



CITY OF NEWPORT BEACH FINANCE COMMITTEE AGENDA

**Council Conference Room, 3300 Newport Blvd., Newport Beach
Monday, June 11, 2012 – 2:00 PM**

Finance Committee Members:

Keith Curry, Mayor Pro Tem, Chair
Leslie Daigle, Council Member
Mike Henn, Council Member

Staff Members:

Dave Kiff, City Manager
Dana Smith, Assistant City Manager
Tracy McCraner, Finance Director
Dan Matusiewicz, Deputy Finance Director

1) CALL MEETING TO ORDER

2) ROLL CALL

3) PUBLIC COMMENTS

Public comments are invited on agenda and non-agenda items generally considered to be within the subject matter jurisdiction of the Finance Committee. Speakers must limit comments to 3 minutes. Before speaking, we invite, but do not require, you to state your name for the record. The Finance Committee has the discretion to extend or shorten the speakers' time limit on agenda or non-agenda items, provided the time limit adjustment is applied equally to all speakers. As a courtesy, please turn cell phones off or set them in the silent mode.

4) APPROVAL OF MINUTES

Approval of minutes of the Finance Committee meeting of May 7, 2012.

5) CURRENT BUSINESS

- A. **Audit Entrance Conference:** The City's external audit firm, White Nelson Diehl Evans LLP will meet with the Finance Committee to discuss the workplan for the fiscal year ending 6/30/2012 CAFR audit. The committee will have an opportunity to discuss any potential areas of concern they wish the auditors to review and the auditors can discuss any changes in accounting standards or disclosures that may be relevant for the audit year.
- B. **Assessment District Bond Issuance Update:** Deputy Director Matusiewicz will update the committee on recent market conditions and the status of the upcoming Assessment District Bond Issue.

This Finance Committee is subject to the Ralph M. Brown Act. Among other things, the Brown Act requires that the Finance Committee's agenda be posted at least seventy-two (72) hours in advance of each regular meeting and that the public be allowed to comment on agenda items before the Finance Committee and items not on the agenda but are within the subject matter jurisdiction of the Finance Committee. The Finance Committee may limit public comments to a reasonable amount of time, generally three (3) minutes per person.

It is the intention of the City of Newport Beach to comply with the Americans with Disabilities Act ("ADA") in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, the City of Newport Beach will attempt to accommodate you in every reasonable manner. If requested, this agenda will be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. Please contact the City Clerk's Office at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible at (949) 644-3005 or cityclerk@newportbeachca.gov.

- C. **Proposed FY 2012-13 Budget:** Finance Director McCraner will discuss the FY 2012-13 Proposed Budget and preliminary checklist as recommended by City Council and the City Manager.
- D. **Facilities Financing Plan (FFP) Update:** Deputy Director Matusiewicz will provide the committee an updated status of the facilities financing plan. The plan provides a strategic planning tool for the replacement of all city-owned facilities, including but not limited to parks, community centers and fire stations.

6) **FINANCE COMMITTEE ANNOUNCEMENTS OR MATTERS WHICH MEMBERS WOULD LIKE PLACED ON A FUTURE AGENDA FOR DISCUSSION, ACTION OR REPORT (NON-DISCUSSION ITEM)**

7) **ADJOURNMENT**

**CITY OF NEWPORT BEACH
CITY COUNCIL FINANCE COMMITTEE
MINUTES**

1. CALL TO ORDER

The May 7, 2012, Finance Committee meeting was called to order at 2:00 p.m. in the Council Conference Room, 3300 Newport Blvd., Newport Beach, California 92663.

2. ROLL CALL

Present: Mayor Pro Tem Keith Curry (Chair), Council Member Leslie Daigle (arrived at 2:18) and Council Member Mike Henn

Staff present: City Manager Dave Kiff, Assistant City Manager Dana Smith, Finance Director Tracy McCraner, Deputy Finance Director Dan Matusiewicz, Accounting Manager Rukshana Virany, Budget Manager Susan Giangrande, Revenue Manager Evelyn Tseng and Administrative Coordinator Tammie Frederickson

Members of the Public: Jim Mosher, Paul Pender of Fieldman Rolapp

3. PUBLIC COMMENTS

Mr. Mosher pointed out the City of Costa Mesa includes in their Comprehensive Annual Financial Report a depiction of where sales tax revenues come from and provide a list of all warrants written from City funds at every Costa Mesa Council meeting. He suggested Newport Beach should provide the same level of transparency.

