



ADMINISTRATIVE SERVICES DEPARTMENT

MEMORANDUM

DATE: November 15, 2016

TO: The Honorable City Council

FROM: Bryan Cook, City Manager
Via: Tracey L. Hause, Administrative Services Director
By: Lee Ma, Accountant

SUBJECT: FIRST QUARTER FINANCIAL STATUS REPORT

RECOMMENDATION:

The City Council is requested to receive and file the First Quarter (i.e., July-September 2016) Financial Status Report.

BACKGROUND:

1. On June 21, 2016, the City Council approved the Fiscal Year (FY) 2016-17 Operating Budget for all funding sources in the amount of \$17,766,110.
2. On June 21, 2016, the City Council adopted Resolution No. 16-5179 adopting the FY 2016-17 Statement of Investment Policy.

ANALYSIS:

In order to keep the City Council updated on the status of the City's financial activities, on a quarterly basis for FY 2016-17, these reports are presented.

The First Quarter Financial Status Report includes the following four sub reports: 1) City Treasurer's Report; 2) Revenue Summary Report; 3) Expenditure Summary Expenditure Report; and 4) Capital Improvement Financial Status Report.

1. City Treasurer's Report

The Treasurer or Chief Fiscal Officer (i.e., Administrative Services Director) is required to render an annual statement of investment policy to the legislative body of the local agency and to complete 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 "A"), which is

completed and submitted to the City Council on a monthly and quarterly basis, reflects the cash balances and investments of \$25,668,057.60 as of September 30, 2016.

2. Revenue Summary Report

This report (Attachment "B") is a summary of revenues by fund and category for the period of July 1, 2016 through September 30, 2016. The City has received and recorded \$1,093,958 (8% of estimated revenues) in the General Fund to date. This represents a decrease of \$46,712 (or 4%) of revenues for the same period last fiscal year.

The City's General Fund revenues are summarized into seven categories:

- Taxes include revenues from property tax, sales tax, real estate transfer tax and franchise fees. Primary revenue sources in this category are property tax and sales tax. The first major installment of property tax will not be received until December 2016. This entire category is \$54,394 (or 30%) more from the same period last year primarily due to an increase in sales tax receipts;
- Licenses and Permits include building permits, business license fees, animal license fees, parking permits, impound fees, temporary parking permits, code enforcement fees and in lieu parking fees. Collections for the first quarter this year are \$38,825 (or 10%) lower than last year primarily due to less activity in building permits. Revenues will continue to be monitored;
- Intergovernmental is primarily Motor Vehicle In Lieu. To date, revenues have not been realized as the two major payments from the State of California will be in January 2017 and May 2017;
- Charges for Services are from recreation fees, facility rental fees, zoning fees plan check fees, and public works engineering fees. These revenues are reflected when services, classes or events are provided. The following revenues are lower in comparison to the first quarter of the last fiscal year due to a slowdown in building activities; i.e., Zoning Fees \$16,525 (32%); Plan check fees \$12,440 (9%); Public works and engineering fees \$17,300 (58%). Also included in this category, are the facility rental fees and the shared maintenance charge to LA County Public Library for the maintenance provided to the library parking lot;
- Fines and Forfeitures reflect revenues received from court fines on a monthly basis and parking citations issued by the Los Angeles County Sheriff's Department and the City's Parking Control Officers. The City received approximately \$15,000 (23%) lower compared to the first quarter of the prior year due to the timing of the collection of receipts and vacancies in the part-time parking control enforcement positions. These positions have recently

been filled so an increase in parking fines will be realized in the second quarter;

- Use of Money and Property category is interest earned on City investments from LAIF, Certificates of Deposit (CD) and bond investments. LAIF interest is received on a quarterly basis and Morgan Stanley Smith Barney and other investment interests from CDs and Government Securities are received monthly, semi-annually or when the account matures. This category is approximately \$6,000 (33%) higher compared to the same period last year due to the timing of interest receipts; and
- Miscellaneous category reflects revenues received on a monthly basis from reimbursement for recyclable revenue, rental income, reimbursement of administrative charge from the Lighting/Landscape District and other miscellaneous sources. This category is \$5,600 (10%) higher than the same period of the last fiscal year.

