666,300	(41,785)	94%
56 ENGINEERING - ENVIRONMENTAL	110,242	25,000	135,242	122,735	(12,507)	91%
57 ENGINEERING - STORMWATER PROG	760,101	(49,947)	710,154	641,270	(68,884)	90%
58 PUBLIC WORKS TOTAL	8,673,227	346,228	9,019,455	8,403,738	(615,717)	93%
PARKS, RECREATION & CULTURAL ARTS						
59 PARKS REC - ADMINISTRATION	1,016,874	11,250	1,028,124	988,263	(39,861)	96%
60 PARKS REC - PARK MAINTENANCE	1,901,028	-	1,901,028	1,805,480	(95,548)	95%
61 PARKS REC - BEACH MAINTENANCE	540,078	50,975	591,053	464,395	(126,658)	79%
62 PARKS REC - TRAIL MAINTENANCE	131,875	-	131,875	115,440	(16,435)	88%
63 PARKS REC-RECREATION PROGRAMS	658,456	(7,850)	650,606	546,440	(104,166)	84%
64 PARKS REC - COMM CENTER OPER	979,992	(29,450)	950,542	828,784	(121,758)	87%
65 PARKS REC - COMM CENTER PROGRAMS	276,020	92,161	368,181	331,158	(37,022)	90%
66 PARKS REC - COMM CENTER RENTALS	97,487	1,600	99,087	93,224	(5,863)	94%
67 PARKS REC - SENIOR CENTER	424,182	32,100	456,282	428,702	(27,580)	94%
68 PARKS REC - REC FACILITY PROGRAMS	494,529	100,325	594,854	557,096	(37,758)	94%
69 PARKS REC - CULTURAL ARTS	178,098	31,635	209,733	216,672	6,939	103%
70 PARKS, REC & CULTURAL ARTS TOTAL	6,698,619	282,746	6,981,365	6,375,654	(605,711)	91%
71 EXPENDITURES TOTAL	59,290,543	953,059	60,243,602	56,815,575	(3,428,027)	94%
EXCESS OF REVENUE OVER EXPENDITURES	8,603,089	(281,079)	8,322,011	12,606,288	4,284,278	151%
TRANSFERS						
72 TRANSFERS IN	1,174,360	913,715	2,088,075	2,317,534	229,459	111%
73 TRANSFERS OUT	(19,742,288)	(2,480,258)	(22,222,546)	(22,118,551)	103,995	100%
74 TRANSFER TOTAL	(18,567,928)	(1,566,543)	(20,134,471)	(19,801,017)	333,454	98%
75 NET INCREASE (DECREASE) TO FUND BALANCE	\$ (9,964,839)	\$ (1,847,622)	\$ (11,812,461)	\$ (7,194,729)	\$ 4,617,732	61%

Explanation of Variances between Budgeted & Actual Fund Balance - General Fund
(Refer to Attachment 2, Schedule C: General Fund Revenue, Expenditures and Transfers Detail)

By Major Category	Amended Budget	Actual	Carryover/ (Deficit)
General Fund			\$4,617,732
Total Operating Revenues	\$68,565,612	\$69,421,863	\$856,251
Total Operating Expenditures	60,243,602	56,815,575	3,428,027
Total Transfers In	2,088,075	2,317,534	229,459
Total Transfers Out	34,172,938	34,068,943	103,995

GENERAL FUND REVENUES
Summary of Variance from Budget

Description	FY 2015-16	FY 2016-17	FY 2016-17	FY 2016-17	% Variance
	Actual	Amended Budget	Actual	Carryover/ (Deficit)	
Property Tax	\$39,700,730	\$41,517,561	\$42,043,923	\$526,362	1.3%
Documentary Transfer Tax	637,189	510,000	519,777	9,777	1.9%
Sales Tax	14,166,771	12,825,000	12,549,609	(275,391)	-2.1%
Transient Occupancy Tax	1,616,171	1,610,040	1,774,557	164,517	10.2%
Franchise Tax	2,358,567	2,218,970	2,151,171	(67,799)	-3.1%
Licenses, Fees and Permits	232,227	249,000	250,749	1,749	0.7%
Intergovernmental Revenue	801,966	595,694	655,906	60,212	10.1%
Charges for Services	6,585,519	6,626,849	6,688,958	62,109	0.9%
Fines and Penalties	889,388	789,303	850,153	60,850	7.7%
Use of Money and Property	972,664	711,940	1,070,909	358,969	50.4%
Other Revenue	779,893	911,255	866,151	(45,104)	-4.9%
Total	\$68,741,085	\$68,565,612	\$69,421,863	\$856,251	1.2%

Tax Revenue

Description	Budget	Actual	Carryover/(Deficit)
Property Taxes	\$41,517,561	\$42,043,923	\$526,362

Attachment 2, line 1

Property tax is the City's largest revenue source providing approximately 61% of the total General Fund revenue. The City of Encinitas receives approximately 24 cents of each dollar of property tax revenue generated in the City. Current secured property taxes, along with other property tax categories, exceeded projections by a total of \$526,362. Continued growth in assessed values contributed to the increase in property tax revenue. The City of Encinitas experienced a net taxable value increase of 5.6% for the FY 2016-17 tax roll which was slightly more than the increase experienced countywide at 5.4%. Total property tax revenue received in FY 2016-17 is nearly 6% higher than revenue received in FY 2015-16, which totaled \$39,700,730.

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

Description	Budget	Actual	Carryover/(Deficit)
Documentary Transfer Taxes	\$510,000	\$519,777	\$9,777

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. Revenue from this category exceeded the budget by \$9,777 and will continue to follow an upward trend as it is closely related to property tax.

Description	Budget	Actual	Carryover/(Deficit)
Sales Taxes	\$12,825,000	\$12,549,609	(\$275,391)

Attachment 2, line 3

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 7.75% sales tax rate for sales that occur within the City's jurisdiction. Sales tax is the City's second largest revenue source (providing 18% of General Fund revenue) and the City has a diversified retail sales tax base and is not heavily dependent on any one business or industry.

Actual revenue received for sales tax fell short of projections by \$275,391 or 2%. While sales in the building and construction and restaurant and hotel and categories were strong throughout the fiscal year, sales in the fuel and service station category fell 14% from the previous year due to lower than anticipated fuel prices throughout the year, as well as a slight decline of 3% in the auto sales category, both of which mirror county and statewide trends. Despite this budget shortfall, total sales tax revenue received in FY 2016-17 was nearly 8% higher than the amount received in FY 2015-16, which totaled \$11,628,245 (excluding the final "Triple Flip" payment from the State of approximately \$2.6 million)

GENERAL FUND REVENUES
Summary of Variance from Budget – continued

Description	Budget	Actual	Carryover/(Deficit)
Transient Occupancy Tax	\$1,610,040	\$1,774,557	\$164,517

Attachment 2, line 4

Transient Occupancy Tax (TOT) is a tax imposed on persons staying 30 days or less in a lodging establishment. The City's TOT rate is 10% of the room charge and is collected by hoteliers and rental owners and paid to the City. In FY 2008-09, Encinitas voters approved a measure to extend the TOT to short-term rentals (STR). Eighty percent of the TOT collected is deposited to the General Fund and 20% is deposited to the Coastal Zone Management Fund (212) for sand replenishment.

TOT revenue for hotels within the City exceeded projections by \$13,098 while STR revenue exceeded projections by \$184,844. Due to higher than anticipated revenues, the transfer made from the General Fund to the Coastal Zone Management Fund was \$39,588 greater than budgeted. The increase in revenue from hotels can be attributed to a slightly higher occupancy rate. Additionally, the City conducted an audit of rentals marketed through AirBnB.com, VRBO.com and similar websites that resulted in additional units enrolled in the program and TOT collected for these rentals. Total TOT revenue received in FY 2016-17 was 9.8% higher than revenue received in FY 2015-16, which totaled \$1,616,171.

Description	Budget	Actual	Carryover/(Deficit)
Franchise Taxes	\$2,218,970	\$2,151,171	(\$67,799)

Attachment 2, line 5

Revenue collected from AT&T and EDCO (the City's solid waste collection franchise) exceeded projections by \$15,538 and \$18,377, respectively. Higher than expected revenue from EDCO solid waste fees were the result of conservative revenue projections made when the two-year budget was adopted, prior to the FY 2015-16 rate increase. Cable television franchise revenues (Cox Communications and Spectrum Cable) was \$80,981 below projections, which was the result of a reduction in taxes collected due to a declining number of subscribers, mirroring a nationwide trend for cable providers. Revenue collected from SDG&E was \$20,232 below projections. Net electricity sales were down due to a decrease in total electric consumption, likely the result of customers transitioning over to solar energy. Total revenue received in FY 2016-17 was 8.8% lower than in FY 2015-16, which totaled \$2,358,567.

Other Revenue

Description	Budget	Actual	Carryover/(Deficit)
Licenses and Permits	\$249,000	\$250,749	\$1,749

Attachment 2, line 7

Revenue collected from business operation permits, business registration, short-term rental (STR) permits and other miscellaneous permits exceeded budget projections by 1% and was 8% more than the actual amount collected in FY 2015-16. This was primarily the result of additional STR permits issued following an audit of rentals marketed through AirBnB.com, VRBO.com and similar websites that were not registered with the City.

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

Description	Budget	Actual	Carryover/(Deficit)
Intergovernmental Revenue	\$595,694	\$655,906	\$60,212

Attachment 2, line 8

Revenue in the Intergovernmental Revenue category exceeded budget projections primarily due to \$67,325 in revenue received from agencies participating in the Carlsbad Watershed Water Quality Improvement Program cost sharing agreement (project #WB11A) that was budgeted last fiscal year but received in FY 2016-17. This revenue directly offsets shared expenditures for the project incurred by the City.

Description	Budget	Actual	Carryover/(Deficit)
Charges for Services	\$6,626,849	\$6,688,958	\$62,109

Attachment 2, line 9

Revenue collected in this category (which includes development related revenues originating from permits and inspection fees, as well as fees collected to support recreation programs) exceeded budget projections by 1% and was 1.6% more than the actual amount collected in FY 2015-16.

Revenue from planning and building fees collected by the Planning and Building Department was \$144,932 higher than projected due to fewer Energy Efficiency Permit Waivers being processed this fiscal year. Fees for these permits are waived pursuant with Council policy, effective 2012. The changes in net metering have negatively impacted the potential savings realized by new solar customers, which may be a contributing factor in the decline in waiver requests from 875 last fiscal year to 440 this fiscal year.

Revenue from engineering permit and inspection fees exceeded estimates by \$17,889. \$45,565 in additional revenue was also collected from fire permit and inspection fees.

Revenue collected from recreation program fees was \$145,643 lower than projected, which was mostly due to lower than anticipated registrations for Youth Sports, Adult Sports and Tiny Tots programs. The reduced number of registrations also resulted in lower than projected program expenditures totaling \$66,411, primarily from reduced instructor costs.

Description	Budget	Actual	Carryover/(Deficit)
Fines and Penalties	\$789,303	\$850,153	\$60,850

Attachment 2, line 10

Fines and Penalties include vehicle code and red light violations and parking citations. Red light violations exceeded projections by \$78,562 (due to annual projections being conservative). Alarm violation fines were down \$15,110, which represents a positive trend since it is an indication that fewer citations are being issued.

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

Description	Budget	Actual	Carryover/(Deficit)
Use of Money and Property	\$711,940	\$1,070,909	\$358,969

Attachment 2, line 11

This category includes investment earnings, rental/insurance payments for the use of City property, contributions and donations. Investment earnings (which are budgeted conservatively) exceeded projections by \$300,036.

Additionally, income from City property rentals was \$40,867 or 7.4% higher than projected. This increase is primarily the result of a larger number of facility rentals than anticipated at the Community Center, resulting in additional revenue of \$21,609; \$9,045 in additional revenue was collected from fees for the use of recreational facilities; and \$9,600 in additional revenue from rental agreements with Encinitas Glass Company and Leucadia Towing at the Pacific View property.

The City also received a \$20,000 donation that was not budgeted from the Magdalena Ecke Family YMCA and Seacrest Village for traffic safety improvements on Saxony Drive (project #CS15E).

Description	Budget	Actual	Carryover/(Deficit)
Other Revenue	\$911,255	\$866,151	(\$45,104)

Attachment 2, line 12

This category includes interfund revenue, booking fees, cost recovery and other miscellaneous revenue. Other miscellaneous revenue fell short of original budget projections by \$62,690. This was the result of revenue from County Service Area (CSA) 17 benefit fees for Emergency Medical Service delivery now being recorded in Fund 230 but budgeted in this General Fund revenue account. Revenue from cost recovery collections exceeded projections by \$20,202.

GENERAL FUND EXPENDITURES
Summary of Budget to Actual from Approved Expenditure Plans

Description	FY 2015-16	FY 2016-17	FY 2016-17	FY 2016-17	% Variance
	Actual	Amended Budget	Actual	Carryover/ (Deficit)	
General Government	\$9,096,184	\$10,480,197	\$9,873,643	\$606,554	5.8%
Planning & Building	4,799,037	5,508,354	4,662,870	845,484	15.3%
Law Enforcement	12,859,862	13,626,325	13,448,657	177,668	1.3%
Fire & Marine Safety	14,013,171	14,627,906	14,051,012	576,894	3.9%
Public Works/Engineering	8,049,765	9,019,455	8,403,738	615,717	6.8%
Parks, Recreation & Cultural Arts	6,112,079	6,981,365	6,375,654	605,711	8.7%
Total	\$54,930,098	\$60,243,602	\$56,815,575	\$3,428,027	5.7%

General Government

City Council Administration, Attachment 2, line 15 **\$64,679** **14%** **Below Budget**

This division had an overall savings of \$64,679. Expenditures in the personnel category were \$15,806 under budget, primarily due to cafeteria plan/flexible benefits savings, whereby the full benefit amount is budgeted but not used. Expenditures for vacation buyout were also lower than projected. Actual expenditures for contracts/services were \$42,631 less than budgeted due to savings in Council training and professional development expenses, lower than anticipated strategic planning costs, limited travel expense reimbursements and savings in cellular service. Materials/supplies are \$6,242 less than budgeted primarily due to savings from the holiday event that is now held on-site at City Hall, and lower than anticipated expenditures on office furniture.

City Attorney (Legal Services), Attachment 2, line 16 **\$65** **<1%** **Below Budget**

Expenditures for internal and outside consultant attorney fees came in lower than anticipated with a savings in contracts/services.

City Manager Administration, Attachment 2, line 17 **\$188,545** **16.6%** **Below Budget**

A favorable variance of \$110,847 in the personnel category was the result of vacancies, including the Assistant City Manager position during the first quarter, Management Analyst (through May) and Executive Assistant for two months. Savings of \$66,044 in the contracts/services category are due to fewer projects requiring communications consulting services, and expenditures not made on training and professional development due to staff vacancies. Lower than anticipated expenditures on office furniture and equipment and a reduction in supplies required for communications projects resulted in a savings of \$11,652 in the materials/supplies category.

City Manager Arts Administration, Attachment 2, line 18 **\$(9,191)** **N/A**

The Arts Administration division budget was moved to the Parks, Recreation and Cultural Arts Department (line 69) in FY 2016-17. The amount recorded in this division was due to an adjusting payroll entry that was not transferred to the new division, resulting in a credit in the old division.

General Government - *continued*

Economic Development, Attachment 2, line 19 **\$11,500** **10.6% Below Budget**
 There was a delay in billing by San Diego Botanical Gardens for membership fees, and the City did not incur any printing costs, resulting in a savings of \$5,500 in contracts/services. Expenditures were \$6,000 lower than anticipated due to savings in materials/supplies..

Human Resources, Attachment 2, line 20 **\$83,134** **9.9% Below Budget**
 There was a favorable variance of \$50,387 in the personnel category due to the partial vacancy of the Human Resource Manager position for one month and under filling the budgeted Human Resources Technician and Supervisor positions. Expenditures in the materials/supplies category were under budget by \$941 at year end. Savings in the contracts/services category amounted to \$31,807. This was primarily due to the employee education reimbursement program being underutilized and lower than anticipated expenditures on training.

Information Technology (IT), Attachment 2, line 21 **\$2,673** **<1% Below Budget**
 The IT division finished the fiscal year with a slight savings in contract costs and computer hardware and software purchases.

IT – Geographic Information Systems, Attachment 2, line 22 **\$74,299** **11% Below Budget**
 There was a favorable variance in the personnel category of \$70,392 resulting from the appointment of the IT Supervisor assigned to this division to Interim IT Department Manager and the appointment of the IT Project Manager to Interim IT Supervisor, which left the IT Project Manager position unfilled for six months. Savings of \$348 in materials/supplies was due to fewer plotter supplies ordered during the fiscal year and savings in contracts/services of \$3,560 was the result of reduced software maintenance and training expenditures.

