

Agenda Report

TO: CITY COUNCIL **DATE:** October 11, 2004
THROUGH: Finance Committee (October 11, 2004)
FROM: CITY MANAGER
SUBJECT: AMENDMENT TO THE FY 2005 ADOPTED OPERATING BUDGET FOR THE OLD PASADENA PARKING METER FUND (213)

RECOMMENDATION

It is recommended that the City Council amend the Fiscal Year (FY) 2005 Adopted Operating Budget for the Old Pasadena Parking Meter Fund (213) by approving a journal voucher decreasing appropriations by \$125,714 related to debt service on bonds issued for the Old Pasadena Streetscapes and Alley Walkways capital project.

OLD PASADENA PARKING METER ZONE ADVISORY COMMISSION

The Old Pasadena Parking Meter Zone Advisory Commission (Commission) reviewed a revised version of the FY 2005 Adopted Operating Budget for the Old Pasadena Parking Meter Fund at a special meeting on August 26, 2004. The revised budget reflected a reduction in the amount of \$125,714 to the annual debt service payment on the bonds issued for the Old Pasadena Streetscapes and Alley Walkways capital project. While there was no formal action taken on this item, the Commission did express their overall satisfaction with the budget in eliminating the operating deficit for FY 2005.

BACKGROUND

On June 28, 2004, the Council reviewed the FY 2005 Recommended Operating Budget for the Department of Transportation, inclusive of the budget for the Old Pasadena Parking Meter Fund (Fund). At that meeting, Council expressed concern regarding the projected operating deficit; equal to \$29,357, and the impact this would have on the General Fund. Because of this, Council directed staff to return with a budget that was balanced and did not rely on General Fund support.

Since that time, staff and the Commission have examined alternatives to reducing expenses in the Fund and possibly enhancing revenues as well. A commitment has been made to review what is currently charged for valet parking permits in metered spaces during the annual update to the General Fee Schedule for FY 2006. On the expense side, the bonds issued to finance the Old Pasadena Streetscapes and Alley Walkways project were refunded in April 2004. With this refunding, the annual debt service payment dropped from \$438,668 to \$312,954 for FY 2005, and in each year thereafter. This savings will eliminate the operating deficit for this fiscal

year with net income of \$76,957 projected. Also, it will put the Fund in a positive financial position so as not to rely on the General Fund for assistance in meeting both its operating and capital obligations (Attachment A).

FISCAL IMPACT

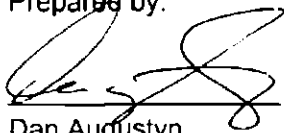
Approval of this recommendation will reduce the appropriations for the Old Pasadena Parking Meter Fund (213) by \$125,714 related to debt service on bonds issued for the Old Pasadena Streetscapes and Alley Walkways capital project. This will eliminate the operating deficit for FY 2005 per the table below.

	Adopted Fiscal Year 2005	Revised Fiscal Year 2005
Revenue	1,370,000	1,370,000
Operating Budget	1,399,357	1,273,643
Capital Appropriations	19,400	19,400
Net Income/(Loss)	(48,757)	76,957

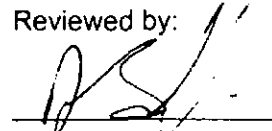
Respectfully submitted,


 CYNTHIA J. KURTZ
 City Manager


Prepared by:


 Dan Augustyn
 Management Analyst

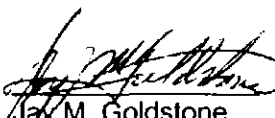
Reviewed by:


 Amir Sedadi
 Parking Manager

Approved by:


 Joyce Y. Amerson
 Director of Transportation

Concurred by:


 Jay M. Goldstone
 Director of Finance

City of Pasadena
Fund Appropriation - Revenue & Expenses
Five Year Projection - Revenue & Expenses

	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Beginning Cash Balance (1001)	823,019	542,408	261,971	(32,336)	15,184	(36,476)	(10,560)	(8,485)
Restricted Cash and Investments	16,350	15,683	9,334	15,184				
Current Assets (other than above accs.)	(8,641)	(37,324)	(5,434)	(36,476)				
Less: Restricted Cash and Investments	(277,940)	(182,878)	(249,837)	(10,560)				
Less: Designated for CIP	-	-	-	-				
Less: Other Fund Reserves	-	-	-	-				
Less: Accumulated Change in Fair Value	7,490	(6,914)	(7,681)	(8,485)				
Beginning Amount Available for Appropriations	560,788	330,976	8,333	(2,674)	4,282	37,233	\$10,166	1,033,048
Revenues	1,208,022	1,195,453	1,238,654	1,310,000	1,323,100	1,744,000	1,761,440	1,779,054
6963 Metered Parking Old Pasadena (1)								
6991 Parking Meter-Valer Charges (1)	47,587	60,369	55,196	60,000	60,000	90,000	90,000	90,000
6926 Investment Earnings	33,639	13,039	637	0	0	17,425	47,232	58,042
7114 Miscellaneous Revenue	1,077	17,410	1,835	0	0	0	0	0
Total Revenues	1,290,325	1,286,271	1,296,333	1,370,000	1,383,100	1,871,424	1,898,672	1,927,096
Expenses	78,540	38,338	63,333	69,845	71,940	74,099	76,222	78,611
Personnel	942,111	958,936	896,091	888,120	863,787	875,805	888,183	900,932
Services and Supplies	1,390	1,743	1,793	2,724	2,778	2,834	2,891	2,949
Total Operating Expenses	1,022,040	998,998	961,207	960,689	938,506	952,737	967,195	982,492
Debt Service	447,154	448,086	448,105	312,954	392,243	395,754	388,994	395,841
Transfers To Debt Service Fund (ends 2019) (2)								
Debt Service Total	447,154	448,086	448,105	312,954	392,243	395,754	388,994	395,841
Capital Improvement Projects	75,593	7,271	193,261					
Old Pasadena Streetscapes & Alleys - 73934 (closed)								
Old Pasadena Traffic Mitigation - 75814	62,233	70,170	9,268	19,400	19,400	50,000	19,400	19,400
Replace Overight Parking Signage - 75902 (closed)	0	0	4,786					
Total CIP Appropriations & Expenses	137,826	77,441	207,315	19,400	19,400	50,000	19,400	19,400
Total Expenses	1,607,021	1,524,525	1,616,627	1,293,033	1,350,149	1,398,491	1,325,789	1,397,733
Net Income	(316,696)	(238,254)	(320,304)	(76,957)	32,951	472,933	\$22,882	529,263
Non-Income Statement Budget Items/ Adjustments:								
Change in Restricted Cash with Fiscal Agent								
(Change in Designated for CIP Reserve	101,798	84,369	(239,277)					
(Change in Fair Value of Investments	(14,403)							
Other (Changes in Balance Sheet Accounts	87,395	84,369	(239,277)					
Total Adjustments	87,395	84,369	(239,277)					
Ending Amount Available for Appropriations	339,976	8,333	(22,674)	4,282	37,233	\$10,166	1,033,048	1,562,411

Notes:
(1) In FY 2007, meter rates are proposed to increase from \$1.10 to \$1.50 per to \$1.50 per based on a citywide market analysis, subject to City Council approval. This represents the change in revenue for both meters and valet charges.
Additionally, valet charges will be reviewed as part of the update to the General Fee Schedule for FY 2008.
(2) The debt service was refunded in April 2004 to a variable rate mode resulting in lower estimated annual payments beginning in FY 2005. Actual payments may vary, and the maturity date has been extended from 2016 to 2019.