



**COUNTY OF SAN MATEO**  
**Inter-Departmental Correspondence**  
County Manager



**Date:** August 19, 2016  
**Board Meeting Date:** September 6, 2016  
**Special Notice/Hearing:** None  
**Vote Required:** 4/5ths

**TO:** Honorable Board of Supervisors

**FROM:** John L. Maltbie, County Manager

**SUBJECT:** Countywide FY 2015-16 Year-End Appropriation Transfer Request (ATR) in the amount of \$7,607,542 from various budget units

**RECOMMENDATION:**

Adopt a resolution authorizing an Appropriation Transfer Request transferring \$7,607,542 from various budget units: Services and Supplies (\$1,454,559), Reserves and Contingencies (\$2,415,610), Interfund Transfers (\$1,128,055), Unanticipated Revenues (\$778,369), and Fund Balance (\$1,830,949); to the following: Services and Supplies (\$658,000), Other Charges (\$4,159,204), Other Financing Uses (\$875,169), and Reserves and Contingencies (\$1,915,169).

**BACKGROUND:**

To close the County's financial records at the end of each fiscal year, a countywide ATR is submitted to ensure that expenditures are covered by sufficient appropriations and that expenditures are represented correctly in each of the County's funds. The amount of the ATR is \$7,607,542 and includes adjustments totaling \$5,661,287 that were made for accounting purposes only. There are two one-time transfers from Non-Departmental Reserves totaling \$595,000, as follows: adding \$95,000 to the Controller's Office budget to cover the costs of an outside CPA assisting with financial statement preparation and adding \$500,000 to the Private Defender Program budget to cover Sunny Day legal defense costs.

All other adjustments, totaling \$1,351,255, are funded from savings, reserves or unanticipated revenue generated by the various budget units with no increase in Net County Cost.

This year-end ATR does the following:

1. Real Property Services (1220B) – Recognizes \$521,120 in unanticipated revenues and makes a corresponding appropriation to Services and Supplies to cover unanticipated increases in leased facility costs. (ATR #16-050-A)

2. Real Property Services (1220B) – Recognizes \$606,935 in unanticipated revenues and makes a corresponding appropriation to Services and Supplies to cover unanticipated increases in leased facility costs. (ATR #16-050-B)
3. Non-Departmental Services (8000B) and Office of Sustainability (4000B) – Cancels an appropriation of \$1.2 million for Peninsula Clean Energy start-up costs in the Office of Sustainability's Services and Supplies budget and returns the funds to Non-Departmental ERAF reserves. This adjustment is made for accounting purposes only and represents part one of a two-part transaction. (ATR #16-050-C)
4. Non-Departmental Services (8000B) – Transfers \$1.2 million from Non-Departmental ERAF Reserves to Other Charges-Loans to Other Agencies to fund a working capital loan to PCE. This adjustment is made for accounting purposes only and represents part two of a two-part transaction. (ATR #16-050-D)
5. Non-Departmental Services (8000B) and Controller's Office (1400B) – Transfers \$95,000 from Non-Departmental ERAF Reserves to Services and Supplies in the Controller's Office to cover the costs of an outside CPA assisting with financial statement preparation. (ATR #16-050-E)
6. Public Works Road Construction and Operations (4520B) – Transfers \$160,000 from Road Mitigation Fee reserves to Other Financing Uses to fund a portion of two completed road reconstruction projects at North Street in the Pescadero Area and Lucky Avenue and Liberty Park Avenue in the West Menlo Park Area. (ATR #16-050-F)
7. Coyote Point Marina (3980B) – Transfers \$312,142 in available Fund Balance from within the Coyote Point Marina Operating Fund to Other Charges for the purpose of appropriating Depreciation Expense. The recording of depreciation is for accounting purposes only and is a non-cash transaction. (ATR #16-050-G)
8. Public Works Road Construction and Operations (4520B) – Recognizes \$63,000 in unanticipated revenue from Prior Year Unsecured Property Tax receipts and makes a corresponding appropriation in Services and Supplies to cover unanticipated costs for the newly created Los Trancos County Water District, including an agreement with the Woodside Fire Protection District for fire protection services. (ATR #16-050-H)
9. Public Works Utilities (4840B) and Office of Sustainability (4000B) – Effective July 1, 2015 the Waste Management Program transferred from Public Works Utilities to the Office of Sustainability. This ATR transfers \$715,169 from Services and Supplies and Contingencies to Other Financing Uses in the Public Works Utilities budget and makes corresponding appropriations of \$715,169 in Other Financing Sources and Contingencies in the Office of Sustainability budget to facilitate the transfer of Garbage Collection Franchise Fees to the new operating unit. This adjustment is made for accounting purposes only. (ATR #16-050-I)

10. Non-Departmental Services (8000B) and Private Defender Program (2800B) – Transfers \$500,000 in Non-Departmental ERAF Reserves to Services and Supplies in the Private Defender Program budget to cover legal defense costs associated with the Sunny Day cases. This ATR also recognizes unanticipated revenue of \$200 in trial court revenues for child dependency hearings and makes a corresponding appropriation in Other Charges to cover a minor overrun in IT costs. (ATR #16-050-J)
11. Public Works Utilities (4840B) and County Airports (4850B) – Transfers \$1,518,807 in available Fund Balance from within various Public Works funds to Other Charges for the purpose of appropriating Depreciation Expense for Airports, County Service Areas, Sewer and Sanitation Districts, Flood Control Districts, and Lighting Districts. The recording of depreciation is for accounting purposes only and is a non-cash transaction. (ATR #16-050-K)

**SHARED VISION 2025:**

Adoption of this ATR contributes to the Shared Vision outcome of a Collaborative Community by ensuring that expenditures are covered by sufficient appropriations and that expenditures are represented correctly in each of the County's budget units and funds in accordance with the County Budget Act and Generally Accepted Accounting Principles.

**FISCAL IMPACT:**

There are sufficient funds and revenue sources to cover the transactions in this ATR, which total \$7,607,542 for all County funds, of which \$5,661,287 addresses accounting issues with no associated fiscal impact. There are two one-time transfers from Non-Departmental Reserves totaling \$595,000. All other adjustments, totaling \$1,351,255, are funded from savings, reserves/contingencies or unanticipated revenue generated by the various budget units with no increase in net county cost.