4. APPROVAL OF MINUTES

The minutes for the Finance Committee meeting of February 13, 2012, were approved with one correction made to roll call changing Mayor Mike Henn to Council Member Mike Henn.

5. CURRENT BUSINESS

A. Assessment District Refunding

Deputy Finance Director Matusiewicz stated favorable market conditions should produce substantial savings for the residents and accomplish administrative efficiencies for the City on the refinancing of twelve of fourteen assessment districts. The refinancing should produce net present value (NPV) savings of \$466,000 or PV saving of 4.32% over the outstanding debt. Mayor Pro Tem Curry confirmed several assessment districts will be consolidated into one reassessment district and the savings will translate to a reduced assessment on the residents'

**All documents distributed for this meeting are available in the
administration office of the Administrative Services Department**

property tax bills. In response to a question raised by Council Member Henn, Mr. Matusiewicz explained administrative savings will be accomplished by having fewer arbitrage calculations and continuing disclosure reports, and less staff time required for analysis.

Council Member Henn stated for disclosure purposes he is a resident in Assessment District 100 and questioned why 100 was not included in the refinancing. Mr. Matusiewicz explained based on the bond call premium the calculations resulted in negative savings and it may be considered at a future time. Ms. McCraner added all outstanding debt is reviewed throughout the year to determine if there is any benefit to paying off or refinancing.

Mr. Mosher commented that if this item will go to the City Council, the meaning of the word arbitrage should be described in the context for the benefit of the public.

The members of the Finance Committee supported staff proceeding to the full Council with the recommendation for refinancing.

B. Quarterly Financial Status Report as of 3/31/2012

Finance Director McCraner reviewed the third quarter financial status report as of March 31, 2012. She explained revisions made in the third quarter property tax estimates are due to 1) a decline in the penalties, interest and redemptions category as a result of more prompt payment by taxpayers on secured property taxes, and 2) delays in receiving supplemental tax revenues caused by new software challenges in the Orange County assessor's office. She noted both factors represent a significant swing in property tax projections for FY 2012-13.

Ms. McCraner pointed out sales tax projections have exceeded expectations with a 7% increase on a year over year basis. Additionally transient occupancy tax (TOT), restaurants and new auto sales continue to come in strong. All revenue categories are projected to come in \$1.4 million over projections.

Ms. McCraner reported on departmental expenditures which reflect operational savings of approximately \$3 million over original budget. She explained the difference shown in the original budget and the amended budget is not an operational increase but is the result of budget amendments made during the year to include contributions and encumbrances carried over for contracts from the previous year.

She concluded the fiscal year is projected to end in total with an increase of \$4.4 million in unassigned fund balance and proposed City Manager assignments amount to \$7.4 million which will be funded by the operating surplus, unused assignments from the previous year and closed encumbrances for items not needed this year. City Manager assignments, which are subject to City Council approval, are focused on facilities and increasing the General Fund appropriations for Capital Improvement Projects (CIP), the IT strategic plan, and increasing transfers to the Facilities Financing Plan.

C. Proposed FY 2012-13 Budget

City Manager Kiff reviewed the presentation of the budget overview to be presented to the City Council at the May 8, 2012, Study Session. He commented the proposed budget starts to reprioritize and add more funding to the infrastructure.

Ms. McCraner went on to review revenue projections. In response to Council Member Daigle's question, Ms. McCraner said the total governmental fund is \$185 million, excluding the enterprise and internal service funds. The top 3 revenue sources and the projection assumptions were discussed. She noted all property and other taxes make up 78% of the General Fund.

All funds on the expenditure side are \$250 million, with \$152.3 million budgeted in the General Fund. Ms. McCraner displayed a chart with a breakdown by functional fund type. She noted 53.3% was spent on salaries and benefit in 2009 and it is now down to 48%. In 2009, 13.5% was allocated to CIP and the allocation now is up to 20%.

Ms. McCraner stated in response to a question raised by Council Member Henn the proposed budget does not reflect the expected outcome of the current public safety negotiations.

