



FY 2017-2018 Budget Workshop Presentation

June 13, 2017

City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

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Purpose:

To provide complete overview of Fiscal Year 2017-2018 Proposed Budget

To promote discussion on key factors influencing the City's financial status

To develop consensus on revenue and expenditures for Fiscal Year 2017-2018 and promote fiscal stability for the future

The FY 17/18 Proposed Budget aims to accomplish several objectives

Begin linking budget to planning, strategy and implementation

Provide a spending plan and accountability measurement for each department; promote strong administrative monitoring and controls

Continue to address grant challenges (over burdened salary allocations); make salary distributions proportionate with funding sources

Measure progress, control spending and establish project timelines that correlate with projected cash flows

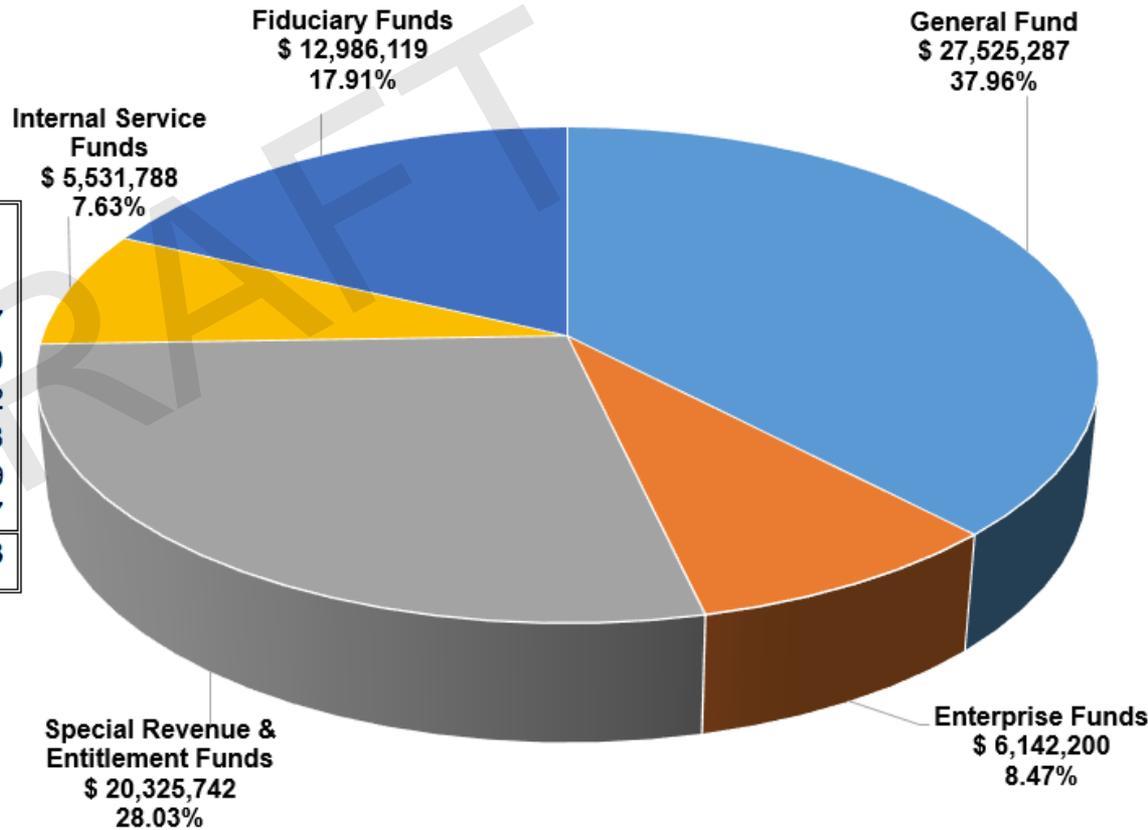
FY 17/18 All Funds Summary

***General, Enterprise, Special, Internal, and
Fiduciary Funds***

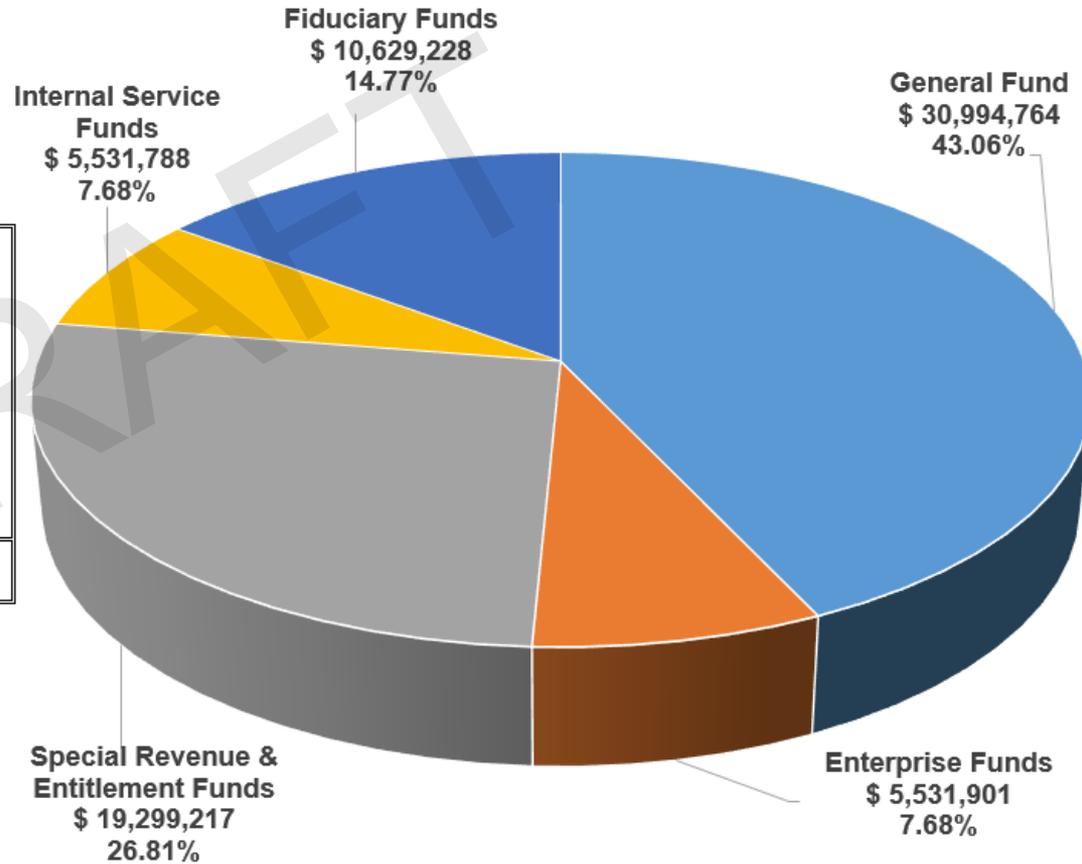
All Funds Proposed Revenues

Summary of Funds

General Fund	27,525,287
Enterprise Funds	6,142,200
Special Revenue & Entitlement Funds	20,325,742
Internal Service Funds	5,531,788
Fiduciary Funds	12,986,119
Transfers	3,469,477
Total	\$ 75,980,613



All Funds Proposed Expenditures



Summary of Funds

General Fund	30,994,764
Enterprise Funds	5,531,901
Special Revenue & Entitlement Funds	19,299,217
Internal Service Funds	5,531,788
Fiduciary Funds	10,629,228
	\$ 71,986,898

Special Revenue Funds

***Propositions A & C, Measure R, Gas Tax,
AQMD, CDBG, Home, and Lead-Based Paint***

Local Return - Prop A

PROPOSITION A (Fund 219)

