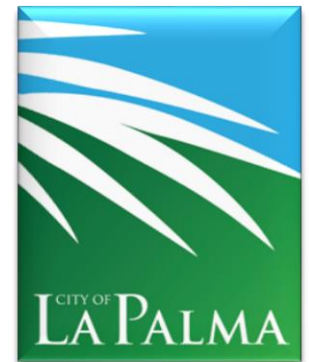

Fiscal Year 2019-20 Proposed Budget

CITY COUNCIL

JUNE 4, 2019





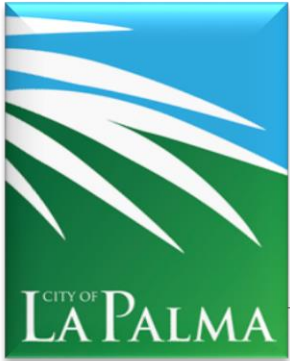
FISCAL YEAR END 2018-19 ESTIMATED GENERAL FUND BALANCE

Estimated Ending FY 18-19 General Fund Budget

Projected Revenues	\$ 11,861,300
Estimated Expenditures	(10,459,800)
Transfers Out	(767,500)
FY 2018-19 Surplus/(Deficit)	634,000

GENERAL FUND UNASSIGNED FUND BALANCE

Unassigned Fund Balance as of 6/30/2018	\$ 1,942,100
Estimated FY 18-19 Surplus	634,000
25% Surplus Transfer to Emergency Reserve	(158,500)
Estimated Balance at 7/1/2019	\$ 2,417,600
Transfer to COR for Median Projects	(1,140,000)
Estimated Available Balance as of 7/1/2019	\$ 1,277,600



ADDITIONAL DISCUSSION

- **Estimated GF Unassigned Fund Balance: \$1.3M**
- **FY 19-20 One Time Costs:**
 - **Housing Element Update - \$50,000 (Another \$50,000 n FY 20-21)**
 - **Walmart Settlement - \$48,800**
- **Designate some Unassigned Fund Balance to One-Time Projects Fund and Transfer Large One-Time Costs?**



UPDATES AFTER MAY 21 PRESENTATION

General Fund Revenue:

- **Increase Use of Money & Property from \$380,100 to \$414,400 (+\$34,300)**
- **Increase Fines & Forfeitures from \$91,900 to \$95,000 (+\$3,200)**



UPDATES AFTER MAY 21 PRESENTATION

General Fund Expenditures:

- **General Government**
 - Legal Services increase of \$48,800 for Walmart Settlement
- **Community Services**
 - Citywide Maintenance increase of \$15,000 to carryover funding for City Hall Conference Room Furniture
 - Streets Division increase of \$10,000 for Streetlight Electricity
- **Transfers Out**
 - Emergency Reserve Fund Transfer increase of \$36,900 to meet City Policy
 - Additional \$150,000 from Unassigned Fund Balance to COR for Moody Street Medians



UPDATES AFTER MAY 21 PRESENTATION

Water Fund Expenditures:

- **Water Administration increase of \$21,100 for new Water Meter Data Collector Devices**

Capital Improvement Program:

- **New Moody Street Medians - \$300,000**
- **Additional Carryover Projects:**
 - **Orangethorpe Ave. Rehab - \$460,000**
 - **Traffic Signal Cabinet Replacements - \$100,000**
 - **Traffic Signal Battery Backups - \$75,000**