Further discussion on the budget presentation included suggested revisions to the chart on pensions to present a clear and consistent message. Mayor Pro Tem Curry commented the message should convey how since 2008 employee contributions to pensions have gone from zero to \$6.7 million.

Ms. McCraner finished the presentation with the conclusion that the FY 2012-13 budget stayed flat and service levels will remain the same, and the budget is balanced without using any reserves for operating purposes. Council Member Henn said the message should be clear that efforts are continuing towards the previously identified goal to achieve \$15 million in savings over two years.

D. Central Parking System (CPS) Contract Amendment

Ms. McCraner explained staff has worked with CPS to develop a mutually beneficial amendment to the agreement for parking meter services. She explained the complicated payment structure in the original agreement will be amended to simplify the payment structure and provide a guaranteed payment to CPS. The amended contract will also eliminate finance costs incurred by the City for the purchase of equipment and infrastructure.

Ms. McCraner commented that CPS has met all of the identified goals to increase parking meter revenue, provide excellent customer service, improve technology and infrastructure, and improve parking enforcement.

She outlined the payment to CPS in the proposed amendment will be \$700,000 annually and to incentivize CPS a bonus will be paid if parking meter revenues

exceed \$3.4 million. Parking meter and citation revenue increased in the first year of operation with the CPS.

Mayor Pro Tem Curry commented it is an interesting statistic that since CPS upgraded the parking meters, 43% of customers pay by credit card which was previously not an option in the city. Ms. McCraner said in response to Council Member Daigle's question about pay by cell phone, the option is being looked into and they continue to look at improved ways to provide parking.

Mr. Mosher commented that it sounds like the new formula is giving CPS a raise. He asked whether any increase in parking meter rates would go to CPS and Ms. McCraner explained the existing contract has a clause that CPS would have to negotiate for an additional share if rates were raised. Ms. McCraner also noted the City will pay outright for the purchase of the leased parking meters and other related equipment.

With Finance Committee's concurrence, Ms. McCraner will present the contract amendment for approval by City Council at the meeting of May 22, 2012.

E. Update: GASB Proposed Change to Pension Reporting & Disclosure

Ms. McCraner related an update provided by CalPERS Chief Actuary Alan Milligan on delaying the implementation until 2015 of the GASB pronouncement on pension reporting and disclosure. The primary reason is because CalPERS cannot be up and running by 2014, the original effective date, since an additional 2,200 valuations will have to be completed. GASB is still recommending everyone early implement but Ms. McCraner said in order to early implement, the valuation will be needed from CalPERS. She stated there will no change in the basic concept but just the implementation period has changed.

6. FINANCE COMMITTEE ANNOUNCEMENTS OR MATTERS WHICH MEMBERS WOULD LIKE PLACED ON A FUTURE AGENDA FOR DISCUSSION, ACTION OR REPORT (NON-DISCUSSION ITEM)

No future agenda items were discussed.

7. ADJOURNMENT

The Finance Committee adjourned at 3:43 p.m.

Filed with these minutes are copies of all material distributed at the meeting.

Attest:

Keith Curry, Mayor Pro Tem
Finance Committee Chair

Date

**All documents distributed for this meeting are available in the
administration office of the Administrative Services Department**

**CITY OF NEWPORT BEACH
FINANCE COMMITTEE STAFF REPORT**

June 11, 2012

TO: HONORABLE CHAIR AND MEMBERS OF THE COMMITTEE

FROM: Finance Department
Tracy McCraner, Finance Director
(949) 644-3123 or tmccraner@newportbeachca.gov

**SUBJECT: ENTRANCE CONFERENCE WITH EXTERNAL AUDITORS RE: FY
2011-12 CAFR AUDIT**

ABSTRACT:

External auditors, White Nelson Diehl Evans LLP, are beginning the Comprehensive Annual Financial Report (CAFR) audit for fiscal year ending June 30, 2012. This meeting provides the committee an opportunity to meet with the auditors and discuss the scope and work plan for the audit as well as any other issues or concerns.

BACKGROUND:

Auditing standards require external auditors to provide certain communications regarding financial statement audits to those charged with governance. At a minimum, this should include the Finance (audit) Committee. The auditor should have full access to the Finance Committee; the chair and other members of the committee should meet with the auditor periodically (as needed) throughout the audit; and the committee should meet with the auditor without management present at least annually.