REVENUES

	FY 15/16 Actuals	FY 16/17 Amended	FY 17/18 Proposed
Local Return Sales Tax / Prop A	\$ 1,065,561	\$ 1,086,732	\$ 1,107,904
Local Return Sales Tax / MTA Bus Passes	31,600	32,588	30,000
Transit / Dial-A-Ride Services	665	27,756	27,000
Transit / Fixed Route Fares	69,546	69,297	78,000
Transit / National Transit Database	88,010	90,000	70,000
Transit / MTA Mini Call	302	1,037	1,000
Miscellaneous Revenues / Lease Payment	1,000	-	6,000
Metro Transit / Fuel Reimbursement	-	72,000	26,475
Metro Transit / Maintenance Reimbursement	914	90,000	45,000
Miscellaneous / Miscellaneous Income	-	175	-
Total Revenues	\$ 1,257,598	\$ 1,469,585	\$ 1,391,379

EXPENSES

Salaries & Benefits	\$ 96,677	\$ 95,299	\$ 88,548
Operating Costs	1,036,364	1,592,058	1,255,520
Capital Improvements	-	3,635	-
Total Expenses	\$ 1,133,041	\$ 1,690,992	\$ 1,344,068

NET INCOME	\$ 124,557	\$ (221,407)	\$ 47,311
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Local Return - Prop C

PROPOSITION C (Fund 220)

REVENUES

	FY 15/16 Actuals	FY 16/17 Amended	FY 17/18 Proposed
Local Return Sales Tax / Prop C	\$ 889,087	\$ 901,415	\$ 918,978
MTA Mini Call / Downtown Pedestrian Impro	-	2,433,319	-
Miscellaneous Revenues / Interest Income	1,411	740	-
Metro Transit / Fuel Reimbursement	-	-	24,367
Miscellaneous / Maint Reimbursements	-	100,000	-
Total Revenues	\$ 890,498	\$ 3,435,474	\$ 943,345

EXPENSES

Salaries & Benefits	\$ 222,927	\$ 311,152	\$ 232,677
Operating Costs	1,014,155	285,625	651,210
Capital Improvements	166,000	2,820,000	-
Total Expenses	\$ 1,403,082	\$ 3,416,777	\$ 883,887

NET INCOME	\$ (512,584)	\$ 18,697	\$ 59,458
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Local Return - Measure R

MEASURE R (Fund 222)

REVENUES

	FY 15/16 Actuals	FY 16/17 Amended	FY 17/18 Proposed
State / State Street Bike Lane	-	22,000	-
State / Rails to Trails	-	400,000	-
State / SRTS Middleton	-	224,000	-
State / CicLAvia	417,839	-	-
State / Pacific Blvd Reimb	278,831	-	-
Measure R / Street Project	663,292	676,012	689,247
Miscellaneous Revenues / Interest Income	4,831	2,308	6,000
Sale of Real & Pers Prop / Property Room.COM	8,600	-	-
Total Revenues	\$ 1,373,393	\$ 1,324,320	\$ 695,247

EXPENSES

Salaries & Benefits	\$ 74,552	\$ 95,123	\$ 67,982
Operating Costs	731,945	376,509	604,175
Capital Improvements	(12,551)	949,000	-
Total Expenses	\$ 793,946	\$ 1,420,632	\$ 672,157

NET INCOME	\$ 579,447	\$ (96,312)	\$ 23,090
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Gas Tax: Centered around local roadway, repairs, and improvements

