



**CITY OF BIG BEAR LAKE
CITY COUNCIL
SPECIAL WORKSHOP
MEETING AGENDA
February 22, 2016**

Regular Session: 9:00 a.m.
Closed Session: 10:30 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.

1. DISCUSSION/ACTION ITEMS

1.1 FISCAL YEAR 2015-2016 MID-YEAR BUDGET ADJUSTMENTS

Council consideration of receiving a presentation regarding Mid-Year Budget review, and adopting a Resolution approving the proposed mid-year adjustments to the Fiscal Year 2015-16 Adopted Budget.

**1.2 RESOLUTION ADOPTING THE MEASURE I 2010-2040
MAINTENANCE OF EFFORT BASED YEAR LEVEL**

Council consideration of receiving a presentation and adopting a Resolution adopting the Measure I 2010-2040 Maintenance of Effort Base Year Level of \$717,041.

CLOSED SESSION PUBLIC COMMUNICATIONS: (Any member of the public is entitled to speak on Closed Session Agenda items. If you wish to address any other items listed on the Agenda you must do so during Open Session.)

CLOSED SESSION

1. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS pursuant to Government Code Section 54956.8**

Property: 570 Elm, APN 2328-375-01
City Negotiators: City Manager, Community Development Director and City Attorney
Negotiating Party: Steve Hansen
Under Negotiation: Price and Terms of Payment

2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS pursuant to Government Code Section 54956.8

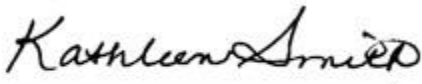
Property: 42158 Moonridge Road, APN 232-199-17
City Negotiators: City Manager, Community Development Director and City Attorney
Negotiating Party: Woodrow W. and Charlotte J. Meier Trust
Under Negotiation: Price and Terms of Payment

3. PUBLIC EMPLOYEE PERFORMANCE EVALUATION pursuant to Government Code Section 54957

Title of Position: City Manager

ADJOURNMENT

I hereby certify under penalty of perjury, under the laws of the State of California, that the foregoing agenda was posted in accordance with the applicable legal requirements. Dated this 18th day of February, 2016.


Kathleen Smith, Acting City Clerk

The City of Big Bear Lake wishes to make all of its public meetings accessible to the public. If you need special assistance to participate in this meeting, please contact the City Clerk's Office at (909) 866-5831. Notification 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.



AGENDA REPORT

MEETING DATE: February 22, 2016

TO: Honorable Mayor and Members of the City Council

FROM: Jeff Mathieu, City Manager

REVIEWED BY: Kathleen Smith, Chief Operations Officer

PREPARED BY: Kelly Ent, Director of Administrative Services

SUBJECT: **Fiscal Year 2015-16 Mid-year Budget Review**

A general review and analysis of the Fiscal Year 2015-16 budget will be presented during the workshop session. At the conclusion of the presentation, City Council will consider approving proposed adjustments to the Fiscal Year 2015-16 adopted budget.

FISCAL IMPACT

The proposed adjustments are detailed in Exhibit A to the attached resolution and will result in a change to the General Fund Fiscal Year 2015-16 adopted budget. The net change to the General Fund adopted budget is an appropriation of \$212,200.

RECOMMENDATION

It is recommended that the City Council adopt the attached resolution approving the proposed mid-year adjustments to the Fiscal Year 2015-16 adopted budget.

RESOLUTION NO. 2016-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 2015-16

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

WHEREAS, the City Council adopted the Budget for Fiscal Year 2015-16 on June 22, 2015; and

WHEREAS, there is a need to adjust the Budget for Fiscal Year 2015-16.

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 2015-16 as attached;

PASSED, APPROVED AND ADOPTED this _____ day of _____, 2016.

AYES:
NOES:
ABSENT:
ABSTAIN:

Date

David Caretto, Mayor

ATTEST:

Kathleen Smith, Acting City Clerk

FY 2015-16 Mid-year Budget Adjustments

	Current Budget	Proposed Increase (Decrease)	Proposed Budget	
General Fund				
Revenue				
Administrative Service Fees	340,000	30,200	370,200	Transition of services to Fire Department
Transfer in from Reserves	130,000	200,000	330,000	Snow removal reserves
	470,000	230,200	700,200	
Expense				
Professional Services - Finance	92,500	30,000	122,500	Transient Occupancy Tax Audits
Law Enforcement Overtime	50,000	75,000	125,000	Additional services requested
Professional Services - Engineering	40,300	70,000	110,300	Contract engineer services
Snow Removal	521,461	200,000	721,461	Anticipated snow removal costs through end of season
Professional Services - Planning	-	10,000	10,000	Grant services
Transfer out to Capital Projects from Unassigned Fund Balance	503,492	57,400	560,892	Lakeview Drive Rehab - Emergency Work
	1,207,753	442,400	1,650,153	

