Baru Sanchez, Mayor
Christian Hernandez, Vice Mayor
Chris Garcia, Council Member
Jack Guerrero, Council Member
Cristian Markovich, Council Member

CLARA STREET PARK
TURNER HALL
4835 Clara Street
Cudahy, CA 90201
Phone: (323) 773-5143
Fax: (323) 771-2072

SPECIAL MEETING AGENDA

A SPECIAL MEETING
OF THE CUDAHY CITY COUNCIL
And JOINT MEETING Of The
CITY OF CUDAHY AS SUCCESSOR AGENCY
TO THE CUDAHY DEVELOPMENT COMMISSION
Monday, May 02, 2016 – 4:00 P.M.

Rules of Decorum

"Members of the Public are advised that all ***PAGERS****,* ***CELLULAR TELEPHONES*** *and any* ***OTHER COMMUNICATION DEVICES*** *are to be* ***turned off*** *upon entering the City Council Chambers." If you need to have a discussion with someone* in the audience, kindly step out into the lobby.

Under the Government Code, the City Council may regulate disruptive behavior that impedes the City Council Meeting.

Disruptive conduct may include, but is not limited to:

- Screaming or yelling during another audience member's public comments period
- Profane language directed at individuals in the meeting room
- Throwing objects at other individuals in the meeting room
- Physical or verbal altercations with other individuals in the meeting room
- Going beyond the allotted two-minute public comment period granted

When a person's or group's conduct disrupts the meeting, the Mayor or presiding officer will request that the person or group stop the disruptive behavior, and WARN the person or group that they will be asked to leave the meeting room if the behavior continues.

If the person or group refuses to stop the disruptive behavior, the Mayor or presiding officer may order the person or group to leave the meeting room, and may request that those persons be escorted from the meeting room.

It should also be noted that any person who WILLFULLY disturbs or breaks up the City Council meeting may be arrested for a misdemeanor offense. (*Penal Code § 403*.)

1. CALL TO ORDER

2. ROLL CALL

Council / Agency Member Guerrero
Council / Agency Member Garcia
Council / Agency Member Markovich
Vice Mayor / Vice Chair Hernandez
Mayor / Chair Sanchez

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENTS

(Mayor: Each member of the public may submit one comment card if he or she wishes to address the City Council. Only speakers that submit a comment card within the first 20 minutes of the meeting will be permitted to speak for two (2) minutes concerning items under the City Council's jurisdiction, including items on the agenda and closed session items.)

5. BUSINESS SESSION

A. Adoption of a Proposed Resolution Amending the City of Cudahy Fiscal Year (FY) 2015-16 Budget ***(page 4)***

Presented by City Manager

Recommendation: The City Council is requested to Receive and file the Fiscal Year (FY) 2015-16 Mid-Year Budget review and related reports; and Adopt a proposed resolution approving the requested amendment to the FY 2015-16 City Budget in the amount of: $219,450 for the General Fund; $100,000 for the Gas Tax fund; $105,000 for the Other Grants Fund; $317,000 for the Proposition 1B Local Street Improvement (Proposition 1B) Fund; $79,000 for the Proposition C fund; $10,000 for the Measure R Fund; $13,350 for the California Beverage Container fund; and $5,000 for the Housing Fund.

6. ADJOURNMENT

Cudahy City Council / Agency will adjourn to a Regular and Joint Meeting as Successor Agency to the Cudahy Development Commission on Monday, May 9, 2016 at 6:30 p.m.

I Richard Iglesias, hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted at Cudahy City Hall, Bedwell Hall, Clara Park, Lugo Park, and the City's Website not less than 24 hours prior to the meeting. A copy of said Agenda is on file in the City Clerk's Office.

Dated this 29th day of April 2016

Richard Iglesias
Interim Deputy City Clerk

Item Number
5A

STAFF REPORT

Date:	May 2, 2016
To:	Honorable Mayor / Chair and City Council / Agency Members
From:	Jose E. Pulido, City Manager/Executive Director By: Steven Dobrenen, Finance Director
Subject:	**Adoption of a Proposed Resolution Amending the City of Cudahy Fiscal Year (FY) 2015-16 Budget**

RECOMMENDATION

The City Council is requested to:

1. Receive and file the Fiscal Year (FY) 2015-16 Mid-Year Budget review and related reports; and

2. Adopt a proposed resolution approving the requested amendment to the FY 2015-16 City Budget in the amount of: $219,450 for the General Fund; $100,000 for the Gas Tax fund; $105,000 for the Other Grants Fund; $317,000 for the Proposition 1B Local Street Improvement (Proposition 1B) Fund; $79,000 for the Proposition C fund; $10,000 for the Measure R Fund; $13,350 for the California Beverage Container fund; and $5,000 for the Housing Fund.

