

CITY OF LOS ALAMITOS

3191 Katella Avenue
Los Alamitos, CA 90720

AGENDA CITY COUNCIL SPECIAL MEETING

Monday, June 9, 2014 – 6:00 p.m.

I, Gerri L. Graham-Mejia, as Mayor of the City of Los Alamitos, do hereby call a special meeting of the City Council of the City of Los Alamitos, to be held at the time and place listed above to discuss the matters listed below.


Gerri L. Graham-Mejia, Mayor of the City of Los Alamitos

NOTICE TO THE PUBLIC

This Agenda contains a brief general description of each item to be considered. Except as provided by law, action or discussion shall not be taken on any item not appearing on the agenda. Supporting documents, including staff reports, are available for review at City Hall in the City Clerk's Office or on the City's website at www.cityoflosalamitos.org once the agenda has been publicly posted.

Any written materials relating to an item on this agenda submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office, 3191 Katella Ave., Los Alamitos CA 90720, during normal business hours. In addition, such writings or documents will be made available for public review at the respective public meeting.

It is the intention of the City of Los Alamitos to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee, or a participant at this meeting, you will need special assistance beyond what is normally provided, please contact the City Clerk's Office at (562) 431-3538, extension 220, 48 hours prior to the meeting so that reasonable arrangements may be made. Assisted listening devices may be obtained from the City Clerk at the meeting for individuals with hearing impairments.

Persons wishing to address the City Council on any item on the City Council Agenda should complete a blue "Request to Speak" card and will be called upon at the time the agenda item is called or during the City Council's consideration of the item and may address the City Council for up to three minutes.

1. **CALL TO ORDER**
2. **ROLL CALL**
 - Council Member Edgar
 - Council Member Grose
 - Council Member Kusumoto
 - Mayor Pro Tem Murphy
 - Mayor Graham-Mejia

3. SPECIAL ORDERS OF THE DAY

A. Fiscal Year 2014-15 Proposed Budget Follow Up (Finance)

This report addresses follow up items from the previous two budget study sessions held on May 5, 2014 and May 19, 2014.

Recommendation:

- 1 Review and discuss follow up items; and,
2. Direct Staff regarding adjustments to the proposed budgets.

4. CLOSED SESSION

A. Conference with Labor Negotiator

Agency Negotiators: Gregory D. Korduner, Consultant
Employee Organization: Los Alamitos City Employee Association
Authority: Government Code Section 54957.6

B. Conference with Labor Negotiator

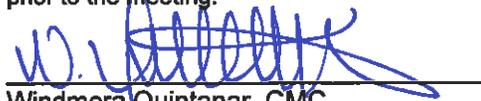
Agency Negotiators: Gregory D. Korduner, Consultant and
Cary S. Resiman, City Attorney
Employee Organization: Police Officers Association
Authority: Government Code Section 54957.6

C. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Pending litigation pursuant to subdivision (d)(4) of Section 54956.9. One potential case.

5. ADJOURNMENT

I hereby certify under penalty of perjury under the laws of the State of California, that the foregoing Agenda was posted at the following locations: Los Alamitos City Hall, 3191 Katella Ave.; Los Alamitos Community Center, 10911 Oak Street; and, Los Alamitos Museum, 11062 Los Alamitos Blvd.; not less than 24 hours prior to the meeting.



Windmera Quintanar, CMC
City Clerk

6/5/14

Date

City of Los Alamitos

Agenda Report

Special Orders of the Day

June 9, 2014

Item No: 3A

To: Mayor Gerri L. Graham-Mejia & Members of the City Council

Via: Bret M. Plumlee, City Manager

From: Glenn L. Steinbrink, Interim Director of Administrative Services

Subject: Fiscal Year 2014-15 Proposed Budget Follow Up

Summary: This report addresses follow up items from the previous two budget study sessions held on May 5, 2014 and May 19, 2014.

Recommendation:

- 1 Review and discuss follow up items; and,
2. Direct Staff regarding adjustments to the proposed budgets.

