



County of Monterey

Item No.4

Budget Committee Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: BC 25-056

April 30, 2025

Introduced: 4/23/2025

Current Status: Agenda Ready

Version: 2

Matter Type: Budget Committee

A. Support authorizing and directing the Auditor-Controller to make the following amendments to the Fiscal Year (FY) 2024-25 Adopted Budget:

1. Increase appropriations by \$13,262,121 in Building Improvement and Replacement Fund 478-BIR, Appropriation Unit CAO047, financed by Unrestricted Net Position (478-BIR 3202);
2. Increase appropriations and operating transfer in by \$393,085 in General Fund 001, Facility Services Appropriation Unit PFP054;
3. Reduce appropriation and operating transfer in by \$2,400,000 in Capital Projects Fund 404, Appropriation Unit PFP057; and
4. Increase appropriation and operating transfer in by \$2,904,528 in Nacimiento Resort/Recreation Fund 452, Appropriation Unit PFP060.

B. Support authorizing and directing the Auditor-Controller to transfer funds in FY 2024-25 as follows:

1. \$12,364,508 from Building Improvement and Replacement Fund 478-BIR, Appropriation Unit CAO047 to Capital Projects Fund 404, Appropriation Unit PFP057;
2. \$393,085 from Building Improvement and Replacement Fund 478-BIR, Appropriation Unit CAO047 to General Fund 001, Facility Services Appropriation Unit PFP054;
3. \$195,336 from Road Fund 002, Appropriation Unit PFP004 to Capital Projects Fund 404, Appropriation Unit PFP057; and
4. \$2,904,528 from Building Improvement and Replacement Fund 478-BIR, Appropriation Unit CAO047 to Nacimiento Resort/Recreation Fund 452, Appropriation Unit PFP060.

RECOMMENDATION:

It is recommended that the Budget Committee:

A. Support authorizing and directing the Auditor-Controller to make the following amendments to the Fiscal Year (FY) 2024-25 Adopted Budget:

1. Increase appropriations by \$13,262,121 in Building Improvement and Replacement Fund 478-BIR, Appropriation Unit CAO047, financed by Unrestricted Net Position (478-BIR 3202);
2. Increase appropriations and operating transfer in by \$393,085 in General Fund 001, Facility Services Appropriation Unit PFP054;
3. Reduce appropriation and operating transfer in by \$2,400,000 in Capital Projects Fund 404, Appropriation Unit PFP057; and
4. Increase appropriation and operating transfer in by \$2,904,528 in Nacimiento Resort/Recreation Fund 452, Appropriation Unit PFP060.

B. Support authorizing and directing the Auditor-Controller to transfer funds in FY 2024-25 as follows:

1. \$12,364,508 from Building Improvement and Replacement Fund 478-BIR, Appropriation Unit CAO047 to Capital Projects Fund 404, Appropriation Unit PFP057;
2. \$393,085 from Building Improvement and Replacement Fund 478-BIR, Appropriation Unit CAO047 to General Fund 001, Facility Services Appropriation Unit PFP054;
3. \$195,336 from Road Fund 002, Appropriation Unit PFP004 to Capital Projects Fund 404, Appropriation Unit PFP057; and
4. \$2,904,528 from Building Improvement and Replacement Fund 478-BIR, Appropriation Unit CAO047 to Nacimiento Resort/Recreation Fund 452, Appropriation Unit PFP060.

SUMMARY:

Public Works, Facilities and Parks (PWFP) is the lead for managing the County's Capital Projects and Facilities Maintenance budgets. Annual Capital Project Funds and Facility budgets require a *true-up* to adjust appropriations for estimates made during budget development in March. The *true-up* does not increase a project's overall budget (revenue or expenditures).

The Capital Projects, Fund 404, is used to account for financial resources and expenditures used for the construction of Board-approved capital facility projects over \$1 million. PWFP identified sixteen (16) approved capital projects that rolled from FY 2023-24 and one (1) project that should be obligated to Fund 452, instead of Fund 404, in FY 2024-25. Three (3) projects totaling \$1,300,000 will be rolled in to the FY 2025-26 budget and not requiring the full project allocation in FY 2024-25. Building Improvement and Replacement (Fund 478-BIR) Unrestricted Net Position is the original financing sources for the projects for a total obligation of \$13,262,121.

In FY 2023-24, \$950,000 was allocated from Fund 478-BIR for unscheduled maintenance projects in General Fund - Facility Services. At the end of FY 2023-24, there was \$393,085 remaining with several projects in process not yet finalized by June 30, 2024. PWFP requests to use the entire \$393,085 remaining allocation for eight (8) rollover projects. Building Improvement and Replacement Fund Unrestricted Net Position is the funding source for the unscheduled maintenance allocation.

In FY 2023-2024, a Capital Project for a new modular at the San Ardo Yard was expected to be completed by June 30, 2024 but due to shipping delays it is scheduled to be completed in FY 2024-25. Original project budget was \$550,000 and \$354,664 was spent as of June 30, 2024. The remaining allocation of \$195,336 is financed from the Road Fund 002.

In FY 2023-2024, \$1,000,000 was allocated from Fund 478-BIR for Lake Nacimiento Lodge Replacement. At the end of FY 2023-24, there was \$504,528 remaining with the project still in process. PWFP is requesting to use the \$504,528 remaining allocation to complete the project in FY 2024-25.

During the FY 2024-2025 Adopted Budget process Lake Nacimiento received \$2,400,000 for Lodge Refurbishments from Fund 478-BIR to Fund 404 Capital Projects. This should have been allocated to Fund 452 Nacimiento Resort/Recreation, as it's an Enterprise Fund with the ability to manage its own capital projects. PWFP is requesting to move the appropriations from Fund 404 to

Fund 452 and the operating transfer to Fund 452 from Fund 478-BIR.

Attachment A provides an overview of the FY 2024-25 Adopted Budgets for Fund 404 Capital Projects and General Fund - Facility Services and the proposed appropriation modifications necessary to complete the projects.

OTHER AGENCY INVOLVEMENT:

This report was reviewed by the County Administrative Office Budget & Analysis Division.

FINANCING:

If approved, the recommended action will modify the FY 2024-25 Adopted Budget, increasing appropriations for Fund 478-BIR by \$13,262,121, financed by Fund 478-BIR Unrestricted Net Position; General Fund 001, Facility Services Appropriation Unit PFP054, by \$393,085, financed by an operating transfer in from Fund 478-BIR; Nacimiento Resort/Recreation Fund 452, Appropriation Unit PFP060 by \$2,904,528, financed by an operating transfer in from Fund 478-BIR; and reduce appropriation and operating transfers in by \$2,400,000 in Capital Projects Fund 404, Appropriation Unit PFP057. Approval of the recommendation will not modify overall approved project budgets or require any additional funding from the General Fund. This request will only increase appropriations and revenues to align fiscal year expenditures incurred and revenues earned.

Prepared by: Sandra Lance, Finance Manager I (831) 755-4823

Reviewed by: Jessica Cordiero-Martinez, Finance Manager III

Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

Attachments:

Attachment A - True Up Projects