



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Lee Price
Larry Lisenbee

SUBJECT: SEE BELOW

DATE: December 5, 2006

COUNCIL DISTRICT: 4
SNI AREA:

SUBJECT: ADOPTION OF APPROPRIATION ORDINANCE AND FUNDING SOURCES RESOLUTION AMENDMENTS IN THE GENERAL FUND FOR COUNCIL DISTRICT 4

RECOMMENDATION

1. It is recommended that the City Council adopt the following Appropriation Ordinance and Funding Source Resolution amendments in the General Fund to:
 - a. Increase the Other Revenue estimate by \$39,036; and
 - b. Increase the Council District 4 appropriation by \$39,036.

OUTCOME

City Council approval of the recommended actions would recognize revenue in Council District 4 as a result of the reimbursement totaling \$39,035.99 to the City by Councilmember Chuck Reed. Councilmember Reed has reimbursed the City for various expenses which had been charged to the Council District 4 budget over the past six years.

BACKGROUND

In October 2006 Councilmember Chuck Reed reimbursed the City \$39,035.99 for expenses previously charged to the Council District 4 budget. The funds were received by the Office of the City Clerk and deposited into the City's miscellaneous revenue account. This action was taken as an expedient way for staff to process the funds received and deposit them into the City's accounts.

ANALYSIS

The Office of the City Clerk, in consultation with Councilmember Reed and the City Manager's Budget Office, has concluded that the appropriate action is to recognize this revenue in the City's general fund and appropriate the funds to the Council District 4 budget. The moneys were originally expended from Council District 4's operating budget. Now that the funds have been reimbursed to the City by Councilmember Reed, staff is recommending that they be appropriated to support the operations of Council District 4.

POLICY ALTERNATIVES

Alternative 1: Recognize revenues in the City's general fund without a specific appropriation so that the funds revert to the overall operations of the City and any general fund purpose.

Pros: The funds were expended over several fiscal years and any reimbursement should be reflected in the general revenues of the City.

Cons: The funds were originally appropriated and expended for the operation of Council District 4. The expenditures were reviewed and approved by the Office of the City Clerk and the Finance Department as appropriate expenditures under the City's guidelines and charged to the Council District 4 budget. Therefore, any reimbursement of funds received by the City should revert to the Council District 4 budget to serve City and District purposes.

Reason for not recommending: The reimbursed funds should be directed for their original intended purpose, to support the operations of Council District 4.

PUBLIC OUTREACH/INTEREST

This action does not meet the criteria set below; however the Office of the City Clerk will post the item on the City's Website.

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

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COORDINATION

This memorandum has been coordinated with the City Attorney's Office, and the Finance Department.

COST IMPLICATIONS


This action restores funds to the District 4 budget to provide services to the community.

BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	Total Appn.	2006 - 2007 Adopted Operating Budget (Page)*	Last Budget Action (Date, Ord. No.)
001	1040	Council District 4	\$244,307	VIII - 85	10/17/2006 Ord. No. 27888



LEE PRICE, MMC
City Clerk



LARRY D. LISENBEE
Budget Director

For questions, please contact Lee Price, City Clerk, at (408) 535-1252.

I hereby certify that there will be available for appropriation in the General Fund in Fiscal Year 2006-2007 moneys in excess of those heretofore appropriated therefrom, said excess being at least \$39,036.



LARRY D. LISENBEE
Budget Director