



City of Big Bear Lake



**NOTICE OF A SPECIAL MEETING
OF THE CITY OF BIG BEAR LAKE
CITY COUNCIL AND SUCCESSOR AGENCY
MARCH 12, 2012**

To: Mayor Jahn
Mayor Pro Tem Obernolte
Councilmember Caretto
Councilmember Harris
Councilmember Herrick

City Manager
City Attorney
Division Managers
Radio -- KBHR
The Grizzly
Channel 6

NOTICE IS HEREBY GIVEN, that the City Council and Successor Agency of the City of Big Bear Lake will hold a Special Meeting Monday, March 12, 2012, at 9:00 a.m., at 39707 Big Bear Boulevard, Big Bear Lake, California; said meeting being called pursuant to Section 54956 of the Government Code of the State of California for the purpose of considering the following matters:

Public Communications for only items listed on the Agenda.

City Council

Fiscal Year 2011-2012 Mid-Year Budget Adjustments.

Successor Agency to the Big Bear Lake Improvement Agency

Approving an Administrative Cost Budget for the period beginning February 1, 2012 through June 30, 2012.

I hereby certify under penalty of perjury, under the laws of the State of California, that the foregoing notice was posted in accordance with the applicable legal requirements. Dated this 8th day of March 2012.

Cheri A. Haggerty

Cheri A. Haggerty, Deputy City Clerk



City of Big Bear Lake



**CITY OF BIG BEAR LAKE
CITY COUNCIL AND SUCCESSORY AGENCY
SPECIAL MEETING AGENDA
MARCH 12, 2012**

Meeting Time: 9:00 a.m.

Meeting Place: 39707 Big Bear Blvd., Big Bear Lake (Training Room)

OPEN SESSION

PLEDGE OF ALLEGIANCE

PUBLIC COMMUNICATIONS: Any member of the public is entitled to speak only on items listed on the agenda.

DISCUSSION/ACTION ITEMS

1. Fiscal Year 2011-2012 Mid-Year Budget Adjustments

Council consideration of adopting a resolution related to necessary adjustments to the Fiscal Year 2011-2012 City of Big Bear Lake approved Budget.

Adjourn to the Successor Agency to the Big Bear Lake Improvement Agency.

SUCCESSOR AGENCY

SA.1 Successor Agency Administrative Cost Budget beginning February 1, 2012 through June 30, 2012

Successor Agency consideration of approving an Administrative Cost Budget for the period beginning February 1, 2012 through June 30, 2012 pursuant to AB 1X 26 and direct staff to forward the budget to the Oversight Board for approval.

ADJOURNMENT



AGENDA REPORT

Item No. 1

MEETING DATE: March 12, 2012

TO: Honorable Mayor and Members of the City Council

FROM: Jeff Mathieu, City Manager

REVIEWED BY: Kathleen Smith, Chief Operations Officer *K. Smith*

PREPARED BY: Kelly Ent, Director of Administrative Services *K. Ent*

SUBJECT: **Fiscal Year 2011-12 Mid-year Budget Review**

BACKGROUND

A general review and analysis of the Fiscal Year 2011-12 budget will be presented during the workshop session. At the conclusion of the presentation, City Council will consider approving proposed adjustments to the adopted budget for Fiscal Year 2011-12. The proposed adjustments must be approved by resolution and are attached to this report.

The City Council Ad Hoc Committee of Mayor Pro Tem Obernolte and Councilmember Caretto reviewed with staff the impact elimination of redevelopment will have on the General Fund at a committee meeting held on February 14. All mid-year adjustments proposed are General Fund adjustments necessary to address the impact of the State's elimination of redevelopment. All other budgeted activities are on target with budgeted projections and do not necessitate mid-year adjustment.

FISCAL IMPACT

The proposed adjustments will result in a net decrease in the General Fund adopted budget for Fiscal Year 2011-12 of \$112,300. This decrease will be offset by savings realized from reductions in full-time equivalent positions accomplished through attrition.

RECOMMENDATION

It is recommended that the City Council adopt the attached resolution approving the proposed mid-year adjustments to the adopted budget for Fiscal Year 2011-12.

RESOLUTION NO. 2012-XX

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF BIG BEAR LAKE, COUNTY OF SAN BERNARDINO,
STATE OF CALIFORNIA, APPROVING ADJUSTMENTS
TO THE CITY OF BIG BEAR LAKE ADOPTED BUDGET
FOR FISCAL YEAR 2011-12**

WHEREAS, the City of Big Bear Lake was incorporated on November 28, 1980; and

WHEREAS, the City Council adopted the Budget for Fiscal Year 2011-12 on June 13, 2011; and

WHEREAS, there is a need to adjust the Budget for Fiscal Year 2011-12.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Big Bear Lake does hereby modify and adopt the adjustments to the Budget for the Fiscal Year 2011-12 as attached;

PASSED, APPROVED AND ADOPTED this 12th day of March, 2012.