City Clerk Administration, Attachment 2, line 23 **\$26,755** **4.6% Below Budget**
 This division was under budget \$20,291 in personnel costs due to a vacant Program Assistant position during a portion of the fiscal year. There were savings of \$4,535 in contracts/services due to expenditures not made on training, conferences and professional development due to a vacancy, limited staffing and scheduling constraints. The materials/supplies category had a savings of \$1,929 resulting primarily from file folders ordered in the fourth quarter but not invoiced until FY 2017-18 and other office supplies not purchased.

City Clerk Elections, Attachment 2, line 24 **\$57,113** **23.7% Below Budget**
 A refund was received from the San Diego County Registrar of Voters in the amount of \$56,373 for the overall costs of placing Measure T on the November 2016 ballot, after a final accounting of actual costs.

General Government - continued**Finance, Attachment 2, line 25** **\$90,286** **4.8%** **Below Budget**

A favorable variance of \$77,164 in the personnel category was the result of lower than anticipated salary and benefit expenditures due to a vacant Finance Manager and Finance Analyst positions in the fourth quarter. A net savings of \$7,737 in contracts/services is from savings in training/travel expenses (due to vacancies) and credit card and banking fees. The materials/supplies category also experienced savings of \$435 resulting from lower than anticipated expenditures for books and subscriptions.

Central Purchases/Services, Attachment 2, line 26 **\$22,423** **14.6%** **Below Budget**

The contracts/services category experienced a savings of \$13,259 due to a reduction in telephone expenses from a new cooperative agreement and audit of services, printing expenses and office equipment repair and maintenance costs. A savings in the materials/supplies category of \$8,244 is the result of decreased postage costs and reduced spending on citywide office supplies, furniture and small office equipment this fiscal year.

Non-Departmental, Attachment 2, line 27 **\$24,109** **1%** **Above 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. Amortization expense is a non-cash item that is recorded and expensed within this division, but not budgeted. Subsequently, expenditures exceed the budget for FY 2016-17. The total amount recorded for amortization was \$332,518.

On July 15, 2015, the City Council adopted Resolutions 2015-08 and 2015-09 authorizing the execution of a MOU with SEIU employees and approving salary and benefit changes for unrepresented employees. This appropriation occurred after the operating budget was adopted on June 10, 2015 and was budgeted in this division to cover any shortfalls in Department's personnel expenditures due to salary and benefit increases associated with the changes. No departments required an adjustment, since most experienced savings due to vacancies. Subsequently, there were savings of \$277,520. Property tax administrative fees paid to the County were \$28,133 less than originally projected.

Planning & Building**Planning and Building, Attachment 2, line 37** **\$845,484** **15.3%** **Below Budget**

The Planning and Building Department had an overall favorable variance of \$483,424 in the personnel category mostly due to staffing vacancies in the Customer Service, Management Services, Advanced Planning and Code Enforcement divisions. Vacancies have included a permanent Director, Deputy Director, Senior Planner and Code Enforcement Manager. Additionally, a Program Assistant and Code Enforcement Officer were on extended leaves.

Contracts/services showed a combined savings of \$356,704. Of this overall budget savings, \$187,363 is attributed to a reduction in fees paid due to fewer building inspections provided by the City's contractor, Esgil. The remaining budget savings are due to:

- Fewer applicant incentives requested and issued for the discretionary Green Building Incentive Program;
- Lower than anticipated expenditures on professional contracts for the Interim Director and contract planning services provided by Civic Solutions;
- Lower than anticipated expenditures for scanning plans and large documents due to a longer vendor turn-around time;
- Reduction in the number of legal ads this fiscal year;
- Costs for the Opening Doors pilot program that were lower because down payment assistance was not fully expended;
- Reduced demand for the Graffiti Removal, Private Property Cleanup Assistance and Stewardship programs;
- Reduction in attendance for training and professional conferences due to staff vacancies.

Planning & Building - *continued*

Materials/supplies came in \$5,356 lower than anticipated due to reduced fuel costs and competitive pricing on computer hardware (specifically iPads for conducting field inspections, being integral in the transition to BlueBeam and EnerGov), software and applications specific to the Department's needs.

A reorganization was approved by the City Council (Resolution 2017-25) that merged the Planning and Building Department and the Engineering Services, Traffic Engineering and Storm Water Management/Inspection divisions of the Public Works Department into the newly created Development Services Department. The FY 2017-18 operating budget reflects these changes.

Public Safety**Public Safety / Law Enforcement, Attachment 2, line 38** **\$177,668** **1.3%** **Below Budget**

The timing between receiving contract estimates from the Sheriff's department and budgeting for the Law Enforcement contract resulted in a favorable variance of \$93,900. Additionally, \$44,600 was received in towing/impound fee credits and \$29,300 was received from an unanticipated State Law Enforcement Grant, resulting in General Fund savings.

Public Safety / Fire and Marine Safety, Attachment 2, line 45 **\$576,894** **3.9%** **Below Budget**

The Fire and Marine Safety Services Department includes Fire Administration, Fire Operations, Fire Prevention, Disaster Preparedness, Marine Safety and Junior Lifeguard Program divisions. The Department was under budget by \$495,576 in the personnel category primarily due to various vacancies in the divisions as a result of retirements and promotions, which resulted in savings in salaries, flexible benefits plan spending and holiday and vacation pay buyouts. Of the net total savings in personnel category, \$403,891 originated in the Fire Operations division and was the result of a vacant Battalion Chief position in the first and second quarters and two Firefighter positions for three months.

The contracts/services category was \$10,366 over budget due to higher than anticipated call volume, which resulted in a slightly higher cost share for emergency dispatch services provided by North County Dispatch JPA (NCDJPA). Additionally, NCDJPA staff provided support for a regional mapping project under a separate cost sharing agreement.

Materials/supplies finished the year \$58,501 under budget primarily due to savings in fuel costs from lower than anticipated prices and reduced expenditures on fire station and lifeguard supplies and furniture, in addition to uniforms. Expenditures for fuel were \$28,471 less than projected across all divisions.

Expenditures for capital outlay were \$33,179 under budget due to a delay in receiving a Marine Safety division All-Terrain Vehicle (ATV), which was appropriated in the FY 2016-17 budget and ordered in April 2017, but not outfitted and delivered until after June 30, 2017 and is classified as a prepaid expense. Staff will return to Council with a request for a budget amendment to complete this purchase as part of the first quarter update of the FY 2017-18 operating budget.

Public Works Attachment 2, line 58

\$615,717

6.8%

Below Budget

Public Works

The Administration division of Public Works had a net savings of \$57,110 (26% below budget) which was due to benefit savings in the personnel category of \$12,000 resulting from a contract Interim Director filling a Department Director vacancy, and savings of \$42,217 in contracts/services primarily due to lower than anticipated maintenance costs for Pacific View, and reduced travel and training expenditures. A slight savings of \$2,893 in materials/supplies is due to lower spending on fuel and office supplies.

Overall expenditures for the Street Maintenance division were \$75,802 lower than anticipated (3.7% below budget). Personnel expenditures were over budget by \$17,297 due to higher than expected overtime costs incurred responding to three separate winter storm events. Staff submitted a claim to the Federal Emergency Management Agency (FEMA) and California Office of Emergency Services (OES) for all eligible expenditures made during the time periods when federal and state disaster declarations were in effect and is anticipating reimbursement in FY 2017-18. Contracts/services was \$39,998 under budget which was the result of a lower number of requests for Underground Service Alerts, a delay in work performed while awaiting approval of a new contract for asphalt sealing and a remaining balance for the Ficus Tree Program (which was 75% completed at year-end, but is budgeted in FY 2017-18). Materials/supplies was \$8,953 under budget due to lower expenditures on repair and maintenance supplies, which was the result of crews not meeting established annual maintenance goals due to the unusually wet winter. Lastly, the capital assets category was \$44,147 under budget due to a delay in receiving a new storm water pump, which was appropriated in the FY 2016-17 budget and ordered in June 2017, but not delivered until after June 30, 2017 and is classified as a prepaid expense. Staff will return to Council with a request for a budget amendment to complete this purchase as part of the first quarter update of the FY 2017-18 operating budget.

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 \$16,829, (less than 1% below budget) primarily due to savings on utilities and the security monitoring contract. Of this amount, savings on utilities (gas, electric and water) at the Civic Center totaled to \$11,200.

The Stormwater Maintenance division is responsible for the maintenance of the City's storm drain conveyance system to ensure compliance with the National Pollutant Discharge Elimination System (NPDES) permit. The division finished the fiscal year \$47,007 under budget. The positive variance is primarily due to \$33,828 unspent in the contracts/services category as a result of a delay in work performed while awaiting approval of a new contract for asphalt sealing and repair and savings from a retrofit made to the U.V. Station, which resulted in no maintenance expenditures this fiscal year. Additionally, the materials/supplies category realized a savings of \$10,126 from lower than anticipated expenditures on fuel, which was the result of lower than anticipated prices.

Stormwater Flood Control division had a favorable variance of \$71,622. The savings was realized primarily in the contracts/services category. While expenditures in the personnel category exceeded the budget by \$3,121 due to overtime costs responding to winter storm events, contracts/services had a favorable variance of \$74,607 primarily due to no expense for maintenance of the La Costa Basin, as environmental permits for the project are on hold, and for license agreement fees that were scheduled to be paid to North County Transit District in FY 2016-17 but the agreement was not executed until FY 2017-18.

Public Works – Engineering Attachment 2, lines 54-57

Engineering services include the General Engineering, Traffic Engineering, Environmental Coordination and Storm Water Management divisions. Overall, Engineering services was under budget by \$347,347. A favorable variance of \$79,009 in personnel savings was mostly due to vacancies (permanent Public Works Director and Deputy City Engineer), reorganization and retirements.

Contracts/services was under budget \$244,233 due to lower than anticipated expenditures for contract engineering services resulting from more design contracts being charged against projects rather than the operating budget for General Engineering. As part of the Council-approved Work Plan, staff is utilizing

contractual services to backfill for staff working on work plan projects. Additional savings were the result of fewer traffic counts being required this fiscal year, Redflex (the City's red light camera provider) not requesting a Consumer Price Index (CPI) increase and the cost of contract stormwater inspection services coming in lower than anticipated.

The materials/supplies category was under budget by \$24,105, primarily in the General Engineering division. \$15,000 was included in the budget for the purchase of bike corrals for installation at various locations in Leucadia. The bike corrals were ordered in FY 2017-17, but were not delivered until FY 2017-18. Staff will be requesting a budget adjustment for the expenditure as part of the first quarter review of the FY 2017-18 operating budget. The divisions also experienced savings on fuel purchases.

Effective FY 2017-18, the operating budgets for the Engineering Services, Traffic Engineering and Stormwater Management/Inspection divisions were moved to the new Development Services Department as a result of a reorganization approved by Council (Resolution 2017-25). A portion of the Environmental Coordination division operating budget was moved to the City Manager's office.

Parks, Recreation and Cultural Arts *Attachment 2, line 70* **\$605,711** **9.8%** **Below Budget**

The Parks, Recreation and Cultural Arts Department had a favorable variance of \$605,710 for the fiscal year. Personnel costs were under budget by \$179,896 due to vacancies and savings from filling vacant positions at lower steps than originally budgeted.

Overall, expenditures in the contracts/services category were under budget \$316,694 across all divisions. Of this amount, savings on utilities expenditures at City parks, beach facilities and the Community Center totaled \$156,919. The remaining budget savings are due to:

- Expenditures not made for beach access structural audits, which will be performed in FY 2017-18;
- Lower than anticipated expenditures on rental equipment for special events;
- Playground improvements deferred to FY 2017-18;
- Routine trail maintenance delayed due to winter storms since vehicle and equipment access was unavailable in certain trail locations until mid-April;
- Lower than anticipated expenditures on instructor contracts for recreation programs;
- Savings in training and travel costs due to vacancies.

Savings in the materials/supplies category amounted to \$109,121. Of this amount, \$41,059 in savings was due to lower than anticipated expenditures for furnishings at the Community Center. Additionally, there were savings resulting from a reduction in the amount of recreation program supplies needed and fewer maintenance supplies required for parks and trails.

SUMMARY OF TRANSFERS TO AND FROM THE GENERAL FUND*(Attachment 2, lines 72-74)*

	Amended Budget	Actual	Increase/ (Decrease)
Transfers In to General Fund	2,088,075	2,317,534	\$ 229,459
HUTA Gas Tax - Fund 201	1,085,652	965,538	(120,114)
Community Facilities Fee - Fund 237	45,680	22,044	(23,636)
Fire Mitigation Fee - Fund 238	43,028	53,020	9,992
Capital Projects - Funds 401/402	913,715	1,276,932	363,217
Transfers Out of General Fund	22,222,546	22,118,551	\$ 103,995
Senior Nutrition Grant - Fund 221 (1)	54,389	38,221	16,168
CDBG - Admin - Fund 222	32,792	23,874	8,918
HOME - Admin - Fund 227	4,980	4,506	474
Community Grant - Fund 229	75,000	75,000	-
Wiro Park M.I.D.- Fund 294	8,400	8,400	-
Encinitas Lighting and Landscape District - Fund 295	-	18,944	(18,944)
Section 8 Housing - Admin - Fund 551	56,361	-	56,361
Pacific Pines - Admin - Fund 561	13,661	-	13,661
Self Insurance - Fund 601	988,006	988,006	-
Vehicle/Machinery/Apparatus Replacement- Funds 622-624	503,000	503,000	-
General Fund to Debt Service Funds 301-302	4,250,552	4,261,416	(10,864)
General Fund to Capital Improvement - Funds 401-402	15,235,405	15,235,405	-
Facilities Capital Maintenance - Fund 403	1,000,000	1,000,000	-
Net Increase / (Decrease) to General Fund Balance			333,454

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

Transfers In

Overall, the net total transfers into the General Fund were \$229,459 higher than anticipated. The Highway Users Tax Account (State Gasoline Tax Fund 201) transfer was estimated at \$1,085,652, but the actual transfer to the General Fund to support street maintenance activities was \$965,538 due to lower than anticipated tax collected by the State. The \$22,044 transfer of Community Facilities Fee revenue (Fund 237) was \$23,636 lower than expected. The revenue estimate for this fund was not adjusted during the FY 2016-17 budget revise to reflect the latest development projections. The estimated Fire Mitigation Fee (Fund 238) transfer amount of \$43,028 was increased to \$53,020, \$9,992 higher than expected due to higher than anticipated revenue from fees collected from new development. Revenue from Funds 237 and 238 is transferred out to the General Fund and specifically earmarked for debt service payments on library and fire station bond financing.

\$1,276,932 was returned to the General Fund from closed or completed capital projects, reimbursements and adjustments to capital or work project budgets, all of which were \$363,217 more than anticipated. The majority of the carryover is from \$642,253 returned from the Encinitas Community Park project (CP13A), \$169,688 from the Leo Mullen Sports Park artificial turf rebate and \$193,529 in reimbursements from local utility districts for replacement of manholes and sewer cleanouts that were done on last years' overlay program.

Transfers Out

The Transfers Out of the General Fund category was \$103,995 under budget, mostly due to lower than anticipated matching shares or subsidies for the Senior Nutrition Grant program (Fund 221), Community

Development Block Grant (Fund 222) and Section 8 Administration (Fund 551). The negative variance for the Encinitas Lighting and Landscape District Fund 295 was due to an unbudgeted transfer out that was required to correct San Dieguito Water District meter fees that should have been paid from the General Fund but were instead paid from Fund 295.

