

ATTACHMENT 1



# City of La Habra

**Proposed Municipal Budget  
Fiscal Year 2021-2022**

# FY2021-22 Budget Overview

- \$136.4 million proposed overall municipal budget
- \$50.3 million proposed General Fund (GF) expenditure budget
  - \$5.7 million projected increase in GF revenues compared to FY2020-21 budget and \$2.8 million more than March 2021 estimate.
  - \$4.7 million estimated increase in GF expenditures compared to FY2020-21

# General Fund Budget Overview

## - New & Restored Expenses

- \$1,079,000 to restore frozen positions / fund increases in the State minimum wage
- \$937,000 to fund increases in CalPERS normal and unfunded liability pension costs
- \$893,000 in restored labor costs as a result of ending the emergency furlough program
- \$721,000 for increased fire contract costs / prior year carryover
- \$400,000 for unfunded liability reserves
- \$349,000 for restoration of recreation programs, facility rentals and special events
- \$215,000 for increased ambulance contract costs
- \$204,000 allocated for merit based salary increases
- \$100,000 to cover increased electricity costs
- \$98,000 for restoration of staff development / training
- \$69,000 to fund a new Code Enforcement Officer position
- \$35,000 for a Digital Information Management System (DIMS) upgrade
- \$30,000 for appraisals, conceptual designs and other services related to Economic Development activities

# Proposed GF Budget Balancing Measures

- The proposed budget includes a combination of line-item and one-time budget reductions & reallocations

Departmental line item budget reductions:	\$787,429
Deferred vehicle replacement charges:	\$478,130
Parks Division reorganization (savings):	\$358,512
Use of ARPA for COVID-19 related charges:	\$355,745
Freezing certain vacant Full Time positions:	\$301,365
<b>Total:</b>	<b>\$2,281,181</b>

# Proposed GF Budget Balancing Measures

- Delay hiring of 3 vacant Full Time positions and 1 vacant Part Time position in the Police Department
  - Lieutenant, Sergeant, Corporal
  - Part Time Animal Licensing Canvasser
- Freeze hiring of 4 vacant Full Time positions
  - Accountant, Management Analyst, Recreation Specialist, and Clerk
- A partial reorganization of the Parks Division in Public Works
- Defer Fleet Replacement charges
- Shift eligible COVID-19 related expenses to new federal American Rescue Plan Act (ARPA) funding

# General Fund Budget Comparison

## Revenues

Proposed FY 21/22 Budget	\$50,947,686
Amended FY 20/21 Budget	\$45,222,057
YtY Change: 12.6%	\$ 5,725,629

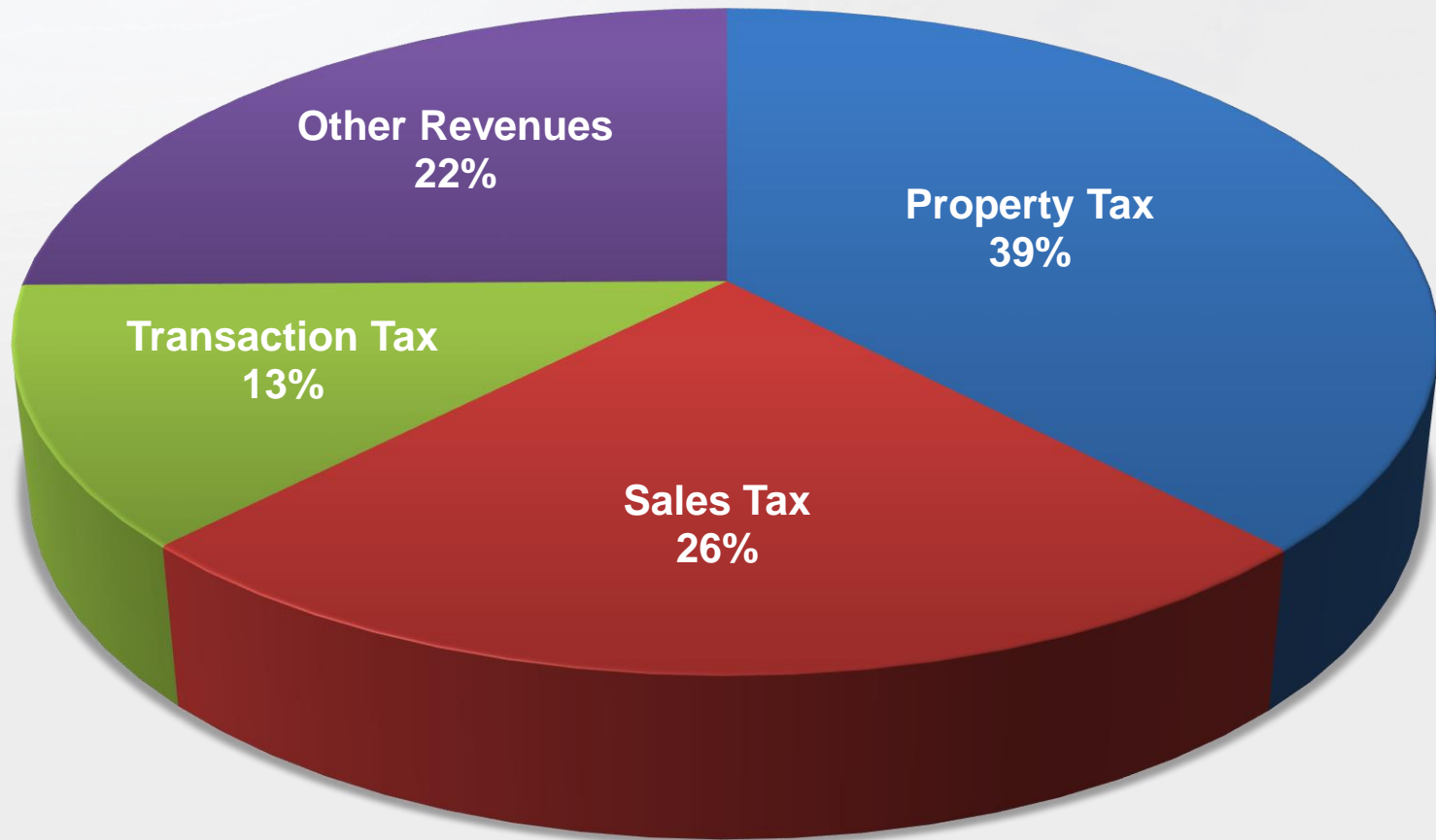
## Expenditures

Proposed FY 21/22 Budget	\$50,347,686
Amended FY 20/21 Budget	\$45,675,773
YtY Change: 10.2%	\$ 4,671,913

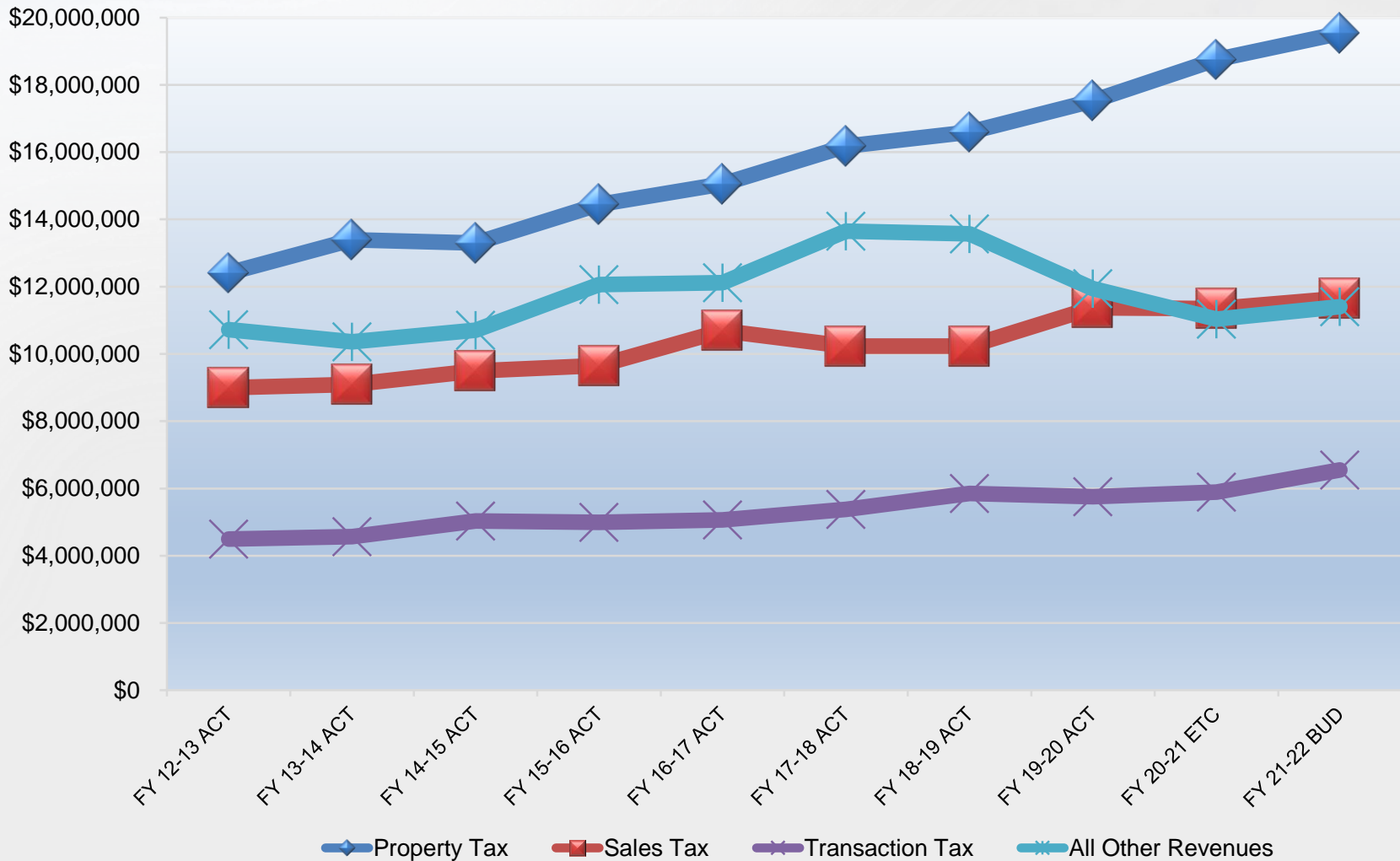
## FY 20/21 Proposed Budget

Proposed FY 21/22 Revenues	\$50,947,686
Proposed FY 21/22 Expenditures	\$50,347,686
Variance	\$ 600,000

