



# CITY OF CARSON

## Legislation Text

File #: 2021-633, Version: 1

### Report to Mayor and City Council

Tuesday, September 21, 2021

Consent

#### **SUBJECT:**

**FISCAL YEAR 2020-2021 YEAR-END CONTINUING APPROPRIATIONS (CITY COUNCIL)**

#### **I. SUMMARY**

At the end of each fiscal year, Staff prepares a list of budgeted appropriations recommended for carryover into the next fiscal year. The list of Proposed Continuing Appropriations (Exhibit No. 1: Capital Improvement Projects; Exhibit No. 2: Special Revenues; Exhibit No. 3 General Fund) identifies Capital Projects that are incomplete or the start of which have been delayed and invoices received after year-end closing for services provided last fiscal year but were billed after the fiscal year ended. In some cases, the unspent expenditure budget needs to be carried forward to the next fiscal year to provide funding for the completion of the project.

The primary purpose of this report is to request continuing appropriations for a variety of projects from every department. There is no fiscal impact associated with the request.

#### **II. RECOMMENDATION**

Waive further reading and adopt:

1. RESOLUTION NO. 21-106, A RESOLUTION OF THE CITY OF CARSON CITY COUNCIL AMENDING THE FISCAL YEAR 2020-2021 BUDGET TO CONTINUE UNSPENT APPROPRIATIONS TO FISCAL YEAR 2021-2022; and
2. RESOLUTION NO. 21-107, A RESOLUTION OF THE CITY OF CARSON CITY COUNCIL AMENDING THE FISCAL YEAR 2021-2022 BUDGET TO CONTINUE UNSPENT APPROPRIATIONS FROM FISCAL YEAR 2020-2021.

#### **III. ALTERNATIVES**

TAKE another action deemed appropriate by City Council.

#### **IV. BACKGROUND**

Staff has established a carryover review process during which departments are requested to submit justification and funding sources for unencumbered, available funds requested for carryover. The final list Exhibit No. 1: Capital Improvement Projects; Exhibit No. 2: Special Revenues; Exhibit No. 3 General Fund) of continued appropriations is adopted by the City Council in September and becomes part of the City's Fiscal Year 2021-2022 annual budget.

Each year during the budget development process, staff review and evaluate projects priorities, available funding, and make necessary adjustments to stay within the resources available. The CIP is a working program that is reviewed and updated annually to reflect changing community needs, priorities and funding opportunities to ensure the infrastructure exists to advance the City Council's mission, vision and priorities. The City of Carson ended Fiscal Year 2020-2021 with 46% of its Capital Improvement Projects expended once all accounts were closed out early August. This table summarizes budget, actuals and carryover amount requested.

	<b>Adopted Budget</b>	<b>Actuals</b>	<b>Remaining Balance*</b>
FY 2020-2021 CIP	\$33,312,144	\$14,482,485	\$17,829,659

*\*Carryover requested amount. See detail in Exhibit 1.*

Exhibit 1 to this report is the list of requests to carryover unused budget for Capital Projects that are incomplete or the start of which have been delayed and invoices received after year-end closing for services provided last fiscal year but were billed after the fiscal year ended. Most projects listed on Exhibit 1 were underspent against targeted budget for various reasons, with the following being the overarching explanation:

- The effect of COVID-19 pandemic slowing down the permitting agencies on our capital projects.
- 3 staff retired or left the City of Carson; 1 staff was out on FMLA for 30% of the year
- Granting agencies took longer than normal to review design documents since their employees were working from home

The Public Works staff has taken many steps towards strengthening the City's CIP and increasing operating efficiencies citywide. Those steps include:

1. Established effective capital project monitoring and reporting to assist in the management of these significant projects
2. Putting forward a reorganization to ensure effective and efficient engineering,

operations to provide a high level of service to the public and its internal customers by reviewing skill sets and responsibilities and optimizing workflow. The reorganization under consideration will allow the Department to manage projects, based on size and complexity, that are aligned with City Council priorities.

3. Assessing existing program management technologies and benchmarking the department with other cities of comparable size, character and complexity to manage and monitor CIP projects. Conduct a formal inventory of all city-owned assets, which includes deferred maintenance and condition assessments. This effort will be tied to a structured Condition Maintenance Management System (CMMS) that will provide better management of all city-owned assets. The City's insurance carrier has a list of insured assets that will serve as a basis for the inventory that will be supplemented by Public Works' engineering and maintenance divisions. This includes all facilities, parks, City Hall and Community Center.
4. Developing achievable actions to create a healthy, sustainable and resilient city. Our goals towards a more sustainable future involve purchasing electric, hybrid and low carbon fuel vehicles as part of its Fleet Replacement Program, developing a Food Waste Recycling Program to increase diversion levels and reduce the amount of waste taken to landfills, planting drought tolerant plants and trees in our landscaping projects and creating an environmentally focused purchasing program.
5. Streamlining processes in Public Works, for better staff efficiencies and cost effectiveness. This includes evaluating all activities including the Warehouse and Fleet operations.

There is no Fiscal impact associated with the Proposed Continuing Appropriations. The estimated June 30, 2022 fund balance presented during the 2021 budget process includes expenditures of these appropriations; and continuing them from one year to the next has no impact on the estimated fund balances.

Staff is requesting a total of \$1,858,953 to be carried forward in the General Fund (Exhibit no. 2), and \$1,304,261 of Special Revenues fund (Exhibit no. 3).

## **V. FISCAL IMPACT**

There is no fiscal impact associated with the carryover requests. If approved, the budget will be reduced in Fiscal Year 2020-2021 and the budget will be increased in Fiscal Year 2021-2022; resulting in no change or impact to the General Fund estimated spending and fund balance.

## **VI. EXHIBITS**

1. Exhibit (1): Capital Improvement Program 2020-2021 Continuing Appropriations
2. Exhibit (2): General Fund Fiscal Year 2020-2021 Continuing Appropriations

3. Exhibit (3): Special Fund Fiscal Year 2020-2021 Continuing Appropriations
4. Resolution 21-106 of the City of Carson City Council amending the Fiscal Year 2020-2021 budget to continue unspent appropriations to Fiscal year 2021-2022.
5. Resolution 21-107 of the city of Carson City Council amending the Fiscal Year 2021-2022 budget to continue unspent appropriations from Fiscal Year 2020-2021.

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