Non-General funding sources (i.e., Special Revenue Funds) are received from various funds such as Traffic Safety, Gas Tax, Proposition A, Proposition C, Measure R, Lighting/Landscape District and Community Development Block Grant (CDBG). Some revenues are received on a monthly basis while others are received when reimbursement requests are submitted to the other governmental agencies (i.e., State of California or Los Angeles County). Actual revenues received during the first quarter are \$50,000 lower due to timing of reimbursements.

3. Expenditure Summary Report

This report (Attachment "C") is a summary of expenditures for the period of July 1, 2016 through September 30, 2016. By the end of the first quarter, the percent expended is generally 25%. However, some payments are made in July that pay for the entire annual expense of the program (i.e., memberships, insurance premiums and CalPERS retirement contributions) which skew the percentage expended reported. Conversely, programs with lower percentages expended can be due to timing of the receipt of invoices by the City. (i.e., invoicing for contracts with Los Angeles County typically is a month or two behind).

While some line items may exceed budgeted expenditures during the fiscal year operation, there are other line items where actual expenditures maybe significantly less than the adopted budgeted due to unforeseeable or unanticipated events during the budget planning process. As a result, expenditures that are not budgeted but are justifiable can be accommodated by an internal budget transfer within the same program. An internal budget transfer request is made by the Department Head and approved by the Administrative Services Director and the City Manager. For the expenditures that are not budgeted and cannot be accommodated within the program budget, (i.e., reallocation or re-appropriation between programs for unbudgeted items), there will need to be a request from staff to the City Council for review and approval.

4. Capital Improvement Financial Status Report

The first quarter expenditures reflect costs for seven Citywide Capital Improvement Projects: Live Oak Park Walking and Jogging Path; Veteran's Monument; Update Traffic Signals on Temple City Boulevard; Update Traffic Signals for Citywide; Repaving of Streets per Re-assessment Pavement Management Plan; City Hall Space Planning Project; and Temple City Boulevard Parking Lot Project (Attachment "D").

CITY STRATEGIC GOALS:

The City Council is requested to receive and file the First Quarter Financial Status Report at the close of the first quarter of FY 2016-17 and further City's Strategic Goal to promote Good Governance.

FISCAL IMPACT:

This item does not have an impact on the FY 2016-17 City Budget.

ATTACHMENTS:

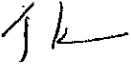
- A. City of Temple City Treasurer's Report
- B. City of Temple City Revenue Summary Report
- C. City of Temple City Expenditure Summary Report
- D. City of Temple City Capital Improvement Financial Status Report