FY 2019-20 Proposed Budget





FY 2019-20 PROPOSED GENERAL FUND

PROPOSED FY 19-20 General Fund Budget

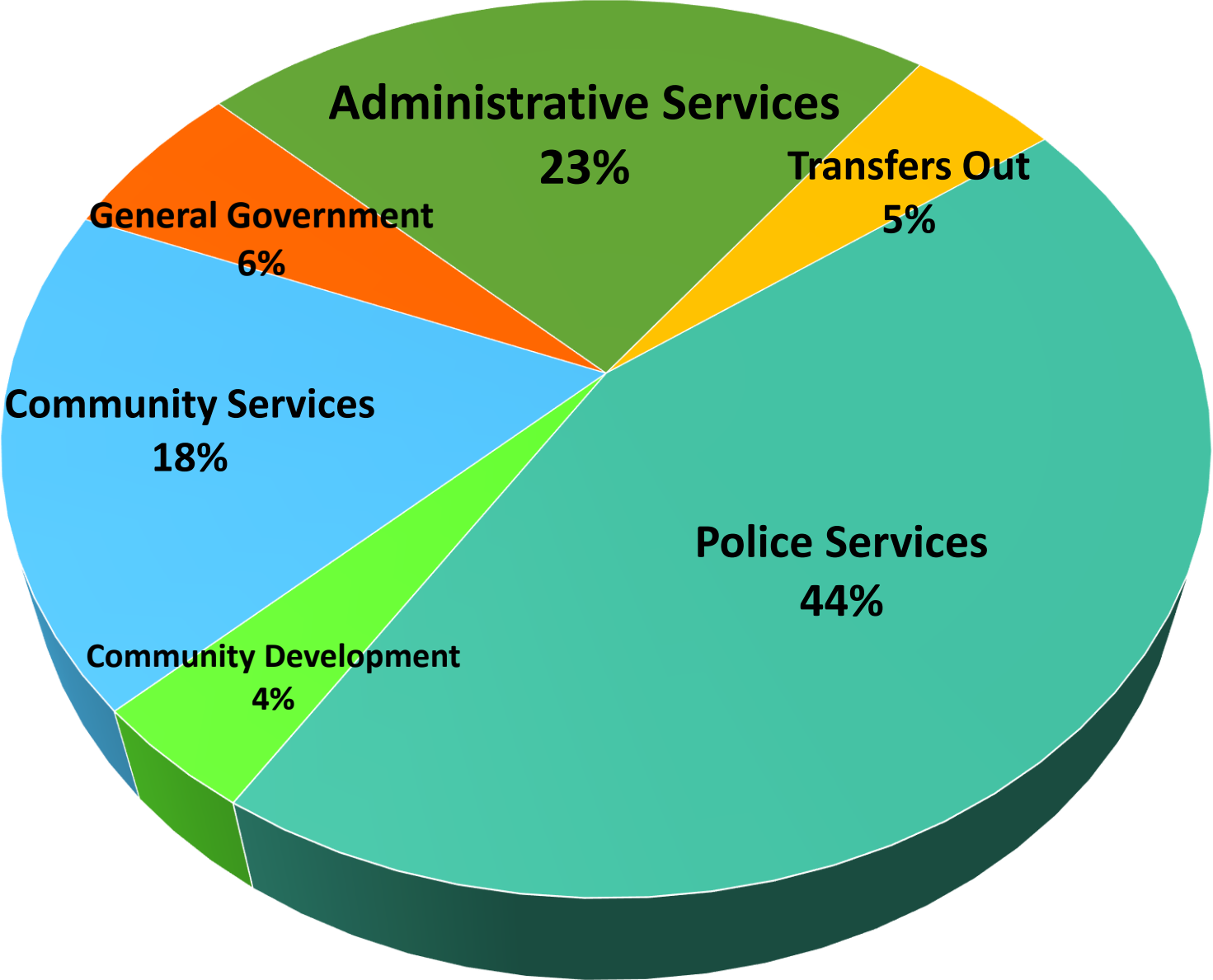
Projected Revenues	\$ 11,892,300
Proposed Expenditures	(11,226,000)
Transfers Out	(565,500)
FY 2019-20 Surplus/(Deficit)	100,800