FY 2016-17 Comparison of Budget vs. Actuals - Operating Revenues and Operating Expenditures, All Funds														
(Column 1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(8)	(9)	(10)	(12)	
FUND NAME	Fund	Operating Revenues			Operating Expenditures			Transfers In			Transfers Out			Net Surplus (Deficit)
		FY 2016-17 Approved	FY 2016-17 Actual	Over (Under)	FY 2016-17 Approved	FY 2016-17 Actual	Over (Under)	FY 2016-17 Approved	FY 2016-17 Actual	Over (Under)	FY 2016-17 Approved	FY 2016-17 Actual	Over (Under)	
GENERAL FUNDS														
General Fund	101	68,565,612	69,421,863	856,251	60,243,602	56,815,575	(3,428,027)	2,088,075	2,317,534	229,459	34,172,938	34,068,943	(103,995)	4,617,732
INFRASTRUCTURE FUNDS														
State Gasoline Taxes	201	1,321,810	1,201,696	(120,114)	-	-	-	-	-	-	1,321,810	1,201,696	(120,114)	0
State Capital Grants	203	594,500	986,498	391,998	-	-	-	-	-	-	594,500	594,500	-	391,998
Transnet Program (Prop A Sales Tax)	211	5,337,000	1,683,929	(3,653,071)	-	-	-	69,935	69,935	-	5,137,000	5,137,000	-	(3,653,071)
Coastal Zone Management Fund	212	401,550	447,221	45,671	226,547	221,465	(5,082)	-	-	-	305,000	305,000	-	50,753
Federal Capital Grants	223	1,566,200	583,886	(982,314)	-	-	-	84,840	84,840	-	1,566,200	1,566,200	-	(982,314)
TOTAL INFRASTRUCTURE FUNDS		9,221,060	4,903,230	(4,317,830)	226,547	221,465	(5,082)	154,775	154,775	-	8,924,510	8,804,396	(120,114)	(4,192,633.63)
GRANT FUNDS														
State Law Enforcement Grant	202	100,000	129,324	29,324	100,000	129,324	29,324	-	-	-	-	-	-	-
Government Education Access	213	404,601	406,518	1,917	191,609	143,787	(47,822)	-	-	-	336,570	336,570	-	49,740
Solid Waste, Recycling & HHW	214	523,444	557,639	34,195	508,904	445,438	(63,466)	-	-	-	157,189	157,189	-	97,661
Asset Forfeiture	215	533	-	(533)	10,197	197	(10,000)	-	-	-	-	-	-	9,467
Sr Nutrition Grant	221	83,000	81,211	(1,789)	130,293	119,432	(10,861)	54,389	38,221	(16,168)	-	-	-	(7,096)
Comm Devel Block Grant (CDBG)	222	504,633	370,642	(133,991)	341,425	302,634	(38,791)	32,792	23,874	(8,918)	196,000	196,000	-	(104,118)
Home Entitlement Program	227	-	11	11	4,980	4,517	(463)	4,980	4,506	(474)	-	-	-	0
Federal Law Enforcement Grant	228	10,000	10,164	164	10,000	10,164	164	-	-	-	-	-	-	-
Restricted Donations & Contributions	229	111,000	102,058	(8,942)	252,223	148,775	(103,448)	75,000	75,000	-	-	-	-	94,506
CSA-17 Benefit	230	80,000	80,653	653	119,163	85,606	(33,557)	0	0	-	-	-	-	34,210
TOTAL GRANT FUNDS		1,817,211	1,738,220	(78,991)	1,668,794	1,389,874	(278,920)	167,161	141,601	(25,560)	689,759	689,759	-	174,369.51
DEVELOPMENT IMPACT FUNDS														
Park Development Fees	231	151,460	159,491	8,031	-	-	-	-	-	-	857,940	857,940	-	8,031
Park Acquisition Fees	232	203,119	261,585	58,466	-	-	-	-	-	-	1,650,000	1,650,000	-	58,466
Traffic Mitigation Fees	233	230,145	232,644	2,499	-	-	-	-	-	-	425,000	425,000	-	2,499
RTCIP (Regional Arterial System) Fee	234	158,702	101,347	(57,355)	-	-	-	-	-	-	-	-	-	(57,355)
Open Space Acquisition Fees	235	34,049	17,879	(16,170)	-	-	-	-	-	-	-	-	-	(16,170)
Recreational Trails Fees	236	6,531	6,625	94	-	-	-	-	-	-	-	-	-	94
Community Facilities Fees	237	45,680	22,044	(23,636)	-	-	-	-	-	-	45,680	22,044	(23,636)	0
Fire Mitigation Fees	238	43,028	53,020	9,992	-	-	-	-	-	-	43,028	53,020	9,992	0
Flood Control Mitigation Fees	239	51,139	71,193	20,054	-	-	-	-	-	-	315,239	315,239	-	20,054
In Lieu Fees Curb Gutter Sidewalks	251	24	74	50	-	-	-	-	-	-	-	-	-	50
In Lieu Fees Underground Utilities	252	1,885	3,901	2,016	-	-	-	-	-	-	-	-	-	2,016
In Lieu Fees Affordable Housing	253	2,000	41,962	39,962	-	-	-	-	-	-	-	-	-	39,962
TOTAL DEVELOPMENT IMPACT FUNDS		927,762	971,767	44,005	-	-	-	-	-	-	3,336,887	3,323,243	(13,644)	57,649
MUNICIPAL IMPROVEMENT DISTRICTS														
Villanitas Road M.I.D.	291	11,760	15,401	3,641	21,607	19,828	(1,779)	-	-	-	-	-	-	5,420
Cerro Street M.I.D.	292	40,700	52,026	11,326	36,848	31,521	(5,327)	-	-	-	-	-	-	16,653
Village Park M.I.D.	293	33,010	33,453	443	47,182	40,056	(7,126)	-	-	-	-	-	-	7,569
Wiro Park M.I.D.	294	11,010	11,035	25	19,885	15,868	(4,017)	8,400	8,400	-	-	-	-	4,042
Encinitas Lighting Landscape District	295	1,231,550	1,448,684	217,134	1,397,232	1,135,796	(261,436)	-	18,944	18,944	138,250	138,250	-	497,514
Encinitas Ranch Lighting Landscape	297	622,620	607,459	(15,161)	573,237	522,648	(50,589)	-	-	-	74,250	74,250	-	35,428
TOTAL MUNICIPAL IMPROVEMENT DISTRICT FUNDS		1,950,650	2,168,058	217,408	2,095,991	1,765,718	(330,274)	8,400	27,344	18,944	212,500	212,500	-	566,626
DEBT SERVICE FUNDS														
Debt Service Fund	301	150	1,035	885	480,918	480,477	(441)	480,768	488,109	7,341	-	-	-	8,666
Encinitas Public Finance Authority	302	37,240	13,342,899	13,305,659	4,414,236	19,176,623	14,762,387	3,769,784	3,773,307	3,523	-	-	-	(1,453,205)
TOTAL DEBT SERVICE FUNDS		37,390	13,343,934	13,306,544	4,895,154	19,657,100	14,761,946	4,250,552	4,261,416	10,864	-	-	-	(1,444,539)
CAPITAL IMPROVEMENT FUNDS														
Capital Improvements Project Fund	401	-	363,217	363,217	22,413,352	12,978,701	(9,434,651)	22,413,352	12,978,701	(9,434,651)	1,258,146	1,621,363	363,217	(0)
Capital Improvements Project Fund (New)	402	4,654,160	4,654,160	-	4,654,160	885,129	(3,769,031)	4,654,160	4,654,160	-	-	-	-	3,769,031
Facility Capital Maintenance Fund	403	-	-	-	2,024,778	179,208	(1,845,570)	1,005,285	1,005,285	-	-	-	-	1,845,570
TOTAL CAPITAL IMPROVEMENT FUNDS		4,654,160	5,017,377	363,217	29,092,290	14,043,038	(15,049,252)	28,072,797	18,638,146	(9,434,651)	1,258,146	1,621,363	363,217	5,614,601

FY 2016-17 Comparison of Budget vs. Actuals - Operating Revenues and Operating Expenditures, All Funds														
(Column 1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(8)	(9)	(10)	(12)	
FUND NAME	Fund	Operating Revenues			Operating Expenditures			Transfers In			Transfers Out			Net Surplus (Deficit)
		FY 2016-17 Approved	FY 2016-17 Actual	Over (Under)	FY 2016-17 Approved	FY 2016-17 Actual	Over (Under)	FY 2016-17 Approved	FY 2016-17 Actual	Over (Under)	FY 2016-17 Approved	FY 2016-17 Actual	Over (Under)	
CARDIFF SANITATION DISTRICT FUNDS														
Operations	511	4,953,152	4,969,215	16,063	3,592,338	3,374,326	(218,012)	-	2,414,631	2,414,631	1,629,784	1,510,681	(119,103)	2,767,809
Capital Replacement	512	-	-	-	11,724,523	492,707	(11,231,816)	1,629,784	1,510,681	(119,103)	-	2,414,631	2,414,631	8,698,082
Capital Expansion	513	51,255	177,454	126,199	-	-	-	-	-	-	-	-	-	126,199
TOTAL CSD FUNDS		5,004,407	5,146,669	142,262	15,316,861	3,867,033	(11,449,828)	1,629,784	3,925,312	2,295,528	1,629,784	3,925,312	2,295,528	11,592,090
ENCINITAS SANITARY DIVISION FUNDS														
Operations	521	2,727,121	2,881,250	154,129	1,562,793	2,077,441	514,648	-	648,093	648,093	1,427,152	1,612,792	185,640	101,934
Capital Replacement	522	-	-	-	3,231,326	40,327	(3,190,999)	1,427,152	1,612,792	185,640	-	648,093	648,093	2,728,546
Capital Expansion	523	72,360	94,899	22,539	-	-	-	-	-	-	-	-	-	22,539
TOTAL ESD FUNDS		2,799,481	2,976,149	176,668	4,794,119	2,117,768	(2,676,351)	1,427,152	2,260,885	833,733	1,427,152	2,260,885	833,733	2,853,019
OTHER PROPRIETARY FUNDS														
Section 8 Housing- Admin	551	220,200	214,141	(6,059)	277,222	237,242	(39,980)	56,361	-	(56,361)	-	-	-	(22,440)
Section 8 Housing- HAP	552	971,266	991,556	20,290	999,300	996,805	(2,496)	-	-	-	-	-	-	22,786
Pacific Pines Affordable Housing	561	230,342	223,441	(6,901)	228,916	237,515	8,599	13,661	-	(13,661)	-	-	-	(29,161)
TOTAL OTHER PROPRIETARY FUNDS		1,421,808	1,429,138	7,330	1,505,438	1,471,562	(33,877)	70,022	-	(70,022)	-	-	-	(28,816)
INTERNAL SERVICE FUNDS														
Self Insurance	601	1,157,187	2,536,100	1,378,913	2,165,193	1,944,144	(221,049)	988,006	988,006	-	-	-	-	1,599,961
Wastewater Support	611	1,046,827	854,074	(192,753)	933,827	741,074	(192,753)	-	-	-	113,000	113,000	-	0
Fleet Maintenance	621	597,169	595,459	(1,710)	597,169	595,459	(1,710)	-	-	-	-	-	-	0
Vehicle Replacement	622	10,000	34,963	24,963	300,000	144,102	(155,898)	113,000	113,000	-	-	-	-	180,861
Mach Equipment Replacement	623	70,000	-	(70,000)	435,000	125,400	(309,600)	125,000	125,000	-	-	-	-	239,600
Fire Apparatus Replacement	624	630,000	629,851	(149)	1,105,356	953,435	(151,921)	378,000	378,000	-	-	-	-	151,772
TOTAL INTERNAL SERVICE FUNDS		3,511,183	4,650,447	1,139,264	5,536,545	4,503,614	(1,032,931)	1,604,006	1,604,006	-	113,000	113,000	-	2,172,194
TOTAL ALL FUNDS		99,910,724	111,766,853	11,856,129	125,375,341	105,852,747	(19,522,594)	39,472,724	33,331,019	(6,141,705)	51,764,676	55,019,402	3,254,726	21,982,292

**Explanation of Variances Between Budgeted & Actual Fund Balance -
Other City Governmental Funds**

(Refer to Attachment 3)

Infrastructure Funds

Description	Budget	Actual	Carryover/(Deficit)
Gas Tax - Fund 201			0
Revenues	1,321,810	1,201,696	(120,114)
Expenditures	-	-	-
Transfers Out - Operating	1,085,652	965,538	120,114
Transfers Out - Capital	236,158	236,158	-

The City receives gas tax revenue from the State of California which is restricted to maintenance of and operations related to City streets. A portion of the revenue received is used to offset costs incurred by the Streets Maintenance Division of Public Works. The rest of the revenue is used to fund street overlay projects. The State Department of Finance provides cities with revenue projections. The City was allocated less revenue than anticipated due to lower than expected gas tax revenue collected by the State.

Description	Budget	Actual	Carryover/(Deficit)
State Capital Grant - Fund 203			391,998
Revenues	594,500	986,498	391,998
Expenditures	-	-	-
Transfers Out - Capital	594,500	594,500	-

This fund reflects reimbursements received from various granting agencies for actual expenditures incurred for eligible activities. The City received a \$500,000 reimbursement for a grant from the County Department of Environmental Health Vector Control that was budgeted in the prior fiscal year but received in FY 2016-17. Grant reimbursements budgeted in this fund include Hazard Mitigation and Vector Control Grants for the El Camino Real Channel Storm Drain Repairs/Improvements project and reimbursements from the California Coastal Conservancy for the Cardiff Living Shoreline Project.

Description	Budget	Actual	Carryover/(Deficit)
TransNet Program (Prop A) - Fund 211			(3,653,071)
Revenues	5,337,000	1,683,929	(3,653,071)
Expenditures	-	-	-
Transfers In - Capital	69,935	69,935	-
Transfers Out - Capital	5,137,000	5,137,000	-

The revenue in this fund is based on the actual draw down requests from SANDAG from the City to cover CIP projects as expenditures are incurred.

**Explanation of Variances Between Budgeted & Actual Fund Balance -
Other City Governmental Funds**

(Refer to Attachment 3)

Infrastructure Funds (Continued)

Description	Budget	Actual	Carryover/(Deficit)
Coastal Zone Management - Fund 212			50,753
Revenues	401,550	447,221	45,671
Expenditures	226,547	221,465	5,082
Transfers Out - Capital	305,000	305,000	-

This fund was established in 1998 when the Transient Occupancy Tax (TOT) was increased an additional two percent to be used for beach sand replenishment and stabilization programs. Revenues exceeded projections due to a slightly higher hotel occupancy rate and audit of short term vacation rentals that resulted in additional units enrolled in the program and TOT collected for these rentals.

Year end savings in expenditures are mainly due to lower than anticipated expenditures on training and professional conferences.

Description	Budget	Actual	Carryover/(Deficit)
Federal Capital Grant - Fund 223			(982,314)
Revenues	1,566,200	583,886	(982,314)
Expenditures	-	-	-
Transfers In - Capital	84,840	84,840	-
Transfers Out - Capital	1,566,200	1,566,200	-

This fund records reimbursements from various granting agencies for actual expenditures incurred. Because expenditures for some grant funded projects did not occur this fiscal year, the City did not request reimbursements that were originally budgeted. As a result, revenues in this fund were under-budget for the fiscal year. Grant funded projects include Traffic Signal Modifications (CS02G), Birmingham Drive Complete Streets (CS17B), Highway 101 Pedestrian Undercrossing (CS17E) and Streetlight Conversion (CS17H) projects. Revenues were received from the FHWA Emergency Grant (CX11F) and State Transportation Grant projects (CS14E&F).

Grant Funds

Description	Budget	Actual	Carryover/(Deficit)
State Law Enforcement Grant - Fund 202			(0)
Revenues	100,000	129,324	29,324
Expenditures	100,000	129,324	(29,324)

The State Law Enforcement (SLEF) Grant program appropriates funds for local jurisdictions to supplement law enforcement services. This is an annual block grant and the funds can be used to offset additional law enforcement costs and relieve the general fund.

Actual grant award amounts were higher than anticipated. On behalf of the region, the County received two allocations for the Enhancing Law Enforcement Activities Growth Special Account, along within the SLEF program. The \$29,324 in additional SLEF revenue to Encinitas resulted from a periodic state audit and revenue reconciliation. These State funds are used to fund a portion of a law enforcement deputy.

**Explanation of Variances Between Budgeted & Actual Fund Balance -
Other City Governmental Funds**

(Refer to Attachment 3)

Grant Funds (Continued)

Description	Budget	Actual	Carryover/(Deficit)
Government/Education Access - Fund 213			49,740
Revenues	404,601	406,518	1,917
Expenditures	191,609	143,787	47,822
Transfers Out - Capital	336,570	336,570	-

The carryover in this fund is almost entirely due to expenditure savings of \$47,822 that are the result of having the video production crew broadcast fewer meetings than originally projected when the two year budget was prepared. There were also reduced expenditures on hardware maintenance contracts and savings of \$5,124 from fewer purchases made for hardware and software than anticipated.

Description	Budget	Actual	Carryover/(Deficit)
Solid Waste Recycling - Fund 214			97,661
Revenues	523,444	557,639	34,195
Expenditures	508,904	445,438	63,466
Transfers Out - Operating			-
Transfers Out - Capital			-

Revenues were higher than projected due to a larger than expected payment from the CalRecycle program for bottle recycling and higher EDCO recycling revenue resulting from an improved recycling market, following a decline in prices for recycling commodities from 2012 through 2015. The recycling revenue the City receives is a percentage of EDCO's sales of recyclable materials (5% of their recycling revenues). Also, the payment received from the Regional Solid Waste Association (RSWA) Environmental Enhancement program was higher than anticipated.

Operating costs in the Solid Waste/Household Hazardous Waste (HHW) fund were lower than projected primarily due to savings in street sweeping, HHW collection costs, compost bin subsidies and publishing costs for legal and public notices for rate adjustments.

