

Recommendations for the
Use of One-Time Funds
In the FY 14 Budget

June 11, 2013



One-Time Funds

- In FY 14, the City has the unique opportunity to invest \$56.8 million of one-time funds

Source	Amount (Millions)
FY 11 Transfers Held in abeyance	\$ 1.00
FY 12 Unspent Uplands Oil	4.40
FY 13 Uplands Oil Over \$70/bbl (Estimated)	13.00
FY 13 Sweep from Housing and SA Fund Balance	16.30
FY 13 Unbudgeted RDA Property Tax	12.20
Property Tax Admin. Fee Lawsuit Settlement	4.39
FY 13 IAM PERS Pick-Up	2.50
Tip Fee Revenue from SERRF	1.85
Additional SERRF Revenue Transfer	1.20
TOTAL	\$ 56.84



City Council Allocations

- On April 2, 2013, the City Council allocated \$5.4 million of these funds, split among districts, for investment in our streets, sidewalks, and park facilities
- This evening's recommendation from the BOC proposes to allocate an additional \$6.45 million, split among districts, for investment in our streets, sidewalks, and park facilities
- The BOC's recommendation tonight brings the total amount allocated to Council Districts to \$11.85 million, reducing available funding to \$45 million



FY 14 Proposed Budget

- It is a City policy, and sound financial practice, to consider major expenditures during the annual budget process
- Accordingly, the preliminary recommendations for the disposition of one-time funds you are seeing tonight will be included as part of the FY 14 Proposed Budget, which will include the Mayor's recommendations on those items



Investment Needs

- Since 2001, due to our structural deficit, we have had little or no resources to:
 - ✓ Repair or replace deteriorating public buildings, park equipment, and alleys
 - ✓ Jump start open space development
 - ✓ Fund replacement of critical financial and operating systems
- The FY 14 Proposed Budget will recommend investment in all of these areas



Funds Available for Council Priorities

- The FY 14 Proposed Budget will recommend \$41.7 million to be spent in six priority areas:
 - ✓ Critical Operating Systems Replacement
 - ✓ Public Safety
 - ✓ Parks, Playground and Library Infrastructure
 - ✓ Public Works Infrastructure
 - ✓ Critical Public Facilities Upgrades
 - ✓ Organizational Investments and FY 14 Election
- Nearly \$10 million more is available for allocation towards additional City Council priorities



Recommended Uses of Funds

Critical Operating Systems Replacement (\$11.2 Million)

- Replace finance and human resources systems which are becoming very risky
- Software for fuel purchase, fleet management, and liability claims systems
- Completion of modern communication upgrades

Public Safety (\$5.5 Million)

- Supplemental funding for police and fire academies
- Overtime for gang enforcement and other LBPD priorities
- Gender accommodation and other important projects in Fire Stations
- Additional cameras for LBCOP in high priority areas



Recommended Uses of Funds

Parks, Playground and Library Infrastructure (\$15.0 Million)

- Kick-start development of new open space
- Rehabilitate an aging community center
- Replace playground equipment
- Purchase furnishings, equipment, and books for new North Library

Public Works Infrastructure (\$3.4 Million)

- New citywide one-time alley program
- Streets and sidewalk systems updates
- Citywide infrastructure fund for priority projects



Recommended Uses of Funds

Critical Public Facilities Upgrades (\$3.4 Million)

- Roof and ceiling repairs
- Fire system installations
- Improvement of doors, windows, and irrigation
- Rehabilitate aging parks and park facilities

Organizational Investments and FY 14 Election (\$3.2 Million)

- Training for employees
- Investments in capital projects that yield operational savings
- Funds for the FY 14 election



Summary of Proposed Use

Proposed Use	Amount (Millions)
Parks Capital Projects or Temporary Programs	\$ 1.80
Street Replacement and Slurry Seal	2.60
Sidewalk Replacement	1.00
Available for Council-Directed Policy Decisions	9.70
Critical Operating Systems Replacement	11.20
Public Safety	5.50
Parks, Playground and Library Infrastructure	15.00
Public Works Infrastructure	3.40
Critical Public Facilities Upgrades	3.40
Organizational Investments and FY 14 Election	3.20
TOTAL	\$ 56.80



Recommendations

- Staff recommends that the BOC's recommendation to allocate \$6.45 million be taken from the \$10 million of undesignated funding, and the use of the remainder of the one-time funds be considered in the FY 14 Budget process



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