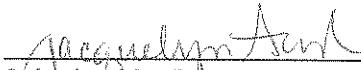


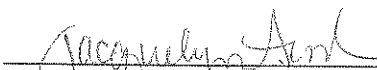


City of Carson Report to Mayor and City Council

September 9, 2013
New Business Discussion

**SUBJECT: CONTINUED PUBLIC HEARING REGARDING FISCAL YEAR 2013/14 CITY
MANAGER'S PROPOSED GENERAL FUND BUDGET**


Submitted by Jacquelyn Acosta
Acting City Manager


Approved by Jacquelyn Acosta
Acting City Manager

I. SUMMARY

On June 4, 2013, staff presented the proposed general fund budget for Fiscal Year 2013/14 which showed a deficit of \$1,679,221.00 based on projected revenues of \$67,024,277.00 and estimated expenditures of \$68,703,498.00. After several budget workshops and a public hearing, the Acting City Manager is presenting a general fund budget that shows a surplus of \$1,191,483.00.

II. RECOMMENDATION

WAIVE further reading and ADOPT Resolution No. 13-085, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, ADOPTING THE FISCAL YEAR 2013/14 GENERAL FUND BUDGET AND APPROVING APPROPRIATIONS FOR THE 2013/14 FISCAL YEAR."

III. ALTERNATIVES

Take any other action that the City Council deems appropriate.

IV. BACKGROUND

The proposed General Fund budget was provided to the City Council on June 2, 2013. Several study sessions have been held to discuss the budget. The original proposed budget has been amended several times over the past two months. All of the proposed amendments are listed on the attached spreadsheet.

V. FISCAL IMPACT

Adoption of the FY 2013/14 general fund budget.

VI. EXHIBITS

1. Budget balancing worksheet. (pgs. 3-4)
2. Budget referrals. (pgs. 5-9)

Document 1

Prepared by: Jackie Acosta, Acting City Manager

TC: Rev06-19-2013

Reviewed by:

City Clerk	City Treasurer
Administrative Services	Public Works
Community Development	Community Services