This entrance conference will serve as the first meeting between the auditor and the committee for the FY 2011-12 CAFR audit and should focus on the review of the external auditors' proposed audit scope and approach. New or amended accounting standards and disclosure requirements should be discussed as well as any audit areas the committee wants addressed during the audit process. The committee has the option at this meeting to request time with the auditor without management present to address any issues or concerns they may have at this time.

CONCLUSION:

This is the first meeting scheduled with the Finance Committee with others to follow. The committee may request as many meetings they deem necessary. There will be at least one more meeting for the auditor to discuss findings and recommendations, and to provide an opportunity for the committee to meet with the auditors without management present if they deem not to do so at this meeting.

Prepared by:

/s/Tracy McCraner

Tracy McCraner
Finance Director

**CITY OF NEWPORT BEACH
FINANCE COMMITTEE STAFF REPORT**

June 11, 2012

TO: HONORABLE CHAIR AND MEMBERS OF THE COMMITTEE

FROM: Finance Department
Tracy McCraner, Finance Director
(949) 644-3123 or TMcCraner@NewportBeachCA.gov

Dan Matusiewicz, Deputy Finance Director
(949) 644-3126 or DanM@NewportBeachCA.gov

SUBJECT: UPDATE ON ASSESSMENT DISTRICTS REFINANCING

ABSTRACT:

At the meeting of May 7, 2012, the Finance Committee provided concurrence for the Financing Team to move forward with the solicitation of bids from banks for a direct placement bond purchase to be considered by City Council on June 26, 2012. The City received, opened, and reviewed all bids on May 30, 2012.

OVERVIEW:

The solicitation for direct placement bond purchase was sent out to eleven banks. The City received a total of five separate proposals. Upon review of these proposals, BBVA Compass provided the most favorable terms and was selected by the Financing Team for the direct placement. The City has executed an agreement with BBVA to lock in a financing rate of 2.26% for 30 days, pending Council approval of the reassessment district on June 26, 2012.

The initial Assessment District refunding analysis brought to Finance Committee on May 7, 2012 suggested refunding the following twelve existing Assessment Districts: No. 68, 69, 70, 74, 75, 78, 79, 82, 86, 92, 99-2, and 101. However, due to BBVA's favorable proposal based on recent changes in market conditions, the Financing Team determined that the City could experience additional savings by including Assessment Districts No. 100 and 103 in the refinancing. Therefore, the number of Districts to be refinanced and consolidated into one Reassessment District has increased from twelve to fourteen and includes 1,915 properties.

INTEREST SAVINGS

The current outstanding principal for all fourteen Districts is \$16.09 million. These bonds carrying interest rates ranging up to 5.75% can be refinanced at 2.26%. At this rate, the average annual cash savings range from \$98 to \$887 per parcel. This amounts to a net present value (PV) savings of approximately \$1.1 million for the current assessed property owners.

ADMINISTRATIVE SAVINGS

By consolidating the total number of active assessment districts from fourteen down to one, property owners also benefit from reduced administrative costs associated with district administration, annual disclosure reports, arbitrage calculations, levy preparation, delinquency management, etc.

FINANCE COMMITTEE CONCURRENCE

With the Finance Committee's concurrence, the Financing Team will continue to move forward with BBVA Compass on the refinancing, and prepare for City Council consideration and approval on June 26, 2012.

Prepared by:

/s/Dan Matusiewicz

Dan Matusiewicz
Deputy Finance Director

**CITY OF NEWPORT BEACH
FINANCE COMMITTEE STAFF REPORT**

June 11, 2012

TO: HONORABLE CHAIR AND MEMBERS OF THE COMMITTEE

FROM: Finance Department
Tracy McCraner, Finance Director
(949) 644-3123 or tmccraner@newportbeachca.gov

SUBJECT: BUDGET ADOPTION AND BUDGET CHECKLIST FY 2012-13

ABSTRACT:

The City Manager and Finance Department presented a balanced proposed budget for Fiscal Year (FY) 2012-13 to the Finance Committee on Monday, May 7, 2012. This meeting will be an opportunity for the committee to review and comment on the recommended changes to the proposed budget, or budget checklist, which includes all recommendations from the City Council and the City Manager. FY 2012-13 Budget Adoption, including the checklist, is scheduled for City Council approval on Tuesday, June 12, 2012.

