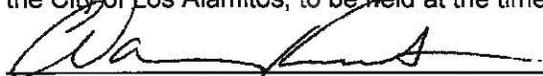


CITY OF LOS ALAMITOS

3191 Katella Avenue
Los Alamitos, CA 90720

AGENDA CITY COUNCIL SPECIAL MEETING June 3, 2013 – 6:00 p.m.

I, Warren Kusumoto, 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.



Warren Kusumoto, 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 Murphy
 - Mayor Pro Tem Graham-Mejia
 - Mayor Kusumoto

3. SPECIAL ORDERS OF THE DAY

A. Fiscal Year 2013-14 Proposed Budget Follow Up

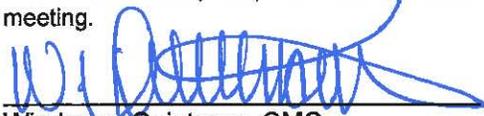
This report addresses follow up items from the previous two budget study sessions held on May 6, 2013, and May 20, 2013.

Recommendation:

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

4. 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

5/20/13

Date

City of Los Alamitos

Agenda Report Special Orders of the Day

June 3, 2013
Item No: 3A

To: Mayor Warren Kusumoto & Members of the City Council

Via: Gregory D. Korduner, Interim City Manager

From: Joshua A. Brooks, Finance Director

Subject: Fiscal Year 2013-14 Proposed Budget Follow Up

Summary: This report addresses follow up items from the previous two budget study sessions held on May 6, 2013 and May 20, 2013.

Recommendation:

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

Background

Fiscal Year 2013-14 budget discussions were held on May 6, 2013 and May 20, 2013. The first meeting provided an in-depth analysis of General Fund revenues and expenditures and the second special budget meeting provided an overview of the City's Capital Improvement Program and other funds. This budget study session is being held to address follow-up items resulting from the first two meetings. In keeping with the City Charter, a Public Hearing will be held on June 17, 2013, at which time budget adoption will be recommended.

Discussion

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

Part-Time COLA:

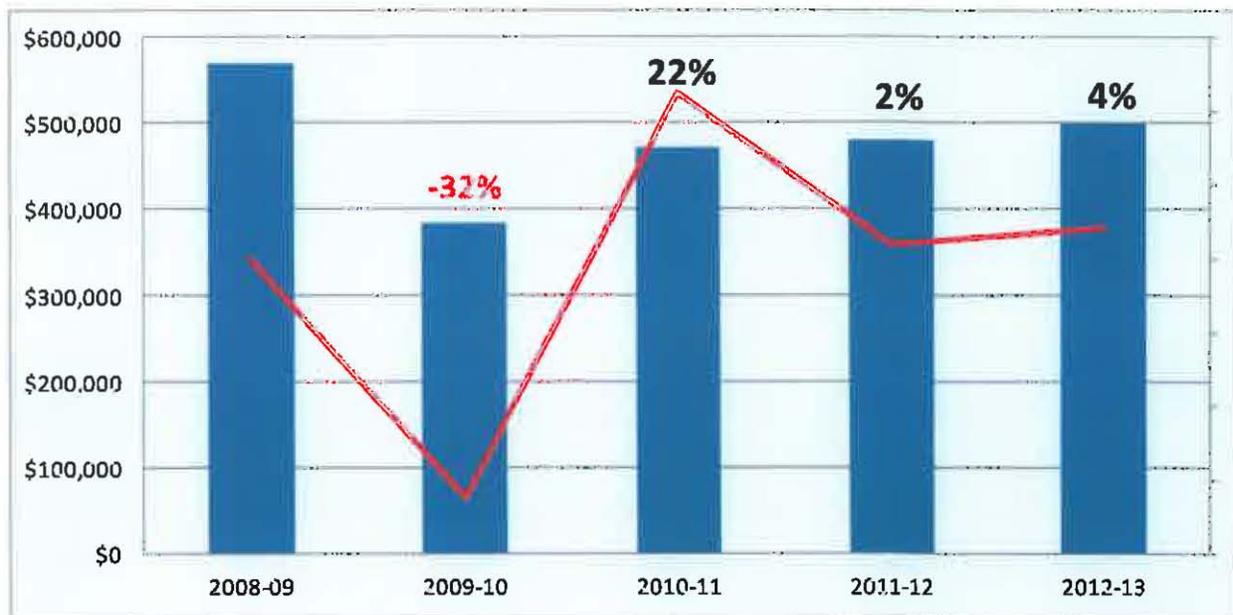
The proposed budget includes a 2.5% Cost of Living Increase (COLA) for the City's part-time employees. The City has roughly 100 part-time employees who work approximately 45,500 hours per year. This COLA would follow on the heels of the recent 2.5% COLA provided to the City's full-time employees in April 2013. The part-

time COLA would allow the City to be more competitive with recruiting and retaining part-time employees. The amount needed to cover this increase is already included in the budget and totals \$17,000.

