

FY 2020/21 ADOPTED BUDGET ADDEMDUM

BUDGET PROCESS

The City develops an annual plan, and makes adjustments via the amendment process as needed. Staff prepares and presents the City’s Operating Budget along with the Capital Improvement Plan for review and adoption. Budget Workshops are held so citizens can participate in the budget adoption process. On September 1, 2020, Council adopted the FY 2020/21 Operating Budget.

KEY CHANGES INCORPORATED IN THE ADDEMDUM

This addendum reflects changes made to the FY 2020/21 Requested Budget as part of Council’s requests during the budget workshops held on August 4, 2020, August 6, 2020 and August 25, 2020. Several revenue sources were negatively impacted by the pandemic. Although, the City’s leadership staff quickly adjusted its discretionary expenditures, it was not enough to mitigate the impact of the revenue shortfalls. As a community, we are still feeling the overall impacts of shelters-in-place actions and the reopening of our businesses.

Nevertheless, Council is committed to providing quality services to its residents through the delivery of programs that promote a healthy and safe community. During the budget adoption workshop held on September 1, 2020, Council directed staff to explore ways in which Public Safety Services could be expanded, Fee Service Programs such as Recreation and Community Development could be more sustainable, as well as maintaining the City’s fiscal health.

The City presented a General Fund budget with a structural deficit meaning revenues could not sustain the City’s expenditures. The General Fund budget deficit was approximately \$300 thousand. Through the preparation of the budget, one-time Sales Tax revenues helped balance the deficit, along with the freezing of vacant positions, and the removal of expenditures in the Recreation Department no longer incurred due to current closures.

PROPOSED BUDGET 2020/21	
(Deficit):	(279,553)
One-Time Sales Tax:	
Equipment/Machinery	67,000
Deferred Taxes:	120,000
Freezing Vacant Positions:	337,000
Balance:	\$244,447

As part of Council’s commitment to a safe community, staff was directed to implement a Police Reserve Officers Program which is estimated to cost approximately \$75 thousand. A separate report will be presented to Council for approval and adoption. Also, an analysis will be conducted on the possibility of providing Fire Services in-house looking into staffing the Fire Station with a part-time Chief and two (2) Firefighters.

Changes taking place in the Enterprise Funds include the removal of the sweeper purchase in the Sanitation Fund and the update of the Utility Rate Study with a targeted implementation date of early Spring 2021.

FY 2020/21 ADOPTED BUDGET ADJUSTMENTS – ALL FUNDS

DESCRIPTION OF ADJUSTMENT	FUND	DEPARTMENT	FTE	AMOUNT
REVENUE				
Sales Tax (one-time)				
Deferral	General	Finance		\$120,000
Equipment/Machinery	General	Finance		67,000
High School Resource Officer	General	Finance		(30,000)
Concessions	Recreation			(6,000)
Soccer Program	Recreation			(23,700)
Transfer-In	Recreation			47,650
EXPENSE				
Trasfer Out	General	Finance		47,650
Freezing Vacant Positions:				
Police Officer	General	Police	-1.0	83,311
Dispatcher	General	Police	-1.0	74,833
Captain	General	Police	-1.0	160,067
Office Assistant (Part-Time)	Recreation	Admin	-1.0	19,554
Maintenance Worker (Part-Time)	Districts	Various	-4.0	96,519
Maintenance Worker – Water (PT)	Water		-1.0	24,130
Maintenance Worker – Wastewater (PT)	Wastewater		-1.0	24,391
Concessions	Recreation			3,000
Soccer Supplies	Recreation			9,000
Soccer Contracted Staff	Recreation			12,500
Sweet Potato Festival	Recreation			48,000
Sweeper	Sanitation			285,000

RESOLUTION 2020-54

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LIVINGSTON ADOPTING THE BUDGET AND APPROPRIATING REVENUE FOR FISCAL YEAR 2020/21 AND SETTING THE GANN APPROPRIATION LIMIT FOR FISCAL YEAR 2020/21

WHEREAS, City Management of the City of Livingston has prepared and submitted to the City Council of the City of Livingston a Proposed Budget for the Fiscal Year commencing July 1, 2020, and ending June 30, 2021 (“Proposed Budget”) and,

WHEREAS, the City Council of the City of Livingston has received public input and has thoroughly reviewed and analyzed the Proposed Budget; and,

WHEREAS, it is the intention of the City Council to adopt the Proposed Budget, including any modifications, as the Final Budget for the Fiscal Year (FY) 2020/2021 (“Final Budget”).