BACKGROUND

1. On June 29, 2015, the City Council passed Resolution No. 15-30 adopting the FY 2015-16 City Budget.

2. On August 24, 2015, the City Council passed Resolution 15-41 adopting a Master Fee and Fine Schedule for FY 2015-16.

ANALYSIS

The primary purpose of the FY 2015-16 Mid-Year Budget review process is to provide the City Council with an opportunity to review and adjust the original revenue projections and budgeted appropriations based on six months of activity. The proposed budget adjustments are a result of changes in revenues projections based on revenues received between July 1, 2015 and December 31, 2015, as well as adjustments in expenditures due to better information that was not previously available at the time the City budget was adopted. It is through staff's significant diligence to ensure responsible spending that allows for operating expenditures not to increase. Although some of our revenue estimates have not done as well as anticipated, namely sales tax, other revenues have met budget or are on track to exceed budgeted estimates, these are: Motor Vehicle In-Lieu; building permits; street excavation permit; and parking citations. The City continues to monitor revenues monthly and to strictly control expenditures. Details of revenues and expenditures are provided below in seven sections.

1. FY 2015-16 GENERAL FUND REVENUES

Staff completed revenue analysis for the FY 2015-16 General Fund revenues. Although some revenues are in line with our budget projections, there are other revenue estimates that require adjustments. The table below summarizes the City's significant General Fund revenues and provides an overview of the recommended changes based on mid-year review by City staff.

Revenue Source	2015-16 Budget	2015-16 Revised Projection	Increase (Decrease)	Percent Change
Taxes	$ 2,794,800	$ 2,602,300	$ (192,500)	-7%
Franchise Fees	$ 214,200	$ 214,200	$ -	0%
Intergovernmental Revenues	$ 2,355,000	$ 2,479,000	$ 124,000	5%
Fines & Forfeitures	$ 434,000	$ 434,000	$ -	0%
Building & Safety	$ 229,750	$ 229,750	$ -	0%
Use of Money / Property	$ 135,500	$ 135,500	$ -	0%
Charges for Services - Planning/Engineering	$ 63,700	$ 63,700	$ -	0%
Charges for Services – Miscellaneous	$ 237,000	$ 237,000	$ -	0%
Licenses & Permits	$ 597,000	$ 597,000	$ -	0%
Other	$ 43,300	$ 43,300	$ -	0%
	$ 7,104,250	$ 7,035,750	$ (68,500)	-3%

The total General Fund revenue adjustment is a decrease of $68,500. Following are the

details of these revenue changes.

A. **Taxes**: Sales Tax from Fuel and Service Stations has declined significantly from the second quarter in FY 2015-16 over the same quarter in FY 2014-15 due to the significant drop in fuel prices. Based on the prior and current fiscal year's actual receipts received and the decline in sales tax from crude oil/fuel sales, a decrease of $192,000 is recommended at this time.

B. **Intergovernmental Revenues:** Motor Vehicle In-Lieu fee (VLF) was established in 1935 as a uniform statewide tax, the VLF is a tax on the ownership of a registered vehicle in place of taxing vehicles as personal property. By law, all revenues from the VLF fund city and county services, but the state legislature controls the tax rate and the allocation among local government. In the 2004 budget agreement, the Legislature permanently reduced the VLF tax rate and eliminated State General Fund backfill to cities and counties. Instead, cities and counties now receive additional transfers of property tax revenues in lieu of VLF. The budgeted in-lieu VLF for FY 2015-16 is $2,473,000. Based on the first allocation received in January 2016, a budget increase of $124,000 is recommended at this time.

C. **Fines & Forfeitures**: Court Fines are revenues collected from citations written from both the Los Angeles County Sheriff have and authorized City staff. The ten year average range of citations has been 400-650 per month depending on the season and scheduling. In the last 12 months, parking enforcement has averaged approximately 633 citations per month due to a reallocation to staffing resource to enforce parking in the City. As of December 31, 2015, there are citations that have been issued exceeding $200,000 but have not been collected. As of December 31, 2015, $58,900 was received by the City from individuals who have paid their parking citation. The timing for the payment of those citations is dependent upon the recipients acknowledging the citation and making payment. People often choose to wait until they renew their driver's license or vehicle registration before they realize they are required to get up-to-date with outstanding citations. The City does not have the internal staffing resources to process citations and appeals and instead uses a vendor to perform those functions.

D. Building & Safety: Building and Safety fees are collected for building, electrical, and plumbing permits associated with upgrades to existing structures as well as new constructions. It is anticipated that these fees will meet their target with new fees that took effect on February 11, 2016, therefore no adjustment is required.

2. FY 2015-16 GENERAL FUND EXPENDITURES

The adoption of the FY 2015-16 City Budget estimated total General Fund operating expenditure of $7,104,250. The table below summarizes staff's recommendation for adjustments to department's operating expenditures.

