

CITY OF LOS ALAMITOS

3191 Katella Avenue
Los Alamitos, CA 90720

AGENDA BUDGET STANDING COMMITTEE SPECIAL MEETING

Monday, September 23, 2019 – 6:00 p.m.

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 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.

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Persons wishing to address the Committee on any item on the agenda will be called upon at the time the agenda item is called or during the Committee's consideration of the item and may address the Committee for up to three minutes.

1. CALL TO ORDER

2. ROLL CALL

Council Member Chirco
Council Member Hasselbrink

3. CONSENT CALENDAR

A. Approval of Minutes

Approve the Minutes of the Special Meeting on August 12, 2019

4. DISCUSSION ITEMS

A. Review of Unaudited Financial Results of Fiscal Year 2018-2019 and General Fund Reserve Policy Designations

Recommendations:

1. Review the unaudited Fiscal Year 2018-2019 General Fund financial results.

2. Direct staff to present to the City Council the Committee's recommendation on General Fund reserve designations.

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.

Eric Hendrickson

Eric Hendrickson, Finance Director

9/19/19

Date

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

SPECIAL MEETING

Monday, August 12, 2019 – 6:00 p.m.

1. CALL TO ORDER

The Budget Standing Committee met for a Special Meeting at 6:00 p.m., Monday, August 12, 2019, 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: Les Johnson, Development Services Director
Eric Hendrickson, Finance Director
Chris Karrer, Police Captain
David Cain, Fiscal Sustainability Manager

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 July 22, 2019

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. Review of Fiscal Sustainability Pros & Cons List

The Budget Standing Committee reviewed and discussed the previously drafted pros and cons list concerning fiscal sustainability options. The Budget Standing Committee directed staff to present these lists to the full City Council.

5. ADJOURNMENT

The Budget Standing Committee adjourned at approximately 6:25 p.m.

Eric Hendrickson, Finance Director

City of Los Alamitos

BUDGET STANDING COMMITTEE

AGENDA REPORT

MEETING DATE: September 23, 2019

ITEM NUMBER: 4A

To: Budget Standing Committee Members

Presented By: Eric Hendrickson, Finance Director

Subject: Unaudited Results of Fiscal Year 2018/19 & Reserve Policy Designation

SUMMARY

This report seeks to provide the Budget Standing Committee with a financial update summarizing the General Fund reserves for the Fiscal Year 2018/19 and seeks a recommendation from the Committee to establish a Fund Balance Reserve Policy.

RECOMMENDATIONS

It is recommended that the Committee review the unaudited financial results of Fiscal Year 2018/19 and provide a recommendation to staff about where to designate the General Fund reserves.

BACKGROUND & DISCUSSION

With the close of Fiscal Year 2018/19, it is prudent to present to the Committee the unaudited financial results of the General Fund. From there, the Committee can recommend to the City Council where the reserves should be designated or earmarked. In the past, reserves have been designated towards pension debt, OPEB debt, emergencies, future projects, or any other priority of the City Council.

FISCAL IMPACT

There is no fiscal impact associated with reviewing financial results and recommending to the City Council how to designate reserves.

Submitted By: Eric Hendrickson, Finance Director

Approved By: Les Johnson, Interim City Manager

Attachments: 1. Reserve Policy Worksheet

BSC Unaudited Results of FY 18/19 & Reserve Policy Designation

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City of Los Alamitos
 Unaudited General Fund Results and Reserve Policy Designations
 Fiscal Year 2018/19

Fiscal Year 18/19 Results	
Fund Balance @ 6/30/2018	7,728,682
General Fund Revenues	14,615,871
General Fund Expenditures	13,445,708
Revenues over Expenditures	1,170,163
Fund Balance @ 6/30/2019	8,898,845

Explanation of the \$1.1M surplus includes salary and benefit savings from consistent personnel vacancies and the following revenues coming in above budget:

Taxes	209,145
Licenses & Permits	321,745
Recreation Revenue	99,884
Investment Earnings	171,622
Fines & Forfeitures	170,417
	972,813

General Fund balance @ 6/30/19	8,898,845
Less: Prepaid Costs	(41,272)
Less: Employee Computer Loans	(7,424)
Less: Emergencies	(3,607,491) <i>25% of FY 19/20 Expenditures</i>
Less: Projects/Carryovers	(254,450)
Amount to be Apportioned between PERS, OPEB, & unassigned	4,988,208

Reserve Policy & Designations	Prior Year 6/30/18 Amount	Current Year 6/30/19 Amount
Unassigned:	48,306	868,208
Nonspendable:		
Prepaid Costs	9,305	41,272
Employee Computer Loans	9,031	7,424
Committed:		
Emergencies	3,387,075	3,607,491
Assigned:		
OPEB Reserves	500,000	500,000
PERS Reserves	3,620,000	3,620,000
Development Projects/Carryovers	154,965	254,450
	7,728,682	8,898,845