



TO: Mayor and Councilmembers
FROM: Luke Rioux, Finance Director
CONTACT: Tony Gonzalez, Accounting Manager
SUBJECT: Fiscal Year 2020/21 First Quarter Financial Review

RECOMMENDATION:

Adopt Resolution No. 20-__ entitled, "A Resolution of the City Council of the City of Goleta, California, Amending the City of Goleta's Operating and CIP Budget for Fiscal Year 2020/21."

BACKGROUND:

This report provides a financial update on the City's preliminary actual revenue and expenditure activity through the first quarter for the FY 2020/21 Operating and Capital Improvement Program (CIP) Budget, which was adopted on June 18, 2019 as part of the two-year FY 2019/20 and FY 2020/21 budget plan and amended on June 16, 2020. The information in this report is preliminary and provides a review of the continued estimated economic impact experienced from the COVID-19 pandemic from July 1 through September 30, 2020 and other relevant financial information. Additionally, this report recommends various adjustments to the FY 2020/21 budget.

DISCUSSION:

COVID-19 Financial Impacts on the City's General Fund Budget Recap

In March 2020, the unprecedented COVID-19 pandemic disrupted the world economy, impacting the City of Goleta and its community. The City responded with an emergency declaration and implemented various social distancing measures including the Governor's stay-at-home order. To help mitigate the spread of COVID-19, only essential services and businesses could operate and only essential travel was allowed. Businesses deemed non-essential were closed and local economic activity experienced a significant slowdown. The City's non-essential retailers were either closed or provided only online services and sales from mid-March to late May. Restaurants were only providing take out services for almost three-months, auto sales declined, and business-to-business sales fell sharply. In addition, during this same time period hotel occupancy was at historic lows.

On June 16, 2020, the City Council adopted the FY 2020/21 Mid-Cycle Budget, which included significant revisions to its original projected revenues and expenditures in the

General Fund. Revenue projections were adjusted downward by approximately \$5.9 million, with decreases primarily expected in sales tax of \$980,000 and \$4.9 million in transient occupancy taxes when compared to original projections. To help offset revenue losses and balance the budget, the City Manager recommended temporary cost containment strategies and one-time use of the unassigned fund balance of \$3.1 million. The cost containment strategies included all departments re-evaluating and, in most cases, reducing expenditure budgets for essential services, projects, and programs only, instituting a temporary hiring freeze for 11 full time vacant positions and intern positions, and deferring certain capital projects. Overall, those cost containment strategies resulted in a reduction of \$2.3 million in expenditures compared to the original budget.

Additionally, two other scenarios were developed should there be a rapid economic recovery beginning the end of December 2020 or should a deep recession be experienced with revenue losses continued through next FY 2021/22. The scenario adopted, assumed recession experienced through end of FY 2020/21 or June 30, 2021. In an effort to address this uncertainty, a three-tiered approach of cost reduction strategies was created to address potential revenue shortfalls, with triggers identified if and when to implement the next tier of cost reduction strategies. The City began the first quarter with Tier 1 strategies implemented. The three-tier cost reduction strategies and triggers are summarized in the Table 1:

Table 1 - Three-tier cost reduction strategies

Tier 1 (Currently implemented)	Tier 1 Triggers
Reductions in staff related expenses	Net operating revenue results in a negative balance due to revenue losses
Renegotiating or rebidding all third-party major contracts and purchases	
Hiring freeze of full-time employees and interns	
Portion of one-time unassigned fund balance utilized	
Delay all non-essential capital projects, until further notice	
Tier 2 (To be considered in future if necessary)	Tier 2 Triggers
Reassess funding provided to non-City entities for potential delay, reduction or cancellation	Projected FY 20/21 revenues are not met, or actual activity from FY 19/20 results in significant revisions and decreases to revised FY 20/21 budget. Overall impacts by 4% to 5%.
Additional reductions in staff related expenses	
Suspending leave cash-outs until further notice	
Citywide freeze on cost of living adjustments	
Offer voluntary part-time or reduced work hours and or a voluntary retirement incentive program	
Tier 3 (To be considered in future if necessary)	Tier 3 Triggers
Temporary Citywide Freeze on Merit Adjustments	Unassigned fund balance is projected to be negative.
Additional Use of Fund Balance (City Reserves) or other tools	
Reduced programs and reduced hours	
Potential furloughs	

As will be detailed further below, revenue performance through the end of the first quarter outpaced projections and resulted in a higher than anticipated unassigned fund balance of \$8.9 million for the General Fund. Based on the City's overall financial condition, staff does not find implementing Tier 2 or Tier 3 necessary at this time.

While Tier 1 strategies are still in effect, staff has identified an urgent need to fill two critical positions of the eleven positions subject to the hiring freeze. These two positions are the Principal Civil Engineer position in Public Works and the Accounting Specialist position in Finance. Softening the hiring freeze with respect to the Accounting Specialist position would result in additional budget appropriation of approximately \$33,000 to \$40,000 for this fiscal year but will help significantly with workload capacity issues. The Principal Civil Engineer position would be supported by reducing the contract with MNS Engineering by \$71,000 to \$81,000 and using that savings to cover the additional in-house personnel costs to the City. Given the timing of entering the holiday season and uncertainty of when these positions may be filled, staff will recommend actual budget appropriations during the second quarter review in February but will plan to begin recruitment efforts in the meantime. As for the other positions subject to the hiring freeze, staff is currently reviewing its impacts and may make future recommendations during the mid-year financial review.

In addition, the year-end activity for FY 2019/20 resulted in recovery of \$2.1 million of the \$2.7 million revenue loss projected along with further savings experienced with expenditures. Overall, this increased the City's beginning unassigned fund balance for FY 2020/21 from \$5.5 million to \$7.9 million, an increase of approximately \$2.4 million. This was not anticipated as part of adopting the mid-cycle budget.

General Fund Budget Summary:

Table 2 summarizes the General Fund's prior year activity, adopted budget, current budget and recommended amendments.

Table 2 - General Fund FY 2020/21 Budget Summary

Category	2019/20 Actuals	2020/21 Adopted Budget	2020/21 Current Budget	Recommended Amendments	2020/21 Amended Budget
Operating Revenues	\$ 28,573,830	\$ 22,910,700	\$ 22,910,700	\$ 119,300	\$ 23,030,000
Operating Expenditures	\$ 24,686,078	\$ 26,056,950	\$ 27,564,986	\$ -	\$ 27,564,986
Capital Expenditures	\$ 815,083	\$ -	\$ 2,048,307	\$ -	\$ 2,048,307
Total Expenditures	\$ 25,501,161	\$ 26,056,950	\$ 29,613,293	\$ -	\$ 29,613,293
Net Change to Fund Balance	\$ 3,072,669	\$ (3,146,250)	\$ (6,702,593)	\$ 119,300	\$ (6,583,293)
Beginning Fund Balance	\$ 24,092,098	\$ 27,164,767	\$ 27,164,767	\$ 27,164,767	\$ 27,164,767
Ending Fund Balance	\$ 27,164,767	\$ 24,018,517	\$ 20,462,174	\$ 20,581,474	\$ 20,581,474

The FY 2020/21 Budget was revised for COVID-19 impacts and adopted on June 16, 2020. Since July 1, 2020, the City Council has approved various new expenditure budget appropriations totaling \$789,857. The new appropriations included additional funding related to COVID-19, City Hall solar and energy storage feasibility services, San Jose Creek, and project management services. The FY 2019/20 carryover budget has now

been finalized and the current budget reflects an additional \$2.8 million, which is a decrease of \$1.1 million when compared to the original estimate of \$3.9 million made during the Fourth Quarter Financial Review presented on September 15, 2020.

Carryovers are the result of encumbered funds not paid until after the end of the fiscal year and required to be reported in the new fiscal year. They include one-time programmed budget for active and ongoing city projects and CIP projects that were not completed in the previous year. The amounts will be used to complete projects as described in Table 3.

Table 3 – General Fund FY 2019/20 Carryover Budget Summary

Department	2019/20 Carryover Budget	Description of One-time Projects and CIP
General Government	\$ 4,311	Sales Tax Analysis Report and one-time IT related invoices
Finance	\$ 765	User Fee Study and Cost Allocation Plan
Planning and Environmental Review	\$ 740,429	Historic Preservation Ordinance, General Plan, Vehicle Miles Traveled, Creek and Watershed, Compliance and Monitoring, Aerial Mapping Services, Affordable Housing Implementation, Permit Tracking System, Local Coastal Program
Public Works	\$ 433,424	Old Town Parking and Safety Report, ROW Services, Environmental Monitoring Services, San Jose Creek, Hollister Avenue Bridge, Access Ramp Relocation, and Pavement Rehab Project
Capital Improvement	\$ 1,587,557	San Jose Creek Capacity Improvements, Old Town Sidewalk Improvement, Cathedral Oaks Crib Wall Interim Repair, LED Street Lighting Project, RRFB @ Chapel/HAWK @Kingston, Goleta Community Center Upgrade and IT Strategic Plan Implementation
Grand Total	\$ 2,766,486	

When combining the new appropriations with the carryovers, this increases the current expenditure budget by \$3.6 million for a total of \$29.6 million. These additional amounts are supported by the fund balance of the General Fund.

At this time, staff recommends an increase of \$119,300 to revenues and reprogramming of available General Fund budget savings to other priority needs, which are described in the expenditure section below. No new expenditure budget appropriation is being recommended from the General Fund.

General Fund Revenue Analysis:

The tables presented in this section include budget-to-actual comparisons between the current fiscal year and compares the previous fiscal year quarter-to-date actuals.

Property tax, sales tax and transient occupancy tax are the City's major tax revenues. They account for over 80% of total General Fund revenues. Table 4 summarizes first quarter budget-to-actual activity, which is followed by a brief discussion of the key revenue variances and where the City is trending.

Table 4 – General Fund FY 2020/21 Revenues through Q1 (September 30)

Revenues	FY 2019/20		FY 2020/21			Prior Year Qtr YTD % Chg
	Year End Actuals	Qtr YTD Actuals	Current Budget	Qtr YTD Actuals	% Realized	
Property Taxes	7,684,647	54,207	7,625,500	90,299	1.2%	66.6%
Sales Taxes	6,735,609	553,378	5,927,500	729,521	12.3%	31.8%
Transient Occupancy Tax	9,197,440	1,538,084	5,530,000	751,589	13.6%	-51.1%
Cannabis Tax	391,342	-	81,600	-	0.0%	0.0%
Franchise Fee Tax	1,361,348	178,711	1,333,400	176,751	13.3%	-1.1%
License & Service Charges	1,823,082	544,884	1,497,400	324,763	21.7%	-40.4%
Fines & Penalties	165,935	26,596	148,000	10,699	7.2%	-59.8%
Interest & Rent Income	452,665	136,425	282,000	26,121	9.3%	-80.9%
Reimbursements	471,326	45,235	381,100	27,803	7.3%	-38.5%
Other Revenues	260,453	2,173	67,000	6,936	10.4%	219.2%
Transfers In Other Funds	29,983	5,256	37,200	3,353	9.0%	-36.2%
Total Revenues	\$ 28,573,830	\$ 3,084,949	\$ 22,910,700	\$ 2,147,836	9.4%	-30.4%

Property Tax

Property tax is normally the second largest revenue source for the City. Due to COVID-19 pandemic, it is now projected to be the largest revenue source for the City and account for 33.28% of total General Fund revenues as it remains the most stable. This category is composed of three payment types – (1) the “Traditional” Property Tax, which is received in large part during the months of December and April, (2) the Property Tax in Lieu of Motor Vehicle License Fees (MVLFF), which is received in two payments during January and May, and (3) the monthly Documentary Transfer Tax revenue, which is derived from changes in ownership of real property and assessed value. Total property tax revenues anticipated for the fiscal year are estimated at \$7.6 million and are tracking slightly higher than expected, primarily due to documentary transfer tax activity reported in August. When compared to prior year quarter actuals, an increase of 67% is experienced in this category. Additionally, staff has received updated property tax reports from the County and recommends an increase of **\$88,700** related to the property tax in lieu of vehicle license fees (VLF) revenue account. Staff will continue to monitor changes to assessed valuations and consult with its property tax consultants to determine if any future adjustment at mid-year is warranted.

The City shares half (50%) of its property tax allocation with the County of Santa Barbara, per the Revenue Neutrality Agreement (RNA). The amount shared with the County is estimated to be approximately \$3.6 million for FY 20/21.

Sales Tax

Sales tax collections are projected to be the second largest revenue source for the City at \$5.9 million and accounts for 24.1% of total General Fund revenues. Sales tax is considered one of the most volatile revenue sources given the dependency on consumer behavior and business activity. The City does not receive its full 1% Bradley-Burns uniform sales and use tax allocation of the 7.75% sales and use tax rate that is normally allocated to cities. Per the RNA, the City shares 30% of the 1% with the County of Santa Barbara. The amount shared this fiscal year is estimated to be approximately \$2.6 million.

Sales tax revenues are estimated this fiscal year to be \$5.9 million due to the ongoing impacts of the COVID-19 pandemic. Through the end of the first quarter, sales tax receipts were tracking higher in comparison to the prior year by 32% at \$729,521. This increase is due to the recent changes in collecting and subsequently distributing sales and use tax revenues by the California Department of Tax and Fee Administration (CDTFA). Due to these reporting changes, it is difficult to compare one month to the same month in the previous year.

The CDTFA disburses sales and use tax payments three times per quarter. The first two monthly payments are comprised of two distinct components: (1) the estimated advance plus (2) the current distributions processed during the month. The third monthly payment then trues-up the total quarterly allocation against payments disbursed in the prior two months, net of the administrative fees. In the past, the estimated advances for the first two monthly payments were calculated based on the total dollars allocated for the same quarter of the prior year. CDTFA has adjusted the methodology for allocating the estimated advances to track actual tax receipts more closely and to accelerate allocations to the local jurisdiction. The process by which they allocate current distributions during a month remains unchanged.

The \$729,521 reflected in this report is the July return period received in late September, which is the first advance payment. The second advance for August is received in late October and the third clean-up payment for September is then received in late November. At the time of preparing this report, the second advance for the August return period totaled \$870,750; a 21% increase from prior year. The quarterly data will be reported in the Second Quarter (Mid-Year) Financial Report and will provide for a more accurate comparison to prior year activity. Additionally, actual quarterly data for the July through September period will not be available to us until January 2021 where we will receive our next key sales tax update with our consultants.

In October, staff had its first key sales tax update, which confirmed the FY 2019/20 results of \$6.7 million presented to the City Council during the 4th Quarter Financial Review in September. While many of the major industry groups in the City experienced losses compared to the prior year's first quarter, overall revenue losses were partially offset by continued strong growth from the county pool resulting from the Wayfair decision that required additional out of state companies to collect sales tax. The City's allocation from the county pool increased 40.1% that quarter. For the period April through June, Goleta experienced an 8.6% increase on a cash basis, though actual sales are estimated to be down 10.7%. The variance between what was received, and actual activity was due to

double payments from businesses that had missing or partial payments from the January – March period, and a multi-quarter back payment from a retail outlet.