# General Fund Revenues



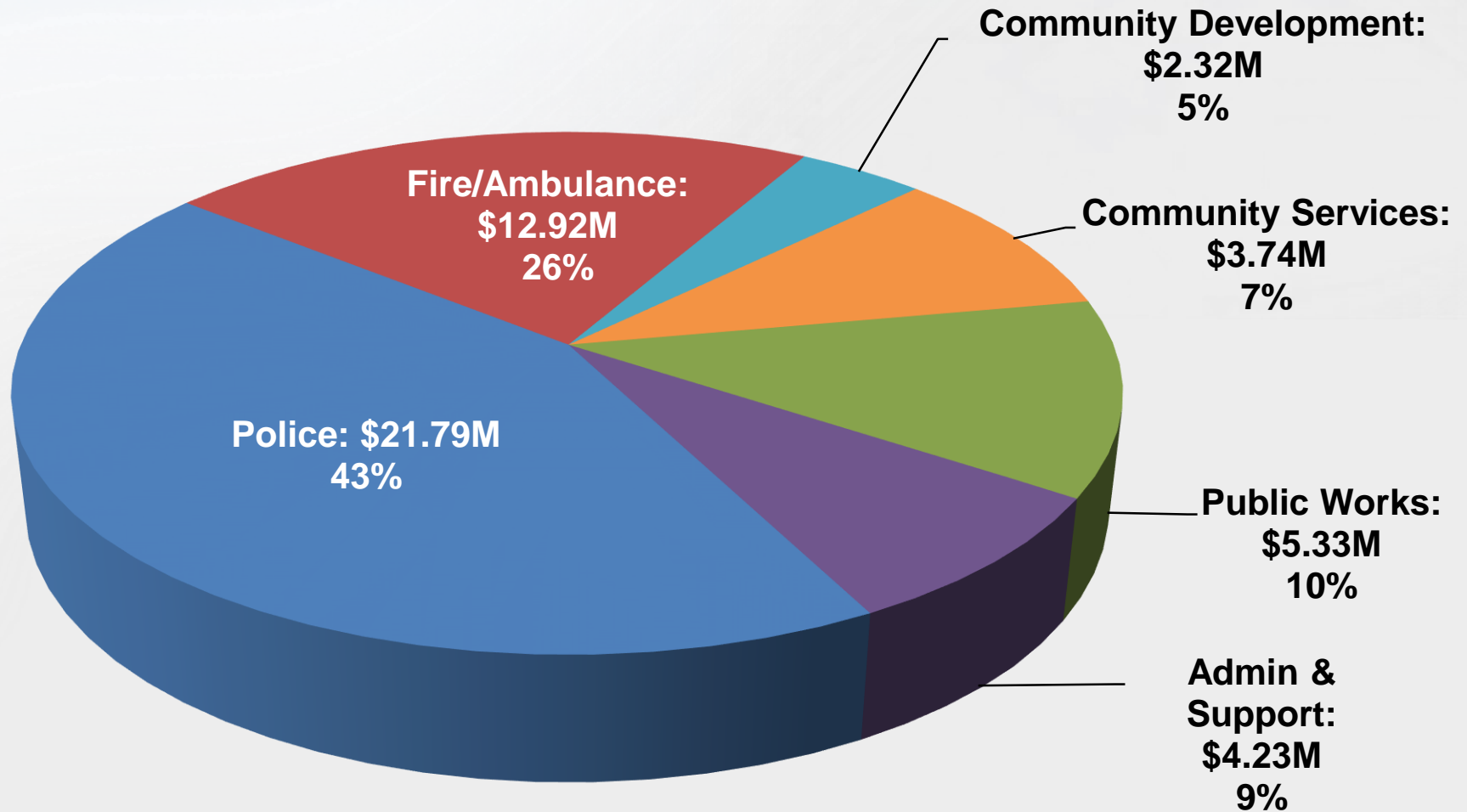
# General Fund Revenue History: 10 years



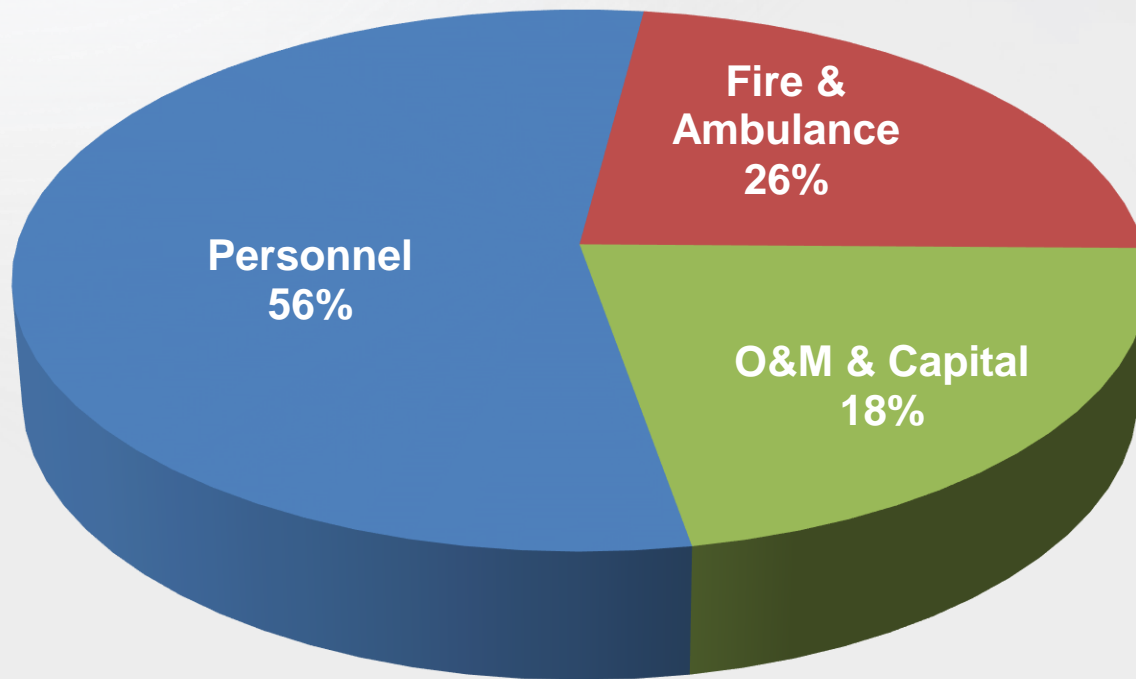
# FY21-22 General Fund Proposed Budget Summary by Department

Police	\$ 21,792,147
Fire & Ambulance	\$ 12,921,315
Public Works	\$ 5,333,468
Administration & Support	\$ 4,234,975
Community Services	\$ 3,744,992
Community Development	\$ 2,320,789
<b>Total</b>	<b>\$ 50,347,686</b>

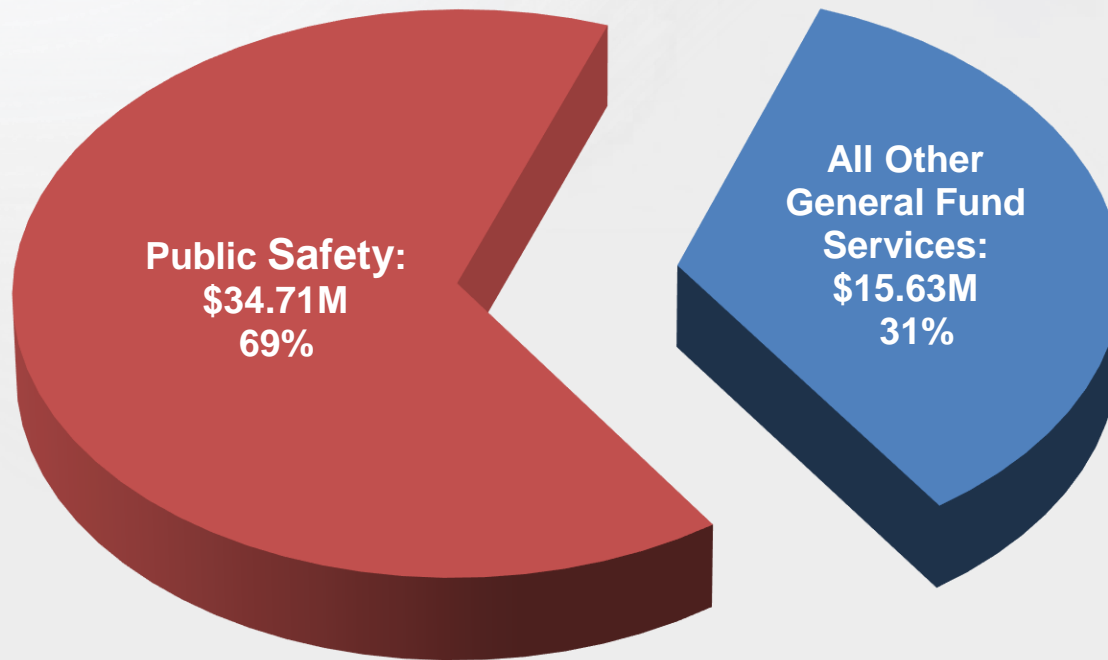
# General Fund Expenditures



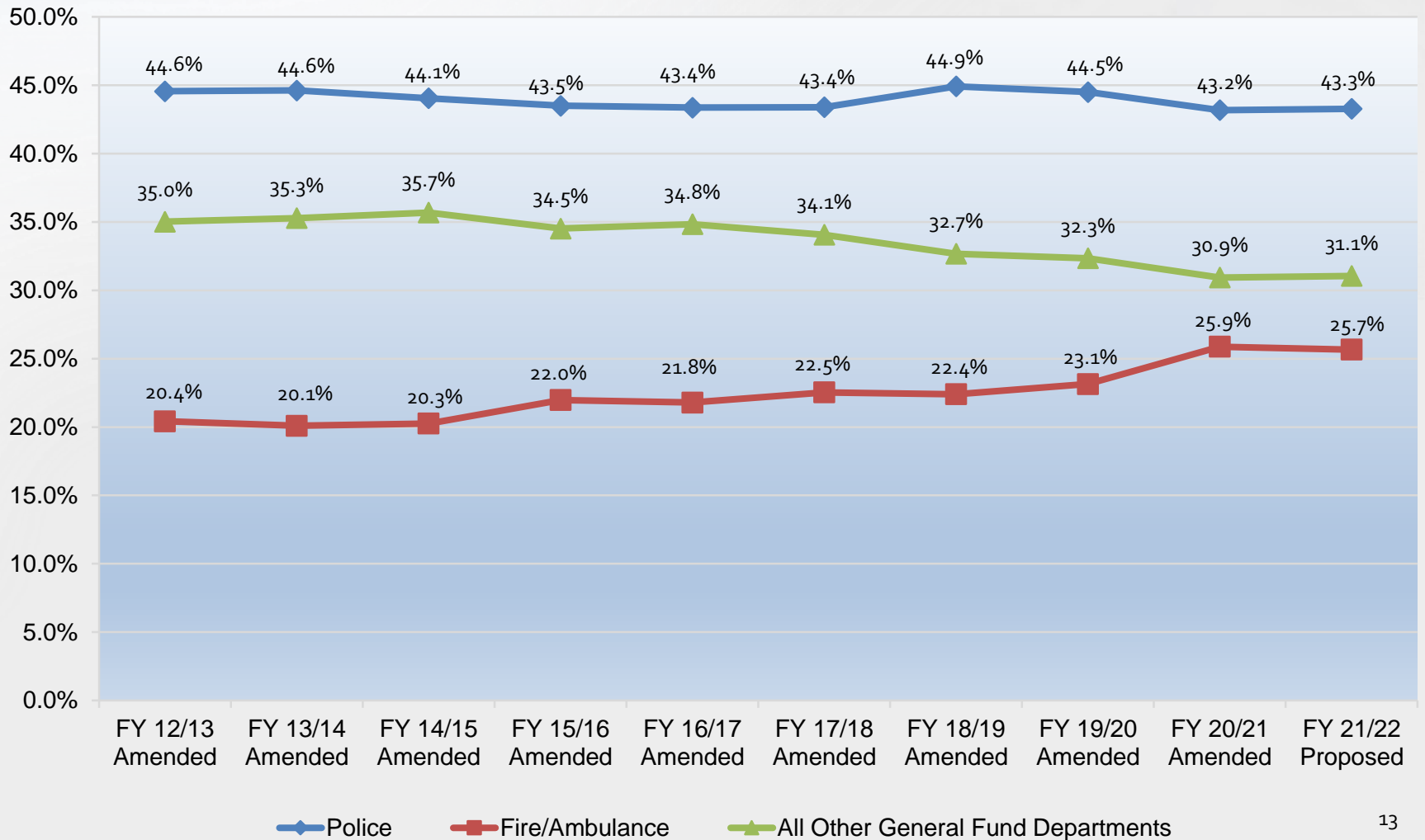
# General Fund Expenditures by Type

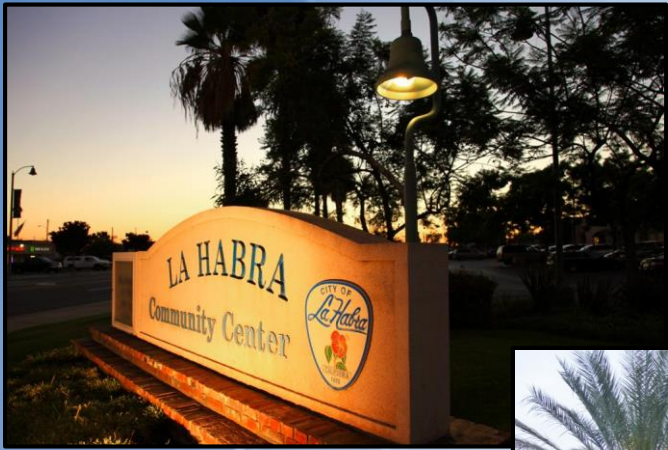


# Allocation of General Fund Resources



# General Fund Budget Allocation History





# Departmental Budgets

# Community Services

# Community Services

*Who We Are*

*What We Do*

Administration

Child Development

Children's Museum

Employment & Training

Facility Maintenance

Recreation & Special Events

Senior & Social Services

**Parks  
Make  
Life  
Better!**<sup>®</sup>

# Community Services

## Highlights FY21



## Administration

- Successfully administered the Department's expenditures, revenues, and personnel related items such as recruiting, training, and supervising Department's personnel;
- Navigated through furloughing staff and reconstructing staff duties and responsibilities;
- New lease agreements with the La Habra Host Lions, Phantom Projects Theater Group;
- Removed approximately 140,000 square feet of graffiti throughout the City with an average response time of less than 24-hours, as part of the City's graffiti abatement program.

