



**TO:** Mayor and Councilmembers

**FROM:** Luke Rioux, Finance Director

**CONTACT:** Tony Gonzalez, Accounting Manager

**SUBJECT:** Fiscal Year 2020/21 Second Quarter (Mid-Year) Financial Review

**RECOMMENDATION:**

Adopt Resolution No. 21-\_\_ 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 second 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, 2020 through December 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 a historic low.

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 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 a portion of the unassigned fund balance (\$12.8 million) in the amount of \$3.1 million. The temporary cost containment strategies included all departments re-evaluating and, in most cases, reducing expenditure budgets to fund only essential services, projects, and programs, 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.

As part of FY 20/21 budget process two other scenarios were developed in case of a rapid economic recovery beginning the end of December 2020 or a deep recession with revenue losses continued through next FY 2021/22. The scenario the City Council adopted assumed a recession experienced through end of FY 2020/21 or June 30, 2021. In an effort to address this uncertainty, a three-tiered approach to temporary 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 Table 1.

**Table 1 - Three-tier cost reduction strategies**

<b>Tier 1 (Currently implemented)</b>	<b>Tier 1 Triggers</b>
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	
<b>Tier 2 (To be considered in future if necessary)</b>	<b>Tier 2 Triggers</b>
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	
<b>Tier 3 (To be considered in future if necessary)</b>	<b>Tier 3 Triggers</b>
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 second quarter outpaced projections and resulted in a higher than anticipated unassigned fund balance of \$10.7 million as of December 31, 2020. This is an increase of \$1.84 million from the previous projected amount 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.

In the first quarter staff report, staff had identified an urgent need to fill two critical positions of the eleven positions subject to the current hiring freeze. Those two positions were the Principal Civil Engineer position in Public Works and the Accounting Specialist position in Finance. It was discussed that the recommended budget appropriations would be made during the second quarter financial review for the Accounting Specialist position due to the timing of entering the holiday season and uncertainty of when positions could be filled given the timing of recruitment efforts. Staff is now recommending appropriations of \$33,400 related to this position as discussed further below under General Fund expenditures. 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. As for the other positions subject to the hiring freeze, staff is currently reviewing its impacts and may make future recommendations. The updated unassigned fund balance of \$10.7 million is available to support these expenditures.

### 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
<b>Operating Revenues</b>	<b>\$ 28,573,830</b>	<b>\$ 22,910,700</b>	<b>\$ 23,030,000</b>	<b>\$ 1,930,900</b>	<b>\$ 24,960,900</b>
Operating Expenditures	\$ 24,686,078	\$ 26,056,950	\$ 27,764,986	\$ 65,100	\$ 27,830,086
Capital Expenditures	\$ 815,083	\$ -	\$ 2,048,307	\$ -	\$ 2,048,307
<b>Total Expenditures</b>	<b>\$ 25,501,161</b>	<b>\$ 26,056,950</b>	<b>\$ 29,813,293</b>	<b>\$ 65,100</b>	<b>\$ 29,878,393</b>
<b>Net Change to Fund Balance</b>	<b>\$ 3,072,669</b>	<b>\$ (3,146,250)</b>	<b>\$ (6,783,293)</b>	<b>\$ 1,865,800</b>	<b>\$ (4,917,493)</b>
<b>Beginning Fund Balance</b>	<b>\$ 24,092,098</b>	<b>\$ 27,277,950</b>	<b>\$ 27,277,950</b>	<b>\$ 27,277,950</b>	<b>\$ 27,277,950</b>
<b>Ending Fund Balance</b>	<b>\$ 27,277,950</b>	<b>\$ 24,131,700</b>	<b>\$ 20,494,657</b>	<b>\$ 22,360,457</b>	<b>\$ 22,360,457</b>

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 \$989,857. The new appropriations included additional funding related to COVID-19 relief, City Hall solar and energy storage feasibility services, San Jose Creek, and project management services. The FY 2019/20 carryover budget was \$2.8 million. 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
<b>Grand Total</b>	<b>\$ 2,766,486</b>	

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 \$1,930,000 to revenues and \$91,900 to expenditures for priority needs, which are described in the expenditure section below.

### **General Fund Revenue Analysis:**

The tables presented in this section include budget-to-actual comparisons between the current fiscal year and 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 Q2 (December 31)**

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	1,969,614	7,714,200	2,078,388	26.9%	5.5%
Sales Taxes	6,735,609	2,217,678	5,927,500	2,622,285	44.2%	18.2%
Transient Occupancy Tax	9,197,440	4,822,502	5,530,000	3,190,690	57.7%	-33.8%
Cannabis Tax	391,342	-	81,600	546,993	670.3%	0.0%
Franchise Fee Tax	1,361,348	376,749	1,333,400	369,891	27.7%	-1.8%
License & Service Charges	1,823,082	1,135,089	1,497,400	710,872	47.5%	-37.4%
Fines & Penalties	165,935	73,744	148,000	29,088	19.7%	-60.6%
Interest & Rent Income	452,665	266,301	312,600	85,771	27.4%	-67.8%
Reimbursements	471,326	115,868	381,100	78,337	20.6%	-32.4%
Other Revenues	260,453	12,317	67,000	15,469	23.1%	25.6%
Transfers In Other Funds	29,983	12,952	37,200	15,695	42.2%	21.2%
<b>Total Revenues</b>	<b>\$ 28,573,830</b>	<b>\$11,002,814</b>	<b>\$ 23,030,000</b>	<b>\$ 9,743,478</b>	<b>42.3%</b>	<b>-11.4%</b>

### 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 33.50% 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. 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.

Total property tax revenues anticipated for the fiscal year are estimated at \$7.7 million and actual revenues continue to track higher than expected, primarily due to documentary transfer tax activity reported through November. The City’s share of the documentary transfer tax has since already exceeded its original estimate of \$130,000 and was at \$155,326 or 119% of budget through the first five months of the fiscal year. At the time of preparing this report, documentary transfer tax increased to \$226,688 for receipts through January. Given the actual revenues received to date and revised estimates, staff recommends an increase of **\$140,000** to this revenue account for a total of \$270,000.

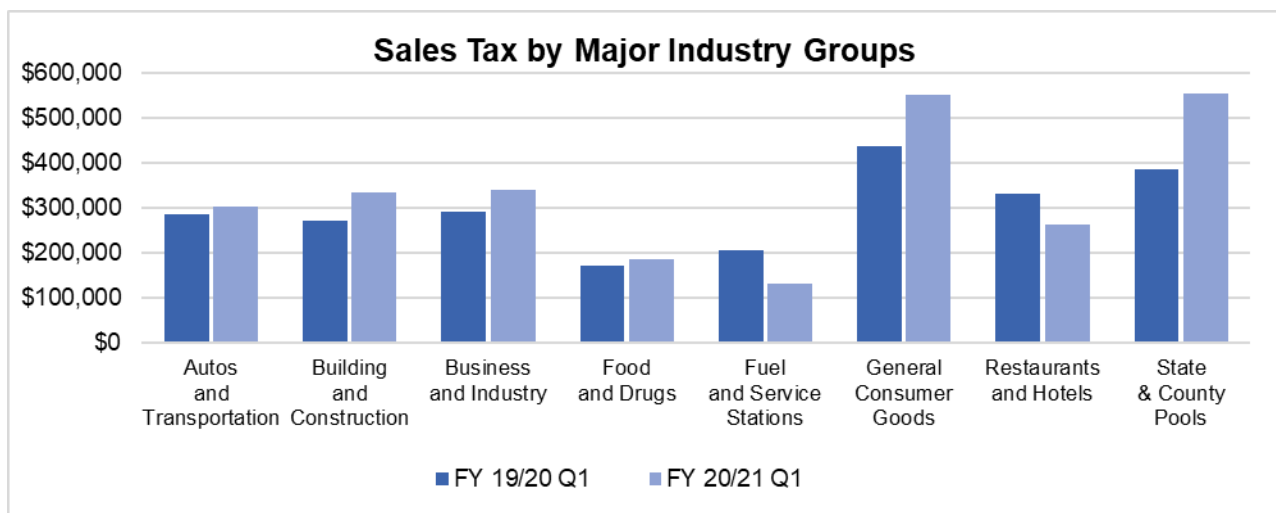
### Sales Tax

Sales tax collections are projected to be the second largest revenue source for the City at \$5.9 million and will account for 24.01% 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 second quarter, sales tax receipts were tracking higher in comparison to the prior year by 18.2% at \$2.2 million. This amount represents actual sales tax receipts for the first quarter of the fiscal year (July through September) period of \$1.85 million, and includes the current advance payment made for October of approximately \$775,000. Sales tax receipts were trending higher than anticipated for the period primarily due to the recent opening of a popular new general consumer goods retailer in Goleta that was not in operation in the prior year. The new store also had the secondary benefit of also boosting the City's share of revenue from the countywide use tax pool, since funding from the use tax pool is distributed proportionally among local agencies based on relative cash receipts.

In January 2021, City staff had its second key sales tax update with our consultants to understand the impacts experienced with the COVID-19 pandemic during our first full quarter for the period July through September. The chart below summarizes the sales tax receipts by major industry groups and compares the amounts received in prior fiscal year for the same quarter.

**Chart 1 - Q1 (July-September) Sales Tax Comparison**



Overall sales tax activity has increased by \$196,492 or 12% for a total of \$1.8 million when compared to the prior year's first quarter total of \$1.7 million. This increase is driven primarily by growth in general consumer goods and increase share of the county pool, which includes online sales. While there is an increase overall, specific industry groups continue to be impacted by the pandemic in the first quarter. Specifically, fuel and service stations and restaurants and hotels as whole continue to experience major impacts. Fuel and service stations were down 36.1% and restaurants and hotels were down 20.9%. The City's share of the county pool had the greatest increase at 43.8%, which helped offset the declines experienced.

Based on current actual data experienced in the first quarter and revised estimates provided by the City's consultants, HDL, sales tax is projected at \$6.9 million, an



approximate \$1 million increase from the City's original budget estimate of \$5.9 million assumed in June 2020 as seen in the table below.

**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%
<b>Sales Tax Total</b>	<b>\$ 6,735,609</b>	<b>\$ 5,927,500</b>	<b>\$ 6,968,500</b>
<i>18/19 Baseline \$ Change</i>	<i>\$ (258,595)</i>	<i>\$ (1,066,704)</i>	<i>\$ (25,704)</i>
<i>18/19 Baseline \$% Change</i>	<i>-3.7%</i>	<i>-15.3%</i>	<i>-0.4%</i>

Staff is continuing to analyze the specific impacts to the City's sales tax base, and is recommending increasing its sales tax revenues to \$6,400,000, an increase of **\$472,500**, due to the higher than anticipated revenues received in the first quarter and current data. Current projections are indicating faster recovery of sales tax revenue, mostly driven by general consumer goods and increased share of county pools, which mostly derive from online sales. Staff will have its next key sales tax meeting update in April 2021, which will cover the actual activity experienced for the October through December period.

### **Transient Occupancy Tax (TOT)**

The City's TOT is projected to be the third largest General Fund revenue source at 24.01% 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 overnight stays 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 July through December. Based on actual receipts received by December 30, 2020, TOT revenues of \$3.2 million were down 33.8% when compared to the same period in the prior year. The revenues reflected represent TOT activity through November, due to the timing of when TOT is remitted. This decrease is due to the ongoing impacts of the pandemic, resulting ongoing lower occupancy levels.

Staff has prepared the following chart for informational purposes. Table 6 summarizes TOT revenues by month in comparison to the same month in prior years.

