



ADMINISTRATIVE SERVICES DEPARTMENT

MEMORANDUM

**DATE:** February 18, 2014

**TO:** The Honorable City Council

**FROM:** Tracey L. Hause, Acting City Manager/Administrative Services Director   
By: Lee Ma, Accountant

**SUBJECT:** FISCAL YEAR 2013-14 MID-YEAR BUDGET REVIEW, TREASURER'S REPORT, REVENUE, EXPENDITURE AND CAPITAL PROJECT SUMMARY REPORTS

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**RECOMMENDATION:**

The City Council is requested to:

- a) Receive the Fiscal Year (FY) 2013-14 Mid-Year Budget Review and related reports;
- b) Authorize staff to revise various revenue estimates as indicated in Attachment "A";
- c) Authorize staff to revise various budgeted appropriations as indicated in Attachment "B"; and
- d) Authorize staff to create an Affordable Housing Fund and Public Arts Fund.

**BACKGROUND:**

1. On June 4, 2013, the City Council approved the FY 2013-14 City Budget.
2. On August 20, 2013, the City Council approved a General Fund budget amendment in the amount of \$36,500 and awarded a Consultant Services Agreement to Center of Priority Based Budgeting (CPBB) for the Priority Based Budgeting Model and related consulting services.
3. On December 3, 2013, the City Council approved a budget amendment in the amount of \$1,276,175 from the Economic Development Reserve for the appraisal and all environmental site assessment work related to and the purchase of the 5922 Primrose Property.

4. On January 21, 2014, the City Council held a second reading and adopted resolutions and ordinances approving the Olson Company Project.
5. On February 4, 2014, the City Council approved Second Quarter budget amendments in various accounts in the total amount of \$47,745.

**ANALYSIS:**

The FY 2013-14 Mid-Year Budget review process provides the City Council with an opportunity to review and adjust original revenue projections and budgeted appropriations based on six months of actual activity. Adjustments are a result of changes in revenue projections based on actual revenue received from July 1, 2013 through December 31, 2013, as well as unanticipated expenditures due to information that was not previously available. The City continues to show positive financial results. It is through the significant diligence of staff by ensuring responsible spending. While results have been positive, the City continues to monitor revenues closely and to strictly control expenditures. Details of revenues and expenditures are detailed below.

**1. FY 2013-14 GENERAL FUND REVENUES**

A revenue analysis has been completed for the FY 2013-14 General Fund revenues. Although some revenues are in line with 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 staff.

	FY 1013-14	FY 2013-14		
Revenue Source	Budget	Revised Projection	Increase (Decrease)	Percentage Change
Property Tax	\$ 2,450,000	\$ 2,585,000	\$ 135,000	6%
Sales Tax	\$ 1,738,000	\$ 1,738,000	\$ -	0%
Other Taxes	\$ 715,000	\$ 765,000	\$ 50,000	7%
Licences and Permits	\$ 1,003,000	\$ 1,253,000	\$ 250,000	25%
Motor Vehcile In Lieu	\$ 3,250,000	\$ 3,300,000	\$ 50,000	2%
Charges for Services	\$ 1,279,300	\$ 1,569,300	\$ 290,000	23%
Court Fines	\$ 525,000	\$ 615,000	\$ 90,000	17%
Interest on Investments	\$ 445,000	\$ 215,000	\$ (230,000)	-52%
Other Revenues	\$ 202,300	\$ 419,300	\$ 217,000	107%
			\$ -	
<b>Total</b>	<b>\$11,607,600</b>	<b>\$12,459,600</b>	<b>\$ 852,000</b>	<b>7%</b>

The total General Fund revenue net adjustment is \$852,000. The following are the details of the revenue changes:

- **Property Tax:** Property taxes continue to be one of the City's strongest revenue sources. Under Proposition 13, property is generally reassessed only when there is a change in ownership. After which, its assessed value is adjusted annually by an inflation factor not to exceed two percent. Temple City's assessed valuations continue to increase and as reported earlier this year, the median home prices have exceeded the pre-recession levels of 2007. Temple City is one in five cities in Los Angeles County that have reached this significant milestone. Staff estimated an increase of 2% in property tax revenues for FY 2013-14 during the budget process last spring. However, after analyzing the increases in assessed valuations and property tax receipts to date, it is anticipated receipts will be higher than originally anticipated and an adjustment of \$135,000 is recommended at this time, with a revised projected revenue estimate of \$2,585,000.
- **Sales Tax:** Sales tax decreased slightly (i.e., \$12,000) from the second quarter in FY 2013-14 over the same quarter in FY 2012-13. Based on the prior and current fiscal year's actual receipts received and with the continued environment of a slower retail economy, no adjustment is recommended at this time.
- **Other Taxes:** Other tax revenues include franchise fees, transient occupancy tax and real estate transfer tax. Franchise fees are fees collected from service providers, who provide utility services to the residents, such as Athens Services, The Gas Company, Southern California Edison and cable television. There is not an adjustment recommended for franchise fees at this time. A 10% transient occupancy tax is collected from each guest that rents a room from any hotel located within the City. The tax is remitted directly to the City by the hotel owners on a monthly basis. Similar to franchise fees, there is not an adjustment recommended. Real estate transfer tax is a tax that is collected when there is a change in ownership of all real properties. Staff is recommending \$50,000 increase for real estate transfer tax, as a result of an increase in the number of sales of properties in the City, and actual receipts collected in the first six months of FY 2013-14. The net adjustment for this category is \$50,000, with a new projected revenue estimate of \$765,000.
- **License & Permits:** License & permits include building permits, business license fees, animal license fees, parking permit fees, impound fees, temporary parking permits, code enforcement fees and temporary parking permit fees. Based on the first six months of revenues received in FY 2013-14, staff recommends the following adjustments: a \$20,000 increase to the business license fees; a \$100,000 increase in the building permit fees as a result of increased building activity and permits issued for the Gateway and Olson projects; a \$20,000 decrease to the parking permit fees; establish a new line item for encroachment permit fees with a new budget of \$120,000 (previously encroachment permit fees were accounted for with code enforcement fees); an increase in animal licenses of \$20,000; a decrease in vehicle impound fees of \$15,000; and finally, an increase in temporary

parking permits of \$25,000. These adjustments are recommended after analyzing actual receipts collected in the first six months of FY 2013-14. The net adjustment for this category is an increase of \$250,000, with a new projected revenue estimate of \$1,253,000.

