



COUNTY OF SAN MATEO
Inter-Departmental Correspondence

County Manager's Office

DATE: August 27, 2007

BOARD MEETING DATE: September 11, 2007

SPECIAL NOTICE/HEARING: None

VOTE REQUIRED: 4/5ths Required

TO: Honorable Board of Supervisors
FROM: John L. Maltbie, County Manager
SUBJECT: Final FY 2006-07 Appropriation Transfer Request (ATR)

Recommendation

Approve a Countywide FY 2006-07 Year-End ATR transferring \$27,898,803 from various Budget Units: Salaries and Benefits (\$3,212,532), Services and Supplies (\$6,978,796), Other Charges (\$2,946,347), Fixed Assets (\$4,680,415), Intrafund Transfers (\$576,155), Reserves and Contingencies (\$5,047,052), Fund Balance (\$1,192,181) and Unanticipated Revenue (\$3,265,325); to the following: Salaries and Benefits (\$3,946,038), Services and Supplies (\$11,260,325), Other Charges (\$5,013,609), Fixed Assets (\$3,197,938) and Operating Transfers Out (\$4,480,893).

Vision Alignment:

Commitment: Responsive, effective and collaborative government.

Goal 20: County and local governments effectively communicate, collaborate and develop strategic approaches to issues affecting the entire County.

This Countywide ATR contributes to the goal by facilitating the year-end close of the County's financial records for FY 2006-07.

Background and Discussion

To close the County's financial records at the end of each fiscal year, a countywide Appropriation Transfer Request (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 attached ATR totals \$27,898,803 for all County funds. Of this amount, \$4,528,665 involves the transfer of Non-Departmental Reserves to the Sheriff's Office (\$2,246,949) and the Medical Center (\$2,281,716) to cover budget shortfalls. The Medical Center transfers will be treated as a loan. In addition, \$737,761 was transferred from Non-Departmental Services to

Public Works to cover overruns in utility costs that were not factored into the FY 2006-07 service charge rates.

The November 2006 negotiated salary increases for the major bargaining units were not included in the FY 2006-07 Adopted Budget. As a result, the majority of transfers to Salaries and Benefits were made for this reason, including the transfer to the Sheriff's Office noted above.

A number of adjustments have also been made for accounting purposes, including reclassifying assets for capitalization purposes (\$1,516,293) and recording depreciation expense (\$1,192,181).

The remaining adjustments are funded from savings or unanticipated revenue generated by the various budget units with no increase in Net County Cost. The attached ATR does the following:

1. Contributions to the Medical Center (5850D) and Non-Departmental Services (8000B) – transfers Non-Departmental Reserves (\$2,281,716) to Other Charges in the Contributions to Medical Center budget unit to appropriate a final year-end transfer from the General Fund to the Medical Center to bring the Enterprise Fund into balance for the fiscal year. This transfer will be treated as a loan to the Medical Center.
2. Contributions to Medical Center (5850D) – reclassifies unused Medi-Cal Waiver funds appropriated in Services and Supplies (\$4,392,019) to Other Financing Uses to facilitate the transfer of these funds to the Medical Center as part of the General Fund subsidy. This ATR also moves \$200,000 within Services and Supplies to provide a housing assistance loan to the Pharmacy Director.
3. San Mateo Medical Center (6600D) – transfers savings from Salaries and Benefits (\$1,500,000) and Fixed Assets (\$3,000,000) to Services and Supplies (\$4,500,000) to cover overruns that resulted from increased volume in surgeries and ongoing technology projects, such as the Emergency Department Information System (EDIS) and the Pharmacy management system upgrade.
4. Sheriff's Office (3000B) and Non-Departmental Services (8000B) – transfers Non-Departmental Reserves (\$2,246,949) and savings from Services and Supplies (\$100,000) and Other Charges (\$401,728) to Salaries and Benefits (\$2,748,677) to cover the cost of negotiated increases that took effect in November 2006 and additional retirement costs associated with 84-plan employees and special pays that are subject to the Ventura Decision.