BACKGROUND:

Pursuant to Section 1102 of the Newport Beach City Charter, and Council Policy F-3 titled Budget Adoption and Administration, the Proposed Budget for the 2012-13 fiscal year was first submitted to the City Council on May 3, 2012. The City Council held budget study sessions on May 8 and May 22 to review the City Manager's Proposed Budget for the 2012-13 fiscal year. A third budget presentation took place during the regular session of the Council at the meeting of May 22, 2012.

The City Manager's Proposed Budget for Fiscal Year 2012-13 was prepared based on four important values: 1) our desire to maintain a quality, physical environment; 2) support extraordinary public safety; 3) an engaged citizenry; and 4) be a responsive, customer focused, and transparent government. Our core budget principles were to keep the FY 2012-13 budget generally flat when compared to the FY 2011-12 original budget, which included \$8 million in operating department structural reductions. The proposed budget accounts for previously approved increases in contractual obligations, increases the investment in information technology, continues to invest in our workforce to develop a smarter yet smaller organization, and most importantly, does not draw from our reserve funds. We also continue to increase our investment in our infrastructure by increasing our General Fund capital improvement project budget to \$3.6 million, up from \$2 million in original FY 2011-12 appropriations, and by increasing the annual General Fund contribution to our facilities financing plan to \$7.5 million, up from \$5.0 million.

The City Manager's Proposed FY 2012-13 Budget includes funding for 755 full-time and 126.14 full-time equivalent (part-time) positions, a reduction of 8 full-time and an increase of 2.87 full-time equivalent positions from FY 2011-12. This is the result of continued departmental restructuring, realignment of functions, and contracting out. Three additional position eliminations are being submitted for consideration on the Budget Checklist: 1) one groundsworker I and, 2) two utilities specialists (one in water and one in wastewater.)

The City Manager is recommending changes to the Proposed FY 2012-13 Budget released on May 3, 2012. These changes are found in the budget checklist. As stated in City Council Policy F-3, all Council directed changes to the City Manager's Proposed Budget during the final Council meeting will be added to the budget checklist. The Mayor will call for a straw vote on each checklist item during the June 12, 2012, public meeting. Please find Attachment "A" which is an itemized listing of all proposed City Manager budget checklist items.

This year, the Budget Checklist items are summarized as follows:

Proposed Budget Checklist Summary:	General Fund	All Other Funds	Total All Funds
Supplemental Expenditure Budget Requests	\$ 1,408,984	\$ 1,023,479	\$ 2,432,463
CIP Rebudgets/Changes	(73,833)	134,292	60,459
Total FY 12-13 Budget Checklist	\$ 1,335,151	\$ 1,157,771	\$ 2,492,922
	General Fund	All Other Funds	Total All Funds
Supplemental Revenue Budget Requests	\$ 25,000	\$ 1,453,224	\$ 1,478,224
Total FY 12-13 Budget Checklist	\$ 25,000	\$ 1,453,224	\$ 1,478,224

CONCLUSION:

The proposed FY 2012-13 Budget is balanced at \$260,101,781 for all funds. The preliminary checklist, as attached, increases the proposed budget as follows:

- Operating budget increases \$2,432,463
- CIP budget increases \$ 60,459
- Estimated revenue increases \$1,478,224

The operating budget increase is greater than the revenue budget increase due to the planned purchase of a fire pumper, ladder truck and medic unit. All vehicles are funded through the Equipment Maintenance Fund by reserves previously established for these expected replacements. All checklist recommendations were funded by re-prioritizing projects or programs and using restricted revenues. The proposed budget combined with the checklist remains balanced at \$262,594,703 for all funds.

Prepared by:

/s/Tracy McCraner

Tracy McCraner
Finance Director

Attached: Budget Checklist – Attachment “A”