- **Motor Vehicle in-lieu fee (VLF)**: 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 governments. In 2004, 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 2013-14 is \$3,321,400. Based on the first allocation the City received in January 2014, a budget increase of \$50,000 is recommended.
- **Charges for Services**: Charges for services are revenues received from recreation fees, facility rental fees, zoning fees and plan check fees. These revenues are reflected when services, classes or events are provided. Based on the current revenues, staff recommends the following adjustments: an \$80,000 increase in zoning fees due to increased building activity; a \$10,000 increase in the recreation fees; and a \$200,000 increase in plan check fees again, due to an increase in building activity. The net adjustment is \$290,000 which brings this category to a new projection of \$1,569,300.
- **Court Fines**: Court Fines are revenues collected from citations written from both the Los Angeles County Sheriff's Department and authorized City staff. Increased activity in this area warrants an increase in the estimate by \$90,000.
- **Interest on Investments**: The City receives interest on various investments on a monthly, quarterly, semi-annually, or annual basis depending on the type of investment. Currently, the City invests with Local Agency Investment Fund (LAIF); Certificates of Deposit (CD); the Los Angeles County Investment Pool (LACIP) and other various Federal notes and agencies. In addition historically, the City received interest (i.e., \$120,000) on the loan made to the Former Redevelopment Agency (Agency). However, with the Agency now dissolved, the City is no longer receiving that interest payment. Further, the City's idle funds available for investment have been reduced as a result of the near completion of Rosemead Boulevard Project. As a result of these two primary factors, it is recommended the estimated revenue be reduced by \$230,000, for a new estimated of \$215,000.
- **Other Revenues**: Other revenues include recyclable revenue, rental income, sale of City property, donations and reimbursements. Staff recommends the following adjustments to this category: a \$20,000 reduction to the recyclable revenue; a \$20,000 increase in rental income primarily due to the recently

acquired Primrose property; a \$197,000 to other reimbursements due to the reimbursement for the windstorm emergency expenses and debris removal; and a \$20,000 dollar increase in the sundry account based on actual collections for the first six months of FY 2013-14. The net adjustment is \$217,000, bringing this category to a new projection of \$419,300.

**2. FY 2013-14 GENERAL FUND EXPENDITURES**

The adoption of FY 2013-14 City Budget estimated total General Fund operating expenditures of \$11.7 million. The table below summarizes staff's recommendations for adjustments to the Department's operating expenditures:

<b>Department</b>	<b>FY 2013-14 Budget Expenditure</b>	<b>FY 2013-14 Revised Projection</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Management Services (includes City Attorney)	\$1,684,280	\$2,082,280	\$398,000	24%
Administrative Services	\$1,182,175	\$1,182,175	\$0	0%
Community Development	\$3,110,790	\$3,380,790	\$270,000	9%
Parks & Recreation	\$2,021,470	\$2,056,470	\$35,000	2%
Law Enforcement	\$3,799,295	\$3,799,295	\$0	0%
<b>Totals</b>	<b>\$11,798,010</b>	<b>\$12,501,010</b>	<b>\$703,000</b>	<b>6%</b>

The total General Fund mid-year operating net increase is \$703,000 (Attachment "B"). The following are the details of the adjustments: a request from the Temple High School Rams Marching Band in the amount of \$15,000 for new equipment and uniforms for appearance in the 2015 Tournament of Roses Parade; an additional appropriation for former City Manager's severance pay of \$103,000 in accordance with the employment agreement; a request of \$280,000 one-time expenditure for the City Attorney due to unanticipated legal fees during this fiscal year, a \$35,000 appropriation for a consultant to study park impact fees, \$255,000 for additional contract services with Transtech for increased building activity related services (offset by additional revenue); \$36,000 re-appropriation from the previous fiscal year for the Brush of Kindness program; and a reduction in operating appropriations in the amount of \$21,000 for mobile radios, proposed to be budgeted in Equipment Replacement.

**3. EQUIPMENT/VEHICLE REPLACEMENT**

The City adopted a budget for Equipment/ Vehicle Replacement of \$444,380 as part of the FY 2013-14 City Budget of which \$270,800 is funded by the General

Fund. Recommended net adjustments are also outlined in Attachment "B". Staff is recommending the City defer replacement of the current telephone system in the amount \$58,500 and consider funding for this project in the next fiscal year. The cost of GPS fleet monitoring system of \$12,000 will be addressed in a vehicle maintenance program staff is exploring. The re-appropriation, as discussed above, from operations for mobile radios of \$21,000 is recommended. An additional server, at an anticipated cost of \$25,000 for the televising of the City Council meetings, is recommended to ensure compatibility with the upgrades recently completed in the Council Chambers. This adjustment is a net reduction in the Equipment/Vehicle Replacement Budget of \$24,500.

#### **4. GENERAL FUND CAPITAL IMPROVEMENT PROJECTS (CIP)**

Temple City has been very busy this year completing various projects. With the adoption of FY 2013-14 City Budget, the City Council approved \$19.8 million in CIP expenditures, of which 18.7% of the total expenditures of \$3.7 million were funded by the General Fund.

In order to further address the increase in operating expenditures, staff is recommending the following reductions in the CIP project budgets:

- City Hall Server Room HVAC                      \$25,000
- City Yard Building Re-Roofing                      \$30,000

The cost to complete these projects (Attachment "B") will be less than originally anticipated; as a result, it is recommended this savings be recognized at mid-year.