Department	2015-16 Budget	2015-16 Revised Projection	Increase (Decrease)	Percent Change
City Council	$ 115,133	$ 157,158	$ 42,025	36.5%
City Manager(Personnel)	$ 642,223	$ 871,341	$ 229,118	35.7%
City Attorney	$ 300,000	$ 300,000	$ -	0%
City Clerk	$ 128,028	$ 91,947	$ (36,080)	-28.2%
Finance	$ 478,566	$ 400,891	$ (77,675)	-16.2%
Community Development	$ 857,789	$ 745,149	$ (112,638)	-13.1%
Parks and Recreation	$ 856,427	$ 955,345	$ 98,918	11.6%
Public Safety	$3,858,589	$3,847,400	$ (11,189)	-0.3%
Facility Operations	$ 985,549	$1,072,520	$ 86,971	8.8%
	$8,222,304	$8,421,753	$ 219,450	2.7%

There were increased costs of $685,862 which were identified by staff during the Mid-Year Budget review. Those costs were being partially off-set by a savings in existing budgeted items and the reallocation of existing budgeted items representing a savings of $232,241. The net increase before use of fund balance will be $453,622. As part of the mid-year review there is $234,172 from the use of General Fund, fund balance approved as part of the FY 2015-16 budget that has been identified for reallocation to offset the costs being requested as part of the mid-year review. The total General Fund mid-year change to the budget is $219,450. Additional details for the increases or (decreases) can be found in Attachment B.

Resolution No. 15-30 allows the City Manager to amend the City budget so long as the total fund appropriations are not increased, accordingly, since the request at mid-year is to increase the appropriations, City Council approval of $219,450 is required. The following are the details of the adjustments:

- The City Council, in order to ensure the timely approval of the Successor Agency Long-Range Property Management Plan (LRPMP) as well as on-going implementation of the LRPMP, engaged a legislative advocate for $4,000 a month for a projected cost through June 2016 of $28,000. There is an increase of $10,000 to ensure training is available to the City Council. There is also an increase in medical insurance premiums in the City Council department due to the addition of a family member.

- The City requires funding two additional quarters of the One Cudahy Magazine in the amount of $43,415 for consultants to prepare them. The City continues to rebuild the Personnel Department and needs additional funding to complete the task of bringing the City current on human resources matters and succession planning. It is important that the City have an experienced Human Resources consultant available to ensure that the City can manage various human resources issues. An additional appropriation through June 30, 2016 is being requested in the amount of $59,280 to allow HR Dynamics to provide human resources services, with a small amount of services to be provided in the following

fiscal year.

The California retirement system (CalPERS) completed an actuarial study of all member agencies, and invoiced each member based upon the results of the actuarial valuation report. The City was assessed $182,869 for FY 2015-16 as an initial amount to be paid toward its unfunded pension liability. The General Fund share of that liability is $128,700 and the State Gas Tax Fund is $54,169. Similar or increased amounts will be payable each year to CalPERS. This expense will be budgeted in the Personnel Department as it relates to both active and retired individuals who were hired prior to January 1, 2013.

Once a year, employees who earn and maintain vacation time beyond a minimum threshold of 50 hours, are allowed to sell back excess hours. During FY 2015-16, $17,610 in vacation hours was purchased from various eligible employees.

The recently approved Memorandum of Understanding (MOU) with the Cudahy Miscellaneous Employee's Association included a 3% increase to the rate of pay for its members during FY 2015-16. This pay increase was approved retroactively to July 1, 2015 and will extend through to June 30, 2016. Costs incurred from these pay increases are projected at $34,015, of which $18,405 will be charged to the each employee's respective General Fund department; the remaining costs will be charged to special revenue funds. The net increase to the City Manager's Office, which includes the Personnel Department, will be $229,118 to cover the costs for Human Resources operations.

- The City Clerk Department had a vacant position for two months during FY 2015-16. In September 2015 a part-time interim City Clerk was hired, the individual did not receive benefits associated to the City Clerk position. The interim City Clerk position will vacate mid-April and the position will be filled with a Deputy City Clerk that should result in a savings to the original budget estimate. In total those actions will result in a savings of $43,900. The City Clerk Department requires $7,820 for publication of ordinances and notifications in local newspapers. Some of the required notices relate to conditional use permits (CUP) that require notification to the public. These fees are charged to the property/business owners for CUP and entitlements which include the cost of the required noticing. Accordingly, the net savings/reductions of expenditures were recognized in the City Clerk's Department will be $36,080.

- Code Enforcement costs borne by the General Fund for the non-CDBG costs of the Community Preservation Officer are increasing by $62,500. When the FY 2015-16 Budget was approved 100% of the Community Preservation Officer was dedicated to Code Enforcement activities that were reimbursable with Community Development Block Grant (CDBG). Since the approval of the FY 2015-16 Budget, the City Council approved a reduction in the CDBG allocation to the Code Enforcement program and accordingly, the community enforcement officer activates have been redirected to those that are paid for by the General Fund.

- Savings of $17,678 were realized in Planning salary and benefit from not hiring a full-time Assistant Planner as was planned. There was also savings of $3,500 relating to professional memberships, training, education, and travel that will not be used due to vacancy of the position, bringing the total savings up to $21,178.

- Public Safety realized savings of $11,645 due to the vacant position of Public Safety & Services Manager position which was anticipated to fill on September 1, 2015, which will be filled in May 2016.

- During the third quarter of FY 2015-16, the City outsourced some of its recreation programs and facility maintenance operations. As a result there was a shifting of cost to Kids in Sports and Woodcraft rangers. The City's overall cost for the sports and recreation programs are anticipated to shift from an 80% subsidy to approximately a 25% subsidy. However, due to the need to continue staffing the City's fitness center, senior center, special events, facility reservations, the City will continue to incur costs in the recreational department.

