CITY OF LOS ALAMITOS
Council Chamber
3191 Katella Ave., Los Alamitos CA 90720

BUDGET STANDING COMMITTEE AGENDA
SPECIAL MEETING

Thursday, April 3, 2025 – 5:30 PM

NOTICE TO THE PUBLIC – This Agenda contains a brief general description of each item to be considered. Except as provided by law, action or discussion shall not be taken on any item not appearing on the agenda. Supporting documents, including staff reports, are available for review at City Hall in the City Clerk's Office or on the City's website at www.cityoflosalamitos.org once the agenda has been publicly posted.

Each matter on the agenda, no matter how described, shall be deemed to include any appropriate motion, whether to adopt a minute motion, resolution, payment of any bill, approval of any matter or action, or any other action. Items listed as "for information" or "for discussion" may also be the subject of an "action" taken by the Budget Standing Committee at the same meeting.

Any written materials relating to an item on this agenda submitted to the Budget Standind Committee after distribution of the agenda packet are available for public inspection online at www.cityoflosalamitos.org.

It is the intention of the City of Los Alamitos 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, please contact the City Clerk's Office at (562) 431-3538, extension 220, 48 hours prior to the meeting so that reasonable arrangements may be made.

1. CALL TO ORDER

2. ROLL CALL

Mayor Shelley Hasselbrink
Mayor Pro Tem Tanya Doby

3. ORAL COMUNICATIONS

At this time, any individual in the audience may come forward to speak on any item within the subject matter jurisdiction of the Budget Standard Committee. Remarks are to be limited to not more than five minutes per speaker.

4. CONSENT CALENDAR

All Consent Calendar items may be acted upon by one motion unless a Committee Member requests separate action on a specific item.

A. Minutes (Finance)

Minutes are recorded and represent the business conducted and items discussed at the Special Meeting of February 10, 2025.

Recommendation:

Approve the minutes of the Budget Standing Committee Special Meeting of February 10, 2025.

5. DISCUSSION ITEM

A. Business License Update (Finance)

This report provides the Budget Standing Committee with an update on business license processing.

Recommendation:

Review and discuss the update on Business Licence Processing.

B. Warrant Approval Hierarchy (Finance)

Review and discuss the Purchasing Authority Thresholds Policy.

Recommendation:

Review and discuss the Purchasing Authority Thresholds Policy.

C. Draft Budget Fiscal Year 2025-26, 2026-27 (Finance)

This report provides an overview of the draft budget for Fiscal Years 2025-26 and 2026-27.

Recommendation:

Review and discuss the draft budget for Fiscal Year 2025-26 and 2026-27 and provide direction to staff.

6. CLOSED SESSION

A. Conference With Labor Negotiator (Administration)

City Negotiator: Chet Simmons, City Manager
Employee Organization: Executive Management, Non-Represented
Authority: Government Code Section 54957.6

B. Conference With Labor Negotiator (Administration)

City Negotiator: Chet Simmons, City Manager
Employee Organization: Teamsters Local 911
Authority: Government Code Section 54957.6

C. Conference With Labor Negotiator (Administration)

City Negotiator: Chet Simmons, City Manager
Employee Organization: Police Officers Association
Employees Authority: Government Code Section 54957.6

7. ITEMS FROM STAFF AND THE COMMITTEE

At this time, Committee Members and Staff may also report on items not specifically described on the Agenda that are of interest to the community, provided no action or discussion is taken except to provide Staff direction to report back or to place the item on a future Agenda.

8. ADJOURNMENT

I hereby certify under penalty of perjury under the laws of the State of California, that the foregoing Agenda was posted at the Los Alamitos City Hall, 3191 Katella Ave. and online at www.cityoflosalamitos.org not less than 24 hours prior to the meeting.

Craig Koehler, Finance Director
Dated: 4/2/25

MINUTES OF THE BUDGET STANDING COMMITTEE OF THE CITY OF LOS ALAMITOS

SPECIAL MEETING

Monday, February 10, 2025 – 5:00 p.m.