ATTACHMENT A

CITY OF TEMPLE CITY TREASURER'S REPORT September 30, 2016

	<u>COST VALUE</u>	<u>MARKET VALUE</u>
<u>Cash in Bank</u>		
Wells Fargo Bank - Checking	707,003.26	707,003.26
- Payroll	15,638.69	15,638.69
- Merchant Card	22,689.25	22,689.25
US Bank - Checking	47,474.66	47,474.66
<u>Camellia Fund</u>		
East West Bank - Monthly Market Account	160,000.00	160,000.00
Wells Fargo Bank - Checking	10,305.07	10,305.07
<u>Petty Cash</u>	2,100.00	2,100.00
<u>LAIF</u>		
Effective Quarter to Date Yield 9/30/16 0.610%	1,638,349.54	1,639,367.28
<u>MorganStanley SmithBarney</u>		
<u>Certificates of Deposit</u>		
Weighted Average to Date Yield 9/30/16 1.458%	2,538,000.00	2,571,790.37
<u>Government Securities</u>		
Weighted Average to Date Yield 9/30/16 1.052%	1,200,000.00	1,200,358.80
<u>Corporate Fixed Income</u>		
Weighted Average to Date Yield 9/30/16 1.640%	1,501,715.00	1,517,456.66
Money Market	6,279.77	6,279.77
<u>Mutual Securities</u>		
<u>Government Securities</u>		
Weighted Average to Date Yield 9/30/16 1.216%	5,500,034.72	5,497,120.00
Money Market	9,375.14	9,375.14
<u>US Bank</u>		
<u>Certificates of Deposit</u>		
Weighted Average to Date Yield 9/30/16 1.097%	3,723,000.00	3,723,000.00
<u>Government Securities</u>		
Weighted Average to Date Yield 9/30/16 1.159%	986,092.50	999,127.50
<u>Los Angeles County Pool Investment Fund</u>		
As of 9/30/16 0.960%	6,500,000.00	6,602,386.95
<u>OPEB Investment</u>		
As of 8/31/16	1,100,000.00	1,289,639.96
TOTAL	\$ 25,668,057.60	\$ 26,021,113.36
<u>PRIOR MONTH STATUS</u>		
Total	\$ 25,774,023.07	\$ 26,120,888.86

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 - SEPTEMBER 30, 2016**

	2015-16 BUDGET	2015-16 YEAR TO DATE JUL-SEP	2016-17 BUDGET	2016-17 YEAR TO DATE JUL-SEP	PERCENT RECEIVED
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Taxes	5,505,540	180,130	5,827,000	234,524	4%
Licenses and Permits	1,423,000	376,000	1,465,000	337,175	23%
Intergovernmental	3,517,000	7,812	4,000,000	0	0%
Charges for Services	1,479,100	437,242	1,507,170	386,152	26%
Fines, Forfeitures, & Penalties	500,000	64,638	500,000	49,560	10%
Use of Money and Property	200,000	18,434	200,000	24,474	12%
Other Revenue	241,000	56,414	238,000	62,073	26%
Total General Fund Revenue	12,865,640	1,140,670	13,737,170	1,093,958	8%
Total Special Revenue Funds	5,849,550	598,652	6,149,480	548,613	9%
TOTAL REVENUE	18,715,190	1,739,322	19,886,650	1,642,571	8%
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**CITY OF TEMPLE CITY
EXPENDITURE SUMMARY REPORT - ALL FUNDS
QUARTER ENDING - SEPTEMBER 30, 2016**

	2015-16 BUDGET	2015-16 YEAR TO DATE JUL-SEP	2016-17 BUDGET	2016-17 YEAR TO DATE JUL-SEP	PERCENT EXPENDED
MANAGEMENT SERVICES					
City Council	174,545	44,414	178,915	50,489	28%
City Manager	811,910	180,370	856,395	240,427	28%
City Attorney	402,000	90,130	382,000	27,114	7%
Elections	0	0	85,875	3,576	0%
City Clerk	304,610	67,970	324,825	87,244	27%
	1,693,065	382,884	1,828,010	408,850	22%
ADMINISTRATIVE SERVICES DEPARTMENT					
Support Services	132,810	42,834	136,600	42,536	31%
Insurance/Benefits	952,665	517,635	836,585	673,616	81%
Accounting	514,010	117,347	611,510	182,341	30%
Purchasing	271,900	29,423	296,595	15,588	5%
	1,871,385	707,239	1,881,290	914,081	49%
COMMUNITY DEVELOPMENT DEPARTMENT					
Planning	1,886,915	164,291	1,603,655	271,179	17%
Building	767,860	170,985	875,910	223,976	26%
Housing	195,990	27,081	321,100	51,632	16%
	2,850,765	362,357	2,800,665	546,787	20%
PARKS & RECREATION DEPARTMENT					
Recreation/Human Services	1,156,260	322,860	1,255,855	327,100	26%
Public Transportation	731,885	140,192	852,830	144,029	17%
Parks-Mtnce/Facilities	983,435	213,313	1,055,640	309,510	29%
Trees & Parkways	675,410	114,176	691,690	123,109	18%
	3,546,990	790,541	3,856,015	903,748	23%