Business License Position:

The proposed budget converts two part-time receptionist positions to a new full-time position titled Receptionist/Business License Clerk. This new position would be able to provide part of their full-time attention to the business license function, including maintaining the data base of tax payers, processing renewal notices, and building institutional knowledge. The chart below tracks the actual business license revenue for the last five years. In 2009-10 the full-time person who was overseeing business license left the City and was not replaced. It has taken several years to partially recover the revenue lost during this time. This proposed change would provide the Staff to continue to make improvements in the Business License function.

Business License Tax History



Business License Online Payment Software:

Staff has contacted our current business license software provider to get a preliminary price quote on upgrading our system to allow for on-line payment of business licenses. The amount to upgrade was \$20,000 up-front with a \$5,000 a year license fee.

Fund Balance Projections and Policy:

The General Fund is projected to end fiscal year 2013-14 with a total fund balance of \$6,751,779. The Assignment for Emergency (Emergency Reserve) has been increased by \$40,000 to \$2,340,000 to comply with the City's 20% Emergency Reserve policy.

The details of the projected change in fund balance for all funds are shown on Attachment 1 - Summary of Resources and Requirements.

Staff is proposing a new fund balance policy with this report. The proposed policy would be used to allocate funds in years where the General Fund ended with a surplus. The allocation would be 50% to the Capital Improvement Fund, 25% assigned to OPEB (Other Post Employment Benefits) and 25% to unassigned fund balance. This allocation would only be made if the General Fund has sufficient funds in the Emergency Reserve and the General Fund ended the year with a surplus. This allocation would help address several City needs including setting aside funds for OPEB, Capital Improvement Projects, and continuing to grow the unassigned fund balance which could be reassigned at the City Council's discretion.

Other Items:

Percentage changes will be added to the departmental pages in the adopted budget book and will continue for future years.

Details of the Garage Fund charge have been included with this report on Attachment 1 and 2. Per Attachment 1, the Garage Fund is projected to begin the 2013-14 Fiscal Year with a fund balance of \$92,367 and is projected to spend \$85,488 for Salaries and Benefits, \$160,415 for Maintenance and Operations and \$129,000 for Equipment. Revenues from charges to others funds total \$358,407. The Garage fund is projected to end Fiscal Year 2013-14 with \$75,871 in fund balance. The breakdown of the charges being made to other departments has been included on Attachment 2.

Fiscal Impact

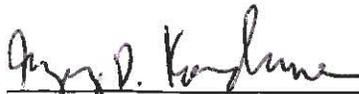
There is no fiscal impact at this time, as Staff is requesting comments on the City's Proposed Fiscal Year 2013-14 Budget.

Submitted By:



Joshua A. Brooks
Finance Director

Approved By:



Gregory D. Korduner
Interim City Manager

*Attachments: 1 Summary of Resources and Requirements
2. New Garage Fund Allocation*

Attachment 1
City of Los Alamitos
Summary of Resources and Requirements
Fiscal Year 2013 - 2014