Based on the most recent sales tax data, staff and its consultants anticipate sales tax revenues to be higher than the \$5.9 million currently projected and will come in at approximately \$6.8 million. It is anticipated that online sales allocations will continue to offset the declines in major industry groups, and some of the major industry groups will recover more quickly. Table 5 summarizes the estimated impacts to the major industry groups in Goleta and compares against the prior year. The current budget and revised forecast are compared against the FY 19/20 actuals.

Table 5 – Sales Tax Major Industry Groups

Industry Groups	FY 19/20 Actuals	FY 20/21 Adopted Budget	FY 20/21 Revised Forecast
Autos & Transportation	-2.7%	-20.4%	-3.2%
Building & Construction	-5.3%	-9.0%	5.9%
Business & Industry	-11.8%	-15.6%	-8.8%
Food & Drugs	-3.5%	6.8%	13.1%
Fuel & Service Stations	-21.3%	-8.4%	-9.7%
General Consumer Goods	0.3%	-7.3%	0.8%
Restaurants & Hotels	-24.3%	-22.7%	-5.3%
State & County Pools	30.4%	-10.2%	12.9%
All Groups	-3.7%	-12.0%	1.3%
Sales Tax Total	\$ 6,735,609	\$ 5,927,500	\$ 6,822,636
18/19 Baseline \$ Change	\$ (258,595)	\$ (1,066,704)	\$ (171,568)
18/19 Baseline % Change	-3.7%	-15.3%	-2.5%

Staff is still analyzing COVID-19 pandemic impacts to its sales tax base, specifically for the July through September periods. Early projections still indicate financial impacts will be experienced across four of the eight major sales tax industry groups. Given the level of uncertainty and volatility, staff is not recommending an adjustment to its current sales tax estimates and will revisit at mid-year when more information is known.

Transient Occupancy Tax (TOT)

The City's TOT is projected to be the third largest General Fund revenue source at 24.14% this fiscal year with a current budget estimate of \$5.5 million. TOT has historically been the largest revenue source since FY 2012/13. TOT is the most volatile and most impacted by the COVID-19 pandemic due to heavy reliance on tourism and will continue to experience significant losses this fiscal year. During budget adoption, staff assumed low occupancy levels and rates to continue through summer and gradually rise in December, but not reach normal average occupancy levels above 70% until Spring 2022. The TOT budget estimate was adopted at \$5.53 million for FY 2020/21. Since adoption of the budget in June 2020, staff has learned the actual impacts experienced due to the COVID-19 pandemic since March through August. Based on actual receipts received by

September 30, TOT revenues of \$751,589 were down 51% when compared to prior year. This is due to impacts felt with lower occupancy and timing of receipts. TOT is due within thirty days after the end of the prior month. For example, TOT collected in September, is due by October 30th.

At the time of preparing this report, staff has received most of the September TOT receipts and has prepared the following chart for informational purposes. Table 6 summarizes TOT revenues by month in comparison to the same month in prior years.

Table 6 – TOT Revenues for the First Three Months of FY 2020/21 (Accrual Basis)

Month	2018/19 Actuals	2019/20 Actuals	2020/21 Actuals	\$ Chg from Prior Year	% Chg from Prior Year
July	\$ 1,325,613	\$ 1,389,695	\$ 639,696	\$ (749,999)	-54.0%
August	\$ 1,278,046	\$ 1,365,353	\$ 858,898	\$ (506,454)	-37.1%
September	\$ 1,010,472	\$ 1,057,156	\$ 860,793	\$ (196,363)	-18.6%
October	\$ 904,428	\$ 1,008,713			
November	\$ 875,203	\$ 826,170			
December	\$ 692,371	\$ 731,050			
January	\$ 677,067	\$ 740,150			
February	\$ 777,694	\$ 826,479			
March	\$ 883,099	\$ 391,077			
April	\$ 982,306	\$ 111,640			
May	\$ 972,262	\$ 238,349			
June	\$ 1,185,351	\$ 511,608			
Total	\$ 11,563,912	\$ 9,197,440	\$ 2,359,387	\$ (1,452,816)	
Total (July-Sept)	\$ 3,614,131	\$ 3,812,204	\$ 2,359,387	\$ (1,452,816)	-38.1%

While far from the normal occupancy levels, the July through September periods are known to be the high travel months and historically generated higher TOT revenue. Through end of September, TOT revenues of \$2.3 million are down \$1.4 million or 38.1% in comparison to prior year of \$3.8 million. When considering the current TOT budget estimate of \$5.5 million, TOT revenues are trending above targeted levels. Given the volatility and uncertainty, staff does not recommend a revenue adjustment at this time and will review again at mid-year.

Cannabis Business Tax

On November 6, 2018, the voters passed Measure Z2018, establishing a tax on cannabis business operations within the City of Goleta. The passing of this ballot measure subjects cannabis businesses to taxation on gross receipts of cannabis based on classifications up to a maximum of 10 percent. The current tax rates are seen in Table 7:

Table 7 – Current Cannabis Tax Rates

Cannabis Business Classification	Activities Taxed	Tax Rate
Adult Use Cannabis Retailing	Gross Receipts	5%
Medicinal-Use Cannabis Retailing	Gross Receipts	0%
Manufacturing	Gross Receipts	2%
Cultivation	Gross Receipts	4%
Distribution	Gross Receipts	1%
Testing	Gross Receipts	0%
Nurseries	Gross Receipts	1%
Maximum Tax Limit	Gross Receipts	10%
Maximum Cap for Multiple Operations	Gross Receipts	10%

The City of Goleta currently has eight issued licenses and four other applications in process. Cannabis business tax payments are due quarterly by the end of the following month (e.g., July through September, is due by October 30). Given the timing cannabis tax revenues are due, there are no reported receipts yet for the quarter against the overall budgeted amount of \$81,600. At the time of preparing this report, preliminary data is showing the City has collected approximately \$500,000 of cannabis business tax revenue remitted in total from five operators. Actual amounts will be reported at mid-year.

Given the volatility and uncertainty around this new revenue source, staff made conservative estimates for FY 20/21 at approximately \$81,600 based on earlier quarterly data. Staff is continuing to evaluate this quarter's tax payment and will recommend a revised estimate for cannabis tax revenues during the Second Quarter (Mid-Year) Financial Review for FY 20/21. Based on current data, Cannabis Tax Revenues on a full fiscal year basis are trending toward \$1 million to \$2 million. During the original establishment of the tax revenue was projected that it could eventually range from \$334,000 to \$1.4 million.

Table 8 summarizes the approved Cannabis Business License Operators as of the date preparing this report and the pending applicants in process.

Table 8 – Cannabis Business License Application Summary

#	Status	Business Application Name	Location	License Type
1	Approved	HERBL	759 Ward Drive	Distribution
2	Approved	Organic Greens Collective (Legal Non-Conforming)	5902 Daley Street	Retail, Delivery
3	Approved	Green Rush Alliances LLC	6332 Lindmar Ave	Distribution, Manufacturing
4	Approved	Sublime Processing	123 Aero Camino Unit A	Microbusiness (Distribution, Manufacturing, Delivery)
5	Approved	HERBL	839 Ward Drive	Distribution
6	Approved	CalGreen (Legal Non-Conforming)	164 Aero Camino	Microbusiness (Cultivation, Retail, Distribution, Delivery, Manufacturing)
7	Approved	Santa Barbara Care Center (Legal Non-Conforming)	5814 Gaviota Street	Microbusiness (Cultivation, Retail, Distribution, Delivery)
8	Approved	Greenbridge Patient Collective	5904 Matthews St	Microbusiness (Distribution, Manufacturing,
9	Pending	AGQ Green Nature	859 Ward Drive. Suite 103	Testing
10	Pending	HERBL	749 Ward Drive	Distribution
11	Pending	Thornwood Distribution LLC	5756 Thornwood Drive	Cultivation (Processor)
12	Pending	Three Habitat Consulting - One	290 Storke Road	Retail, Delivery

Other potential applicants include two other storefront retail locations that have yet to submit a Cannabis Business License Application to Finance. Staff anticipates they will, once zoning is confirmed and approved.

Franchise Fees

The City collects franchise fees from four main service provider sources (Cable, Electric, Gas, Solid Waste). Each provider of these services has a different payment schedule. Electric and Gas providers make annual payments in April. The Cable provider is on a quarterly payment plan, while Solid Waste fees are collected monthly, with a one-time annual fee of \$100,000 paid at the beginning of the fiscal year. Total franchise fees collected by the end of first quarter totaled \$176,751, which is on track with historical amounts.

Licenses and Service Charges

This revenue category reflects the user fees and charges as they relate to business license processing, planning and building permit fees, staff time charges related to development activity, and library management service charges. All revenue accounts were revised and updated to reflect anticipated activity for FY 2020/21 fiscal year. Table 9 summarizes the primary revenue accounts within the Licenses and Service Charges category.

Table 9 – Licenses and Service Charges Summary

Licenses and Service Charges	FY 2019/20		Current Budget	FY 2020/21		Prior Year Qtr YTD % Chg
	Year End Actuals	Qtr YTD Actuals		QTR YTD Actuals	% Realized	
Legal Deposits Earned	1,750	598	1,000	-	0%	-100%
Planning Fees	98,430	35,238	100,000	21,860	22%	-38%
Planning Deposits Earned	254,711	58,733	130,000	74,680	57%	27%
Building Permits	627,244	178,404	500,000	76,850	15%	-57%
Public Works Deposits Earn	69,413	18,141	58,000	8,393	14%	-54%
PW/Engineering Fees	63,314	15,150	65,000	20,924	32%	38%
Solid Waste Roll Off Fees	32,942	6,305	35,000	5,382	15%	-15%
Business License	340,718	121,727	332,000	82,582	25%	-32%
Plan Check Fees	259,137	38,339	200,000	34,092	17%	-11%
Other Licenses & Charges	75,422	72,250	76,400	-	0%	-100%
TOTAL	\$ 1,823,082	\$ 544,884	\$ 1,497,400	\$ 324,763	22%	-40.4%

Through the end of the first quarter, revenues are tracking as expected against the current budget. In comparison to prior year actuals during the same period, revenues are down 40.4%. This is primarily due to higher permit activity experienced and timing of certain revenues, such as cannabis business license fees were mainly received last fiscal year in the first quarter. As cannabis business license operators renew their licenses, revenue activity will be experienced in next quarter's report.

Fines and Penalties

The City collects various fines and penalties related to traffic, parking, towing, and late fee penalties related to the library. Overall receipts of \$10,699 were at 7% of budget estimates of \$148,000. In comparison to the same period last year, overall revenues are down 60%, which was expected due to the COVID-19 pandemic impacts and timing of processing receipts. Decreases were experienced in all accounts. Staff will continue to monitor activity levels and may recommend an adjustment at mid-year if warranted.

Interest and Rent Income

Interest and rent income accounts for rental income from property owned by the City as well as investment earnings generated from the City's investment program. The budgeted revenues of \$282,000 were revised at budget adoption to reflect anticipated impacts of the COVID-19 pandemic and assumed an earnings rate of approximately 70 basis points (0.7%). At this time staff recommends a one-time revenue increase of **\$30,600** to property rental income for temporary rental revenue the City will be receiving related to the properties acquired as part of the Ekwil Fowler and Hollister Avenue Bridge Project.

Through the end of the first quarter, interest and rent income of \$26,121 were at 9% of the total budget. In comparison to prior year for the same quarter, revenues were down 81%. The overall decrease is due to decreases in interest earnings and shifts to when interest is paid out due to the City's investment program. The City also held majority of its funds with LAIF this quarter in comparison to the prior year during the same quarter. LAIF pays interest after the end of each quarter. For comparison purposes the City's weighted average yield for September was 1.422% this year and 2.513% in prior year, a decrease

of approximately 109 basis points. The City's weight average yield is expected to trend towards 0.7% over the next month, which is the minimum rate required to be paid to the City for its investments held with its bank.

The City's future investment earning potential is forecasted to decrease and will lead to reduced investment earnings in the future, as the City's laddered investments mature and are reinvested in lower market yielding securities, and declining rates are experienced with LAIF. Table 10 is a snapshot of the U.S Treasury Market over the last six months.

Table 10 – Summary of U.S. Treasury Market over Last Six Months

U.S. Treasury Market							
	4/30/2020	5/31/2020	6/30/2020	7/31/2020	8/31/2020	9/30/2020	Cumulative Change
3 Month	0.09%	0.14%	0.16%	0.09%	0.11%	0.10%	0.01%
6 Month	0.11%	0.18%	0.18%	0.10%	0.13%	0.11%	0.00%
1 Year	0.16%	0.17%	0.16%	0.11%	0.12%	0.12%	-0.04%
2 Year	0.20%	0.16%	0.16%	0.11%	0.14%	0.13%	-0.07%
3 Year	0.24%	0.19%	0.18%	0.11%	0.15%	0.16%	-0.08%
4 Year	0.30%	0.25%	0.24%	0.16%	0.22%	0.22%	-0.08%
5 Year	0.36%	0.30%	0.29%	0.21%	0.28%	0.28%	-0.08%
10 Year	0.64%	0.65%	0.66%	0.55%	0.72%	0.69%	0.05%
30 Year	1.28%	1.41%	1.41%	1.20%	1.49%	1.23%	-0.05%
PMIA	1.65%	1.36%	1.22%	0.92%	0.78%	0.69%	-0.96%
LAIF	1.47%	1.47%	1.47%	0.84%	0.84%	0.84%	-0.63%
City	2.09%	2.14%	2.01%	1.42%	1.41%	1.41%	-0.68%

Reimbursements

This revenue category primarily accounts for all staff time reimbursements (cost recovery) related to the CIP and Redevelopment Successor Agency administrative and direct costs. Additionally, it includes claim reimbursements or other one-time miscellaneous reimbursements. Staff that work directly on projects or programs supported by special revenue funds can charge staff time against the CIP project budgets supported by special revenue funds (if eligible) and reimburse the General Fund. The overall amounts vary year to year, depending on the use of contract engineering services. Contract engineering services are paid directly from the CIP project budgets supported by the special revenue funds, and therefore do not require payments from the General Fund. The revenues received through the first quarter totaled \$27,803 and were at 7% of the total budgeted amount of \$381,100. In comparison to prior year for the same quarter, revenues decreased by 39% or \$17,432 due to less staff time reimbursement charges.