**CITY OF TEMPLE CITY
EXPENDITURE SUMMARY REPORT - ALL FUNDS
QUARTER ENDING - SEPTEMBER 30, 2016**

	2015-16 BUDGET	2015-16 YEAR TO DATE JUL-SEP	2016-17 BUDGET	2016-17 YEAR TO DATE JUL-SEP	PERCENT EXPENDED
COMMUNITY DEVELOPMENT DEPARTMENT					
PUBLIC SAFETY DIVISION					
Law Enforcement	4,017,060	664,458	4,271,475	375,642	9%
Traffic Engineering	40,000	5,853	40,000	1,397	3%
Animal Control	188,790	47,335	240,045	62,450	26%
Emergency Services	108,775	23,864	113,075	32,009	28%
Community Preservation	358,825	70,277	379,860	60,980	16%
Parking Administration	390,545	76,280	409,885	85,232	21%
	5,103,995	888,067	5,454,340	617,710	11%
PUBLIC WORKS DIVISION					
Administration & Engineering	496,860	61,179	480,550	86,006	18%
Street Cleaning	202,490	34,079	208,800	34,079	16%
Traffic Signal Maintenance	136,500	4,366	136,500	4,799	4%
Traffic Signs & Strip Maint.	165,925	20,987	128,565	18,672	15%
Street Maintenance	61,150	781	83,100	2,529	3%
Sidewalk Maintenance	50,000	100	50,000	0	0%
Solid Waste Management	8,690	742	10,115	0	0%
Street Lighting	375,425	72,805	394,010	69,185	18%
	1,497,040	195,039	1,491,640	215,270	14%
MAINTENANCE DIVISION					
General Government Buildings	250,300	77,792	237,070	74,406	31%
Parking Facilities	152,855	31,932	167,080	43,744	26%
Graffiti Abatement	50,000	10,014	50,000	4,004	8%
	453,155	119,738	454,150	122,154	27%
SUB TOTAL PROGRAM EXPENDITURES	17,016,395	3,445,865	17,766,110	3,728,600	21%

**CITY OF TEMPLE CITY
EXPENDITURE SUMMARY REPORT - ALL FUNDS
QUARTER ENDING - SEPTEMBER 30, 2016**

	2015-16 BUDGET	2015-16 YEAR TO DATE JUL-SEP	2016-17 BUDGET	2016-17 YEAR TO DATE JUL-SEP	PERCENT EXPENDED
SUB TOTAL PROGRAM EXPENDITURES	17,016,395	3,445,865	17,766,110	3,728,600	21%
CAPITAL IMPROVEMENT FUND	2,927,330	13,229	5,325,980	148,794	3%
EQUIPMENT REPLACEMENT	143,900	7,042	90,200	43,660	48%
TRUST FUND	0	1,310	0	0	0%
TOTAL EXPENDITURES	20,087,625	3,467,446	23,182,290	3,921,054	17%
CDBG LOAN REPAYMENT	0	10,000	0	0	0%
GRAND TOTAL	20,087,625	3,477,446	23,182,290	3,921,054	17%

CITY OF TEMPLE CITY
PRELIMINARY FINANCIAL STATUS REPORT
JUL 16 - SEP 16

CAPITAL IMPROVEMENT PROGRAM PROJECT DETAIL				PARKS - MAINTENANCE/FACILITIES ACCT. NO. 60-980-59-4810		
No.	Project	Funding Source	<u>Budget</u>	<u>Year To Date Expenditure</u>	<u>Balance</u>	
P16-01	Live Oak Park Walking and Jogging Path	(D) DEFG Park Acquisition	140,000 <u>10,000</u> 150,000	111,365	38,635	
P16-02	Veteran's Monument	(D) Park Acquisition	197,500	4,628	192,872	
P17-01	Renovation of Las Tunas Drive Lighting	(D) Lighting/Landscape District	8,000		8,000	
P17-02	Senior Master Plan	(D) General Fund	20,000		20,000	
Recap of Funding Sources			General Fund	20,000		
			Park Acquisition	207,500		
			Lighting/Landscape District	8,000		
			5th District 2015 Excess Funds Grant	140,000		
TOTAL CIP - PARKS MAINTENANCE / FACILITIES			<u><u>375,500</u></u>	<u><u>115,993</u></u>	<u><u>259,507</u></u>	
(E) = Essential (N) = Necessary (M) = Mandated (R) = Routine (D) = Discretionary						