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LIVINGSTON AS FOLLOWS:

1. The Final Budget for the City of Livingston for the Public Safety Funds for the Fiscal Year beginning July 1, 2020 and ending June 30, 2021, is hereby approved and adopted.
2. The Final Budget for the City of Livingston for all Funds except Public Safety for the Fiscal Year beginning July 1, 2020 and ending June 30, 2021, is hereby approved and adopted.
3. The sums of money therein set forth are hereby appropriated from the revenues of the City to the departments, functions, and funds therein set forth for expenditures during the FY 2020/2021.
4. Capital Improvement Projects revenue and unspent appropriation actual carryover budget amounts from 2019/2020 shall be recalculated and updated to reflect balances as of June 30, 2020 and are hereby incorporated as part of the 2020/21 approved budget.
5. Grant Funds received and appropriated and unspent appropriation actual carryover budget amounts from 2019/20 shall be recalculated and updated to reflect balances as of June 30, 2020 and hereby incorporated as part of the 2020/21 approved budget.
6. State Law requires that an Appropriations Limit be adopted annually by the City Council. Article XIII B of the California constitution places certain restrictions on appropriations made by local governments and restrictions are applicable to appropriations that met the definition of “Proceeds of Taxes”. The law allows the option to select the factors to be used to calculate the Annual Appropriations Limit. For one of the factors the City must select between: (A) the change in the State per capita income; or (B) the change in the assessed valuation of local nonresidential construction, and the City has selected the change in the State per capita income. The appropriations subject to limitation in Fiscal Year 2020/21 shall be as set forth on and as calculated on Exhibit “A” attached hereto and made a part hereof.

7. The City Council hereby authorizes the Finance Director to advance from Pooled Cash funds to cover expenditures, for which revenues will be received at a later date.
8. The City Manager or City Manager's designee is authorized to make transfers of budget appropriations between classifications and activities within a fund to purchase such items and services needed to accomplish those purposes set forth in the Budget document and to insure the efficient and effective administration of City services.
9. The Finance Director is authorized to revise revenue budgets and appropriations throughout the fiscal year based on actuals received from the Office of Emergency Services.
10. Estimated carryover balances as of June 30, 2020 shall be recalculated when actuals are determined and appropriations from estimated carryover balances will be updated to reflect actual amounts.
11. The amounts to be transferred to the Economic Opportunity Fund and Revenue Stabilization Fund will be 50% of the excess over the General Fund estimated balance of \$2,705,549. Any excess will be split between the two Funds.
12. All resolutions and parts of resolutions in conflict herewith, including, but not necessarily limited to, such resolutions or parts of resolutions relating to compensations, allowances or benefits as may be in conflict herewith are hereby expressly repealed.
13. This resolution shall be effective immediately upon adoption, but shall be operative as of July 1, 2020.


Passed and adopted this 1st day of September 2020, by the following votes:

MOTION APPROVING SECTION 1 OF THIS RESOLUTION:

AYES: Mayor Samra and Council Members Aguilar and Baptista
 NOES: Mayor Pro-Tem Garcia
 ABSENT: None
 ABSTAIN: Council Member Kang

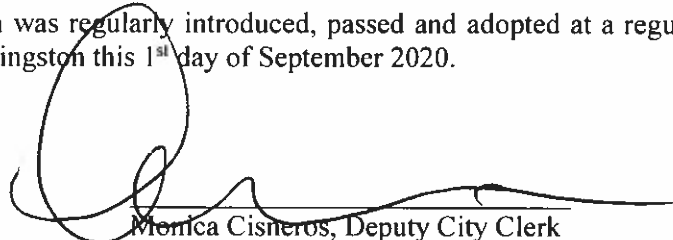
MOTION APPROVING SECTIONS 2-13 OF THIS RESOLUTION:

AYES: Mayor Samra and Council Members Aguilar and Baptista
 NOES: Council Member Kang and Mayor Pro-Tem Garcia
 ABSENT: None
 ABSTAIN: None


Gurpal Samra, Mayor
of the City of Livingston

ATTEST:

I hereby certify, that the foregoing resolution was regularly introduced, passed and adopted at a regular meeting of the City Council of the City of Livingston this 1st day of September 2020.


Monica Cisneros, Deputy City Clerk
of the City of Livingston

**ARTICLE XIII B- APPROPRIATIONS LIMIT FOR THE CITY OF LIVINGSTON
FOR FISCAL YEAR 2020 - 2021**

Appropriation limit for fiscal year 2019/2020		\$ 5,699,589
County Population January 2019	282,405	
County Population January 2020	283,521	
Population change:	0.40%	
California per Capita Personal Income:	3.73%	
Calculation of Factor for FY2020/2021		
Per Capita Cost of Living converted to a ratio:	3.73+100/100	1.0373
Population converted to ratio:	1.04+100/100	1.0040
Calculation of factor for FY2020-2021:	1.0373 x 1.004	1.0414
Appropriation Limit for Fiscal Year 2020/2021	\$5,699,589 x 1.0414	<u><u>\$ 5,935,547</u></u>
2020/21 Projected Revenues Subject To Appropriation		
Limit:		
Taxes		\$ 3,602,941
Other Agencies (State Subventions)		1,615,153
Interest		10,000
Total		<u><u>\$ 5,228,094</u></u>

Estimated revenues to be received during 2020/21 will not exceed the appropriation limit in compliance with the State Constitution.