  Savings in expenditures were realized in the Parks and Recreation Department from reductions of $72,824 that included $26,000 and $46,824 in Recreation and Park Maintenance, respectively. The Recreation savings related to uniform, recreational supplies, and travel & meetings which will not be needed since the City awarded a contract to Kids in Sports for recreational activities for the City. Savings in Parks Maintenance for various expenses are not needed since the award of a landscape contract to MCE Corporation (MCE), including $20,000 for the contract awarded in March 2016.

  An increase of $59,420 is requested for the period of March 1, 2016 to June 30, 2016 for as follows: Kids in Sports increase of $41,420 to provide recreational programs to the residents of Cudahy; and $18,000 for the continued staffing of City facilities not covered by the Kids in Sports program such as the Senior Center, Fitness Center, and gymnasium. Parks Maintenance will be increased by $11,000 to facilitate the repair of bleachers at Clara Gym and install wood chips in playground areas at City parks.

- Facility Operations savings of $39,500 consisted of: $15,000 for amounts shifted to CDBG for the food distribution; and savings from entering into a contract with MCE for facilities maintenance of $24,500. The savings in the amount of $24,500 include cost of pest control, air conditioner maintenance, playground audits and general repairs and monies not used for installations of flag poles and lights on Atlantic Avenue. The increased costs to $142,643 in Facilities Operation consists of: $32,400 for a facilities maintenance contract from March 1, 2016 to June 30, 2016; cleaning and other supplies of $17,187 through February 2016; postage $2,000; City park restroom repairs $10,489; contract receptionist $22,497; $9,500 for grant writing; $48,580 for nine months use and maintenance of the Ricoh Production Machine and supplies. The net increase to the Facilities Operations department will be $81,971.

3. FUND BALANCE ANALYSIS

The audited Fund Balance at June 30, 2015 was $4,015,577. Based upon the current revenues of $1,547,867 and expenditures of $2,865,229 through December 31, 2015 the projected Unaudited Fund Balance at December 31, 2015 was $2,698,195 as shown on Attachment C.

Per Resolution No. 15-31 adopted on June 29, 2015, the City commits to maintaining the reserves of General Fund annual operating expenditures at an amount of no less than $2 million. At this time the City is 35% above the $2 million limit.

4. REVENUE SUMMARY REPORT

Provided as Attachment D is a summary of actual revenues for the period of July 1, 2015 to December 31, 2015. By the end of the second quarter the percentage of revenue received is generally 50% except for those types of revenues that are received annually such as business licenses, animal licenses, parking permits and franchise fees. Further, the major revenues, such as sales tax and VLF, are not received equally over a 12 month period, thus providing a skewed percentage of actual receipts collected by the City to date.

5. EXPENDITURES SUMMARY REPORT

Provided Attachment E is a summary of actual expenditures for the period of July 1, 2015 to December 31, 2105. By the end of the second quarter the percentage expended was generally at 50%. As is the City's policy, expenditures are kept to a minimum and, the programs that are contracted with Los Angeles County such as the Los Angeles County Sheriff's Department are generally a month or two behind due to the County's timing in invoicing the City.

6. PROJECTS FUNDED FROM RESERVES

In an effort to move the City forward as a community, the City Council funded several projects this year from the General Fund Reserves (Attachment F) in accordance with the adopted Budget Reserve Policy. A total of $234,172 in one-time allocations will be freed up in the current fiscal year to allow other projects to be completed in Fiscal Year 2015-16: $70,000 reduction in the Finance Department; $21,172 in Facility Operations; and $143,000 in the Planning Department.

Based upon the net increase in costs described elsewhere in this report, $219,450 will be requested to be used from General Fund, fund balance.

7. PROJECTS FUNDED WITH SPECIAL REVENUE FUNDS

At this time, the City needs to make budget adjustments to the Special Revenue funds in order to align the City's budgeted expenditures with the budgets that have been or will be approved by the granting agencies. The increases to appropriations/expenditures are as follows: $100,000 for the Gas Tax Fund for street repairs (design costs, slurry seal along Atlantic Avenue and pothole repair on other streets the city); $105,000 to the Other Grants Fund for a communities planning grant; $317,000 to the Proposition 1B fund for improvements to three streets; $79,000 to the Proposition C fund for improvements for street improvements to Atlantic Avenue; $10,000 from the Measure R fund for Highway Safety Improvement Program grant; $13,350 for the California Beverage Container fund to provide trash receptacles and education regarding beverage container recycling and litter reduction; and $5,000 for the Housing fund.

CONCLUSION

During FY 2015-16, the City Council has made a concerted effort to establish a balanced budget by retaining non-profit and for-profit entities to assist with the recreational activities of the City. The City has also undertaken the implementation of a General Plan update project which promises to transform the City into a more livable community for residents and an attractive place for investors and businesses.

Until such time as the City identifies recurring revenue streams the City is implementing best practices of Mid-Year Budget adjustments, leveraging resources and realistically estimating a spending plan for the remainder of the fiscal year.