1. CALL TO ORDER

The Budget Standing Committee met for a Special Meeting at 5:07 p.m., Monday, February 10, 2025, with Mayor Hasselbrink and Mayor Pro Tem Doby presiding.

2. ROLL CALL

Present:	Committee Members:	Mayor Hasselbrink Mayor Pro Tem Doby
Absent:	Committee Members:	None
Present:	Staff:	Chet Simmons, City Manager Ron Noda, Deputy City Manager/Development Services Director Craig Koehler, Finance Director / City Treasurer Barbara Biscocho, Finance Manager

3. Oral Communications

There were none to report.

4. CONSENT CALENDAR

A. Approval of Minutes

Motion/Second: Doby /Hasselbrink
Unanimously Carried: The Budget Standing Committee approved the Minutes of the Special Meeting of January 7, 2025.

5. DISCUSSION ITEMS

A. Update on Audit RFP

Staff provided an update on the RFP for Auditing Services. Following the closing of the RFP process, staff recommends that the BSC forward a rtecommendation for Council approval of a contract with RAMS for fiscal years 2025, 2026, and 2027, for a not-to-exceed amount of $61,860, with two additional one-year options.FY2025-26

B. Mid-Year General Fund Budget Review and Financial Update for Fiscal Year 2024-25

Staff provided the Committee with a review of the Mid-Year General Fund budget for Fiscal Year 2024-25 and a projection for the fiscal year ending June 30, 2025.

Staff also provided a list of additional appropriations recommended for approval. The report and appropriations will be presented to the Council at the February 18, 2025 meeting.

The Budget Standing Committee adjourned the meeting to go into Closed Session at 5:50 p.m.

6. CLOSED SESSION

A. CONFERENCE WITH LABOR NEGOTIATOR (Administration)
City Negotiator Chet Simmons, City Manager
Employee Organization: Teamsters Local 911
Authority: Government Code Section 54957.6

B. CONFERENCE WITH LABOR NEGOTIATOR (Administration)
City Negotiator Chet Simmons, City Manager
Employee Organization: Executive Management, Non-Represented
Authority: Government Code Section 54957.6

C. CONFERENCE WITH LABOR NEGOTIATOR (Administration)
City Negotiator Chet Simmons, City Manager
Employee Organization: Police Officers Association
Authority: Government Code Section 54957.6

The Budget Standing Committee adjourned from the Closed Session with no reportable action.

7. ITEMS FROM STAFF AND THE COMMITTEE

None.

8. ADJOURNMENT

The meeting was adjourned at 7:20 p.m.

Craig Koehler, Finance Director

City of Los Alamitos
BUDGET STANDING COMMITTEE AGENDA REPORT

MEETING DATE: April 3, 2025 **ITEM NUMBER: 5A**

To: **Budget Standing Committee Members**

Presented By: **Craig Koehler, Director of Finance**

Subject: **Business License Update**

SUMMARY

This report provides the Budget Standing Committee with an update on business license processing.

RECOMMENDATION

Review and discuss the update on Business Licence Processing.

BACKGROUND

This was previously scheduled for discussion at the June 11, 2024, Special Meeting but was deferred for further analysis.

DISCUSSION

Review and discuss the update on Business License processing.

FISCAL IMPACT

The report is for discussion.

Attachment: None

City of Los Alamitos

BUDGET STANDING COMMITTEE AGENDA REPORT

MEETING DATE: April 3, 2025 **ITEM NUMBER: 5B**

To: **Budget Standing Committee Members**

Presented By: **Craig Koehler, Director of Finance**

Subject: **Warrant Approval Hierarchy**

SUMMARY

Review and discuss the Purchasing Authority Thresholds Policy.

RECOMMENDATION

Review and discuss the Purchasing Authority Thresholds Policy.

BACKGROUND

The Administrative Regulation, Purchasing Authority Thresholds Policy, was adopted on October 1, 2024, which establishes a list of position titles authorized to procure goods and services with their respective signature approval limits as allowed by Los Alamitos Municipal Code Section 2.60, Purchasing System.

