

Budget Amendment One-time Project Funding

SANTA ROSA CITY COUNCIL

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Background

- Funding is available in the unassigned General Fund reserves to pay for one-time projects
- There were not sufficient resources available during the budget process, and still attempt to balance the budget
- In these cases, we propose mid-year budget amendments as long as there are sufficient reserves

Analysis

- Staff developed a list of one-time critical to operations
- The list of projects was vetted, and the amount was narrowed to \$3,060,000
- There is currently sufficient funding in the General Fund Unassigned Reserves to fund the projects

Proposed Projects – Human Resources

| Project | Amount |
|--|------------------|
| NeoGov Assessment | \$100,000 |
| Department Total | \$100,000 |
| <i>Project Start: July 2024</i> | |
| <i>Targeted Completion: October 2025</i> | |

Proposed Projects – Finance

| Project | Amount |
|---------------------------------------|-----------------|
| Internal Control Audit Update | \$75,000 |
| Department Total | \$75,000 |
| <i>Project Start: July 2024</i> | |
| <i>Targeted Completion: June 2025</i> | |

Proposed Projects – TPW

| Project | Amount |
|---|--------------------|
| In-Ground Vehicle Lifts (Fleet Maintenance) | \$932,000 |
| <i>(Start July 2024; Targeted Completion July 2025)</i> | |
| Fleet Electrification Masterplan | \$160,000 |
| <i>(Start: June 2024; Targeted Completion: Dec. 2025)</i> | |
| Department Total | \$1,092,000 |

Proposed Projects – Information Technology

| Project | Amount |
|--|------------------|
| Video Security – Downtown Campus | \$81,000 |
| <i>(Start: Apr. 2024; Targeted Completion: June 2025)</i> | |
| Mitel Phone Replacement | \$167,000 |
| <i>(Start: Apr. 2024; Targeted Completion: Oct. 2025)</i> | |
| On-Premises Accela System | \$80,000 |
| <i>(Start: Sept. 2024; Targeted Completion: Nov. 2025)</i> | |
| Department Total | \$328,000 |

Proposed Projects – Police

| Project | Amount |
|---|------------------|
| Radio Upgrade Project | \$800,000 |
| <i>(Start: Apr. 2024; Targeted Completion:)</i> | |
| Police Server Upgrade | \$165,000 |
| <i>(Start: Apr. 2024; Targeted Completion:)</i> | |
| Department Total | \$965,000 |

Proposed Projects – Recreation and Parks

| Project | Amount |
|---|------------------|
| Doyle Park Ballfield Upgrades | \$500,000 |
| Department Total | \$100,000 |
| <i>Project Start: July 2024</i> | |
| <i>Targeted Completion: December 2025</i> | |

Future Project – Energy Efficiency

- Prepared to make \$5 million investment toward HVAC upgrade
 - Current estimates of \$11 million for total system upgrade
- Potential to use these funds to leverage other Federal and State funding sources to replace entire system and other projects
- Staff still investigating – will be back to Council with whatever is feasible

Fiscal Impact

- One-time projects – no ongoing fiscal impact
- General Fund Unassigned Reserves as of June 30, 2023, total \$60.8 million, or 31.7% of expenditures
- This action, combined with the use of reserves during the fiscal year, will decrease the reserves to \$54.8 million, or 28.6% of expenditures.
- Council policy requires reserves to be 15% - 17% of expenditures

Recommendation

The Finance Department recommends the City Council, by Resolution, amend the Fiscal Year (FY) 2023-24 adopted budget by increasing appropriations to fund one-time projects as set forth in Exhibit A of the Resolution.

Questions?