#### **5. FUND BALANCE ANALYSIS**

Attachment "C" provides an analysis of the fund balance. Estimated General Fund Balance at June 30, 2014 is provided: at July 1, 2013, when the FY 2013-14 City Budget was adopted; at December 31, 2013, when actual Fund Balance at July 1, 2013 was available due to completion of the audited Comprehensive Annual Financial Report (CAFR) and includes budget adjustments approved by the City Council for the first six months of operations; and at present if the recommended adjustments are approved and implemented. While at the time of adoption of the FY 2013-14 City Budget, an deficit of \$4.8 million existed as a result of a conscious decision on the City Council's part to commit to one-time, capital expenditures from Reserves, in accordance with the City's adopted Budget Reserve Policy. The City Council added to the deficit by approving a budget amendment in the amount of \$1,276,175 from the Economic Development Reserve for the appraisal and all environmental site assessment work related to and the purchase of the 5922 Primrose Property, increasing the deficit to \$6.2 million. However, with the revised revenue estimates and recommended adjustments in appropriations, staff has been able to reduce the deficit to \$5.6 million.

The analysis further articulates the resources that are available in accordance with

the City's adopted Budget Reserve Policy. It is anticipated the City will be moving into the FY 2014-15 City Budget process with a small unassigned Fund Balance of \$8,444, however Committed and Assigned Reserves for restricted purposes remain intact.

## **6. CITY TREASURER'S REPORT**

The Treasurer or Chief Fiscal Officer is required to render an annual statement of Investment Policy to the legislative body of the local agency and to render a monthly report containing specific information regarding investment and deposits to the legislative body and the Chief Administrative Officer. The attached Treasurer's Report (Attachment "D"), which is completed monthly and submitted to the City Council on a monthly and quarterly basis, reflects the balance as of December 31, 2013.

## **7. REVENUE SUMMARY REPORT**

This report (Attachment "E") is a summary of actual revenues for the period of July 1, 2013 to December 31, 2013. By the end of the second quarter the percent 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 property tax and VLF, are not received equally over a 12 month period, thus providing a skewed percentage of actual receipts collected to date. Detailed discussions about revenue streams have been addressed earlier in this report.

## **8. EXPENDITURE SUMMARY REPORT (INCLUDING EQUIPMENT REPLACEMENT**

This report is a summary of actual expenditures for the period of July 1, 2013 to December 31, 2013 (Attachment "F"). By the end of the second quarter the percent expended is generally 50%. As is the City's policy, expenditures are kept to a minimum. The programs that are contracted with Los Angeles County are generally a month or two behind due to the County's timing invoicing the City. Again, detailed discussions about the current status of expenditures have been discussed earlier in this report.

## **9. CAPITAL IMPROVEMENT FINANCIAL STATUS REPORT**

The second quarter expenditures (Attachment "G") reflect costs for thirteen planned and completed projects: Citywide Park & Open Space Master Plan; Additional Concrete for the Performing Arts Pavilion Area; Upgrade Sewer Line on Longden Avenue from Rosemead Boulevard to Encinita Avenue; Rosemead Boulevard Safety Enhancements and Beautification Project; Repaving of Streets per Reassessment Pavement Management Index; Generator for pump at Rosemead Boulevard; Redesign and Construction of Las Tunas Drive; Bicycle Master Plan Implementation; Installation of 45 Separate Improvements around

nine school sites; Public Parking Lot American Disability Act (ADA) Accessibility Improvement Project; ADA Accessibility Improvement for Temple City Boulevard Project; Council Chamber Renovation; and Rebuilt the roof for the City Yard Buildings.

#### **10. PROJECTS FUNDED WITH RESERVES**

Many projects this year were funded with the Reserves (Attachment "H") in accordance with the adopted Budget Reserve Policy. There will be savings in the Reserve as a result of the following:

- General Plan Update - \$190,000 in savings will be realized as a result of combining the General Plan Update and the Specific Plan efforts;
- P3 Master Plan - \$150,000 was budgeted for required zoning changes to facilitate this project. It is anticipated these zoning changes will not take place until next fiscal year; and
- Historic Preservation Ordinance – \$26,000 in savings as the City Council directed this discussion to take place as part of the General Plan Update.

These savings have been incorporated into reported Fund Balance designations in Attachment "C".

#### **11. ESTABLISHMENT OF NEW FUNDS**

As part of the approval of the Development Agreement for the Olson Project, the applicant will contribute to the City \$157,000 for affordable housing, \$168,000 for park development, \$150,000 for public art and \$74,000 for sewer reconstruction totaling \$549,000 in the form of impact fees. These fees must be used for their stated purposes within five years of the payment (estimated to be 2019). To properly account for these fees, staff is requesting the authorization to create two new funds: Affordable Housing and Public Art. Sewer reconstruction and parks development funds already exist.

#### **CONCLUSION:**

As the economy slowly recovers providing for enhanced revenues and the City continues with its best practices and conservative approach to fiscal management, (i.e., proactive Mid-Year Budget adjustments, leveraging resources and realistically estimating a true spending plan for the remaining fiscal year) additional operating expenditures (primarily one-time) are recommended to be funded. It is anticipated another successful fiscal year will be complete at June 30, 2014.

**FISCAL IMPACT:**

If the City Council approves the above mentioned FY 2013-14 Mid-Year adjustments, the FY 2013-14 City Budget will be \$37,611,260, with Reserves, in accordance with the Budget Reserve Policy, of \$15,825,857.

