



FY 13-14 Budget *Phase 1 Reconciliation*

November 18, 2013

FY 13-14 Budget Phase II

HUNTINGTON PARK
California

FY 13-14 Budget (October 30, 2013)

\$23.6 million Revenues
\$26.6 million Expenses
(\$3.0) million Deficit

FY13-14 Budget Adjustments / Increases

Increases:

\$250,000 Medical insurance premiums
\$150,000 OPEB
\$120,000 PARS
\$150,000 BID
\$670,000

Adjustments:

- **\$300,000** - Workers Comp & OPEB - budget did not cover full costs: *General Fund 84% (FY 12-13 81%)*
- **\$40,000** parking fund (231) cover negative balance

FY 13-14 Budget Phase II

HUNTINGTON PARK
California

Adj. FY 13-14 Budget (November 18, 2013)

\$24.0 million Revenues

\$26.45 million Expenses

(\$2.45) million Deficit

*October 30th
expense
estimates
prior to full
budget
integration*

Additional FY13-14 Budget Adjustments

Revenues:

\$384,000 Motorcycle Revenues

Expenses:

+ \$200,000 One-time payment

+ \$25,000 Christmas Parade

(\$375,000) Adjustments

Note: October 30th expenses estimated / Nov. 18th

FY 12-13 Budget

HUNTINGTON PARK
California

FY 12-13 Adopted Budget

\$ 22,574,000 Revenue
26,712,411 Expenses
\$ (4,138,411) (Deficit)

\$ 690,000 Employees' Share CalPERS

FY 12-13 Adjusted Budget

\$ 22,574,000 Revenue
26,022,411 Expenses
\$ (3,448,411) (Deficit)

Baseline for FY 13-14 Continuation Budget

Projected FY 13-14 Budget (11-Month Actuals)

\$ 22,000,000 Revenue
26,000,000 Expenses
\$ (4,000,000) (Deficit)

FY 12-13 (12-Month Actuals)

\$ 23,587,717 Revenue
25,217,636 Expenses
\$ (1,629,919) (Deficit)

One-time Revenues

\$ 2,496,071 Rugby Plaza
542,300 LA County Property Tax Admin
\$ 3,038,370

FY 13-14 Continuation Budget

HUNTINGTON PARK
California

FY 13-14 Continuation Budget

\$ 22,574,000 Revenue
26,022,411 Expenses
\$ (3,448,411) (Deficit)

Phase I - Revenues

\$ 556,000 Police

Phase I - Expenses

\$ (86,000) Police
 (335,000) Public Works
 (33,000) Parks & Recreation
 (8,328) Finance
(80,141) Administration
\$ (542,469) TOTAL

FY 13-14 After Phase I

\$ 23,130,000 Revenue
25,479,942 Expenses
\$ (2,349,942) (Deficit)

REVENUES

\$ 150,000 AB 109
 22,000 Jail Service to Vernon
384,000 Motorcycle Revenues
\$ 556,000 TOTAL Police Expenses

EXPENSES

\$ 230,000 2 Motorcycle Police
 (182,000) 2 Lieutenant / 1 Captain
 (40,000) FTE Dispatch / 1 PT
 (59,000) FTE PEO / 1 PT
 50,000 Management Analyst
20,000 Intern
\$ 19,000
 (75,000) Overtime
(30,000) Supplies
\$ (105,000)
\$ (86,000) TOTAL Police Expenses
\$ 642,000 Net Impact

\$ 87,000 LA Impact Grant in FY 12-13

FY 13-14 After Phase I

\$ 23,130,000	Revenue
<u>25,479,942</u>	Expenses
\$ (2,349,942) (Deficit)	

Cost Adjustments

FY 13-14 After Phase I & Adjustments

\$ 23,976,400	Revenue
<u>26,470,041</u>	Expenses
\$ (2,493,641) (Deficit)	

Revenues

1,000,000	Transfers (CalPERS)
73,400	Revenue Increases
<u>(227,000)</u>	Home Depot / Curacao
\$ 846,400	

Expenses

\$ 139,132	Medical
150,000	OPEB
158,967	PARS
150,000	BID
200,000	One-time payment
25,000	X-Mas Parade
<u>167,000</u>	Net Budget Adjustments
\$ 990,099	

FY 13-14 After Phase I & Adjustments

\$ 23,976,400	Revenue
<u>26,470,041</u>	Expenses
\$ (2,493,641)	(Deficit)

FY 14-15 Cost Increases

\$ 150,000	Medical
150,000	OPEB
(200,000)	One-time payment
<u>200,000</u>	Budget Adjustments
\$ 300,000	

FY 14-15 Projected Deficit

\$ 23,976,400	Revenue
<u>26,770,041</u>	Expenses
\$ (2,793,641)	(Deficit)