	FY 15/16 Actuals	FY 16/17 Amended	FY 17/18 Proposed
GAS TAX (Fund 221)			
REVENUES			
Gas Tax / Fund 2105	303,922	370,443	347,096
Gas Tax / Fund 2106	191,556	185,616	214,435
Gas Tax / Fund 2107	394,275	514,419	448,398
Gas Tax / Fund 2107.5	-	7,500	7,500
Gas Tax / 2103	243,397	-	239,000
State / Prop 42	-	139,894	-
Miscellaneous Revenues / Interest Income	4,885	4,757	4,500
Gas Tax / Prior Revenue Received	-	674,291	312,050
Total Revenues	\$ 1,138,035	\$ 1,896,920	\$ 1,572,979
EXPENSES			
Salaries & Benefits	\$ 1,117,187	\$ 1,167,813	\$ 415,885
Operating Costs	774,462	578,607	706,594
Capital Improvements	41,847	150,500	450,500
Total Expenses	\$ 1,933,496	\$ 1,896,920	\$ 1,572,979
NET INCOME	\$ (795,461)	\$ -	\$ -

AQMD: Centered on vehicle emission reductions

AQMD (Fund 226)

REVENUES

AQMD Air Quality / AB2766

FY 15/16 Actuals	FY 16/17 Amended	FY 17/18 Proposed
\$ 73,970	\$ 73,000	\$ 73,000
6,479	-	1,500
-	314,700	-
\$ 80,449	\$ 387,700	\$ 74,500

Miscellaneous Revenues / Interest Income

AQMD / Prior Revenue Received

Total Revenues

EXPENSES

Salaries & Benefits

\$ -	\$ -	\$ -
5,626	26,700	26,700
107,346	374,000	31,000
\$ 112,972	\$ 400,700	\$ 57,700

Operating Costs

Capital Improvements

Total Expenses

NET INCOME

\$ (32,523)	\$ (13,000)	\$ 16,800
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CDBG: Economic development, public improvements, and social services to benefit low & moderate income residents

- *This is the third year of the five-year consolidated plan; programs will continue as outlined within the plan*

	FY 15/16	FY 16/17	FY 17/18
	Actuals	Amended	Proposed
CDBG (Fund 239)			
REVENUES			
Federal / HCDA	\$ 766,032	\$ 2,391,791	\$ 1,741,651
Miscellaneous / Income	197	-	-
Total Revenues	\$ 766,229	\$ 2,391,791	\$ 1,741,651
EXPENSES			
Salaries & Benefits	\$ 373,270	\$ 509,107	\$ 507,762
Operating Costs	322,899	919,274	755,589
Capital Improvements	100,953	831,625	191,300
Total Expenses	\$ 797,122	\$ 2,260,006	\$ 1,454,651
NET INCOME	\$ (30,893)	\$ 131,785	\$ 287,000

HOME: Financial Assistance to qualified residents for rehabilitation and home repairs

	FY 15/16 Actuals	FY 16/17 Amended	FY 17/18 Proposed
HUD HOME (FUND 242)			
REVENUES			
County Grant	\$ 189,863	\$ 1,104,260	\$ 1,934,889
Miscellaneous Income	692	-	-
Total Revenues	\$ 190,555	\$ 1,104,260	\$ 1,934,889
EXPENSES			
Salaries & Benefits	\$ 24,539	\$ 52,209	\$ 84,914
Operating Costs	81,502	264,710	198,830
Capital Improvements	85,548	786,046	1,271,510
Total Expenses	\$ 191,589	\$ 1,102,965	\$ 1,555,254
NET INCOME	\$ (1,034)	\$ 1,295	\$ 379,635

Lead-Based Paint: Lead Hazard Remediation in low income units; Community Education

	FY 15/16	FY 16/17	FY 17/18
	Actuals	Amended	Proposed
LEAD BASE (FUND 246)			
REVENUES			
County Grant	\$ 82,250	\$ 891,140	\$ 688,226
Total Revenues	\$ 82,250	\$ 891,140	\$ 688,226
EXPENSES			
Salaries & Benefits	\$ 81,724	\$ 112,943	\$ 173,914
Operating Costs	38,020	270,849	161,312
Capital Improvements	-	508,151	353,000
Total Expenses	\$ 119,744	\$ 891,943	\$ 688,226
NET INCOME	\$ (37,494)	\$ (803)	\$ -