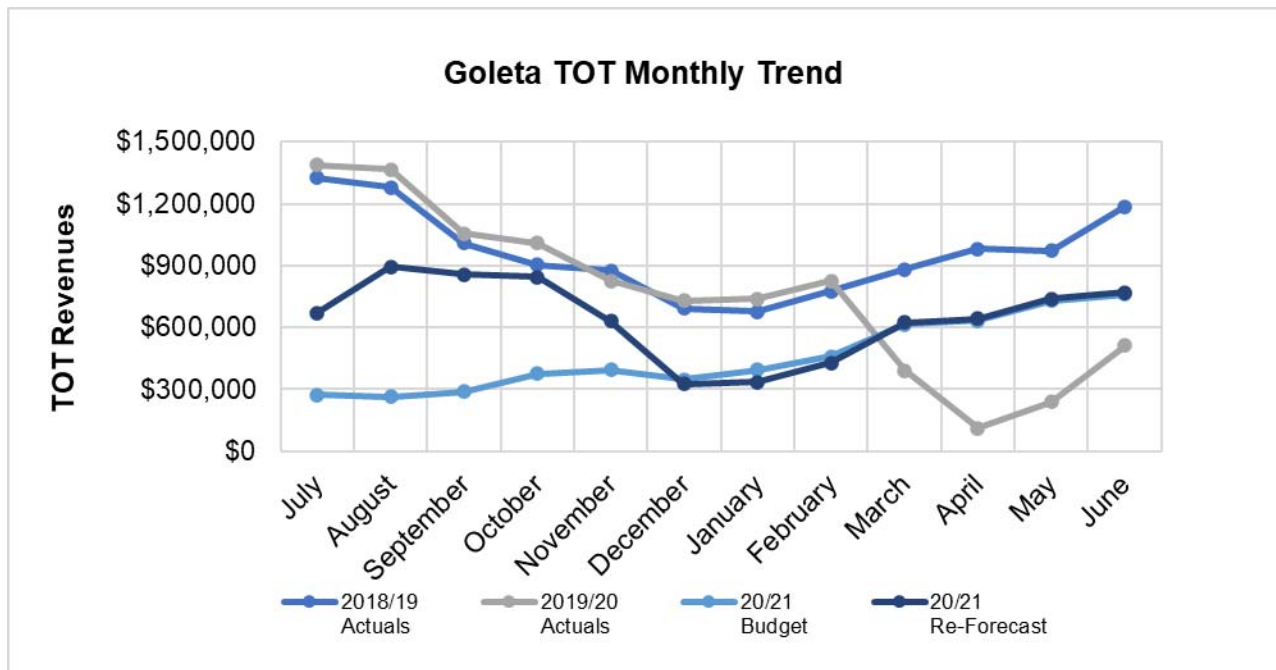
**Table 6 – TOT Revenues for the First Six Months of FY 2020/21 (Accrual Basis)**

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	\$ 669,922	\$ (719,773)	-51.8%
August	\$ 1,278,046	\$ 1,365,353	\$ 894,806	\$ (470,547)	-34.5%
September	\$ 1,010,472	\$ 1,057,156	\$ 858,289	\$ (198,867)	-18.8%
October	\$ 904,428	\$ 1,008,713	\$ 845,369	\$ (163,344)	-16.2%
November	\$ 875,203	\$ 826,170	\$ 630,184	\$ (195,987)	-23.7%
December	\$ 692,371	\$ 731,050	\$ 325,216	\$ (405,834)	-55.5%
<b>Total</b>	<b>\$ 6,086,133</b>	<b>\$ 6,378,137</b>	<b>\$ 4,223,785</b>	<b>\$ (2,154,352)</b>	<b>-33.8%</b>

Through the end of December 2020, TOT revenues of \$4.2 million were down \$2.2 million or 33.8% in comparison to the same period of the prior year of \$6.4 million. When comparing the current TOT budget estimate of \$5.5 million, TOT revenues of \$4.2 million are trending above targeted levels of 50% at 76.4% of budget, with approximately six months left of the fiscal year to be reported.

The following charts and table show how the City's TOT is trending on a monthly basis comparing the last two fiscal year actuals, the current budget, and an updated FY 20/21 forecast of TOT based on current fiscal year actuals from July through December. The January through June periods have been revised and reflect an average occupancy level of 53% and an average daily rate of \$240.

**Chart 2 – TOT Monthly Trend**





**Table 7 – TOT Monthly Trend**

Month	2018/19 Actuals	2019/20 Actuals	20/21 Budget	20/21 Re-Forecast	\$ Variance
July	\$ 1,325,613	\$ 1,389,695	\$ 272,066	\$ 669,922	\$ 397,856
August	\$ 1,278,046	\$ 1,365,353	\$ 262,349	\$ 894,806	\$ 632,457
September	\$ 1,010,472	\$ 1,057,156	\$ 287,973	\$ 858,289	\$ 570,316
October	\$ 904,428	\$ 1,008,713	\$ 374,091	\$ 845,369	\$ 471,278
November	\$ 875,203	\$ 826,170	\$ 394,934	\$ 630,184	\$ 235,250
December	\$ 692,371	\$ 731,050	\$ 348,584	\$ 325,216	\$ (23,368)
January	\$ 677,067	\$ 740,150	\$ 393,524	\$ 335,180	\$ (58,344)
February	\$ 777,694	\$ 826,479	\$ 460,757	\$ 427,889	\$ (32,867)
March	\$ 883,099	\$ 391,077	\$ 614,577	\$ 622,594	\$ 8,016
April	\$ 982,306	\$ 111,640	\$ 633,541	\$ 641,298	\$ 7,758
May	\$ 972,262	\$ 238,349	\$ 728,748	\$ 737,493	\$ 8,745
June	\$ 1,185,351	\$ 511,608	\$ 761,659	\$ 770,122	\$ 8,463
<b>Total</b>	<b>\$ 11,563,912</b>	<b>\$ 9,197,440</b>	<b>\$ 5,532,804</b>	<b>\$ 7,758,363</b>	<b>\$ 2,225,559</b>
<b>Rounded</b>			<b>\$ 5,530,000</b>	<b>\$ 7,750,000</b>	<b>\$ 2,220,000</b>

The updated forecast projects TOT revenues at \$7.8 million or approximately \$2.2 million higher than the original budget estimate of \$5.5 million. This is largely due to the higher than anticipated revenues received in July through November. Revenues are expected to fall short of the budget estimate for the months of December, January, and February due to the second stay-at-home order issued in that time period. Since the order was lifted, February occupancy levels have been reported to be on the rise, though primarily on weekends. Staff anticipates a slow increase in occupancy from an average of 49% in February to reach an average occupancy of 60% by June. Given the ongoing volatility and uncertainty, staff does not recommend a revenue adjustment at this time and will continue to monitor the situation and review again at third quarter in early May.

### **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 8 below.

**Table 8 – 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 issued eight licenses and four other applications are in the review process. When excluding businesses with multiple locations, there are currently seven cannabis business operators and all seven operators are now reporting cannabis business tax revenues. Cannabis business tax payments are due quarterly by the end of the following month (e.g., July through September, is due by October 30). Due to the timing this quarterly report reflects receipts received by December 31, 2020, which were approximately \$547,000. This amount accounts for tax revenues for the July through September period. Staff has since received additional revenues for October through December, and the City has now received a grand total of approximately \$1.02 million. The next quarter's tax payment for the January through March period is due by end of April. The current actual tax revenues received greatly exceed original budget estimates of \$81,600. Now that staff has more information and data to develop a more accurate forecast, staff is recommending increasing cannabis business tax revenues by **\$1,318,400** for a total of \$1.4 million, which is a conservative estimate based on prior year quarter actuals. The updated forecast projects cannabis tax revenues to range from \$1.4 million to \$2.5 million. During first quarter cannabis revenues were projected to range from \$1 million to \$2 million.

Given the ongoing volatility and uncertainty around this new revenue source, staff will revise estimates at third quarter if warranted as businesses become operational. The recommended increase does not account for additional new revenue the other four applications in review will generate when licensed. Due to current experience with newly licensed operators, there may be delays when a cannabis business begins to fully operate.

Table 9 summarizes the approved Cannabis Business License Operators as of the date preparing this report and the pending applicants in process.

**Table 9 – 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

Staff anticipates at least two of the pending applicants to be licensed in early March. Other potential applicants not shown on this list 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 second quarter totaled \$369,891, 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 10 summarizes the primary revenue accounts within the Licenses and Service Charges category.

**Table 10 – 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	706	1,000	-	0.0%	-100.0%
Planning Fees	98,430	54,735	100,000	54,213	54.2%	-1.0%
Planning Deposits Earned	254,711	115,922	130,000	136,837	105.3%	18.0%
Building Permits	627,244	449,911	500,000	198,571	39.7%	-55.9%
Public Works Deposits Earned	69,413	36,437	58,000	21,257	36.6%	-41.7%
PW/Engineering Fees	63,314	31,329	65,000	51,397	79.1%	64.1%
Solid Waste Roll Off Fees	32,942	16,068	35,000	12,233	35.0%	-23.9%
Business License	340,718	163,697	332,000	156,696	47.2%	-4.3%
Plan Check Fees	259,137	192,809	200,000	79,551	39.8%	-58.7%
Other Licenses & Charges	75,422	73,475	76,400	118	0.2%	-99.8%
<b>TOTAL</b>	<b>\$ 1,823,082</b>	<b>\$ 1,135,089</b>	<b>\$ 1,497,400</b>	<b>\$ 710,872</b>	<b>47.5%</b>	<b>-37.4%</b>

Through the end of the second quarter, revenues are tracking as expected against the current budget at 47.5%. In comparison to prior year actuals during the same period, revenues are down 37.4%. This is primarily due to higher building permit and plan check activity experienced in the prior year and timing of recognizing library management fees.

### 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 \$29,088 were at 19.7% of budget estimates of \$148,000. In comparison to the same period last year, overall revenues are down 60.6%, 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 third quarter 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%).

Through the end of the second quarter, interest and rent income of \$85,771 was at 27.4% of the total budget. In comparison to prior year for the same quarter, revenues were down 67.8%. The overall decrease is due to a reduction in interest earnings and shifts to when interest is paid out due to the City's investment program. The City also held a 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.

### 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 second quarter totaled \$78,337 and were at 20.6% of the total budgeted amount of \$381,100. In comparison to prior year for the same quarter, revenues decreased by 32.4% or \$37,531 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 (MVLF), Friends of the Library donations, one-time donations, and miscellaneous revenues. Revenues were at \$15,469 by the end of the second quarter or approximately 10% of the total budgeted amount of \$67,000. In comparison to prior year for the same quarter, revenues increased by 25.6%.

### **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 \$15,695 or 42.2% 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 \$29.8 million. Total expenditures through the second quarter should be about 50% of the budget, assuming the timing of expenditures is consistent throughout the year. By the end of the second quarter of FY 20/21, total expenditures of \$12.25 million were at 41.1% of the total budgeted amount. In comparison to prior year for the same quarter, expenditures were up 4.2%.

Staff have reviewed their budgets and have determined there were a number of unanticipated costs experienced through the second quarter and are recommending various new appropriations described further below.

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 Q2 (December 31)**

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	3,024,318	5,808,921	2,553,402	44.0%	-15.6%
Library	352,834	207,773	374,340	154,974	41.4%	-25.4%
Finance	978,992	495,977	970,515	452,725	46.6%	-8.7%
Planning & Env. Review	3,635,871	1,685,558	4,054,186	1,408,667	34.7%	-16.4%
Public Works	4,427,725	2,046,966	5,335,224	1,822,389	34.2%	-11.0%
Neighborhood Services	1,975,908	1,132,589	2,607,900	1,197,463	45.9%	5.7%
Public Safety	7,452,279	3,073,460	7,762,900	3,605,887	46.5%	17.3%
Non-Departmental	845,484	7,888	851,000	7,784	0.9%	-1.3%
Capital Improvement Projects	681,884	82,192	2,048,307	1,048,523	51.2%	1175.7%
<b>Total Expenditures</b>	<b>\$ 25,501,161</b>	<b>\$ 11,756,721</b>	<b>\$ 29,813,293</b>	<b>\$ 12,251,814</b>	<b>41.1%</b>	<b>4.2%</b>

All departments were within range of their overall allocated budgets as of December 31, 2020. Provided in Attachment 2 of this report is a “Budget to Actuals” comparison of the Departments’ divisions and programs. Some of the significant variances for the departments’ programs are noted below along with recommended adjustments. The following recommended appropriations are described below by each department. Any of the costs associated with the COVID-19 pandemic will continue to be tracked and submitted for possible reimbursement.

## 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 impacts of the temporary hiring freeze, the Incode 10 software upgrade, operating in a remote environment and increased volume of transactions have resulted in staff incurring continued over-time. It was mentioned in first quarter that the Accounting Specialist position was one of the critical positions identified as an urgent need to address workload capacity issues as the position provides citywide support in mainly processing accounts payable. The volume of vendors and transactions have increased overtime, and additional tasks are needed of the position due to the financial software upgrade and transitioning to an electronic process. The workload demands require one hundred percent of a staff person’s time to effectively manage and process invoices in a timely manner. Finance staff has currently been shifting duties, priorities and deferring tasks and reports in efforts to try and keep up with assignments, resulting in significant backlog and response time for support to other departments. Due to the timing, approximately \$33,400 is needed through the end of the fiscal year to support this position. Additionally, the City has received unanticipated unemployment claims from the state and is estimating costs at \$17,700. Finance staff is continuing to work with HR and the City Manager’s Office to ensure the claims are valid. Due to the actual costs incurred, staff is recommending an increase of \$17,700 to support these unanticipated claims. Staff is recommending an overall additional appropriation of **\$51,100**.



## Planning and Environment Review (PER)

For the Planning Commission and Design Review Board program budgets, staff is requesting additional budget of \$10,000 to support ongoing advertising costs. This also includes increase noticing in the Independent and Spanish translations.