The City is being fiscally prudent by requesting a mid-year adjustment to the General Fund at this time rather than waiting to year end. Thus far, the City has made significant progress towards modernizing its operations by: adopting an updated Master Fee Schedule to improve cost recovery; contracting out services including facility and parks/landscaping maintenance to realize cost savings; and partnering with local non-profits to enhance programs for youth while seeking to enhance cost recovery and savings. These collective actions were taken with a goal of achieving a result of a balanced operating budget by year end.

FINANCIAL IMPACT

The City needs to make budget adjustments to the General Fund of $219,450 from available fund balance, including a release of previously approved use of fund balance as well as adjustments to the Special Revenue funds will be in the amount of $629,400.

If the City Council approves the FY 2015-16 Mid-Year Budget adjustments, the FY 2015-16 General Fund, fund balance as identified on Attachment C will be $2,609,553, complying with the Budget Reserve Policy of $2,000,000.

ATTACHMENTS

A. FY 2015-16 Mid-Year General Fund Revenue Adjustments
B. FY 2015-16 Mid-Year General Fund Operating Adjustments
C. FY 2015-16 Fund Balance Analysis
D. Revenue Summary Report – Quarter Ending December 31, 2015
E. Expenditures Summary Report – Quarter Ended December 31, 2015
F. Projects Funded from Reserves
G. Proposed Resolution to Amend the FY 2015-16 Budget with Exhibit A and B

City of Cudahy
FY 2015-16 Projects Funded from Reserves

Acct #	Description	Budget	Increase (Decrease)	Revised Budget
Dept. 4011 City Manager				
6720	Emergency Preparedness Plan and Training	$ 45,000		45,000
	Economic Development Strategy	40,000		40,000
Dept. 4151 Finance Administration				
6720	State Controllers recommendation to develop a remedial plan	60,000	(60,000)	-
	Indirect cost study - Business License Cost Study	10,000	(10,000)	-
Dept. 4020 Facility Operations				
6060	Clara park Kitchen Hood (Not in Compliance)	10,000		10,000
6420	CJPIA Retro - General Liability	11,759		11,759
6490	CJPIA Retro - Workers compensation	49,402	(21,172)	28,230
	Cloud Back Up Service	10,300		10,300
6910	Del DR4100 Disk Based 9TB Device and Symantec backup Exec 2014	15,000		15,000
	Network Switches	1,000		1,000
Dept. 4215 Planning				
6720	General Plan Update - Phase One of Two	400,000	(143,000)	257,000
Dept. 4350 Recreation				
6210	Incremetnal increase to fund Salaries and Benefits	90,594	-	90,594
	Lugo Park Soccer Field and Restroom Rehabilitation Project	375,000	-	375,000
	Total	**$ 1,118,055**	**$ (234,172)**	**$ 883,883**

Dept: 4001 City Council		
6753	Legislative advocate for Successor Agency and City matters	28,000
6310	Travel & meetings - Additional $2,000 per council member	10,000
Dept: 4008 City Clerk		
6310	Publishing expenses of ordinances and other required matters in local newspapers	10,000
Dept: 4015 Personnel		
6720	Human resources conultant	59,280
5100	Retroactive pay for Incremental increase included in MOU with Cudahy Employee Association	13,865
5100	Retroactive longevity pay for per MOU with Cudahy Employee Association	4,540
5141	Initial payment toward Unfunded Retirement Liability	128,700
Dept: 4020 City Hall Operations		
6014	Ricoh Production Machine - 9 months lease and servicing contract	46,580
6720/51xx	MCE - Facilities maintenance contract	32,400
6010	Restroom Repairs at City Parks	10,489
6389	Ice Machine at Clara Park - Oldtimers	3,000
6389	Camera for Council Meetings	2,000
Dept: 4230 Code Enforcement		
51xx	Non-CDBG Code Enforcement activities	42,968
6755	Non-CDBG City Prosecution Service	11,500
Dept: 4350 Recreation		
6720	Contract for recreational programs - Wood Craft Rangers	41,300
Dept: 4410 Parks Maintenance		
	Wood Chips	4,100
	Bleacher Repair - Clara Park	4,900
	Sub-Total new or increased requests	**453,622**
	Net Change to Use of General Fund Balance per Resolution	**$ 219,450**