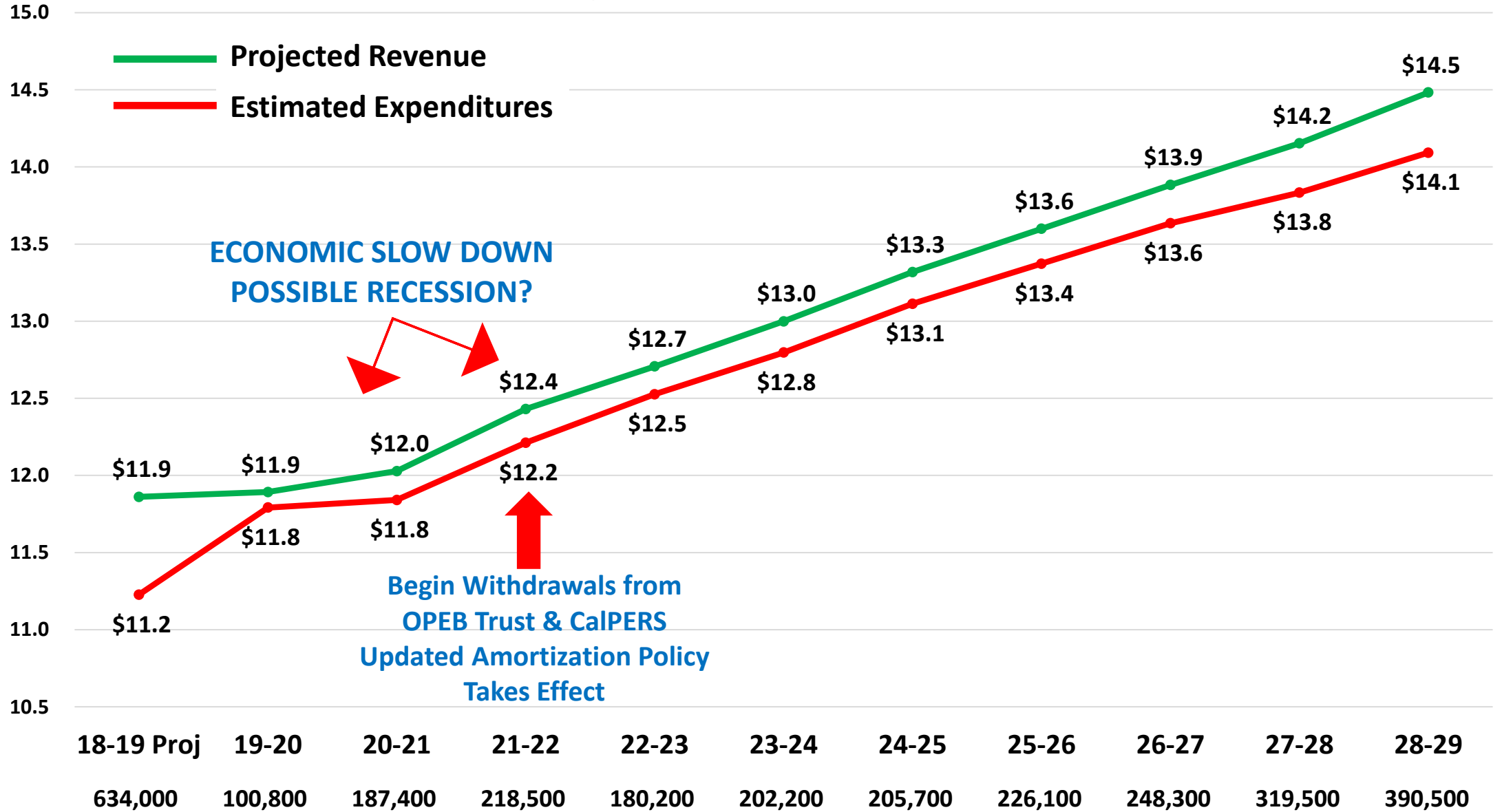
FY 2019-20 General Fund Expenditures

EXPENSE TYPE	2018-19 Estimated	2019-20 Proposed	Var +/-
Personnel	\$ 5,632,100	\$ 6,021,400	389,300
CalPERS Unfunded Liability Payment	1,010,800	1,185,000	174,200
Maintenance & Operations	2,670,000	2,782,500	124,900
Risk Management Fund Transfer	947,600	936,800	(10,800)
Vehicle Replacement Fund Transfer	99,500	152,300	52,800
Technology Fund Transfer	112,200	148,000	35,800
Transfers Out	767,500	565,500	(202,000)
TOTAL GENERAL FUND EXPENDITURES	\$ 11,239,700	\$ 11,791,500	\$ 564,200

FY 2019-20 General Fund Expenditures - \$11,791,500



General Fund Long-Term Forecast – as of 6/4/2019





PERSONNEL DISCUSSION

Community Services Department

- **Two Full-Time (2) Recreation Coordinator Positions**
 - Prior to FY 2017-18, CS Department had One F/T Recreation Coordinator and One F/T Recreation Supervisor
 - FY 2017-18 Recreation Supervisor replaced with Management Analyst and One Senior Office Specialist reclassified to Recreation Coordinator

- **Annual Cost for One (1) Recreation Coordinator at Top Step: \$73,600**



PERSONNEL DISCUSSION

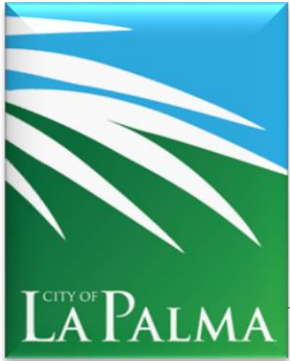
Recreation Coordinator:

Programs

- **Contract Classes***
- **Aquatics Program***
- **Volunteer Program***
- **Day Camp Program**
- **Teens/Volunteens Program**
- **Senior Program**
- **Facilities Management & Rentals**
- **Marketing of Programs & Events**
- **Active Software Liaison**
- **P/T Staff Training & Supervision**
- **Corporate Sponsorship Program**
- **Community Activities & Beautification**
- **Committee Support**

Special Events

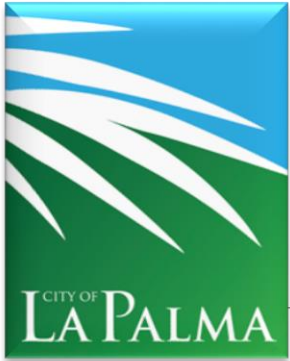
- **Memorial Day**
- **Holiday Tree Lighting**
- **Run for Fun***
- **Arbor Day***
- **Concerts in the Park***
- **Hometown Heroes Concert***
- **Halloween Carnival***
- **International Day (New)***
- **Volunteer Recognition Event***