AYES:
NOES:
ABSENT:
ABSTAIN:

Date

W. E. Jahn, Mayor

ATTEST:

Cheri A. Haggerty, Deputy City Clerk

GENERAL FUND - MID-YEAR ADJUSTMENTS

Acct #	Title	FY 11-12 Proposed Mid-year Budget	Recommended Increase	Recommended Decrease	
Property Taxes					
110-0000-3110	Current Secured Taxes	2,712,680	435,000	0	Property Tax IA Excess
Total Property Tax		2,712,680	435,000		
Use of Money and Property					
110-0000-3614	Interest from IA Loan	251,200	0	251,200	IA Loan Loss of Interest
Total Use of Money and Property		251,200	0	251,200	
Current Service Charges					
110-0000-3757	Successor Administration Allowance	104,200	104,200	0	AB 1X 26 Administration
Total Current Service Charges		104,200	104,200		
Total Change in General Fund Revenue			288,000		
Direct Labor Costs					
110-4801-00XX	Direct Labor Costs	400,300	400,300	0	Previously paid by IA
Total Direct Labor Costs		400,300	400,300	0	
Total Change in General Fund Expenses			400,300		
Net Change Proposed to General Fund				(112,300)	



AGENDA REPORT

Item No. SA.1

MEETING DATE: March 12, 2012

TO: Honorable Chairperson and Members of the Successor Agency to the Big Bear Lake Improvement Agency

FROM: Jeff Mathieu, City Manager

REVIEWED BY: Kathleen Smith, Chief Operations Officer *[Signature]*

PREPARED BY: Kelly Ent, Director of Administrative Services *[Signature]*

SUBJECT: **Successor Agency Approval of Administrative Cost Budget for the period beginning February 1, 2012 through June 30, 2012 Pursuant to AB 1X 26**

As the successor agency to the former Big Bear Lake Improvement Agency, the City of Big Bear Lake is allowed to receive an amount not less than \$250,000 each fiscal year to help with the administrative cost burden incurred as successor. The maximum allowed administrative cost allowance is determined as a percentage of property tax allocated to the successor (5% in 2011-12 and 3% each fiscal year thereafter). The Recognized Obligation Payment Schedule, identifies the funding source for the various obligations of the successor. The obligations requiring an allocation of property taxes to fund required payments would generate an allowance below the minimum allowed by statute; thus, the successor will receive \$250,000 each fiscal year toward administrative costs incurred in winding up the Agency's affairs.

Although the successor agency is not seeking to collect an administrative cost allowance in excess of the \$250,000 allowed by AB 1X 26, the successor is required to prepare a proposed administrative budget to be submitted to the oversight board for approval. The budget must include the estimated administrative costs for the upcoming five-month fiscal period and the proposed sources of payment for the costs identified.

Attached for City Council consideration is the proposed administrative cost budget for the successor agency for the period from February 1, 2012 through June 30, 2012. It is proposed that the administrative costs incurred as a result of successor agency duties will be funded by the successor agency administrative cost allowance for the five months ended June 30, 2012 (\$104,200) and the balance will be funded by the excess property taxes to be distributed as a result of the elimination of redevelopment.

RECOMMENDATION

It is recommended that the Successor Agency approve the proposed administrative cost budget through June 30, 2012 (**Exhibit A**) and direct staff to forward the budget to the oversight board for approval.

ADMINISTRATIVE COST BUDGET

Acct #	Title	2011-12 Budget
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Department 4801

2/1-6/30/2012

Direct Labor Costs

0010	Salaries	246,800
0020	Salaries - Overtime	3,000
0030	Wages Part-Time	2,500
0080	Direct Benefits	106,800
0090	Direct Benefits - Cafeteria	33,800
0091	Auto Allowance	7,400
Total Direct Labor Costs		400,300

Supplies

1400	Office Expense	500
Total Supplies		500

Other Services and Charges

2120	Telephone	500
2190	Postage Charges	5,000
2660	Travel, Conf. and Meetings	2,500
Total Other Services and Charges		8,000

SUCCESSOR ADMINISTRATION

408,800

Funding Source:

AB 1X 26 Administrative Cost Allowance	104,200
Redevelopment Excess Property Taxes	304,600
	408,800
	408,800