Fiduciary Funds

Successor Agency

Fiduciary Funds: The City serves as trustee for assets held on behalf of the Successor Agency

- Revenues reflected for FY 17/18 represent amounts estimated from prior redevelopment property tax trust fund (RPTTF) receipts
- Funds not guaranteed, nor are likely to materialize given recent history with County receipts

	FY 15/16 Actuals	FY 16/17 Amended	FY 17/18 Proposed
FIDUCIARY (FUND 275)			
REVENUES			
Successor Agency / RPTTF ALLOCATION	\$ 9,278,068	\$ 8,809,690	\$ 9,679,700
Miscellaneous Revenues / Interest Income	9,249	-	-
Rental Income / Rental Southland Steel	75,663	-	54,591
Sale of Land / Heritage Plaza	95,339	-	-
Total Revenues	\$ 9,458,319	\$ 8,809,690	\$ 9,734,291
EXPENSES			
Salaries & Benefits	\$ 77,585	\$ 60,285	\$ 39,662
Debt Service	8,352,624	8,516,451	8,978,272
Operating Costs	301,002	137,170	232,147
Total Expenses	\$ 8,731,211	\$ 8,713,906	\$ 9,250,081
NET INCOME	\$ 727,108	\$ 95,784	\$ 484,210

Enterprise Funds

Water, Sewer, and Solid Waste Management

Water: With conservation restrictions lifted, there may be some pick up in revenues with increased water sales

- *Water fund has suffered net income losses for three sequential years amidst demands for state mandated improvements*
- *Recommend any excess income be earmarked for mandated improvements*

	FY 15/16 Actuals	FY 16/17 Amended	FY 17/18 Proposed
WATER (FUND 681)			
REVENUES			
Services & Installation / Water	\$ 5,478,820	\$ 5,200,000	\$ 5,600,000
Services & Installation / Meter Services	52,229	32,000	35,000
Services & Installation / Delinquent Charges	26,970	22,000	27,000
Services & Installation / Meter Recalibration	1,800	1,000	500
Miscellaneous Revenues / Interest Income	8,567	4,000	10,000
Water / Reimbursements	-	5,000	1,500
Water / Stand By Charges	23,787	-	20,000
Miscellaneous / Miscellaneous Income	(535)	-	500
Total Revenues	\$ 5,591,638	\$ 5,264,000	\$ 5,694,500
EXPENSES			
Salaries & Benefits	\$ 369,064	\$ 454,330	\$ 435,529
Operating Costs	4,820,019	4,586,374	4,779,690
Capital Improvements	-	-	-
Total Expenses	\$ 5,189,083	\$ 5,040,704	\$ 5,215,219
NET INCOME	\$ 402,555	\$ 223,296	\$ 479,281

Sewer

- *Sewer infrastructure requires capital investment and corresponding revenue adjustments*

SEWER (FUND 283)	FY 15/16	FY 16/17	FY 17/18
REVENUES	Actuals	Amended	Proposed
Sanitation / Sewer Maintenance	\$ 288,945	\$ 275,000	\$ 285,000
Miscellaneous Revenues / Interest Income	2,255	1,000	2,200
Total Revenues	\$ 291,200	\$ 276,000	\$ 287,200
EXPENSES			
Salaries & Benefits	\$ 40,206	\$ 38,274	\$ 32,949
Operating Costs	214,269	236,883	236,481
Capital Improvements	-	-	-
Total Expenses	\$ 254,475	\$ 275,157	\$ 269,430
NET INCOME	\$ 36,725	\$ 843	\$ 17,770