Other Revenues

This category accounts for all other remaining General Fund revenue amounts such as Motor Vehicle License Late Fees (MVLFF), Friends of the Library donations, one-time donations, and miscellaneous revenues. Revenues were at \$6,935 by the end of the first

quarter or approximately 10% of the total budgeted amount of \$67,000. In comparison to prior year for the same quarter, revenues increased by 219%. This increase in revenue activity is primarily due to one-time revenues received from library donations.

Transfers In from Other Funds

This revenue category accounts for revenues provided by other funds to offset costs in the General Fund. The revenues received to date of \$3,353 or 9% of total budget amount of \$37,200 represent reimbursements for staff time spent in administering the Community Development Block Grants (CDBG) program.

General Fund Expenditure Analysis:

The General Fund expenditures budget is currently at \$29.6 million. Total expenditures through the first quarter should be about 25% of the budget, assuming the timing of expenditures is consistent throughout the year. By the end of the first quarter total expenditures of \$6.6 million were at 22% of the total budgeted amount. In comparison to prior year for the same quarter, expenditures were up 34%. This is primarily due to timing of payments made for public safety, additional one-time payments made related to COVID-19 and other expenditures related to staffing levels. Staff have reviewed their budgets and have determined there were various unanticipated costs experienced in the first quarter along with savings in others. While no new appropriations are being recommended, staff is recommending Council authorization is needed to reprogram available budget for other priority or required needs due to COVID-19.

Table 11 summarizes the General Fund expenditure budget activity by department, which is followed by a brief discussion of the key expenditure variances and recommended adjustments.

Table 11 - General Fund FY 2020/21 Expenditures through Q1 (September 30)

Expenditures	FY 2019/20		FY 2020/21			Prior Year Qtr YTD % Chg
	Year End Actuals	Qtr YTD Actuals	Current Budget	QTR YTD Actuals	% Realized	
General Government	5,150,183	1,742,019	5,970,521	1,557,882	26.1%	-10.6%
Library	352,834	85,044	374,340	73,562	19.7%	-13.5%
Finance	978,992	229,164	954,215	235,862	24.7%	2.9%
Planning & Env. Review	3,635,871	662,306	3,953,886	656,149	16.6%	-0.9%
Public Works	4,427,725	771,316	5,290,224	796,048	15.0%	3.2%
Neighborhood Services	1,975,908	233,217	2,407,900	717,302	29.8%	207.6%
Public Safety	7,452,279	1,161,584	7,762,900	2,512,391	32.4%	116.3%
Non-Departmental	845,484	5,168	851,000	4,587	0.5%	-11.2%
Capital Improvement Projects	681,884	24,413	2,048,307	18,132	0.9%	-25.7%
Total Expenditures	\$ 25,501,161	\$ 4,914,231	\$ 29,613,293	\$ 6,571,916	22.2%	33.7%

All departments were within range of their overall allocated budgets as of September 30, 2020. Provided in Attachment 2 of this report is a "Budget to Actuals" comparison of the Department's divisions and programs. Some of the significant variances for the department's programs are noted below along with recommended adjustments. The following recommended reallocation is described below by each department. Any of the

costs associated with the COVID-19 pandemic will continue to be tracked and submit for possible reimbursement.

General Government

General Government is comprised of City Council, City Manager, City Clerk, City Attorney, Community Relations and Support Services. Given the timing of completing the financing of City Hall, the debt service payments are not scheduled to begin until February 2021, and the first being an interest only payment of \$117,333. Current budget savings are projected to be \$161,600, which staff is recommending be reprogrammed to various departments for unanticipated costs primarily related to COVID-19, rather than appropriating new General Fund budget. City policy requires Council approval to reallocate budget across different departments.

Finance

The Finance Department is currently down one staff member and one intern which are subject to the temporary hiring freeze. As a result of efforts to keep up with workload and deadlines, the temporary hiring freeze, the Incode 10 software upgrade, operating in a remote environment and increased volume of transactions have resulted in staff incurring unanticipated over-time. Staff is recommending a reallocation of approximately \$16,300 to cover the cost of over-time through the end of December 2020.

Planning and Environment Review (PER)

Current Planning is needing additional one-time budget to support mailing/postage cost of \$30,500 due to the remote environment. Because staff is not working in the office, PER is utilizing outside vendors to produce radius maps/ mailing lists along with third party mail services to take care of the entire mailing function include printing, stuffing envelopes, and postage. Because of the uncertainty of the duration of the pandemic at the time of budget adoption, these amounts were not included in the budget. Additionally, staff is needing budget to support an Administrative Hearing Officer on-call contract, which is estimated at \$10,000. The Administrative Hearing Officer is needed if there are appeals to the citations the City is issuing as a result of code compliance efforts. If there is an appeal of a citation, there is a timeframe by which the City will have to hold a hearing. Staff is recommending reprogramming \$45,500 in total to Current Planning.

Advance Planning is needing additional budget to correct one-time costs of \$5,000 related to the affordable housing implementation contract. Additionally, \$54,800 is recommended for the Permit Tracking Project. Of this amount, previous programmed budget of approximately \$50,400 in 2017 was not carried over for the project and an additional \$4,400 is needed for additional scope of work not covered in the contract for needed go live functions. In total, staff is recommending reprogramming \$54,800 to Advance Planning.

Public Works

Parks and Open Space maintenance is needing one-time budget of \$45,000 to support unanticipated contract janitorial services for cleaning of 14 playgrounds, up to 3 times a week in response to reopening playgrounds during the COVID-19 pandemic.

General Fund - Fund Balance and Reserves:

Table 12 shows a recap of Fund Balance as of June 30, 2020 and June 30, 2021, which have been revised. The revised ending fund balance reflects actual revenues and expenditures, and factors in final carryover amounts related to FY 2019/20.

Table 12 – General Fund FY 2020/21 – Estimated Fund Balance and Reserves

Classification	FY 19/20 Ending Fund Balance	Increase	Decrease	FY 20/21 Est. Ending Fund Balance	Reserve Adjustments	FY 20/21 Revised Est. Ending Fund Balance
Prepays and Deposit	74,711			74,711		74,711
Public Facilities	830,108			830,108		830,108
Capital Equipment	594,869			594,869		594,869
Compensated Leave	315,942			315,942		315,942
Building Maintenance	-			-		-
Risk Management	200,000			200,000		200,000
Contingency	8,532,205	-		8,532,205		8,532,205
Street Maintenance	-			-		-
Litigation Defense Fund	300,000			300,000		300,000
Sustainability	292,500			292,500		292,500
OPEB UAL	333,500			333,500		333,500
CalPERS Pension UAL	170,000			170,000		170,000
CIP Project Funding	1,587,557		(1,587,557)	-		-
Encumbrances	1,178,929		(1,178,929)	-		-
Unassigned Fund Balance	12,754,446	-	(3,936,107)	8,818,339	119,300	8,937,639
Total	\$ 27,164,767	\$ -	\$ (6,702,593)	\$ 20,462,174	\$ 119,300	\$ 20,581,474

As shown above, the revised estimated FY 2020/21 fund balance is projected at \$20.6 million as of June 30, 2021. After finalizing carryover amounts and factoring in current revenue adjustments, the unassigned fund balance is now projected to be \$8.9 million, which is \$3.4 million higher than originally projected in June 2020 during the FY 2020/21 Mid-Cycle Budget Adoption. The unassigned fund balance are funds that are not committed for any specific purpose and is used for economic stability should revenues fall short, liquidity and cash flow needs, and for various one-time projects or other one-time priority needs.

Revenue Neutrality Agreement (RNA):

The receipts and payments as a result of the RNA are not included in the budget. Under the RNA Agreement, the County is allocated 30% of the 1% Sales Tax revenues generated within the City of Goleta and shares equally in the Property Tax revenues of the City. The estimated cost for FY 2020/21 of the total RNA payments is \$6.1 million. The estimated total contribution since City incorporation in 2002 is approximately \$128.6 million through the end of FY 2020/21.

Capital Improvement Program and Other Funds:

Staff has provided Attachment 3 to summarize all other Special Revenue Fund revenues and expenditures with budget-to-actual comparison. On a budget basis, the various grant-type funds are balanced with revenues matching expenditures. However, on an actual basis, funds are reimbursed after they are expended. The reimbursement requests for grant expenditures are submitted either on a monthly or quarterly basis by the department staff responsible for the project reimbursements. Any negative balances are due to the timing of revenues being received by the City. Revenue projections are reviewed on a quarterly basis and recommended adjustments are made when necessary. The Other Funds section below briefly describes the financial activity through the quarter. Attachment 4 provides a CIP Expenditure Summary on a budget to actual basis to ensure that projects do not exceed the appropriations allocated to the project.

Other Funds:

Gas Tax Fund (Fund 201)

The state imposes sales taxes and per-gallon excise taxes on gasoline and diesel fuel. The local portion of these allocation flows through the Highway Users Tax Account (HUTA). State law requires that these funds be used exclusively for maintenance of the street and highway system. Gas tax revenues through the end of the first quarter are at \$195,620 or 25.1% of the \$799,500 revenue budget amount. Budgeted expenditures are programmed at \$2.3 million for the fiscal year, which include carryover of approximately \$1.5 million. Through the end of the first quarter no funds have been expended.

SB1 Road Maintenance & Repair Act (RMRA) (Fund 203)

Senate Bill 1 (SB 1) – Road Repair and Accountability Act of 2017 has been in effect since November 1, 2017. Revenues are generated from fuel and vehicle registration taxes. State law requires these funds be used exclusively for the transportation system. SB 1 revenues through the end of the first quarter are at \$49,475 or 8.6% of the \$572,000 revenue budget amount. Budgeted expenditures are programmed at \$1.1 million which include carryover of approximately \$535,000. Through the end of the first quarter no funds have been expended. All budget is programmed towards the City's pavement rehabilitation program.

Measure A Fund (Fund 205)

The Santa Barbara County Association of Governments (SBCAG) receives a half-cent sales tax for transportation improvements in Santa Barbara County. The City of Goleta receives a portion of those funds to use exclusively for transportation related purposes. Measure A revenues through the end of the first quarter are at \$296,681 or 19% of the \$1.6 million revenue budget amount. Budgeted expenditures are programmed at \$3.9 million, which include carryover of approximately \$2.4 million. Through the end of the first quarter \$121,400 has been expended.

Recommended Expenditure Budget Amendments:

Table 13 summarizes the recommended expenditure budget adjustments for other various Special Revenue Funds along with a brief description. Additional details and corresponding revenue adjustment (if applicable) is found in Attachment 5 – Exhibit A

Table 13 – Summary of Recommended Expenditure Budget Adjustments

Program/Project Name	Fund	Appropriation Requests	Funding Source	Description
Goleta Library	208	\$600.00	Goleta County per Capita	Cleanup adjustment for utilities
Solid Waste & Environmental	211	\$45,000.00	Solid Waste	Stormwater consultant support needed to maintain compliance.
Solid Waste & Environmental	211	\$30,500.00	Solid Waste	Additional costs with maintaining storm drains, and higher than anticipated illegal dumping
Goleta Library	223	\$50,000.00	Library Facilities DIF	Library DIF available for book budget needed this fiscal year.
Goleta Library	236	\$197.65	Misc. Grants - Library	Cleanup adjustment to reflect grant award for Library World of Stories
Goleta Library	236	\$8,104.20	Misc. Grants - Library	Cleanup adjustment to reflect grant award for Library World of Stories
Goleta Library	236	\$483.15	Misc. Grants - Library	Cleanup adjustment to reflect grant award for Library World of Stories
Police Services	302	\$31,700.00	Public Safety Fund - COPS	Adjustment needed to reflect actual growth amounts for public safety funding.
Ellwood Mesa/Sperling Preserve Open Space Plan - Design	322	-\$250,000.00	MBHMP Grant	Cleanup adjustment needed to match grant award of \$3.9 million
Ellwood Mesa/Sperling Preserve Open Space Plan - Implementation	322	-\$750,000.00	MBHMP Grant	Cleanup adjustment needed to match grant award of \$3.9 million.

Other special revenue fund adjustments include clean up to revenue accounts. The Housing in Lieu, Fire DIF, and Developer Agreement Funds require a reduction \$370,000, \$208,230, \$36,100, respectively, of revenues as a correction to estimates. With respect to matching grant revenue, the Miscellaneous Library Grants, COPS, and Monarch Butterfly Habitat Management Plan funds require adjustments of \$8,785, \$31,700, (\$1,000,000), respectively. The Library Services and Street Lighting Revenue also have reduction of (\$2,400) and (\$1,100), respectively based on Special Assessment Tax Roll released in July 2020. The Local Transportation Fund has a reduction of (\$733) based on the most recent estimates provided by SBCAG. Further details are found in Attachment 5-Exhibit A.

FINANCE COMMITTEE REVIEW:

The Finance Committee met to review the Fiscal Year 2020/21 First Quarter Financial Review Report on November 23, 2020.

FISCAL IMPACTS:

General Fund

The recommended General Fund budget adjustment results in a net increase of \$119,300 to the overall fund balance of the General Fund. The only recommended amendment that affects the overall General Fund is the increase change to revenues of \$119,300. The recommended expenditure budget adjustment of \$161,600 is reprogramming current budget available in General Government – Support Services to other departments because of COVID-19. There are no new budget appropriations being recommended at this time. Additional details of the recommended General Fund budget adjustments can be found in Exhibit A that is part of Attachment 5 – Resolution Amending the City's Operating and CIP Budget for Fiscal Year 2020/21.

Other Funds

Recommended amendments to Other Special Revenue Funds that were described above can be found in detail in Attachment 5 - Exhibit A. The additional appropriations can be supported by the fund balances of the Special Revenue Funds, as shown in Attachment 3.

Council is asked to adopt the attached resolution (Attachment 5) approving the recommended budget adjustments.

City's Cash Flow and Position:

The City's Finance Department monitors its cash flow and position daily. The cash funds are pooled and are considered very liquid, as most of its funds are invested in overnight pooled investment accounts such as LAIF or its money market account. The City's special revenue accounts have committed fund balance that is pooled all together with the General Fund. When pooled all together, the City's cash position has been on average approximately \$50 million.


ALTERNATIVES:

Council may elect not to adopt the attached resolution, thereby leaving the budget as previously approved; however, certain budget recommendations are necessary to meet obligations and financial reporting requirements.