Description	Budget	Actual	Carryover/(Deficit)
Asset Forfeiture - Fund 215			\$9,467
Revenues	533	-	(533)
Expenditures	10,197	197	10,000

Asset Forfeitures are resources obtained through legal asset seizures (i.e. cash, property) by law enforcement officials in Encinitas. Funds are used to acquire additional non-personnel expense items to aid in law enforcement activities. No revenue was received and a minimal amount of expenditures resulted in a carryover of \$9,467 in FY 2016-17.

**Explanation of Variances Between Budgeted & Actual Fund Balance -
Other City Governmental Funds**

(Refer to Attachment 3)

Grant Funds (Continued)

Description	Budget	Actual	Carryover/(Deficit)
Senior Nutrition Grant - Fund 221			(7,096)
Revenues	83,000	81,211	(1,789)
Expenditures	130,293	119,432	10,861
Transfers In - Operating	54,389	38,221	(16,168)

This fund provides revenue and expenditure tracking for 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 revenue is less than expected due to a decrease in contributions by program participants. Expenditures were lower than anticipated due to a decrease in the overall contract cost resulting from a reduction in the overall number of meals served. Subsequently, the General Fund subsidy (transfer in) for this program was lower than anticipated.

Description	Budget	Actual	Carryover/(Deficit)
CDBG Grant - Fund 222			(104,118)
Revenues	504,633	370,642	(133,991)
Expenditures	341,425	302,634	38,791
Transfers In - Operating	32,792	23,874	(8,918)
Transfers Out - Capital	196,000	196,000	-

Actual revenue was less than projected mostly due to the budget reflecting the running balance of the entire Residential Rehabilitation Program (Res Rehab). In addition to what has been drawn to date, expenses were incurred that have not yet been drawn from the Department of Housing and Urban Development (HUD), including \$100,800 worth of Res Rehab costs. The Res Rehab costs cannot be drawn until the projects have been completed. Outstanding HUD revenue to be collected totals \$100,800.

Expenditures were below budget, which reflects the entire running balance of the Res Rehab program. There were only five Res Rehab applications processed for the fiscal year (80% of the total available Res Rehab funds). All remaining Res Rehab funds will be re-budgeted in FY 2017-18.

Description	Budget	Actual	Carryover/(Deficit)
HOME Grant - Fund 227			0
Revenues	-	11	11
Expenditures	4,980	4,517	463
Transfers In - Operating	4,980	4,506	(474)
Transfers Out - Operating	-	-	-

The only revenue now being received in the HOME fund is the General Fund subsidy. This subsidy will cover the entire amount of salary and benefits charged here, which is 5% of the Housing Management Analyst overall personnel cost. The slight variance in both revenues and expenditures is due to the way timecards are handled for Housing division staff, whose time is expensed to this fund. When vacation and paid leave are taken the cost cannot be expensed to this division, but to the General Fund instead.

**Explanation of Variances Between Budgeted & Actual Fund Balance -
Other City Governmental Funds**

(Refer to Attachment 3)

Grant Funds (Continued)

Description	Budget	Actual	Carryover/(Deficit)
Federal Law Enforcement Grant - Fund 228			-
Revenues	10,000	10,164	164
Expenditures	10,000	10,164	(164)

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

Description	Budget	Actual	Carryover/(Deficit)
Restricted Donations Grant - Fund 229			94,506
Revenues	111,000	102,058	(8,942)
Expenditures	252,223	148,775	103,448
Transfers In - Operating	75,000	75,000	-
Transfers Out - Capital	-	-	-

This fund provides tracking of revenues and expenditures associated with donations received by the City that are restricted for a specific use. Revenues were under budget mostly due to lower than anticipated grant related costs and subsequent reimbursements (revenue) from the Mizel Grant program. Year-end savings resulted from expenditures not yet made for pending Cultural Arts and Park Maintenance Division projects funded through donations.

Description	Budget	Actual	Carryover/(Deficit)
CSA-17 Benefit Fees - Fund 230			34,210
Revenues	80,000	80,653	653
Expenditures	119,163	85,606	33,557

County Service Area 17 (CSA-17) provides ambulance service in Encinitas and neighboring communities. Funds are disbursed to the City by the County to provide facilities, equipment, supplies and personnel necessary to provide Emergency Medical Services and Advanced Life Support. Expenditures were under budget due to fewer medical supplies and equipment purchased for lifeguards and paramedics and postponing the purchase of portable radios until FY 2017-18.

**Explanation of Variances Between Budgeted & Actual Fund Balance -
Other City Governmental Funds**

(Refer to Attachment 3)

Development Impact Funds

Description	Budget	Actual	Carryover/(Deficit)
Development Impact Funds			57,649
Funds 231 - 239; and 251 - 253			
Revenues	927,762	971,767	44,005
Expenditures	-	-	-
Transfers Out - Operating (1)	88,708	75,064	13,644
Transfers Out - Capital	3,248,179	3,248,179	-
(1) This revenue is transferred out to the General Fund and specifically earmarked for debt service payments on library and fire station bond financing.			

The Planning and Building Department is responsible for oversight of the following funds:

Park Development Fees - Fund 231	\$ 151,460	\$ 159,491	\$ 8,031
Park Acquisition Fees - Fund 232	203,119	261,585	58,466
Open Space Acquisition Fees - Fund 235	34,049	17,879	(16,170)
Recreational Trails Fees - Fund 236	6,531	6,625	94
Community Facilities Fees - Fund 237	45,680	22,044	(23,636)
Affordable Housing - Fund 253	2,000	41,962	39,962
Total	\$ 442,839	\$ 509,587	\$ 66,748

The combined revenue budget for these funds is \$442,839. The actual revenues received for FY 2016-17 were \$509,587, creating a carryover of \$66,748. Overall, revenue received from Development Impact Fees is slightly higher due to more new residential units being developed than were projected. Funds 235 and 237 have deficits because the budgets were not adjusted during the FY 2016-17 budget revise to reflect the latest development projections, but the remaining funds were.

The Engineering Services Division is responsible for oversight of the following funds:

Traffic Mitigation Fees - Fund 233	\$ 230,145	\$ 232,644	\$ 2,499
RTCIP Fee - Fund 234	158,702	101,347	(57,355)
Flood Control Mitigation Fees - Fund 239	51,139	71,193	20,054
Total	\$ 439,986	\$ 405,185	\$ (34,801)

The combined revenue budget for these funds is \$439,986. The actual revenues received for FY 2016-17 are \$405,185, resulting in a slight deficit of \$34,801. Revenue collected from Regional Traffic Mitigation Fees (Fund 234) was lower than projected due to fewer instances where new construction required these mitigation fees.

**Explanation of Variances Between Budgeted & Actual Fund Balance -
Other City Governmental Funds**

(Refer to Attachment 3)

Development Impact Funds (Continued)

The Fire Department is responsible for oversight of the Fire Mitigation Fee Fund (238) below:

	Budget		Actual		Carryover/(Deficit)
Fire Mitigation Fees - Fund 238	\$ 43,028	\$	53,020	\$	9,992

Revenues received are more than projected due to additional fees collected from 32 new single family dwellings and 3 commercial project not in the original projections.

Revenue from In Lieu Fees for underground utilities and curbs, gutters and sidewalks (Funds 251 and 252) exceeded budget projections by \$2,066:

Curb/Gutter/Sidewalk - Fund 251	\$ 24	\$	74	\$	50
Underground Utilities - Fund 252	1,885		3,901		2,016
Total	\$ 1,909	\$	3,975	\$	2,066

**Explanation of Variances Between Budgeted & Actual Fund Balance -
Other City Governmental Funds**

(Refer to Attachment 3)

Municipal Improvement Districts

Description	Budget	Actual	Carryover/(Deficit)
Maintenance Improvement Districts			33,684
Funds 291 - 294			
Revenues	96,480	111,915	15,435
Expenditures	125,522	107,274	18,249
Transfers In - Operating (Fund 294)	8,400	8,400	-

The Maintenance Improvement District funds provide tracking of revenues and expenditures associated with the Villanitas, Cerro Street, Village Park, and Wiro Park assessment districts. Less than anticipated expenditures on maintenance activities and savings on utilities resulted in an overall favorable year-end variance among all the funds.

Description	Budget	Actual	Carryover/(Deficit)
Encinitas LLD - Fund 295			497,514
Revenues	1,231,550	1,448,684	217,134
Expenditures	1,397,232	1,135,796	261,436
Transfers In - Operating	-	18,944	18,944
Transfers Out - Capital	138,250	138,250	-

The Encinitas Landscape and Lighting District (ELLD) fund provides tracking of revenue and expenditures associated with the City-wide landscaping and lighting assessment district. The District's revenue derived from property taxes was higher than anticipated. Also, year-end savings resulted from lower than anticipated expenditures on maintenance supplies, maintenance and repair services and savings on electric and water utilities.

Description	Budget	Actual	Carryover/(Deficit)
Encinitas Ranch LLD - Fund 297			35,428
Revenues	622,620	607,459	(15,161)
Expenditures	573,237	522,648	50,589
Transfers Out - Capital	74,250	74,250	-

Encinitas Ranch Landscape and Lighting District (ELLD Zone H) fund provides tracking of revenue and expenditures associated with the Encinitas Ranch Landscaping and Lighting assessment district. Revenue collected from benefit assessments and cost recovery for damage caused to medians and lights was lower than projected.

Expenditures were lower than anticipated due to savings resulting from the fewer repairs needed, fewer repair and maintenance supplies purchased and lower water usage resulting from the installation of artificial turf at Leo Mullen Sports Park.

**Explanation of Variances Between Budgeted & Actual Fund Balance -
Other City Governmental Funds**

(Refer to Attachment 3)

Debt Service Funds

Description	Budget	Actual	Carryover/(Deficit)
Debt/Encinitas PFA - Fund 301/302			(1,444,539)
Revenues	37,390	13,343,934	13,306,544
Expenditures	4,895,154	19,657,100	(14,761,946)
Transfers In - Debt Service	4,250,552	4,261,416	10,864

The Debt Service Funds are used to record principal and interest payments on city debt. The large revenue variance from the budget is due to recording the proceeds from the 2017 refunding bonds issued during the year. Bond refunding accounting requires that the total principal of the bonds issued be booked as revenue (proceeds from long term debt and other sources and uses).

The large expenditure variance reflects the payoff of the 2010 Lease Revenue Bonds, Series A (Encinitas Community Park Project) as part of the 2017 refunding and final repayment of the 1997 Refunding Certificates of Participation, which refunded the 1991 Certificates of Participation (which were used to purchase the Encinitas Civic Center site and pay for its improvements in 1991).

Capital Projects Funds

Description	Budget	Actual	Carryover/(Deficit)
Capital Improvements (Existing) - Fund 401			(0)
Revenues	-	363,217	363,217
Expenditures	22,413,352	12,978,701	9,434,651
Transfers In - Capital	22,413,352	12,978,701	(9,434,651)
Transfers Out - Capital	1,258,146	1,621,363	(363,217)

This fund includes existing capital and work projects that are budgeted on a multi-year basis. The transfer in reflects the monthly equity transfers for FY 2016-17 as well as the remaining carryover amount at 6/30/17. The actual remaining carryover amount was transferred into the 401 fund from the various funding sources. This new process was implemented at the end of FY 2015-16 and moving forward, the actual cash will be transferred into the 401 fund from the funding sources when projects are budgeted.

Description	Budget	Actual	Carryover/(Deficit)
Capital Improvements (New) - Fund 402			3,769,031
Revenues	4,654,160	4,654,160	-
Expenditures	4,654,160	885,129	3,769,031
Transfers In - Capital	4,654,160	4,654,160	-
Transfers Out - Capital	-	-	-

This fund includes new capital and work projects that are budgeted on a multi-year basis. The transfer in reflects the monthly equity transfers for FY 2016-17 as well as the remaining carryover amount at 6/30/17. The actual remaining carryover amount was transferred into the 401 fund from the various funding sources. This new process was implemented at the end of FY 2015-16 and moving forward, the actual cash will be transferred into the 402 fund from the funding sources when projects are budgeted.

**Explanation of Variances Between Budgeted & Actual Fund Balance -
Other City Governmental Funds**

(Refer to Attachment 3)

Description	Budget	Actual	Carryover/(Deficit)
Facilities Capital Maintenance - Fund 403			1,845,570
Revenues	-	(0)	(0)
Expenditures	2,024,778	179,208	1,845,570
Transfers In - Operating	1,000,000	1,000,000	-
Transfers In - Capital	5,285	5,285	-
Transfers Out - Capital	-	-	-

The Facilities Capital Maintenance Fund (403) provides funding for city facilities maintenance through annual transfers from the General Fund. The carryover reflects the carryover amount at 6-30-17. Expenditures were well below budget due to delays in replacing the Civic Center fire suppression system, Library Community Room remodel and Community Center painting and carpeting.

Enterprise Funds

Description	Budget	Actual	Carryover/(Deficit)
Cardiff Sanitary Division - Fund 511			2,767,809
Revenues	4,953,152	4,969,215	16,063
Expenditures	3,592,338	3,374,326	218,012
Transfers In - Capital	-	2,414,631	2,414,631
Transfers Out - Capital	1,629,784	1,510,681	119,103

Revenue is higher than projected due to investment earnings that were higher than projected. Expenditures are lower than anticipated due to savings in pump station maintenance and treatment costs for San Elijo Joint Powers Authority (SEJPA) and lower internal (administrative) support costs.

Description	Budget	Actual	Carryover/(Deficit)
Cardiff Sanitary Division Capital Replacement - Fund 512			8,698,082
Expenditures	11,724,523	492,707	11,231,816
Transfers In - Capital	1,629,784	1,510,681	(119,103)
Transfers Out - Capital	-	2,414,631	(2,414,631)

As a capital replacement fund, the expenditure budget reflects the FY 2015-16 carryover amount and the FY 2016-17 appropriations. The Transfers Out - Capital amount reflects the actual expenditures for FY 2016-17 that are transferred to construction in progress in the Cardiff Sanitary Operating Fund (511) at the end of the year. The Transfer In - Capital amount is the excess operating fund balance after the target fund balance is met.

Description	Budget	Actual	Carryover/(Deficit)
Cardiff Sanitary Division Capital Expansion - Fund 513			126,199
Revenue	51,255	177,454	126,199
Transfers Out - Capital	-	-	-

Expansion funds are used to finance improvements which expand the capacity of the sewer collection and treatment system and are derived from connection fees. The primary reason for the higher amount of revenue received was a significant increase in the number customers converting from septic, new single family homes constructed (but were not budgeted) and the Caltrans I-5 widening project.

**Explanation of Variances Between Budgeted & Actual Fund Balance -
Other City Governmental Funds**

(Refer to Attachment 3)

Enterprise Funds (Continued)

Description	Budget	Actual	Carryover/(Deficit)
Encinitas Sanitary Division - Fund 521			101,934
Revenues	2,727,121	2,881,250	154,129
Expenditures	1,562,793	2,077,441	(514,648)
Transfers In - Capital	-	648,093	648,093
Transfers Out - Capital	1,427,152	1,612,792	(185,640)

Revenue from sewer service charges were higher than the projected.

Operating expenses were over budget due to unbudgeted depreciation expense of \$828,038, less savings in maintenance/treatment costs, billing for the Batiquitos Pump Station maintenance not occurring until FY 2017-18 and lower administrative support costs.

Description	Budget	Actual	Carryover/(Deficit)
Encinitas Sanitary Division Capital Replacement - Fund 522			\$2,728,546
Revenues	-	-	\$0
Expenditures	3,231,326	40,327	3,190,999
Transfers In - Capital	1,427,152	1,612,792	185,640
Transfers Out - Capital	-	648,093	(648,093)

As a capital replacement fund, the expenditure budget reflects the FY 2015-16 carryover and the FY 2016-17 appropriations and the Transfers Out - Capital reflects the actual expenditures for FY 2016-17 that are transferred to construction in progress in the Encinitas Sanitary Operating Fund (521) at the end of the year. Transfer In - Capital actuals are the final adjustments at the year end to transfer the available funds over the target balance in the Operating Fund.

The Transfers Out - Capital total of \$648,093 was the result of an end of year capitalization transfer for all closed capital projects, returning the total amount of closed projects to Fund 521.

Description	Budget	Actual	Carryover/(Deficit)
Encinitas Sanitary Division Capital Expansion - Fund 523			22,539
Revenues	72,360	94,899	22,539
Expenditures	-	-	-

Expansion funds are used to finance improvements which expand the capacity of the sewer collection and treatment systems and are derived from connection fees. The slight increase in revenues is due to increased development in the downtown area.