5. Facilities Maintenance and Operations – (4730B) and Non-Departmental Services (8000B) – transfers set-aside appropriations from Services and Supplies (\$222,761) and Other Charges (\$515,000) in Non-Departmental Services to Services and Supplies (\$737,761) in Facilities Maintenance and Operations (FM&O) to cover increased utility costs. The funds provided by Non-Departmental Services were set-aside in the budget to provide one-time relief to operating departments from rising utility costs. Utility cost increases have been factored into the FY 2007-08 rates. This ATR also transfers savings within FM&O from Salaries and Benefits (\$450,000) and Other Charges (\$60,000) to Services and Supplies (\$610,000) to cover overruns in contract maintenance services.
6. Assessor-County Clerk-Recorder (1300B) – recognizes and transfers unanticipated revenues from the June and November 2006 elections (\$850,000), and transfers Departmental Reserves (\$123,097), to Salaries and Benefits (\$200,000) and Services and Supplies (\$773,097) to cover cost overruns from the November 2006 Gubernatorial General Election.
7. Vehicle and Equipment Services (4760B) – recognizes and transfers unanticipated revenue from a California Air Resources Board grant (\$1,188,596), and transfers Road Fund Contingencies (\$310,535) and savings in Services and Supplies (\$20,869), to Fixed Assets (\$1,520,000) for the purchase of construction equipment.
8. District Attorney's Office (2510B) – transfers savings from Salaries and Benefits (\$120,000) to Services and Supplies to cover unanticipated cost of modifying and furnishing three new offices in the Hall of Justice and painting the northern offices located in South San Francisco.
9. County Airports (4850B) – transfers savings in Services and Supplies (\$75,000) to Salaries and Benefits to cover negotiated increases that took effect in November 2006.
10. Transportation Services (4830B) – transfers savings in Salaries and Benefits (\$205,000) to Services and Supplies to cover an increase in Commute Alternatives Program subsidies due to increased participation in the program as a result of higher fuel prices.
11. Probation Department (3200B) – transfers savings from Salaries and Benefits (\$146,967), Services and Supplies (\$458,000), Other Charges (\$588,898), and Fixed Assets (\$103,371) to Salaries and Benefits (\$718,777) and Services and Supplies (\$578,459) to cover overtime costs, furnishings and equipment associated with the transition to the new Youth Services Center and to backfill Probation Officers on maternity/parental leaves, etc.

12. Engineering Services (4600B) – transfers savings from Services and Supplies (\$100,000) to Salaries and Benefits to cover the cost of negotiated increases that took effect in November 2006.
13. Aging and Adult Services (5700B) – transfers savings in Services and Supplies (\$300,000) to Other Charges to cover overruns related to implementation of the Division's integrated client data and case management system (ISD/Q Project).
14. Correctional Services (6300B) – transfers savings from Salaries and Benefits (\$200,000) to Other Charges to cover overruns in Information Technology (IT) projects due to additional ISD hours spent on several IT projects, including a needs assessment, deployment of computers and dental equipment at the Youth Services Center, and conversion of the Division's medical database to an Oracle system.
15. Private Defender Program (2800B) – recognizes unanticipated revenue from client fees (\$10,158) and transfers to Other Charges to cover increased rental charges for additional space allocated to the Private Defender Program at the new Youth Services Center.
16. Office of Economic Development (1220B) – recognizes and transfers unanticipated revenue and Intrafund Transfers for services provided to cities and special districts (\$83,604) and County departments (\$576,155), and transfers savings from Services and Supplies (\$6,083), to Other Charges (\$665,842) to cover the cost of unanticipated leases, including office space at 2000 Alameda del las Pulgas in San Mateo, medical office space at 1241 E. Hillsdale Boulevard in Foster City, and temporary office space at 411 Middlefield Road in Redwood City.
17. IHSS Public Authority (5800B) – transfers savings from Other Charges (\$200,000) to Services and Supplies to cover additional cost of health benefits for independent providers.
18. Health Policy and Planning (5550B) – recognizes unanticipated revenue for Medi-Cal Administration Activities (\$507,000) related to the Children's Health Initiative (CHI) and transfers to Salaries and Benefits (\$44,000), Services and Supplies (\$430,000), and Other Charges (\$33,000) to cover overruns in CHI program costs, including extra help, insurance premiums, contracts for outreach and enrollment services, and ISD charges.
19. Department of Child Support Services (2600B) – transfers savings from Salaries and Benefits (\$200,000) to Other Charges to fund the cost of remodeling the training room and public lobby and to reimburse the District

Attorney's Office for serving civil bench warrants and conducting asset investigations.