Action taken by City Council	
Date _____	Action _____

CITY OF CARSON
BUDGET BALANCING WORKSHEET
FY 2013/14

	Revenues	Expenditures	Fund Balance
Initial Revenue projections	67,024,277		33,222,633
First draft of expenditure budget		68,703,498	
Estimated FY 2013/14 shortfall		(1,679,221)	
Fund Balance amount to be deposited into OPEB trust after July 1st (based on approved OPEB policy guidelines)			(3,305,658)
New beginning fund balance for FY 2013/14			29,916,975
City Manager's Recommended Operating Decision Packages:			
DP 1 Sales tax revenue estimates (AS) (UUTCBOC supports this DP)	500,000		
DP 2 Pre-payment of annual CalPERS contribution (AS) (UUTCBOC supports this DP)		(216,980)	
DP 3 Affordable Care Act (CM) (UUTCBOC supports this DP)		0	
DP 4 Retail Enforcement Car (CS) (UUTCBOC supports this DP)		0	
DP 5 Elimination of a Public Safety Specialist position (eliminates 1 vacant full-time position) (CS) (UUTCBOC supports this DP)		(91,480)	
DP 6 Elimination of an Emergency Preparedness Analyst position (eliminates 1 vacant full-time position) (CS) (UUTCBOC supports this DP)		0	
DP 7 Modify Public Works Administration support staffing (PW) (UUTCBOC supports this DP)		4,940	
DP 8 Construction Inspection Services staffing (PW) (UUTCBOC supports this DP)		(43,628)	
DP 9 Modify Engineering Services support staffing (PW) (UUTCBOC does not support this DP)		6,593	
DP 10 Modify Public Works and Landscape & Building Maintenance support staffing (PW) (UUTCBOC supports this DP)		(140,349)	
DP 11 Modify Public Works and Landscape & Building Maintenance field staffing (PW) (UUTCBOC supports this DP)		0	
DP 12 Augment Landscape & Building Maintenance field staffing (PW) (UUTCBOC supports this DP)		241,822	
DP 13 HVAC contract services (range -\$27,978 to \$55,956) (PW) (UUTCBOC does not support this DP)		0	242,034
DP 14 Strategic Planning process (CD) (UUTCBOC does not support this DP)		0	
DP 15 Housing Program staff allocation (CD) (UUTCBOC supports this DP)		(9,992)	
DP 16 Information Technology Division Reorganization (AS) (UUTCBOC supports this DP)		0	
DP 17 Participate in the L.A. Region - Imagery Acquisition Consortium (AS) (UUTCBOC supports this DP)		24,192	
DP 18 Elimination of a Code Enforcement Officer position (eliminates 1 vacant FT position) (CS) (UUTCBOC supports this DP)		(88,253)	
DP 19 Recreation & Human Services Part-time staffing (CS) (UUTCBOC supports this DP)		8,100	
City Manager's Recommended Fund Balance Decision Packages:			
FBDP 1 Budget Stabilization Reserve (CM) (UUTCBOC supports this FBDP)	0		0
FBDP 2 Capital Projects Fund (transfer \$1M from the unassigned FB to the Capital Projects Fund) (CM) (UUTCBOC supports this FBDP)			(1,000,000)
FBDP 3 Scott Park and Calas Park roof repairs (PW) (UUTCBOC supports this FBDP)	442,115	442,115	(442,115)
FBDP 4 City Parks sidewalk repairs (PW) (UUTCBOC supports this FBDP)	150,000	150,000	(150,000)
FBDP 5 Mills Park improvements (PW) (UUTCBOC supports this FBDP)	450,000	450,000	(450,000)
FBDP 6 City Hall East Wing Work Area reconfiguration (AS) (staff added City Clerk's Office, then Council added ED area & CC work area) (UUTCBOC supports this FBDP)			0
FBDP 7 Comprehensive Zoning Code Update (CD) (UUTCBOC supports this FBDP)			0
FBDP 8 New Financial Accounting System (AS) (UUTCBOC supports this FBDP)			0
FBDP 9 New phone system for 4 parks & City Hall & Community Center (AS) (UUTCBOC supports this FBDP)			0
Budget Referrals/Alternate Decision Package:			
BR 4 Unresolved dispute with the State Department of Finance			
BR 7 Pros & Cons & Costs of performing street sweeping parking enforcement in-house		0	
BR 9 In-kind support to 14 special events (UUTCBOC supports this BR)		115,000	
BR 9 Reduce funding to special events by amounts already in base budget		(20,852)	
BR 12 Upgrade the Rec Center Supervisor II position at Carson Park to a Sr. Rec Center Supervisor pos (UUTCBOC supports this BR)		0	
BR 16 Conversion of wading pool to splash pad at Calas Park (UUTCBOC supports this BR)	450,000	450,000	(450,000)
BR 28 Reduce CARF contribution (UUTCBOC does not support this BR)		(500,000)	
BR 30 Second Council Field Representative position (UUTCBOC supports this BR)		97,691	
BR 31 45th Anniversary Parade (On July 10, 2013, the City Council estimated the cost at \$20,000) (UUTCBOC supports this BR)		35,850	
BR 32 Miss Carson beauty pageant to celebrate the City's 45th anniversary (UUTCBOC supports this BR)		7,100	
BR 33 Ball Diamond #2 at Dominguez Park (UUTCBOC supports this BR)		19,743	
BR 34 Additional improvements to the JMM Community Center (UUTCBOC supports this BR)	91,000	91,000	(91,000)
BR 35 Special Needs Meet and Greet event on October 12, 2013 at Carson Park (UUTCBOC supports this BR)		3,000	
BR 36 Funds to pursue additional Sister City relationships (UUTCBOC supports this BR)		15,000	
BR 37 Purchase additional holiday lighting for City Hall		4,000	
BR 38 Christmas Tree Lighting Ceremony at Carson Park		2,250	
BR 39 Increase total revenue projections	719,691		
BR 40 budget corrections (UUTCBOC supports this BR)		(34,200)	
BR 40 budget corrections (UUTCBOC supports this BR)		70,758	
BR 41 support the 5,000 lb weight loss challenge program		10,000	
ADP1 Reinstate speed hump program (UUTCBOC supports this ADP)		15,000	
BR 42 increase operating hours at the parks		56,671	
unfund the Principal Civil Engineer position for 6 months		(69,608)	
unfund the Storm Water Quality Programs Manager position for 11 months		(141,613)	
BR 43 Reduce overtime budgets		(58,828)	
BR 44 Add funding to reinstate the annual Volunteer Banquet event to recognize City volunteers		16,000	
BR 9R Add MLK/Black History month to the list of in-kind supported City-Associated special events		5,000	
CSA & CHA staff re-allocations		(76,710)	