Solid Waste Management

SOLID WASTE (FUND 285)	FY 15/16 Actuals	FY 16/17 Amended	FY 17/18 Proposed
REVENUES			
UPW Admin Reimb	\$ 158,108	\$ 140,663	\$ 160,000
Interest Income	433	-	-
Miscellaneous Income	10	-	500
Total Revenues	\$ 158,551	\$ 140,663	\$ 160,500
EXPENSES			
Salaries & Benefits	\$ 81,841	\$ 69,935	\$ 35,402
Operating Costs	39,825	31,175	11,850
Capital Improvements	-	780	-
Total Expenses	\$ 121,666	\$ 101,890	\$ 47,252
NET INCOME	\$ 36,885	\$ 38,773	\$ 113,248

General Fund

FY 17/18 General Fund is balanced without the use of reserves

- *A transfer of GF balance was required due to an increase in expenditures*

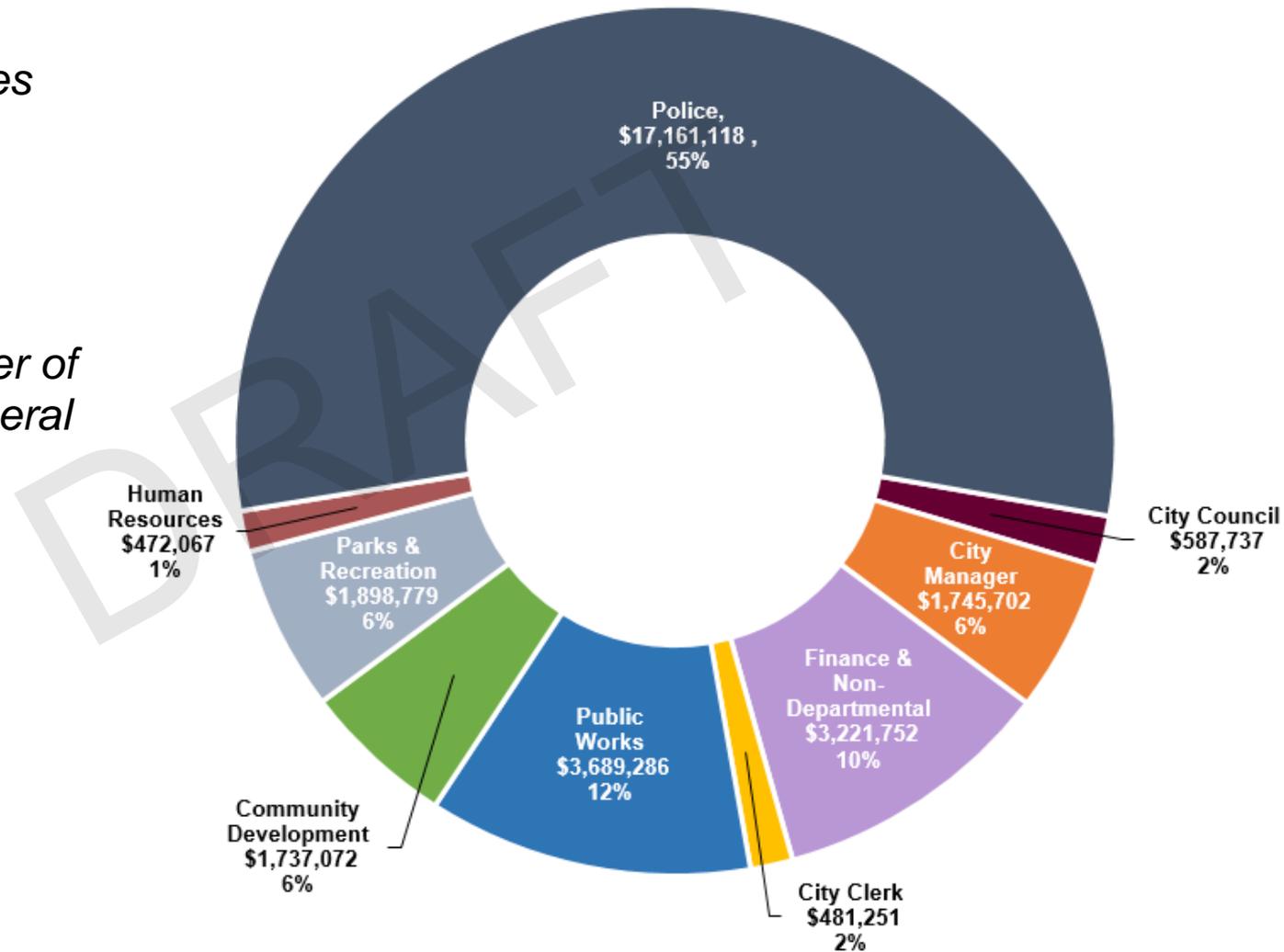
	FY 15/16 Actuals	FY 16/17 Amended	FY 17/18 Proposed
Total General Fund Revenues	\$ 27,929,829	\$ 27,350,597	\$ 28,785,287
Total General Fund Expenditures	25,491,205	28,293,946	30,994,764
Surplus/(Deficit)	2,438,624	(943,349)	(2,209,477)
Transfer of General Fund Balance	-	-	2,209,477