Reviewed By:

Approved By:


Kristine Schmidt
Assistant City Manager


Michelle Greene
City Manager

ATTACHMENTS:

1. General Fund Statement of Revenues & Expenditures
2. General Fund Interim Statements by Department
3. Interim Revenue and Expenditure Summary by Fund
4. CIP Expenditure Summary by Project
5. Resolution Amending the City's Operating and CIP Budget
6. Fiscal Year 2020/21 First Quarter Financial Review Presentation

ATTACHMENT 1:

General Fund Statement of Revenue and Expenditures
Budget to Actual Comparison

City of Goleta
General Fund Statement of Revenue and Expenditures
Budget to Actual Comparison
For the Three Months Ended September 30, 2020

Revenues	Original Budget	Prior Revisions	Current Budget	9/30/2020 Actuals	% of Budget	Recommended Revisions	Amended Budget
Property Taxes	7,625,500	-	7,625,500	90,299	1%	88,700	7,714,200
Sales Taxes	5,927,500	-	5,927,500	729,521	12%		5,927,500
Transient Occupancy Tax	5,530,000	-	5,530,000	751,589	14%		5,530,000
Cannabis Tax	81,600	-	81,600	-	0%		81,600
Franchise Fee Tax	1,333,400	-	1,333,400	176,751	13%		1,333,400
Licenses & Service Charges	1,497,400	-	1,497,400	324,763	22%		1,497,400
Fines & Penalties	148,000	-	148,000	10,699	7%		148,000
Interest & Rent Income	282,000	-	282,000	26,121	9%	30,600	312,600
Reimbursements	381,100	-	381,100	27,803	7%		381,100
Other Revenues	67,000	-	67,000	6,936	10%		67,000
Transfers In Other Funds	37,200	-	37,200	3,353	9%		37,200
Total Revenues	22,910,700	-	22,910,700	2,147,836	9%	119,300	23,030,000
Expenditures							
General Government	5,966,210	4,311	5,970,521	1,557,882	26%	(161,600)	5,808,921
Library	374,340	-	374,340	73,562	20%		374,340
Finance	953,450	765	954,215	235,862	25%	16,300	970,515
Planning & Env. Review	3,184,350	769,536	3,953,886	656,149	17%	100,300	4,054,186
Public Works	4,806,800	483,424	5,290,224	796,048	15%	45,000	5,335,224
Neighborhood Services	2,157,900	250,000	2,407,900	717,302	30%		2,407,900
Public Safety	7,762,900	-	7,762,900	2,512,391	32%		7,762,900
Non-Departmental	851,000	-	851,000	4,587	1%		851,000
Capital Improvement Projects	0	2,048,307	2,048,307	18,132	1%		2,048,307
Total Expenditures	26,056,950	3,556,343	29,613,293	6,571,916	22%	-	29,613,293
Net Change in Fund Balance	(3,146,250)	(3,556,343)	(6,702,593.0)	(4,424,080)		119,300	(6,583,293)
Beginning Fund Balance	27,164,767		27,164,767	27,164,767			27,164,767
Ending Fund Balance	24,018,517		20,462,174	22,740,687			20,581,474

ATTACHMENT 2:

General Fund Interim Statements by Department

General Fund

Interim Statement of Revenues and Expenditures
For the Three Months Ended September 30, 2020

	Annual "Current" Budget	QTR YTD Actuals	Remaining Balance	Percent Received	Prior Year QTR YTD Actuals
Taxes					
Property Taxes	7,625,500	90,299	7,535,201	1.2%	54,207
Sales Taxes	5,927,500	729,521	5,197,979	12.3%	553,378
Transient Occupancy Tax	5,530,000	751,589	4,778,411	13.6%	1,538,084
Cannabis Tax	81,600	-	81,600	0.0%	-
Franchise Fee Tax	1,333,400	176,751	1,156,649	13.3%	178,711
Total	20,498,000	1,748,160	18,749,840	8.5%	2,324,380
Licenses & Service Charges					
Legal Deposits Earned	1,000	-	1,000	0.0%	598
Planning Fees	100,000	21,860	78,140	21.9%	35,238
Planning Deposits Earned	130,000	74,680	55,320	57.4%	58,733
Building Permits	500,000	76,850	423,150	15.4%	178,404
Public Works Deposits Earned	58,000	8,393	49,607	14.5%	18,141
PW/Engineering Fees	65,000	20,924	44,076	32.2%	15,150
Solid Waste Roll Off Fees	35,000	5,382	29,618	15.4%	6,305
Business License	332,000	82,582	249,418	24.9%	121,727
Plan Check Fees	200,000	34,092	165,908	17.0%	38,339
Other Licenses & Charges	76,400	-	76,400	0.0%	72,250
Total	1,497,400	324,763	1,172,637	21.7%	544,884
Fines and Forfeitures					
Fines & Penalties	148,000	10,699	137,301	7.2%	26,596
Total	148,000	10,699	137,301	7.2%	26,596
Investment Income					
Interest & Rent Income	282,000	26,121	255,879	9.3%	136,425
Total	282,000	26,121	255,879	9.3%	136,425
Reimbursements					
Reimbursements	381,100	27,803	353,297	7.3%	45,235
Total	381,100	27,803	353,297	7.3%	45,235
Other Revenues					
Other Revenues	67,000	6,936	60,064	10.4%	2,173
Total	67,000	6,936	60,064	10.4%	2,173
Transfers In					
Transfers In Other Funds	37,200	3,353	33,847	9.0%	5,256
Total	37,200	3,353	33,847	9.0%	5,256
TOTAL REVENUES	22,910,700	2,147,836	20,762,864	9.4%	3,084,949

**City of Goleta
General Fund
Interim Statement of Revenues and Expenditures
For the Three Months Ended September 30, 2020**

Attachment 2

	Annual "Current" Budget	QTR YTD Actuals	Encumbrances	Totals	Remaining Balance	%YTD Expended w/ Encumbr	Prior Year QTR YTD Actuals	Prior Year End Actuals
General Government								
City Council	428,100	147,211	-	147,211	280,889	34.4%	74,618	355,569
City Manager	1,607,700	380,360	26,925	407,285	1,200,415	25.3%	318,736	1,580,473
City Clerk	602,600	117,924	51,612	169,536	433,064	28.1%	95,371	469,105
City Attorney	886,100	199,547	365,629	565,176	320,924	63.8%	205,974	802,944
Community Relations	292,500	66,114	1,361	67,475	225,025	23.1%	36,244	246,867
Support Services	2,153,521	646,726	261,357	908,083	1,245,439	42.2%	1,011,075	1,695,224
Total	5,970,521	1,557,882	706,884	2,264,766	3,705,756	37.9%	1,742,019	5,150,183
Library								
Library Services	374,340	73,562	182,331	255,893	118,447	68.4%	85,044	352,834
Total	374,340	73,562	182,331	255,893	118,447	68.4%	85,044	352,834
Finance								
Administration	954,215	235,862	94,576	330,438	623,777	34.6%	229,164	978,992
Total	954,215	235,862	94,576	330,438	623,777	34.6%	229,164	978,992
Planning & Environmental Review								
Administration	356,200	89,950	-	89,950	266,250	25.3%	-	118,552
Current Planning	1,408,960	306,354	86,153	392,507	1,016,453	27.9%	307,731	1,380,130
Building & Safety	561,500	56,123	503,877	560,000	1,500	99.7%	129,417	720,041
Advanced Planning	1,340,618	152,558	553,291	705,849	634,770	52.7%	172,995	1,172,119
Planning Commission	24,800	1,347	2,191	3,538	21,262	14.3%	9,236	41,800
Sustainability Program	231,807	49,817	50,107	99,924	131,883	43.1%	42,926	203,230
Housing Program	30,000	-	-	-	30,000	0.0%	-	-
Total	3,953,886	656,149	1,195,618	1,851,767	2,102,118	46.8%	662,306	3,635,871
Public Works								
Administration	290,200	72,590	7,400	79,990	210,210	27.6%	71,456	283,438
Engineering Services	1,070,633	119,564	677,473	797,037	273,596	74.4%	175,013	993,313
Facility Maintenance	149,300	9,648	74,286	83,934	65,366	56.2%	9,458	177,180
Parks & Open Spaces	1,497,187	227,196	185,084	412,280	1,084,908	27.5%	169,562	1,176,785
Capital Improvement Progr	927,123	208,496	58,296	266,792	660,331	28.8%	176,787	886,448
Street Lighting	-	-	-	-	-	-	-	-
Street Maintenance	1,355,781	158,555	922,440	1,080,994	274,786	79.7%	169,040	910,561
Solid Waste and Environme	-	-	-	-	-	-	-	-
Total	5,290,224	796,048	1,924,979	2,721,027	2,569,197	51.4%	771,316	4,427,725
Neighborhood Services								
Neighborhood Services	1,536,700	465,456	335,116	800,572	736,128	52.1%	154,069	1,142,182
Economic Development	324,500	39,684	4,806	44,490	280,010	13.7%	35,233	307,436
Parks & Recreation	546,700	212,163	159,000	371,163	175,537	67.9%	43,915	526,290
Total	2,407,900	717,302	498,922	1,216,224	1,191,676	50.5%	233,217	1,975,908
Public Safety								
Public Safety	7,762,900	2,512,391	-	2,512,391	5,250,509	32.4%	1,161,584	7,452,279
Total	7,762,900	2,512,391	-	2,512,391	5,250,509	32.4%	1,161,584	7,452,279
Non-Departmental								
Debit Service	851,000	4,587	-	4,587	846,413	0.5%	5,168	845,484
Non-Departmental	-	-	-	-	-	-	-	-
Total	851,000	4,587	-	4,587	846,413	0.5%	5,168	845,484
Capital Improvement Projects								
Capital Improvement Projec	2,048,307	18,132	1,619,247	1,637,379	410,928	79.9%	24,413	681,884
Total	2,048,307	18,132	1,619,247	1,637,379	410,928	79.9%	24,413	681,884
TOTAL EXPENDITURES	29,613,293	6,571,916	6,222,556	12,794,472	16,818,821	43.2%	4,914,231	25,501,161
NET REVENUES OVER EXPENDITURES	(6,702,593)	(4,424,080)						
BEGINNING FUND BALANCE	27,164,767	27,164,767						
ENDING FUND BALANCE	20,462,174	22,740,687						

ATTACHMENT 3:

Interim Revenue and Expenditure Summary By Fund

City of Goleta
Interim Statement of Revenues and Expenditures - Summary by Fund
For the Three Months Ended September 30, 2020

Attachment 3

Description	Original Budget	Current Budget	Budget Requests	Proposed Budget	YTD Actual	Encumbrances	Totals	Percent of Current Budget
101 General Fund								
Revenue	22,910,700	22,910,700	119,300	23,030,000	2,147,836	-	2,147,836	9.4%
Expenditures	26,056,950	29,613,293	-	29,613,293	6,571,916	6,222,556	12,794,472	43.2%
Addition to/(use of) reserves	(3,146,250)	(6,702,593)	119,300	(6,583,293)	(4,424,080)	(6,222,556)	(10,646,637)	
Beginning Fund Balance	27,164,767	27,164,767		27,164,767				
Ending Fund Balance	24,018,517	20,462,174		20,581,474	22,740,687			
201 Gas Tax								
Revenue	779,500	779,500		779,500	195,620	-	195,620	25.1%
Expenditures	760,000	2,265,619		2,265,619	-	549,205	549,205	24.2%
Addition to/(use of) reserves	19,500	(1,486,119)	-	(1,486,119)	195,620	(549,205)	(353,585)	
Beginning Fund Balance	1,619,792	1,619,792		1,619,792	1,619,792			
Ending Fund Balance	1,639,292	133,673		133,673	1,815,412			
202 Local Transportation								
Revenue	29,333	29,333	(733)	28,600	4,788	-	4,788	16.3%
Expenditures	28,097	85,127		85,127	-	11,490	11,490	13.5%
Addition to/(use of) reserves	1,236	(55,794)	(733)	(56,527)	4,788	(11,490)	(6,702)	
Beginning Fund Balance	149,895	149,895		149,895	149,895			
Ending Fund Balance	151,131	94,101		93,368	154,683			
203 RMRA								
Revenue	572,000	572,000		572,000	49,475	-	49,475	8.6%
Expenditures	563,000	1,098,000		1,098,000	-	-	-	0.0%
Addition to/(use of) reserves	9,000	(526,000)	-	(526,000)	49,475	-	49,475	
Beginning Fund Balance	659,634	659,634		659,634	659,634			
Ending Fund Balance	668,634	133,634		133,634	709,109			
205 Measure A								
Revenue	1,558,700	1,558,700		1,558,700	296,681	-	296,681	19.0%
Expenditures	1,522,000	3,939,332		3,939,332	121,400	1,648,521	1,769,921	44.9%
Addition to/(use of) reserves	36,700	(2,380,632)	-	(2,380,632)	175,281	(1,648,521)	(1,473,240)	
Beginning Fund Balance	2,951,940	2,951,940		2,951,940	2,951,940			
Ending Fund Balance	2,988,640	571,308		571,308	3,127,221			
206 Measure A-Other								
Revenue	87,725	87,725		87,725	-	-	-	0.0%
Expenditures	87,725	1,087,319		1,087,319	-	101,505	101,505	9.3%
Addition to/(use of) reserves	-	(999,594)	-	(999,594)	-	(101,505)	(101,505)	
Beginning Fund Balance	(18,436)	(18,436)		(18,436)	(18,436)			
Ending Fund Balance	(18,436)	(1,018,030)		(1,018,030)	(18,436)			
208 County Per Capita - Goleta Library								
Revenue	752,358	752,358		752,358	149	-	149	0.0%
Expenditures	751,858	757,507	600	758,107	160,020	30,709	190,729	25.2%
Addition to/(use of) reserves	500	(5,149)	(600)	(5,749)	(159,871)	(30,709)	(190,580)	
Beginning Fund Balance	177,078	177,078		177,078	177,078			
Ending Fund Balance	177,578	171,929		171,328.65	17,207			
209 County Per Capita - Buellton Library								
Revenue	151,499	151,499		151,499	42	-	42	0.0%
Expenditures	151,498	151,498		151,498	13,478	40,756	54,234	35.8%
Addition to/(use of) reserves	1	1	-	1	(13,436)	(40,756)	(54,192)	
Beginning Fund Balance	40,198	40,198		40,198	40,198			
Ending Fund Balance	40,199	40,199		40,199	26,762			
210 County Per Capita - Solvang Library								
Revenue	174,712	174,712		174,712	27	-	27	0.0%
Expenditures	169,561	169,561		169,561	15,777	48,811	64,588	38.1%
Addition to/(use of) reserves	5,151	5,151	-	5,151	(15,750)	(48,811)	(64,561)	
Beginning Fund Balance	29,962	29,962		29,962	29,962			
Ending Fund Balance	35,113	35,113		35,113	14,212			
211 Solid Waste								
Revenue	714,000	714,000	75,400	789,400	170,670	-	170,670	23.9%
Expenditures	973,900	1,055,985	75,500	1,131,485	89,382	217,333	306,715	29.0%
Addition to/(use of) reserves	(259,900)	(341,985)	(100)	(342,085)	81,288	(217,333)	(136,045)	
Beginning Fund Balance	557,055	557,055		557,055	557,055			
Ending Fund Balance	297,155	215,069		214,969	638,342			
212 Public Safety Donations								
Revenue	5,000	5,000		5,000	189	-	189	3.8%
Expenditures	-	115,212		115,212	-	115,260	115,260	1.0004083
Addition to/(use of) reserves	5,000	(110,212)	-	(110,212)	189	(115,260)	(115,070)	
Beginning Fund Balance	144,239	144,239		144,239	144,239			
Ending Fund Balance	149,239	34,027		34,027	144,428			