Background

Fiscal Year 2014-15 budget discussions were held on May 5, 2014 and May 19, 2014. The first meeting provided an in-depth analysis of General Fund revenues and expenditures and the second special budget meeting focused on General Fund Reserves and measures to close the budget gap for FY 2014-2015. This budget study session is being held to address follow-up items resulting from the first two meetings, and to finish the presentation on capital improvement projects and Special Revenue and Internal Service funds. In keeping with the City Charter, a Public Hearing will be held on June 16, 2014, at which time budget adoption will be recommended.

Discussion

The agenda for tonight's meeting includes the following topics:

General Fund Reserves/Internal Service Funds Reserves

Based upon the discussion at the budget workshop on May 19, 2014, the City Council directed staff to establish the following General Fund Reserves/Internal Service Fund Reserves for FY 2014-2015:

Reserve for Emergencies	\$ 3,123,565
Risk Management Reserves	250,000
OPEB Reserves	250,000
PERS Reserves	3,150,000
Reserve for Downtown Improvements	200,000
Unassigned	13,073
Total General Fund Reserves	\$ 6,986,638
Police Capital Expenditures Fund	\$ 700,000
Facilities, Streets, Parks and Pool Capital Expenditures Fund	400,000
Total Internal Service Funds Reserves	\$ 1,100,000
Grand Total	\$ 8,086,638

Measures to Close the Budget Gap for Fiscal Year 2014-15

The budget gap as presented at the budget workshop on May 19 is currently \$315,930. The City Council approved the following measures to close this budget shortfall for FY 2014-15:

Charge for Parking on City property at the Medical Center	\$ 131,300
Diversify the City's Investment Portfolio	20,000
Leasing of City owned land for Electronic Billboards	50,000
Annual Cost of Crossing Guards with School District	60,000
Payoff of Side Fund Liability in CalPERS	12,500
Eliminate Donated Services at Special Events	7,000
Pass along credit card processing costs to consumers	9,000
Cuts in appropriations as proposed by departments	72,809
Funding of 800 MHz, West-com expenditures from IS Fund	139,000
Total approved budget gap closure measures	\$ 501,609

Although the approved measures to close the budget gap exceed the budget gap of \$315,930, some of the items will not be in place for the entire year, and so may not generate the expected revenue for the full fiscal year:

1. The Parking revenue at the Medical Center involves some costs, and will not be in place by July 1. Thus the revenue of \$131,300 is not likely in the first year, FY 2014-15.
2. The Electronics Billboard revenue will also not be in place by July 1. The annual revenue of \$50,000 is not likely in the first year, FY 2014-15. Since

it has been discovered the City does not own property fronting the freeway, the City would have to partner with another entity and share in the revenue to make this work.

3. The annual cost of providing crossing guards will need to be brought to the working group for discussion. This item needs to be considered along with the joint user agreements between the City and the school district.

In addition, at some time during the fiscal year, staff will bring back to City Council a discussion on the Cable TV operations, that although has been removed as one of the items to close the budget gap, still needs to be addressed in order to eliminate a structural deficit that exists in Cable TV revenues and expenditures.

It is most likely that the approved measures will eliminate the budget gap for FY 2014-15 despite the fact that some of the measures will not be in place for the entire fiscal year.

Other Items:

The City Council has not yet discussed the CIP budget and carryovers for FY 2014-15. It is included as an attachment to the staff report. The CIP includes the purchase of two vehicles for the Police department and two vehicles for Public Works that are in critical need of replacement.

The Internal Services funds for fleet maintenance, including the purchase of vehicles, and information technology have not yet been discussed. They are included as attachments to the staff report.

Salary Range Changes

Staff is proposing changes to three positions. These changes have been incorporated into the proposed budget.