City of Cudahy
FY 2015-16 Mid-Year General Fund City Manager Adjustments

Savings	Cost	Fund: 001 - General Fund		Original Budget	Change in Estimates	Release of Use of Fund Balance	Revised Budget	
-	(42,025)	Dept: 4001	City Council	115,133	42,025		157,158	Legislataive advocate hired for 7 months, increase in travel and conference, and increase in insurance premiums
4,457	(43,416)	Dept: 4011	City Manager	321,863	38,959		360,822	Consultants for Quarterly Magazine (2 additional quarters)
43,900	(7,820)	Dept: 4008	City Clerk	128,028	(36,080)		91,948	Reorganization of position in Clerk's department and increase for publishing ordinances and other notices
12,550	(202,709)	Dept: 4015	Personnel	320,360	190,159		510,519	Payment toward unfunded retirement obligation and continued rebuilding of Personnel Department
4,600	(692)	Dept: 4155	Finance	148,879	(3,908)	(70,000)	74,971	Moving budget for unfunded retirement payments to Personnel Department
3,767	-	Dept: 4160	Business License	67,066	(3,767)		63,299	Moving budget for unfunded retirement payments to Personnel Department
26,000	(59,420)	Dept: 4350	Recreation	639,020	33,420		672,440	Net increase ofter outsourcing youth recreational programs
46,824	(112,322)	Dept: 4410	Parks Maintenance	217,407	65,498		282,905	Net increase after outsourcing parks and landscaping maintenance
1,032	-	Dept: 4210	Community Developmnet Dept.	-	(1,032)		(1,032)	Moving budget for unfunded retirement payments to Personnel Department
21,178	-	Dept: 4215	Planning	487,620	(21,178)	(143,000)	323,442	Net saving for vacant position through June 30, 2016.
11,000	(3,875)	Dept: 4212	Building Regulation	179,500	(7,126)		172,374	Moving budget for unfunded retirement payments to Personnel Department
11,645	-	Dept: 4501	Police Services	3,703,194	(11,645)		3,691,549	Vacant positions through March 31, 2015. The Positions remain budgeted for April 1, 2015 to June 30, 2015
3,565	(65,484)	Dept: 4230	Code Enforcement	-	61,921		61,921	Activites relating to community preservation that are not reimbursable from grant funded sources
-	(456)	Dept: 4530	Municipal Enforcement	89,195	456		89,651	Miscelanious expense
2,223	-	Dept: 4216	Engineering	190,669	(2,223)		188,446	Moving budget for unfunded retirement payments to Personnel Department
39,500	(147,643)	Dept: 4020	City Hall Operations	985,549	108,143	(21,172)	1,072,520	See notes below.
$ 232,241	(685,862)		Total	$ 7,593,483	453,622	(234,172)	7,812,933	

Notes:

City Hall Operations also known as Facility Operations has two significant type of activity. The first is the outsourcing of facility maintence which will result in savings relating to maintenance and servicing type items.

The second activity of Facilities operations is the proposed leasing and servicing contract related to a production machine that will be used to produce the City's quarterly magazine as well as other printing needs of the City.

Included in the Personnel department are costs associated with the recently passed Memorandum of Understanding with the Cudahy Employee Association. Those cost will be allocated to the respective departments at a future date.

City of Cudahy
FY 2015-16 Fund Balance Analysis

	FY 2015-16 Adopted Budget	Budget Amendments and Adjustments	FY 2015-16 Mid-Year Budget Review	FY 2015-16 December 2016
Total Fund Balance July 1, 2015	4,015,557	-	4,015,557	4,015,557
Revenues	7,104,250	(68,500)	7,035,750	1,547,867
Estimated Expenditures	(8,222,304)	(219,450)	(8,441,754)	(2,865,229)
Surplus/Deficit	(1,118,054)	(287,950)	(1,406,004)	(1,317,362)
Estimated Fund Balance June 30, 2016	$ 2,897,503		2,609,553	
Estimated Fund Balance December 31, 2015				2,698,195

City of Cudahy
Revenue Summary Report
Quarter Ended - December 31, 2015

	2014-15 Budget	2014-15 Year to Date Jul - Dec	2015-16 Budget	2015-16 Year to Date Jul - Dec
Taxes	$ 2,968,397	1,014,464	2,602,300	790,338
Franchise Fees	175,000	48,051	214,200	48,426
Intergovernmental Revenues	2,583,000	16,231	2,479,000	16,594
Fines & Forfeitures	137,000	64,784	434,000	72,537
Building & Safety	131,500	69,968	229,750	98,154
Use of Money / Property	130,500	94,359	135,500	90,376
Charges for Services - Planning/Engineering	55,700	23,197	63,700	47,690
Charges for Services - Miscellaneous	172,000	83,800	237,000	74,755
Licenses & Permits	493,700	330,798	597,000	278,588
Other	579,800	376,530	43,300	30,409
Total General Fund Revenue	$ 7,426,597	2,122,182	7,035,750	1,547,867