**Budget Checklist - Amendments to the Proposed Budget
Fiscal Year 2012-13**

<u>Department/Account Number/Description</u>	<u>Budget Increase (Decrease)</u>	<u>Approved</u>
CHANGES TO THE PROPOSED BUDGET AS PRINTED - EXPENDITURES		
City Council		
0110-8250 Increased Special Event Funding	\$ 12,200	
0110-8250 Balboa Island Historical Society	\$ 15,000	
Finance		
0643-8080c CPS Contract - Parking Lot Meters	\$ (436,617)	
Library		
4002-8012 Programming - Museum & Cultural Tours	\$ 5,000	
Municipal Operations		
3170-7#### Eliminate Groundworker I	\$ (81,649)	
5500-7#### Eliminate Utilities Specialist - Water	\$ (75,588)	
5600-7#### Eliminate Utilities Specialist - Wastewater	\$ (91,933)	
6120-9100 Fire Pumper, Ladder Truck, Medic Unit	\$ 1,793,000	
Public Works Department		
741x-C1002### City Hall Interim Use Plan - Remove from Major Facilities Master Plan Fund	\$ (500,000)	
7011-C1002040 City Hall Interim Use Plan - New Amount for General Fund Appropriation	\$ 100,000	
7013-C2201000 Streetlight Replacement Program	\$ 150,000	
7014-C8002022 SCE Rule 20A Credits Purchase	\$ 974,000	
7414-C1002037 Lifeguard HG Rehabilitation - Postpone construction 1 yr	\$ (1,350,000)	
7014-C8002031 Local Coastal Program Plan Implementation	\$ 75,000	
7014-C3002020 Bayside Cove Public Walkway	\$ 40,000	
7013-C3002021 Eastbluff Bicycle Lane at Jamboree Road	\$ 35,500	
7251-C3002021 Eastbluff Bicycle Lane at Jamboree Road	\$ 236,000	
7014-C3002022 Newport Coast Drive Monument Signs	\$ 50,000	
7013-C2002063 Balboa Boulevard Landscaping	\$ 265,000	
7013-C2002064 Bristol Street S. Median Landscaping (grant match)	\$ 125,000	
7251-C2002064 Bristol Street S. Median Landscaping (grant)	\$ 375,000	
7013-C2002065 Corona del Mar Entry Improvements	\$ 25,000	
7013-C2002066 Old Newport Boulevard Streetscape	\$ 50,000	
7513-C5500637 Irrigation-Citywide Central Computer System - Delete project	\$ (90,000)	
5070-8080 Irvine Ranch Conservancy - Transfer contract funds	\$ (185,000)	
7231-C4801003 Bay Beach Sand Management - Increase budget	\$ 200,000	
7253-C2002047 Major Arterial Street Repair Program	\$ 327,000	
7181-C2002048 Newport Boulevard and 32nd Street Modification	\$ 50,000	
7181-C2002058 Balboa Boulevard Channel Road Pavement Reconstruction	\$ (300,000)	
7281-C2002058 Balboa Boulevard Channel Road Pavement Reconstruction	\$ (392,224)	
7185-C2002058 Balboa Boulevard Channel Road Pavement Reconstruction	\$ 692,224	
7251-C2002067 Park Avenue Over Grand Canal Bridge Replacement	\$ 150,000	
Recreation		
4510-8080 Irvine Ranch Conservancy Contract	\$ 190,550	
TOTAL CHANGES TO THE PROPOSED OPERATING BUDGET	\$ 2,432,463	

CHANGES TO THE PROPOSED BUDGET AS PRINTED - REVENUE

<u>Department/Account Number/Description</u>	<u>Budget Increase (Decrease)</u>	<u>Approved</u>
5100-5918 Corona del Mar Entry Improvements	\$ 25,000	
250-OCTA bicycle Bristol Street South Median Landscaping	\$ 375,000	
250-OCTA bicycle Eastbluff Bicycle Lane at Jamboree Road	\$ 236,000	
185-4803 Balboa Boulevard Channel Road Pavement Reconstruction	\$ 692,224	
250-4863 Park Avenue Over Grand Canal Bridge Replacement	\$ 150,000	
TOTAL CHANGES TO THE PROPOSED REVENUE BUDGET	\$ 1,478,224	
TOTAL CHANGES TO THE PROPOSED BUDGET BY FUND		
General Fund	\$ 1,433,984	
Equipment Maintenance Fund	\$ 1,793,000	
Major Facilities Master Plan Fund	\$ (500,000)	
Lifeguard Headquarters Fund	\$ (1,350,000)	
Tidelands Fund	\$ 200,000	