1. The salary for the Director of Administrative Services position is proposed to be increased based upon a recently completed salary survey by moving the position to the Tier 1 salary range in order to make the position more competitive with other agencies.
2. The salary for the Executive Assistant/Benefits Coordinator position has been reduced based upon the results of a recently completed salary survey.
3. The Planning Aide position is recommended to be reclassified to an Associate Planner position in order to retain the current incumbent in the position. Total cost of the reclassification is \$10,570, and has been included in the Community Development-Planning budget for FY 2014-15.

Two salary resolutions reflecting these changes will be included as part of the budget adoption on June 16, 2014.

Fiscal Impact

There is no fiscal impact at this time, as staff is requesting comments on the City's Proposed Fiscal Year 2014-15 Budget.

Submitted By:



Glenn L. Steinbrink
Interim Director of Administrative Services

Approved By:



Bret M. Plumlee
City Manager

- Attachments:*
1. *Summary of Resources and Requirements*
 2. *CIP for FY 2014-15*
 3. *CIP carryovers from FY 2013-14*
 4. *Proposed Budget for the Fleet Maintenance Fund*
 5. *Proposed Budget for the Information Technology Fund*
 6. *Interfund Transfer Matrix*

**City of Los Alamitos
Summary of Resources and Requirements
Fiscal Year 2014 - 2015**

Fund Type/Description	Estimated Beginning Balance July 2014	Resources			Requirements					Surplus (Deficit)	Projected Ending Balance June 2015	
		Estimated Revenue	Transfers In	Total Resources	Salaries & Benefits	Maintenance & Operations	Capital Equipment	Capital Projects	Transfers Out			Total Requirements
General Fund:												
10- General Fund (Operations)	-	11,799,480	350,817	12,150,297	7,620,759	4,631,051	-	-	214,420	12,466,230	(315,933)	(315,933)
Emergency Designation	2,300,000	-	-	2,300,000	-	-	-	-	-	-	-	2,300,000
Work Comp/Liability Designation	500,000	-	-	500,000	-	-	-	-	-	-	-	500,000
GASB 45 OPEB Designation	250,000	-	-	250,000	-	-	-	-	-	-	-	250,000
Los Alamitos Blvd. Ret:ab. Designation	200,000	-	-	200,000	-	-	-	-	-	-	-	200,000
Unassigned Fund Balance	4,836,638	-	-	4,836,638	-	-	-	-	-	-	-	4,836,638
General Fund Total:	8,086,638	11,799,480	350,817	20,236,935	7,620,759	4,631,051	-	-	214,420	12,466,230	(315,933)	(777,705)
Special Revenue Funds:												
10 - Pool CIP Funds	40,000.00	-	-	40,000	-	-	-	40,000	-	40,000	(40,000)	-
18- Proposition 1B	-	126,000	-	126,000	-	-	-	126,000	-	126,000	-	-
19- C.D.B.G. Fund	317,461	313,517	-	630,978	-	-	-	162,500	150,817	313,317	200	317,661
20- Gas Tax Fund	8,480	90,000	-	98,480	-	-	-	-	95,000	95,000	(5,000.00)	3,480
21- Public Safety Augmentation Fund	-	100,000	-	100,000	-	-	-	-	100,000	100,000	-	-
22- Supplemental Law Enforcement Fund	-	14,100	-	38,984	-	-	-	-	20,000	20,000	(15,900)	18,984
23- Air Quality Fund	24,884	204,909	-	657,201	-	-	-	387,200	-	387,200	(182,291)	270,001
26- Measuro M Fund	452,292	150	-	44,200	-	-	-	39,500	-	39,500	(39,350)	4,700
27- Asset Seizure	44,050	36,700	-	151,573	5,000	36,700	-	-	5,000	36,700	-	114,873
28- Los Alamitos Television Fund	114,873	15,000	-	20,931	-	-	-	-	-	10,000	5,000.00	10,931.00
29- Office of Traffic Safety Fund	5,931.00	-	-	-	-	-	-	-	-	-	-	-
Special Revenue Funds Total:	1,007,971	900,376	-	1,908,347	5,000	36,700	39,500	715,700	370,817	1,167,717	(267,341)	(740,630)
Debt Service Fund:												
31 - Laurel Park Debt Services Fund	255,515	-	214,420	469,935	-	214,420	-	-	-	214,420	-	255,515
Debt Service Fund Total:	255,515	-	214,420	469,935	-	214,420	-	-	-	214,420	-	255,515
Capital Projects Funds:												
24- Residential Street Fund	47,153	200	-	47,353	-	-	-	203,000	-	203,000	200	47,353
25- Building Improvement Fund	188,060	-	-	188,060	-	-	-	266,000	-	266,000	(266,000)	(14,940)
40- Park Development Fund	294,480	-	-	294,480	-	-	-	400,000	-	400,000	(463,000)	28,480
41- Rivers/Mountains Conservancy Fund	1,063,270	-	-	1,063,270	-	-	-	325,500	-	325,500	(325,500)	663,270
44- Traffic Improvement Fund	358,169	-	-	358,169	-	-	-	1,194,500	-	1,194,500	(1,194,300)	32,669
Capital Projects Funds Total:	1,951,132	200	-	1,951,332	-	-	-	1,194,500	-	1,194,500	(1,194,300)	756,832
Internal Service Funds:												
50- Garage Fund	145,637	232,407	-	378,044	85,488	150,415	-	-	110,000	355,903	(123,496)	22,141
53- Technology Replacement Fund	225,081	146,000	-	371,081	-	161,252	-	-	-	161,252	(15,252)	209,829
Internal Service Funds Total:	370,718	378,407	-	749,125	85,488	321,667	-	-	110,000	517,155	(138,748)	231,970
Grand Totals	11,671,974	13,078,463	565,237	25,315,674	7,711,247	5,203,838	39,500	1,910,200	695,237	15,560,022	(1,916,322)	9,755,652