City of Goleta
Interim Statement of Revenues and Expenditures - Summary by Fund
For the Three Months Ended September 30, 2020

Attachment 3

Description	Original Budget	Current Budget	Budget Requests	Proposed Budget	YTD Actual	Encumbrances	Totals	Percent of Current Budget
213 Buellton Library								
Revenue	197,973	197,973		197,973	194,279	-	194,279	98.1%
Expenditures	197,972	197,972		197,972	37,960	-	37,960	19.2%
Addition to/(use of) reserves	1	1	-	1	156,319	-	156,319	
Beginning Fund Balance	15,686	15,686		15,686	15,686			
Ending Fund Balance	15,687	15,687		15,687	172,004			
214 Solvang Library								
Revenue	212,847	212,847		212,847	0	-	0	0.0%
Expenditures	212,100	212,100		212,100	44,689	-	44,689	21.1%
Addition to/(use of) reserves	747	747	-	747	(44,689)	-	(44,689)	
Beginning Fund Balance	11,141	11,141		11,141	11,141			
Ending Fund Balance	11,888	11,888		11,888	(33,547)			
220 GTIP								
Revenue	2,250,900	2,250,900		2,250,900	127,085	-	127,085	5.6%
Expenditures	9,136,648	18,361,662		18,361,662	143,592	3,698,374	3,841,967	20.9%
Addition to/(use of) reserves	(6,885,748)	(16,110,762)	-	(16,110,762)	(16,508)	(3,698,374)	(3,714,882)	
Beginning Fund Balance	14,112,602	14,112,602		14,112,602	14,112,602			
Ending Fund Balance	7,226,854	(1,998,160)		(1,998,160)	14,096,094			
221 Parks DIF								
Revenue	802,600	802,600		802,600	9,736	-	9,736	1.2%
Expenditures	2,463,257	5,551,541		5,551,541	4,915	228,461	233,376	4.2%
Addition to/(use of) reserves	(1,660,657)	(4,748,941)	-	(4,748,941)	4,821	(228,461)	(223,640)	
Beginning Fund Balance	7,421,888	7,421,888		7,421,888	7,421,888			
Ending Fund Balance	5,761,231	2,672,947		2,672,947	7,426,709			
222 Public Facilities DIF								
Revenue	344,400	344,400		344,400	19,352	-	19,352	5.6%
Expenditures	-	11,146		11,146	-	-	-	0.0%
Addition to/(use of) reserves	344,400	333,254	-	333,254	19,352	-	19,352	
Beginning Fund Balance	(215,071)	(215,071)		(215,071)	(215,071)			
Ending Fund Balance	129,329	118,183		118,183	(195,719)			
223 Library DIF								
Revenue	125,500	125,500		125,500	6,204	-	6,204	4.9%
Expenditures	40,800	40,800	50,000	90,800	123	-	123	0.3%
Addition to/(use of) reserves	84,700	84,700	(50,000)	34,700	6,080	-	6,080	
Beginning Fund Balance	131,905	131,905		131,905	131,905			
Ending Fund Balance	216,605	216,605		166,605	137,985			
224 Sheriff Facilities DIF								
Revenue	20,000	20,000		20,000	132	-	132	0.7%
Expenditures	-	170,849		170,849	100,100	1,144	101,244	59.3%
Addition to/(use of) reserves	20,000	(150,849)	-	(150,849)	(99,968)	(1,144)	(101,112)	
Beginning Fund Balance	174,413	174,413		174,413	174,413			
Ending Fund Balance	194,413	23,565		23,565	74,445			
225 Housing in Lieu								
Revenue	384,000	384,000	(370,000)	14,000	95,947	-	95,947	25.0%
Expenditures	25,000	25,000		25,000	25,000	-	25,000	100.0%
Addition to/(use of) reserves	359,000	359,000	(370,000)	(11,000)	70,947	-	70,947	
Beginning Fund Balance	1,199,981	1,199,981		1,199,981	1,199,981			
Ending Fund Balance	1,558,981	1,558,981		1,188,981	1,270,928			
226 Environmental Programs								
Revenue	4,000	4,000		4,000	224	-	224	5.6%
Expenditures	9,400	9,400		9,400	-	-	-	0.0%
Addition to/(use of) reserves	(5,400)	(5,400)	-	(5,400)	224	-	224	
Beginning Fund Balance	170,449	170,449		170,449	170,449			
Ending Fund Balance	165,049	165,049		165,049	170,672			
229 Fire DIF								
Revenue	466,330	466,330	(208,230)	258,100	27,732	-	27,732	5.9%
Expenditures	1,532,791	3,340,401		3,340,401	6,605	21,992	28,597	0.9%
Addition to/(use of) reserves	(1,066,461)	(2,874,071)	(208,230)	(3,082,301)	21,127	(21,992)	(865)	
Beginning Fund Balance	3,096,182	3,096,182		3,096,182	3,096,182			
Ending Fund Balance	2,029,721	222,112		13,882	3,117,309			
230 Long Range Development Plan (LRDP)								
Revenue	2,039,600	2,039,600		2,039,600	249	-	249	0.0%
Expenditures	-	1,529,306		1,529,306	-	-	-	0.0%
Addition to/(use of) reserves	2,039,600	510,294	-	510,294	249	-	249	
Beginning Fund Balance	190,045	190,045		190,045	190,045			
Ending Fund Balance	2,229,645	700,338		700,338	190,294			

City of Goleta
Interim Statement of Revenues and Expenditures - Summary by Fund
For the Three Months Ended September 30, 2020

Attachment 3

Description	Original Budget	Current Budget	Budget Requests	Proposed Budget	YTD Actual	Encumbrances	Totals	Percent of Current Budget
231 Developer Agreements								
Revenue	46,100	46,100	(36,100)	10,000	803	-	803	1.7%
Expenditures	-	270,000		270,000	-	-	-	0.0%
Addition to/(use of) reserves	46,100	(223,900)	(36,100)	(260,000)	803	-	803	
Beginning Fund Balance	611,853	611,853		611,853	611,853			
Ending Fund Balance	657,953	387,953		351,853	612,656			
232 County Fire DIF								
Revenue	-	-		-	-	-	-	#DIV/0!
Expenditures	-	977,904		977,904	-	533,010	533,010	54.5%
Addition to/(use of) reserves	-	(977,904)	-	(977,904)	-	(533,010)	(533,010)	
Beginning Fund Balance	(135)	(135)		(135)	(135)			
Ending Fund Balance	(135)	(978,039)		(978,039)	(135)			
233 OBF-SCE								
Revenue	500,000	500,000		500,000	-	-	-	
Expenditures	500,000	1,200,000		1,200,000	-	-	-	
Addition to/(use of) reserves	-	(700,000)	-	(700,000)	-	-	-	
Beginning Fund Balance	-	-		-	-			
Ending Fund Balance	-	(700,000)		(700,000)	-			
234 Storm Drain Facilities								
Revenue	143,600	143,600		143,600	3,638	-	3,638	2.5%
Expenditures	-	-		-	-	-	-	#DIV/0!
Addition to/(use of) reserves	143,600	143,600	-	143,600	3,638	-	3,638	
Beginning Fund Balance	3,669	3,669		3,669	3,669			
Ending Fund Balance	147,269	147,269		147,269	7,306			
235 Bicycle & Pedestrian Facilities								
Revenue	123,400	123,400		123,400	3,128	-	3,128	
Expenditures	-	-		-	-	-	-	
Addition to/(use of) reserves	123,400	123,400	-	123,400	3,128	-	3,128	
Beginning Fund Balance	3,197	3,197		3,197	3,197			
Ending Fund Balance	126,597	126,597		126,597	6,325			
236 Misc Grants Library								
Revenue	-	-	8,785	8,785	-	-	-	
Expenditures	-	10,587	8,785	19,372	-	8,939	8,939	
Addition to/(use of) reserves	-	(10,587)	-	(10,587)	-	(8,939)	(8,939)	
Beginning Fund Balance	38,395	38,395		38,395	38,395			
Ending Fund Balance	38,395	27,807		27,807	38,395			
301 State Park Grant								
Revenue	-	-		-	-	-	-	#DIV/0!
Expenditures	-	-		-	-	-	-	#DIV/0!
Addition to/(use of) reserves	-	-	-	-	-	-	-	
Beginning Fund Balance	-	-		-	-			
Ending Fund Balance	-	-		-	-			
302 Public Safety Fund COPS								
Revenue	125,000	125,000	31,700	156,700	-	-	-	0.0%
Expenditures	125,000	125,000	31,700	156,700	-	-	-	0.0%
Addition to/(use of) reserves	-	-	-	-	-	-	-	
Beginning Fund Balance	-	-		-	-			
Ending Fund Balance	-	-		-	-			
304 Solid Waste Fund Recycle								
Revenue	8,000	8,000		8,000	36	-	36	0.5%
Expenditures	8,000	8,000		8,000	-	4,434	4,434	55.4%
Addition to/(use of) reserves	-	-	-	-	36	(4,434)	(4,398)	
Beginning Fund Balance	27,558	27,558		27,558	27,558			
Ending Fund Balance	27,558	27,558		27,558	27,594			
305 RSTP State Grant								
Revenue	2,400	2,400		2,400	-	-	-	0.0%
Expenditures	-	404,626		404,626	-	427,441	427,441	105.6%
Addition to/(use of) reserves	2,400	(402,226)	-	(402,226)	-	(427,441)	(427,441)	
Beginning Fund Balance	(25,875)	(25,875)		(25,875)	(25,875)			
Ending Fund Balance	(23,475)	(428,101)		(428,101)	(25,875)			
306 LSTP								
Revenue	116,500	116,500		116,500	-	-	-	0.0%
Expenditures	116,500	234,770		234,770	-	-	-	0.0%
Addition to/(use of) reserves	-	(118,270)	-	(118,270)	-	-	-	
Beginning Fund Balance	444	444		444	444			
Ending Fund Balance	444	(117,826)		(117,826)	444			

City of Goleta
Interim Statement of Revenues and Expenditures - Summary by Fund
For the Three Months Ended September 30, 2020

Attachment 3

Description	Original Budget	Current Budget	Budget Requests	Proposed Budget	YTD Actual	Encumbrances	Totals	Percent of Current Budget
308 STIP								
Revenue	5,074,452	5,074,452		5,074,452	-	-	-	0.0%
Expenditures	5,074,352	11,443,033		11,443,033	-	-	-	0.0%
Addition to/(use of) reserves	100	(6,368,581)	-	(6,368,581)	-	-	-	
Beginning Fund Balance	(4,309)	(4,309)		(4,309)	(4,309)			
Ending Fund Balance	(4,209)	(6,372,890)		(6,372,890)	(4,309)			
311 Misc. Grants								
Revenue	-	-		-	1,062	-	1,062	0.0%
Expenditures	-	12,054		12,054	-	-	-	0.0%
Addition to/(use of) reserves	-	(12,054)	-	(12,054)	1,062	-	1,062	
Beginning Fund Balance	8,079	8,079		8,079	8,079			
Ending Fund Balance	8,079	(3,975)		(3,975)	9,141			
313 Prop 84 IRWMP								
Revenue	-	-		-	-	-	-	0.0%
Expenditures	-	-		-	-	-	-	0.0%
Addition to/(use of) reserves	-	-	-	-	-	-	-	
Beginning Fund Balance	-	-		-	-			
Ending Fund Balance	-	-		-	-			
314 Sustainable Community Grant								
Revenue	-	-		-	-	-	-	#DIV/0!
Expenditures	-	-		-	-	-	-	#DIV/0!
Addition to/(use of) reserves	-	-	-	-	-	-	-	
Beginning Fund Balance	-	-		-	-			
Ending Fund Balance	-	-		-	-			
317 SSARP Grant								
Revenue	-	-		-	-	-	-	#DIV/0!
Expenditures	-	29,850		29,850	1,672	17,968	19,640	65.8%
Addition to/(use of) reserves	-	(29,850)	-	(29,850)	(1,672)	(17,968)	(19,640)	
Beginning Fund Balance	(195,150)	(195,150)		(195,150)	(195,150)			
Ending Fund Balance	(195,150)	(225,000)		(225,000)	(196,822)			
318 Active Transportation Program - State								
Revenue	2,669,000	2,669,000		2,669,000	-	-	-	0.0%
Expenditures	2,669,000	3,147,775		3,147,775	16,897	452,802	469,699	14.9%
Addition to/(use of) reserves	-	(478,775)	-	(478,775)	(16,897)	(452,802)	(469,699)	
Beginning Fund Balance	(1,376,604)	(1,376,604)		(1,376,604)	(1,376,604)			
Ending Fund Balance	(1,376,604)	(1,855,379)		(1,855,379)	(1,393,501)			
319 Housing & Community Development State Fund								
Revenue	-	-		-	-	-	-	#DIV/0!
Expenditures	-	5,364		5,364	-	-	-	0.0%
Addition to/(use of) reserves	-	(5,364)	-	(5,364)	-	-	-	
Beginning Fund Balance	5,364	5,364		5,364	5,364			
Ending Fund Balance	5,364	-		-	5,364			
320 Cal OES								
Revenue	-	-		-	-	-	-	0.0%
Expenditures	-	-		-	-	-	-	0.0%
Addition to/(use of) reserves	-	-	-	-	-	-	-	
Beginning Fund Balance	14,231	14,231		14,231	14,231			
Ending Fund Balance	14,231	14,231		14,231	14,231			
321 TIRCP								
Revenue	571,000	571,000		571,000	-	-	-	
Expenditures	571,000	1,041,627		1,041,627	32,521	438,088	470,610	
Addition to/(use of) reserves	-	(470,627)	-	(470,627)	(32,521)	(438,088)	(470,610)	
Beginning Fund Balance	(126,723)	(126,723)		(126,723)	(126,723)			
Ending Fund Balance	(126,723)	(597,349)		(597,349)	(159,244)			
322 MBHMP								
Revenue	1,000,000	1,000,000	(1,000,000)	-	-	-	-	
Expenditures	1,000,000	4,786,158	(1,000,000)	3,786,158	-	7,358	7,358	
Addition to/(use of) reserves	-	(3,786,158)	-	(3,786,158)	-	(7,358)	(7,358)	
Beginning Fund Balance	(112,292)	(112,292)		(112,292)	(112,292)			
Ending Fund Balance	(112,292)	(3,898,450)		(3,898,450)	(112,292)			
323 Cal OES PSPS Grant								
Revenue	-	-		-	-	-	-	
Expenditures	-	100,945		100,945	-	(19,987)	(19,987)	
Addition to/(use of) reserves	-	(100,945)	-	(100,945)	-	19,987	19,987	
Beginning Fund Balance	100,945	100,945		100,945	100,945			
Ending Fund Balance	100,945	-		-	100,945			