Sustainability is requesting an appropriation of \$4,000 related to the EV charger at the Camino Real Marketplace. There is offsetting revenue for the same amount. These adjustments are recommended to properly recognize the transaction. Staff is recommending an overall additional appropriation of **\$14,000**.

## 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	616,282			616,282		616,282
Compensated Leave	315,942			315,942		315,942
Building Maintenance	-			-		-
Risk Management	200,000			200,000		200,000
Litigation Defense Fund	300,000			300,000		300,000
Contingency	8,532,205	-		8,532,205		8,532,205
Street Maintenance	-			-		-
Sustainability	292,500	1,500	(29,107)	264,893		264,893
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	12,846,217	-	(3,989,200)	8,857,017	1,865,800	10,722,817
<b>Total</b>	<b>27,277,950</b>	<b>\$ 1,500</b>	<b>\$ (6,784,793)</b>	<b>\$ 20,494,657</b>	<b>\$ 1,865,800</b>	<b>\$ 22,360,457</b>

As shown above, the revised estimated FY 2020/21 fund balance is projected at \$22.4 million as of June 30, 2021. The recommended revenue and expenditure budget adjustments result in a net change in fund balance of \$1.9 million. This increase is primarily due to the increased revenues associated with cannabis business tax revenues. The unassigned fund balance is now estimated at \$10.7 million and is comprised of 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 quarter are at \$391,464 or 50.2% 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 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 quarter are at \$202,268 or 35.4% 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 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 quarter are at \$766,033 or 49.1% 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 quarter \$711,169 has been expended.

### **Recommended Budget Amendments for Special Revenue Funds:**

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) are found in Attachment 5 – Exhibit A.

**Table 13 – Summary of Recommended Budget Adjustments for Special Revenue Funds**

Program/Project Name	Fund	Appropriation Requests	Funding Source	Description
Street Maintenance	205	\$30,000.00	Measure A	Public Works is currently in the process of removing 30 dead/diseased trees. \$30,000 to cover removals.
Buellton Library	236	\$2,200.00	Misc. Grants Library	To cover Kanopy, Hoopla charges, and audit and visual materials.
Advance Planning	319	\$345,386.00	HCD State Fund	\$150,000 - LEAP Grant, \$195,386 - REAP Grant
Capital Improvement Projects	409	\$40,000.00	OTS Grant	OTS grant for Bicycle and Pedestrian Safety Education (Agreement with

### **FINANCE COMMITTEE REVIEW:**

The Finance Committee met to review the Fiscal Year 2020/21 Second Quarter Financial Review Report on February 24, 2021.

### **FISCAL IMPACTS:**

#### **General Fund**

The recommended General Fund budget adjustment results in a net increase of \$1.9 million to the overall fund balance of the General Fund. Revenues are recommended for an increase of \$1.9 million and expenditures an increase of \$93,100. Additional details of the accounts affected by 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:

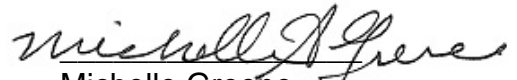
Council may elect not to adopt the attached resolution, thereby leaving the budget as previously approved; however, certain budget recommendations are necessary to meet obligations and financial reporting requirements.

### Reviewed By:



Kristine Schmidt  
Assistant City Manager

### Approved By:



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 Second 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 Six Months Ended December 31, 2020**

<b>Revenues</b>	<b>Original Budget</b>	<b>Prior Revisions</b>	<b>Current Budget</b>	<b>12/31/2020 Actuals</b>	<b>% of Budget</b>	<b>Recommended Revisions</b>	<b>Amended Budget</b>
Property Taxes	7,625,500	88,700	7,714,200	2,078,388	27%	140,000	7,854,200
Sales Taxes	5,927,500	-	5,927,500	2,622,285	44%	472,500	6,400,000
Transient Occupancy Tax	5,530,000	-	5,530,000	3,190,690	58%		5,530,000
Cannabis Tax	81,600	-	81,600	546,993	670%	1,318,400	1,400,000
Franchise Fee Tax	1,333,400	-	1,333,400	369,891	28%		1,333,400
Licenses & Service Charges	1,497,400	-	1,497,400	710,872	47%		1,497,400
Fines & Penalties	148,000	-	148,000	29,088	20%		148,000
Interest & Rent Income	282,000	30,600	312,600	85,771	27%		312,600
Reimbursements	381,100	-	381,100	78,337	21%		381,100
Other Revenues	67,000	-	67,000	15,469	23%		67,000
Transfers In Other Funds	37,200	-	37,200	15,695	42%		37,200
<b>Total Revenues</b>	<b>22,910,700</b>	<b>119,300</b>	<b>23,030,000</b>	<b>9,743,478</b>	<b>42%</b>	<b>1,930,900</b>	<b>24,960,900</b>
<b>Expenditures</b>							
General Government	5,966,210	(157,289)	5,808,921	2,553,402	44%		5,808,921
Library	374,340	-	374,340	154,974	41%		374,340
Finance	953,450	17,065	970,515	452,725	47%	51,100	1,021,615
Planning & Env. Review	3,184,350	869,836	4,054,186	1,408,667	35%	14,000	4,068,186
Public Works	4,806,800	528,424	5,335,224	1,822,389	34%		5,335,224
Neighborhood Services	2,157,900	450,000	2,607,900	1,197,463	46%		2,607,900
Public Safety	7,762,900	-	7,762,900	3,605,887	46%		7,762,900
Non-Departmental	851,000	-	851,000	7,784	1%		851,000
Capital Improvement Projects	0	2,048,307	2,048,307	1,048,523	51%		2,048,307
<b>Total Expenditures</b>	<b>26,056,950</b>	<b>3,756,343</b>	<b>29,813,293</b>	<b>12,251,814</b>	<b>41%</b>	<b>65,100</b>	<b>29,878,393</b>
<b>Net Change in Fund Balance</b>	<b>(3,146,250)</b>	<b>(3,637,043)</b>	<b>(6,783,293.0)</b>	<b>(2,508,336)</b>		<b>1,865,800</b>	<b>(4,917,493)</b>
<b>Beginning Fund Balance</b>	<b>27,277,950</b>		<b>27,277,950</b>	<b>27,277,950</b>			<b>27,277,950</b>
<b>Ending Fund Balance</b>	<b>24,131,700</b>		<b>20,494,657</b>	<b>24,769,615</b>			<b>22,360,457</b>



## **ATTACHMENT 2:**

General Fund Interim Statements by Department

**City of Goleta  
General Fund  
Interim Statement of Revenues and Expenditures  
For the Six Months Ended December 31, 2020**

Attachment 2

	Annual "Current" Budget	QTR YTD Actuals	Remaining Balance	Percent Received	Prior Year QTR YTD Actuals
<b>Taxes</b>					
Property Taxes	7,714,200	2,078,388	5,635,812	26.9%	1,969,614
Sales Taxes	5,927,500	2,622,285	3,305,215	44.2%	2,217,678
Transient Occupancy Tax	5,530,000	3,190,690	2,339,310	57.7%	4,822,502
Cannabis Tax	81,600	546,993	(465,393)	670.3%	-
Franchise Fee Tax	1,333,400	369,891	963,509	27.7%	376,749
<b>Total</b>	<b>20,586,700</b>	<b>8,808,246</b>	<b>11,778,454</b>	<b>42.8%</b>	<b>9,386,542</b>
<b>Licenses &amp; Service Charges</b>					
Legal Deposits Earned	1,000	-	1,000	0.0%	706
Planning Fees	100,000	54,213	45,787	54.2%	54,735
Planning Deposits Earned	130,000	136,837	(6,837)	105.3%	115,922
Building Permits	500,000	198,571	301,429	39.7%	449,911
Public Works Deposits Earned	58,000	21,257	36,743	36.6%	36,437
PW/Engineering Fees	65,000	51,397	13,603	79.1%	31,329
Solid Waste Roll Off Fees	35,000	12,233	22,767	35.0%	16,068
Business License	332,000	156,696	175,304	47.2%	163,697
Plan Check Fees	200,000	79,551	120,449	39.8%	192,809
Other Licenses & Charges	76,400	118	76,282	0.2%	73,475
<b>Total</b>	<b>1,497,400</b>	<b>710,872</b>	<b>786,528</b>	<b>47.5%</b>	<b>1,135,089</b>
<b>Fines and Forfeitures</b>					
Fines & Penalties	148,000	29,088	118,912	19.7%	73,744
<b>Total</b>	<b>148,000</b>	<b>29,088</b>	<b>118,912</b>	<b>19.7%</b>	<b>73,744</b>
<b>Investment Income</b>					
Interest & Rent Income	312,600	85,771	226,829	27.4%	266,301
<b>Total</b>	<b>312,600</b>	<b>85,771</b>	<b>226,829</b>	<b>27.4%</b>	<b>266,301</b>
<b>Reimbursements</b>					
Reimbursements	381,100	78,337	302,763	20.6%	115,868
<b>Total</b>	<b>381,100</b>	<b>78,337</b>	<b>302,763</b>	<b>20.6%</b>	<b>115,868</b>
<b>Other Revenues</b>					
Other Revenues	67,000	15,469	51,531	23.1%	12,317
<b>Total</b>	<b>67,000</b>	<b>15,469</b>	<b>51,531</b>	<b>23.1%</b>	<b>12,317</b>
<b>Transfers In</b>					
Transfers In Other Funds	37,200	15,695	21,505	42.2%	12,952
<b>Total</b>	<b>37,200</b>	<b>15,695</b>	<b>21,505</b>	<b>42.2%</b>	<b>12,952</b>
<b>TOTAL REVENUES</b>	<b>23,030,000</b>	<b>9,743,478</b>	<b>13,286,522</b>	<b>42.3%</b>	<b>11,002,814</b>

**City of Goleta  
General Fund  
Interim Statement of Revenues and Expenditures  
For the Six Months Ended December 31, 2020**

	<b>Annual "Current" Budget</b>	<b>QTR YTD Actuals</b>	<b>Encumbrances</b>	<b>Totals</b>	<b>Remaining Balance</b>	<b>%YTD Expended w/ Encumbr</b>
<b>General Government</b>						
City Council	428,100	234,940	-	234,940	193,160	54.9%
City Manager	1,607,700	720,662	18,425	739,087	868,613	46.0%
City Clerk	602,600	218,349	49,332	267,682	334,918	44.4%
City Attorney	913,400	417,094	218,579	635,672	277,728	69.6%
Community Relations	292,500	125,224	3,326	128,550	163,950	43.9%
Support Services	1,964,621	837,133	186,423	1,023,555	941,066	52.1%
Total	5,808,921	2,553,402	476,085	3,029,487	2,779,435	52.2%
<b>Library</b>						
Library Services	374,340	154,974	113,511	268,485	105,855	71.7%
Total	374,340	154,974	113,511	268,485	105,855	71.7%
<b>Finance</b>						
Administration	970,515	452,725	65,015	517,740	452,775	53.3%
Total	970,515	452,725	65,015	517,740	452,775	53.3%
<b>Planning &amp; Environmental Review</b>						
Administration	356,200	167,486	-	167,486	188,714	47.0%
Current Planning	1,449,460	608,969	63,808	672,777	776,683	46.4%
Building & Safety	561,500	149,419	410,581	560,000	1,500	99.7%
Advanced Planning	1,400,418	364,613	406,608	771,221	629,198	55.1%
Planning Commission	24,800	4,857	-	4,857	19,943	19.6%
Sustainability Program	231,807	113,323	31,095	144,418	87,389	62.3%
Housing Program	30,000	-	-	-	30,000	0.0%
Total	4,054,186	1,408,667	912,092	2,320,759	1,733,427	57.2%
<b>Public Works</b>						
Administration	290,200	143,155	-	143,155	147,045	49.3%
Engineering Services	1,070,633	285,893	624,820	910,713	159,921	85.1%
Facility Maintenance	149,300	75,905	49,728	125,634	23,666	84.1%
Parks & Open Spaces	1,542,187	541,004	264,060	805,064	737,123	52.2%
Capital Improvement Progra	927,123	409,900	69,640	479,540	447,583	51.7%
Street Lighting	-	-	-	-	-	-
Street Maintenance	1,355,781	366,531	911,098	1,277,629	78,152	94.2%
Solid Waste and Environmei	-	-	-	-	-	-
Total	5,335,224	1,822,389	1,919,346	3,741,734	1,593,490	70.1%
<b>Neighborhood Services</b>						
Neighborhood Services	1,736,700	711,590	388,547	1,100,137	636,563	63.3%
Economic Development	324,500	71,374	4,806	76,180	248,320	23.5%
Parks & Recreation	546,700	414,499	-	414,499	132,201	75.8%
Total	2,607,900	1,197,463	393,353	1,590,816	1,017,084	61.0%
<b>Public Safety</b>						
Public Safety	7,762,900	3,605,887	-	3,605,887	4,157,013	46.5%
Total	7,762,900	3,605,887	-	3,605,887	4,157,013	46.5%
<b>Non-Departmental</b>						
Debit Service	851,000	7,784	-	7,784	843,216	0.9%
Non-Departmental	-	-	-	-	-	-
Total	851,000	7,784	-	7,784	843,216	0.9%
<b>Capital Improvement Projects</b>						
Capital Improvement Project	2,048,307	1,048,523	611,377	1,659,900	388,407	81.0%
Total	2,048,307	1,048,523	611,377	1,659,900	388,407	81.0%
<b>TOTAL EXPENDITURES</b>	<b>29,813,293</b>	<b>12,251,814</b>	<b>4,490,777</b>	<b>16,742,591</b>	<b>13,070,702</b>	<b>56.2%</b>
<b>NET REVENUES OVER EXPENDITURES</b>	<b>(6,783,293)</b>	<b>(2,508,336)</b>				
<b>BEGINNING FUND BALANCE</b>	<b>27,277,950</b>	<b>27,277,950</b>				
<b>ENDING FUND BALANCE</b>	<b>20,494,657</b>	<b>24,769,615</b>				