City of Los Alamitos
Capital Improvement Projects
Fiscal Year 2014-15

Attachment 2

Description	Funding Source	Account	Adopted Budget
Arterial and Residential Tree Program	Gas Tax Fund	20.570.5501.1301	15,000
	Traffic Improvement Fund	44.570.5501.1301	20,000
Street Marking / Striping	Gas Tax Fund	20.570.5501.1303	10,000
	Traffic Improvement Fund	44.570.5501.1303	5,000
Concrete Repairs	Traffic Improvement Fund	44.570.5501.1302	40,000
Residential Street Improvements	Gas Tax Fund	20.570.5501.1304	50,000
Misc. Crosswalk Improvements	Gas Tax Fund	20.570.5501.1306	5,000
	Traffic Improvement Fund	44.570.5501.1306	5,000
Additional Speed Bumps in Alleys	Res.l Streets/Alleys Fund	24.570.5501.1426	20,000
Replace Median Islands Katella Ave and Los Alamitos Blvd	Gas Tax Fund	20.570.5501.1425	7,500
	Traffic Improvement Fund	44.570.5501.1425	7,500
Alley Improvements	CDBG	20.570.5501.1426	126,000
	Res.l Streets/Alleys Fund	24.570.5501.1426	14,000
Alley Drive Approaches and Cross Gutter	Gas Tax	26.570.5501.1427	10,000
	Traffic Improvement Fund	44.570.5501.1427	10,000
Los Alamitos Blvd. Revitalization Project	General Fund Reserves	40.570.5502.1428	100,000
Oak Street Restriping	Gas Tax	40.570.5502.1429	5,000
	Traffic Improvement Fund	44.570.5501.1427	5,000
Replacement of Street Signs	Gas Tax	10.2521	10,000
	Traffic Improvement Fund	25.570.5503.1430	10,000
Catalina Truck Crossing Rehabilitation	Gas Tax	25.570.5503.1431	15,000
	Traffic Improvement Fund	44.570.5501.1427	15,000
Old Dutch Haven Rehabilitation	Measure M	26.570.5501.1105	227,200
	Gas Tax	25.570.5503.1431	35,000
	Traffic improvement Fund	44.570.5501.1427	30,000
City-Wide Traffic Count	Measure M	26.570.5501.1105	5,000
Traffic Signal Head Painting	Unfunded		20,000
ADA Study improvements	Unfunded		75,000
City Hall Relocation Study	Unfunded		35,000
Community Center Rehabilitation	Building Improvement Fund	25.570.5503.1431	29,000