DISCUSSION

The policy applies to all purchases conducted by city staff and follows procurement policies outlined in the City Charter and Los Alamitos Municipal Code. The current Administrative Regulation does not allow approvals below the director level of $10,000. This has created an additional work volume for the directors, who are responsible for reviewing and approving all warrants within Laserfiche, included within this level. To mitigate some of this workload for directors, staff is proposing to add approval thresholds for managers at the discretion of the department directors and with City Manager approval. Staff is recommending an approval level of $5,000 for managers, subject to the discretion of the director and approval by the City Manager.

FISCAL IMPACT

There is no fiscal impact associated with this proposed policy revision, and it would create internal workflow efficiencies.

Attachment: 1. Admin Reg 5.02 Purchasing Authority Thresholds Policy

City of Los Alamitos
Administrative Regulation

Regulation:	**5.02**	DocuSigned by: Chet Simmons
Title:	**Purchasing Authority Thresholds Policy**	040A80B8E29D4EE
Authority:	**City Manager per LAMC Section 2.60**	Chet Simmons
Date:	**May 29, 2024**	
Revised:	**October 1, 2024**	City Manager

1. INTENT AND PURPOSE

The purpose of this policy is to summarize the purchasing procedures and establish a list of position titles authorized to procure goods and services and their respective signature approval limits as allowed by Los Alamitos Municipal Code Section 2.60, Purchasing System.

2. APPLICATION

This policy applies to all purchases conducted by staff for the City of Los Alamitos.

3. AUTHORITY

All other procurement policies outlined within the City Charter and the Los Alamitos Municipal code must be followed in conjunction with this regulation.

Section 2.60, Purchasing System prescribes the following purchase requirements:

Supplies, Equipment, and Services		
Allowed Expense	**Threshold**	**Approval**
Cal-Card Purchases (§2.60.130)	Less than $2,500	Department Director
Purchase Order Required	More than $2,500	
Open Market (§2.60.080)	Up to $10,000	Department Director
Informal Purchases (§2.60.090)	Up to $40,000	Deputy City Manager
	Up to $100,000	City Manager
Professional Services (§2.60.150)	Up to $100,000	City Manager
Formal Purchases (§2.60.100)	More than $100,000	City Council
*The Budget Standing Committee must be notified of all purchases over $80,000		

- **Cal-Card:** Purchases of supplies and equipment can be purchased by any city department that maintains a city-issued credit card and may make purchases with such credit card of less than $2,500. (§2.60.130).

- **Purchase Order:** A purchase order is required for any total purchase of $2,500 or more. LAMC 2.60.020 defines a purchase order as a written authorization by the issuing party for the recipient to provide labor, materials or services for which the issuing party agrees to pay.

- A Purchase Requisition Form is required to open any purchase order. This is meant to standardize the Purchase Order process which will enhance the workflow of all department's interactions with the Finance Department.

In addition to the required Purchase Requisition Form, the following types of backup material must be submitted depending on the purchase amount. Backup materials prove the purchasing policy was followed.

- Quotes, contracts, or emails explaining the services that will be provided. No vendor signatures are required.
- Purchase Order Agreement: Simplified agreement for one-day events and purchase of supplies. Requires signatures from all parties.
- Full Contract: Refer to Administrative Regulation 1.16, Contract Approval.

- **Open Market:** Purchases of supplies, equipment, or non-professional services up to $10,000 may use the Open Market. Purchase order required. (§2.60.080)
- **Informal Bidding:** Any purchases that are more than $10,000 but less than $100,000 Informal Purchases. Purchase order required. (§2.60.090)
- **Budget Standing Committee Notification:** Any purchase that exceeds $80,000 but is less than $100,000 (§2.60.150(b))
- **Formal Bidding:** All purchases above $100,000 must follow formal bidding procedures and receive City Council approval. Purchase Order required. (§2.60.100)

4. AUTHORIZED DESIGNEES AND LIMITS (§ 2.60.050)

All procurements must have written authorization from City Council and/or from one of the authorized designees listed below, based on the total dollar amount of the intended purchase:

Duly Authorized Position	Authorization Limit
City Manager	$ 100,000
Deputy City Manager	$ 40,000
Department Director	$ 10,000

5. EXCEPTIONS

Exceptions are the following routine expenses appropriated by the adopted budget: payroll, employee benefits, and payroll related expenses; power, water, gas, cable, and telephone utilities; payments to other government agencies; and debt payments.