# Community Services

## Highlights FY21



## Child Development

- Provided daily child care, before & after school care, distance learning services for 240 children during the Pandemic.
- Provided 1000's of drive-thru food packages and at-home curriculum kits during the Safer-at-Home Order.
- Mental health, social & emotional awareness, language, literacy and school readiness continues to be the focus for children enrolled in the early Head Start and State Preschool programs.
- Provided weekly packets for 50 Early Head Start participants and families
- Administered the County-wide Food Program, providing menu support, nutritional training, and reimbursement for health meals for Child Care Providers within the County

# Community Services

## Highlights FY21



## Children's Museum

- Developed a “Museum Outdoors” concept to allow members and friends to participate safely during the Pandemic
- Designed and installed a handicapped accessible pathway for those in wheelchairs and strollers
- Completed a Museum-wide safety survey and made changes as necessary to help ensure the safety of our guests
- Implemented the 3<sup>rd</sup> year of our grant-funded “Little Innovators” program, in partnership with Cal Tech, for our preschoolers and their teachers.
- Increased our social media and on-line presence with informative Tik Tok, Instagram, and other platforms, increasing our following by over 150%

# Community Services

## Highlights FY21



## Employment & Training

- Was awarded a contract from the County of Orange to expand employment & training opportunities for eligible youth throughout the entire County.
- Provided nearly 600 youth with follow-up services and another 250 additional youth with full program services.
- Established a remote service plan that gave us a presence in Garden Grove, Orange, and Santa Ana.

# Community Services

## Highlights FY21



## Facility Maintenance

**Coordinated Maintenance projects in the following facilities:**

- Community Center Complex
- City Hall
- Police Department
- Public Works Building & Yard
- Child Development
  - Main Office with 2 classrooms
  - CBC, the Claire Brown Center with 3 classrooms
  - CDC, the Child Dev Center w/3 classrooms
  - Whittier Pre School with 2 classrooms
  - Girl's Activity Building with 1 large classroom
- Scout Hut
- Gary Center
- Boxing Club
- CRCC
- Veteran's Hall
- Portola Park Tennis Facility

# Community Services

## Highlights FY21



## Recreation Services

Successfully managed a variety of recreation activities despite the COVID Pandemic including:

- Child Care for First Responders
- Initiated a Senior Citizen's Phone Friends Program for isolated seniors
- Created a full-day care program with Distance Learning Assistance
- Community Food Giving – Park-it Market
- Virtual Veteran's Day Celebration, Volunteer Recognition
- In-person Easter Eggstravaganza
- Day Porter Program
- Searched for, secured, maintained city inventory for PPE, Cleaning supplies

# Community Services

## Highlights FY21



## Social Services

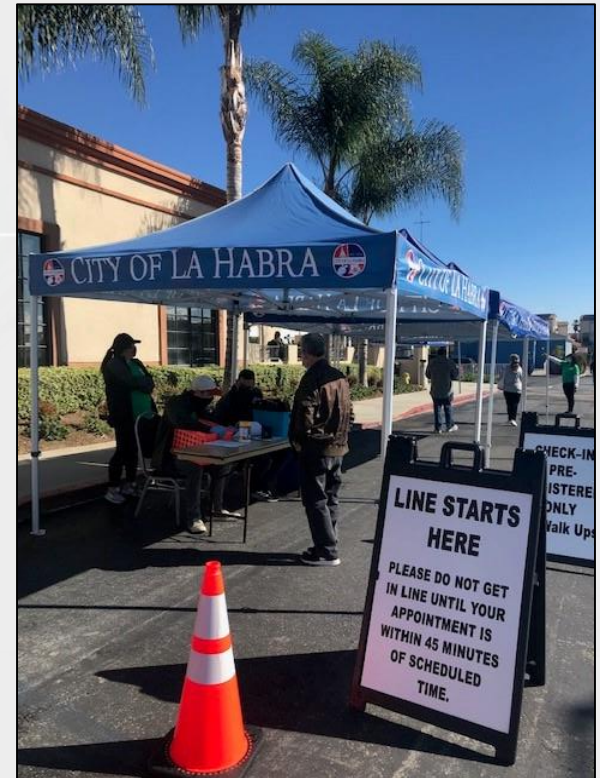
Collaborated with many organizations to assist in the planning and implementation of programs that assist our seniors and those others in need:

- Senior Meals-on-Wheels – to provide nearly 100 meals a day
- Participated in Senior and Family Health Fairs
- Holiday Wishes Program served 500 families and also included 100 senior citizens this year
- Assisted with the CRCC to provide food to thousand's of people weekly
- Performed “welfare checks” when needed
- Provided individualized shopping and home delivery for the most vulnerable
- Opened our building to seniors as soon as allowed by the State

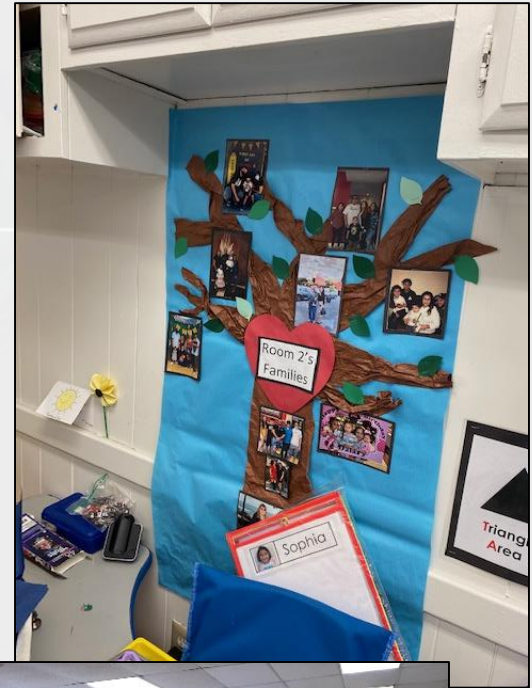
# Community Services



# Community Services



# Community Services



# Community Services



# Community Services

 ocyouthcenter

## EARN & LEARN?

YOU GOT IT!

THE COUNTY OF ORANGE PRESENTS AN EXCITING OPPORTUNITY TO GET PAID TO LEARN ABOUT ENTREPRENEURSHIP AND BUSINESS MANAGEMENT! THE COURSE IS COMPLETELY ONLINE & LAPTOPS ARE AVAILABLE FOR THOSE IN NEED.

GIVE OCYC A CALL AT 562-383-4227 OR CONTACT YOUR CASE MANAGER FOR MORE INFORMATION.



 ocyouthcenter



## TRAIN FOR A CAREER IN CONSTRUCTION!

**Training program is only 10 weeks!**

- Learn the skills you need to be a construction worker
- Multi-Craft Core Curriculum (MC 3)

**100% Free!**

**Register for our upcoming orientation!**

February 23 - 6:00 to 8:30 PM  
February 25 - 6:00 to 8:30 PM


**SCAN ME**



Learn more & register:  
[tinyurl.com/scevct](https://tinyurl.com/scevct)

Santa Ana College School of Continuing Education  
VISIT: [sac.edu/sce](https://sac.edu/sce) CALL: (714) 241-5782



 ocyouthcenter

Join Zoom Meeting  
<https://ocde.zoom.us/j/81871118524>  
Meeting ID: 818 7111 8524

**FAFSA**  
U.S. DEPARTMENT OF EDUCATION  
FEDERAL STUDENT AID

California DreamAct

Contact ILP SSW  
Lucy Solorzano to sign up  
Call phone: (714) 227-3440  
Email: [lucy.solorzano@sac.edu](mailto:lucy.solorzano@sac.edu)


During the Covid19 pandemic, fewer high school seniors are completing the FAFSA despite most colleges promising in person instruction in Fall 2021

Join us for this training on how to help youth in systems of care apply for financial aid.

The training is for Adult Supporters of youth in Foster Care and Probation

**WEDNESDAY  
FEBRUARY 17<sup>th</sup> at  
2:00 p.m.- 3:00 p.m.**

Presenter Michael Crane,  
Golden West College, Student Programs Specialist  
EOPS/CARE/NextUp/Guardian Scholars



# Community Services Budgets

**General Fund Total** **\$ 3,744,992**

Administration	\$ 676,792
Social Services	\$ 252,511
Facility Rentals	\$ 267,148
Recreation	\$ 693,224
Special Events	\$ 312,129
Facility Maintenance	\$ 1,543,189

## Other Funds

Child Development	\$ 6,311,510
Children's Museum	\$ 714,680
Employment & Training	\$ 2,194,735
AQMD	\$ 170,000

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**ALL BUDGETS TOTAL** **\$13,135,917**

# Community Services Budget Highlights

- Funding to restore programs and events:
  - Includes a 4<sup>th</sup> of July Fireworks Show, Tamale Festival, La Habra Races, and other special events
  - Continued funding from our grant supporters including the Department of Education, OC Head Start & County of Orange.
- Continued security at the Skateboard Park to keep the environment safe and appealing to young children and families
- Freeze the hiring of a vacant Recreation Specialist
- Funding for reclassification of two Recreation Specialist positions to Community Services Coordinator
- Provide part-time staffing at the two new Splash Pads for the first year
- Minimum wage increases for part-timers as required by the State of California
- Salary increases for Child Development Staff, including teachers to bring salaries to the median of Orange County comparable staff.

# Net General Fund Support: Special Events

## FY 11/12 to FY 21/22

Special Events	Net General Fund Annual Subsidy Amount										
	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21*	FY 21/22*
4th of July	\$22,742	\$26,173	\$28,202	\$30,374	\$45,030	\$28,670	\$33,985	\$43,454	\$32,920	\$1,565	\$45,000
Concerts in the Park	\$14,670	\$9,542	\$526	\$18,983	\$11,822	\$1,581	\$6,000	\$11,470	\$3,869	\$0	\$0
Veteran's Day	\$1,222	\$0	\$17,866	\$9,408	\$7,713	\$4,774	\$4,322	\$5,042	\$5,993	\$299	\$2,000
Eggstravaganza	\$1,044	\$0	\$2,273	\$5,747	(\$2,877)	\$8,255	\$334	\$13,433	\$3,273	\$2,857	\$850
La Habra Races	\$0	(\$1,390)	(\$6,006)	(\$777)	\$9,353	\$3,105	\$2,533	(\$3,072)	\$6,758	(\$46)	\$0
LH Mayors Task Force	(\$105)	\$2,832	\$805	\$239	(\$701)	\$3,271	(\$53)	(\$229)	\$302	\$0	\$0
Citrus Fair	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tamale Festival	\$0	\$0	\$0	\$9,931	\$7,276	\$23,504	\$6,028	\$9,648	\$18,695	\$213	\$20,000
Late Night Egg Hunt	\$0	\$0	\$0	\$0	\$724	\$2,609	(\$522)	(\$2,397)	\$15	\$467	\$0
Love La Habra	\$0	\$0	\$0	\$0	\$1,195	\$1,738	\$6,194	\$5,547	\$2,583	\$2,583	\$0
Corn Festival	\$26,317	\$23,869	\$29,155	\$28,968	\$15,405	\$9,768	\$13,238	\$16,383	\$18,700	\$0	\$19,635
Operation Santa	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Movies in the Park	\$0	\$0	\$0	\$24,252	\$5,623	\$10,165	\$5,926	\$4,508	\$2,065	\$0	\$0
<b>Total</b>	<b>\$65,890</b>	<b>\$61,026</b>	<b>\$72,821</b>	<b>\$127,125</b>	<b>\$100,563</b>	<b>\$97,440</b>	<b>\$77,986</b>	<b>\$103,787</b>	<b>\$95,173</b>	<b>\$7,938</b>	<b>\$87,485</b>

\*Estimates  
7/1/20-4/30/21

\*Budget  
Estimates

# Public Works

# Public Works

## **FY 2020-2021 Major Accomplishments**

- Completed the reconstruction of the northerly parking lot at Oeste Park.
- Replaced more than 1,750 water meters and repaired 14 water main breaks.
- Completed construction of the Las Lomas and Loma Verde Parking Lot Projects.
- Started the construction of the signal improvements at Harbor Boulevard and Arbolita Drive
- Completed the Splash Pad Playgrounds at Brio Park and Oeste Park.
- Completed the construction contract for the Imperial Highway Synchronization Project.