City Hall Complex Facility Repairs	Building Improvement Fund	25.570.5503.1431	7,000
Air Conditioner Replacement (4 units)	Building Improvement Fund	25.570.5503.1431	35,000
Civic Center Parking Lot renovation	Unfunded		77,500
Pine Street Parking Lot Pavement Rehabilitation	Unfunded		50,000
New Carpeting for City Hall 1, Comm Center and Police Dept	Unfunded		30,000
Replace Park Fencing	Park Fund	40.570.5502.1316	16,000
Community Center Internal Renovations	Park Fund Unfunded	40.570.5502.1316	250,000
Extend Fence at Laurel Park along Katella-JPIA request	Unfunded		10000
Little Cottonwood Park Septic tank Rehab	Unfunded		20000
Pool Painting	Pool CIP Fund	10-2521	40000
Pool Auto fill Valve Replacement	Unfunded		5000
Pool Lighting Repairs and Upgrade	Unfunded		30000
Pool Overflow/Skimmer Drains replacement	Unfunded		5000
Pool Deck Repair	Unfunded		50000
Pool Landscape and New Concrete	Unfunded		20000
Vehicles for Police and Public Works	Garage Fund AQMD Fund	50-	110,000 20,000
Total			1,736,700

Capital Improvement Projects Summary by Fund

Fund	Adopted Budget
10 - General Fund	100,000
19 - CDBG Fund	126,000
20 - Gas Tax Fund	162,500
23- Air Quality Fund (AQMD)	20,000
24- Residential Streets/Alleys Fund	34,000
25 - Building Improvement Fund	71,000
26 - Measure M Fund	232,200
40 - Park Development Fund	266,000
44 - Traffic Improvement Fund	147,500
10 - General Fund - Pool CIP Designation	40,000
50- Garage Fund	110,000
Unfunded	427,500
Total	1,736,700

**City of Los Alamitos
Capital Improvement Projects
Fiscal Year 2014 - 15 Carryover**

Attachment 3

Description	Funding Source	Account	Proposed Budget	Projected Expenditures	Carryover to FY 2013-14
Ball Road, Portal, Winners Circle, Cerritos Sidewalk, and Los Alamitos at Bradbury	Gas Tax Fund	20.570.5501.1301	300,000	32,000	268,000
	Traffic Improvement Fund	44.570.5501.1301	200,000	22,000	178,000
	Measure M Fund 26	26.570.5501.1105	200,000	45,000	155,000
Coyote Creek Improvement Project	Rivers/Mtns Conservancy Fund	41.570.5502.1109	1,189,920	789,920	400,000
Little Cottonwood Park BBQ and Laubordette Fencing	Park Development Fund	40.570.5502.1316	4,000	-	4,000
Generator Replacement	Building Improvement Fund	25.570.5503.1314	100,000	8,000	92,000
School Traffic Study	Gas Tax Fund	20.570.5501.1301	30,000	20,000	10,000
Community Pool	Pool CIP Funds	10-2521	40,000	-	40,000
	Building Improvement Funds	25.570.5503.1314	40,000	-	40,000
Total			2,103,920	916,920	1,187,000

Capital Improvement Projects Summary by Fund

Fund	Proposed Budget	Projected Expenditures	Carryover to FY 2013-14
10 - Pool CIP Funds	40,000	-	40,000
19 - CDBG Fund	-	-	-
20 - Gas Tax Fund	330,000	52,000	278,000
25 - Building Improvement Fund	140,000	8,000	132,000
26 - Measure M Fund	200,000	45,000	155,000
40 - Park Development Fund	4,000	-	4,000
41 - Rivers and Mountains Conservancy Fund	1,189,920	789,920	400,000
44 - Traffic Improvement Fund	200,000	22,000	178,000
Total	2,103,920	916,920	1,187,000