**Explanation of Variances Between Budgeted & Actual Fund Balance -
Other City Governmental Funds**

(Refer to Attachment 3)

Other Proprietary Funds

Description	Budget	Actual	Carryover/(Deficit)
Section 8 Housing - Fund 551			(22,440)
Revenues	220,200	214,141	(6,059)
Expenditures	277,222	237,242	39,980
Transfers In - Operating	56,361	-	(56,361)

Actual revenue for the year is slightly lower than projected. Included in this section are the Housing Assistance Payments (HAPs) for the "port-ins". A "port-in" is when an existing Section 8 voucher holder moves here from another housing authority. When someone ports-in to the City of Encinitas Housing Authority (EHA), the housing authority from which the person came is required to pay the City a fee for administering their voucher. Staff estimated 11 port-ins for the year, but only had 10. Also, no General Fund subsidy was needed this year, resulting in lower revenue than anticipated.

Expenditures are lower than projected due to a savings from consultant expenses for assistance in updating the Administrative Plan. Debt-Finance expenditures were also less than projected due to the number of estimated "port-outs" (5) being less than actuals (2). A "port-out" is when an existing Section 8 voucher holder who lives in Encinitas takes their voucher and moves to another housing authority. When a voucher holder ports-out to another Housing Authority, the City, in-turn, pays the other housing authority a fee for them to administer its voucher. The City incurred less of this administrative expense than predicted due to the number of port-outs being lower.

Description	Budget	Actual	Carryover/(Deficit)
Section 8 Housing HAP - Fund 552			22,786
Revenues	971,266	991,556	20,290
Expenditures	999,300	996,805	2,496
Transfers In - Operating	-	-	-
Transfers Out - Operating	-	-	-

Actual revenue for the year was 2% higher than projected. The City currently provides assistance to 104 families, but the budget was based on a projected 103 families. Staff projected revenue at approximately \$80,938 per month, but it actually came in higher at \$82,629. Staff was able to tap into HUD-Held Reserve funds to receive additional revenue to be able to assist an additional family.

The overall expenditures for the year were on target. The HAPs for regular Encinitas vouchers came in slightly higher than anticipated. Staff estimated costs to be around \$70,541 per month, but they came in at \$72,913. The HAP costs for the units at Pacific Pines came in slightly lower than anticipated. Staff projected for 14 units at \$9,083 per month, but actually had 14 units at \$8,927 per month.

The HAP expenses for port-outs was also low. Staff estimated five port-outs at \$3,650 per month. The City only had two port-outs at \$1,634 per month until April, when both port-outs were absorbed by the City of Oceanside.

**Explanation of Variances Between Budgeted & Actual Fund Balance -
Other City Governmental Funds**

(Refer to Attachment 3)

Other Proprietary Funds (Continued)

Description	Budget	Actual	Carryover/(Deficit)
Pacific Pines Affordable Housing - Fund 561			(29,161)
Revenues	230,342	223,441	(6,901)
Expenditures	228,916	237,515	(8,599)
Transfers In - Operating	13,661	-	(13,661)

The property rental income is slightly lower for the year. The City had one vacant unit for a short time in July and an eviction at the end of the fiscal year. The rent for this unit had not been received for the entire last quarter of the fiscal year. The rental subsidy amount was slightly low for the year, as well.

Expenditures were lower than anticipated. In March 2016, the City entered into a contractual agreement with a new property management provider, Hyder & Company. As a result, the City has seen a reduction in monthly management fees, maintenance costs, and worker's compensation fees. Additionally, purchases of materials and supplies were lower than projected.

Internal Service Funds

Description	Budget	Actual	Carryover/(Deficit)
Self Insurance Program - Fund 601			1,599,961
Revenues	1,157,187	2,536,100	1,378,913
Expenditures	2,165,193	1,944,144	221,049
Transfers In - Operating	988,006	988,006	-

This fund tracks revenue and expenditures associated with claims, legal defense costs, insurance procurement, insurance dividends and safety programs. The large variance in revenue is the result of an insurance refund that was larger than anticipated and increased return premium dividends.

Expenditures were lower than projected due to anticipated claims that were budgeted but not settled in FY 2016-17 and a reduction in worker's compensation claims.

Description	Budget	Actual	Carryover/(Deficit)
Wastewater Support - Fund 611			-
Revenues	1,046,827	854,074	(192,753)
Expenditures	933,827	741,074	192,753
Transfers In - Operating	-	-	-
Transfers Out - Operating	113,000	113,000	-

This fund accounts for operational costs related to wastewater collection operations. The expenditures are allocated to CSD (Fund 511) and ESD (Fund 521). The variance in expenditures is the result of savings in personnel due to vacancies (Deputy Director and Utility and Maintenance Field Supervisor in the fourth quarter), new employees paid at lower steps than budgeted, lower costs for vehicle repairs and savings on fuel purchases. Also, expenditures were not made in FY 2016-17 to replace office carpeting, a gas detector and air compressor.

**Explanation of Variances Between Budgeted & Actual Fund Balance -
Other City Governmental Funds**

(Refer to Attachment 3)

Internal Service Funds (Continued)

Description	Budget	Actual	Carryover/(Deficit)
PW Fleet Maintenance - Fund 621			-
Revenues	597,169	595,459	(1,710)
Expenditures	597,169	595,459	1,710

The slight variance in this fund is due to a higher than anticipated expenditure for vacation buyout.

Inter-fund revenues will match actual expenditures made at year-end for this fund, which is the result of an allocation from the General Fund.

Description	Budget	Actual	Carryover/(Deficit)
PW Fleet Vehicle Replacement - Fund 622			180,861
Revenues	10,000	34,963	24,963
Expenditures	300,000	144,102	155,898
Transfers In - Operating	113,000	113,000	-

The variance in revenues is the result of year-end accounting entries to transfer the value of fixed assets previously recorded in General Fixed Assets account to this fund.

Expenditures were under budget in this fund, which was the result of purchase orders that were placed in the fourth quarter for vehicles that will not be delivered and invoiced until FY 2017-18 and classified as a prepaid expense. Council approved the purchase of four SUVs, one sedan and one van on 5/31/17.

Description	Budget	Actual	Carryover/(Deficit)
PW Machinery & Equipment Replacement - Fund 623			239,600
Revenues	70,000	-	(70,000)
Expenditures	435,000	125,400	309,600
Transfers In - Operating	125,000	125,000	-

The variance in revenues is the result of year end accounting entries that were not made to transfer the value of fixed assets previously recorded in General Fixed Assets account to this fund, since the combination jet/vacuum sewer drain cleaning truck that was budgeted was not delivered until FY 2017-18.

Expenditures were \$309,600 under budget in this fund, which was the result of a purchase order that was placed in the fourth quarter for a combination jet/vacuum sewer drain cleaning truck that was not delivered and invoiced until FY 2017-18 and classified as a prepaid expense. Council approved the purchase of the combination jet/vacuum sewer drain cleaning truck on April 19, 2017.

**Explanation of Variances Between Budgeted & Actual Fund Balance -
Other City Governmental Funds**

(Refer to Attachment 3)

Internal Service Funds (Continued)

Description	Budget	Actual	Carryover/(Deficit)
PW Fire Apparatus Replacement - Fund 624			151,772
Revenues	630,000	629,851	(149)
Expenditures	1,105,356	953,435	151,921
Transfers In - Operating	378,000	378,000	-

Estimated revenue in this fund consisted entirely of lease proceeds to fund the purchase of a replacement fire pumper.

Expenditures on the purchase of a replacement fire pumper were lower than anticipated.

Schedule A: Revised Budget Summary FY 2017-18

Fund Name	Fund	Unassigned Fund Balance 7/1/2017	Operating Revenue Projections	Approved Operating Expenditures	Net Operating	Net Operating Transfers	Available Fund Balance	Net Capital Transfers	Capital Expenditures	Ending Fund Balance 6/30/2018
GENERAL FUND										
Available Fund Balance	101	10,987,099	70,852,313	62,601,763	8,250,550	(5,681,579)	13,556,070	(1,668,931)		11,887,139
Committed & Unspendable Fund Balance	101	727,094			-	-	727,094	-		727,094
Contingency Reserves (20% of Operating Expenditures)	101	12,520,353			-	-	12,520,353	-		12,520,353
Budget Stabilization Reserve (2% of revenues)	101	1,417,046			-	-	1,417,046	-		1,417,046
Other Reserves	101				-	-	-	-		-
TOTAL GENERAL FUND		25,651,592	70,852,313	62,601,763	8,250,550	(5,681,579)	28,220,563	(1,668,931)	-	26,551,632
INFRASTRUCTURE FUNDS										
State Gasoline Taxes	201	334,835	1,730,551		1,730,551	(1,125,484)	939,902	(898,000)		41,903
State Capital Grants	203	-	150,000		150,000	-	150,000	(150,000)		-
Transnet Program (Prop A Sales Tax)	211	-	1,709,000		1,709,000	-	1,709,000	(1,802,000)		(93,000)
Coastal Zone Management Fund	212	609,947	422,000	225,066	196,934	-	806,881	(120,000)		686,881
Federal Capital Grants	223	-	35,000		35,000	-	35,000	(35,000)		-
TOTAL INFRASTRUCTURE FUNDS		944,782	4,046,551	225,066	3,821,485	(1,125,484)	3,640,783	(3,005,000)	-	635,784
GRANT FUNDS										
State Law Enforcement Grant	202	20,848	100,000	100,000	-	-	20,848	-		20,848
Government Education Access	213	101,181	372,838	149,521	223,317	-	324,498	(211,089)		113,409
Solid Waste, Recycling and HHW	214	1,012,351	420,500	503,630	(83,130)	-	929,221	-		929,221
Asset Forfeiture	215	103,361	538	10,000	(9,462)	-	93,899	-		93,899
Senior Nutrition Grant	221	-	89,626	131,493	(41,867)	41,867	-	-		-
Comm Devel Block Grant (CDBG)	222	-	343,446	280,588	62,858	35,142	98,000	-		98,000
HOME Entitlement Program	227	-		5,016	(5,016)	5,016	-	-		-
Federal Law Enforcement Grant	228	-	10,000		-	-	-	-		-
Donations & Contributions	229	156,973	186,525	313,590	(127,065)	75,000	104,908	-		104,908
CSA17 Fire Operations	230	205,672	79,581	73,432	6,149	-	211,821	(10,000)		201,821
TOTAL GRANT FUNDS		1,600,386	1,603,054	1,577,270	25,784	157,025	1,783,195	(221,089)	-	1,562,106
DEVELOPMENT IMPACT FUNDS										
Park Improvement Fees	231	232,185	239,000		239,000	-	471,185	(375,000)		96,185
Park Acquisition Fees	232	563,851	410,639		410,639	-	974,490	-		974,490
Traffic Mitigation Fees	233	401,744	1,608,093		1,608,093	-	2,009,837	(75,000)		1,934,837
RTCIP-(Regional Arterial System) Fee	234	869,164	155,702		155,702	-	1,024,866	-		1,024,866
Open Space Acquisition Fees	235	146,033	26,489		26,489	-	172,522	-		172,522
Recreational Trails Fees	236	45,094	10,131		10,131	-	55,225	-		55,225
Community Facilities Fees	237	-	45,680		45,680	(45,680)	-	-		-
Fire Mitigation Fees	238	-	43,028		43,028	(43,028)	-	-		-
Flood Control Mitigation Fees	239	88,084	80,731		80,731	-	168,815	-		168,815
In Lieu Fees Curb Gutter Sidewalks	251	12,709	24		24	-	12,733	-		12,733
In Lieu Fees Underground Utilities	252	12,110	1,885		1,885	-	13,995	-		13,995
Affordable Housing	253	1,418,944	2,000		2,000	-	1,420,944	(1,383,841)		37,103
TOTAL DEVELOPMENT IMPACT FUNDS		3,789,918	2,623,402	-	2,623,402	(88,708)	6,324,612	(1,833,841)	-	4,490,771
MUNICIPAL IMPROVEMENT DISTRICTS										
Villanitas Road M.I.D.	291	248,172	14,814	26,751	(11,937)	-	236,235	-		236,235
Cerro Street M.I.D.	292	383,398	52,097	45,314	6,783	-	390,181	-		390,181
Village Park M.I.D.	293	128,712	33,310	70,984	(37,674)	-	91,038	-		91,038
Wiro Park M.I.D.	294	6,357	11,010	22,863	(11,853)	14,000	8,504	-		8,504
Encinitas Lighting Landscape District	295	871,097	1,344,950	1,525,424	(180,474)	-	690,623	(40,000)		650,623
Encinitas Ranch Lighting Landscape	297	1,310,340	628,200	568,656	59,544	-	1,369,884	(20,000)		1,349,884
TOTAL MUNICIPAL IMPROVEMENT DISTRICT FUNDS		2,948,076	2,084,381	2,259,992	(175,611)	14,000	2,786,465	(60,000)	-	2,726,465
DEBT SERVICE FUNDS										
Debt Service Fund	301	512,866	150	483,175	(483,025)	483,025	512,866	-		512,866
Encinitas Public Finance Authority	302	9,576	9,200	3,546,702	(3,537,502)	3,537,502	9,576	-		9,576
TOTAL DEBT SERVICE FUNDS		522,442	9,350	4,029,877	(4,020,527)	4,020,527	522,442	-	-	522,442
CAPITAL IMPROVEMENT FUNDS										
Capital Project Fund	401	-	-	-	-	-	-	4,568,131	4,568,131	-
Capital Project Fund	402	-	-	-	-	-	-	4,332,469	4,332,469	-
Facility Maintenance Fund	403	606,726	-	-	-	1,000,000	1,606,726	-	811,000	795,726
TOTAL CAPITAL IMPROVEMENT FUNDS		606,726	-	-	-	1,000,000	1,606,726	8,900,600	9,711,600	795,726
CARDIFF SANITARY DIVISION FUNDS										
Operations	511	3,571,520	4,927,143	3,913,255	1,013,888	-	4,585,408	(1,629,784)		2,955,624
Capital Replacement	512	(949,830)	-	-	-	-	(949,830)	1,629,784	1,643,804	(963,850)
Capital Expansion	513	988,601	55,000		55,000	-	1,043,601	-		1,043,601
TOTAL CSD FUNDS		3,610,291	4,982,143	3,913,255	1,068,888	-	4,679,179	-	1,643,804	3,035,375
ENCINITAS SANITARY DIVISION FUNDS										
Operations	521	1,783,946	2,715,678	1,567,891	1,147,787	-	2,931,733	(1,427,152)		1,504,581
Capital Replacement	522	4,462,102			-	-	4,462,102	1,427,152	2,087,475	3,801,779
Capital Expansion	523	2,414,745	35,000		35,000	-	2,449,745	-		2,449,745
TOTAL ESD FUNDS		8,660,793	2,750,678	1,567,891	1,182,787	-	9,843,580	-	2,087,475	7,756,105
OTHER PROPRIETARY FUNDS										
Section 8 Housing- Admin	551	17,229	218,290	264,333	(46,043)	59,597	30,783	-		30,783
Section 8 Housing- HAP	552	1,768	965,266	986,108	(20,842)	-	(19,074)	-		(19,074)
Pacific Pines Affordable Housing	561	1,537,017	216,342	225,812	(9,470)	13,039	1,540,586	(21,739)		1,518,847
TOTAL OTHER PROPRIETARY FUNDS		1,556,014	1,399,898	1,476,253	(76,355)	72,636	1,552,295	(21,739)	-	1,530,556
INTERNAL SERVICE FUNDS										
Self-Insurance Fund	601	3,841,408	1,089,554	2,179,573	(1,090,019)	1,128,583	3,879,972	-		3,879,972
Wastewater Support	611	-	935,448	822,448	113,000	(113,000)	-	-		-
Fleet Maintenance	621	-	588,706	588,706	-	-	-	-		-
Vehicle Replacement	622	883,933	10,000	546,000	(536,000)	113,000	460,933	-		460,933
Mach Equipment Replacement	623	1,283,707	10,000	10,000	-	125,000	1,408,707	-		1,408,707

Schedule A: Revised Budget Summary FY 2017-18

Fund Name	Fund	Unassigned Fund Balance 7/1/2017	Operating Revenue Projections	Approved Operating Expenditures	Net Operating	Net Operating Transfers	Available Fund Balance	Net Capital Transfers	Capital Expenditures	Ending Fund Balance 6/30/2018
Fire Apparatus Replacement	624	1,512,218		449,493	(449,493)	378,000	1,440,725	-		1,440,725
TOTAL INTERNAL SERVICE FUNDS		7,521,266	2,633,708	4,596,220	(1,962,512)	1,631,583	7,190,337	-	-	7,190,337
TOTAL ALL FUNDS		57,412,286	92,985,478	82,247,587	10,737,891	-	68,150,177	2,090,000	13,442,879	56,797,299