# Public Works

## **FY 2020-2021 Major Accomplishments - continued**

- Completed the construction for the Whittier Boulevard and Hacienda Road Intersection Improvement Project.
- Completed the design and started work on the 2020-21 FY Residential Street Rehabilitation and Slurry Seal Project.
- Continued to on the Vista Grande Park Rehabilitation Project.
- Completed the Russell Storm Drain Project.
- Conducted recycling outreach to nearly 750 businesses in La Habra.
- Completed Phase 2 (Risk and Resiliency Assessment) of America's Water Infrastructure Act (AWIA).
- Completed the design of the roadway improvements at View Park Mobile Home Park and Park La Habra Mobile Home Park.

# Public Works

## Oeste Park Parking Lot Reconstruction Before / After



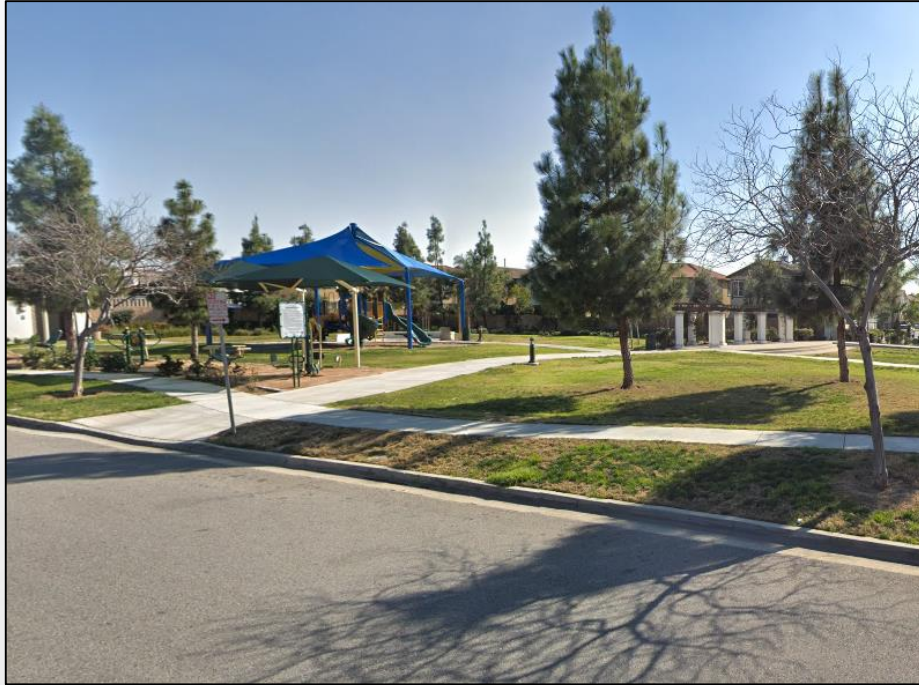
# Public Works

## Whittier/Hacienda Intersection Improvements: Before / After



# Public Works

## Brio Park Splash Pad Project: Before / After



# Public Works

## **FY 2021-22 Major Goals**

- Complete the design of the Lambert Road Synchronization Project.
- Complete the construction of the signal Improvements at Harbor Boulevard and Arbolita Drive
- Continue to provide Special Event Bus service coordinated by Community services.
- Complete Annual Residential Street Rehabilitation and Water Main Replacement and Slurry Seal Projects.
- Complete Annual Sidewalk Replacement and Access Ramp Program.
- Complete the Annual Street Striping Program.
- Complete design and begin construction on the final landfill cover and park development at Vista Grande Park.

# Public Works

## **FY 2021-2022 Major Goals - continued**

- Automate 15 percent of the City's water meters.
- Complete the reconstruction of roadways at View Park Mobile Home Park and Park La Habra Mobile Home Park.
- Complete the Design of the Foothill Zone Consolidation Project
- Highway Safety Program (six intersections)
- Construct new security lighting at the Skate Park.
- Increase business participation to 100% under the recycling and organics programs.

# Public Works Budgets

**General Fund Total**

**\$ 5,333,468**

Administration	\$ 193,746
Street Maint.	\$ 767,256
Storm Drains	\$ 73,296
Parks/Landscape	\$ 2,556,395
Engineering	\$ 369,897
Traffic Mgmt.	\$ 1,033,558
NPDES	\$ 339,320

(other Public Works budgets continued next slide)

# Public Works Budgets

<b>General Fund</b>	<b>\$ 5,333,468</b>
<b>Non-General Fund</b>	<b>\$58,313,360</b>
Utility Authority-Water	\$ 23,058,516
Enterprise Fund - Refuse	\$ 7,493,859
Measure M2 Funds	\$ 5,807,570
Gas Tax	\$ 5,116,167
Other Grants (State/ Federal)	\$ 4,559,559
SB1 – Road Maintenance	\$ 3,161,806
Utility Authority-Sewer	\$ 3,121,841
Capital Projects Fund (GF)	\$ 2,572,076
Fleet Internal Service Funds	\$ 2,143,368
Park Grants Fund	\$ 861,400
Park Acquisition Development Fund	\$ 267,198
Traffic Improvement Fund	\$ 150,000
<b>ALL BUDGETS TOTAL</b>	<b>\$63,646,828</b>

# Public Works Budget Highlights

- **General Fund**

- Decreased professional service costs for park/median landscaping
- Funding for a new Administrative Aide Position in Engineering division
- Freeze hiring for a Clerk position in Engineering division
- Additional funding budgeted due to increased cost in electricity
- Moved two full time positions from Parks to Refuse
- Moved one full time positions from Parks to Streets
- Eliminated one vacant position in Parks division

- **Water and Sewer Fund**

- Additional funding budgeted due to increased cost to purchase water
- Funding allocated for Annual Pipe Replacement and other CIP projects.

- **Refuse Fund**

- Increased funding for SB 1383 regulations for organics program costs mandated by the State
- Funding for two new Full Time employees to conduct additional citywide refuse cleanup
- Funding for two Part Time employees eliminated

- **Fleet Internal Services Fund**

- Increased fuel costs due to recent economic impacts
- Funding for reclassification of Assistant Fleet Coordinator to Fleet Supervisor

# Prior Year Approved Projects in Progress during FY 20/21

**Total of Previously Approved Funding: \$23,389,834**

## Notable Projects

- Vista Grande Park Design \$ 2,574,841
- Annual Residential Street Rehab. FY 19-20 \$ 1,444,381
- Annual Residential Street Rehab. FY 20-21 \$ 1,296,332
- Arterial Street Rehab. La Habra, Palm, Cypress \$ 1,280,422
- Mobile Home Roadways \$ 1,259,487
- Annual Arterial Rehab. Euclid- Whittier to City Limit \$ 1,210,108
- Annual Water Main Replacement FY 18-19 \$ 1,101,704
- Annual Water Main Replacement FY 19-20 \$ 1,125,000
- Annual Water Main Replacement FY 20-21 \$ 1,125,000
- Other Projects \$10,972,559

# Capital Improvement Program: FY 21/22

**Total Proposed Budget: \$11,356,522**

## **Notable Proposed Projects**

# Fire & Ambulance



Care Ambulance

LA County Fire

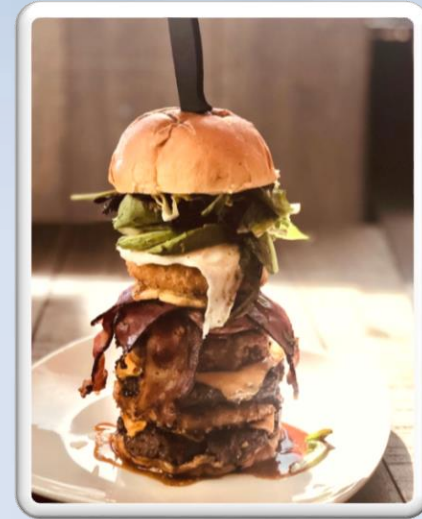


# Fire & Ambulance Budgets

**Total Budget (all General Fund):** **\$12,921,315**

- Unfunded liability pension costs allocated for former City of La Habra firefighters: \$1,578,239
  - Increase of \$201,190 compared to FY20-21
- LA County Fire contract cost: \$9,993,256
  - Increase of \$721,007 compared to FY20-21
- Ambulance contract cost: \$1,364,760
  - Increase of \$214,760 compared to FY20-21

# Community Development



Our Mission:  
To Build a Vibrant Community

# Community Development

## **FY 20-21 Major Accomplishments**

- Created processes to allow development and permitting application processing via on-line tools during COVID-19.
- For the calendar year 2020, the Building and Safety Division issued 1,792 permits, with a construction valuation of \$32,971,196.
- Code Enforcement responded to 534 property maintenance violations.
- Worked closely with the City's restaurant owners to create and maintain a program for temporary outdoor dining during the COVID -19 Pandemic.
- Facilitated Planning Commission meetings via the Zoom application, and developed methods to maintain an open and transparent "Public Hearings" process
- Reconstituted the General Plan Advisory Committee (GPAC) and facilitated public workshops (via Zoom) for the updating of the Housing and Safety elements of the General Plan.

# Community Development

Completed Private  
Development Projects

# Community Development



1450 South Harbor Boulevard

# Community Development



La Habra Market Place upgrade 51

# Community Development

Approved Development Projects

# Community Development



La Quinta Hotel

# Community Development



St. Jude Heritage  
Medical Group 



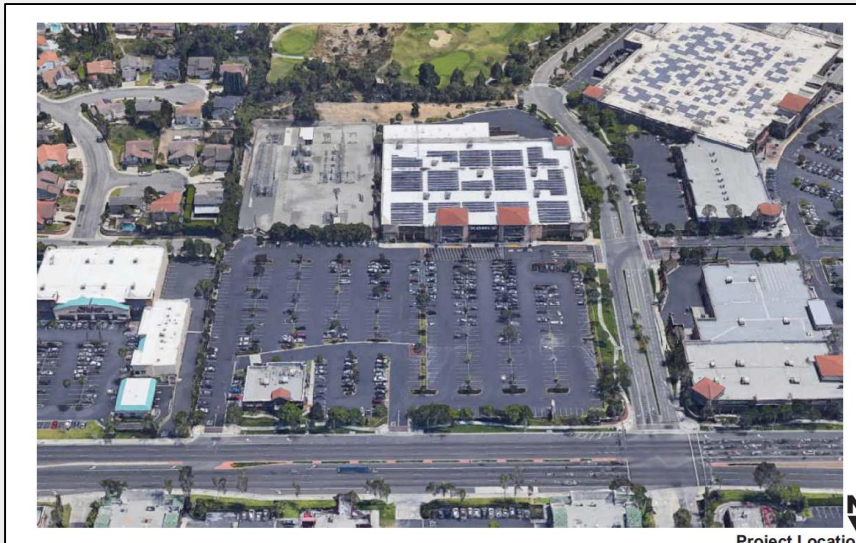
1 SOUTH (FRONT) ELEVATION - NORTHGATE MARKET