City of Goleta
Interim Statement of Revenues and Expenditures - Summary by Fund
For the Three Months Ended September 30, 2020

Attachment 3

Description	Original Budget	Current Budget	Budget Requests	Proposed Budget	YTD Actual	Encumbrances	Totals	Percent of Current Budget
324 California Planning Program Grant								
Revenue	-	-		-	-	-	-	
Expenditures	-	160,000		160,000	-	-	-	
Addition to/(use of) reserves	-	(160,000)	-	(160,000)	-	-	-	
Beginning Fund Balance	-	-		-	-			
Ending Fund Balance	-	(160,000)		(160,000)	-			
325 Isla Vista Library Grant								
Revenue	-	-		-	200,000	-	200,000	
Expenditures	-	-		-	-	-	-	
Addition to/(use of) reserves	-	-	-	-	200,000	-	200,000	
Beginning Fund Balance	-	-		-	-			
Ending Fund Balance	-	-		-	200,000			
401 HBP								
Revenue	10,750,000	10,750,000		10,750,000	-	-	-	0.0%
Expenditures	10,750,000	16,005,371		16,005,371	-	336,838	336,838	2.1%
Addition to/(use of) reserves	-	(5,255,371)	-	(5,255,371)	-	(336,838)	(336,838)	
Beginning Fund Balance	(299,402)	(299,402)		(299,402)	(299,402)			
Ending Fund Balance	(299,402)	(5,554,773)		(5,554,773)	(299,402)			
402 CDBG								
Revenue	178,937	178,937		178,937	14,529	-	14,529	8.1%
Expenditures	178,937	479,864		479,864	3,400	137,629	141,029	29.4%
Addition to/(use of) reserves	-	(300,927)	-	(300,927)	11,129	(137,629)	(126,500)	
Beginning Fund Balance	(11,129)	(11,129)		(11,129)	(11,129)			
Ending Fund Balance	(11,129)	(312,056)		(312,056)	-			
417 HSIP Hwy Safety Imp.								
Revenue	-	-		-	-	-	-	0.0%
Expenditures	-	195,269		195,269	-	170,480	170,480	87.3%
Addition to/(use of) reserves	-	(195,269)	-	(195,269)	-	(170,480)	(170,480)	
Beginning Fund Balance	5,425	5,425		5,425	5,425			
Ending Fund Balance	5,425	(189,844)		(189,844)	5,425			
419 TIGER								
Revenue	-	-		-	-	-	-	0.0%
Expenditures	-	-		-	-	10,382	10,382	0.0%
Addition to/(use of) reserves	-	-	-	-	-	(10,382)	(10,382)	
Beginning Fund Balance	(6,348)	(6,348)		(6,348)	(6,348)			
Ending Fund Balance	(6,348)	(6,348)		(6,348)	(6,348)			
420 FHWA - FEMA Reimb								
Revenue	-	-		-	-	-	-	0.0%
Expenditures	-	87,746		87,746	-	-	-	0.0%
Addition to/(use of) reserves	-	(87,746)	-	(87,746)	-	-	-	
Beginning Fund Balance	58,107	58,107		58,107	58,107			
Ending Fund Balance	58,107	(29,639)		(29,639)	58,107			
421 Hazard Mitigation Grant Program								
Revenue	-	-		-	-	-	-	0.0%
Expenditures	-	1,148		1,148	-	-	-	0.0%
Addition to/(use of) reserves	-	(1,148)	-	(1,148)	-	-	-	
Beginning Fund Balance	(5,560)	(5,560)		(5,560)	(5,560)			
Ending Fund Balance	(5,560)	(6,708)		(6,708)	(5,560)			
422 CARES								
Revenue	-	-		-	66,478	-	66,478	0.0%
Expenditures	-	-		-	-	-	-	0.0%
Addition to/(use of) reserves	-	-	-	-	66,478	-	66,478	
Beginning Fund Balance	132,620	132,620		132,620	132,620			
Ending Fund Balance	132,620	132,620		132,620	199,098			
501 Library Services								
Revenue	538,100	538,100	(2,400)	535,700	980	-	980	0.2%
Expenditures	537,900	550,632		550,632	119,269	65,489	184,758	33.6%
Addition to/(use of) reserves	200	(12,532)	(2,400)	(14,932)	(118,289)	(65,489)	(183,778)	
Beginning Fund Balance	795,308	795,308		795,308	795,308			
Ending Fund Balance	795,508	782,776		780,376	677,019			
502 Street Lighting								
Revenue	312,300	312,300	(1,100)	311,200	53	-	53	0.0%
Expenditures	354,500	400,292		400,292	15,569	20,643	36,212	9.0%
Addition to/(use of) reserves	(42,200)	(87,992)	(1,100)	(89,092)	(15,516)	(20,643)	(36,160)	
Beginning Fund Balance	45,869	45,869		45,869	45,869			
Ending Fund Balance	3,669	(42,123)		(43,223)	30,353			

City of Goleta
Interim Statement of Revenues and Expenditures - Summary by Fund
For the Three Months Ended September 30, 2020

Attachment 3

Description	Original Budget	Current Budget	Budget Requests	Proposed Budget	YTD Actual	Encum- brances	Totals	Percent of Current Budget
503 PEG								
Revenue	79,000	79,000		79,000	335	-	335	0.4%
Expenditures	70,000	70,000		70,000	3,084	-	3,084	4.4%
Addition to/(use of) reserves	9,000	9,000	-	9,000	(2,749)	-	(2,749)	
Beginning Fund Balance	255,883	255,883		255,883	255,883			
Ending Fund Balance	264,883	264,883		264,883	253,134			
504 CASp Cert and Training								
Revenue	1,000	1,000		1,000	24	-	24	2.4%
Expenditures	-	-		-	-	-	-	0.0%
Addition to/(use of) reserves	1,000	1,000	-	1,000	24	-	24	
Beginning Fund Balance	488	488		488	488			
Ending Fund Balance	1,488	1,488		1,488	513			
605 RDA Successor-NonHousing								
Revenue	1,948,860	1,948,860		1,948,860	857,160	-	857,160	44.0%
Expenditures	1,633,516	1,633,516		1,633,516	-	-	-	0.0%
Addition to/(use of) reserves	315,344	315,344	-	315,344	857,160	-	857,160	
Beginning Fund Balance	174,044	174,044		174,044	174,044			
Ending Fund Balance	489,388	489,388		489,388	1,031,204			
608 iBank								
Revenue	-	-		-	-	-	-	0.0%
Expenditures	-	-		-	-	-	-	0.0%
Addition to/(use of) reserves	-	-	-	-	-	-	-	
Beginning Fund Balance	(10,000,000)	(10,000,000)		(10,000,000)	(10,000,000)			
Ending Fund Balance	(10,000,000)	(10,000,000)		(10,000,000)	(10,000,000)			
701 Comstock Plover Endmnt								
Revenue	4,000	4,000		4,000	199	-	199	5.0%
Expenditures	4,000	4,000		4,000	-	-	-	0.0%
Addition to/(use of) reserves	-	-	-	-	199	-	199	
Beginning Fund Balance	24	24		24	24			
Ending Fund Balance	24	24		24	223			
801 Developer Deposit								
Revenue	-	-		-	-	-	-	0.0%
Expenditures	-	-		-	-	-	-	0.0%
Addition to/(use of) reserves	-	-	-	-	-	-	-	
Beginning Fund Balance	-	-		-	-			
Ending Fund Balance	-	-		-	-			
TOTAL FOR ALL FUNDS								
Revenue	58,775,326	58,775,326	(1,383,378)	57,391,948	4,494,841		4,494,841	7.6%
Expenditures	68,275,262	113,174,162	(833,415)	112,340,747	7,527,371	15,547,632	23,075,002	20.4%
Addition to/(use of) reserves	(9,499,936)	(54,398,836)	(549,963.00)	(54,948,799)	(3,032,530)	15,547,632	(18,580,161)	
Beginning Fund Balance	49,903,319	49,903,319		49,903,319	49,903,319			
Ending Fund Balance	40,403,383	(4,495,517)		(5,045,480)	46,870,790			

ATTACHMENT 4:

Capital Improvement Program (CIP) Expenditure Summary

City of Goleta
Capital Improvement Program (CIP) Expenditure Summary
For the Three Months Ended September 30, 2020

Attachment 4

Project No. & Description	Total Budget	Actuals	Encumbrances	Remaining Budget
9001 Hollister Avenue Redesign	\$ 641,181	\$ 4,350	\$ 29,613	\$ 607,218
9002 Capital Improvement Projects - Library	\$ 19,682,255	\$ 9,171	\$ 566,964	\$ 19,106,121
9006 Capital Improvement Projects - Neighborhood Srvs	\$ 4,268,012	\$ 48,828	\$ 1,026,995	\$ 3,192,189
9007 San Jose Creek Bike Path - Middle Segment	\$ 1,711,340	\$ 14,112	\$ 840,822	\$ 856,406
9024 Missing Description	\$ 168	\$ -	\$ -	\$ 168
9025 Fire Station No. 10	\$ 4,588,305	\$ 6,605	\$ 555,001	\$ 4,026,699
9027 101 Overpass	\$ 1,690,522	\$ -	\$ 1,146,338	\$ 544,184
9029 Cathedral Oaks Interchange Landscaping	\$ 150,573	\$ -	\$ -	\$ 150,573
9031 Old Town Sidewalk Improvement	\$ 2,600,899	\$ 78,905	\$ 2,417,949	\$ 104,046
9033 Hollister Avenue Bridge Replacement (SJC Phase II)	\$ 19,206,822	\$ 9,968	\$ 452,171	\$ 18,744,682
9035 Kellogg Park Acquisition	\$ 1,142,226	\$ -	\$ -	\$ 1,142,226
9039 Hollister Class I Bikeway	\$ 164,138	\$ -	\$ 59,189	\$ 104,948
9042 Storke Road Widening Phelps Road to City Limits	\$ 383,716	\$ -	\$ -	\$ 383,716
9044 Hollister Widen Storke to 280 Ft W of S Glen Annie	\$ 941,122	\$ -	\$ -	\$ 941,122
9045 Los Carneros Rd Interchange SB 101 Onramp	\$ 8,885	\$ -	\$ -	\$ 8,885
9053 Cathedral Oaks Cribwall Interim Repair	\$ 157,499	\$ 3,962	\$ 66,286	\$ 87,251
9056 LED Street Lighting Project	\$ 1,323,242	\$ 7,149	\$ 94,924	\$ 1,221,170
9058 Hollister Avenue Crosswalk Enhancement-Chapel Str	\$ 590,538	\$ -	\$ 556,887	\$ 33,651
9059 Bicycle/Pedestrian Master Plan	\$ 140,940	\$ -	\$ 11,490	\$ 129,449
9060 Fairview Avenue Sidewalk Infill at Stow Canyon Rd	\$ 121,235	\$ -	\$ -	\$ 121,235
9061 Cathedral Oaks Class I Bike Path	\$ 173,640	\$ -	\$ -	\$ 173,640
9062 Storke Road Medians	\$ 442,675	\$ -	\$ -	\$ 442,675
9063 Evergreen Park Restroom	\$ 198,506	\$ -	\$ -	\$ 198,506
9065 Reclaimed Water Service to Bella Vista Park	\$ 204,141	\$ -	\$ -	\$ 204,141
9066 Miscellaneous Park Improvements	\$ 347,954	\$ -	\$ 5,453	\$ 342,501
9067 Goleta Valley Community Center	\$ 189,299	\$ -	\$ -	\$ 189,299
9069 Miscellaneous Facilities Improvements	\$ 5,659	\$ -	\$ -	\$ 5,659
9070 Fairview Ave at Calle Real/101 Sidewalk Infill	\$ 91,353	\$ 8	\$ 81,874	\$ 9,471
9071 Athletic Field & Parking Lot @ GVCC	\$ 31,163	\$ -	\$ -	\$ 31,163
9072 La Patera Road Overcrossing/Undercrossing	\$ 218,644	\$ -	\$ -	\$ 218,644
9073 La Patera Rd Sidewalk Infill & Class II Bike Lanes	\$ 129,805	\$ -	\$ -	\$ 129,805
9074 Stow Grove Multi-Purpose Field	\$ 490,000	\$ -	\$ -	\$ 490,000
9075 Evergreen Park Multi-Purpose Field	\$ 50,000	\$ -	\$ -	\$ 50,000
9078 Rancho La Patera Improvements	\$ 648,304	\$ -	\$ 52,926	\$ 595,377
9079 Amtrak Depot	\$ 1,042,350	\$ 33,071	\$ 438,088	\$ 571,190
9080 Electrical Utility Undergrounding	\$ 9	\$ -	\$ -	\$ 9
9081 Covington Drainage Pipe	\$ 6	\$ -	\$ -	\$ 6
9083 Signal Upgrades	\$ 10	\$ -	\$ -	\$ 10
9084 Community Garden	\$ 1,109,842	\$ 3,275	\$ 107,232	\$ 999,335
9086 Vision Zero Plan	\$ 10,000	\$ -	\$ -	\$ 10,000
9087 Mid-Block Crossing on Calle Real/Encina (HAWK)	\$ 187,946	\$ 114	\$ -	\$ 187,832
9088 RRFB Improvements at School Crosswalks	\$ 469,307	\$ -	\$ 15,844	\$ 453,463
9089 Goleta Traffic Safety Study (GTSS)	\$ 79,249	\$ 1,672	\$ 18,662	\$ 58,915
9093 San Miguel Park Improvements	\$ 175,000	\$ -	\$ -	\$ 175,000
9094 Santa Barbara Shores Park Improvements	\$ 40,000	\$ -	\$ -	\$ 40,000
9096 Orange Avenue Parking Lot	\$ 11,072	\$ -	\$ -	\$ 11,072
9097 Fairview Corridor Study (Fowler to Calle Real)	\$ 140,100	\$ -	\$ -	\$ 140,100
9098 Crosswalk at S. Kellogg Avenue	\$ 53,461	\$ -	\$ -	\$ 53,461
9099 Crosswalk at Calle Real @ Fairview	\$ 130,463	\$ -	\$ 60,000	\$ 70,463
9100 Fairview Ave and Hollister Ave Roundabout	\$ 520,000	\$ -	\$ -	\$ 520,000
9101 City Hall Purchase & Improvements	\$ 170,858	\$ 100,100	\$ 1,144	\$ 69,614
9102 Storke Road Corridor Study	\$ 138,775	\$ -	\$ -	\$ 138,775
9103 Citywide School Zone Signage & Striping Evaluation	\$ 19,950	\$ -	\$ -	\$ 19,950
9104 Citywide Evaluation of Existing Traffic Signals	\$ 68,800	\$ -	\$ -	\$ 68,800
9108 Winchester II Park	\$ 266,950	\$ -	\$ -	\$ 266,950
9110 Hollister Ave Class 1 Bike Path Lighting	\$ 123,725	\$ -	\$ -	\$ 123,725
9111 Jonny D. Wallis Park Phase 2 - Splash Pad	\$ 852,652	\$ 1,640	\$ 62,850	\$ 788,162
9112 Ellwood Mesa/Sperling Preserve Open Space Plan	\$ 4,786,158	\$ -	\$ 7,358	\$ 4,778,799
9113 Mathilda Park Improvements	\$ 100,000	\$ -	\$ -	\$ 100,000
9901 MIS/ERP System Implementation	\$ 405,142	\$ -	\$ 48,661	\$ 356,482
Grand Total	\$ 73,636,585	\$ 322,929	\$ 8,724,724	\$ 64,588,933

ATTACHMENT 5:

Resolution Amending the City's Operating & CIP Budget for
Fiscal Year 2019/20

RESOLUTION NO. 20-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GOLETA, CALIFORNIA, AMENDING THE CITY'S OPERATING AND CIP BUDGET FOR FISCAL YEAR 2020/21

WHEREAS, the City Council of the City of Goleta adopted the Operating Budget and Capital Improvement Program for Fiscal Year 2020/21 on June 16, 2020; and

WHEREAS, the City Manager has proposed a budget adjustment as described in the Council report dated December 1, 2020 for Fiscal Year 2020/21 based on the determination by the City Manager that this adjustment is essential to the City's operations; and

WHEREAS, the City Council has reviewed the proposed budget adjustments for the First Quarter Ended September 30, 2020 and does hereby find the recommendation to be necessary and in the City's best interest.