**ATTACHMENTS:**

- A. FY 2013-14 Mid-Year General Fund Revenue Adjustments
- B. FY 2013-14 Mid-Year General Fund Appropriation Adjustments
- C. FY 2013-14 Fund Balance Analysis
- D. City Treasurer's Report
- E. Revenue Summary Report
- F. Expenditure Summary Report
- G. Capital Project Financial Status Report
- H. General Fund Balances – Reserved and Unreserved at 6-30-14

**CITY OF TEMPLE CITY**  
**FY 2013-14 MID-YEAR GENERAL FUND REVENUE ADJUSTMENTS**

		Original Budget	Proposed Amendments	Revised Budget
Real Estate Transfer Tax	01-810-32-3201	120,000	<b>50,000</b>	170,000
Property Tax Allocation	01-810-32-3211	2,450,000	<b>135,000</b>	2,585,000
Business License Fees	01-820-33-3301	200,000	<b>20,000</b>	220,000
Building Permit Fees	01-820-33-3303	460,000	<b>100,000</b>	560,000
Parking Permit Fees	01-820-33-3305	75,000	<b>(20,000)</b>	55,000
Encroachment Permit Fees	01-820-33-3306	0	<b>120,000</b>	120,000
Animal License Fees	01-820-33-3307	70,000	<b>20,000</b>	90,000
Vehicle Impound Fees	01-820-33-3309	35,000	<b>(15,000)</b>	20,000
Temp Parking Permit Fees	01-820-33-3311	113,000	<b>25,000</b>	138,000
In Lieu VLF	01-830-34-3430	3,250,000	<b>50,000</b>	3,300,000
Zoning Fees	01-840-35-3503	160,000	<b>80,000</b>	240,000
Recreation Fees	01-840-35-3505	590,000	<b>10,000</b>	600,000
Plan Check Fees	01-840-35-3508	460,000	<b>200,000</b>	660,000
Court Fines	01-850-36-3601	525,000	<b>90,000</b>	615,000
Interest - Others	01-860-37-3703	250,000	<b>(230,000)</b>	20,000
Recycable Revenues	01-870-38-3809	50,000	<b>(20,000)</b>	30,000
Rental Income	01-870-38-3811	30,000	<b>20,000</b>	50,000
Other Reimbursement	01-870-38-3815	90,000	<b>197,000</b>	287,000
Sundry	01-870-38-3817	1,000	<b>20,000</b>	21,000
<b>Total</b>		<b>8,929,000</b>	<b>852,000</b>	<b>9,781,000</b>

**CITY OF TEMPLE CITY**  
**FY 2013-14 MID-YEAR GENERAL FUND APPROPRIATIONS ADJUSTMENTS**

		Original Budget Amount	Proposed Adjustments	Revised Budget Amount	
Community Promotions	01-910-41-4670	7,500	15,000	22,500	Temple City High School Rams Marching Band Support for 2015 Tournament of Roses Parade
City Manager	01-910-42-4106	206,935	103,000	309,935	Former City Manger's Severence Pay in Accordance with Employment Agreement
Special Counsel	01-910-43-4243	0	280,000	280,000	City Attorney Legal Expenses
Private/Special Contract Services (Park Maintenance)	01-940-59-4231	0	35,000	35,000	Consulant for Park Impact Fees
Private/Special Contract Services (Building)	01-930-54-4231	270,000	255,000	525,000	Transtech Contract for Building Activities
Brush with Kindness (Housing)	01-930-55-4934	0	36,000	36,000	Reappropriate from Previous Fiscal Year
Private/Special Contract Services (Emergency Services)	01-950-64-4231	50,000	(21,000)	29,000	Reappropriate Funding for Radio Purchase
<b>Total Operating</b>		<b>534,435</b>	<b>703,000</b>	<b>1,237,435</b>	
Special Equipment	01-950-61-4840	12,000	(12,000)	0	GPS Fleet Monitoring System
Office Equipment	01-970-81-4830	168,500	(58,500)	110,000	Telephone System Upgrade
Special Equipment	01-950-64-4840	15,000	21,000	36,000	KR NIDA Radio Purchase
Office Equipment	01-970-81-4830	(See above)	25,000	25,000	Internal Server - Video Broadcasting
<b>Total Equipment Replacement</b>		<b>195,500</b>	<b>(24,500)</b>	<b>171,000</b>	
CIP (City Hall Server Room HVAC)	60-980-81-4810 P14-09	40,000	(25,000)	15,000	City Hall Server Room HVAC
CIP ( Rebuild the City Yard Buildings Roof)	60-980-81-4810 P14-11	35,000	(30,000)	5,000	Rebuild the City Yard Buildings Roof
<b>Total Capital Improvement Project:</b>		<b>75,000</b>	<b>(55,000)</b>	<b>20,000</b>	
<b>Grand Total</b>		<b>804,935</b>	<b>623,500</b>	<b>1,428,435</b>	

CITY OF TEMPLE CITY FY 2013-14 FUND BALANCE ANALYSIS			
	FY 2013-14 Adopted Budget	Budget Amendments (Jul - Dec) and Actual Fund Balance (6-30-13)	FY 2013-14 Mid-Year Budget Review
<b>Estimated Fund Balance July 1, 2013</b>			
Designated	\$ -		
Nonspendable		\$ 12,795	\$ 12,795
Committed	\$ 4,500,000	\$ 3,500,000	\$ 3,500,000
Assigned	\$ 16,150,000	\$ 16,150,000	\$ 16,150,000
Unassigned	\$ 1,523,532	\$ 1,367,474	\$ 1,367,474
<b>Total Fund Balance Before Reserves</b>	<b>\$ 22,173,532</b>	<b>\$ 21,030,269</b>	<b>\$ 21,030,269</b>
<b>Reserved (Internal Purposes)</b>			
City Loan (Calabee's)	\$ 335,418	\$ 335,418	\$ 335,418
City Loan (Chamber)	\$ 4,600	\$ 4,600	\$ 4,600
City Loans (Homeowners)	\$ 56,775	\$ 56,775	\$ 56,775
CRA Loans	\$ -	\$ -	\$ -
<b>Total Fund Balance July 1, 2013</b>	<b>\$ 22,570,325</b>	<b>\$ 21,427,062</b>	<b>\$ 21,427,062</b>
Revenues	\$ 11,607,600	\$ 11,607,600	\$ 12,459,600
Transfers In	\$ 110,586	\$ 110,586	\$ 110,586
Estimated Expenditures	\$ (11,713,765)	\$ (11,798,010)	\$ (12,501,010)
<b>Operating Surplus/Deficit</b>	<b>\$ 4,421</b>	<b>\$ (79,824)</b>	<b>\$ 69,176</b>
Estimated Equip/Vehicle Replacement	\$ (270,800)	\$ (270,800)	\$ (246,300)
CIP/Transfers Out	\$ (2,231,906)	\$ (1,231,906)	\$ (1,176,906)
Use of Reserves for Specific Projects	\$ (2,335,000)	\$ (4,611,175)	\$ (4,247,175)
<b>Surplus/Deficit</b>	<b>\$ (4,833,285)</b>	<b>\$ (6,193,705)</b>	<b>\$ (5,601,205)</b>
<b>Estimated Fund Balance June 30, 2014</b>	<b>\$ 17,737,040</b>	<b>\$ 15,233,357</b>	<b>\$ 15,825,857 *</b>