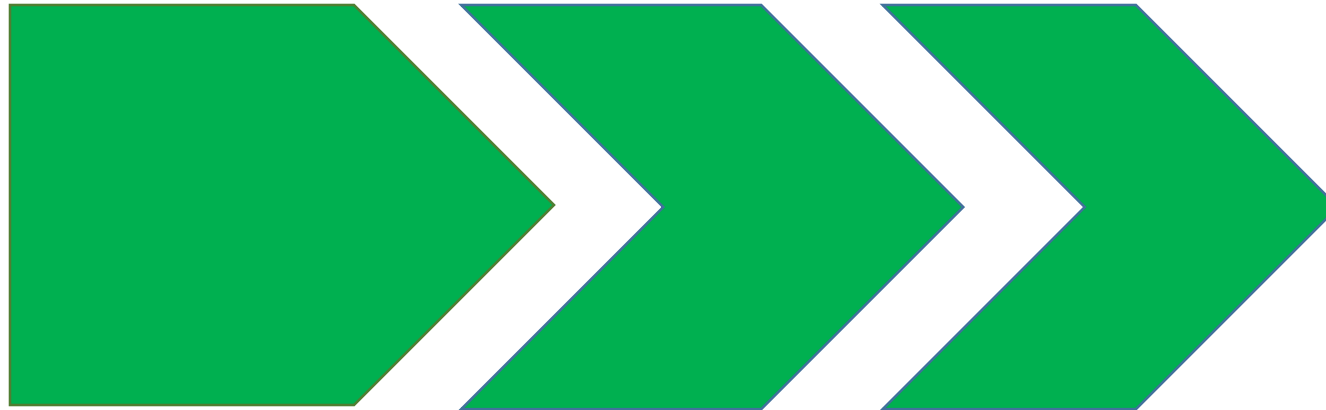
Decision Timeframe

HUNTINGTON PARK
California

December:
City Council
Policy
Direction

Jan – March:
Bargaining
Unit Dialogue

April – June:
Implementation



**FY 14-15
Budget
Adoption**

General Fund Reserves

HUNTINGTON PARK
California

<i>June 30, 2012 Audit</i>	\$6.8 million	Working capital
	\$1.0 million	Capital projects
	<u>\$3.1 million</u>	Arbitrage rebate (restricted)*
	\$10.9 million	June 30, 2012
	<i>(\$1.7 million)</i>	<i>FY 12-13 deficit</i>
	<i>(\$2.5 million)</i>	<i>FY 13-14 deficit</i>
	<u><i>(\$1.0 million)</i></u>	<i>FY 13-14 payouts</i>
<i>Est. \$5.7 million</i>	<i>June 30, 2014</i>	

* Assumes sale of Southland Steel & release of monies into reserves

\$5-6 million working capital requirement

- *\$3 million = 45 days operating cash*
- *18-24 months deficit spending*

Goal: \$2.8 Million (revised from \$3.0 million)

Approved (11-4-13)

- \$250,000 Waste Hauler Franchise Fees
 - 5% to 15% franchise fee
- \$100,000 LED Installation Energy Savings
 1. \$400,000 in contract savings
 - Street sweeping contract (June 30, 2016)
 2. \$100,000 past due parking surcharge
 3. \$250,000 Operational Efficiency
 - \$250,000 Fleet Management
 4. \$250,000 Medical costs
 - \$250,000 current / \$100,000 retirees

**~50%:
\$1,350,000**

Phase II - Continued

Target \$500,000 to \$1.5 million

- Workforce Reductions / Level of Service
 - Staff reductions (attrition & retirement)
 - Outsourcing

171 Total FT Employees (FY13-14)

Avg. Employee Costs

- Avg. (sworn) Safety:
 - \$95,000 salary / \$150,000 w/benefits
 - 52% of total salary costs
- Avg. (non-sworn) Municipal:
 - \$62,000 salary / \$91,000 w/benefits
 - 48% of total salary costs

LA County Pension Tax Lawsuit:

\$1.0 to \$1.5 million

*Timing & outcome of
lawsuit impacts
workforce reductions*

Workforce Reduction (Attrition & Retirement)

\$500,000: 4 to 6

\$1,500,000: 10 – 18

FY 13-14 Revenues

HUNTINGTON PARK
California

* FY 13-14 : \$230,000 sales tax
rebate to Home Depot & Curacao

General Fund Revenues

DESCRIPTION	FY 11-12 Budget	FY 11-12 (12 Month)	FY 12-13 Budget	FY 12-13 (12 Month)	FY 13-14 Budget
TAXES					
1 Property Tax	\$5,566,800	\$ 5,546,246	\$5,545,000	\$5,661,459	\$5,600,000
2 Sales and Use Tax	5,500,000	4,942,313	5,742,521	5,835,503	5,570,000
3 Franchise Tax	575,000	552,877	600,000	579,184	600,000
4 Utility Users Tax (UUT)	5,500,000	4,942,770	5,300,000	5,589,395	5,500,000
5 Public Safety Augmentation	130,000	119,061	100,000	142,544	100,000
6 Transient Occupancy Tax (TOT)	38,000	46,922	40,000	48,255	40,000
7 Property Transfer Tax	35,000	38,905	35,000	71,718	35,000
	\$17,344,800	\$16,189,093	\$17,362,521	\$17,928,057	\$17,445,000
LICENSE & PERMITS	\$1,792,000	\$ 1,719,296	\$1,669,000	\$1,675,209	\$1,669,000
CHARGES FOR SERVICES	\$919,500	\$860,869	\$773,000	\$982,233	\$983,000
FINES & FORFEITURES	\$1,740,000	\$1,728,671	\$1,625,000	\$1,496,721	\$ 1,884,000
INTEREST & RENTAL INCOMI	\$250,000	\$234,976	\$240,000	\$138,814	\$240,000
OTHER REVENUE	\$599,029	\$379,487	\$354,429	\$452,727	\$354,429
DIRECT REVENUES	\$22,645,329	\$21,112,393	\$ 22,023,950	\$22,673,761	\$ 22,575,429
TRANSFERS IN	\$ 1,669,870	\$ 400,975	\$ 551,000	\$ 913,896	\$ 1,401,000
One Time Revenue				\$ 3,037,431	\$ -
TOTAL REVENUES	\$24,315,199	\$21,513,368	\$ 22,574,950	\$26,625,088	\$ 23,976,429