ATTACHMENT D

CITY OF TEMPLE CITY
PRELIMINARY FINANCIAL STATUS REPORT
JUL 16 - SEP 16

CAPITAL IMPROVEMENT PROGRAM PROJECT DETAIL				TRAFFIC SIGNAL MAINTENANCE ACCT. NO. 60-980-73-4810		
<u>No.</u>	<u>Project</u>	<u>Funding Source</u>	<u>Budget</u>	<u>Year To Date Expenditure</u>	<u>Balance</u>	
P15-06	Update Traffic Signals on Temple City Blvd. between El Camino Real Avenue and Ellis Lane, and Other Safety Improvements	(N) Highway Safety Improvement Program Prop C Surface Transportation Program Local	934,560 704,790 437,300 <hr/> 2,076,650	9,708	2,066,942	
P15-07	Upgrade Traffic Signals Citywide and Install Other Safety Improvements	(N) Highway Safety Improvement Program General Fund	282,900 <hr/> 9,930 292,830	1,386	291,444	
Recap of Funding Sources			General Fund 9,930 Prop C 704,790 Highway Safety Improvement Program 1,217,460 Surface Transportation Program Local 437,300 <hr/>			
TOTAL CIP - TRAFFIC SIGNAL MAINTENANCE			<u>2,369,480</u>	<u>11,094</u>	<u>2,358,386</u>	

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CITY OF TEMPLE CITY
 PRELIMINARY FINANCIAL STATUS REPORT
 JUL 16 - SEP 16

CAPITAL IMPROVEMENT PROGRAM PROJECT DETAIL				STREET CONSTRUCTION ACCT. NO. 60-980-75-4810	
<u>No.</u>	<u>Project</u>	<u>Funding Source</u>	<u>Budget</u>	<u>Year To Date Expenditure</u>	<u>Balance</u>
P12-04	Citywide Upgrade Traffic Street Signage	(M) General Fund	200,000		200,000
P13-02	Repaving of Streets per Re-assessment Pavement Management Plan	(E) Measure R	1,500,000	13,471	1,486,529
P14-07	Catch Basin Inserts	(E) General Fund	66,500		66,500
P17-03	Las Tunas Drive Study	(D) General Fund	200,000		200,000
Recap of Funding Sources			General Fund 466,500		
			Measure R <u>1,500,000</u>		
TOTAL CIP - STREET CONSTRUCTION			<u>1,966,500</u>	<u>13,471</u>	<u>1,953,029</u>

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CITY OF TEMPLE CITY
 PRELIMINARY FINANCIAL STATUS REPORT
 JUL 16 - SEP 16

**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>
P14-11	Rebuild the Roof for the City Yard Buildings	(D) General Fund	14,500		14,500
P17-04	City Hall Space Planning Project	(D) General Fund	50,000	7,855	42,145
Recap of Funding Sources			64,500		
TOTAL CIP - GEN GOV'T BLDGS			64,500	7,855	56,645

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CITY OF TEMPLE CITY
 PRELIMINARY FINANCIAL STATUS REPORT
 JUL 16 - SEP 16

**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>
P17-05	Temple City Blvd. Parking Lot Project	(D) General Fund	550,000	381	549,619
Recap of Funding Sources			<u>550,000</u>		
TOTAL CIP - GEN GOV'T BLDGS			<u><u>550,000</u></u>	<u><u>381</u></u>	<u><u>549,619</u></u>

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