### **ATTACHMENT 3:**

#### Interim Revenue and Expenditure Summary By Fund

**City of Goleta**  
**Interim Statement of Revenues and Expenditures - Summary by Fund**  
**For the Six Months Ended December 31, 2020**

Attachment 3

Description	Original Budget	Current Budget	Budget Requests	Proposed Budget	YTD Actual	Encumbrances	Totals	Percent of Current Budget
<b>101 General Fund</b>								
Revenue	22,910,700	23,030,000	1,930,900	24,960,900	9,743,478	-	9,743,478	42.3%
Expenditures	26,056,950	29,813,293	65,100	29,878,393	12,251,814	4,490,777	16,742,591	56.2%
Addition to/(use of) reserves	(3,146,250)	(6,783,293)	1,865,800	(4,917,493)	(2,508,336)	(4,490,777)	(6,999,113)	
<b>Beginning Fund Balance</b>	<b>27,277,950</b>	<b>27,277,950</b>		<b>27,277,950</b>				
<b>Ending Fund Balance</b>	<b>24,131,700</b>	<b>20,494,657</b>		<b>22,360,457</b>	<b>24,769,615</b>			
<b>201 Gas Tax</b>								
Revenue	779,500	779,500		779,500	391,464	-	391,464	50.2%
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)	391,464	(549,205)	(157,742)	
<b>Beginning Fund Balance</b>	<b>1,632,858</b>	<b>1,632,858</b>		<b>1,632,858</b>				
<b>Ending Fund Balance</b>	<b>1,652,358</b>	<b>146,739</b>		<b>146,739</b>	<b>2,024,322</b>			
<b>202 Local Transportation</b>								
Revenue	29,333	28,600		28,600	12,279	-	12,279	42.9%
Expenditures	28,097	85,127		85,127	-	11,490	11,490	13.5%
Addition to/(use of) reserves	1,236	(56,527)	-	(56,527)	12,279	(11,490)	789	
<b>Beginning Fund Balance</b>	<b>151,104</b>	<b>151,104</b>		<b>151,104</b>				
<b>Ending Fund Balance</b>	<b>152,340</b>	<b>94,577</b>		<b>94,577</b>	<b>163,383</b>			
<b>203 RMRA</b>								
Revenue	572,000	572,000		572,000	202,268	-	202,268	35.4%
Expenditures	563,000	1,098,000		1,098,000	-	-	-	0.0%
Addition to/(use of) reserves	9,000	(526,000)	-	(526,000)	202,268	-	202,268	
<b>Beginning Fund Balance</b>	<b>664,257</b>	<b>664,257</b>		<b>664,257</b>				
<b>Ending Fund Balance</b>	<b>673,257</b>	<b>138,257</b>		<b>138,257</b>	<b>866,524</b>			
<b>205 Measure A</b>								
Revenue	1,558,700	1,558,700		1,558,700	766,033	-	766,033	49.1%
Expenditures	1,522,000	3,939,332	30,000	3,969,332	711,169	1,317,549	2,028,718	51.5%
Addition to/(use of) reserves	36,700	(2,380,632)	(30,000)	(2,410,632)	54,865	(1,317,549)	(1,262,684)	
<b>Beginning Fund Balance</b>	<b>2,976,936</b>	<b>2,976,936</b>		<b>2,976,936</b>				
<b>Ending Fund Balance</b>	<b>3,013,636</b>	<b>596,304</b>		<b>566,304</b>	<b>3,031,801</b>			
<b>206 Measure A-Other</b>								
Revenue	87,725	1,105,755		1,105,755	-	-	-	0.0%
Expenditures	87,725	1,087,319		1,087,319	-	101,505	101,505	9.3%
Addition to/(use of) reserves	-	18,436	-	18,436	-	(101,505)	(101,505)	
<b>Beginning Fund Balance</b>	<b>(18,436)</b>	<b>(18,436)</b>		<b>(18,436)</b>				
<b>Ending Fund Balance</b>	<b>(18,436)</b>	<b>0</b>		<b>0</b>	<b>(18,436)</b>			
<b>208 County Per Capita - Goleta Library</b>								
Revenue	752,358	752,358		752,358	376,778	-	376,778	50.1%
Expenditures	751,858	758,107		758,107	310,480	24,354	334,833	44.2%
Addition to/(use of) reserves	500	(5,749)	-	(5,749)	66,298	(24,354)	41,945	
<b>Beginning Fund Balance</b>	<b>178,933</b>	<b>178,933</b>		<b>178,933</b>				
<b>Ending Fund Balance</b>	<b>179,433</b>	<b>173,184</b>		<b>173,184.05</b>	<b>245,231</b>			
<b>209 County Per Capita - Buellton Library</b>								
Revenue	151,499	151,499		151,499	75,893	-	75,893	50.1%
Expenditures	151,498	151,498		151,498	26,980	27,234	54,215	35.8%
Addition to/(use of) reserves	1	1	-	1	48,913	(27,234)	21,678	
<b>Beginning Fund Balance</b>	<b>40,558</b>	<b>40,558</b>		<b>40,558</b>				
<b>Ending Fund Balance</b>	<b>40,559</b>	<b>40,559</b>		<b>40,559</b>	<b>89,471</b>			
<b>210 County Per Capita - Solvang Library</b>								
Revenue	174,712	174,712		174,712	84,960	-	84,960	48.6%
Expenditures	169,561	169,561		169,561	31,045	33,760	64,804	38.2%
Addition to/(use of) reserves	5,151	5,151	-	5,151	53,915	(33,760)	20,156	
<b>Beginning Fund Balance</b>	<b>30,249</b>	<b>30,249</b>		<b>30,249</b>				
<b>Ending Fund Balance</b>	<b>35,400</b>	<b>35,400</b>		<b>35,400</b>	<b>84,164</b>			
<b>211 Solid Waste</b>								
Revenue	714,000	789,400		789,400	369,744	-	369,744	46.8%
Expenditures	973,900	1,156,485		1,156,485	232,950	205,740	438,690	37.9%
Addition to/(use of) reserves	(259,900)	(367,085)	-	(367,085)	136,794	(205,740)	(68,946)	
<b>Beginning Fund Balance</b>	<b>561,825</b>	<b>561,825</b>		<b>561,825</b>				
<b>Ending Fund Balance</b>	<b>301,925</b>	<b>194,740</b>		<b>194,740</b>	<b>698,619</b>			
<b>212 Public Safety Donations</b>								
Revenue	5,000	5,000		5,000	493	-	493	9.9%
Expenditures	-	115,212		115,212	115,212	-	115,212	1
Addition to/(use of) reserves	5,000	(110,212)	-	(110,212)	(114,720)	-	(114,720)	
<b>Beginning Fund Balance</b>	<b>145,403</b>	<b>145,403</b>		<b>145,403</b>				
<b>Ending Fund Balance</b>	<b>150,403</b>	<b>35,190</b>		<b>35,190</b>	<b>30,683</b>			

**City of Goleta**  
**Interim Statement of Revenues and Expenditures - Summary by Fund**  
**For the Six Months Ended December 31, 2020**

Attachment 3

Description	Original Budget	Current Budget	Budget Requests	Proposed Budget	YTD Actual	Encumbrances	Totals	Percent of Current Budget
<b>213 Buellton Library</b>								
Revenue	197,973	197,973		197,973	194,591	-	194,591	98.3%
Expenditures	197,972	197,972		197,972	73,719	-	73,719	37.2%
Addition to/(use of) reserves	1	1	-	1	120,872	-	120,872	
<b>Beginning Fund Balance</b>	<b>15,865</b>	<b>15,865</b>		<b>15,865</b>	<b>15,865</b>			
<b>Ending Fund Balance</b>	<b>15,866</b>	<b>15,866</b>		<b>15,866</b>	<b>136,737</b>			
<b>214 Solvang Library</b>								
Revenue	212,847	212,847		212,847	185,442	-	185,442	87.1%
Expenditures	212,100	212,100		212,100	86,671	-	86,671	40.9%
Addition to/(use of) reserves	747	747	-	747	98,771	-	98,771	
<b>Beginning Fund Balance</b>	<b>11,141</b>	<b>11,141</b>		<b>11,141</b>	<b>11,141</b>			
<b>Ending Fund Balance</b>	<b>11,888</b>	<b>11,888</b>		<b>11,888</b>	<b>109,912</b>			
<b>220 GTIP</b>								
Revenue	2,250,900	2,250,900		2,250,900	154,485	-	154,485	6.9%
Expenditures	9,136,648	18,361,662		18,361,662	785,430	3,278,862	4,064,291	22.1%
Addition to/(use of) reserves	(6,885,748)	(16,110,762)	-	(16,110,762)	(630,945)	(3,278,862)	(3,909,807)	
<b>Beginning Fund Balance</b>	<b>14,209,260</b>	<b>14,209,260</b>		<b>14,209,260</b>	<b>14,209,260</b>			
<b>Ending Fund Balance</b>	<b>7,323,512</b>	<b>(1,901,502)</b>		<b>(1,901,502)</b>	<b>13,578,315</b>			
<b>221 Parks DIF</b>								
Revenue	802,600	802,600		802,600	26,824	-	26,824	3.3%
Expenditures	2,463,257	5,551,541		5,551,541	26,183	207,193	233,376	4.2%
Addition to/(use of) reserves	(1,660,657)	(4,748,941)	-	(4,748,941)	641	(207,193)	(206,552)	
<b>Beginning Fund Balance</b>	<b>7,481,792</b>	<b>7,481,792</b>		<b>7,481,792</b>	<b>7,481,792</b>			
<b>Ending Fund Balance</b>	<b>5,821,135</b>	<b>2,732,851</b>		<b>2,732,851</b>	<b>7,482,433</b>			
<b>222 Public Facilities DIF</b>								
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	
<b>Beginning Fund Balance</b>	<b>(215,071)</b>	<b>(215,071)</b>		<b>(215,071)</b>	<b>(215,071)</b>			
<b>Ending Fund Balance</b>	<b>129,329</b>	<b>118,183</b>		<b>118,183</b>	<b>(195,719)</b>			
<b>223 Library DIF</b>								
Revenue	125,500	125,500		125,500	6,515	-	6,515	5.2%
Expenditures	40,800	90,800		90,800	123	-	123	0.1%
Addition to/(use of) reserves	84,700	34,700	-	34,700	6,392	-	6,392	
<b>Beginning Fund Balance</b>	<b>132,997</b>	<b>132,997</b>		<b>132,997</b>	<b>132,997</b>			
<b>Ending Fund Balance</b>	<b>217,697</b>	<b>167,697</b>		<b>167,697</b>	<b>139,389</b>			
<b>224 Sheriff Facilities DIF</b>								
Revenue	20,000	20,000		20,000	356	-	356	1.8%
Expenditures	-	170,849		170,849	100,100	1,144	101,244	59.3%
Addition to/(use of) reserves	20,000	(150,849)	-	(150,849)	(99,744)	(1,144)	(100,888)	
<b>Beginning Fund Balance</b>	<b>175,820</b>	<b>175,820</b>		<b>175,820</b>	<b>175,820</b>			
<b>Ending Fund Balance</b>	<b>195,820</b>	<b>24,971</b>		<b>24,971</b>	<b>76,075</b>			
<b>225 Housing in Lieu</b>								
Revenue	384,000	14,000		14,000	98,799	-	98,799	705.7%
Expenditures	25,000	25,000		25,000	25,000	-	25,000	100.0%
Addition to/(use of) reserves	359,000	(11,000)	-	(11,000)	73,799	-	73,799	
<b>Beginning Fund Balance</b>	<b>1,209,663</b>	<b>1,209,663</b>		<b>1,209,663</b>	<b>1,209,663</b>			
<b>Ending Fund Balance</b>	<b>1,568,663</b>	<b>1,198,663</b>		<b>1,198,663</b>	<b>1,283,462</b>			
<b>226 Environmental Programs</b>								
Revenue	4,000	4,000		4,000	616	-	616	15.4%
Expenditures	9,400	9,400		9,400	-	-	-	0.0%
Addition to/(use of) reserves	(5,400)	(5,400)	-	(5,400)	616	-	616	
<b>Beginning Fund Balance</b>	<b>171,824</b>	<b>171,824</b>		<b>171,824</b>	<b>171,824</b>			
<b>Ending Fund Balance</b>	<b>166,424</b>	<b>166,424</b>		<b>166,424</b>	<b>172,440</b>			
<b>229 Fire DIF</b>								
Revenue	466,330	258,100		258,100	34,887	-	34,887	13.5%
Expenditures	1,532,791	3,340,401		3,340,401	7,590	21,007	28,597	0.9%
Addition to/(use of) reserves	(1,066,461)	(3,082,301)	-	(3,082,301)	27,297	(21,007)	6,290	
<b>Beginning Fund Balance</b>	<b>3,121,162</b>	<b>3,121,162</b>		<b>3,121,162</b>	<b>3,121,162</b>			
<b>Ending Fund Balance</b>	<b>2,054,701</b>	<b>38,861</b>		<b>38,861</b>	<b>3,148,458</b>			
<b>230 Long Range Development Plan (LRDP)</b>								
Revenue	2,039,600	2,039,600		2,039,600	388	-	388	0.0%
Expenditures	-	1,529,306		1,529,306	-	-	-	0.0%
Addition to/(use of) reserves	2,039,600	510,294	-	510,294	388	-	388	
<b>Beginning Fund Balance</b>	<b>190,045</b>	<b>190,045</b>		<b>190,045</b>	<b>190,045</b>			
<b>Ending Fund Balance</b>	<b>2,229,645</b>	<b>700,338</b>		<b>700,338</b>	<b>190,433</b>			