20. Public Health (6200B) – transfers savings from Salaries and Benefits (\$390,565) and Other Charges (\$45,000) to Services and Supplies (\$435,565) to cover increased charges for lab supplies, pharmaceuticals for the Mobile Clinic, and additional office equipment to complete the final phase of the ground floor remodel. This ATR also transfers software expenses for the Laboratory's new Management Information System from Services and Supplies (\$329,064) and Other Charges (\$260,384) to Fixed Assets (\$589,448) to provide sufficient appropriation for the capitalization of software. The capitalization of assets is for accounting purposes only and is a non-cash transaction.
21. Aging and Adult Services (5700B) – recognizes unanticipated revenue from Silicon Valley Community Foundation (\$25,000) and the Meals on Wheels Trust Fund (\$30,750) and transfers to Services and Supplies (\$55,750) to cover increased cost of home delivered meals.
22. Assessor-County Clerk-Recorder (1300B) – recognizes unanticipated revenue from Property Tax Admin Fees (\$74,000) and transfers to Services and Supplies (\$12,000) to cover increased cost of mailing property assessment notices and to Other Charges (\$62,000) to cover overruns in automation and telephone service charges.
23. County Support of the Court (2700B) – recognizes unanticipated revenue from Court fines (\$62,000) and transfers to Services and Supplies (\$50,000) to cover an additional month of local judicial benefits and to Other Charges (\$12,000) to cover increase in revenue collection charges. Due to a shift in the reimbursement cycle brought on by a new Court accounting system, the Court was reimbursed for thirteen months of local judicial benefits during FY 2006-07. The cycle will revert back to twelve months in FY 2007-08.
24. Coyote Point Marina (3980B) – transfers available Fund Balance (\$236,581) to Other Charges for the purpose of appropriating Depreciation Expense for structures (\$233,904) and equipment (\$2,677). The recording of depreciation is for accounting purposes only and is a non-cash transaction.
25. Parks Department (3900B) – transfers Departmental Contingencies (\$84,755) and savings from Other Charges (\$16,518) to Salaries and Benefits (\$59,584), Services and Supplies (\$21,694) and Fixed Assets (\$19,995). The transfer to Salaries and Benefits will cover negotiated increases that took effect in November 2006.

26. Structural Fire (3550B) – recognizes unanticipated revenue from the General Fund subsidy (\$92,366) and Plan Check Fees (\$24,229) and transfers to Services and Supplies (\$116,595) to cover increases in the California Department of Forestry contract. For FY 2006-07, the General Fund subsidy provided to Fire totaled \$740,178.
27. Probation Department (3200B) – transfers savings from Fixed Assets (\$101,743) to Services and Supplies to cover outside contract services with community-based organizations (CBO).
28. San Mateo Medical Center (6600D) – transfers savings in Other Charges (\$453,100) to Services and Supplies (\$311,450) to cover overruns for medical/dental supplies and to Fixed Assets (\$141,650) to cover capital software purchases.
29. Engineering Services (4600B) – recognizes unanticipated revenue from Road Fund project reimbursements (\$317,622) and transfers to Services and Supplies (\$316,660) to cover overhead costs allocated to all units within Public Works and to Other Charges (\$962) to cover overruns in telephone service charges.
30. Vehicle and Equipment Services (4760B) – transfers savings in Fixed Assets (\$1,407,301) to Services and Supplies to cover overruns in motor vehicle equipment maintenance costs as the replacement of road equipment and vehicles was deferred until grant funding became available at the end of the fiscal year. As a result, road equipment and vehicles that would have been replaced earlier were retained longer and required unscheduled maintenance.
31. Utilities (4840B) and Airports (4850B) – transfers available Fund Balance (\$955,600) 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.
32. Road Construction and Operations (4520B) – transfers savings in Services and Supplies (\$775,000) to Fixed Assets to provide sufficient appropriation for the capitalization of road project costs. The capitalization of assets is for accounting purposes only and is a non-cash transaction.
33. County Airports (4850B) – transfers savings from Fixed Assets (\$68,000) to Services and Supplies to cover professional contract costs related to airport improvement projects.