\* Estimated Fund Balance Designations at June 30, 2014, in accordance with the General Fund Budget Reserve Policy

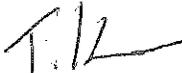
Nonspendable	\$	12,795
Committed		
Emergency/Disasters	\$ 1,000,000	
Liquidity	\$ 2,000,000	
Local Economic Uncertainty	\$ 500,000	\$ 3,500,000
Assigned		
Fleet Management	\$ 400,000	
Facilities Management	\$ 3,690,000	
Technology Replacement	\$ 30,000	
Economic Development	\$ 3,403,825	
Opportunities for One-Time Expenditures	\$ 4,384,000	\$ 11,907,825
<b>Unassigned</b>	<b>\$</b>	<b>8,444</b>
Internal Reserves (City Loans)	\$	396,793
	<b>\$</b>	<b>15,825,857</b>

**CITY OF TEMPLE CITY  
TREASURER'S REPORT  
December 31, 2013**

	<u>COST VALUE</u>	<u>MARKET VALUE</u>
<u>Cash in Bank *</u>		
Wells Fargo Bank - Checking	756,588.58	756,588.58
- Payroll	28,881.40	28,881.40
- Merchant Card	17,226.41	17,226.41
US Bank - Checking	21,033.80	21,033.80
<u>Camellia Fund *</u>		
East West Bank - Monthly Market Account	160,000.00	160,000.00
Wells Fargo Bank - Checking	12,492.67	12,492.67
<u>Petty Cash</u>	2,100.00	2,100.00
<u>LAIF</u>		
Effective Quarter to Date Yield 12/31/13 0.260%	1,925,403.17	1,926,495.49
<u>MorganStanley SmithBarney *</u>		
Certificates of Deposit		
Weighted Average to Date Yield 12/31/13 1.079%	4,353,000.00	4,370,136.73
Government Securities		
Weighted Average to Date Yield 12/31/13 0.733%	747,000.00	748,044.15
Corporate Fixed Income		
Weighted Average to Date Yield 12/31/13 1.500%	508,250.00	508,805.83
Money Market	775,324.74	775,324.74
<u>Mutual Securities *</u>		
Government Securities	6,662,420.00	6,530,105.00
Weighted Average to Date Yield 12/31/13 1.564%		
Money Market	3,750.29	3,750.29
<u>US Bank *</u>		
Certificates of Deposit		
Weighted Average to Date Yield 12/31/13 0.837%	3,279,000.00	3,279,000.00
<u>Los Angeles County Pool Investment Fund *</u>	3,000,000.00	3,016,924.87
As of 12/31/13 0.640%		
<u>OPEB Investment</u>	1,000,000.00	1,073,736.86
As of 11/30/13		
<b>TOTAL</b>	<b>\$ 23,252,471.06</b>	<b>\$ 23,230,646.82</b>
<u>PRIOR MONTH STATUS</u>		
Total	\$ 24,607,449.66	\$ 24,626,485.92

\* Based on Bank Statements

All investments are placed in accordance with the City of Temple City's Investment Policy. The above summary provides sufficient cash flow liquidity to meet the next six month's estimated expenditures. This report is in accordance with Government Code Section 53646.

  
TRACEY L. HAUSE  
CITY TREASURER

**CITY OF TEMPLE CITY**  
**REVENUE SUMMARY REPORT - ALL FUNDS**  
**QUARTER ENDING - December 31, 2013**

	2012-13 BUDGET	2012-13 YEAR TO DATE JUL-DEC	2013-14 BUDGET	2013-14 YEAR TO DATE JUL-DEC	PERCENT RECEIVED
Taxes	4,720,200	1,548,638	4,903,000	1,563,736	32%
Licenses and Permits	1,245,000	717,031	1,003,000	678,638	68%
Intergovernmental	3,321,400	0	3,250,000	25,110	1%
Charges for Services	865,760	379,870	1,279,300	808,076	63%
Fines, Forfeitures, & Penalties	525,000	218,946	525,000	258,933	49%
Use of Money and Property	455,000	108,620	445,000	59,962	13%
Miscellaneous	218,500	111,578	202,300	118,821	59%
Total General Fund Revenue	11,350,860	3,084,683	11,607,600	3,513,276	30%
Total Special Revenue Funds	5,128,470	1,660,022	4,320,320	1,897,508	44%
<b>TOTAL REVENUE</b>	<b>16,479,330</b>	<b>4,744,705</b>	<b>15,927,920</b>	<b>5,410,784</b>	<b>34%</b>