Net change to General Fund

(212,200)

Capital

Revenue

Transfer in from General Fund Fund Balance	503,492	57,400	560,892	Lakeview Drive Rehab - Emergency Work
	503,492	57,400	560,892	

Expense

Lakeview Drive Rehab	-	57,400	57,400	Funded from General Fund Unassigned Fund Balance
	-	57,400	57,400	

Net change in Capital Budget

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AGENDA REPORT

MEETING DATE: February 22, 2016

TO: Honorable Mayor and Members of the City Council

FROM: Jeff Mathieu, City Manager

REVIEWED BY: Kathleen Smith, Chief Operations Officer

PREPARED BY: Kelly Ent, Director of Administrative Services

SUBJECT: **Resolution adopting the Measure I 2010-2040 Maintenance of Effort Base Year Level**

SUMMARY

San Bernardino County voters approved Measure I, a one-half of one percent retail transactions and use tax to be collected to provide Local Street Program revenues to supplement local jurisdiction moneys for street and road construction, repair, maintenance and other local transportation priorities. To ensure that Measure I funds do not replace local streets and roads funding commitments, Fiscal Year 2008-09 expenditures will be used by the San Bernardino County Transportation Authority (“Authority”) as the base year for establishing the Measure I 2010-2040 Maintenance of Effort (“MOE”) funding commitment required on an annual basis through 2040.

DISCUSSION

The Authority’s adopted Ordinance No. 04-01 and Measure I 2010-2040 Strategic Plan specify that Local Streets Program money shall not supplant existing local discretionary funds being used for street purposes. As such, local jurisdictions must adopt a MOE base year level that is equivalent to the discretionary General Fund expenditures for street construction and maintenance activities in Fiscal Year 2008-09. This MOE base year level will be used to monitor local jurisdiction commitments to streets and their ability to receive Measure I Local Streets Program moneys.

To ensure jurisdictions adhere to the base year level, the annual compliance audit will be used to monitor expenditures and the sources of funding. Failure to meet the base year level can result in temporary to permanent withholding of Measure I Local Streets Program funds. General Fund expenditures in excess of the MOE base level will carry over to subsequent fiscal years and can be applied in a future year to offset the amount the local agency may need to meet the MOE requirement.

SUBJECT: Resolution: Measure I 2010-2040 Maintenance of Effort Base Year Level

MEETING DATE: February 22, 2016

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Attachment A to the proposed resolution is the City's MOE base year calculation. In Fiscal Year 2008-09, the City expended \$3,035,203 on street improvement and maintenance efforts. The funding breakdown shows the various funding sources: General Fund, Measure I, State Funds (e.g. Highway User Taxes snow reimbursement), and other City Funds (e.g. pavement impact fees, grants, etc.). Of the total expenditures, \$822,041 was funded with general purpose revenues. Factoring out the one-time subsidy to the Refuse Fund for pavement impact fees, the MOE base year level is \$717,041.

The MOE base year level will go into effect for Fiscal Year 2015-16 and will be applied retroactively to Fiscal Year 2009-10. Therefore, the compliance audit for Fiscal Year 2015-16 will review the discretionary General Fund expenditures for each year to ensure the funding commitment has been met. To ensure compliance, we have compared this base year level to the adopted budget for Fiscal Year 2015-16 and the actual expenditures back to Fiscal Year 2009-10. Based on our in house review, the Fiscal Year 2015-16 compliance audit is anticipated to find the City in full compliance.

FISCAL IMPACT

There is no fiscal impact to adopting the Measure I 2010-2040 Maintenance of Effort Base Year Level of \$717,041. The adopted Fiscal Year 2015-16 budget exceeds this minimum funding requirement.

RECOMMENDATION

It is recommended that the City Council approve the attached resolution adopting the Measure I 2010-2040 Maintenance of Effort Base Year Level of \$717,041.