# Community Development



121 East Whittier Boulevard – Office Building

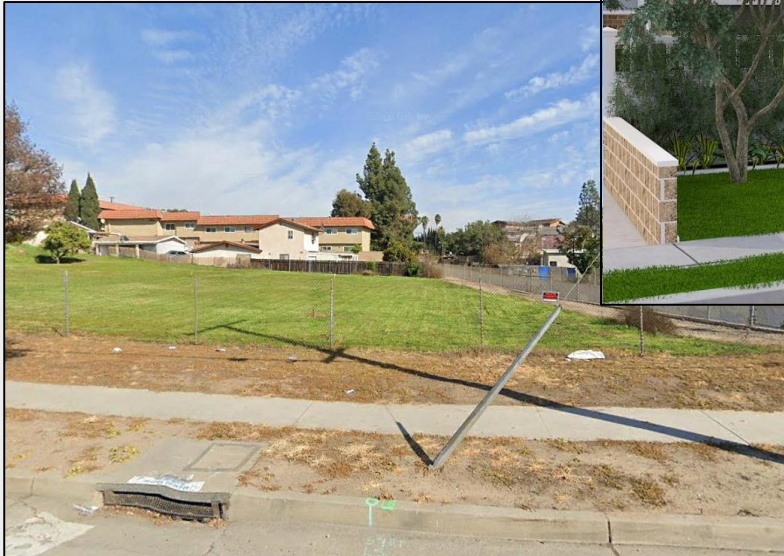
# Community Development



Project Location

1610 West Imperial Highway

# Community Development

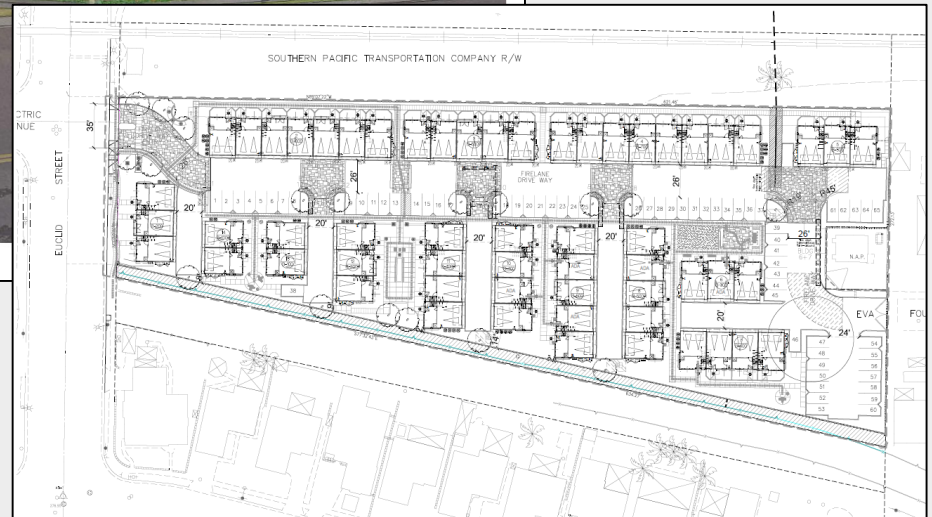


508 South Walnut Street – 3 unit Condos

# Community Development



104-118 Electric Avenue



# Community Development

## **FY 21-22 Major Goals**

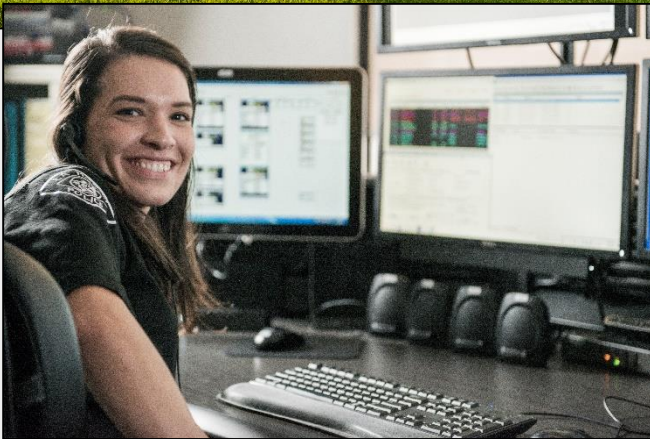
- Maintain and improve the built environment to protect the public health, safety, and welfare of our residents, businesses, and guests.
- Encourage and support economic development opportunities through appropriate and balanced land use development.
- Coordinate interdepartmental actions to maximize delivery of public service and better address regional and local community development needs.
- Improve the economic opportunities within the community through appropriate balanced land use development, encourage and assist in the revitalization and improvement of blighted commercial/industrial properties and improve the City's aging housing stock.
- Identify development opportunities along La Habra Boulevard to spur downtown revitalization.



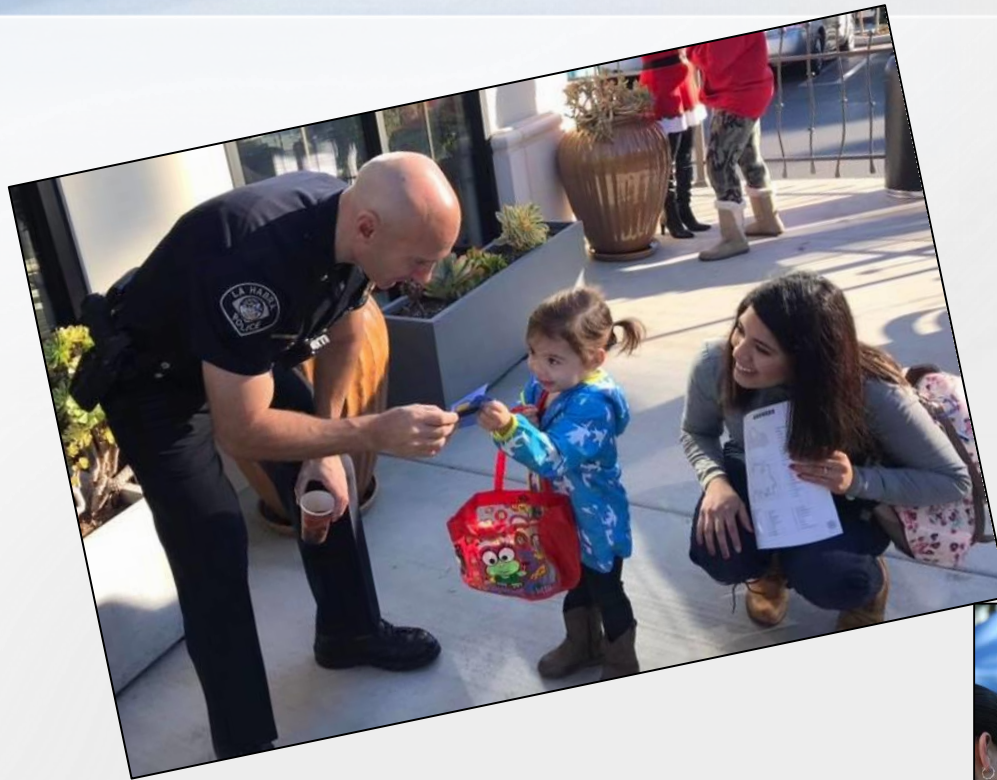
# Community Development Budget Highlights

- Community Development's \$12.8 million budget represents approximately 9.3% of the overall municipal budget. Of that total \$2.3 million impacts the General Fund.
- In FY 20-21 (mid-year), the Department generated \$1.1 million of General Fund revenue via fees and charges.
- Community Development's FY 21-22 General Fund proposed budget has increased by \$259,973 or 12.6% consisting of:
  - Freeze hiring of one vacant Management Analyst
  - Funding for an additional Code Enforcement Officer
  - Funding for reclassification of Permit Clerk to Permit Technician I
  - Funding for reclassification of Senior Permit Clerk to Permit Technician II
  - Funding for reclassification of Secretary to Administrative Assistant
  - Restoration of funding for staff development / training
  - Added funding for Economic Development to cover the cost of appraisals, conceptual designs and other services.

# Police



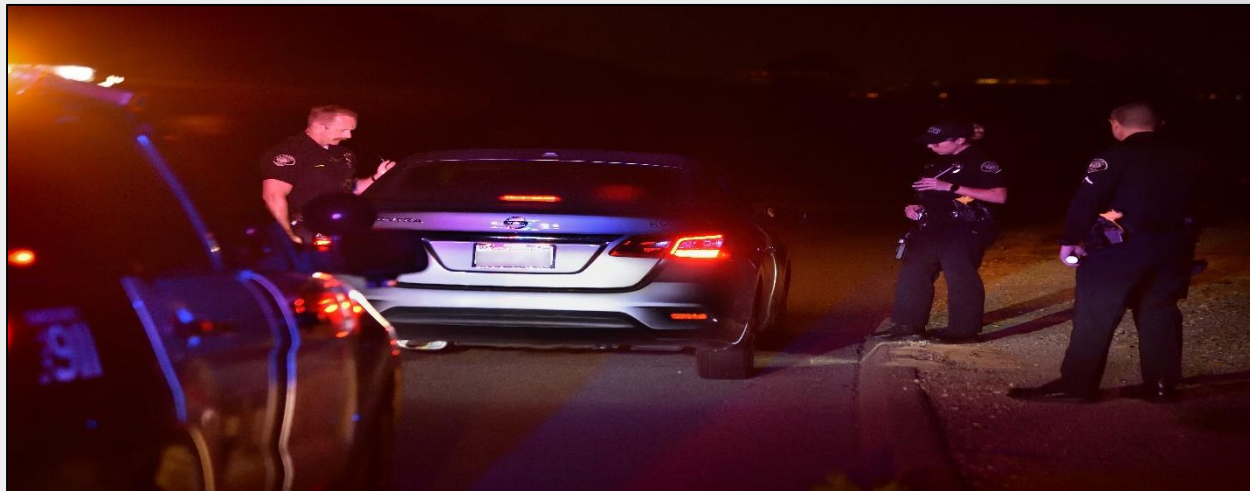
# Police



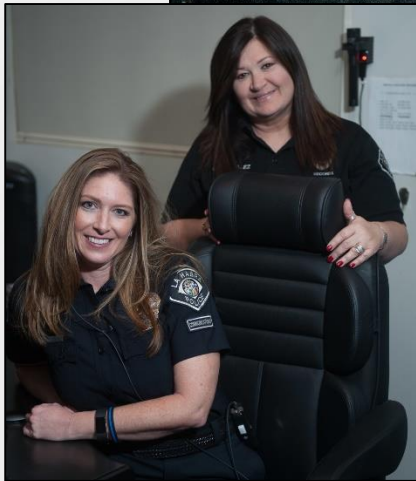
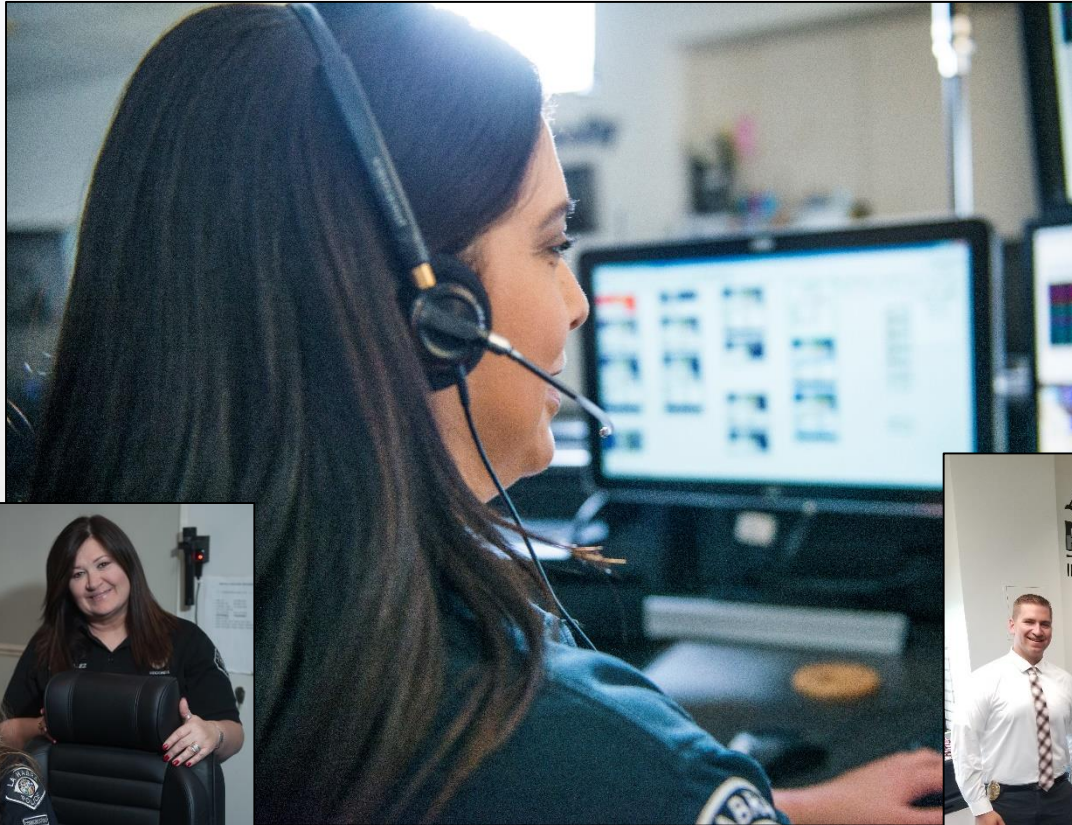
## Community Outreach