CITY OF CARSON
BUDGET BALANCING WORKSHEET
FY 2013/14

	Revenues	Expenditures	Fund Balance
Eliminate the Systems Analyst position		(120,482)	
Eliminate the Director of Community Development position (upon the retirement of the incumbent) (total savings = \$164,662)		(62,331)	
BR 30 Second Council Field Representative position - 4 months of savings (PW)		(25,299)	
Third Council Field Representative position - funded for 8 months		71,395	
Add funds for the first year lease payment (\$216,931) and first year maintenance costs (\$17,520) for the Enterprise contract		234,451	
Unfund the Director of Public Works/City Engineer position for the remaining 8 months		(100,000)	
Unfund the Landscape Building & Safety Superintendent position for the remaining 8 months		(113,756)	
DP 12 Augment Landscape & Building Maintenance field staffing - 4 months of savings (PW)		(79,707)	
Fund vacant positions for 8 months only		(667,352)	
BR 45 Further improvements to the JMM Community Center		195,000	
Proposed budget for the Carson Civic Engagement Board		1,850	
Subtotals	2,602,806	(67,698)	(2,341,061)
Total Revenues, Expenditures & Fund Balance	69,827,083	68,635,600	27,575,894
Surplus / (Shortfall)		1,191,483	1,191,483
Estimated Fund Balance as of June 30, 2014			28,767,377

**CITY OF CARSON
 FY 2013/14 PROPOSED GENERAL FUND BUDGET
 COUNCIL BUDGET REFERRAL**

Question #42: This is a request of Councilwoman Davis-Holmes to increase the hours at the parks to go back to the operating schedule that was in place prior to the reduction in operating hours in FY 2009/10. This item was briefly discussed at the July 29th workshop, but no final decision was made by the Council.

Response: See below for the additional cost per park.

Program	Description	Total Increase
01-90-951-050	Scott Park	4,549
01-90-951-051	Carson Park	13,695
01-90-951-052	Del Amo Park	7,125
01-90-951-055	Dolphin Park	4,279
01-90-951-059	Hemingway Park	5,678
01-90-953-054	Dominguez Park	9,782
01-90-953-056	Carriage Crest	1,535
01-90-953-057	Anderson	1,338
01-90-953-058	Calas	4,004
01-90-954-053	Stevenson Park	975
01-90-954-060	Veterans Park	2,457
01-90-954-061	Mills Park	1,254
Total		56,671

Response Provided By: The Community Services Department

CITY OF CARSON
FY 2013/14 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #43: Councilwoman Davis-Holmes requested that staff look at reducing overtime the proposed overtime budgets and that they also be evaluated again at mid-year to see how expenditures are tracking against the budget

Response: That has been done and the overtime accounts are being proposed to be reduced by \$58,828.

Response Provided By: The Administrative Services Department

CITY OF CARSON
FY 2013/14 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #44: Councilwoman Davis-Holmes requested that the Volunteer Banquet be reinstated and that the appropriate funding be proposed to be added to the FY 2013/14 budget.

Response: Staff has reviewed the expenditures for the last few times that the event was held and it looks like the appropriate amount should be \$16,000.00 to hold that event in FY 2013/14.

Response Provided By: The Administrative Services Department

**CITY OF CARSON
FY 2013/14 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL**

Question #9R For the 14 special events that the City Council has agreed to support, the City should give \$10,000 to the larger events and \$5,000 to the smaller ones.

Response: As per a recently-issued memo from the Community Services Department, the City has provided support to these events as follows:

Location	Title	Date	Equipment Fees Waived	Facilities Rental Waived	City Council Approved Staffing Cost	City Donation	Total
Vets Park	Philippine Independence Day	6/8/2013	\$ 8,283.42	\$ 2,341.00	\$ 5,029.00		\$ 15,653.42
Anderson Pk	Jazz Festival	9/28/2013	\$ 5,448.00	\$ 1,262.00	\$ 3,198.00		\$ 9,908.00
Comm Ctr	Youth Conference	5/11/2013	\$ 2,058.00	\$ 4,575.00	\$ 2,516.00		\$ 9,149.00
Vets Park	Veterans Day Celebration	11/11/2013	\$ 2,429.00	\$ 1,523.00	\$ 3,900.00		\$ 7,852.00
Mills Park	Juneteenth	6/15/2013	\$ 4,149.00	\$ 787.00	\$ 2,497.00		\$ 7,433.00
Carson Park	Cinco de Mayo	2009/2010	\$ 14,989.00	\$ 1,262.00	\$ 6,690.00		\$ 22,941.00
Dominguez Pk	Cesar Chavez	2009/2010	\$ 2,606.00	\$ 1,262.00	\$ 2,958.00		\$ 6,826.00
Comm Ctr	Memorial Day	5/25/2013	\$ 72.00	\$ 900.00	\$ 1,754.00		\$ 2,726.00
SB Pavilion	Larry Itliong Day/Filipino Hist	10/2013	\$ -	(SB Pavilion)	\$ 1,000.00		\$ 1,000.00
Victoria Park	Samoan Flag Day	8/2013	\$ -	\$ -	\$ -	\$10,000.00	\$ 10,000.00
			\$ 40,034.42	\$ 13,912.00	\$29,542.00	\$10,000.00	\$ 93,488.42