RESOLUTION NO. 2016-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BIG BEAR LAKE, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, ADOPTING THE MEASURE I 2010-2040 MAINTENANCE OF EFFORT BASE YEAR LEVEL

WHEREAS, San Bernardino County voters approved passage of Measure I in November 2004, authorizing the San Bernardino County Transportation Authority (“Authority”) to impose a one-half of one percent retail transactions and use tax applicable in the incorporated and unincorporated territory of the County of San Bernardino; and

WHEREAS, revenue from the tax can only be used for transportation improvement and traffic management programs authorized in the Expenditure Plans set forth in Authority Ordinance No. 04-01; and

WHEREAS, the Local Streets Program is a Measure I program that provides funds through a pass-through mechanism directly to local jurisdictions for expenditure on street and road construction, repair, maintenance and other eligible local transportation priorities; and

WHEREAS, in accordance with Authority Ordinance No. 04-01 and Authority Measure I 2010-2040 Strategic Plan (“Strategic Plan”) Policy VLS-22, Local Street Program funds shall not be used to supplant existing local discretionary funds being used for street and highway purposes; and

WHEREAS, the Authority Strategic Plan requires each local jurisdiction adopt a Maintenance of Effort base year level that is equivalent to the discretionary General Fund expenditures for transportation-related construction and maintenance activities in Fiscal Year 2008-09, with some allowances for exceptions, to be approved by the Authority; and

WHEREAS, the Authority will monitor local jurisdiction annual use of discretionary General Fund for transportation-related construction and maintenance activities relative to the Maintenance of Effort base year level through 2040 as part of the annual audit process; and

WHEREAS, failure to meet the Maintenance of Effort base year level requirements can result in temporary to permanent withholding of Measure I Local Street Program funds.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Big Bear Lake, that the Measure I 2010-2040 Maintenance of Effort Base Year Level of \$717,041, as shown in Attachment A, is hereby adopted.

PASSED, APPROVED AND ADOPTED this day of 2016.

AYES:
NOES:
ABSENT:
ABSTAIN:

Date

David Caretto, Mayor

ATTEST:

Kathleen Smith, Acting City Clerk

Measure I 2010-2040 Maintenance of Effort Base Year Calculation
Based on Fiscal Year 2008/2009 Construction and Maintenance Expenditures
(Rounded to nearest dollar)

Project Expenditures Included in General Ledger	Total Project Cost	Funding Breakdown					
		General Fund	Measure I	Federal	State	City Funds	Other
Construction Projects:							
1. FY 2008-09 Street Overlay Program	\$ 797,563	\$ 143,402	\$ 356,750			\$ 297,411	
2. FY 2008-09 Street Improvement Project	\$ 136,586		\$ 136,586				
3. FY 2008-09 Miscellaneous Drainage Projects	\$ 108,777					\$ 108,777	
4. Edgemoor Road Improvements	\$ 24,460					\$ 24,460	
Maintenance Projects:							
1. FY 2008-09 Snow Removal	\$ 880,042	\$ 0			\$ 626,527	\$ 253,515	
2. FY 2008-09 Street Maintenance	\$ 1,012,655	\$ 603,519	\$ 80,000		\$ 40,380	\$ 288,755	
3. Street Lighting Utilities	\$ 64,098	\$ 64,098					
4. Traffic Signal Utilities	\$ 11,022	\$ 11,022					
Engineering/Administrative Overhead Not Allocated to Specific Projects:							
	\$ -	\$ -					
Expenditure Totals	\$ 3,035,203	\$ 822,041	\$ 573,336	\$ -	\$ 666,907	\$ 972,918	\$ -

Deductions for Special Consideration (Deduction Must Also be Included in Project Expenditures Above):	Total Project Cost	General Fund	State Reason Why Project Expenditure Should Be Deducted from MOE
Construction Projects:			
1. FY 2008-09 Street Overlay Program	\$ 797,563	\$ -	
2. FY 2008-09 Street Improvement Project	\$ 136,586	\$ -	
3. FY 2008-09 Miscellaneous Drainage Projects	\$ 108,777	\$ -	
4. Edgemoor Road Improvements	\$ 24,460	\$ -	
Maintenance Projects:			
1. FY 2008-09 Snow Removal	\$ 880,042	\$ -	
2. FY 2008-09 Street Maintenance	\$ 1,012,655	\$ 105,000	Refuse Fund negative fund balance; unable to fund pavement impact fee; General Fund one-time subsidy
3. Street Lighting Utilities	\$ 64,098	\$ -	
4. Traffic Signal Utilities	\$ 11,022	\$ -	
Engineering/Administrative Overhead Not Allocated to Specific Projects:			
	\$ -	\$ -	
Deduction Totals	\$ 3,035,203	\$ 105,000	

Total GF Expenditures	\$ 822,041
Minus Deductions	\$ 105,000
MOE Base Year	\$ 717,041