# Police - Operations



# Police – Support Services



# Police

## FY 20-21 Major Accomplishments

- Responded to 39,393 combined calls for service.
- Average response time to Priority 2 calls decreased to 10 minutes and 21 seconds (Beating the goal of 13 minutes).
- Conducted directed enforcement at DUI checkpoints, red light violations, speed violations, and distracted driving violations through grant funds awarded by the California Office of Traffic Safety.
- Established a Crime Impact Team to address quality of life issues, emerging crime trends and problems areas within the city.
- Increased our social media presence on Facebook with close to 16,000 followers, about 2,000 more followers from last year.
- Part 1 crimes decreased the year prior from 1,257 to 1,230 Part 1 crimes reported.

# Police Budgets

**General Fund Total** **\$ 21,792,147**

Administration	\$ 2,537,641
Operations	\$11,062,005
Investigations	\$ 4,351,027
Support Services	\$ 2,931,539
Animal Control	\$ 469,663
Auxiliary Services	\$ 440,272

## Other Funds

Public Safety Augmentation	\$ 454,600
Police Grants	\$ 678,636
Traffic Safety	\$ 3,000
EMPG Grant	\$ 9,636

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**ALL BUDGETS TOTALS** **\$ 22,938,019**

# Police

## FY 21-22 Major Goals

- Promote outstanding customer service to the community throughout all levels of the police department.
- Maintain average response times of 4 minutes to emergency (Priority 1) calls and under 13 minutes for less urgent (Priority 2) calls.
- Continue our collaborative efforts to decrease homelessness and quality of life issues.
- Address traffic related issues throughout the city with increased presence of Parking Enforcement Officers and Reserve Officers.
- Continue technological advances by integrating the department's record system into the National Incident-Based Reporting System.
- Resume community outreach programs such as National Night Out, Cool Cops, Citizens' Academy and Coffee with a Cop.

# Police Budget Highlights

- Propose to temporarily decrease personnel costs through delayed hiring:
  - One vacant Police Lieutenant (3 months)
  - One vacant Police Sergeant (3 months)
  - One vacant Police Corporal (3 months)
  - One Part-Time Animal Control Licensing Canvasser (6 months)
- Funding for additional Reserve Police Officers
- Funding for Digital Information System (DIMS) upgrade
- Allocation of some overtime costs to Public Safety Augmentation Fund.
- Uniform & Equipment costs reduced.
- Selected expenditures moved to a Non-General Fund COVID budget.
- Two Police Sergeants expected to retire by first quarter of the FY 2021/22.
- Five Police Officers to begin police academy in July 2021.

# Administration and Support Departments



**City Council**  
**City Manager**  
**City Clerk**  
**City Attorney**  
**Finance**  
**Human Resources**

# Administration & Support Departments

## **FY20-21 Major Accomplishments**

- Adopted the City's Annual Goals and Objectives and Legislative Platform
- Completed the "Join the Conversation" public outreach campaign and community survey
- Completed 31 FT/PT recruitments and processed 2,413 job applications
- Developed policies regarding COVID safety protocols and federal/state mandated procedures
- Completed ongoing mandated training for employees, including harassment training for City Council and Commissioners
- Conducted the November 2020 General Municipal Election, including two local initiatives
- Completed roll-out of Agenda Quick Management software and training of staff

# Administration & Support Budgets

**General Fund Total** **\$ 4,234,975**

Administration	\$1,976,926
Finance	\$1,141,033
Human Resources	\$ 403,737
City Clerk	\$ 348,404
Legal Services	\$ 300,000
City Council	\$ 64,875

## **Other Funds**

Risk Management Fund	\$ 2,914,063
Information Technology Fund	\$ 1,897,679
Civic Improvement Fund	\$ 575,408
Other Post Employee Benefits Fund	\$ 440,000
Information Technology Replacement Fund	\$ 267,250
Debt Service Fund	\$ 106,130

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**ALL FUNDS TOTAL** **\$10,435,505**

# Administration & Support Departments

## **FY21-22 Major Goals**

- Implement Council policy direction with an emphasis on organizational excellence, values, and customer service as top priorities
- Advocate the City's legislative platform and seek grant funding to support City priority projects/programs
- Complete the 2021 Community Satisfaction and Budget Priority Survey
- Prepare strategies for the allocation of federal funding from the American Rescue Plan Act and present them to the City Council for approval
- Complete successful contract negotiations with all represented employee bargaining groups
- Initiate electronic public records request program through Destiny software
- Initiate review and update of citywide records management policy and retention schedule

# Administration & Support FY21-22 Budget Highlights

- Increase in Human Resources budget to enhance and implement new technology and software to increase efficiency of human resources functions
- Reduction in City Clerk annual budget due to off-year election cycle, although there will be a need for professional services agreements with vendors to help streamline records requests and records retention programs and implement any state-mandated revisions
- Anticipated increase in Legal Services budget to reflect possibility of higher litigation/legal services costs in FY21-22
- Allocation of funding in Administration budget to provide resources for enhanced public outreach per Council-approved goals and objectives
- Freeze hiring of one vacant Accountant position in the Finance Department
- Funding for an additional Part Time Geographic Information System (GIS) Intern in the Finance Department
- Funding for reclassification of one Human Resources Technician to Human Resources/ Risk Management Analyst



# **Summary of FY 21/22 Proposed Budget**

# Proposed Municipal Budget Summary by Fund

<b>General Fund (GF)</b>	<b>\$ 50,347,686</b>
Special Revenue Funds	\$ 32,819,730
Agency & Authority Funds	\$ 30,097,554
Enterprise Funds	\$ 12,835,452
Internal Service Funds	\$ 7,662,360
Capital Projects Fund (GF)	\$ 2,572,076
Debt Service Fund	\$ 106,130
<b>TOTAL MUNICIPAL BUDGET</b>	<b>\$136,440,988</b>

# Budget Summary

- General Fund budget is balanced:
  - Using a combination of budget cuts and spending controls, phased hiring, and proposed freezes of certain vacant positions
  - Provides resources for restored programs and services, labor negotiations, increasing pension obligation costs, restoration of some previously frozen and eliminated positions, reclassifications of certain existing positions and funds to cover an increase in the State mandated minimum wage requirement.
- Pace of citywide infrastructure projects and development anticipated to grow

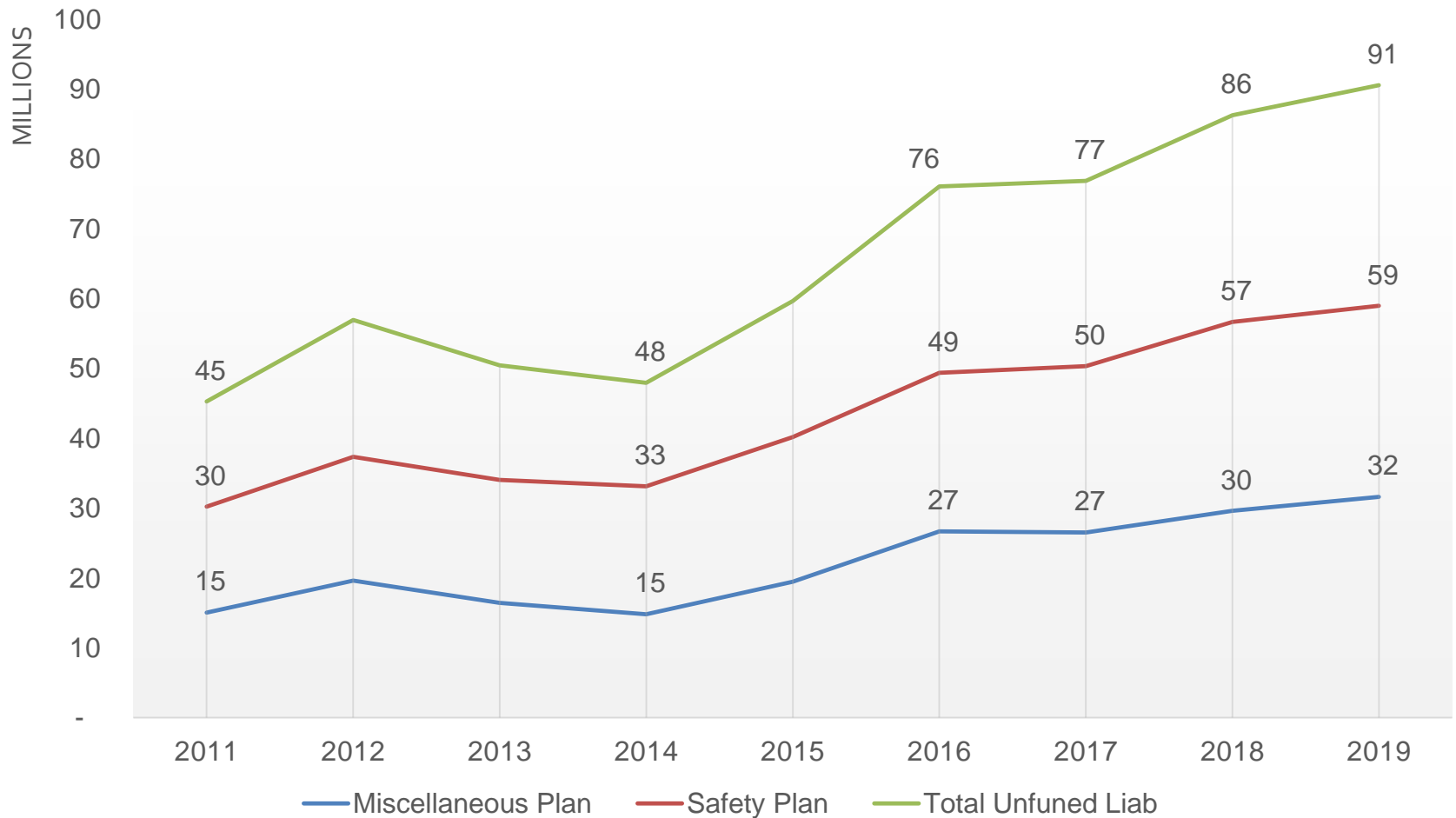
# Future Budget Challenges

- Lingering economic damage/disruption due to the COVID-19 pandemic
- Increasing unfunded pension liability costs
- Increasing use of internal reserves and diminished ability to replenish those reserves
- Maintaining salaries and benefits competitive with agencies in the region to control attrition rates
- Recruitment and retention of key staff positions, particularly Police Officers and Dispatchers
- The growing adverse impact of online retail sales on local businesses and on local sales and transaction tax revenues
- The pending loss of the City's Measure T local transaction and use tax in December 2028