The total cost to the City, considering the loss of revenue and the cost of staff time, is over \$93,000. If the City were to provide in-kind services with a value of either \$10,000.00 or \$5,000.00, the total cost to the City would be \$115,000.00. Below are the allocations approved by a consensus of the Council on July 10, 2013, plus a request to add support for the Country Western Fair.

Location	Title	Date	Donation
Vets Park	Philippine Independence Day	2013/14	\$ 10,000.00
Anderson Pk	Jazz Festival	2013/14	\$ 10,000.00
Comm Ctr	Youth Conference	2013/14	\$ 10,000.00
Vets Park	Veterans Day Celebration	2013/14	\$ 10,000.00
Mills Park	Juneteenth	2013/14	\$ 10,000.00
StubHub! Ctr	4th of July	2013/14	\$ 10,000.00
Carson Park	Cinco de Mayo	2013/14	\$ 10,000.00
Dominguez Pk	Cesar Chavez	2013/14	\$ 5,000.00
Comm Ctr	Memorial Day	2013/14	\$ 5,000.00
SB Pavilion	Larry Itliong Day/Filipino Hist	2013/14	\$ 5,000.00
Victoria Park	Samoan Flag Day	2013/14	\$ 10,000.00
Comm Ctr	Senior events (2)	2013/14	\$ 10,000.00
Dominguez Pk	Country Western Fair	2013/14	\$ 10,000.00
Comm Ctr	MLK/Black History Month	2013/14	\$ 5,000.00
			\$ 120,000.00

Response Provided By: The Community Services Department

CITY OF CARSON
FY 2013/14 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #45:

How much will it cost to replace the work stations in the Community Center's front desk, main office and transportation area? How much will it cost to replace the 1,500 banquet chairs for Halls A-B-C and the Carson Dominguez Hall? What will it cost to replace carpet for the Community Center's front desk and office area and pay for the installation for all areas being carpeted? What will it cost to provide for a groundbreaking ceremony and bronze plaque for the Ocean Friendly Garden?

Response:

During a budget study session, Council inquired about replacing the old workstations in the Community Center's front desk, main office and Transportation area. The Council Community/Senior Center Committee (Committee) investigated this request and agreed with it. Since half of the total cost of the improvements (\$85,000.00) could be paid for by Transportation Prop A/C funds, the estimated cost from the General Fund is \$42,500.00.

The proposed carpet that will be replaced in Halls A-B-C and the Carson Dominguez Room will not match the existing chairs. Therefore, the Committee recommended that staff replace the 1,500 chairs in the worst shape with ones that will match the new carpet. The remaining 600 chairs will be replaced as part of Phase II along with new carpeting in the remainder of the Community Center. The estimated cost to replace 1,500 chairs is \$105,000.00.

The original appropriation for carpeting during the mid-year budget review item in February did not include the Community Center's main offices and reception area. With the workstations recommended to be replaced, the Committee felt that replacing the carpet in these areas is prudent. Also, the original carpet estimates did not include the cost for installation. By piggybacking on the LAUSD contract for carpet installation, staff believes it has a good quote that can be implemented quickly. The extra carpeting and installation is estimated to cost \$45,000.00.

As part of the plans for the Ocean Friendly Garden located at the north entrance to the Congresswoman Juanita Millender-McDonald Community Center (Community Center), there was no funding for a groundbreaking ceremony or bronze dedication plaque. The West Basin Municipal Water District budgeted for a dedication ceremony only. The Committee recommended funding a groundbreaking ceremony and a dedication plaque. A modest ceremony and plaque is estimated to cost \$2,500.00.

Total costs of these four additional items is \$195,000.00

Response Provided By: The Community Services Department