FY 2016-17 YTD Capital Improvement Project Status Report 4th Quarter									
Project Title	WP/CIP No.	Responsible Department	Project to Date Budget as of 6/30/2017	Project to Date Expenditures as of 6/30/2017	Transfers or Returns	Remaining Balance as of 3/31/2017	Anticipated Completion Date (Month-Year)	Status	
DRAINAGE PROJECTS									
1	Storm Drain Repair	CD05E	PW/ENG	2,411,001	2,054,404	(275,000)	81,597	Ongoing	On-going Master Project. Transfer \$200,000 to CD17C for tracking purposes.
2	El Camino Real Channel Storm Drain Repairs/Improvements	CD06D	PW/ENG	2,017,323	1,777,080	(88,049)	152,194	Completed	The construction is completed. Project also requires a 5 year monitoring period (CD17B). Project will be closed after FEMA send Cal OES a Notification of Project Closure. This could take 3-6 months from 9-2017.
3	(229)Manchester Ave @ Mira Costa Drainage Improve	CD07C	PW/ENG	56,902	0	0	56,902	N/A	Belmont Contribution.
4	5 Yr. Habitat-Biological & Monitoring	CD17B	PW/ENG	86,425	35,769	88,049	138,705	8/1/2021	The 5 year maintenance and monitoring of the El Camino Real Channel Storm Drain began in June 2016.
5	Lone Jack Rd Culvert Project	CD17C	PW/ENG	102,166	4,764	275,000	372,402	12/1/2017	Construction ongoing. Scheduled to finish on-time
Category Total			4,673,817	3,872,017	0	801,800			
WASTEWATER PROJECTS - CARDIFF SANITARY DIVISION									
6	CSD Collection System Rehab	CC04E	CSD	3,780,469	486,981	(1,163,778)	2,129,710	Ongoing	Currently in construction. Funding is split between the Cardiff Sewer District and Encinitas Sewer District.
7	Olivenhain Trunk Improvements	CC04J	CSD	6,123,702	1,572,978	0	4,550,724	4/1/2020	Currently trying to get approval on EIR/EA environmental document and obtain State and Federal permits for the project. Anticipate going out to bid on construction in March 2018. Construction will take two years to complete.
8	Lone Jack & Somerset Main Replacement	CC07B	CSD	1,793,280	9,500	0	1,783,780	4/1/2020	Is included in the Olivenhain Trunk Sewer Project. See status above.
9	Coast Blvd Pump Station Upgrades	CC14B	CSD	1,000,000	1,715,138	1,163,778	448,640	10/1/2017	Contractor finalizing punch list items. Should be completed by next month.
10	SEJPA Plant Improvements	CC16A	CSD	719,459	504,761	0	214,698	Ongoing	Annual contribution to SEJPA capital improvement program.
11	Sewer Master Plan Update	CC16B	CSD	120,000	0	0	120,000	6/30/2019	Reserve funding for next Sewer Master Plan Update - anticipate FY 2019.
12	SEJPA Plant Improvements	CC17A	CSD	520,010	457,668	0	62,342	Ongoing	Annual contribution to SEJPA capital improvement program.
Category Total			14,056,920	4,747,027	0	9,309,893			
WASTEWATER PROJECTS - ENCINITAS SANITARY DIVISION									
13	Batiquitos 2004 Pump Station Improvements	CE04A	ESD	2,634,020	2,567,128	(44,600)	22,292	Ongoing	Annual contribution to LWD capital improvements at Batiquitos pump station.
14	Collection System Rehabilitation	CE04H	ESD	1,987,685	487,172	0	1,500,514	Ongoing	Currently in construction. Funding is split between the Cardiff Sewer District and Encinitas Sewer District.
15	Master Plan Implementation	CE16A	ESD	120,000	0	0	120,000	6/30/2019	Reserve funding for next Sewer Master Plan Update - anticipate FY 2019.
16	Encina Plant Improvement	CE16B	ESD	1,037,971	400,913	0	637,059	Ongoing	Annual contribution to EWA capital improvement program.
17	Encina Plant Improvement	CE17B	ESD	684,622	543,080	0	141,542	Ongoing	Annual contribution to EWA capital improvement program.
18	Lanlikai Gravity Sewer Line	CE17C	ESD	125,000	7,775	44,600	161,825	6/30/2018	ESD share of Leucadia Wastewater project
Category Total			6,589,298	4,006,067	0	2,583,233			

FY 2016-17 YTD Capital Improvement Project Status Report 4th Quarter									
Project Title	WP/CIP No.	Responsible Department	Project to Date Budget as of 6/30/2017	Project to Date Expenditures as of 6/30/2017	Transfers or Returns	Remaining Balance as of 3/31/2017	Anticipated Completion Date (Month-Year)	Status	
PUBLIC FACILITIES PROJECTS									
19	Library Community Room Remodel	CF16C	PARKS, REC AND CUL ARTS	50,000	667	0	49,333	FY 17/18	Double set of blinds being replaced and a motorized system to be installed. Since transfer of the Arts Division to Parks & Recreation, this project will be facilitated by P&R and Facilities staff. A RFP is scheduled to be posted in the second or third quarter of FY 17/18.
Category Total				50,000	667	0	49,333		
PARKS & BEACHES PROJECTS									
20	Recreation Trails Development Fund	CP00F	PARKS, REC AND CUL ARTS	552,636	542,883	0	9,753	FY 17/18 - FY 20/23	According to the Trails Master Plan, there are 80 miles of trails and 40.5 miles are currently developed. Funding was approved for the following trails during the FY 2017/18 six year CIP budget process. The Adams Run Trail connection is scheduled for completion in FY 2017/18. The Trail 95 El Camino Del Norte connection is scheduled for completion in FY 2018/19. The Trail 82 Rancho Santa Fe Road link is scheduled for to be in FY 2017/18 and be completed in FY 2018/19. The Trail 79 Manchester Avenue connection is schedule to begin in FY 2021/22 and be completed in FY 2022/23.
21	Park Improvement Projects	CP04G	PARKS, REC AND CUL ARTS	1,655,342	1,270,724	0	384,618	Ongoing	The PR&CA Department identifies improvement projects for park and recreational facilities on an annual basis, funded by revenue from cell tower lease agreements. Projects may include, but are not limited to, the replacement of various park/beach/trail amenities and rehabilitation of existing facilities/amenities. Playground equipment at Encinitas ViewPoint Park and Mildred Macpherson Park has been purchased. The Bid for installation will be posted during second quarter of FY 2017/18 and installation is anticipated to be completed in FY 2017/18.
22	Habitat/Open Space Acquisition	CP05A	PLANNING & BUILDING	395,000	6,932	0	388,069	On-going	This project involves the acquisition and preservation of habitat/ open space parcels from willing sellers in support of the approved SANDAG Multiple Habitat Conservation Program (MHCP), Storm Water/ Watershed Management Program and habitat preservation and open space goals. The City will utilize local funds to leverage federal and state grants and/or any other opportunities that may arise. (*TEA Grant is no longer available to City \$134,242 - Augmentation form was forwarded to Finance on 3/25/15) The City seeks to establish a balance between new development and the maintenance and preservation of these valuable environmentally sensitive habitat and open space resources. Planning requests to move project to Parks & Recreation Dept. to monitor, budget, etc.

FY 2016-17 YTD Capital Improvement Project Status Report 4th Quarter									
Project Title	WP/CIP No.	Responsible Department	Project to Date Budget as of 6/30/2017	Project to Date Expenditures as of 6/30/2017	Transfers or Returns	Remaining Balance as of 3/31/2017	Anticipated Completion Date (Month-Year)	Status	
PARKS & BEACHES PROJECTS Continued									
23	Standard Pacific Park Site Design	CP14A	PW / ENG	2,720,000	0	0	2,720,000	Apr-19	Funding for the design has been approved as part of the FY 2016-17 budget. This additional funding fully funds the design and development of this project. It is anticipated the 3.14 acre park will include facilities and equipment found at neighborhood parks. The type of facilities to be included at the site will be determined during the planning and design process, including community workshops. Began design Summer 2017.
24	Beacon's Beach Access	CP14B	PW / ENG	850,000	87,439	0	762,561	Apr-18	AECOM Design contract underway.
25	MLB Marine Safety Headquarters Rebuild	CP14C	ENG/MARINE SAFETY	3,728,104	2,315,600	0	1,412,504	Oct-17	Construction began in October 2016. Anticipated Construction Complete October 2017. Received \$105K in Asset Forfeiture Funding Sep 2017 to help fund the law enforcement office.
26	ADA Parking Lot Upgrades	CP15B	PARKS, REC AND CUL ARTS	40,000	9,695	0	30,305	Complete	On September 11, 2013, the City adopted Resolution 2013-41, the Transition and Self Evaluation Plans Under the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973, and directed staff to complete the funded CIP projects as previously approved by the City Council at the June 12, 2013 meeting. Item #20 of the Transition Plan identifies several City parking lots in need of upgrades for compliance. Leo Mullen Sports Park was completed in FY 2016/17. Project will be closed 1st Qtr. FY 2017-18.
27	Dune Restoration	CP16A	PW/ENG	494,500	284,909	0	209,591	FY 2018	95% Design complete. CCC hearing in November. Construction begins in Feb 2018
28	Leo Mullen Artificial Turf	CP16B	PW/ENG	1,212,600	1,048,966	0	163,634	Complete	The installation of artificial turf at Leo Mullen Sports Park is complete. The installation of field lights is pending the outcome of a light study.
Category Total			11,648,182	5,567,148	0	6,081,034			

FY 2016-17 YTD Capital Improvement Project Status Report 4th Quarter									
Project Title	WP/CIP No.	Responsible Department	Project to Date Budget as of 6/30/2017	Project to Date Expenditures as of 6/30/2017	Transfers or Returns	Remaining Balance as of 3/31/2017	Anticipated Completion Date (Month-Year)	Status	
STREETS & ROADS PROJECTS									
29	Safe Rte. 2 Schools Program (City)	CS01E	PW/ENG	1,861,932	1,263,629	0	598,303	Ongoing	Master Program - ongoing.
30	Traffic Safety and Calming	CS02F	PW/ENG	316,165	190,649	0	125,516	Ongoing	Master Program - ongoing.
31	Traffic Signal Modifications	CS02G	PW/ENG	1,155,988	563,239	0	592,749	Ongoing	Master Program - ongoing.
32	No. Coast Hwy 101 Streetscape	CS04D	PW/ENG	9,878,546	2,243,766	0	7,634,780	FY 2019-20	Addressing Planning Department comments and preparing Draft Environmental Impact Report response to comments.
33	Santa Fe Dr Improvements	CS07B	PW/ENG	2,957,305	1,725,134	0	1,232,171	TBD	North side in construction. South side - hiring consultant for revised design.
34	Devonshire Dr Traffic Calming	CS10G	PW/ENG	125,000	31,565	0	93,435	Ongoing	Master Project.
35	La Costa Avenue Improvements	CS11C	PW/ENG	1,475,000	79,013	0	1,395,987	TBD	Traffic study is being revised to reflect potential La Costa Avenue at Highway 101 modifications. Roadway Classification may be modified depending on the outcome of the Circulation Element Update. Project scope, once determined, will be reviewed with the City of Carlsbad.
36	Enc Comm. Park Mitigation/Santa Fe @ Scripps	CS12E	PW/ENG	38,000	0	0	38,000	TBD	City's financial contribution for traffic impacts.
37	ECP Offsite Improvements	CS13C	PW/ENG	750,000	563,876	0	186,124	TBD	Master Project for future traffic mitigation costs.
38	Encinitas Blvd SR2S Improvements	CS13E	PW/ENG	663,908	624,341	0	39,567	Complete	Construction is complete. Project will be closed after the grant process is finalized.
39	Upgrade Traffic Signals - El Camino Real, Etc.	CS14E	PW/ENG	411,100	387,064	0	24,036	Complete	Project can be closed after final grant check is recorded.
40	Upgrade Traffic Signals - Leucadia Blvd, Etc.	CS14F	PW/ENG	551,700	515,280	0	36,420	Complete	Project can be closed after final grant check is recorded.
41	South Coast Hwy101 Sidewalk Improvements	CS15C	PW/ENG	628,000	17,269	0	610,731	Spring 2018	90% plans are under review. Easements needed from multiple owners; negotiations to include city attorney. Construction is anticipated to begin January 2018.
42	ADA Curb Ramp Project (Transition Plan Compliance)	CS16C	PW/ENG	100,000	4,800	0	95,200	Ongoing	Master Project.
43	Montgomery Ave At-Grade Pedestrian Rail Crossing	CS16E	PW/ENG	3,126,025	377,987	0	2,748,038	TBD	HDR instructed to more forward with design of Verdi location for the rail undercrossing.
44	El Portal Ped/Bike Underpass Project	CS16F	PW/ENG	5,395,000	28,542	0	5,366,458	FY 2018/19	T.Y. Lin design contract underway and is expected to be completed in October 2018.
45	FY2016-17 Annual Street Overlay	CS17A	PW/ENG	4,407,921	3,725,490	0	682,431	Feb-17	Construction is complete.
Category Total			33,841,590	12,341,646	0	21,499,944			
STORM RELATED PROJECTS									
46	Emergency Repair Project - Highway 101 South	CX11F	PW/ENG	872,746	853,462	0	19,284	Complete	Project is complete. Project will be closed in the fourth quarter. Awaiting full reimbursement from FHWA ER Grant.
47	Emergency Repair Project - Ponto Storm Drain	CX16E	PW/ENG	110,000	21,866	0	88,134	Jul-18	All repairs including temporary irrigation were completed by March 2016. The city received a coastal development permit from Carlsbad. The permit requires approximately 2 years of monitoring.
48	Emergency Repair Project - Hwy 101 Monitoring	CX16F	PW/ENG	112,512	25,557	0	86,955	Jul-21	This is the five year monitoring associated with Project CX11F. The five year monitoring will be completed in 2021.
Category Total			1,095,258	900,885	0	194,373			

FY 2016-17 YTD Capital Improvement Project Status Report 4th Quarter									
Project Title	WP/CIP No.	Responsible Department	Project to Date Budget as of 6/30/2017	Project to Date Expenditures as of 6/30/2017	Transfers or Returns	Remaining Balance as of 3/31/2017	Anticipated Completion Date (Month-Year)	Status	
Capital Projects Fund (402)									
49	Leucadia Flooding Issues	CD17A	PW/ENG	275,000	128,861	0	146,139	3/1/2018	Project to install sumps and East Jason Street culvert. Construction of the sumps was completed in January 2017. Dokken was awarded the culvert design, and the preliminary engineering is underway. Eight additional catch basin scheduled to be installed Fall 2017
50	ELLD-Zone H Lot 15 Recycled H2O Conversion & Booster Pump Installation	CP17A	PARKS, REC AND CUL ARTS	30,000	0	0	30,000	FY 2017/18	Phase 1 of a two phase project to bring in reclaimed water to the south mesa of Encinitas Ranch is complete. Phase 2 is scheduled for completion in FY 17/18.
51	Birmingham Drive - Complete Streets	CS17B	PW/ENG	898,560	0	0	898,560	Nov-19	Michael Baker design contract underway. Public Workshop scheduled for November 13, 2017.
52	SR2S Cardiff School District	CS17C	PW/ENG	305,000	48,953	0	256,047	12/1/2017	As-Needed Civil Engineering contract approved, development of task orders underway.
53	SR2S San Dieguito Union HS District	CS17D	PW/ENG	300,000	52,664	0	247,336	Aug-17	Design complete. City Council pulled CIP project. Developer will construct sidewalk with parcel development
54	Hwy 101 Pedestrian Crossing	CS17E	PW/ENG	323,000	7,000	0	316,000	TBD	Pending EIR for Streetscape.
55	Chesterfield Drive Quiet Zone Implementation	CS17F	PW/ENG	670,000	0	100,000	770,000	Spring 2018	HDR Contract Underway. Supplemental Safety Measures to be implemented in Spring 2018.
56	Street light & Traffic Signal Replacements	CS17G	PW/ENG	140,000	64,526	0	75,474	on-going	Master program to replace street lights and traffic signals that are knocked down.
57	Street Light Conversion Project	CS17H	PW/ENG	760,500	0	0	760,500	TBD	Grant funding was appropriated in December 2016. The HSIP grant funds for design are expected to be available in November 2017.
58	Emergency Repair - Manchester Slope Repair	CX17A	PW/ENG	39,800	30,931	0	8,869	Completed	Project was completed in March 2017 and Project Completion Form has been submitted. This project will be closed at 1st Qtr. FY 2018.
59	Emergency Repair - Lone Jack Road	CX17B	PW/ENG	447,300	296,956	(100,000)	50,344	Completed	Project was completed in March 2017. There is a possibility of receiving Federal reimbursement for this emergency work.
60	Climate Action Plan - Mitigation Measures	WC17A	PLANNING & BUILDING	100,000	31	0	99,969	December 2017	Funding is needed to complete the CEQA document for the CAP. A draft Neg Dec from the consultant is expected by October 2017. Developing a Climate Action Plan update is a goal included in the Council Work Plan. The development of a Climate Action Plan was also a mitigation measure listed in the draft At Home in Encinitas Housing Element.
61	Vulcan & San Elijo Active Transportation Improvement Study	WC17B	PW/ENG	100,000	10,279	0	89,721	On hold	Study on hold.
62	Leo Mullen Sports Park Lighting (ERSP)	WC17C	ENG/PARKS & REC	165,000	0	0	165,000	TBD	An update to the Encinitas Ranch Specific Plan is required for the installation of field lights. A Lighting Study is required to determine potential impacts. Study awarded to IMEG Inc. April 2017.
63	Storm Capture and Reuse Study	WD17A	PW/ENG	100,000	53,806	0	46,194	Oct-17	As-Needed Civil Engineering contract awarded to Dokken, task order approved and preliminary engineering underway. Draft Study to City May 2017. Final PER submitted to City September 2017.
Category Total				4,654,160	694,007	0	3,960,153		

