

MINUTES OF THE BUDGET STANDING COMMITTEE OF THE CITY OF LOS ALAMITOS

SPECIAL MEETING

FRIDAY, September 4, 2015 – 8:00 a.m.

1. CALL TO ORDER

The Budget Standing Committee met in Special Session at 8:00 a.m., Friday, September 4, 2015, at City Hall, 3191 Katella Avenue, Mayor Murphy presiding.

2. ROLL CALL

Present: Committee Members: Mayor Murphy
Mayor Pro Tem Edgar

Absent: Committee Members: None

Present: Staff: Bret M. Plumlee, City Manager
Jason Al-Imam, Admin. Services Director

3. DISCUSSION ITEMS

Mayor Murphy opened the item for public comment. There being no one present wishing to speak, Mayor Murphy closed the item for public comment.

A. Fiscal Year 2014-15 Results

Administrative Services Director, Jason Al-Imam, provided an overview of the year-end actual (unaudited) revenues over expenditures, which were approximately \$330,000 better than projected primarily due to revenues. In June 2015 revenues were projected to be \$15,547,036. However, actual revenues were approximately \$295,000 higher than projected primarily due to permit revenue (\$100,000), reimbursements from the State of California (\$56,000), Red Light Camera Fine revenue (\$77,643) and an accounting adjustment related to Pool CIP user fee revenue (\$56,040).

B. Fund Balance Reservations

Staff discussed the revised Fund Balance Policy, which includes the recommendation that the amount set aside for Other Post-Employment Benefits (OPEB) be increased by \$250,000 (bringing the reserve balance to \$500,000). The amount set-aside for emergencies was also reset based on the amount of non-capital expenditures budgeted for Fiscal Year 2015-16. It was also recommended that language be inserted into the Fund Balance Policy to define a "financial emergency" and to provide the conditions for which PERS reserves may be used. The Budget Standing Committee also recommended that the

Fiscal Year 2014-15 operating surplus be used to fund capital improvements/replacements with the transfer of \$100,000 to the Vehicle & Equipment Fund and \$100,000 to the Police Capital Internal Service Fund.

In Fiscal Year 2016-17 and 2017-18, it is estimated that approximately \$700,000 of vehicles and equipment will need to be replaced. The Vehicle & Equipment Fund currently has no funds available to fund future capital replacements other than the amounts budgeted for Fiscal Year 2015-16. The Police Capital Expenditures Internal Service Fund has approximately \$727,000 available to fund the 800 MHz project and the CAD/RMS project. There is approximately \$470,000 of remaining costs on the 800 MHz project, which leaves approximately \$257,000 available for CAD/RMS. While the total project cost for the CAD/RMS project is currently not yet known, it is expected to exceed the amount currently set aside for this project.

4. ADJOURNMENT

The Budget Standing Committee adjourned at 9:15 a.m.


Richard D. Murphy, Mayor

Attest:


Jason Al-Imam, Director
Administrative Services Department