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

SECTION 1.

The City of Goleta Operating and CIP Budget for Fiscal Year 2020/21 is hereby amended as follows as per Exhibit A to this resolution.

SECTION 2.

The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED, AND ADOPTED this 1st day of December 2020.

PAULA PEROTTE, MAYOR

ATTEST:

APPROVED AS TO FORM:

DEBORAH S. LOPEZ
CITY CLERK

MICHAEL JENKINS
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SANTA BARBARA)
CITY OF GOLETA) ss.

I, DEBORAH S. LOPEZ, City Clerk of the City of Goleta, California, DO
HEREBY CERTIFY that the foregoing Resolution No. 20-____ was duly adopted
by the City Council of the City of Goleta at a regular meeting held on the 1st day
of December, 2020, by the following vote of the Council:

AYES: COUNCILMEMBERS

NOES: COUNCILMEMBERS

ABSENT: COUNCILMEMBERS

(SEAL)

DEBORAH S. LOPEZ
CITY CLERK

Program/Project Name	Fund	Account Code	Requests	Account Name	FY 2020/21 Current Budget	FY 2020/21 Actuals	FY 2020/21 Balance	Type of Request	FY 2020/21 Amended Budget	FY 2020/21 Adjusted Budget Balance
Non-Departmental	101	101-80-8500-40003	88,700.00	Property Tax In-Lieu of VLF	3,855,800.00	-	3,855,800.00	Cleanup	3,944,500.00	3,944,500.00
Non-Departmental	101	101-80-8500-43100	30,600.00	Property Rental	18,000.00	11,826.93	6,173.07	Cleanup	48,600.00	36,773.07
Non-Departmental	202	202-80-8500-44700	(733.00)	Local Transportation Fund	27,333.00	4,588.16	22,744.84	Cleanup	26,600.00	22,011.84
Solid Waste & Environmental	211	211-50-5900-46000	25,000.00	Miscellaneous Revenue	-	47,379.11	(47,379.11)	Cleanup	25,000.00	(22,379.11)
Solid Waste & Environmental	211	211-50-5900-46000	72,400.00	Miscellaneous Revenue	-	47,379.11	(47,379.11)	Cleanup	72,400.00	25,020.89
Non-Departmental	211	211-80-8500-41203	(22,000.00)	Franchise Fee - Solid Waste	700,000.00	122,531.02	577,468.98	Cleanup	678,000.00	555,468.98
Non-Departmental	225	225-80-8500-40600	(370,000.00)	Housing In-Lieu	370,000.00	94,354.66	275,645.34	Cleanup	-	(94,354.66)
Non-Departmental	229	229-80-8500-40512	(208,230.00)	DIF - Facilities - Fire	409,330.00	23,666.32	385,663.68	Cleanup	201,100.00	177,433.68
Non-Departmental	231	231-80-8500-40602	(36,100.00)	Developer Agreement Revenue	36,100.00	-	36,100.00	Cleanup	-	-
Goleta Library	236	236-20-2100-44701	8,785.00	Grant Proceeds - Other Agencies	-	-	-	Cleanup	8,785.00	8,785.00
Non-Departmental	302	302-80-8500-44400	31,700.00	Grant Proceeds - State	125,000.00	-	125,000.00	Cleanup	156,700.00	156,700.00
Non-Departmental	501	501-80-8500-40401	(700.00)	Library Special Tax - City	322,200.00	-	322,200.00	Cleanup	321,500.00	321,500.00
Non-Departmental	501	501-80-8500-40402	(1,700.00)	Library Special Tax - County	211,900.00	-	211,900.00	Cleanup	210,200.00	210,200.00
Non-Departmental	502	502-80-8500-45000	(1,100.00)	Assessment - Street Lighting	307,300.00	-	307,300.00	Cleanup	306,200.00	306,200.00
Ellwood Mesa/Sperling Preserve Open Space Plan	322	322-90-9112-44400	(1,000,000.00)	Grant Proceeds - State	1,000,000.00	-	1,000,000.00	Cleanup	-	-

Program/Project Name	Fund	Account Code	Appropriation/Transfer Requests	Account Name	FY 2020/21 Current Budget	FY 2020/21 Actuals	FY 2020/21 Encumbrance	FY 2020/21 Balance	Type of Request	FY 2020/21 Amended Budget	FY 2020/21 Adjusted Budget Balance
Support Services	101	101-10-1600-51040	(161,600.00)	Leases/Rental-City Hall	414,825.00	6,774.00	-	408,051.00	Cleanup	253,225.00	246,451.00
Goleta Library	208	208-20-2100-51068	600.00	Maintenance-Software License & Subscriptions	11,600.00	-	15,162.64	(3,562.64)	Cleanup	12,200.00	(2,962.64)
Finance Administration	101	101-30-3100-50003	16,000.00	Overtime	-	8,933.22	-	(8,933.22)	New	16,000.00	7,066.78
Finance Administration	101	101-30-3100-50100	300.00	Medicare & Social Security	10,700.00	2,331.85	-	8,368.15	Cleanup	11,000.00	8,668.15
Current Planning	101	101-40-4100-51011	30,500.00	Postage	31,000.00	4,472.65	12,982.52	13,544.83	New	61,500.00	44,044.83
Current Planning	101	101-40-4100-51203	10,000.00	Professional Services - Legal	10,000.00	-	-	10,000.00	New	20,000.00	20,000.00
Advance Planning	101	101-40-4300-51200	5,000.00	Professional Services	140,000.00	20,320.87	289,272.81	(169,593.68)	New	145,000.00	(164,593.68)
Advance Planning	101	101-40-4300-57020	54,800.00	Computer Hardware & Peripherals	-	-	127,441.91	(127,441.91)	Cleanup	54,800.00	(72,641.91)
Parks & Open Space Maintenance	101	101-50-5400-51042	45,000.00	Leases/Rental-Equipment	1,500.00	1,468.89	1,000.00	(968.89)	Cleanup	46,500.00	44,031.11
Solid Waste & Environmental	211	211-50-5900-51200	45,000.00	Professional Services	143,000.00	14,927.93	188,499.81	(60,427.74)	Cleanup	188,000.00	(15,427.74)
Solid Waste & Environmental	211	211-50-5900-51304	30,500.00	Contract Services - Stormwater	21,000.00	-	20,198.38	801.62	Cleanup	51,500.00	31,301.62

Program/Project Name	Fund	Account Code	Appropriation/Transfer Requests	Account Name	FY 2020/21 Current Budget	FY 2020/21 Actuals	FY 2020/21 Encumbrance	FY 2020/21 Balance	Type of Request	FY 2020/21 Amended Budget	FY 2020/201 Adjusted Budget Balance
Goleta Library	223	223-20-2100-51035	50,000.00	Books & Subscriptions	40,800.00	123.09	-	40,676.91	New	90,800.00	90,676.91
Goleta Library	236	236-20-2100-51035	197.65	Books & Subscriptions	-	-	197.65	(197.65)	Cleanup	197.65	-
Goleta Library	236	236-20-2100-51031	8,104.20	Special Department Supplies	-	-	8,104.20	(8,104.20)	Cleanup	8,104.20	-
Goleta Library	236	236-20-2100-51012	483.15	Advertising	-	-	483.15	(483.15)	Cleanup	483.15	-
Police Services	302	302-70-7100-51301	31,700.00	Contract Services - Other	125,000.00	-	-	125,000.00	Cleanup	156,700.00	156,700.00
Ellwood Mesa/Sperling Preserve Open Space Plan	322	322-90-9112-57070	(250,000.00)	Design	250,000.00	-	7,358.25	242,641.75	Cleanup	-	(7,358.25)
Ellwood Mesa/Sperling Preserve Open Space Plan	322	322-90-9112-57071	(750,000.00)	Construction	750,000.00	-	-	750,000.00	Cleanup	-	-

ATTACHMENT 6:

Fiscal Year 2020/21 First Quarter Financial Review Presentation

Fiscal Year 2020/21 First Quarter Financial Review

City of Goleta
City Council Meeting
December 1, 2020



Overview – Budget Recap

- ▶ COVID-19 pandemic and economic downturn continues to impact revenues and expenditures
- ▶ Mid-Cycle Budget adopted on June 16, 2020
- ▶ Three scenarios were developed to guide staff's recommendation
 - ▶ Scenario 1 – Optimistic Case – Short Recession, rapid recovery by end of December 2020
 - ▶ **Scenario 2 – Recommended Case – Recession through FY 20/21**
 - ▶ Scenario 3 – Possible Case – Deep Recession through mid FY 21/22
- ▶ A three-tiered cost reduction strategy approach was created to address potential revenue shortfalls, with triggers identified to indicate if and when to implement the next tier

Overview – Budget Recap

Tier 1 (Currently implemented)	Tier 1 Triggers
Reductions in staff related expenses	Net operating revenue results in a negative balance due to revenue losses
Renegotiating or rebidding all third-party major contracts and purchases	
Hiring freeze of full-time employees and interns	
Portion of one-time unassigned fund balance utilized	
Delay all non-essential capital projects, until further notice	
Tier 2 (To be considered in future if necessary)	Tier 2 Triggers
Reassess funding provided to non-City entities for potential delay, reduction or cancellation	Projected FY 20/21 revenues are not met, or actual activity from FY 19/20 results in significant revisions and decreases to revised FY 20/21 budget. Overall impacts by 4% to 5%.
Additional reductions in staff related expenses	
Suspending leave cash-outs until further notice	
Citywide freeze on cost of living adjustments	
Offer voluntary part-time or reduced work hours and or a voluntary retirement incentive program	
Tier 3 (To be considered in future if necessary)	Tier 3 Triggers
Temporary Citywide Freeze on Merit Adjustments	Unassigned fund balance is projected to be negative.
Additional Use of Fund Balance (City Reserves) or other tools	
Reduced programs and reduced hours	
Potential furloughs	

Overview – Budget Recap

- ▶ Compares quarter-end financial position as of September 30, 2020 (unaudited) against the revised FY 2020/21 Budget
- ▶ Summary of General Fund revenue and expenditure activity in comparison to budget and prior year for same quarter
- ▶ Finalized carryovers and updated projected fund balance and reserves through June 30, 2021
- ▶ Various budget adjustments

General Fund Budget Summary

Category	2019/20 Actuals	2020/21 Adopted Budget	2020/21 Current Budget	Recommended Amendments	2020/21 Amended Budget
Operating Revenues	\$ 28,573,830	\$ 22,910,700	\$ 22,910,700	\$ 119,300	\$ 23,030,000
Operating Expenditures	\$ 24,686,078	\$ 26,056,950	\$ 27,564,986	\$ -	\$ 27,564,986
Capital Expenditures	\$ 815,083	\$ -	\$ 2,048,307	\$ -	\$ 2,048,307
Total Expenditures	\$ 25,501,161	\$ 26,056,950	\$ 29,613,293	\$ -	\$ 29,613,293
Net Change to Fund Balance	\$ 3,072,669	\$ (3,146,250)	\$ (6,702,593)	\$ 119,300	\$ (6,583,293)
Beginning Fund Balance	\$ 24,092,098	\$ 27,164,767	\$ 27,164,767	\$ 27,164,767	\$ 27,164,767
Ending Fund Balance	\$ 27,164,767	\$ 24,018,517	\$ 20,462,174	\$ 20,581,474	\$ 20,581,474

- *FY 2020/21 Current Budget includes FY 2019/20 carryovers of \$2.8 million and \$789,857 new budget appropriation Council has authorized since July 1st*

General Fund Budget Summary

Summary of one-time FY 2019/20 carryovers

Department	2019/20 Carryover Budget	Description of One-time Projects and CIP
General Government	\$ 4,311	Sales Tax Analysis Report and one-time IT related invoices
Finance	\$ 765	User Fee Study and Cost Allocation Plan
Planning and Environmental Review	\$ 740,429	Historic Preservation Ordinance, General Plan, Vehicle Miles Traveled, Creek and Watershed, Compliance and Monitoring, Aerial Mapping Services, Affordable Housing Implementation, Permit Tracking System, Local Coastal Program
Public Works	\$ 433,424	Old Town Parking and Safety Report, ROW Services, Environmental Monitoring Services, San Jose Creek, Hollister Avenue Bridge, Access Ramp Relocation, and Pavement Rehab Project
Capital Improvement	\$ 1,587,557	San Jose Creek Capacity Improvements, Old Town Sidewalk Improvement, Cathedral Oaks Crib Wall Interim Repair, LED Street Lighting Project, RRFB @ Chapel/HAWK @Kingston, Goleta Community Center Upgrade and IT Strategic Plan Implementation
Grand Total	\$ 2,766,486	