Purchasing Policy Guidelines

Purchasing Officer: City Manager or Designee

2.60.100 - FORMAL

Purchases/Contracts over $100,000

- Purchase Of Supplies, Equipment & Contracts for Services (Not Public Work Project)
- **Bidding Option:** Formal, Sole Source; 3 bids minimum required; Notify BSC <$80,000
- **PO Required:** Attached bids and contracts, Signed by CM
- **Warrant Request:** Approved by: City Council, City Manager, Department Head, Finance

2.60.090 B. INFORMAL

Purchases/Contracts $10,000-$100,000

- Purchase Of Supplies, Equipment & Contracts for Services (Not Public Work Project)
- **Bidding Option:** Informal/Formal, Sole Source; 3 bids minimum required; Notify BSC < $80,000
- **PO Required:** Attached bids and contracts Signed by CM
- **Warrant Request:** Approved by: City Manager, Department Head, Finance

2.60.080 OPEN MARKET

Purchases/Contracts under $10,000

Purchase Of Supplies, Equipment & Contracts for Services (Not Public Work Project)

- **PO Required:** Submit to Finance with 3 attached quotes from vendor $2500 or more
  - **Submit Warrant Request:** Approved by: City Manager, Department Head, Finance
- **No PO Required:** One-time Purchases of $2,500 or less
  - **Submit Cal-Cards or Warrants:** Approved by: Cardholder, Department Head, and Finance

2.60.150 - PROF SVCS

Contracts less than $100,000

- Contracts for Services (Not Public Work Project)
- **Requirements:** Notify BSC < $80,000
- **PO Required:** Submit to Finance with 3 attached quotes from vendor
- **Warrant Request:** Approved by: City Manager, Department Head, Finance

CHECK PROCESSING

Contracts on Public Works(Charter Section 1206):

Public Projects Contracts	Threshold	Approval
Three Bids Required	Less than $10,000	City Manager
RFP's Required	More than $10,000	City Council

City of Los Alamitos
BUDGET STANDING COMMITTEE AGENDA REPORT

MEETING DATE: April 3, 2025 **ITEM NUMBER: 5C**

To: **Budget Standing Committee Members**

Presented By: **Craig Koehler, Director of Finance**

Subject: **Draft Budget Fiscal Year 2025-26, 2026-27**

SUMMARY

This report provides an overview of the draft budget for Fiscal Years 2025-26 and 2026-27.

RECOMMENDATION

Review and discuss the draft budget for Fiscal Year 2025-26 and 2026-27 and provide direction to staff.

BACKGROUND

Conducting a preliminary analysis of all appropriations for the upcoming fiscal year is customary. This process updates the Budget Standing Committee on the forecasted fiscal status of the City's General Fund. This marks the 5th consecutive year a two-year budget cycle has been used. This budget cycle will include projections for Fiscal Year 2025-26 and an estimate for Fiscal Year 2026-27 that will aid with future planning.

DISCUSSION

The Mid-Year Budget review and projection for the Fiscal Year ending June 30, 2025, was presented to Council on February 18, 2025. Since then, Finance has compiled cost information to create draft budgets for each department. Increases reflect the approved MOU salary and benefit changes, and O&M increases. Meetings with the departments and the City Manager were conducted to review the draft budgets.

The new budget is not unlike previous budget years in that uncertainty exists in the economy and global markets, shadowed by potential moves by the U.S. Treasury and the Federal government. Therefore, careful planning should be exercised to develop a budget that is both prudent and strategically positions the City to weather any potential shifts in the economy.

Fiscal Year 2025-26 and Fiscal Year 2026-27 Budget Overview
The new draft budget again reflects two fiscal years. As shown below, projected revenues (excluding transfers) for FY25-26 and FY26-27 are $27.0 million and $28.0 million, respectively.