FY 2016-17 YTD Capital Improvement Project Status Report 4th Quarter									
Project Title	WP/CIP No.	Responsible Department	Project to Date Budget as of 6/30/2017	Project to Date Expenditures as of 6/30/2017	Transfers or Returns	Remaining Balance as of 3/31/2017	Anticipated Completion Date (Month-Year)	Status	
FACILITY MAINTENANCE PROJECTS (403 Fund)									
64	Civic Center Improvements	CF16A	PW/ENG	1,360,000	60,818	0	1,299,182	Ongoing	HVAC controls and fire sprinkler system replacement design and construction anticipated to begin Fall 2017; lighting retrofit in Spring 2018. Upcoming FY19 tasks include parking lot rehab, security upgrades and carpet replacement.
65	Fire Stations Improvements	CF16B	PW/ENG	189,000	65,205	0	123,795	Ongoing	Station 1 being evaluated to determine scope of repairs and/or rehab. Design for Station 4 garage rehabilitation to be completed Winter 2017. Upcoming FY18 and FY19 tasks include garage rehabilitation (Station 4), roofing rehab (Station 3), HVAC unit replacement (Station 5), and fuel tank replacements at Stations 3 and 4.
66	PW Facility Improvements	CF16D	PW/ENG	409,000	171,720	0	237,280	Ongoing	Roof replacement complete. Carpet replacement to be completed Summer 2018. Upcoming FY18 and FY19 tasks include parking lot resurfacing, extension of fleet maintenance service bay and exterior painting.
67	ADA Facilities Compliance	CF16E	PW/ENG	40,000	0	0	40,000	Ongoing	Reserve funding for emergency ADA projects that are not in the City's current ADA Transition Plan. Anticipate using some of the funds in FY 17 for a consultant study to verify compliance with Transition plan and find any additional areas that need addressing.
68	Library Improvements	CF16F	PW/ENG	57,000	41,686	0	15,314	Ongoing	Upcoming FY18 and FY19 tasks include furniture and countertop replacement, parking lot resurfacing and exterior painting.
69	Senior/Community Center Paint and Carpet	CF16G	PARKS, REC AND CUL ARTS	130,000	0	0	130,000	FY 2017/18	Bid documents are scheduled to be posted the second quarter of FY 17/18. Replacement of deteriorated wall panels have been ordered in preparation for new carpet and paint.
Category Total			2,185,000	339,430	0	1,845,570			
CONSULTANT SERVICES & STUDIES (WORK PROJECTS)									
70	ACOE Shoreline Protection Study	WB06A	PW/ENG	1,420,951	1,168,318	0	252,633	Apr-18	Completed the EIR/EIS. Waiting funding from the 2018 Work plan to begin the Design Agreement & PMP.
71	SCOUP-Sand Compatibility Opportunistic Use Program	WB08C	PW/ENG	842,331	519,910	0	322,421	Ongoing	Two projects to begin in September 2017: San Elijo Lagoon Restoration Project, and Encinitas Resort Hotel. Completed baseline biological monitoring report for review by Coastal Commission. City is monitoring the KSL Project beach site.
72	TMDL Compliance Program	WB11A	PW/ENG	756,171	467,836	0	288,335	Ongoing	The Carlsbad Watershed Water Quality Improvement Program (WQIP) draft is complete and was approved by the Regional Water Quality Control Board in November 2016. Implementation of the water quality improvement strategies defined in the WQIP and ongoing TMDL monitoring will be ongoing.
73	Beach Habitat Study	WB16A	PW/ENG	150,000	9,983	0	140,017	Nov-17	Tierra Data completed a Baseline Biological Report. Next phase will be to develop a scope of work to complement the San Elijo Lagoon Restoration monitoring plan.

FY 2016-17 YTD Capital Improvement Project Status Report 4th Quarter									
Project Title	WP/CIP No.	Responsible Department	Project to Date Budget as of 6/30/2017	Project to Date Expenditures as of 6/30/2017	Transfers or Returns	Remaining Balance as of 3/31/2017	Anticipated Completion Date (Month-Year)	Status	
CONSULTANT SERVICES & STUDIES (WORK PROJECTS) Continued									
74	Enhancement of Native Habitats in San Elijo Lagoon Ecological Reserve Project	WB16B	PW/ENG	206,393	82,824	0	123,569	Jul-21	This a 5 year SEP project with the San Elijo Lagoon Conservancy. Project Year 1 was completed as of September 30, 2016. Approximately 10.5 acres of invasive vegetation removal and approximately 2 acres of revegetation of the San Elijo Lagoon Ecological Preserve has been completed to date. Ongoing invasive plant control and habitat enhancement work will continue in Project Year 2.
75	Coastal Storm Damage Reduction Project	WB16C	PW/ENG	700,000	0	0	700,000	Ongoing	Congress has approved the Water Resource Development Act (WRDA) which places this project on a federal list appropriation list for future funding. Prior to construction, the Corps is waiting on federal funds to begin the Design Agreement and Pre-Construction and Engineering and Design (PED) phase.
76	GIS Basemap Updates and Enhancements	WC01A	GIS	694,600	672,380	0	22,220	Ortho: ongoing Easements: TBD	Orthos - An ortho (i.e. aerial photo) project with a regional consortium is to be completed approximately every 2-3 years. The current project being planned has a tentative flight date of late February/early March 2017. In addition to orthophotos, Encinitas, along with other regional partners, will acquire oblique imagery (bird's eye view) which has many important and relevant uses for Fire, Code, and Planning. Encinitas, a partner agency, has confirmed commitment of the 2017 project to the regional agency leading the effort (SANGIS) based on the funds allocated to it in this CIP. Current status for this period: Flight has been flown and imagery is undergoing QC. IT staff has been trained on the new oblique imagery. Data delivery is expected in the October/ November time frame.
77	Open Space Mgmt. Plan	WC08K	PLANNING & BUILDING	74,499	64,424	0	10,075	On-going	This began as a component of the Multiple Habitat Conservation Program (MHCP) Subarea Plan. However, due to high costs relative to benefits, the City did not pursue the OSMP; however, instead developed the Encinitas Habitat Stewardship Program. No future funding is requested for the OSMP. Of the \$10,075 remaining, \$576.40 is general fund money. The other \$9,499.30 is the remaining balance of a NCCP Planning grant from U.S. Fish and Wildlife Service.
78	Citywide Flood and Channel Maintenance Permitting Program	WC09D	PW/ENV	400,000	177,174	0	222,827	TBD	City pursuing a citywide programmatic permit for ongoing maintenance activities of stormwater and flood control systems. Phase 1 - Identification and validation of city-owned facilities has been completed. Coordination with Resource Agencies is planned for Phase 2.
79	Technology Replacement Project	WC10A	IT/GIS	2,039,587	1,582,994	0	456,593	Ongoing	This project includes network security software, network storage and switches, audio visual and smart screen upgrades to conference rooms, records management consulting, website redesign, bid management implementation and software operating system licensing.
80	Fees and Other Studies	WC10B	FINANCE	199,060	140,045	0	59,015	Ongoing	STVR Compliance completed - ongoing issues referred to Development Services - Code Enforcement.
81	Citywide Landscape & Lighting District Prop 218 Ballot	WC10C	PW/ENG	200,000	59,724	0	140,276	On-Hold	Consultant prepared draft report of Preliminary Analysis of Assessments.

FY 2016-17 YTD Capital Improvement Project Status Report 4th Quarter									
Project Title	WP/CIP No.	Responsible Department	Project to Date Budget as of 6/30/2017	Project to Date Expenditures as of 6/30/2017	Transfers or Returns	Remaining Balance as of 3/31/2017	Anticipated Completion Date (Month-Year)	Status	
CONSULTANT SERVICES & STUDIES (WORK PROJECTS) Continued									
82	Encinitas Habitat Stewardship Program (Early Multi-Habitat Conserv Plan Implementation)	WC11A	PLANNING & BUILDING	217,941	110,207	0	107,734	Spring 2018	An initial assessment report to prioritize properties/ projects for cleanup of City owned habitat property was presented to Council in September 2015. Council directed Environmental Commission (EC) review. EC reviewed report on 1/14/16 and established a subcommittee for further review. The EC Subcommittee presented their recommendations to the EC on 10/13/2016 which were accepted by the EC for final consideration and recommendation to Council. This project to stay open with remaining funds. Beginning in FY15/16, funds for the Stewardship Program are recurring and included in the Planning & Building operating budget (\$62,600). Planning & Building is working with Parks & Rec to present the project to Council and to ultimately transition the project to Parks & Rec.
83	Governmental/Educational Access Project-Equipment Update	WC12C	IT	1,676,068	441,344	0	1,234,724	Ongoing	This project includes audio visual and smart screen upgrades to public meeting rooms at City Hall/Community Center, build-out of the City I-Net infrastructure and camera and other misc. equipment replacement in the Council Chambers for broadcasting.
84	Safe Funding	WC13B	PW/ENG	222,446	123,019	0	99,427	Ongoing	The Traffic Operations Center was completed in Summer 2017.
85	Cityworks Server	WC14A	GIS	108,000	89,580	0	18,420	Jun-17	Facilities in Cityworks and CCTV (i.e. sewer pipe video) integration with Cityworks for Wastewater have funding allocated, and have been placed on the IT/GIS work plan for FY16/FY17. Change in direction for facilities: will move to the Energov System, time frame TBD. CCTV is wrapping up configuration and will begin testing and training in the next few weeks. Note: Waiting on van configuration to be completed.
86	Housing Element Update	WC14B	PLANNING & BUILDING	1,259,436	1,119,709	(25,000)	114,727	TBD	To make adequate provisions for the housing needs of all income levels, a jurisdiction must identify adequate sites with the appropriate zoning in place. Where the element does not demonstrate appropriately zoned sites sufficient to accommodate the regional housing need (RHNA) by income level, a program must be included to identify sites that can be developed within the planning period. City Council, with assistance from the Housing Element Task Force (Mayor Blakespear, Deputy Mayor Kranz, Bruce Ehlers and Kurt Groseclose), is working to obtain a state compliant housing element.
87	Rail Corridor Vision	WC15A	PLANNING & BUILDING	557,927	120,550	0	437,377	February 2018	MOU approved by City Council on April 8, 2015. Caltrans Grant awarded (\$175K) in March 2015. Caltrans has approved scope of work. WSP USA, Inc. (formerly Parsons Brinckerhoff) was selected as the consultant. Project related work was incorporated into a consolidated study approach called the "Coastal Mobility and Livability Study". A public participation plan was endorsed by Council. Additional funding of \$34,200 was approved at first quarter of FY16/17. A City Council briefing will be held on Jan. 25, 2017. Another \$64,000 was approved in Feb. for work on the Verdi crossing and another \$232,227 was added for Quiet Zone analysis. Working group and Council reviewing first draft alternatives in Sept. & Oct. 2017.

FY 2016-17 YTD Capital Improvement Project Status Report 4th Quarter									
Project Title	WP/CIP No.	Responsible Department	Project to Date Budget as of 6/30/2017	Project to Date Expenditures as of 6/30/2017	Transfers or Returns	Remaining Balance as of 3/31/2017	Anticipated Completion Date (Month-Year)	Status	
CONSULTANT SERVICES & STUDIES (WORK PROJECTS) CONTINUED									
88	Active Transportation Plan	WC15B	PLANNING & BUILDING	86,400	21,984	0	64,416	February 2018	Contract has been awarded to KTU+A. Project related work was incorporated into a consolidated study approach called the "Coastal Mobility and Livability Study". A public participation plan was endorsed by Council. Additional funding of \$11,400 was approved at first quarter of FY16/17. A City Council briefing was held on Jan. 25, 2017. Working group and Council reviewing first draft alternatives in Sept. & Oct. 2017.
89	Coast Hwy 101 Business Districts Parking Study (Comprehensive Parking Study)	WC15C	PLANNING & BUILDING	86,400	43,855	0	42,545	February 2018	An additional \$25,000 was approved by Council on 7/13/16 to authorize the full parking study with adopted resolution. Chen Ryan was selected. Project related work was incorporated into a consolidated study approach called the "Coastal Mobility and Livability Study". Additional funding of \$11,400 was approved at first quarter of FY16/17. A City Council briefing was held on Jan. 25, 2017. Working group and Council reviewing first draft alternatives in Sept. & Oct. 2017.
90	Update Inclusionary Ordinance	WC15E	PLANNING & BUILDING	50,000	8,290	0	41,711	TBD	Direction and funding was given in May 2014 for staff to update the City's Inclusionary Housing Ordinance to better address the need for affordable units reserved in new development projects. Staff presented a draft ordinance to Council in September 2015 at which time staff was directed to hold a workshop to further vet the Inclusionary and Affordable Housing issue. The \$50,000 was originally allocated to cover consultant costs, which will largely include outside legal counsel. Actual costs may vary depending upon the ultimate scale and scope of the ordinance. The update of the Inclusionary Ordinance was included as part of the At Home in Encinitas Housing Element Update. The Ordinance Update will be coordinated with the work of the Housing Element task force.
91	Arts Master Plan	WC15G	PARKS, REC AND CUL ARTS	80,000	0	0	80,000	Terminated	This project was terminated by Council. Project will be closed at 1st Qtr. in FY2018. Council approved a decision package for new public Art in the FY 17/18 and FY 18/19 operating budgets.
92	Alternative Fuel Study for City Fleet	WC15H	PW	41,925	39,928	0	1,997	Jun-17	Complete a comprehensive fleet study to ascertain the feasibility of converting the City's fleet to alternative fuels. Issue RFP and receive report. Council originally appropriated \$10k for the project, but actual project cost est. at \$40k. Council approved additional funding. Final Report - accepted.

FY 2016-17 YTD Capital Improvement Project Status Report 4th Quarter									
Project Title	WP/CIP No.	Responsible Department	Project to Date Budget as of 6/30/2017	Project to Date Expenditures as of 6/30/2017	Transfers or Returns	Remaining Balance as of 3/31/2017	Anticipated Completion Date (Month-Year)	Status	
CONSULTANT SERVICES & STUDIES (WORK PROJECTS) CONTINUED									
93	Enterprise Workflow Management (EnerGov)	WC16A	IT/GIS	512,753	310,368	(10,000)	192,385	Summer 2018	EnerGov Phase 2 – This phase will build upon the customer service improvements and underlying core technology implemented in EnerGov Phase 1. Phase 2 will expand EnerGov functionality, (to include permitting, inspections, and mobile) for the following departments: Planning & Building, Code Enforcement, Fire Prevention, Fire Operations, and Public Works Engineering. Additionally, Phase 2 will include new customer facing self-service features, such as electronic plan submittal, online inspection scheduling, and real time project status. Current project focus includes testing code enforcement (office) and code enforcement mobile (iGEnforce). Finishing configuration for request management for use by City Manager staff. Early stages of migrating Clean Water Annual inspections over to the EG system, (office and mobile). Citizen Self Service (CSS) is also in process of being configured (public facing). Caveat to functionality of phase 2 implementation is the dependency on departments' ability to dedicate resources to this effort. Current Update: Code and Clean Water complete. Testing CSS and creating training videos, waiting on AMS contract to be approved - dependency for CSS go live.
94	Mobile Workforce	WC16C	IT/GIS	60,000	40,222	0	19,778	Ongoing	This project consolidates mobile hardware (primarily iPads) and related peripherals (i.e. cases, cords, printers, etc.) for all City departments. This will allow relevant staff to access mobile applications applicable to their duties and related to one or more of the City's business systems which include but are not limited to: enterprise workflow management (EnerGov), work order/inspection management, and data collection/updates on City-owned or maintained assets and infrastructure. As of this current report period no new deployments have been made. New deployments will focus on Building and Engineering once they begin their transition over to EnerGov.
95	Circulation Element of General Plan	WC16D	PLANNING & BUILDING	310,000	0	0	310,000	TBD	Funding transferred here from Roadway Master Plan project (WC16B). The Coastal Mobility and Livability Study will be used as a foundation for the preparation of the Circulation Element Update of the General Plan. Upon completion of the CMLS, an RFP will be developed.
96	Facade Improvement Program	WC97F	CM	266,786	182,785	0	84,001	Ongoing	In May 2017, Council amended the budget \$66K to pay remaining outstanding applications. In June, 2017, The Cardiff strip mall project received \$15K grant. Two projects remain before close-out.
97	Cottonwood Creek Runoff Plan	WD02A	PW/ENG	41,575	40,144	0	1,431	TBD	Grant (settlement) funded project awarded by the RWQCB to address water quality issues associated with Cottonwood Creek. Remaining funding could be used for education and outreach related to Prop 84 projects.
98	South Leucadia/Vulcan Ave Storm Drain Project	WD16A	PW/ENG	357,239	101,086	0	256,153	Spring 2018	Design complete in Spring 2018. No funding has been established for construction.
99	La Costa Basin Permitting	WD16B	PW/ENG	50,000	0	0	50,000	Close	As part of the FY 2016-17 budget revise, this project was combined with the Citywide Flood and Channel Maintenance Permitting Program project (WC09D).