**CITY OF TEMPLE CITY**  
**EXPENDITURE SUMMARY REPORT - ALL FUNDS**  
**QUARTER ENDING - DECEMBER 31, 2013**

	2012-13 BUDGET	2012-13 YEAR TO DATE JUL-DEC	2013-14 BUDGET	2013-14 YEAR TO DATE JUL-DEC	PERCENT EXPENDED
<b>MANAGEMENT SERVICES</b>					
City Council	161,445	68,862	198,575	102,502	52%
City Manager	910,305	315,048	1,002,540	481,815	48%
City Attorney	222,700	167,959	222,000	141,943	64%
Elections	70,925	1,134	0	0	0%
Council Support	284,670	101,869	325,425	123,046	38%
	1,650,045	654,872	1,748,540	849,306	49%
<b>ADMINISTRATIVE SERVICES DEPARTMENT</b>					
Support Services	199,075	93,849	179,210	87,530	49%
Insurance/Benefits	822,360	1,152,174	582,415	332,080	57%
Accounting	480,115	232,853	520,890	276,610	53%
Purchasing	135,950	51,832	148,200	56,382	38%
	1,637,500	1,530,708	1,430,715	752,602	53%
<b>COMMUNITY DEVELOPMENT DEPARTMENT</b>					
Planning	609,260	286,033	2,261,490	354,816	16%
Building	399,440	144,880	645,175	386,162	60%
Housing	571,045	190,705	169,500	120,417	71%
	1,579,745	621,618	3,076,165	861,395	28%
<b>PARKS &amp; RECREATION DEPARTMENT</b>					
Recreation/Human Services	1,057,280	451,538	1,227,485	589,423	48%
Public Transportation	753,330	253,234	792,875	260,599	47%
Parks - Maintenance/Facilities	829,985	354,853	849,025	397,413	54%
Trees & Parkways	500,865	217,900	559,395	300,437	54%
	3,141,460	1,277,525	3,428,780	1,547,872	45%

**CITY OF TEMPLE CITY  
EXPENDITURE SUMMARY REPORT - ALL FUNDS  
QUARTER ENDING - DECEMBER 31, 2013**

	2012-13 BUDGET	2012-13 YEAR TO DATE JUL-DEC	2013-14 BUDGET	2013-14 YEAR TO DATE JUL-DEC	PERCENT EXPENDED
<b>COMMUNITY DEVELOPMENT DEPARTMENT</b>					
<b>PUBLIC SAFETY DIVISION</b>					
Law Enforcement	3,835,218	1,203,234	3,989,295	1,662,166	42%
Traffic Engineering	8,280	145	8,280	3,534	43%
Animal Control	186,530	82,956	199,615	98,139	49%
Emergency Services	94,405	27,114	160,755	63,003	39%
Community Preservation	664,225	273,384	484,770	242,363	50%
Parking Administration	266,780	132,052	394,320	216,972	55%
	5,055,438	1,718,885	5,237,035	2,286,177	44%
<b>PUBLIC WORKS DIVISION</b>					
Administration & Engineering	211,870	71,899	265,580	134,602	51%
Street Cleaning	122,340	41,317	122,340	43,977	36%
Traffic Signal Maintenance	156,800	29,245	151,800	33,185	22%
Traffic Signs & Strip Maint.	172,325	20,283	225,620	71,833	32%
Street Maintenance	262,500	12,772	122,500	56,485	46%
Sidewalk Maintenance	165,000	3,405	165,000	55,547	34%
Solid Waste Management	8,690	4,542	58,690	7,275	12%
Street Lighting	349,630	122,161	373,285	133,320	36%
	1,449,155	305,624	1,484,815	536,224	36%
<b>MAINTENANCE DIVISION</b>					
General Government Buildings	245,300	155,026	288,240	150,624	52%
Parking Facilities	216,775	86,165	162,340	88,140	54%
Graffiti Abatement	33,620	9,785	26,400	14,613	55%
	495,695	250,976	476,980	253,377	53%
<b>SUB TOTAL PROGRAM EXPENDITURES</b>	<b>15,009,038</b>	<b>6,360,208</b>	<b>16,883,030</b>	<b>7,086,953</b>	<b>42%</b>

**CITY OF TEMPLE CITY  
EXPENDITURE SUMMARY REPORT - ALL FUNDS  
QUARTER ENDING - DECEMBER 31, 2013**

	2012-13 BUDGET	2012-13 YEAR TO DATE JUL-DEC	2013-14 BUDGET	2013-14 YEAR TO DATE JUL-DEC	PERCENT EXPENDED
SUB TOTAL PROGRAM EXPENDITURES	15,009,038	6,360,208	16,883,030	7,086,953	42%
CAPITAL IMPROVEMENT FUND	16,702,610	521,428	19,832,605	6,655,277	34%
EQUIPMENT REPLACEMENT	260,685	93,118	444,380	204,697	46%
TRUST FUND	0	3,379	0	3,573	0%
TEMPLE CITY TREE RESTORATION PROGRAM	0	0	0	1,548	0%
<b>TOTAL EXPENDITURES</b>	<b>31,972,333</b>	<b>6,978,133</b>	<b>37,160,015</b>	<b>13,952,048</b>	<b>38%</b>
CDBG LOAN REPAYMENT	27,460	35,936	0	21,537	0%
<b>GRAND TOTAL</b>	<b>31,999,793</b>	<b>7,014,069</b>	<b>37,160,015</b>	<b>13,973,585</b>	<b>38%</b>

CITY OF TEMPLE CITY  
 FINANCIAL STATUS REPORT  
 JUL 13 - Dec 13

**CAPITAL IMPROVEMENT PROGRAM  
 PROJECT DETAIL**

**PARKS - MAINTENANCE/FACILITIES  
 ACCT. NO. 60-980-59-4810**

<u>No.</u>	<u>Project</u>	<u>Funding Source</u>	<u>Budget</u>	<u>Year To Date Expenditure</u>	<u>Balance</u>
P12-02	Citywide Park & Open Space Master Plan	(D) General Fund	70,000	50,807	19,193
P13-01	Additional Concrete for Performing Arts Area	(D) General Fund		325	
P14-01	Repair Operable Walls in Community Center	(D) General Fund	15,000		15,000
P14-02	Installation of Hand Dryers in Park Restrooms	(D) General Fund	10,500		10,500
P14-03	New Playground Equipment for Temple City Park	(D) General Fund BCR	6,000 9,000 <u>15,000</u>		15,000
<b>Recap of Funding Sources</b>		General Fund	101,500		
		Beverage Container Recyclable	<u>9,000</u>		
<b>TOTAL CIP - PARKS MAINTENANCE / FACILITIES</b>			<u><u>110,500</u></u>	<u><u>51,132</u></u>	<u><u>59,693</u></u>