# Pension Cost History and Forecast

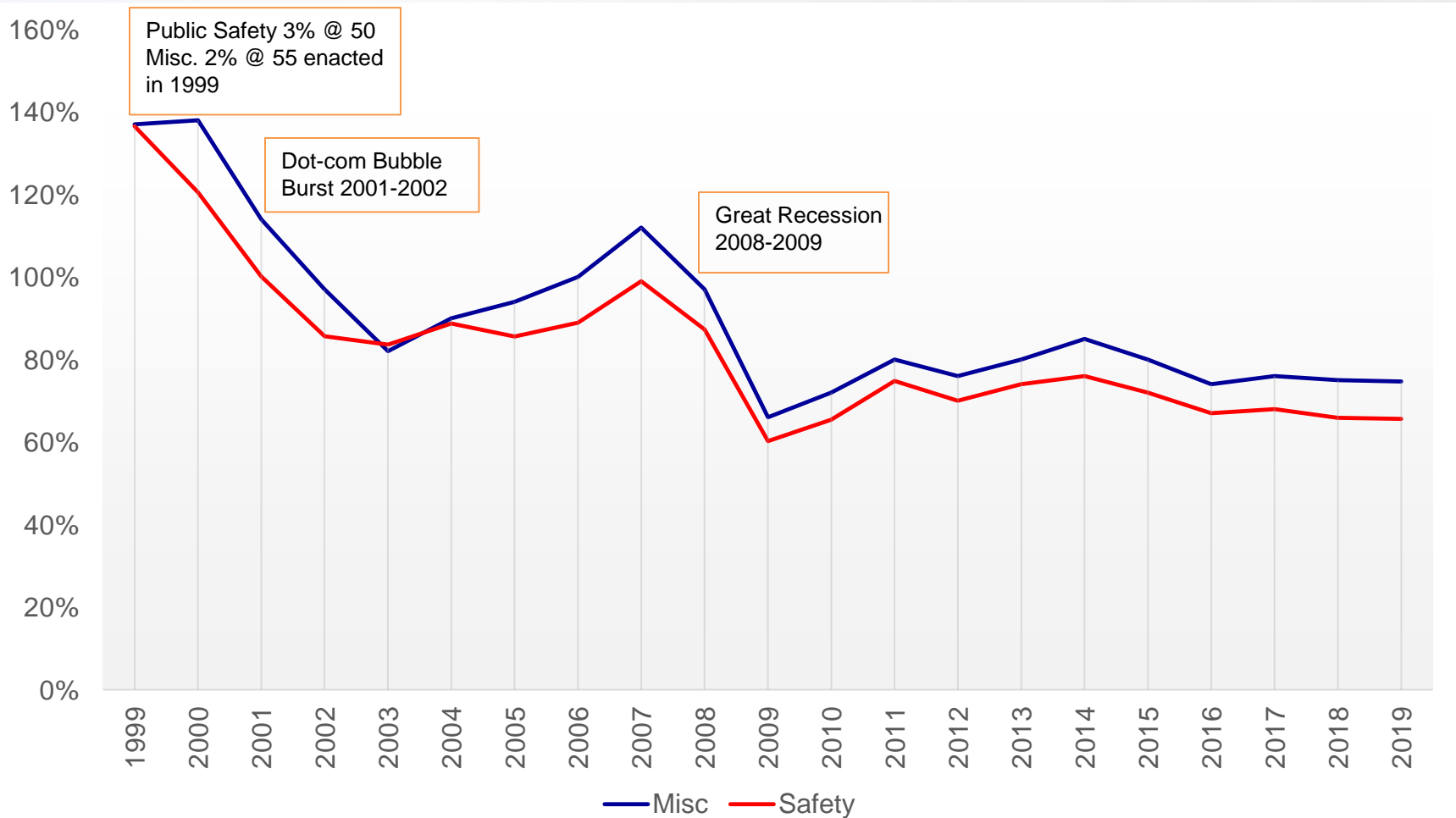
# Total CalPERS Unfunded Liability

## City of La Habra: All Funds

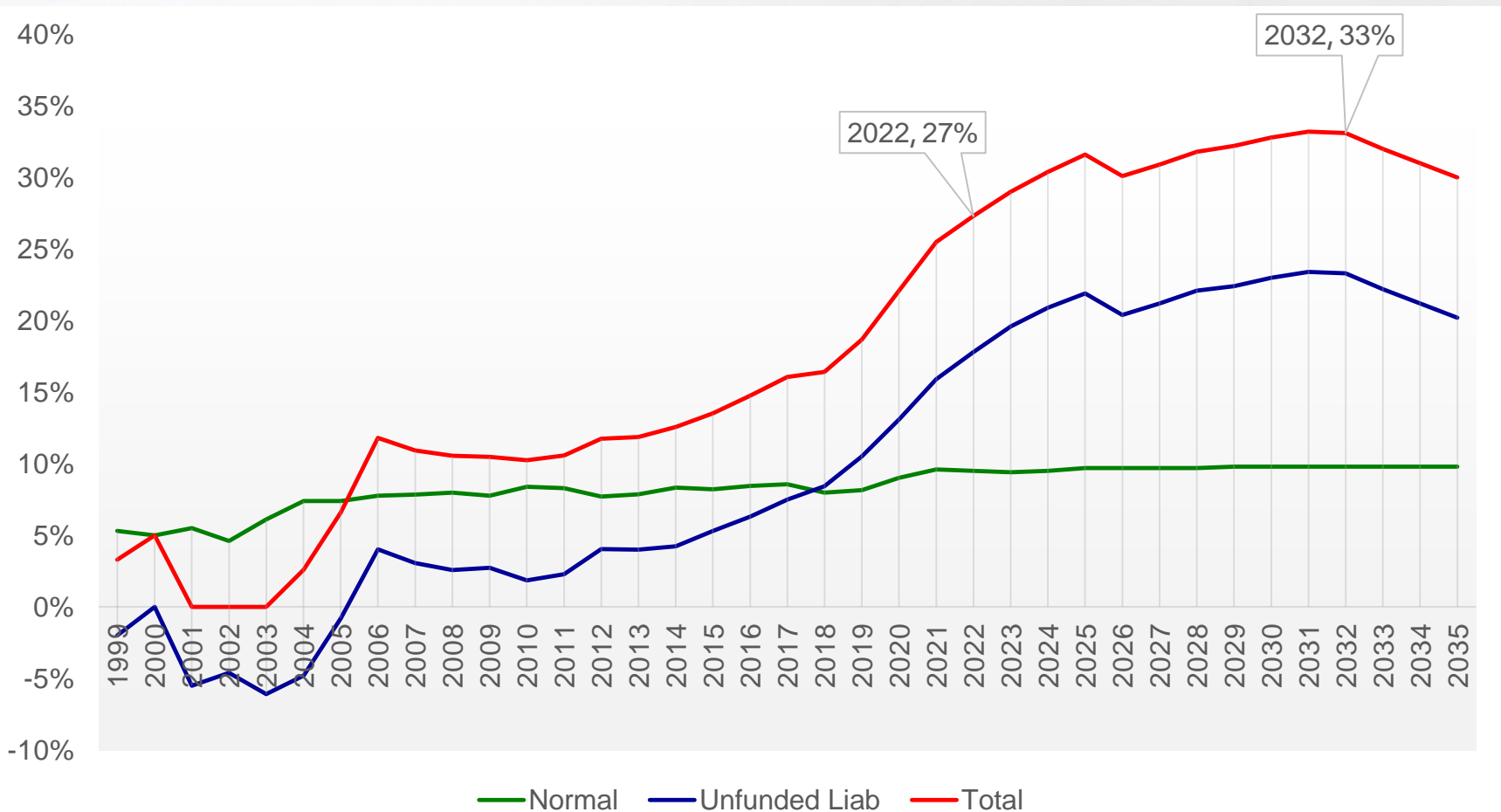


# CalPERS Funded Status

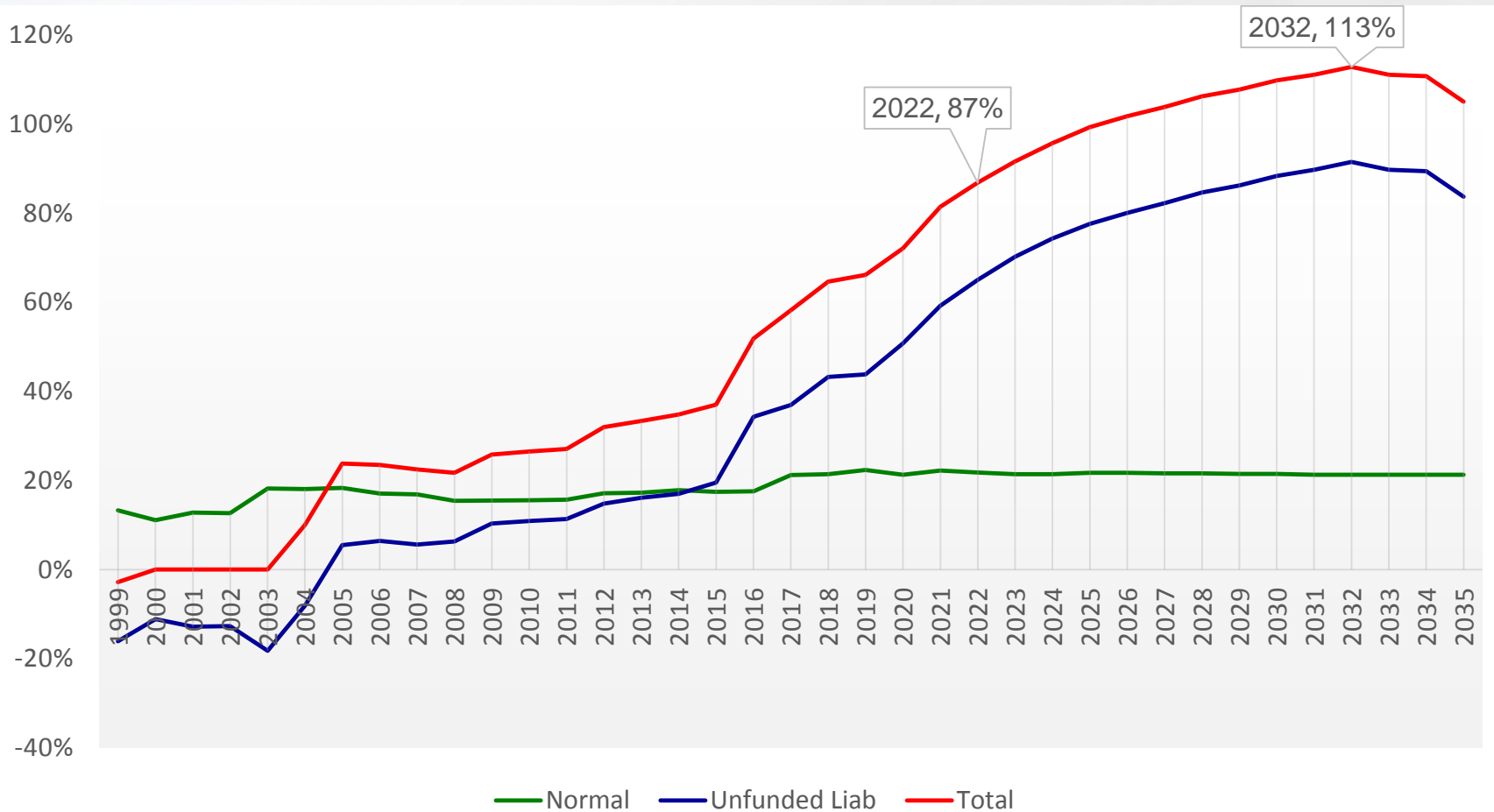
## City of La Habra: Misc. and Public Safety Plans