FY 17/18 GF Proposed Revenues & Transfers Budget

	FY 15/16 Actuals	FY 16/17 Budget	FY 17/18 Proposed
GENERAL FUND DIRECT REVENUES			
Property Tax	\$ 6,493,791	\$ 6,741,371	\$ 7,161,517
Sales Tax	7,156,397	6,900,000	6,952,500
Utility Users Tax (UTU)	5,688,754	6,250,000	6,150,000
Franchise Fees	1,160,364	1,224,000	1,248,480
Transient Occupancy Tax (TOT)	69,748	68,500	75,000
Licenses & Permits	2,006,567	1,718,285	2,083,006
Charges for Services	1,204,545	1,387,992	1,549,654
Fines and Forfeitures	1,574,063	1,711,600	1,841,822
Interest & Rental Income	84,585	97,775	78,308
Reimbursements	373,744	263,466	219,187
Other	1,402,161	177,608	165,813
Total Direct Revenue	\$ 27,214,719	\$ 26,540,597	\$ 27,525,287
TRANSFERS			
General Fund	0	0	2,209,477
Pension Tax	500,000	550,000	600,000
Water	220,000	260,000	360,000
Parking System	150,000	0	100,000
Street Lights	0	0	200,000
Total Transfer In	\$ 870,000	\$ 810,000	\$ 3,469,477
TOTAL GF REVENUES	\$ 28,084,719	\$ 27,350,597	\$ 30,994,764

FY 17/18 GF Proposed Operating Budget: \$30,994,764

- *The budget provides legal authority to commit financial resources*
- *Balanced budget achieved by transfer of \$2.2 million of General Fund balance*



Capital Funding

The \$7.3 million capital investment demonstrates City's commitment to reinvestment

- Considerable resources allocated to projects within the community
- Execution and delivery in FY 17/18 critical to credibility and community goodwill
- Capital funding sources are diversified across all funds

Project Description	Amount
ATP Cycle 2-Crosswalk	\$ 1,744,500
Housing Improvements	1,271,510
City Street Resurfacing	832,186
Sidewalk Repair	400,000
Signal Synchronization/Bus Speed	368,000
Lead Based Paint	350,000
City Upgrades	322,320
Downtown i-Park	285,000
IT Improvements	250,000
Pacific Blvd	230,000
Safe Route to School	219,315
Salt Lake Park Splash Pad	171,250
Metro Rapid Stations	115,783
Street Lighting	102,500
Other (Misc. Projects under \$50k each)	627,941
Capital Outlay Total	\$ 7,290,305

Conclusion

Proposed Budget is balanced for FY 17/18

Proposed Budget reflects revenue in sync with expenditures as a result of alignment and reconciliations

Proposed Budget begins linkage of resource allocation with City Council priorities

Proposed Budget reflects an increase in expenditures that required fund balance transfers