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CITY OF TEMPLE CITY  
 FINANCIAL STATUS REPORT  
 JUL 13 - Dec 13

**CAPITAL IMPROVEMENT PROGRAM  
 PROJECT DETAIL**

**TRAFFIC ENGINEERING  
 ACCT. NO. 60-980-62-4810**

<u>No.</u>	<u>Project</u>		<u>Funding Source</u>	<u>Budget</u>	<u>Year To Date Expenditure</u>	<u>Balance</u>
P12-07	Citywide Traffic Calming Study Master Plan	(N)	Measure R	100,000		100,000
P14-04	Citywide Traffic Calming Implementation	(N)	General Fund	150,000		150,000
<b>Recap of Funding Sources</b>			General Fund	150,000		
			Measure R	100,000		
<b>TOTAL CIP - TRAFFIC ENGINEERING</b>				<u>250,000</u>	<u>-</u>	<u>250,000</u>

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CITY OF TEMPLE CITY  
 FINANCIAL STATUS REPORT  
 JUL 13 - Dec 13

CAPITAL IMPROVEMENT PROGRAM  
 PROJECT DETAIL

STREET CLEANING  
 ACCT. NO. 60-980-72-4810

<u>No.</u>	<u>Project</u>	<u>Funding Source</u>	<u>Budget</u>	<u>Year To Date Expenditure</u>	<u>Balance</u>
P14-05	Street Sweeping Signage	(D) Gas Tax	300,000		300,000
<b>Recap of Funding Sources</b>			<u>300,000</u>		
<b>TOTAL CIP - PARKING ADMINISTRATION</b>			<u><u>300,000</u></u>	<u><u>-</u></u>	<u><u>300,000</u></u>

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**CITY OF TEMPLE CITY  
FINANCIAL STATUS REPORT  
JUL 13 - Dec 13**

<b>CAPITAL IMPROVEMENT PROGRAM PROJECT DETAIL</b>				<b>STREET CONSTRUCTION ACCT. NO. 60-980-75-4810</b>						
<u>No.</u>	<u>Project</u>	<u>Funding Source</u>	<u>Budget</u>	<u>Year To Date Expenditure</u>	<u>Balance</u>					
P08-07	Upgrade Sewer Line on Longden from Rosemead to Encinita	(N) Sewer Reconstruction Environment Protection Agency	400,000 194,000 <hr/> 594,000	41,750	552,250					
P08-11	Rosemead Boulevard Improvement Project	(N) Prop A Prop C Prop 1B Measure R Lighting/Landscape District Surface Transp. Progr. Local Highway Safety Impr Prog SAFE LU Rubberized Asphalt Concrete Grant Gas Tax GF - Cal Trans GF - Eco Dev Fd Reserve Bicycle Transportation Acct Congestion Mitigation and Air Quality	1,500,000 1,580,645 14,465 794,230 2,000,000 1,007,815 340,000 719,920 110,250  1,350,000 332,970 1,000,000 443,000  <hr/> 2,249,985 13,443,280	6,208,992	7,234,288					
P12-04	Citywide Upgrade Traffic Street Signage	(M) Measure R	300,000		300,000					
P13-02	Repaving of Streets per Re-assessment Pavement Management Index	(E) Gas Tax	150,000	2,588	147,412					
P13-03	Generator for pump at Rosemead Boulevard	(N) Gas Tax		244	(244)					
P13-04	Redesign and Construction of Las Tunas Drive	(N) Prop C	1,200,000	7,178	1,192,822					
<table style="width: 100%; border: none;"> <tr> <td style="width: 20%;">(E) = Essential</td> <td style="width: 20%;">(N) = Necessary</td> <td style="width: 20%;">(M) = Mandated</td> <td style="width: 20%;">(R) = Routine</td> <td style="width: 20%;">(D) = Discretionary</td> </tr> </table>						(E) = Essential	(N) = Necessary	(M) = Mandated	(R) = Routine	(D) = Discretionary
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**CITY OF TEMPLE CITY  
FINANCIAL STATUS REPORT  
JUL 13 - Dec 13**

<b>CAPITAL IMPROVEMENT PROGRAM PROJECT DETAIL</b>			<b>STREET CONSTRUCTION ACCT. NO. 60-980-75-4810</b>		
<u>No.</u>	<u>Project</u>	<u>Funding Source</u>	<u>Budget</u>	<u>Year To Date Expenditure</u>	<u>Balance</u>
P13-12	Bicycle Master Plan Implementation - Installation of 12.6 Miles of Class II & III Bicycle Lanes	(N) General Fund Bicycle Transportation Acct	48,350 <u>479,900</u> 528,250	23,587	504,663
P13-13	Installation of 45 Separate Improvements around Nine School Sites	(N) General Fund Safe Routes To School	52,000 <u>431,900</u> 483,900	16,413	467,487
P14-06	Slurry Seal Program	(N) Gas Tax	125,000		125,000
P14-07	Catch Basin Inserts	(E) General Fund	66,500		66,500
<b>Recap of Funding Sources</b>		General Fund	166,850		
		GF - Eco Dev Fd Reserve	1,000,000		
		GF - Cal Trans	332,970		
		Prop A	1,500,000		
		Prop C	2,780,645		
		Prop 1B	14,465		
		Gas Tax	1,625,000		
		Measure R	1,094,230		
		Sewer Reconstruction	400,000		
		Lighting/Landscape District	2,000,000		
		Surface Transp. Progr. Local	1,007,815		
		Highway Safety Impr Prog	340,000		
		SAFE LU	719,920		
		Rubberized Asphalt Concrete Grant	110,250		
		Environment Protect Agency	194,000		
		Bicycle Transportation Acct	922,900		
		Safe Routes To School	431,900		
		Congestion Mitigation and Air Quality	2,249,985		
<b>TOTAL CIP - STREET CONSTRUCTION</b>			<u><u>16,890,930</u></u>	<u><u>6,300,752</u></u>	<u><u>10,590,178</u></u>