34. Facilities Maintenance and Operations (4730B) – transfers savings from Other Charges (\$88,874) to Other Financing Uses to cover a transfer from FM&O to the Capital projects budget unit to fund countywide energy projects.
35. Transportation Services (4830B) – transfers savings from Other Charges (\$165,000) to Services and Supplies to cover an increase in Commute Alternatives Program subsidies due to increased participation in the program as a result of higher fuel prices.
36. San Mateo Medical Center (6600D) transfers savings from Other Charges (\$151,845) to Fixed Assets to provide sufficient appropriation for the capitalization of software. The capitalization of assets is for accounting purposes only and is a non-cash transaction.

Fiscal Impact

There are sufficient funds and revenue sources to cover the transactions in this ATR, which totals \$27,898,803 for all County funds. Transfers from Non-Departmental Services total \$5,266,426. The remaining adjustments are funded from savings and unanticipated revenue generated by the various operating budget units.

**COUNTY OF SAN MATEO
APPROPRIATION TRANSFER REQUEST**

REQUEST NO.
ATR 7 060
A-AP

DEPARTMENT
County Manager's Office

DATE
08/27/07

1. REQUEST TRANSFER OF APPROPRIATIONS AS LISTED BELOW:

	C O D E S		AMOUNT	DESCRIPTION
	FUND OR ORG.	ACCOUNT		
From	Various	Various	27,898,803 00	See attached
To	Various	Various	27,898,803 00	See attached

Justification. (Attach Memo if Necessary)

Year-end ATR for FY 2006-07. See Board memo dated August 27, 2007 for Sept. 11 BOS meeting.

DEPARTMENT HEAD
BY: *Jim Saco* DATE: *8/27/07*
 Board Action Required Four-Fifths Vote Required Board Action Not Required

2. Board Action Required
Remarks:

COUNTY CONTROLLER
BY: *N.A.* DATE: *8-27-07*

3. Approve as Requested Approve as Revised Disapprove
Remarks:

COUNTY MANAGER
BY: *John* DATE: *8-29-07*

DO NOT WRITE BELOW THIS LINE — FOR BOARD OF SUPERVISORS' USE ONLY

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA
RESOLUTION TRANSFERRING FUNDS

RESOLUTION NO. _____

RESOLVED, by the Board of Supervisors of the County of San Mateo, that

WHEREAS, the Department hereinabove named in the Request for Appropriation, Allotment or Transfer of Funds has requested the transfer of certain funds as described in said Request; and

WHEREAS, the County Controller has approved said Request as to accounting and available balances, and the County Manager has recommended the transfer of funds as set forth hereinabove:

NOW, THEREFORE, IT IS HEREBY ORDERED AND DETERMINED that the recommendations of the County Manager be approved and that the transfer of funds as set forth in said Request be effected.

Regularly passed and adopted this _____ day of _____, 19____.

Ayes and in favor of said resolution:

Noes and against said resolution:

Supervisors: _____

Supervisors: _____

FROM:				TO:				ATR#
CODES			Amount	CODES			ATR#	
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45210	5861	20,869				7-060B		
45210	8611	310,535				7-060B		
25111	4111	120,000	25111	5234	70,000	7-060C		
			25111	5858	50,000	7-060C		
66708	7311	1,500,000	66121	5819	2,000,000	7-060D		
66709	7311	1,500,000	66151	5877	1,500,000	7-060D		
66012	4629	1,500,000	66025	5878	1,000,000	7-060D		
48520	5861	15,000	48510	4111	75,000	7-060E		
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48310	4111	85,000	48330	5861	125,000	7-060F		
48350	4111	120,000	48350	5858	80,000	7-060F		
46230	5213	20,000	46230	4111	100,000	7-060G		
46130	5731	80,000				7-060G		
63110	4111	200,000	63110	6149	39,000	7-060H		
			63110	6713	121,000	7-060H		
			63110	6739	40,000	7-060H		
57045	5856	145,000	57011	6739	300,000	7-060I		
57021	5874	75,000				7-060I		
57042	5874	65,000				7-060I		
57022	5875	15,000				7-060I		
80110	8612	2,246,949	30521	4128	457,074	7-060J		
30548	5925	100,000	31021	4128	905,534	7-060J		
30124	6164	6,000	31581	4128	312,600	7-060J		
30125	6164	56,924	30521	4629	391,548	7-060J		
30126	6172	59,500	31021	4629	513,689	7-060J		
30131	6412	25,000	31581	4629	168,232	7-060J		
31021	6147	10,000				7-060J		
31021	6146	2,000				7-060J		
31021	6231	78,270				7-060J		
31531	6231	11,627				7-060J		
31581	6234	90,990				7-060J		
31023	6117	61,417				7-060J		
32511	4128	146,967	32211	4128	510,029	7-060K		
32211	5193	15,000	32811	4128	203,552	7-060K		
32211	5211	4,000	32111	4128	5,196	7-060K		
32211	5215	80,000	32811	5122	163,537	7-060K		
32211	5511	10,000	32111	5122	107,218	7-060K		
32211	5516	20,000	32511	5122	307,704	7-060K		
32211	5823	4,000				7-060K		
32211	5858	300,000				7-060K		
32211	5891	15,000				7-060K		
32211	5969	10,000				7-060K		
32511	6115	88,000				7-060K		
32511	6122	38,000				7-060K		
32811	6122	5,000				7-060K		
32511	6185	95,392				7-060K		
32811	6233	3,000				7-060K		
32511	6237	90,000				7-060K		
32811	6712	7,000				7-060K		
32811	6713	194,750				7-060K		
32811	6718	55,000				7-060K		