**CITY OF LOS ALAMITOS
MUNICIPAL BUDGET DETAIL**

Department		Division					
Public Works		Fleet Maintenance - 546					
Object Code	Expense Classification	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Adjusted Budget	2013-14 Estimated Year-End	2014-15 Proposed
SALARY & BENEFITS							
5101	Salaries - Full Time	61,224	53,915	55,950	56,056	56,056	56,060
5109	On Call Pay	1,230	1,230	1,230	1,260	1,260	1,260
5117	Uniform Allowance	510	650	650	650	650	650
5120	Overtime	3,848	1,908	2,388	4,000	4,000	4,000
5126	Sick Conversion	616	616	631		647	650
5127	Vacation Conversion						2,160
5130	Medicare	858	828	859	900	900	820
5150	Retirement	7,999	8,608	8,603	8,929	8,929	9,260
5161	Medical/Dental/Vision Insurance	10,276	12,350	12,950	13,200	13,200	13,200
5162	Life Insurance	175	165	165	165	165	140
5163	Disability Insurance	315	328	327	328	328	350
Salary & Benefits Total		87,050	80,598	83,753	85,488	86,135	88,550
Maintenance & Operations							
5201	Supplies/Division Expense	12,599	13,625	13,982	13,000	13,000	13,000
5206	Uniforms	-	260	248	400	400	700
5207	Travel & Training	1,711	288	139	750	500	500
5222	Gas Tank Certification	4,803	5,713	(80)			-
5225	Auto Parts - Police	11,631	13,809	10,572	8,000	10,000	10,000
5226	Auto Parts - Recreation	665	50	-	500	500	500
5227	Auto Parts - Public Works	6,889	8,860	7,484	7,000	7,000	7,000
5228	Auto Parts - Other	299	177	-	4,000	4,000	2,000
5255	Natural Gas	6,165	3,869	2,932	4,000	4,000	4,000
5258	Gasoline	72,162	82,990	87,780	90,000	90,000	90,000
5275	Outside Services - P/D Vehicle	12,929	20,474	15,585	20,000	20,000	20,000
5276	Outside Services - Rec Vehicle	323	248	241	1,000	1,000	850
5277	Outside Services - PW Vehicle	9,884	5,083	11,564	7,900	7,900	8,000
5278	Outside Services - Other Vehicle	153	366	405	2,000	2,000	2,000
5287	Technology Charges	2,850	1,865	1,865	1,865	1,865	1,865
Maintenance & Operations Total		143,064	157,677	152,717	160,415	162,165	160,415
Capital Outlay							
5435	Equipment-PW				19,000	19,000	
5440	Vehicles- Police				27,000	27,000	
Interfund Transfer to CIP-Vehicles							110,000
Capital Outlay Total					46,000	46,000	
Division Total		230,114	238,275	236,470	291,903	294,300	358,965

**CITY OF LOS ALAMITOS
MUNICIPAL BUDGET DETAIL**

Department		Division					
Information Technology		Information Technology - 512					
Object Code	Expense Classification	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Adjusted Budget	2013-14 Estimated Year-End	2014-15 Proposed
	Salaries & Benefits						
	No Personnel Allocations						
	Salaries & Benefits Total	-	-	-	-	-	-
	Maintenance & Operations						
5201	Supplies	2,260	2,000	1,929	2,000	2,000	2,000
5260	Contractual Services	108,468	87,570	71,103	75,000	75,000	75,000
5280	Maintenance Support Contract	21,272	59,000	39,057	28,812	28,800	36,430
5420	Equipment	-	-	-	-	-	17,500
5450	Computers	22,041	37,800	16,775	40,200	30,200	10,000
5451	Software	3,584	4,000	75	15,240	5,240	23,310
	Maintenance & Operations Total	157,625	190,370	128,939	161,252	141,240	164,240
	Division Total	157,625	190,370	128,939	161,252	141,240	164,240

