

Project Day Financial Information  
Fiscal Analysis

1. Through December 31, 2003, Project Day had an operating loss of \$2,467.16. This loss assumes the City receives the full \$22,880 from Pasadena Unified School District. While the City has been assured that a check in the amount of \$10,000 has been prepared for the City, to nothing has been received from PUSD.
2. There is approximately \$2,500 still owed to the City from the County based upon services rendered to date. This has not been accrued on the City's books.
3. The average monthly expenses are approximately \$8,500.
4. The accumulated fund balance of Project Day is a negative \$38,774.23. Of this amount, \$36,307.07 has been carried over from the previous year, while \$2,467.16 is the result of this year's operations.
5. The accumulated cash balance is a negative \$55,486.27; however, this would be reduced to \$32,606.27 should PUSD make its full payment.
6. Currently, Project Day can expect approximately \$11,800 in additional revenues. This includes the \$2,500 owed by the County. Since the County only makes monthly payments, it is highly unlikely that Project Day will receive these funds should operations be shut down.
7. Should Project Day cease operations today, the JPA would still have an obligation to pay \$6,069.41 for accrued vacation. At this time, there may be also a small amount owed to contractors for services provided but not yet billed.

**PROJECT DAY  
BALANCE SHEET  
(As of December 31, 2003)**

**ASSETS:**

Cash and investments	(55,486.27)
Accounts Receivable - PUSD	<u>22,880.00</u>
Total Assets	<u><u>(32,606.27)</u></u>

**LIABILITIES:**

Accounts Payable	98.55
Accrued Vacation Liability	<u>6,069.41</u>
Total Liabilities	<u><u>6,167.96</u></u>

**FUND BALANCE:**

Beginning Fund Balance (7-1-03)	(36,307.07)
Gain/(Loss) Current Fiscal Year	<u>(2,467.16)</u>
Current Fund Balance	<u><u>(38,774.23)</u></u>
Total Liabilities & Fund Balance	<u><u>(32,606.27)</u></u>

**PROJECT DAY  
INCOME STATEMENT  
(As of December 31, 2003)**

**REVENUES:**

Joint Power Agreement (City/PUSD)	41,360.00
LA County	5,000.00
LA County Altadena CDBG	684.00
Other Contributions - Private	<u>2,082.00</u>
Total Revenues	<u><u>49,126.00</u></u>

Possible Add'l Rev.
Based Upon Services
To Be Rendered
10,000.00
1,791.00
Unknown

**EXPENSES:**

Salaries	29,228.83
Benefits & Taxes	9,258.21
Materials and Supplies	183.14
Lease Payments	3,614.00
Contract Services	4,830.00
Miscellaneous	<u>4,478.98</u>
Total Expense	<u><u>51,593.16</u></u>

**NET INCOME (LOSS)**

(2,467.16)

# CITY OF PASADENA

## MEMORANDUM

**TO:** Honorable Mayor and Members of the City Council  
**FROM:** Michele Beal Bagneris, City Attorney *MBB*  
**DATE:** November 20, 2003  
**RE:** Withdrawal from Project D.A.Y. Joint Powers Authority

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The City is a member of the Project D.A.Y. Joint Powers Authority ("the Authority") as established in Agreement No. 10,333, approved in 1978. The other members are the cities of South Pasadena and Sierra Madre and the Pasadena and South Pasadena Unified School Districts. The Authority has operated a project for the diversion of juveniles from the criminal justice system to community based treatment services, and I have been asked by Councilmember Paul Little, who serves as the City Council's representative to the Authority, to provide information on steps to be taken by the City to withdraw from the Authority. It appears that withdrawal from the Authority is appropriate since it is anticipated that the Authority will be dissolving by the end of this calendar year due to lack of financial resources and lack of requests for services.

Pursuant to Section 2 of the Joint Powers Agreement, any party may withdraw from the Agreement by giving thirty days' written notice to the Pasadena Regional Juvenile Diversion Authority. Pursuant to Section 6 of the Agreement, upon termination of the Agreement, any property acquired by the Authority must be disposed in accordance with applicable law, and if property may be distributed to the parties, it is to be distributed in proportion to the contribution made by each. Since the Government Code (Sections 6510, 6511) provides that the joint powers agreement is to provide for the disposition of property and surplus money, upon termination, each party will get a pro-rata share of any property and surplus money, if any. I have been informed that the Authority is operating in a negative cash position, which suggests that there is no surplus money, and I am unaware of any property or other assets of the Authority.

Councilmember Little will present an oral report providing additional background information during the City Council discussion of this item at the Council meeting on November 24, 2003.

If the Council desires to withdraw from the Authority, the appropriate action would be a motion to withdraw from the Authority, terminating the Agreement effective December 31, 2003, and directing the City Manager to give thirty days' written notice to the Pasadena Regional Juvenile Diversion Authority of such withdrawal.

~~12/08/2003~~

~~3.A.~~

01/12/2004

3.A.

~~11/24/2003~~

~~7.A.(4)~~