Gas Tax Fund	\$	(250,000)
Measure M Fund Turnback Fund	\$	(392,224)
Prop 1B Transportation Fund	\$	1,384,448
Bristol Street Relinquishment Fund	\$	327,000
Contributions Fund	\$	1,522,000
Water Enterprise Fund	\$	(165,588)
Wastewater Enterprise Fund	\$	(91,933)
Total Changes to the Proposed Budget	\$	3,910,687

CAPITAL IMPROVEMENT PROGRAM - REBUDGETS

Department/Account Number/Description	Budget Increase (Decrease)	Approved
Public Works		
7012-C2502010 Storm Drain Interceptors	\$ (6,200)	
7231-C4402010 Eelgrass Mapping	\$ (25,000)	
7281-C2002043 Abalone and Crystal Pavement Rehabilitation	\$ (373,200)	
7521-C2002043 Abalone and Crystal Pavement Rehabilitation	\$ (2,000)	
7281-C2002043 Bay Avenue Pavement Rehabilitation	\$ (488,948)	
7284-C2002019 Jamboree Road Widening	\$ (586,758)	
7414-C1002037 Lifeguard HQ Rehabilitation	\$ (66,000)	
7231-C1002036 Balboa Yacht Basin Facility Improvements	\$ 14,585	
7281-C2002045 Dover Drive Peninsula Point Pavement Rehab. Design	\$ 200,000	
7012-C2502011 Bayside Dr Riverside Ave Storm Drain Improvements	\$ 49,792	
7410-C1002009 Civic Center and Park	\$ 577,844	
7410-C1002030 Civic Center and Park - Construction	\$ 204,349	
7410-C1002035 Civic Center and Park - Loss Claims	\$ 734,524	
7415-C1002038 Master Facilities Plan - Planning Efforts	\$ 187,601	
7412-C5100515 Sunset Ridge Park	\$ (78,150)	
7511-C6002008 Corona del Mar Water Transmission Main	\$ (34,234)	
7411-C4002002 Marina Park	\$ (37,870)	
7012-C2502006 19th Street Tidegate Retrofit	\$ (117,425)	
7231-C2502006 19th Street Tidegate Retrofit	\$ (92,451)	

TOTAL CAPITAL PROJECT REBUDGETS **\$ 60,459**

CAPITAL IMPROVEMENT PROGRAM REBUDGET BY FUND

General Fund	\$	(73,833)
Tidelands Fund	\$	(102,866)
Measure M Turnback Fund	\$	(662,148)
Measure M Competitive Fund	\$	(586,758)
Water Capital Fund	\$	(36,234)
Master Facilities Fund	\$	1,522,298
Total CIP Rebudgets/Changes	\$	60,459

**CITY OF NEWPORT BEACH
FINANCE COMMITTEE STAFF REPORT**

June 11, 2012

TO: HONORABLE CHAIR AND MEMBERS OF THE COMMITTEE

FROM: Finance Department
Tracy McCraner, Finance Director
(949) 644-3123 or TMcCraner@NewportBeachCA.gov

Dan Matusiewicz, Deputy Finance Director
(949) 644-3126 or DanM@NewportBeachCA.gov

SUBJECT: FACILITIES FINANCING PLAN (FFP) UPDATE

ABSTRACT:

Staff will provide the status and initial thoughts on improving the effectiveness of the Facilities Financing Plan (FFP) and request the Finance Committee provide additional guidance to staff in improving the plan

OVERVIEW:

Staff is currently working on updating and improving the Facilities Financing Plan (FFP). Since the current FFP model can be cumbersome for the public to digest, staff is seeking direction from the Finance Committee with respect to the attributes they find will be most helpful in discussing the FFP with their constituents.

Prepared by:

/s/Dan Matusiewicz

Dan Matusiewicz
Deputy Finance Director

DECLARATION OF POSTING

On June 7, 2012, at ^{4:40}~~2:40~~ a.m./p.m.,

under penalty of perjury, I posted the Agenda/Supplemental Agenda (circle one) for the

Regular City Council Meeting of _____

Study Session (Adjourned Regular Meeting) of _____

Special Meeting of _____

Adjourned Regular Meeting of _____

Finance Committee Meeting of June 11, 2012
pursuant to the Brown Act Amendments (effective January 1, 1987), on the City Hall
bulletin board located outside of Building B, 3300 Newport Boulevard, Newport Beach.

Posted by: C. Frederickson

Posted on the website

5:14pm 6/7/12