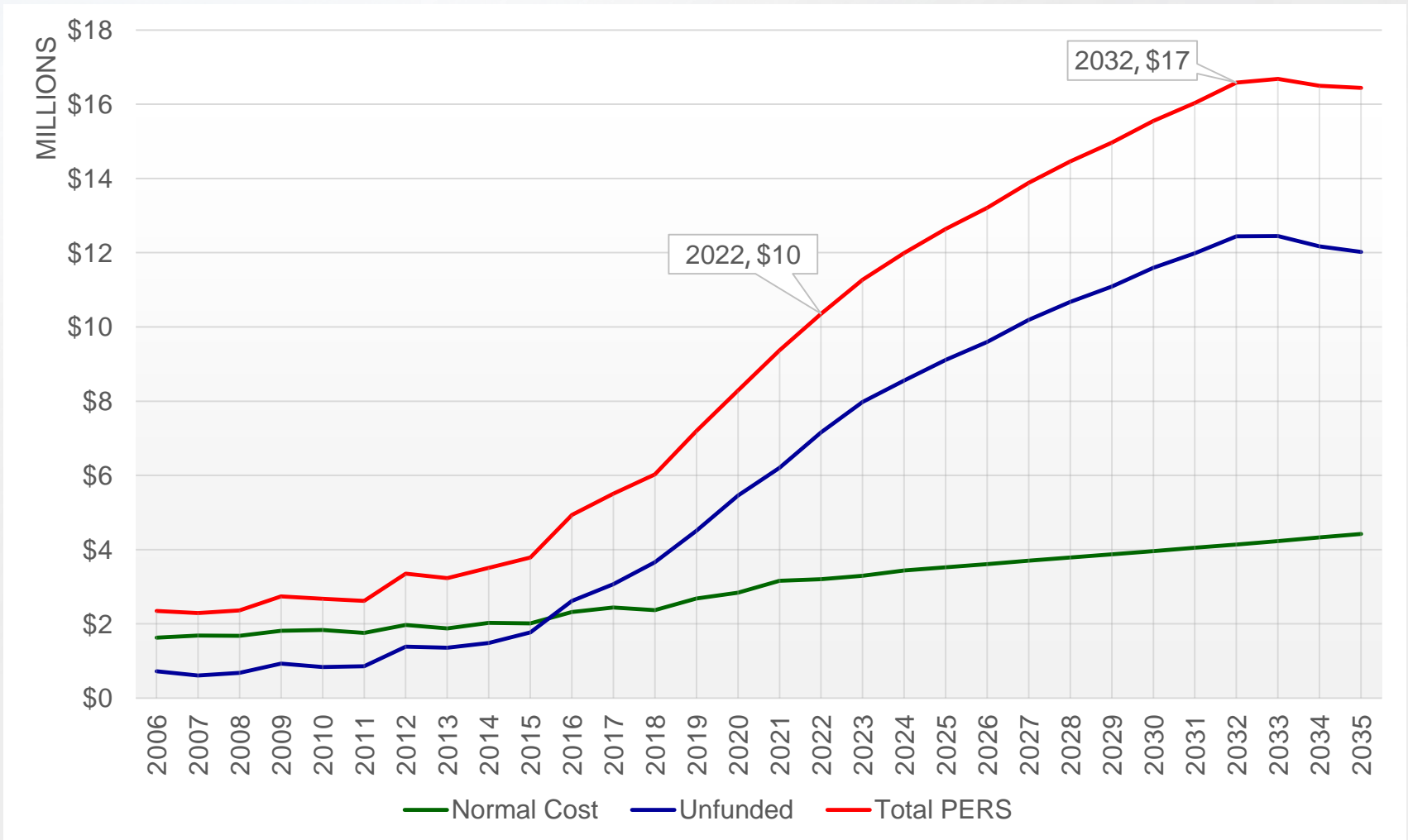
# CalPERS Miscellaneous Contribution Rates as a percentage of payroll



# CalPERS Safety Contribution Rates as a percentage of payroll

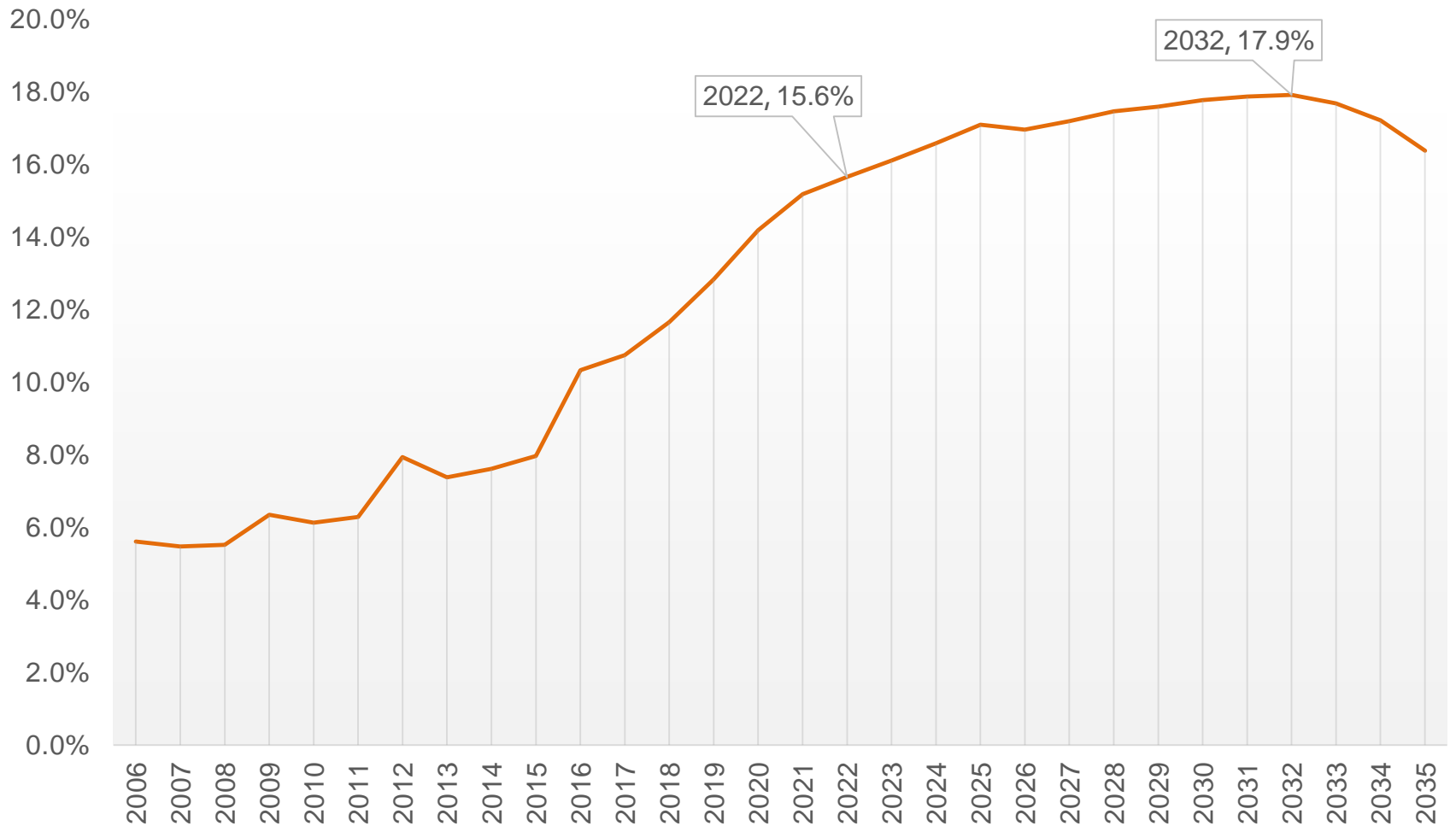


# Historical and Projected Pension Costs

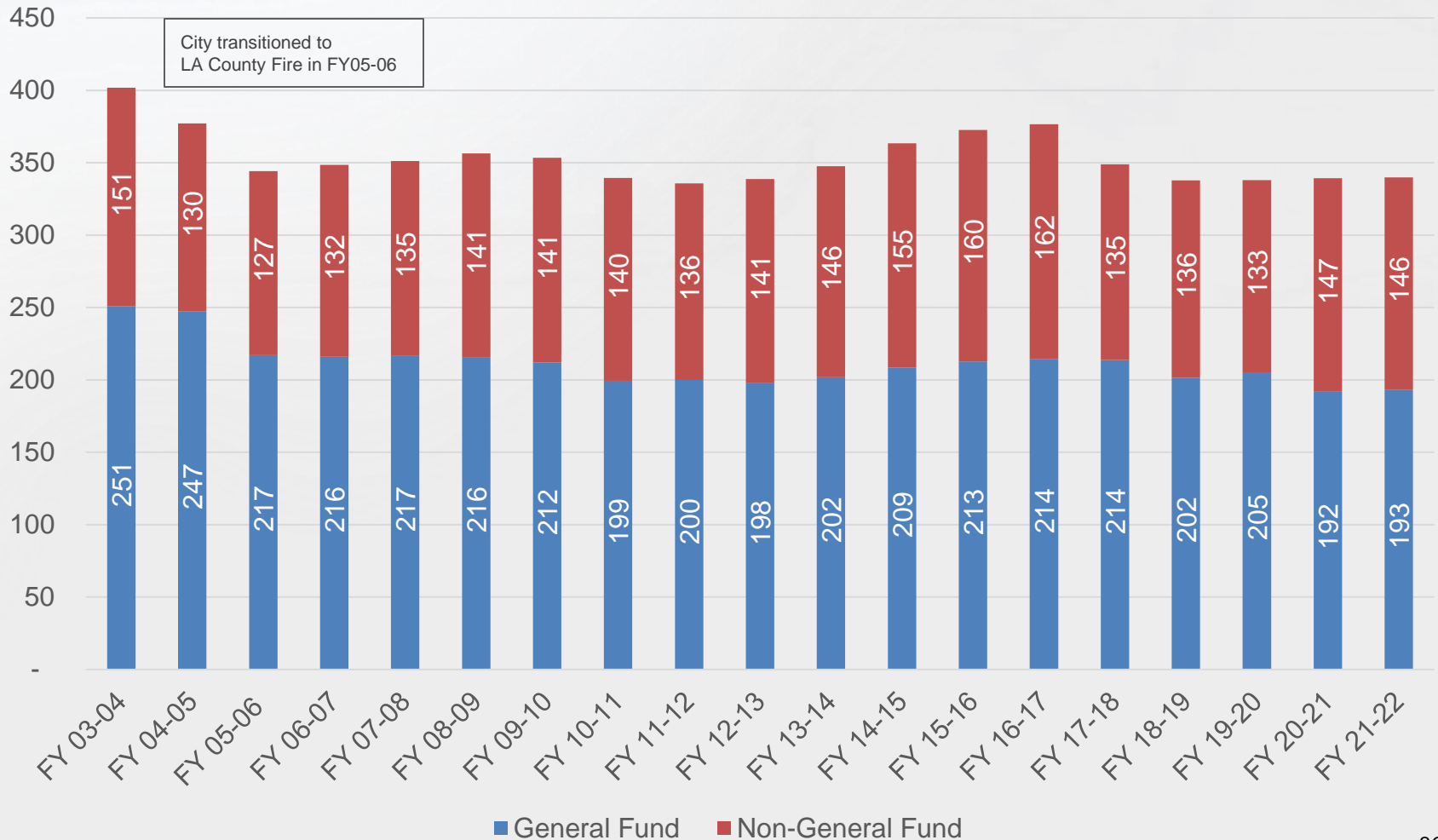


2020 to 2035 projections are provided by the City's actuarial consultant

# Historical and Projected General Fund Pension Costs as a percentage of Projected General Fund Budgeted Expenditures



# Staffing Levels (FTE's) 19 Fiscal Year Comparison





# Implemented and Potential Pension Strategies

- City Council established lower tier pension options and plans for new hires starting in July 2010
- CalPERS Pension Reform Act (PEPRA) took effect in January 2013 for all new hires statewide
- City Council established a Section 115 Trust (Pension Rate Stabilization fund)
- Continue reviewing City operations to determine ways to reduce costs and/or increase revenues
- Continue facilitating economic development projects to broaden and enhance the City's core revenue base
- Continue reviewing new potential revenue options



# Implemented and Potential Pension Strategies

- Utilize staff vacancies due to attrition to consider departmental realignment and establish targeted hiring for key positions on a case by case basis
- Review/renegeotiate City contracts to determine potential savings
- Utilized the Meet and Confer process to negotiate employee concessions to help address rapidly increasing pension liabilities
- Support the League of California Cities efforts to lobby the State to increase flexibility for cities to address rising pension costs

**Questions?**