**City of Goleta**  
**Interim Statement of Revenues and Expenditures - Summary by Fund**  
**For the Six Months Ended December 31, 2020**

Attachment 3

Description	Original Budget	Current Budget	Budget Requests	Proposed Budget	YTD Actual	Encumbrances	Totals	Percent of Current Budget
<b>231 Developer Agreements</b>								
Revenue	46,100	10,000		10,000	2,213	-	2,213	22.1%
Expenditures	-	270,000		270,000	-	-	-	0.0%
Addition to/(use of) reserves	46,100	(260,000)	-	(260,000)	2,213	-	2,213	
<b>Beginning Fund Balance</b>	<b>616,788</b>	<b>616,788</b>		<b>616,788</b>	<b>616,788</b>			
<b>Ending Fund Balance</b>	<b>662,888</b>	<b>356,788</b>		<b>356,788</b>	<b>619,001</b>			
<b>232 County Fire DIF</b>								
Revenue	-	978,039		978,039	-	-	-	0.0%
Expenditures	-	977,904		977,904	19,196	513,814	533,010	54.5%
Addition to/(use of) reserves	-	135	-	135	(19,196)	(513,814)	(533,010)	
<b>Beginning Fund Balance</b>	<b>(135)</b>	<b>(135)</b>		<b>(135)</b>	<b>(135)</b>			
<b>Ending Fund Balance</b>	<b>(135)</b>	<b>-</b>		<b>-</b>	<b>(19,331)</b>			
<b>233 OBF-SCE</b>								
Revenue	500,000	1,200,000		1,200,000	-	-	-	
Expenditures	500,000	1,200,000		1,200,000	-	-	-	
Addition to/(use of) reserves	-	-	-	-	-	-	-	
<b>Beginning Fund Balance</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>			
<b>Ending Fund Balance</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>			
<b>234 Storm Drain Facilities</b>								
Revenue	143,600	143,600		143,600	3,651	-	3,651	2.5%
Expenditures	-	-		-	-	-	-	#DIV/0!
Addition to/(use of) reserves	143,600	143,600	-	143,600	3,651	-	3,651	
<b>Beginning Fund Balance</b>	<b>3,698</b>	<b>3,698</b>		<b>3,698</b>	<b>3,698</b>			
<b>Ending Fund Balance</b>	<b>147,298</b>	<b>147,298</b>		<b>147,298</b>	<b>7,349</b>			
<b>235 Bicycle &amp; Pedestrian Facilities</b>								
Revenue	123,400	123,400		123,400	3,139	-	3,139	
Expenditures	-	-		-	-	-	-	
Addition to/(use of) reserves	123,400	123,400	-	123,400	3,139	-	3,139	
<b>Beginning Fund Balance</b>	<b>3,223</b>	<b>3,223</b>		<b>3,223</b>	<b>3,223</b>			
<b>Ending Fund Balance</b>	<b>126,623</b>	<b>126,623</b>		<b>126,623</b>	<b>6,362</b>			
<b>236 Misc Grants Library</b>								
Revenue	-	8,785	2,200	10,985	2,200	-	2,200	
Expenditures	-	19,372	2,200	21,572	8,615	-	8,615	
Addition to/(use of) reserves	-	(10,587)	-	(10,587)	(6,415)	-	(6,415)	
<b>Beginning Fund Balance</b>	<b>38,395</b>	<b>38,395</b>		<b>38,395</b>	<b>38,395</b>			
<b>Ending Fund Balance</b>	<b>38,395</b>	<b>27,807</b>		<b>27,807</b>	<b>31,980</b>			
<b>301 State Park Grant</b>								
Revenue	-	-		-	-	-	-	#DIV/0!
Expenditures	-	-		-	-	-	-	#DIV/0!
Addition to/(use of) reserves	-	-	-	-	-	-	-	
<b>Beginning Fund Balance</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>			
<b>Ending Fund Balance</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>			
<b>302 Public Safety Fund COPS</b>								
Revenue	125,000	156,700		156,700	92,219	-	92,219	58.9%
Expenditures	125,000	156,700		156,700	156,700	-	156,700	100.0%
Addition to/(use of) reserves	-	-	-	-	(64,481)	-	(64,481)	
<b>Beginning Fund Balance</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>			
<b>Ending Fund Balance</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>(64,481)</b>			
<b>304 Solid Waste Fund Recycle</b>								
Revenue	8,000	8,000		8,000	100	-	100	1.2%
Expenditures	8,000	8,000		8,000	-	4,434	4,434	55.4%
Addition to/(use of) reserves	-	-	-	-	100	(4,434)	(4,334)	
<b>Beginning Fund Balance</b>	<b>27,780</b>	<b>27,780</b>		<b>27,780</b>	<b>27,780</b>			
<b>Ending Fund Balance</b>	<b>27,780</b>	<b>27,780</b>		<b>27,780</b>	<b>27,880</b>			
<b>305 RSTP State Grant</b>								
Revenue	2,400	567,715		567,715	-	-	-	0.0%
Expenditures	-	404,626		404,626	-	427,441	427,441	105.6%
Addition to/(use of) reserves	2,400	163,089	-	163,089	-	(427,441)	(427,441)	
<b>Beginning Fund Balance</b>	<b>(25,875)</b>	<b>(25,875)</b>		<b>(25,875)</b>	<b>(25,875)</b>			
<b>Ending Fund Balance</b>	<b>(23,475)</b>	<b>137,214</b>		<b>137,214</b>	<b>(25,875)</b>			
<b>306 LSTP</b>								
Revenue	116,500	234,770		234,770	-	-	-	0.0%
Expenditures	116,500	234,770		234,770	-	-	-	0.0%
Addition to/(use of) reserves	-	-	-	-	-	-	-	
<b>Beginning Fund Balance</b>	<b>444</b>	<b>444</b>		<b>444</b>	<b>444</b>			
<b>Ending Fund Balance</b>	<b>444</b>	<b>444</b>		<b>444</b>	<b>444</b>			

**City of Goleta**  
**Interim Statement of Revenues and Expenditures - Summary by Fund**  
**For the Six Months Ended December 31, 2020**

Attachment 3

Description	Original Budget	Current Budget	Budget Requests	Proposed Budget	YTD Actual	Encumbrances	Totals	Percent of Current Budget
<b>308 STIP</b>								
Revenue	5,074,452	11,457,827		11,457,827	-	-	-	0.0%
Expenditures	5,074,352	11,443,033		11,443,033	-	-	-	0.0%
Addition to/(use of) reserves	100	14,794	-	14,794	-	-	-	
<b>Beginning Fund Balance</b>	<b>(4,309)</b>	<b>(4,309)</b>		<b>(4,309)</b>	<b>(4,309)</b>			
<b>Ending Fund Balance</b>	<b>(4,209)</b>	<b>10,485</b>		<b>10,485</b>	<b>(4,309)</b>			
<b>311 Misc. Grants</b>								
Revenue	-	4,494		4,494	4,416	-	4,416	98.3%
Expenditures	-	12,054		12,054	2,105	-	2,105	17.5%
Addition to/(use of) reserves	-	(7,561)	-	(7,561)	2,311	-	2,311	
<b>Beginning Fund Balance</b>	<b>8,079</b>	<b>8,079</b>		<b>8,079</b>	<b>8,079</b>			
<b>Ending Fund Balance</b>	<b>8,079</b>	<b>519</b>		<b>519</b>	<b>10,390</b>			
<b>313 Prop 84 IRWMP</b>								
Revenue	-	-		-	-	-	-	0.0%
Expenditures	-	-		-	-	-	-	0.0%
Addition to/(use of) reserves	-	-	-	-	-	-	-	
<b>Beginning Fund Balance</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>			
<b>Ending Fund Balance</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>			
<b>314 Sustainable Community Grant</b>								
Revenue	-	-		-	-	-	-	#DIV/0!
Expenditures	-	-		-	-	-	-	#DIV/0!
Addition to/(use of) reserves	-	-	-	-	-	-	-	
<b>Beginning Fund Balance</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>			
<b>Ending Fund Balance</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>			
<b>317 SSARP Grant</b>								
Revenue	-	225,000		225,000	-	-	-	0.0%
Expenditures	-	29,850		29,850	1,672	17,968	19,640	65.8%
Addition to/(use of) reserves	-	195,150	-	195,150	(1,672)	(17,968)	(19,640)	
<b>Beginning Fund Balance</b>	<b>(195,150)</b>	<b>(195,150)</b>		<b>(195,150)</b>	<b>(195,150)</b>			
<b>Ending Fund Balance</b>	<b>(195,150)</b>	<b>-</b>		<b>-</b>	<b>(196,822)</b>			
<b>318 Active Transportation Program - State</b>								
Revenue	2,669,000	4,524,379		4,524,379	-	-	-	0.0%
Expenditures	2,669,000	3,147,775		3,147,775	453,530	16,169	469,699	14.9%
Addition to/(use of) reserves	-	1,376,604	-	1,376,604	(453,530)	(16,169)	(469,699)	
<b>Beginning Fund Balance</b>	<b>(1,376,604)</b>	<b>(1,376,604)</b>		<b>(1,376,604)</b>	<b>(1,376,604)</b>			
<b>Ending Fund Balance</b>	<b>(1,376,604)</b>	<b>-</b>		<b>-</b>	<b>(1,830,134)</b>			
<b>319 Housing &amp; Community Development State Fund</b>								
Revenue	-	-	345,386	345,386	-	-	-	#DIV/0!
Expenditures	-	5,364	345,386	350,750	-	-	-	0.0%
Addition to/(use of) reserves	-	(5,364)	-	(5,364)	-	-	-	
<b>Beginning Fund Balance</b>	<b>5,364</b>	<b>5,364</b>		<b>5,364</b>	<b>5,364</b>			
<b>Ending Fund Balance</b>	<b>5,364</b>	<b>-</b>		<b>(0)</b>	<b>5,364</b>			
<b>320 Cal OES</b>								
Revenue	-	-		-	-	-	-	0.0%
Expenditures	-	-		-	-	-	-	0.0%
Addition to/(use of) reserves	-	-	-	-	-	-	-	
<b>Beginning Fund Balance</b>	<b>14,231</b>	<b>14,231</b>		<b>14,231</b>	<b>14,231</b>			
<b>Ending Fund Balance</b>	<b>14,231</b>	<b>14,231</b>		<b>14,231</b>	<b>14,231</b>			
<b>321 TIRCP</b>								
Revenue	571,000	1,168,349		1,168,349	126,773	-	126,773	
Expenditures	571,000	1,041,627		1,041,627	224,268	246,341	470,610	
Addition to/(use of) reserves	-	126,723	-	126,723	(97,495)	(246,341)	(343,837)	
<b>Beginning Fund Balance</b>	<b>(126,723)</b>	<b>(126,723)</b>		<b>(126,723)</b>	<b>(126,723)</b>			
<b>Ending Fund Balance</b>	<b>(126,723)</b>	<b>-</b>		<b>-</b>	<b>(224,218)</b>			
<b>322 MBHMP</b>								
Revenue	1,000,000	3,898,450		3,898,450	-	-	-	
Expenditures	1,000,000	3,786,158		3,786,158	2,140	6,958	9,098	
Addition to/(use of) reserves	-	112,292	-	112,292	(2,140)	(6,958)	(9,098)	
<b>Beginning Fund Balance</b>	<b>(112,292)</b>	<b>(112,292)</b>		<b>(112,292)</b>	<b>(112,292)</b>			
<b>Ending Fund Balance</b>	<b>(112,292)</b>	<b>(0)</b>		<b>(0)</b>	<b>(114,432)</b>			
<b>323 Cal OES PSPS Grant</b>								
Revenue	-	-		-	-	-	-	
Expenditures	-	100,945		100,945	-	19,987	19,987	
Addition to/(use of) reserves	-	(100,945)	-	(100,945)	-	(19,987)	(19,987)	
<b>Beginning Fund Balance</b>	<b>100,945</b>	<b>100,945</b>		<b>100,945</b>	<b>100,945</b>			
<b>Ending Fund Balance</b>	<b>100,945</b>	<b>-</b>		<b>-</b>	<b>100,945</b>			