City of Cudahy
Expenditrue Summary Report
Quarter Ending - December 31, 2015

	2014-15 Budget	2014-15 Year to Date Jul - Dec	2015-16 Adopted Budget	2015-16 Year to Date Jul - Dec	Expended % of Budget
City Council					
Dept: 4001 City Council	$ 155,810	69,133	115,133	63,934	56%
City Manager					
Dept: 4011 City Manager	$ 300,386	108,517	321,863	149,287	46%
Dept: 4015 Personnel	$ 199,342	84,229	320,361	225,527	70%
	499,728	192,746	642,224	374,815	58%
City Attorney					
Dept: 4005 City Attorney	$ 300,000	80,082	300,000	115,069	38%
City Clerk					
Dept: 4008 City Clerk	192,945	51,272	128,027	32,134	25%
Finance					
Dept: 4151 Finance Administration	$ 213,904	84,788	226,277	66,004	29%
Dept: 4155 Finance	$ 118,355	80,246	148,880	65,210	44%
Dept: 4018 Purchasing	$ 33,499	15,289	36,344	17,987	49%
Dept: 4160 Business License	$ 69,356	38,991	67,067	34,317	51%
	435,114	219,314	478,568	183,517	38%
Community Development					
Dept: 4210 Community Developmnet Dept.	$ -	85,581	-	790	
Dept: 4215 Planning	$ 263,708	17,099	487,620	32,321	7%
Dept: 4212 Building Regulation	$ 179,235	66,955	179,500	89,246	50%
Dept: 4230 Code Enforcement	$ 59,388	36,331	-	27,107	
Dept: 4216 Engineering	$ 238,080	66,929	190,671	106,852	56%
	767,303	281,729	857,791	256,316	30%
Parks and Recreation					
Dept: 4310 Community Promotion	$ -	(481)	-	-	
Dept: 4350 Recreation	$ 575,720	209,545	264,020	165,655	63%
Dept: 4410 Parks Maintenance	$ 387,557	115,096	217,407	139,679	64%
Dept: 4360 Lugo Fitness Center	$ -	-	-	-	
Dept: 7090 Lugo Park Renovation	375,000	-	375,000	-	0
	1,338,277	324,161	856,427	305,334	40%
Public Safety					
Dept: 4501 Police Services	$ 3,471,147	1,155,563	3,703,194	907,819	25%
Dept: 4502 Volunteers Patrol/Neighborhood	$ 600	763	-	283	
Dept: 4520 Crossing Guards	$ 36,200	15,325	36,200	14,422	40%
Dept: 4510 Animal Regulation	$ 30,000	32,280	30,000	16,523	55%
Dept: 4530 Municipal Enforcement	$ 135,633	58,545	89,195	33,275	37%
	3,673,580	1,262,476	3,858,589	972,322	25%
Facility Operations					
Dept: 4025 Building Maintenance	-	32,041	-	-	
Dept: 4020 City Hall Operations	753,207	384,658	985,549	561,788	57%
	753,207	416,699	985,549	561,788	57%
Total General Fund	$ 8,115,964	2,897,610	8,222,308	2,865,229	35%

City of Cudahy
FY 2015-16 Projects Funded from Reserves

Acct #	Description	Budget	Increase (Decrease)	Revised Budget	Actual	Remaining
Dept. 4011 City Manager						
6720	Emergency Preparedness Plan and Training	$ 45,000		45,000	35,000	10,000
	Economic Development Strategy	40,000		40,000	36,635	3,365
Dept. 4151 Finance Administration						
6720	State Controllers recommendation to develop a remedial plan	60,000	(60,000)	-		-
	Indirect cost study - Business License Cost Study	10,000	(10,000)	-		-
Dept. 4020 Facility Operations						
6060	Clara park Kitchen Hood (Not in Compliance)	10,000		10,000	1,500	8,500
6420	CJPIA Retro - General Liability	11,759		11,759	11,759	-
6490	CJPIA Retro - Workers compensation	49,402	(21,172)	28,230	28,230	-
	Cloud Back Up Service	10,300		10,300		10,300
6910	Del DR4100 Disk Based 9TB Device and Symantec backup Exec 2014	15,000		15,000	14,034	966
	Network Switches	1,000		1,000	1,000	-
Dept. 4215 Planning						
6720	General Plan Update - Phase One of Two	400,000	(143,000)	257,000	90,658	166,342
Dept. 4350 Recreation						
6210	Incremetnal increase to fund Salaries and Benefits	90,594	-	90,594	84,594	6,000
	Lugo Park Soccer Field and Restroom Rehabilitation Project	375,000	-	375,000	-	375,000
	Total	**$ 1,118,055**	**$ (234,172)**	**$ 883,883**	**303,410**	**580,473**

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUDAHY, CALIFORNIA, AMENDING THE APPROVED FISCAL YEAR 2015-2016 CITY OF CUDAHY BUDGET

WHERAS, the City of Cudahy ("City") wishes to amend the Approved Fiscal Year 2015-2016 City of Cudahy Budget (hereinafter, the "Budget"); and

WHERAS, the City Council of the City of Cudahy ("City") passed Resolution 15-30 adopting the Fiscal Year 2015-2016 budget.

WHERAS, Under Section 3 of Resolution 15-30 the City Manager does not have the authority to amend the Approved Fiscal Year 2015-2016 City Budget administratively when the total appropriations results in an increase and accordingly, City Council approval is necessary.

WHEREAS, the amount of the amendment would increase the total appropriations of the General and Special Revenue Funds.