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CITY OF TEMPLE CITY  
 FINANCIAL STATUS REPORT  
 JUL 13 - Dec 13

**CAPITAL IMPROVEMENT PROGRAM  
 PROJECT DETAIL**

**SIDEWALK MAINTENANCE  
 ACCT. NO. 60-980-76-4810**

<u>No.</u>	<u>Project</u>	<u>Funding Source</u>	<u>Budget</u>	<u>Year To Date Expenditure</u>	<u>Balance</u>
P14-08	ADA Barrier Removal Program	(M) CDBG	75,000		75,000
P14-14	Public Parking Lot ADA Accessibility Improvement Project	(M) CDBG	115,000	10,760	104,241
P14-15	ADA Accessibility Improvement Temple City Boulevard Project	(M) CDBG	105,000	9,345	95,656
<b>Recap of Funding Sources</b>			<u>295,000</u>		
<b>TOTAL CIP - SIDEWALK MAINTENANCE</b>			<u><u>295,000</u></u>	<u><u>20,104</u></u>	<u><u>274,896</u></u>

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CITY OF TEMPLE CITY  
 FINANCIAL STATUS REPORT  
 JUL 13 - Dec 13

**CAPITAL IMPROVEMENT PROGRAM  
 PROJECT DETAIL**

**GENERAL GOVERNMENT BUILDINGS  
 ACCT. NO. 60-980-81-4810**

<u>No.</u>	<u>Project</u>	<u>Funding Source</u>	<u>Budget</u>	<u>Year To Date Expenditure</u>	<u>Balance</u>
P10-05	Council Chamber Renovation	(N) General Fund	340,000	282,801	57,199
P13-06	Remote/Motorizing Access Gate for City Yard	(D) General Fund	7,000		7,000
P13-08	Redesign City Hall Lobby, Conference Room and Management Office	(D) General Fund	28,000		28,000
P14-09	City Hall Server Room HVAC	(D) General Fund	40,000		40,000
P14-10	Repainting Inside City Hall	(D) General Fund	30,000		30,000
P14-11	Rebuild the Roof for the City Yard Buildings	(D) General Fund	35,000	488	34,512
P14-16	Purchase of 5922 Primrose	(D) General Fund	1,276,175		1,276,175
<b>Recap of Funding Sources</b>			1,756,175		
<b>TOTAL CIP - GEN GOV'T BLDGS</b>			<b>1,756,175</b>	<b>283,289</b>	<b>1,472,886</b>

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CITY OF TEMPLE CITY  
 FINANCIAL STATUS REPORT  
 JUL 13 - Dec 13

**CAPITAL IMPROVEMENT PROGRAM  
 PROJECT DETAIL**

**PARKING FACILITIES  
 ACCT. NO. 60-980-82-4810**

<u>No.</u>	<u>Project</u>	<u>Funding Source</u>	<u>Budget</u>	<u>Year To Date Expenditure</u>	<u>Balance</u>
P14-12	South Parking Lot	(D) Gas Tax	30,000		30,000
P14-13	Demolition and Site Preparation for 5800 Temple City Blvd. Parking Lot	(D) General Fund	200,000		200,000
<b>Recap of Funding Sources</b>			<u>230,000</u>		
<b>TOTAL CIP - GEN GOV'T BLDGS</b>			<u><u>230,000</u></u>	<u><u>-</u></u>	<u><u>230,000</u></u>

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CITY OF TEMPLE CITY  
ADOPTED BUDGET  
FY 2013-2015

**General Fund Balances  
Reserved and Unreserved at 6-30-14**

	Appropriations	Expenditure Balance	Account Number
<b>Committed</b>			
Emergency/Disasters	\$ 1,000,000		
Liquidity	\$ 2,000,000		
OPEB	\$ 1,000,000		
Local Economic Uncertainty	<u>\$ 500,000</u>		
		\$ 4,500,000	
<b>Assigned</b>			
Fleet Management		\$ 400,000	
Facilities Management	\$ 4,000,000		
P3 Masterplan	\$ (150,000)		01-930-53-4231
Council Chamber Remodel	\$ (310,000)		60-980-81-4810 P10-05
		\$ 3,540,000	
Technology Replacement	\$ 200,000		
Document Imaging	\$ (45,000)		01-910-45-4231
Automation of personnel processes	\$ (15,000)		01-910-46-4231
Community Development Permit Software	<u>\$ (110,000)</u>		01-930-54-4231
		\$ 30,000	
Economic Development	\$ 8,000,000		
Rosemead Blvd Enhancements (FY 2012-14)	\$ (1,000,000)		
5800 Temple City Boulevard (FY 2012-13)	\$ (1,050,000)		
General Plan Update (2 Years)	\$ (750,000)		01-930-53-4231
Las Tunas/Rosemead Specific Plan	\$ (650,000)		01-930-53-4231
Economic Development Strategy	\$ (25,000)		01-910-42-4231
Five Year Strategic Plan	<u>\$ (40,000)</u>		01-930-53-4231
		\$ 4,485,000	
Opportunities for One-Time Expenditures	\$ 4,600,000		
Housing Element	\$ (15,000)		01-930-53-4231
Sign Code Update	\$ (55,000)		01-930-53-4231
Complete Neighborhood Initiative	\$ (40,000)		01-950-65-4231
Historic Preservation Ordinance	\$ (30,000)		01-930-53-4231
Analysis of Waste Management Contract	\$ (50,000)		01-960-77-4231
Analysis of Public Safety Contract	<u>\$ (50,000)</u>		01-950-61-4231
		\$ 4,360,000	
<b>Unreserved</b>			
Internal Reserves (City Loans)		\$ 174,408	
		<u>\$ 286,207</u>	
<b>Total Fund Balance</b>		<u>\$ 17,775,615</u>	