**City of Goleta**  
**Interim Statement of Revenues and Expenditures - Summary by Fund**  
**For the Six Months Ended December 31, 2020**

Attachment 3

Description	Original Budget	Current Budget	Budget Requests	Proposed Budget	YTD Actual	Encumbrances	Totals	Percent of Current Budget
<b>324 California Planning Program Grant</b>								
Revenue	-	160,000		160,000	-	-	-	
Expenditures	-	160,000		160,000	16,833	133,168	150,000	
Addition to/(use of) reserves	-	-	-	-	(16,833)	(133,168)	(150,000)	
<b>Beginning Fund Balance</b>	-	-		-	-			
<b>Ending Fund Balance</b>	-	-		-	(16,833)			
<b>325 Isla Vista Library Grant</b>								
Revenue	-	200,000		200,000	200,000	-	200,000	
Expenditures	-	200,000		200,000	-	-	-	
Addition to/(use of) reserves	-	-	-	-	200,000	-	200,000	
<b>Beginning Fund Balance</b>	-	-		-	-			
<b>Ending Fund Balance</b>	-	-		-	200,000			
<b>401 HBP</b>								
Revenue	10,750,000	16,304,774		16,304,774	248,993	-	248,993	1.5%
Expenditures	10,750,000	16,005,371		16,005,371	166,499	118,097	284,596	1.8%
Addition to/(use of) reserves	-	299,402	-	299,402	82,494	(118,097)	(35,603)	
<b>Beginning Fund Balance</b>	(299,402)	(299,402)		(299,402)	(299,402)			
<b>Ending Fund Balance</b>	(299,402)	0		0	(216,908)			
<b>402 CDBG</b>								
Revenue	178,937	763,340		763,340	14,529	-	14,529	1.9%
Expenditures	178,937	748,811		748,811	87,059	67,367	154,427	20.6%
Addition to/(use of) reserves	-	14,529	-	14,529	(72,530)	(67,367)	(139,897)	
<b>Beginning Fund Balance</b>	(11,129)	(11,129)		(11,129)	(11,129)			
<b>Ending Fund Balance</b>	(11,129)	3,400		3,400	(83,659)			
<b>409 OTS</b>								
Revenue	-	-	40,000	40,000	-	-	-	#DIV/0!
Expenditures	-	-	40,000	40,000	-	-	-	#DIV/0!
Addition to/(use of) reserves	-	-	-	-	-	-	-	
<b>Beginning Fund Balance</b>	-	-		-	-			
<b>Ending Fund Balance</b>	-	-		-	-			
<b>417 HSIP Hwy Safety Imp.</b>								
Revenue	-	195,480		195,480	-	-	-	0.0%
Expenditures	-	195,269		195,269	648	194,621	195,269	100.0%
Addition to/(use of) reserves	-	211	-	211	(648)	(194,621)	(195,269)	
<b>Beginning Fund Balance</b>	5,425	5,425		5,425	5,425			
<b>Ending Fund Balance</b>	5,425	5,636		5,636	4,777			
<b>419 TIGER</b>								
Revenue	-	6,348		6,348	1,103	-	1,103	17.4%
Expenditures	-	-		-	-	10,382	10,382	0.0%
Addition to/(use of) reserves	-	6,348	-	6,348	1,103	(10,382)	(9,279)	
<b>Beginning Fund Balance</b>	(6,348)	(6,348)		(6,348)	(6,348)			
<b>Ending Fund Balance</b>	(6,348)	-		-	(5,245)			
<b>420 FHWA - FEMA Reimb</b>								
Revenue	-	87,746		87,746	-	-	-	0.0%
Expenditures	-	87,746		87,746	-	-	-	0.0%
Addition to/(use of) reserves	-	-	-	-	-	-	-	
<b>Beginning Fund Balance</b>	58,107	58,107		58,107	58,107			
<b>Ending Fund Balance</b>	58,107	58,107		58,107	58,107			
<b>421 Hazard Mitigation Grant Program</b>								
Revenue	-	6,708		6,708	-	-	-	0.0%
Expenditures	-	1,148		1,148	-	-	-	0.0%
Addition to/(use of) reserves	-	5,560	-	5,560	-	-	-	
<b>Beginning Fund Balance</b>	(5,560)	(5,560)		(5,560)	(5,560)			
<b>Ending Fund Balance</b>	(5,560)	-		-	(5,560)			
<b>422 CARES</b>								
Revenue	-	-		-	265,909	-	265,909	0.0%
Expenditures	-	-		-	-	-	-	0.0%
Addition to/(use of) reserves	-	-	-	-	265,909	-	265,909	
<b>Beginning Fund Balance</b>	132,620	132,620		132,620	132,620			
<b>Ending Fund Balance</b>	132,620	132,620		132,620	398,529			
<b>501 Library Services</b>								
Revenue	538,100	535,700		535,700	195,434	-	195,434	36.5%
Expenditures	537,900	550,632		550,632	236,289	43,120	279,409	50.7%
Addition to/(use of) reserves	200	(14,932)	-	(14,932)	(40,855)	(43,120)	(83,976)	
<b>Beginning Fund Balance</b>	800,329	800,329		800,329	800,329			

**City of Goleta**  
**Interim Statement of Revenues and Expenditures - Summary by Fund**  
**For the Six Months Ended December 31, 2020**

Attachment 3

Description	Original Budget	Current Budget	Budget Requests	Proposed Budget	YTD Actual	Encumbrances	Totals	Percent of Current Budget
<b>Ending Fund Balance</b>	<b>800,529</b>	<b>785,397</b>		<b>785,397</b>	<b>759,474</b>			
<b>502 Street Lighting</b>								
Revenue	312,300	311,200		311,200	183,796	-	183,796	59.1%
Expenditures	354,500	400,292		400,292	32,165	13,498	45,663	11.4%
Addition to/(use of) reserves	(42,200)	(89,092)	-	(89,092)	151,631	(13,498)	138,133	
<b>Beginning Fund Balance</b>	<b>46,540</b>	<b>46,540</b>		<b>46,540</b>	<b>46,540</b>			
<b>Ending Fund Balance</b>	<b>4,340</b>	<b>(42,552)</b>		<b>(42,552)</b>	<b>198,172</b>			
<b>503 PEG</b>								
Revenue	79,000	79,000		79,000	17,948	-	17,948	22.7%
Expenditures	70,000	70,000		70,000	3,084	-	3,084	4.4%
Addition to/(use of) reserves	9,000	9,000	-	9,000	14,864	-	14,864	
<b>Beginning Fund Balance</b>	<b>257,807</b>	<b>257,807</b>		<b>257,807</b>	<b>257,807</b>			
<b>Ending Fund Balance</b>	<b>266,807</b>	<b>266,807</b>		<b>266,807</b>	<b>272,671</b>			
<b>504 CASp Cert and Training</b>								
Revenue	1,000	1,000		1,000	69	-	69	6.9%
Expenditures	-	-		-	-	-	-	0.0%
Addition to/(use of) reserves	1,000	1,000	-	1,000	69	-	69	
<b>Beginning Fund Balance</b>	<b>634</b>	<b>634</b>		<b>634</b>	<b>634</b>			
<b>Ending Fund Balance</b>	<b>1,634</b>	<b>1,634</b>		<b>1,634</b>	<b>702</b>			
<b>605 RDA Successor-NonHousing</b>								
Revenue	1,948,860	1,948,860		1,948,860	859,445	-	859,445	44.1%
Expenditures	1,633,516	1,633,516		1,633,516	769,391	-	769,391	47.1%
Addition to/(use of) reserves	315,344	315,344	-	315,344	90,054	-	90,054	
<b>Beginning Fund Balance</b>	<b>182,274</b>	<b>182,274</b>		<b>182,274</b>	<b>182,274</b>			
<b>Ending Fund Balance</b>	<b>497,618</b>	<b>497,618</b>		<b>497,618</b>	<b>272,328</b>			
<b>608 iBank</b>								
Revenue	-	10,000,000		10,000,000	10,000,000	-	10,000,000	100.0%
Expenditures	-	-		-	-	-	-	0.0%
Addition to/(use of) reserves	-	10,000,000	-	10,000,000	10,000,000	-	10,000,000	
<b>Beginning Fund Balance</b>	<b>(10,000,000)</b>	<b>(10,000,000)</b>		<b>(10,000,000)</b>	<b>(10,000,000)</b>			
<b>Ending Fund Balance</b>	<b>(10,000,000)</b>	<b>-</b>		<b>-</b>	<b>-</b>			
<b>701 Comstock Plover Endmnt</b>								
Revenue	4,000	4,000		4,000	547	-	547	13.7%
Expenditures	4,000	4,000		4,000	-	-	-	0.0%
Addition to/(use of) reserves	-	-	-	-	547	-	547	
<b>Beginning Fund Balance</b>	<b>1,263</b>	<b>1,263</b>		<b>1,263</b>	<b>1,263</b>			
<b>Ending Fund Balance</b>	<b>1,263</b>	<b>1,263</b>		<b>1,263</b>	<b>1,810</b>			
<b>801 Developer Deposit</b>								
Revenue	-	-		-	-	-	-	0.0%
Expenditures	-	-		-	-	-	-	0.0%
Addition to/(use of) reserves	-	-	-	-	-	-	-	
<b>Beginning Fund Balance</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>			
<b>Ending Fund Balance</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>			
<b>TOTAL FOR ALL FUNDS</b>								
Revenue	58,775,326	90,531,108	2,318,486	92,849,594	24,968,126		24,968,126	27.6%
Expenditures	68,275,262	113,034,694	482,686	113,517,380	16,964,659	12,103,185	29,067,844	25.7%
Addition to/(use of) reserves	(9,499,936)	(22,503,586)	1,835,800.00	(20,667,786)	8,003,467	12,103,185	(4,099,718)	
<b>Beginning Fund Balance</b>	<b>50,286,553</b>	<b>50,286,553</b>		<b>50,286,553</b>	<b>50,286,553</b>			
<b>Ending Fund Balance</b>	<b>40,786,617</b>	<b>27,782,967</b>		<b>29,618,767</b>	<b>58,290,020</b>			

**ATTACHMENT 4:**

Capital Improvement Program (CIP) Expenditure Summary

Capital Improvement Program (CIP) Expenditure Summary  
For the Six Months Ended December 31, 2020

<b>Project No. &amp; Description</b>	<b>Total Budget</b>	<b>Actuals</b>	<b>Encumbrances</b>	<b>Remaining Budget</b>
9001 Hollister Avenue Redesign	\$ 641,181	\$ 7,771	\$ 29,613	\$ 603,797
9006 Capital Improvement Projects - Neighborhood Srvs	\$ 4,268,012	\$ 86,600	\$ 1,009,213	\$ 3,172,199
9007 San Jose Creek Bike Path - Middle Segment	\$ 1,711,340	\$ 107,807	\$ 822,246	\$ 781,287
9009 San Jose Creek Channel Repair	\$ 514,404	\$ 485,460	\$ 38,277	\$ (9,333)
9025 Fire Station No. 10	\$ 4,588,305	\$ 26,786	\$ 534,820	\$ 4,026,699
9027 101 Overpass	\$ 1,690,522	\$ 518	\$ 1,145,821	\$ 544,184
9029 Cathedral Oaks Interchange Landscaping	\$ 150,573	\$ -	\$ -	\$ 150,573
9031 Old Town Sidewalk Improvement	\$ 2,600,899	\$1,774,910	\$ 735,368	\$ 90,621
9033 Hollister Avenue Bridge Replacement (SJC Phase II)	\$ 19,206,822	\$ 216,837	\$ 186,223	\$18,803,762
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	\$ 5,605	\$ 66,096	\$ 85,798
9056 LED Street Lighting Project	\$ 1,323,242	\$ 18,235	\$ 83,837	\$ 1,221,170
9058 Hollister Avenue Crosswalk Enhancement-Chapel Str	\$ 646,538	\$ 1,878	\$ 626,089	\$ 18,571
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