PERSONNEL DISCUSSION

Community Development Department

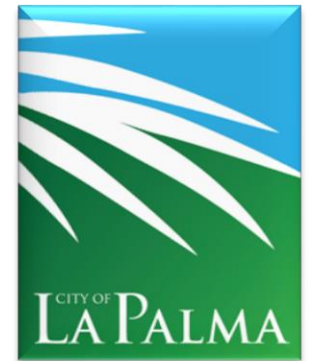
- **Add Fulltime Business License/Permit Technician & Convert Business License/Code Enforcement Officer to Fulltime Code Enforcement**
 - **Annual Cost at Top Step: \$73,600**
 - **Eliminate Contract P/T Permit Tech: \$33,000**
 - **Net Cost Approximately: \$42,000**



Appropriations Limit (GANN)

- California Constitution requires local governments to establish an annual appropriations limit
- *Gann Initiative* places limits on the growth of expenditures for publicly funded programs
- The Appropriations Limit applies only to those revenues defined as “proceeds of taxes”
- Annual adjustment derived using population and per-capita personal income inflation factors
- La Palma FY 2019-20 - \$18,087,806

Capital Improvement Program





Capital Improvement Program

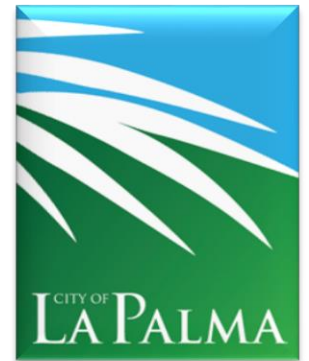
\$8.3 Million Proposed for FY 2019-20

- **Street Median Rehab - \$1.6 Million**
 - **La Palma Ave., Moody Street, and Walker Street**
- **New Moody Street Medians - \$300,000**
- **Citywide Security - \$390,000**
- **City Hall Improvements - \$1.4 Million**
- **City Yard Improvements - \$445,000**
- **Residential Pavement Program (Zone 1 & 2) – \$475,000**
- **Arterial Street Rehabilitation Projects - \$2.1 Million**

CIP Summary by Funding Sources

Funding Source	FY 2019-20	% of Total
Capital Outlay Reserve (COR)	5,101,800	61.3
Gas Tax/HUTA	265,000	3.2
Measure M2	482,000	5.8
Measure M Grant	375,000	4.5
Road Maint/Rehab Account (SB1)	500,000	6.0
Sewer Capital Fund	335,700	4.0
Water Capital Fund	1,264,500	15.2
TOTAL CIP	\$ 8,324,000	

Fund Balances





PROJECT FUNDS

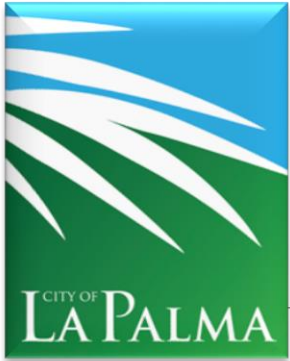
FUND	FY 2019-20 Beginning Balance	FY 2019-20 Est. Ending Balance
Capital Outlay Reserve	\$ 5,797,000	\$ 2,250,200
Economic Development	221,900	146,900
Civic Center Replacement	352,700	407,700
TOTAL	\$ 6,371,600	\$ 2,804,800

ENTERPRISE FUNDS

FUND	FY 2019-20 Beginning Fund Balance	FY 2019-20 Est. Ending Fund Balance
Water Fund	\$ 463,700	\$ 270,900
Water Capital Reserve	3,750,100	2,685,600
TOTAL WATER (\$2.0 M TARGET)	\$ 4,213,800	\$ 2,956,500
Sewer Fund	\$ 1,328,700	\$ 1,529,100
Sewer Capital Reserve	2,133,500	1,917,800
TOTAL SEWER (\$2.7 M TARGET)	\$ 3,462,200	\$ 3,446,900

INTERNAL SERVICE FUNDS

FUND	Target Balance	FY 2019-20 Beginning Fund Balance	FY 2019-20 Est. Ending Fund Balance
Risk Management	<i>\$1,000,000</i>	\$ 1,001,900	\$ 1,006,900
Employee Benefits	<i>254,000</i>	298,500	302,000
Facility Maintenance	<i>50,000</i>	52,700	53,300
Vehicle Replacement	<i>815,500</i>	866,200	884,200
Technology	<i>725,800</i>	728,400	754,300
TOTAL		\$ 2,947,700	\$ 3,000,700



Recommended Council Actions

- **Adopt Resolution approving FY 2019-20 Operating & Capital Budget**
- **Adopt Resolution approving Annual Appropriations Limit for FY 2019-20**