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47370	4111	100,000		47330	5631	485,000	7-060M	
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12210	8123	545,194		12210	6716	665,842	7-060P	
12210	8142	30,961					7-060P	
12210	2451	56,404					7-060P	
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55137	2378	507,000		55137	4161	44,000	7-060R	
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				55137	5856	159,689	7-060R	
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26100	4111	100,000		26100	6739	100,000	7-060T	
62300	4111	120,642		62300	5163	100,000	7-060V	
62300	4311	48,256		62230	5172	60,000	7-060V	
62230	4111	42,857		62010	5234	120,000	7-060V	
62230	4311	17,143		62300	5426	30,000	7-060V	
62010	4111	85,714		62300	5428	38,898	7-060V	
62010	4311	34,286		62010	5515	45,000	7-060V	
62050	4111	29,048		62050	5639	41,667	7-060V	
62050	4311	12,619		62300	7311	378,161	7-060V	
62010	6713	45,000		62300	7312	211,287	7-060V	
62300	5213	329,064					7-060V	
62300	6713	260,384					7-060V	
57079	2658	55,750		57079	6169	55,750	7-060W	
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				39800	6812	2,677	7-060Z	
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39110	8611	84,755		39110	5858	21,694	7-060AA	
				39322	7311	19,995	7-060AA	
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35500	2124	24,215					7-060AB	
32211	7311	101,743		32511	5858	101,743	7-060AC	
35500	2537	17,782		35500	5815	17,796	7-060AD	
35500	2124	14					7-060AD	
80110	8612	2,281,716		58512	6311	2,281,716	7-060AE	
66750	6311	453,100		66410	5165	311,450	7-060AF	
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00501	0813	135,000		48520	6815	135,000	7-060AJ	
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00135	0813	22,000		48468	6817	22,000	7-060AJ	
00151	0813	1,700		48425	6817	1,700	7-060AJ	
00152	0813	256,000		48426	6817	256,000	7-060AJ	
00153	0813	130,000		48427	6817	130,000	7-060AJ	
00154	0813	1,500		48428	6817	1,500	7-060AJ	
00155	0813	200		48429	6817	200	7-060AJ	
00156	0813	500		45430	6817	500	7-060AJ	
00157	0813	16,000		45431	6817	16,000	7-060AJ	
00158	0813	1,700		45432	6817	1,700	7-060AJ	
00201	0813	245,000		48475	6818	245,000	7-060AJ	
00233	0813	17,000		45452	6819	17,000	7-060AJ	
00234	0813	7,000		45453	6819	7,000	7-060AJ	
45210	5861	775,000		45220	7411	775,000	7-060AK	
48570	7411	68,000		48570	5858	68,000	7-060AL	
47320	6734	88,874		47310	7541	88,874	7-060AM	
48330	6263	165,000		48350	5861	165,000	7-060AN	
66750	6311	151,845		66709	7312	151,845	7-060AP	
		\$ 27,898,803				\$ 27,898,803		