Capital Improvement Program (CIP) Expenditure Summary  
For the Six Months Ended December 31, 2020

Project No. & Description	Total Budget	Actuals	Encumbrances	Remaining Budget
9070 Fairview Ave at Calle Real/101 Sidewalk Infill	\$ 91,353	\$ 5,865	\$ 76,141	\$ 9,346
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	\$ 224,818	\$ 246,341	\$ 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	\$ 24,038	\$ 86,469	\$ 999,335
9086 Vision Zero Plan	\$ 10,000	\$ -	\$ -	\$ 10,000
9087 Mid-Block Crossing on Calle Real/Encina (HAWK)	\$ 187,946	\$ 399	\$ -	\$ 187,547
9088 RRFB Improvements at School Crosswalks	\$ 469,307	\$ 1,241	\$ 15,344	\$ 452,722
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	\$ 2,678	\$ 97,322	\$ 30,463
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

Capital Improvement Program (CIP) Expenditure Summary  
For the Six Months Ended December 31, 2020

Project No. & Description	Total Budget	Actuals	Encumbrances	Remaining Budget
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	\$ 2,145	\$ 62,345	\$ 788,162
9112 Ellwood Mesa/Sperling Preserve Open Space Plan	\$ 3,786,158	\$ 2,140	\$ 6,958	\$ 3,777,059
9807 Goleta Prepare Now Grant	\$ 9,839	\$ -	\$ -	\$ 9,839
9901 MIS/ERP System Implementation	\$ 405,142	\$ 7,352	\$ 41,309	\$ 356,482
9002 Ekwill Street & Fowler Extension	\$ 19,682,255	\$ 169,416	\$ 540,773	\$18,972,066
<b>Grand Total</b>	<b>\$ 73,116,659</b>	<b>\$3,274,271</b>	<b>\$ 6,599,471</b>	<b>\$63,242,917</b>

**ATTACHMENT 5:**

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

**RESOLUTION NO. 21-\_\_\_\_**

**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 March 2, 2021 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 Second Quarter Ended December 31, 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 2nd day of March, 2021.

\_\_\_\_\_  
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 2nd day  
of March, 2021, by the following vote of the Council:

AYES:       COUNCILMEMBERS

NOES:       COUNCILMEMBERS

ABSENT:     COUNCILMEMBERS

(SEAL)

\_\_\_\_\_  
DEBORAH S. LOPEZ  
CITY CLERK

Program/Project Name	Fund	Proj	Object	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	8500	40400	101-80-8500-40400	<b>140,000.00</b>	Real Property Transfer Tax	130,000.00	155,326.85	(25,326.85)	New	270,000.00	114,673.15
Non-Departmental	101	8500	40100	101-80-8500-40100	<b>472,500.00</b>	Sales Tax	5,927,500.00	2,622,284.78	3,305,215.22	New	6,400,000.00	3,777,715.22
Non-Departmental	101	8500	40300	101-80-8500-40300	<b>1,318,400.00</b>	Cannabis Tax	81,600.00	546,992.61	(465,392.61)	New	1,400,000.00	853,007.39
Buellton Library	236	2200	44701	236-20-2200-44701	<b>2,200.00</b>	Grant Proceeds - Other Agencies	-	2,200.00	(2,200.00)	New	2,200.00	-
Advance Planning	319	4300	44400	319-40-4300-44400	<b>345,386.00</b>	Grant Proceeds - State	-	-	-	New	345,386.00	345,386.00
Capital Improvement Projects	409	5500	44600	409-50-5500-44600	<b>40,000.00</b>	Grant Proceeds - Federal	-	-	-	New	40,000.00	40,000.00

Schedule of FY 2020/21  
2nd QTR Adjustments - Expenditures

Exhibit A

Program/Project Name	Fund	Proj	Object	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
Finance Administration	101	3100	50001	101-30-3100-50001	18,500.00	Salaries & Wages - Regular & Part Time	633,300.00	282,957.52	-	350,342.48	Cleanup	651,800.00	368,842.48
Finance Administration	101	3100	50101	101-30-3100-50101	3,100.00	Retirement Contributions	76,400.00	40,866.97	-	35,533.03	Cleanup	79,500.00	38,633.03
Finance Administration	101	3100	50100	101-30-3100-50100	400.00	Medicare & Social Security	11,000.00	4,562.71	-	6,437.29	Cleanup	11,400.00	6,837.29
Finance Administration	101	3100	50102	101-30-3100-50102	5,400.00	Health Plan Allowance	91,800.00	41,922.50	-	49,877.50	Cleanup	97,200.00	55,277.50
Finance Administration	101	3100	50003	101-30-3100-50003	6,000.00	Overtime	16,000.00	17,583.25	-	(1,583.25)	Cleanup	22,000.00	4,416.75
Finance Administration	101	3100	50111	101-30-3100-50111	17,700.00	Unemployment Insurance	-	5,900.00	-	(5,900.00)	Cleanup	17,700.00	11,800.00
Planning Commission & Design Review Board	101	4400	51012	101-40-4400-51012	10,000.00	Advertising	9,354.04	2,906.92	-	6,447.12	New	19,354.04	16,447.12
Sustainability	101	4500	54014	101-40-4500-54014	4,000.00	Other Charges	-	-	-	-	New	4,000.00	4,000.00
Street Maintenance	205	5800	51076	205-50-5800-51076	30,000.00	Maintenance-Traffic Signals	306,260.39	-	56,260.39	250,000.00	New	336,260.39	280,000.00
Buellton Library	236	2200	51200	236-20-2200-51200	1,100.00	Professional Services	-	-	-	-	New	1,100.00	1,100.00
Buellton Library	236	2200	51035	236-20-2200-51035	1,100.00	Books & Subscriptions	-	-	-	-	New	1,100.00	1,100.00
Advance Planning	319	4300	51200	319-40-4300-51200	345,386.00	Professional Services	-	-	-	-	New	345,386.00	345,386.00
Capital Improvement Projects	409	5500	51300	409-50-5500-51300	30,527.00	Contract Services	-	-	-	-	New	30,527.00	30,527.00
Capital Improvement Projects	409	5500	51300	409-50-5500-51300	9,473.00	Contract Services	-	-	-	-	New	9,473.00	9,473.00

## **ATTACHMENT 6**

Fiscal Year 2020/21 Second Quarter Financial Review Presentation



# Fiscal Year 2020/21 Second Quarter (Mid-Year) Financial Review

---

City of Goleta  
City Council Meeting  
March 2, 2021



# 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 December 31, 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
- ▶ Updated major revenue projections
- ▶ Finalized carryovers and updated projected fund balance and reserves through June 30, 2021
- ▶ Various budget adjustments

# General Fund Budget Summary

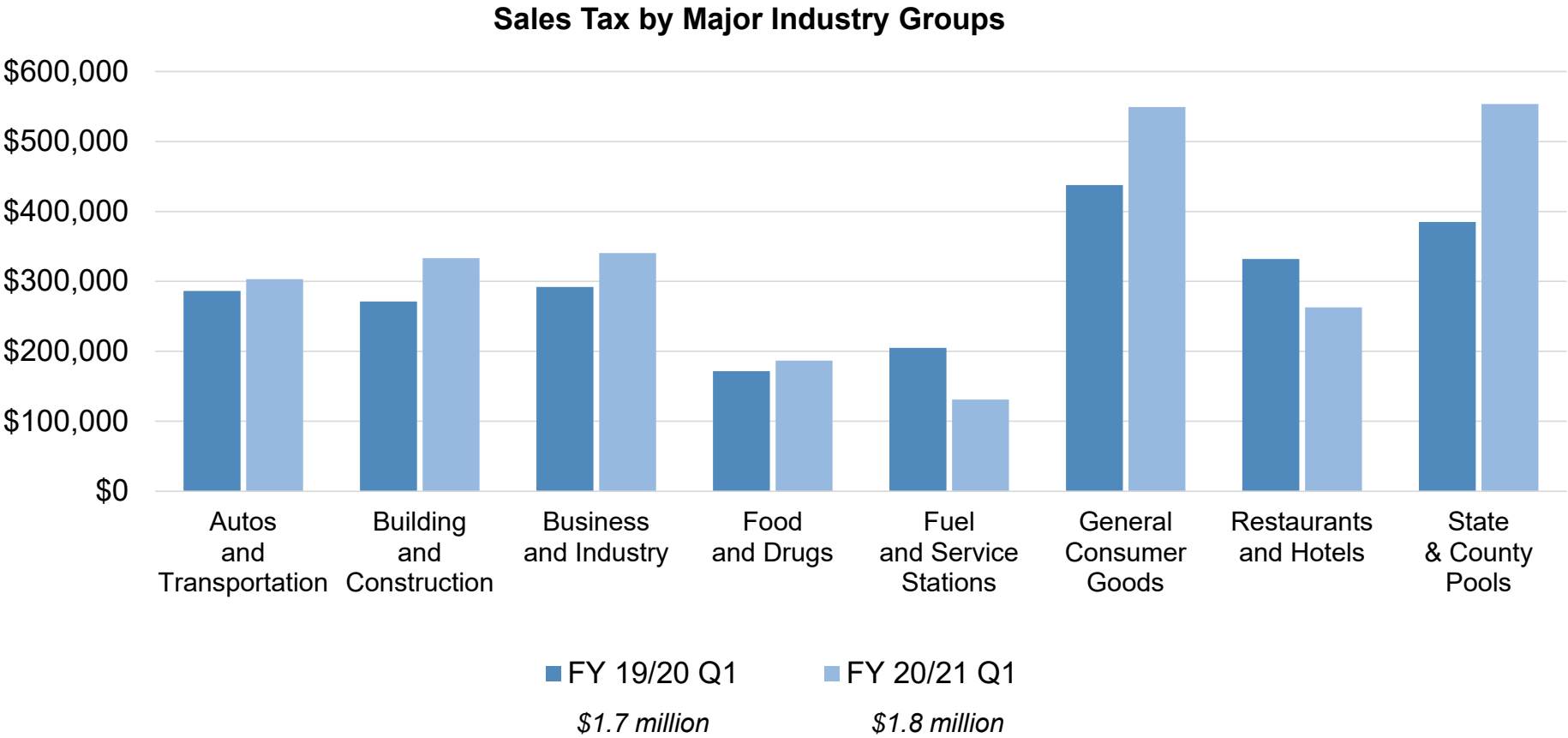
Category	2019/20 Actuals	2020/21 Adopted Budget	2020/21 Current Budget	Recommended Amendments	2020/21 Amended Budget
<b>Operating Revenues</b>	<b>\$ 28,573,830</b>	<b>\$ 22,910,700</b>	<b>\$ 23,030,000</b>	<b>\$ 1,930,900</b>	<b>\$ 24,960,900</b>
Operating Expenditures	\$ 24,686,078	\$ 26,056,950	\$ 27,764,986	\$ 65,100	\$ 27,830,086
Capital Expenditures	\$ 815,083	\$ -	\$ 2,048,307	\$ -	\$ 2,048,307
<b>Total Expenditures</b>	<b>\$ 25,501,161</b>	<b>\$ 26,056,950</b>	<b>\$ 29,813,293</b>	<b>\$ 65,100</b>	<b>\$ 29,878,393</b>
<b>Net Change to Fund Balance</b>	<b>\$ 3,072,669</b>	<b>\$ (3,146,250)</b>	<b>\$ (6,783,293)</b>	<b>\$ 1,865,800</b>	<b>\$ (4,917,493)</b>
<b>Beginning Fund Balance</b>	<b>\$ 24,092,098</b>	<b>\$ 27,277,950</b>	<b>\$ 27,277,950</b>	<b>\$ 27,277,950</b>	<b>\$ 27,277,950</b>
<b>Ending Fund Balance</b>	<b>\$ 27,277,950</b>	<b>\$ 24,131,700</b>	<b>\$ 20,494,657</b>	<b>\$ 22,360,457</b>	<b>\$ 22,360,457</b>

- *FY 2020/21 Current Budget includes FY 2019/20 carryovers of \$2.8 million and \$989,857 new budget appropriation Council has authorized since July 1st*

# 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	1,969,614	7,714,200	2,078,388	26.9%	5.5%
Sales Taxes	6,735,609	2,217,678	5,927,500	2,622,285	44.2%	18.2%
Transient Occupancy Tax	9,197,440	4,822,502	5,530,000	3,190,690	57.7%	-33.8%
Cannabis Tax	391,342	-	81,600	546,993	670.3%	0.0%
Franchise Fee Tax	1,361,348	376,749	1,333,400	369,891	27.7%	-1.8%
License & Service Charges	1,823,082	1,135,089	1,497,400	710,872	47.5%	-37.4%
Fines & Penalties	165,935	73,744	148,000	29,088	19.7%	-60.6%
Interest & Rent Income	452,665	266,301	312,600	85,771	27.4%	-67.8%
Reimbursements	471,326	115,868	381,100	78,337	20.6%	-32.4%
Other Revenues	260,453	12,317	67,000	15,469	23.1%	25.6%
Transfers In Other Funds	29,983	12,952	37,200	15,695	42.2%	21.2%
<b>Total Revenues</b>	<b>\$ 28,573,830</b>	<b>\$ 11,002,814</b>	<b>\$ 23,030,000</b>	<b>\$ 9,743,478</b>	<b>42.3%</b>	<b>-11.4%</b>

# Sales Tax – Major Industry Groups



# Sales Tax – Major Industry Groups

Major Industry Groups (Compared to Year)

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%
<b>Sales Tax Total</b>	<b>\$ 6,735,609</b>	<b>\$ 5,927,500</b>	<b>\$ 6,968,500</b>
18/19 Baseline \$ Change	\$ (258,595)	\$ (1,066,704)	\$ (25,704)
18/19 Baseline \$% Change	-3.7%	-15.3%	-0.4%

- Staff recommends increasing sales tax revenues by \$472,500 for total of \$6.4 million.
- Next key sales tax meeting in April 2021, report on actual October – December period.