REVENUE SUMMARY	2024-25 Adopted	2025-26 Proposed	2026-27 Projection
PROPERTY TAXES	$ 5,436,347	$ 5,855,905	$ 6,049,450
OTHER TAXES	11,176,715	12,063,445	12,676,223
UTILITY USER TAXES	2,283,000	2,800,000	2,700,000
FRANCHISE FEES	864,200	1,066,500	1,050,500
LICENSES & PERMITS	1,123,480	1,451,783	1,476,460
FINES & FORFEITURES	1,031,975	1,531,000	1,591,000
INVESTMENT EARNINGS	750,000	680,000	650,000
OTHER AGENCIES	11,000	201,000	201,000
CHARGES FOR CURRENT SERVICES	855,116	959,835	962,835
MISCELLANEOUS	100,000	398,000	648,000
TOTAL REVENUE	**$ 23,631,833**	**$ 27,007,468**	**$ 28,005,468**

Conversely, projected expenditures for FY25-26 and FY26-27 are $25.7 million and $26.6 million, respectively (excluding transfers). Draft expenditures include seven new positions and transfers from Administrative Services and Recreation to create staffing for the Economic Development Program, totaling $631,500 in proposed new staffing.

EXPENDITURE SUMMARY	2024-25 Adopted	2025-26 Proposed	2026-27 Projection
CITY COUNCIL	$ 35,957	$ 38,420	$ 38,420
ADMIN - CITY MGR, CITY CLK, HR	1,730,850	1,625,520	1,694,471
FINANCE	1,134,465	1,065,017	1,144,094
CITY ATTORNEY	226,000	322,400	332,072
POLICE	8,208,996	9,422,358	9,791,968
DEVELOPMENT SERVICES	5,695,456	7,656,194	7,803,330
RECREATION	3,279,826	4,335,590	4,422,217
NON-DEPARTMENTAL	1,209,500	1,262,199	1,350,091
TOTAL EXPENDITURES	**$ 21,521,050**	**$ 25,727,698**	**$ 26,576,663**

The higher department expenditures are due to several reasons: higher part-time costs with the expansion of various department programs, additional proposed full-time staffing and related benefits, and higher operational costs for materials, supplies, and services. Higher service costs result from increased contractual obligations and general market increases in materials and supplies. The additional proposed positions are detailed below:

New Position Requests 25/26

Department	Added Position	Full Burden Cost	
Police	Management Analyst	$ 123,000	To support poice administration
Public Works	Admin Analyst	118,000	To support PW administration
	Admin Analyst	118,000	To support PW administration
	Senior Maintenance	87,000	To support public works
	Maintenance 1	76,000	To support public works
		399,000	
Rec	LAYB Rec Coord	89,000	To Support LAYB program
	Dep Dir (Dep Dir vs. Mgr)	20,500	To support Recreation
		109,500	-
		$ 631,500	

Other Staffing Changes

Econ Dev	Manager (Transfer from Rec)	182,000	Cost offset
	Director (Transfer from Adm)	244,000	Cost offset
		$ 426,000	

Capital Improvement Projects

In coordination with the City Engineer, Development Services has developed a draft budget for Capital Improvement Projects. As reflected below, the CIP consists of $3.8 million in pending (carryover) projects, which will be largely funded by the prior years' surpluses and covered by maturing investments. The pending CIP also includes additional appropriations for Labourdette Park that the Council approved in March. The proposed CIP for FY25-26 is $10.0 million, of which $5.4 million is General Fund, and $790 thousand will be funded by other funds: SB-1, Gas Tax, and Measure M. Funding will largely align with investment maturities. In addition, projects totaling $2.1 million have been deferred to FY26-27.