Fund Type/Description	Estimated Beginning Balance July 2013	Resources			Requirements						Surplus (Deficit)	Projected Ending Balance June 2014
		Estimated Revenue	Transfers In	Total Resources	Salaries & Benefits	Maintenance & Operations	Capital Equipment	Capital Projects	Transfers Out	Total Requirements		
General Fund:												
10- General Fund (Operations)	-	11,327,240	382,000	11,709,240	7,518,869	3,969,505	-	-	210,951	11,699,325	9,915	9,915
Emergency Designation	2,300,000	-	40,000	2,340,000	-	-	-	-	-	-	40,000	2,340,000
Work Comp/Liability Designation	500,000	-	-	500,000	-	-	-	-	-	-	-	500,000
GASB 45 OPEB Designation	250,000	-	-	250,000	-	-	-	-	-	-	-	250,000
JFTB Pool Capital Impr. Designation	40,000	40,000	-	80,000	-	-	-	80,000	-	80,000	(40,000)	-
Los Alamitos Blvd. Rehab. Designation	200,000	-	-	200,000	-	-	-	100,000	-	100,000	(100,000)	100,000
General Plan Update Designation	139,440	-	-	139,440	-	129,487	-	-	9,953	139,440	(139,440)	-
Business and Residential Impr. Prog.	142,000	-	-	142,000	-	10,000	-	-	132,000	142,000	(142,000)	-
Community Spending Priorities Prog.	358,333	-	-	358,333	-	14,000	-	-	-	14,000	(14,000)	344,333
Unassigned Fund Balance	3,340,578	-	141,953	3,482,531	95,000	-	-	100,000	80,000	275,000	(133,047)	3,207,531
General Fund Total:	7,270,351	11,367,240	563,953	19,201,544	7,613,869	4,122,992	-	280,000	432,904	12,449,765	(518,572)	6,751,779
Special Revenue Funds:												
18 - Proposition 1B Fund	-	292,000	-	292,000	-	-	-	292,000	-	292,000	-	-
19- C.D.B.G. Fund	(18,640)	18,640	-	-	-	-	-	-	-	-	18,640	-
20- Gas Tax Fund	273,342	362,328	-	635,670	-	-	-	425,000	177,000	602,000	(266,330)	33,670
21- Public Safety Augmentation Fund	15,193	90,000	-	105,193	-	-	-	-	90,000	90,000	-	15,193
22- Supplemental Law Enforcement Fund	-	100,000	-	100,000	-	-	-	-	100,000	100,000	-	-
23- Air Quality Fund	9,526	14,100	-	23,626	-	-	-	-	-	-	14,100	23,626
26- Measure M Fund	189,790	267,543	-	457,333	-	-	-	429,000	-	429,000	(161,667)	28,333
27- Asset Seizure	64,669	150	-	64,819	-	-	39,500	-	-	39,500	(64,669)	25,319
28- Los Alamitos Television Fund	137,389	36,700	-	174,089	-	36,700	-	-	-	36,700	-	137,389
29- Office of Traffic Safety Fund	-	15,000	-	15,000	5,000	-	-	-	10,000	15,000	-	-
30- EECBG Fund	-	-	-	-	-	-	-	-	-	-	-	-
Special Revenue Funds Total:	671,269	1,196,461	-	1,867,730	5,000	36,700	39,500	1,146,000	377,000	1,604,200	(407,469)	263,530
Debt Service Fund:												
31 - Laurel Park Debt Service Fund	260,088	-	210,951	471,039	-	210,951	-	-	-	210,951	-	260,088
Debt Service Fund Total:	260,088	-	210,951	471,039	-	210,951	-	-	-	210,951	-	260,088
Capital Projects Funds:												
24- Residential Street Fund	47,099	200	-	47,299	-	-	-	-	-	-	200	47,299
25- Building Improvement Fund	89,900	100,000	-	189,900	-	-	-	189,900	-	189,900	(89,900)	0
40- Park Development Fund	123,222	250	-	123,472	-	-	-	34,000	-	34,000	(89,750)	89,472
41- Rivers/Mountains Conservancy Fund	(197,330)	1,387,250	-	1,189,920	-	-	-	1,189,920	-	1,189,920	197,330	-
44- Traffic Improvement Fund	353,686	67,566	-	421,252	-	-	-	364,000	-	364,000	(266,434)	57,252
Capital Projects Funds Total:	416,577	1,555,266	-	1,971,843	-	-	-	1,777,820	-	1,777,820	(222,654)	194,023
Internal Service Funds:												
50- Garage Fund	92,367	358,407	-	450,774	85,488	160,415	129,000	-	-	374,903	(18,496)	75,871
53- Technology Replacement Fund	193,529	146,000	-	339,529	-	161,252	146,694	-	-	307,946	(161,946)	31,583
Internal Service Funds Total:	285,896	504,407	-	790,303	85,488	321,667	275,694	-	-	682,849	(173,442)	107,454

iii/x

Attachment 2

City of Los Alamitos
 New Garage Fund Allocation
 Fiscal Year 2013-14

Fund	Department	Account Number	Amount
10	City Manager/City Clerk	511-5286	1,667
10	Finance	512-5286	1,667
10	Police	521-5286	26,673
10	Police	522-5286	133,364
10	Police	523-5286	46,677
10	Police	524-5286	6,668
10	Police	527-5286	8,327
10	Police	528-5286	<u>6,668</u>
			228,377
10	Community Development	533-5286	6,668
10	Public Works	542-5286	70,016
10	Public Works	543-5286	<u>40,010</u>
			110,026
10	Recreation and Community Services	551-5286	6,668
28	LATV	518-5286	<u>3,334</u>
			<u><u>358,407</u></u>