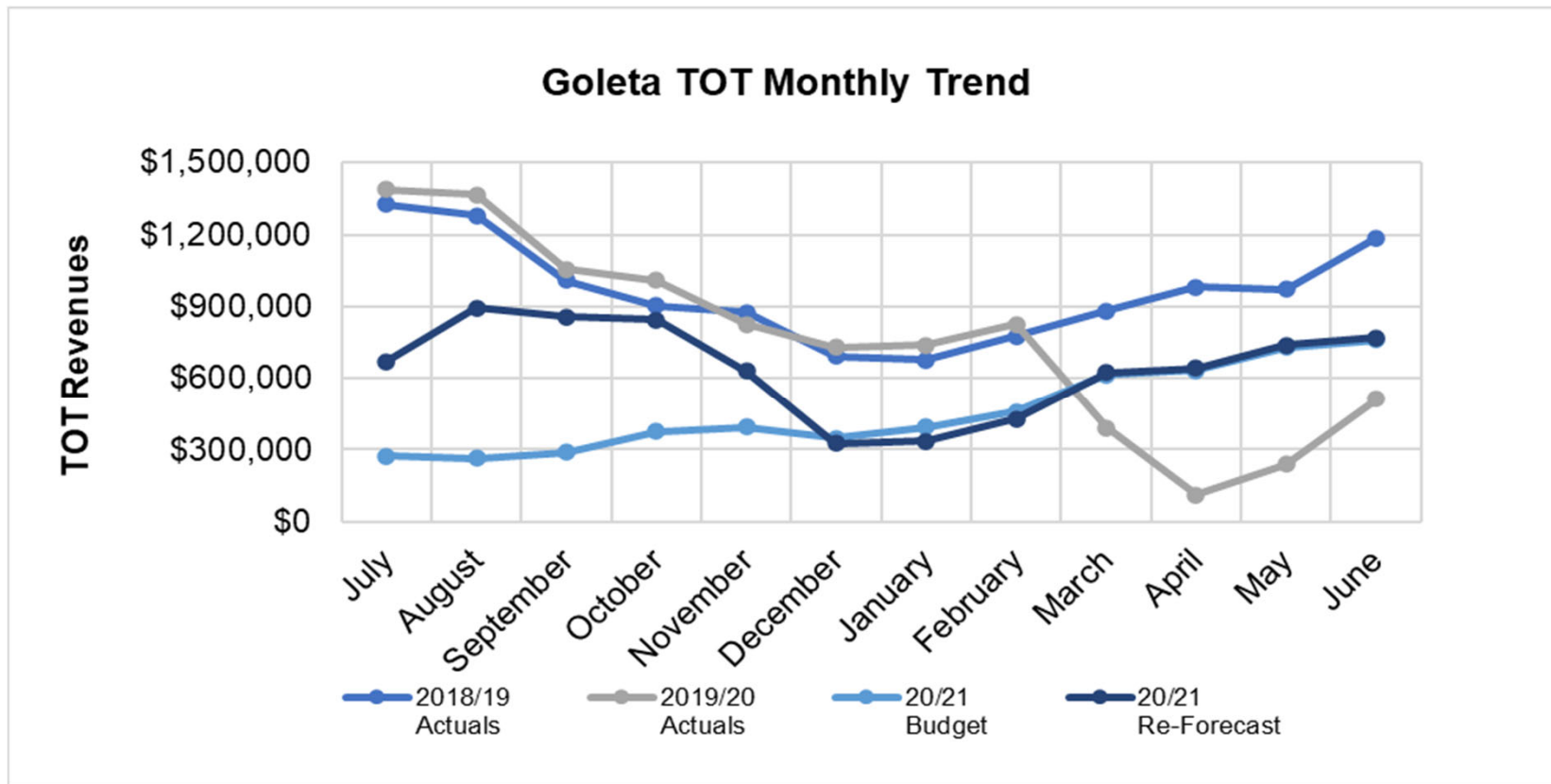


# Transient Occupancy Tax

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	\$ 669,922	\$ (719,773)	-51.8%
August	\$ 1,278,046	\$ 1,365,353	\$ 894,806	\$ (470,547)	-34.5%
September	\$ 1,010,472	\$ 1,057,156	\$ 858,289	\$ (198,867)	-18.8%
October	\$ 904,428	\$ 1,008,713	\$ 845,369	\$ (163,344)	-16.2%
November	\$ 875,203	\$ 826,170	\$ 630,184	\$ (195,987)	-23.7%
December	\$ 692,371	\$ 731,050	\$ 325,216	\$ (405,834)	-55.5%
<b>Total</b>	<b>\$ 6,086,133</b>	<b>\$ 6,378,137</b>	<b>\$ 4,223,785</b>	<b>\$ (2,154,352)</b>	<b>-33.8%</b>

*This FY 20/21 figures in this table are reported on an accrual basis. TOT receipted by September 30<sup>th</sup> was \$751,589*

# Transient Occupancy Tax



# Transient Occupancy Tax

Month	2018/19 Actuals	2019/20 Actuals	20/21 Budget	20/21 Re-Forecast	\$ Variance
July	\$ 1,325,613	\$ 1,389,695	\$ 272,066	\$ 669,922	\$ 397,856
August	\$ 1,278,046	\$ 1,365,353	\$ 262,349	\$ 894,806	\$ 632,457
September	\$ 1,010,472	\$ 1,057,156	\$ 287,973	\$ 858,289	\$ 570,316
October	\$ 904,428	\$ 1,008,713	\$ 374,091	\$ 845,369	\$ 471,278
November	\$ 875,203	\$ 826,170	\$ 394,934	\$ 630,184	\$ 235,250
December	\$ 692,371	\$ 731,050	\$ 348,584	\$ 325,216	\$ (23,368)
January	\$ 677,067	\$ 740,150	\$ 393,524	\$ 335,180	\$ (58,344)
February	\$ 777,694	\$ 826,479	\$ 460,757	\$ 427,889	\$ (32,867)
March	\$ 883,099	\$ 391,077	\$ 614,577	\$ 622,594	\$ 8,016
April	\$ 982,306	\$ 111,640	\$ 633,541	\$ 641,298	\$ 7,758
May	\$ 972,262	\$ 238,349	\$ 728,748	\$ 737,493	\$ 8,745
June	\$ 1,185,351	\$ 511,608	\$ 761,659	\$ 770,122	\$ 8,463
<b>Total</b>	<b>\$ 11,563,912</b>	<b>\$ 9,197,440</b>	<b>\$ 5,532,804</b>	<b>\$ 7,758,363</b>	<b>\$ 2,225,559</b>
<b>Rounded</b>			<b>\$ 5,530,000</b>	<b>\$ 7,750,000</b>	<b>\$ 2,220,000</b>

- Staff is not recommending any revenue adjustments for TOT yet due to ongoing volatility and uncertainty in the winter months.
- Will re-evaluate at 3<sup>rd</sup> Quarter in May when actuals are known for January, February, and March

# Cannabis Business Tax

## 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%

- ▶ Revenues received by December 31<sup>st</sup> were \$547,000 (reflects July-September)
- ▶ Received ~\$1.02 million in total as of February (reflects July – December)
- ▶ Staff recommends cannabis tax increase of \$1.3 million for a total of \$1.4 million
- ▶ New forecast projects revenues ranging from \$1.4 million to \$2.5 million

# 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	3,024,318	5,808,921	2,553,402	44.0%	-15.6%
Library	352,834	207,773	374,340	154,974	41.4%	-25.4%
Finance	978,992	495,977	970,515	452,725	46.6%	-8.7%
Planning & Env. Review	3,635,871	1,685,558	4,054,186	1,408,667	34.7%	-16.4%
Public Works	4,427,725	2,046,966	5,335,224	1,822,389	34.2%	-11.0%
Neighborhood Services	1,975,908	1,132,589	2,607,900	1,197,463	45.9%	5.7%
Public Safety	7,452,279	3,073,460	7,762,900	3,605,887	46.5%	17.3%
Non-Departmental	845,484	7,888	851,000	7,784	0.9%	-1.3%
Capital Improvement Projects	681,884	82,192	2,048,307	1,048,523	51.2%	1175.7%
<b>Total Expenditures</b>	<b>\$ 25,501,161</b>	<b>\$ 11,756,721</b>	<b>\$ 29,813,293</b>	<b>\$ 12,251,814</b>	<b>41.1%</b>	<b>4.2%</b>

- Staff is recommending additional appropriations \$51,100 in Finance, and \$14,000 in Planning and Environmental Review

# 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	616,282			616,282		616,282
Compensated Leave	315,942			315,942		315,942
Building Maintenance	-			-		-
Risk Management	200,000			200,000		200,000
Litigation Defense Fund	300,000			300,000		300,000
Contingency	8,532,205	-		8,532,205		8,532,205
Street Maintenance	-			-		-
Sustainability	292,500	1,500	(29,107)	264,893		264,893
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	12,846,217	-	(3,989,200)	8,857,017	1,865,800	10,722,817
<b>Total</b>	<b>27,277,950</b>	<b>\$ 1,500</b>	<b>\$ (6,784,793)</b>	<b>\$ 20,494,657</b>	<b>\$ 1,865,800</b>	<b>\$ 22,360,457</b>

# Other Special Revenue Funds and Capital Improvement Program (CIP)

- ▶ Special revenue funds evaluated and provided in summary (Attachment 3)
- ▶ 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 quarter are at \$391,464 or 50.2% 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 quarter no funds have been expended.
- ▶ Gas Tax proceeds 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 quarter are at \$202,268 or 35.4% 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 quarter are at \$766,033 or 49.1% 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 quarter \$711,169 has been expended.

# Other Funds Recommended Adjustments

Program/Project Name	Fund	Appropriation Requests	Funding Source	Description
Street Maintenance	205	\$30,000.00	Measure A	Public Works is currently in the process of removing 30 dead/diseased trees. \$30,000 to cover removals.
Buellton Library	236	\$2,200.00	Misc. Grants Library	To cover Kanopy, Hoopla charges, and audit and visual materials.
Advance Planning	319	\$345,386.00	HCD State Fund	\$150,000 - LEAP Grant, \$195,386 - REAP Grant
Capital Improvement Projects	409	\$40,000.00	OTS Grant	OTS grant for Bicycle and Pedestrian Safety Education (Agreement with

- Snapshot of expenditure budget adjustments only. Revenue adjustments and additional details provided in Staff Report and 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 through end of the quarter

# Looking Ahead

- ▶ **User Fee Update**
  - ▶ March 16th
- ▶ **Key Sales Tax Updates**
  - ▶ April 2021 (Q420)
- ▶ **FY 20/21 Third Quarter Financial Review in May 2021**
  - ▶ Updated revenue and expenditure activity through March 31
- ▶ **CIP Funding Strategies**
  - ▶ April-May TBD
- ▶ **Two Year Budget Plan for FY 21/22 & 22/23**
  - ▶ Strategic Plan Workshops, Annual Work Program Workshops, and Budget Workshops
- ▶ **Questions?**