FY 2016-17 YTD Capital Improvement Project Status Report 4th Quarter									
Project Title	WP/CIP No.	Responsible Department	Project to Date Budget as of 6/30/2017	Project to Date Expenditures as of 6/30/2017	Transfers or Returns	Remaining Balance as of 3/31/2017	Anticipated Completion Date (Month-Year)	Status	
CONSULTANT SERVICES & STUDIES (WORK PROJECTS) CONTINUED									
100	Green Building Incentive Program	WF10A	PLANNING & BUILDING	44,000	20,200	0	23,800	On-going	The Green Building Incentive Program encourages "green" construction techniques by providing funds to assist applicants that build "green." Projects that propose and achieve certification through the Build It Green GreenPoint Rated program for residential projects or the US Green Building Council's LEED program for commercial projects would be provided up to \$2,000 per application to assist with costs of providing "green" building measures utilized to achieve certification. The Council adopted an Environmental Policy on October 8, 2008 that included a requirement to ensure green building practices in all public and private development and funded the project beginning FY2010. The \$20,000 annual allocation for this project was incorporated into the operating budget during the two-year cycle for FY15/16 & FY16/17. Any remaining funding in this project budget must stay in place in order to cover applications that are already in process.
101	Pacific View Consultant Services	WF15A	CM/RISK MGT	100,000	70,538	0	29,462	Complete	Keyser Marston services are complete for the Pacific View project. A Right of Entry Agreement was executed in July 2016 (expires December 20, 2018) .
Category Total			13,812,488	7,829,420	(35,000)	5,948,068			
Capital and Work Project Total			92,606,713	40,298,313	(35,000)	52,273,402			

FY 2016-17 YTD Capital Improvement Project Status Report 4th Quarter								
Project Title	WP/CIP No.	Responsible Department	Project to Date Budget as of 6/30/2017	Project to Date Expenditures as of 6/30/2017	Transfers or Returns	Remaining Balance as of 3/31/2017	Anticipated Completion Date (Month-Year)	Status
FUNDING SOURCE TOTALS								
		401 Fund						
		General Fund (101)	29,521,204	15,320,464	(35,000)	14,165,740		
		HUTA (Gas Tax) Fund (201)	345,553	236,158	0	109,395		
		State Capital Grant Fund (203)	8,696,483	2,724,064	0	5,972,419		
		TransNet Program Funds (211)	10,274,224	5,880,196	0	4,394,028		
		Coastal Zone Management Fund (212)	1,639,230	974,239	0	664,991		
		Governmental/Education Access Fund (213)	1,872,228	497,746	0	1,374,482		
		CDBG Fund (222)	98,000	26,042	0	71,958		
		Federal Capital Grant Fund (223)	2,799,200	2,071,603	0	727,597		
		Restricted Donations Fund (229)	86,366	14,733	0	71,633		
		Park Development Fees Fund (231)	915,440	-	0	915,440		
		Park Acquisition Fund (232)	2,104,560	6,932	0	2,097,629		
		Traffic Mitigation Fee (233)	3,350,032	1,050,003	0	2,300,029		
		Regional Arterial Congestion (RTCIP) (234)	376,000	0	0	376,000		
		Open Space Impact Fees (235)	95,000	0	0	95,000		
		Recreational Trails Fund (236)	20,315	10,980	0	9,335		
		Flood Control Fees (239)	1,178,839	750,648	0	428,191		
		In Lieu Underground Fees (252)	1,508,662	878,556	0	630,106		
		ELLD Fund (295)	200,000	59,724	0	140,276		
		Zone H Fund (297)	40,000	9,695	0	30,305		
		402 Fund						
		General Fund (101)	3,009,660	629,481	0	2,380,179		
		CDBG Fund (222)	98,000	0	0	98,000		
		Federal Capital Grant Fund (223)	1,034,000	0	0	1,034,000		
		Traffic Mitigation Fee (233)	300,000	0	0	300,000		
		ELLD Fund (295)	138,250	55,934	0	82,316		
		Zone H Fund (297)	74,250	8,591	0	65,659		
		403 Fund						
		Facility Maintenance Fund (403)	2,185,000	339,430	0	1,845,570		
		512 & 522 Funds						
		Cardiff Sanitary District (CSD) (512)	14,056,920	4,747,027	0	9,309,893		
		Encina Sanitary District (ESD) (522)	6,589,298	4,006,067	0	2,583,231		
		Total CIP and Work Projects by Funding Source	92,606,714	40,298,313	(35,000)	52,273,401		

**Capital Improvement Projects Status Report - CLOSED PROJECTS - Fiscal Year 2016-17 End of Year
(4th Quarter)**

Project Category Title	WP/ CIP No.	Responsible Department	Total Funding Amount	Final Cost	Returned to Fund/ Transferred to Project	Remaining Balance	Remarks	
DRAINAGE PROJECTS			0					
1	None							
Category Total			0	0	0	0		
WASTEWATER PROJECTS (CSD/ESD)			0					
2	None							
Category Total			0	0	0	0		
PUBLIC FACILITIES PROJECTS			0					
3	Civic Center Improvements	CF15A	PW/FACILITIES	1,836,675	1,753,856	(82,819)	0	Civic Center Sewer Rehabilitation construction completed July 2016.
Category Total			1,836,675	1,753,856	(82,819)	0		
PARKS & BEACHES PROJECTS			0					
4	Encinitas Community Park Construction Phase	CP13A	PARKS & REC	19,540,388	18,817,375	(723,013)	0	Encinitas Community Park is finished; project closed at 3rd Quarter
5	Parks Master Plan	WP15I	PARKS & REC	100,000	92,049	(7,951)	0	Parks Master Plan was approved by City Council on October 26, 2016.
Category Total			19,640,388	18,909,424	(730,964)	0		
STREETS & ROADS PROJECTS			0					
6	I-5 Interchange @ Encinitas Blvd	CS04B	PW/ENG	1,655,000	1,541,868	(113,132)	0	Project is complete. Caltrans approved Project Study Report.
7	Cottonwood Creek Watershed LID Retrofit	CS14D	PW/ENG	242,460	242,460	0	0	Project is complete. Study presented to Council in May 2015. Final invoice received.
8	Urania Ave Neighborhood Traffic Calming	CS14G	PW/ENG	128,000	58,167	(69,833)	0	Project will be closed in the third quarter after the payments to the contractor are completed.
9	Saxony Rd Traffic Safety/Calming	CS15E	PW/ENG	175,000	131,138	(43,862)	0	Construction was completed in August. Project will be closed during in 3rd quarter. Donations received and posted to project.
10	FY2015-16 Annual Street Overlay	CS16A	PW/ENG	2,723,488	2,723,489	0	0	Construction will be completed in October 2016. Project will be closed during the fourth quarter after the reimbursements for the raising of the manhole covers is completed.
11	Paul Ecke Central Improvements	CS16D	PW/ENG	450,000	389,706	(60,294)	0	Project is complete.
12	Regal Road West Sidewalks	CS16G	PW/ENG	170,000	135,961	(34,039)	0	Construction will be complete in January 2017, project to be closed in third quarter.
Category Total			5,543,948	5,222,789	(321,160)	0		
STORM RELATED PROJECTS			0					
13	None							
Category Total			0	0	0	0		
CONSULTANT STUDIES AND WORK PROJECTS			0					
14	Urban Agriculture Ordinance	WC15D	PLANNING & BUILDING	50,000	796	(49,204)	0	Project complete. Council approved the Ordinance on May 11, 2016 and it was adopted on May 25, 2016. Coastal Commission approved the Ordinance on 8/11/2016.
Category Total			50,000	796	(49,204)	0		
Capital and Work Project Total			27,071,011	25,886,865	(1,184,147)	0		
			General Fund (101)	20,440,247	19,600,532	(839,716)	(0)	
			HUTA (Gas Tax) Fund (201)	258,347	258,347	0	(0)	
			State Capital Grant Fund (203)	668,931	668,931	0	0	
			TransNet Program Funds (211)	2,148,865	2,078,930	(69,935)	0	
			Household Hazardous Waste Fund (214)	500,000	387,681	(112,319)	0	

**Capital Improvement Projects Status Report - CLOSED PROJECTS - Fiscal Year 2016-17 End of Year
(4th Quarter)**

Project Category Title	WP/ CIP No.	Responsible Department	Total Funding Amount	Final Cost	Returned to Fund/ Transferred to Project	Remaining Balance	Remarks
		CDBG Fund (222)	196,000	196,000	0	0	
		Federal Capital Grant Fund (223)	363,062	278,222	(84,840)	0	
		Restricted Donations Fund (229)	10,000	10,000	0	0	
		Park Development Fee (231)	450,000	450,000	0	0	
		Traffic Mitigation Fee (233)	1,590,000	1,517,948	(72,052)	0	
		Regional Arterial Congestion (RTCIP) (234)	0	0	0	0	
		Facility Maintenance Fund (403)	445,559	440,274	(5,285)	(0)	
		Cardiff Sanitary District (CSD) (512)	0	0	0	0	
		Encina Sanitary District (ESD) (522)	0	0	0	0	
		Total CIP and Work Projects by Funding Source	27,071,011	25,886,865	(1,184,147)	0	

RESOLUTION NO. 2017-95

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ENCINITAS
AMENDING THE FISCAL YEAR 2017-18 BUDGET**

WHEREAS, on June 28, 2017 the City of Encinitas City Council adopted Resolution No. 2017-51 appropriating the budget for Fiscal Year 2017-18; and

WHEREAS, changes in anticipated revenues and/or expenditures of the City of Encinitas necessitates a revision of the appropriations for Fiscal Year 2017-18; and

WHEREAS, budgeted expenditures do not exceed anticipated revenue and available fund balance; and

WHEREAS, the City Council has reviewed the proposed Fiscal Year 2017-18 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 2017-18 as shown in Exhibit A to this resolution.

PASSED AND ADOPTED this 29th day of November, 2017, by the following vote, to wit:

AYES:

NAYS:

ABSENT:

ABSTAIN:

Catherine S. Blakespear, Mayor

ATTEST:

Kathy Hollywood, City Clerk

Exhibit A to Resolution 2017-95

	Fund Name	Organization Code	Object Code	Project No.	Description	Revenue/ Transfer In Increase (Decrease)	Expenditure/ Transfer Out Increase (Decrease)
1.	General Fund	10190901	428.6		Lump sum payment to CalPERS to reduce the unfunded pension liability. Payment is equal to 5% of the FY 2016-17 carryover in the General Fund.		\$ (126,387)
2.	General Fund	10190999	498.3			\$ (500,000)	
3.	Open Space Acquisition	23500000	398.3		Fund balance transfer to Fund 235 for future open space acquisition.		\$ 500,000
4.	General Fund	10100000	398.2		Fund balance transfer from General Fund carryover to Capital Improvement Program funds as identified in the approved Six year CIP	\$ 2,090,000	
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Total						\$ 1,590,000	\$ 373,613

City of Encinitas
 Summary of Budgetary Fund Balance
 FY 2016-2017

FY2016-17 Council Action

Reconciled through July 13, 2017

Description	Meeting Date	Resolution#	Increase (Decrease) to Fund Balance	Revenue	Operating Expenditures	Transfers In Operating	Transfers Out Operating	Transfers Out Debt	Transfers In Capital	Transfers Out Capital	Available Fund Balance
General Fund (101)											
Actual Beginning Fund Balance, 7/1/16											32,884,544
Less: Contingency Reserve											(11,822,489)
Budget Stabilization Reserve											(1,357,873)
Nonspendable Reserve											(1,109,425)
CIP Carryover Reserve											
Available Beginning Fund Balance, 7/1/16											18,594,757
FY 2016-17 Original Budgets Adopted	6/22/16	2016-64	(9,786,742)	67,893,632	(59,112,446)	1,174,360	(2,728,739)	(4,250,552)	-	(12,762,997)	8,808,015
FY 2016-17 Budget Adjustments by Council:											
1. Increase funding for parking study (WC15C)	7/13/16	2016-72	(25,000)							(25,000)	8,783,015
2. Continuing appropriations for Unspent FY 15-16 \$ 1,201,403	8/24/16	2016-82	(328,157)		(328,157)						8,454,858
3. Hwy 101 Emergency Repairs Monitoring and Maintenance	9/14/16	2016-79	(77,512)							(77,512)	8,377,346
4. Increase Construction Budget Cardiff School Dist. CS17C	9/14/16	2016-81	98,000							98,000	8,475,346
5. Increase Tree Trimming Budget for Ficus Trees	9/28/16	2016-90	(54,000)		(54,000)						8,421,346
6. Increase funding for Marine Safety Center at Moonlight Beach (CP14C)	9/28/16	2016-91	(628,104)							(628,104)	7,793,242
7. Payment to CalPERS-Unfunded Pension Liability	10/19/16	2016-93	(220,434)		(220,434)						7,572,808
8. A Res of the City Council Amending FY 2016-17 Budget	11/16/16	2016-104	(256,995)	171,124	(272,269)		(7,850)		74,000	(222,000)	7,315,813
9. 401/402 Posted by N Rau-Proj CS17 E HSIP Grant	12/14/16	Jnl 60576	243,000							243,000	7,558,813
10. Carlsbad Watershed Management Area Cost Sharing Agreement Amend	2/15/17	2017-11	4,048	85,001						(80,953)	7,562,861
11. Conceptual plans for pedestrian rail crossing at or near Verdi (WC15A)	2/15/17	2017-16	(64,000)							(64,000)	7,498,861
12. Mid Year Budget Adjustments	3/8/17	2017-18	41,060	258,355	(217,295)						7,539,921
13. Mid Year Transfers	3/8/17	2017-18	155,984						194,984	(39,000)	7,695,905
14. Additional funding for DigAlerts Service	3/22/17	2017-13	(55,000)		(55,000)						7,640,905
15. Emergency Repairs - Lone Jack Rd (CX17B) to 402	3/29/17	2017-20	(447,300)							(447,300)	7,193,605
16. Emergency Repairs - Manchester Ave. slope (CX17A)	3/29/17	2017-21	(39,800)							(39,800)	7,153,805
17. Housing budget adjustment WC14B	3/29/17		-		100,000					(100,000)	7,153,805
18. Quiet Zone Feasibility Study-WC15A	4/26/17	2017-34	(232,227)							(232,227)	6,921,578
19. Birmingham Dr. Design and Permitting Costs (CS17B)	5/17/17	2017-35	(598,560)							(598,560)	6,323,018
20. Lone Jack Storm Drain Replacement Project (CD17C)	5/31/17	2017-41	(102,166)							(102,166)	6,220,852
21. Façade Grant Program (WC97F)	6/7/17	2017-47	(66,786)							(66,786)	6,154,066
22. Amend FY 16-17 Budget & Close Proj CS16G	6/7/17	2017-50	107,539	157,500	(84,000)				34,039		6,261,605
22. Amend FY 16-17 Budget & Close Proj CP 13A	6/7/17	2017-50	610,693						610,693		6,872,298
23. Cerro St. & Willowspring Dr. Speed Cushions (CS02F)	6/28/17	2017-57	(90,000)							(90,000)	6,782,298
24. Reimb-Turf Rebate CP16B, Manhole covers CS16A, SDWD Energ WC16A	6/11/17		254,217						254,217		7,036,515
25.			-								7,036,515
26.			-								7,036,515
Projected Available Fund Balance 6/30/2017			(11,558,242)	68,565,612	(60,243,601)	1,174,360	(2,736,589)	(4,250,552)	1,167,933	(15,235,405)	