

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

SPECIAL MEETING

Thursday, October 4, 2018 – 6:00 p.m.

1. CALL TO ORDER

The Budget Standing Committee met in Special Session at 6:00 p.m., Thursday, October 4, 2018, at City Hall, 3191 Katella Avenue, Council Members Chirco and Hasselbrink presiding.

2. ROLL CALL

Present: Committee Members: Council Member Chirco
Council Member Hasselbrink

Absent: Committee Members: None

Present: Staff: Bret Plumlee, City Manager
Maria-Luisa Valdez, Finance Director

3. CONSENT CALENDAR

A. Approval of Minutes

Motion/Second: Chirco/Hasselbrink

Unanimously Carried: The Budget Standing Committee approved the Minutes of the Special Meeting on September 10, 2018

4. DISCUSSION ITEMS

Council Member Hasselbrink opened the item for public comment. There being no one present wishing to speak, Council Member Hasselbrink closed the item for public comment.

A. City's Ten-Year Financial Forecast

(Finance)

Director Valdez provided the Ten-Year Forecast and detailed the various anticipated trends for relatively flat revenues compared to increasing expenditures. The Ten-Year Financial Forecast surfaces major fiscal conditions and projected future conditions based on current service levels and staffing. The Forecast predicted fund balance depleted by Fiscal Year 2024-25 and expenditures would exceed revenues by approximately \$3.5 million in Fiscal year 2027-28. Over the next ten-year span, there would be a cumulative deficit of approximately \$18.3 million.

Committee members inquired about the main revenue drivers and the assumptions built in. Committee member Chirco outlined that the Forecast did not include any unforeseen economic downturns. He would like the Ten-Year Forecast be reviewed at least semi-annually. Committee member Hasselbrink provided a list of options which included increasing revenue and decreasing expenses in order to close the budget gap in the future. Staff will be bringing a plan forward with potential solutions to close the deficit that is foreseen along with pros and cons and a timeline for future steps.

5. ADJOURNMENT

The Budget Standing Committee adjourned at approximately 7:30 p.m.



Shelley Hasselbrink, Council Member

Attest:



Maria-Luisa Valdez, Finance Director