General Fund Revenues

Revenues	FY 2019/20		FY 2020/21			Prior Year Qtr YTD % Chg
	Year End Actuals	Qtr YTD Actuals	Current Budget	Qtr YTD Actuals	% Realized	
Property Taxes	7,684,647	54,207	7,625,500	90,299	1.2%	66.6%
Sales Taxes	6,735,609	553,378	5,927,500	729,521	12.3%	31.8%
Transient Occupancy Tax	9,197,440	1,538,084	5,530,000	751,589	13.6%	-51.1%
Cannabis Tax	391,342	-	81,600	-	0.0%	0.0%
Franchise Fee Tax	1,361,348	178,711	1,333,400	176,751	13.3%	-1.1%
License & Service Charges	1,823,082	544,884	1,497,400	324,763	21.7%	-40.4%
Fines & Penalties	165,935	26,596	148,000	10,699	7.2%	-59.8%
Interest & Rent Income	452,665	136,425	282,000	26,121	9.3%	-80.9%
Reimbursements	471,326	45,235	381,100	27,803	7.3%	-38.5%
Other Revenues	260,453	2,173	67,000	6,936	10.4%	219.2%
Transfers In Other Funds	29,983	5,256	37,200	3,353	9.0%	-36.2%
Total Revenues	\$ 28,573,830	\$ 3,084,949	\$ 22,910,700	\$ 2,147,836	9.4%	-30.4%

Sales Tax – Major Industry Groups

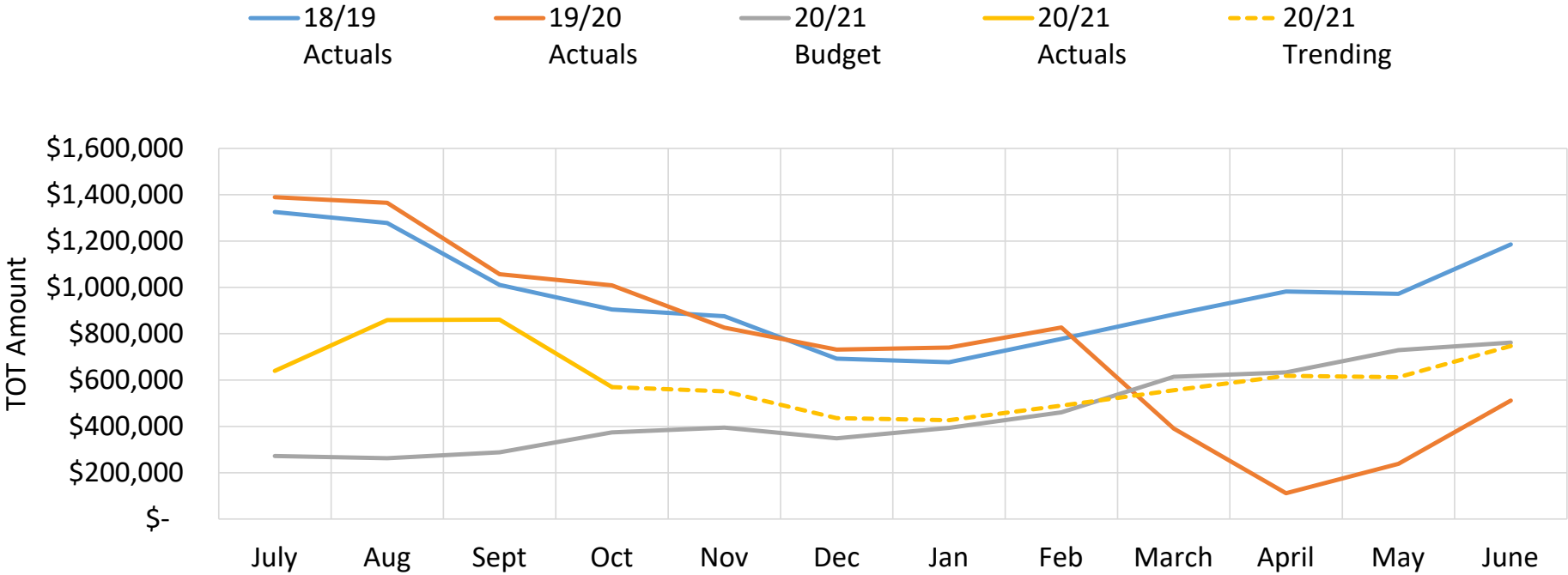
Industry Groups	FY 19/20 Actuals	FY 20/21 Adopted Budget	FY 20/21 Revised Forecast
Autos & Transportation	-2.7%	-20.4%	-3.2%
Building & Construction	-5.3%	-9.0%	5.9%
Business & Industry	-11.8%	-15.6%	-8.8%
Food & Drugs	-3.5%	6.8%	13.1%
Fuel & Service Stations	-21.3%	-8.4%	-9.7%
General Consumer Goods	0.3%	-7.3%	0.8%
Restaurants & Hotels	-24.3%	-22.7%	-5.3%
State & County Pools	30.4%	-10.2%	12.9%
All Groups	-3.7%	-12.0%	1.3%
Sales Tax Total	\$ 6,735,609	\$ 5,927,500	\$ 6,822,636
18/19 Baseline \$ Change	\$ (258,595)	\$ (1,066,704)	\$ (171,568)
18/19 Baseline \$% Change	-3.7%	-15.3%	-2.5%

Transient Occupancy Tax

Month	2018/19 Actuals	2019/20 Actuals	2020/21 Actuals	\$ Chg from Prior Year	% Chg from Prior Year
July	\$ 1,325,613	\$ 1,389,695	\$ 639,696	\$ (749,999)	-54.0%
August	\$ 1,278,046	\$ 1,365,353	\$ 858,898	\$ (506,454)	-37.1%
September	\$ 1,010,472	\$ 1,057,156	\$ 860,793	\$ (196,363)	-18.6%
October	\$ 904,428	\$ 1,008,713			
November	\$ 875,203	\$ 826,170			
December	\$ 692,371	\$ 731,050			
January	\$ 677,067	\$ 740,150			
February	\$ 777,694	\$ 826,479			
March	\$ 883,099	\$ 391,077			
April	\$ 982,306	\$ 111,640			
May	\$ 972,262	\$ 238,349			
June	\$ 1,185,351	\$ 511,608			
Total	\$ 11,563,912	\$ 9,197,440	\$ 2,359,387	\$ (1,452,816)	
Total (July-Sept)	\$ 3,614,131	\$ 3,812,204	\$ 2,359,387	\$ (1,452,816)	-38.1%

Transient Occupancy Tax

Goleta TOT Revenue Trend



Cannabis Business Tax

- ▶ Received ~\$500,000 for July - September, five operators

Current Cannabis Tax Rates

Cannabis Business Classification	Activities Taxed	Tax Rate
Adult Use Cannabis Retailing	Gross Receipts	5%
Medicinal-Use Cannabis Retailing	Gross Receipts	0%
Manufacturing	Gross Receipts	2%
Cultivation	Gross Receipts	4%
Distribution	Gross Receipts	1%
Testing	Gross Receipts	0%
Nurseries	Gross Receipts	1%
Maximum Tax Limit	Gross Receipts	10%
Maximum Cap for Multiple Operations	Gross Receipts	10%

Cannabis Business Tax

#	Status	Business Application Name	Location	License Type
1	Approved	HERBL	759 Ward Drive	Distribution
2	Approved	Organic Greens Collective <i>(Legal Non-Conforming)</i>	5902 Daley Street	Retail, Delivery
3	Approved	Green Rush Alliances LLC	6332 Lindmar Ave	Distribution, Manufacturing
4	Approved	Sublime Processing	123 Aero Camino Unit A	Microbusiness (Distribution, Manufacturing, Delivery)
5	Approved	HERBL	839 Ward Drive	Distribution
6	Approved	CalGreen <i>(Legal Non-Conforming)</i>	164 Aero Camino	Microbusiness <i>(Cultivation, Retail, Distribution, Delivery, Manufacturing)</i>
7	Approved	Santa Barbara Care Center <i>(Legal Non-Conforming)</i>	5814 Gaviota Street	Microbusiness <i>(Cultivation, Retail, Distribution, Delivery)</i>
8	Approved	Greenbridge Patient Collective	5904 Matthews St	Microbusiness <i>(Distribution, Manufacturing,</i>
9	Pending	AGQ Green Nature	859 Ward Drive. Suite 103	Testing
10	Pending	HERBL	749 Ward Drive	Distribution
11	Pending	Thornwood Distribution LLC	5756 Thornwood Drive	Cultivation (Processor)
12	Pending	Three Habitat Consulting - One	290 Storke Road	Retail, Delivery

General Fund Expenditures

Expenditures	FY 2019/20		FY 2020/21			Prior Year Qtr YTD % Chg
	Year End Actuals	Qtr YTD Actuals	Current Budget	QTR YTD Actuals	% Realized	
General Government	5,150,183	1,742,019	5,970,521	1,557,882	26.1%	-10.6%
Library	352,834	85,044	374,340	73,562	19.7%	-13.5%
Finance	978,992	229,164	954,215	235,862	24.7%	2.9%
Planning & Env. Review	3,635,871	662,306	3,953,886	656,149	16.6%	-0.9%
Public Works	4,427,725	771,316	5,290,224	796,048	15.0%	3.2%
Neighborhood Services	1,975,908	233,217	2,407,900	717,302	29.8%	207.6%
Public Safety	7,452,279	1,161,584	7,762,900	2,512,391	32.4%	116.3%
Non-Departmental	845,484	5,168	851,000	4,587	0.5%	-11.2%
Capital Improvement Projects	681,884	24,413	2,048,307	18,132	0.9%	-25.7%
Total Expenditures	\$ 25,501,161	\$ 4,914,231	\$ 29,613,293	\$ 6,571,916	22.2%	33.7%

General Fund - Fund Balance and Reserves

Classification	FY 19/20 Ending Fund Balance	Increase	Decrease	FY 20/21 Est. Ending Fund Balance	Reserve Adjustments	FY 20/21 Revised Est. Ending Fund Balance
Prepays and Deposit	74,711			74,711		74,711
Public Facilities	830,108			830,108		830,108
Capital Equipment	594,869			594,869		594,869
Compensated Leave	315,942			315,942		315,942
Building Maintenance	-			-		-
Risk Management	200,000			200,000		200,000
Contingency	8,532,205	-		8,532,205		8,532,205
Street Maintenance	-			-		-
Litigation Defense Fund	300,000			300,000		300,000
Sustainability	292,500			292,500		292,500
OPEB UAL	333,500			333,500		333,500
CalPERS Pension UAL	170,000			170,000		170,000
CIP Project Funding	1,587,557		(1,587,557)	-		-
Encumbrances	1,178,929		(1,178,929)	-		-
Unassigned Fund Balance	12,754,446	-	(3,936,107)	8,818,339	119,300	8,937,639
Total	\$ 27,164,767	\$ -	\$ (6,702,593)	\$ 20,462,174	\$ 119,300	\$ 20,581,474

Capital Improvement Program (CIP)

- ▶ CIP Summary by project reviewed for adequate funds (Attachment 4)
- ▶ CIP budget balances for all funds have been reviewed for carryovers and updated.
- ▶ Total CIP carryovers (all funds) are \$39.5 million
- ▶ Various cleanup adjustments being recommended

Other Funds (Special Revenue Funds)

▶ **Gas Tax (Fund 201)**

- ▶ Gas tax revenues through the end of the first quarter are at \$195,620 or 25.1% of the \$799,500 revenue budget amount.
- ▶ Budgeted expenditures are programmed at \$2.3 million for the fiscal year, which include carryover of approximately \$1.5 million. Through the end of the first quarter no funds have been expended.
- ▶ Gas Tax proceed will be used to fund the FY 2020/21 Pavement Rehabilitation Program.

Other Funds (Special Revenue Funds)

▶ **SB 1 Road Maintenance & Repair Act (Fund 203)**

- ▶ Revenues through the end of the first quarter are at \$49,475 or 8.6% of the \$572,000 revenue budget amount.
- ▶ Budgeted expenditures are programmed at \$1.1 million which include carryover of approximately \$535,000. Through the end of the first quarter no funds have been expended.
- ▶ All budget is programmed towards the City's Pavement Rehabilitation Program.

Other Funds (Special Revenue Funds)

▶ **Measure A (Fund 205)**

- ▶ Revenues are generated from a half-cent sales tax applied countywide. The City receives a portion of Measure A revenues to be used exclusively for transportation related purposes.
- ▶ Revenues through the end of the first quarter are at \$296,681 or 19% of the \$1.6 million revenue budget amount.
- ▶ Budgeted expenditures are programmed at \$3.9 million, which include carryover of approximately \$2.4 million. Through the end of the first quarter \$121,400 has been expended.

Other Funds Recommended Adjustments

Program/Project Name	Fund	Appropriation Requests	Funding Source	Description
Goleta Library	208	\$600.00	Goleta County per Capita	Cleanup adjustment for utilities
Solid Waste & Environmental	211	\$45,000.00	Solid Waste	Stormwater consultant support needed to maintain compliance.
Solid Waste & Environmental	211	\$30,500.00	Solid Waste	Additional costs with maintaining storm drains, and higher than anticipated illegal dumping
Goleta Library	223	\$50,000.00	Library Facilities DIF	Library DIF available for book budget needed this fiscal year.
Goleta Library	236	\$197.65	Misc. Grants - Library	Cleanup adjustment to reflect grant award for Library World of Stories
Goleta Library	236	\$8,104.20	Misc. Grants - Library	Cleanup adjustment to reflect grant award for Library World of Stories
Goleta Library	236	\$483.15	Misc. Grants - Library	Cleanup adjustment to reflect grant award for Library World of Stories
Police Services	302	\$31,700.00	Public Safety Fund - COPS	Adjustment needed to reflect actual growth amounts for public safety funding.
Ellwood Mesa/Sperling Preserve Open Space Plan - Design	322	-\$250,000.00	MBHMP Grant	Cleanup adjustment needed to match grant award of \$3.9 million
Ellwood Mesa/Sperling Preserve Open Space Plan - Implementation	322	-\$750,000.00	MBHMP Grant	Cleanup adjustment needed to match grant award of \$3.9 million.

Snapshot of expenditure budget adjustments only. Revenue adjustments and additional details provided in Attachment 5-Exhibit A

City's Cash Flow and Position

- ▶ Cash flow and position monitored daily
- ▶ Cash funds are pooled and considered very liquid as majority of its funds are invested in overnight investments
- ▶ Overall pooled cash position has been on average of \$50 million

Looking Ahead

- ▶ **Long Range Financial Forecast, Revenue and Funding Options**
 - ▶ Special City Council Workshop - December 10th
- ▶ **Key Sales Tax Updates**
 - ▶ January 2021 (Q320)
- ▶ **FY 19/20 Audit and Comprehensive Annual Financial Report (CAFR)**
 - ▶ CAFR presentation to be scheduled for January 2021 by staff and auditors
- ▶ **FY 20/21 Second Quarter Financial Review in February 2021**
 - ▶ Updated revenue and expenditure activity through December 31
- ▶ **Two Year Budget Plan for FY 21/22 & 22/23**
 - ▶ Strategic Plan Workshops, Annual Work Program Workshops, and Budget Workshops
- ▶ **Questions?**