BASED UPON THE ABOVE RECITALS, THE CITY COUNCIL OF THE CITY OF CUDAHY, CALIFORNIA, DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

SECTION 1. The authorized budget for the General and Special Revenue Funds of the City are hereby amended as follows:

GENERAL FUND	
EXPENDITURE Increase	$ 219,450
REVENUE Decrease	$ 68,500
GAS TAX	
EXPENDITURE Increase	$ 100,000
OTHER GRANTS	
EXPENDITURE Increase	$ 105,000
(Community	
REVENUE Increase	$ 105,000
PROP 1B Local ST. IMPROVEMENTS	
EXPENDITURE Increase	$ 317,000
(	
PROPOSITION C	
EXPENDITURE Increase	$ 79,000
MEASURE R	
EXPENDITURE Increase	$ 10,000

CALIFORNIA BEVERAGE CONTAINER	
EXPENDITURE Increase	$ 13,350
REVENUE Increase	$ 6,700
COUNTY PARK BOND FUND	
REVENUE Increase	$ 123,000
CAL HOME	
EXPENDITURE Increase	$ 50
SUCCESSOR AGENCY HOUSING	
EXPENDITURE Increase	$ 5,000

SECTION 2. The expenditures comprising the increase identified in Section 1 above are described in the Expenses table, attached hereto as Exhibit A and Exhibit B.

SECTION 3. The City Council hereby directs the inclusion of Exhibit A and Exhibit B in the Fiscal Year 2015-2016 comprehensive budget (the "Approved Fiscal Year 2015-2016 City Budget"). The Approved Fiscal Year 2015-2016 City Budget is an official record of the City and a true and correct copy of the same shall be posted on the City's Internet website with a hard copy maintained by the City Clerk.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Cudahy at its regular meeting on this 2nd day of May 2016.

_____
Baru Sanchez
Mayor

ATTEST:

_____
Richard Iglesias
Interim City Clerk

City of Cudahy
FY 2015-16 Projects Funded from Reserves

Acct #	Description	Budget	Increase (Decrease)	Revised Budget
Dept. 4011 City Manager				
6720	Emergency Preparedness Plan and Training	$ 45,000		45,000
	Economic Development Strategy	40,000		40,000
Dept. 4151 Finance Administration				
6720	State Controllers recommendation to develop a remedial plan	60,000	(60,000)	-
	Indirect cost study - Business License Cost Study	10,000	(10,000)	-
Dept. 4020 Facility Operations				
6060	Clara park Kitchen Hood (Not in Compliance)	10,000		10,000
6420	CJPIA Retro - General Liability	11,759		11,759
6490	CJPIA Retro - Workers compensation	49,402	(21,172)	28,230
	Cloud Back Up Service	10,300		10,300
6910	Del DR4100 Disk Based 9TB Device and Symantec backup Exec 2014	15,000		15,000
	Network Switches	1,000		1,000
Dept. 4215 Planning				
6720	General Plan Update - Phase One of Two	400,000	(143,000)	257,000
Dept. 4350 Recreation				
6210	Incremetnal increase to fund Salaries and Benefits	90,594	-	90,594
	Lugo Park Soccer Field and Restroom Rehabilitation Project	375,000	-	375,000
	Total	**$ 1,118,055**	**$ (234,172)**	**$ 883,883**

Dept: 4001 City Council		
6753	Legislative advocate for Successor Agency and City matters	28,000
6310	Travel & meetings - Additional $2,000 per council member	10,000
Dept: 4008 City Clerk		
6310	Publishing expenses of ordinances and other required matters in local newspapers	7,820
Dept: 4015 Personnel		
6720	Human resources conultant	59,280
5100	Retroactive pay for Incremental increase included in MOU with Cudahy Employee Association	13,865
5100	Retroactive longevity pay for per MOU with Cudahy Employee Association	4,540
5141	Initial payment toward Unfunded Retirement Liability	128,700
Dept: 4020 City Hall Operations		
6014	Ricoh Production Machine - 9 months lease and servicing contract	46,580
6720/51xx	MCE - Facilities maintenance contract	32,400
6010	Restroom Repairs at City Parks	10,489
6389	Ice Machine at Clara Park - Oldtimers	3,000
6389	Camera for Council Meetings	2,000
Dept: 4230 Code Enforcement		
51xx	Non-CDBG Code Enforcement activities	45,148
6755	Non-CDBG City Prosecution Service	11,500
Dept: 4350 Recreation		
6720	Contract for recreational programs - Wood Craft Rangers	41,300
Dept: 4410 Parks Maintenance		
	Wood Chips	4,100
	Bleacher Repair - Clara Park	4,900
	Sub-Total new or increased requests	**453,622**
	Net Change to Use of General Fund Balance per Resolution	**$ 219,450**

City of Cudahy
FY 2015-16 Projects Funded from Special Revenue Funds

	Totals
Gas Tax Design and Street Repairs/Slury Seal of Atlantic Avenue Fostoria/River/Cecelia/Crafton/Ferndale Loop,Almo Street,Walker Avenue	$ 100,000
Other Grants Community Planning Grant - UCLA	105,000
Prop 1B Local Street Improvements Fostoria/River/Cecelia/Crafton/Ferndale Loop Almo Street Walker Avenue	317,000
Proposition C Atlantic Avenue Gateway Membership	79,000
Measure R Highway Safety Improvement Grant	10,000
California Beverage Container Provide recepticales and education regarding beverage container recycling and litter reduction	13,350
Cal Home	50
Successor Agency Housing	5,000
	$ 629,400