Fiscal Year 2024-25 CIP Pending (Carryover)

Project	Funding Source	Account	Amount
Labourdette Park Project	CDBG	19-570-5501-2400	$ 300,000
	General Fund	10-570-5501-2400	$ 400,000
	Additional Appropriation		$ 650,000
Soroptimist Park	Prop 68	10-570-5501-2504	$ 185,000
	General Fund	10-570-5501-2504	$ 55,000
	Additional Appropriation		$ 80,000
Signage Replacement	General Fund	10-570-5501-2506	$ 150,000
Katella Avenue Design	Measure M	26-570-5501-2402	$ 300,000
ADA Curb Ramps	Measure M	26-570-5501-2501	$ 25,000
ADA Sidewalks	Measure M	26-570-5501-2502	$ 25,000
PMP	General Fund	10-570-5501-2502	$ 35,000
Bridge Assessment	General Fund	10-570-5501-2503	$ 15,000
ATP Project - Bloomfield	General Fund-M. Steel	10-570-5501-2507	$ 582,410
ATP Project - Bloomfield	General Fund	10-570-5501-2507	$ 175,000
Emergency Generator Project	Facilities (Fund 52)	52-570-5501-2308	$ 650,000
Pine Street Design	General Fund	10-570-5501-2419	$ 175,000
		Total FY24-25 Pending	**$ 3,802,410**

Fiscal Year 2025-26 CIP

Project	Funding Source	Account	Amount
Additional Appropriations	General Fund		$ 730,000
Community Center 2 Renovation	General Fund		$ 4,400,000
Street Slurry Project	SB-1		$ 300,000
	Gas Tax		$ 190,000
	Measure M		$ 55,000
LAYB Project (Restroom & Concession)	General Fund		$ 300,000
Street Striping	Measure M		$ 150,000
Grid Tree Trimming	Measure M		$ 95,000
		Total FY25-26	$ 6,220,000
		Total Combined CIP	**$ 10,022,410**

PD HVAC Project	Building Improvement (Fund 25)		$ 250,000
ADA Transition Plan	General Fund		$ 175,000
Public Works Renovation	Facilities (Fund 52)		$ 650,000
PD Locker Rooms	General Fund		$ 1,000,000
		Deferred	**$ 2,075,000**

General Fund	**$ 5,430,000**

Other Funds	
SB-1	$ 300,000
Gas Tax	$ 190,000
Measure M	$ 300,000
	$ 790,000

FISCAL IMPACT

The draft budget includes the additional proposed staffing. The proposed budget for FY25-26 and projection for FY26-27 reflect balanced budgets.

Attachment: None

City of Los Alamitos
BUDGET STANDING COMMITTEE AGENDA REPORT

MEETING DATE: April 3, 2025 **ITEM NUMBER: 6A**

To: **Budget Standing Committee Members**

Presented By: **Chet Simmons, City Manager**

Subject: **Conference With Labor Negotiator**

SUMMARY

City Negotiator: Chet Simmons, City Manager
Employee Organization: Executive Management, Non-Represented
Authority: Government Code Section 54957.6

RECOMMENDATION

BACKGROUND

DISCUSSION

FISCAL IMPACT

Attachment: None

City of Los Alamitos
BUDGET STANDING COMMITTEE AGENDA REPORT

MEETING DATE: April 3, 2025 **ITEM NUMBER: 6B**

To: **Budget Standing Committee Members**

Presented By: **Chet Simmons, City Manager**

Subject: **Conference With Labor Negotiator**

SUMMARY

City Negotiator: Chet Simmons, City Manager
Employee Organization: Teamsters Local 911
Authority: Government Code Section 54957.6

RECOMMENDATION

BACKGROUND

DISCUSSION

FISCAL IMPACT

Attachment: None

City of Los Alamitos

BUDGET STANDING COMMITTEE AGENDA REPORT

MEETING DATE: April 3, 2025 **ITEM NUMBER: 6C**

To: **Budget Standing Committee Members**

Presented By: **Chet Simmons, City Manager**

Subject: **Conference With Labor Negotiator**

SUMMARY

City Negotiator: Chet Simmons, City Manager
Employee Organization: Police Officers Association
Employees Authority: Government Code Section 54957.6

RECOMMENDATION

BACKGROUND

DISCUSSION

FISCAL IMPACT

Attachment: None