



**NOTICE AND CALL OF SPECIAL MEETING
OF THE LA QUINTA FINANCING AUTHORITY**

**TO THE MEMBERS OF THE FINANCING AUTHORITY OF THE CITY OF LA QUINTA AND
TO THE CITY CLERK/AUTHORITY SECRETARY:**

NOTICE IS HEREBY GIVEN that a special meeting of the Financing Authority of the City of La Quinta is hereby called to be held on June 20, 2017, commencing at 4:00 p.m. at La Quinta City Hall, 78-495 Calle Tampico, La Quinta, California.

CONSENT CALENDAR

1. APPROVE MINUTES OF JULY 5, 2016

BUSINESS SESSION

1. ADOPT A RESOLUTION TO APPROVE FISCAL YEAR 2017/18 FINANCING AUTHORITY ANNUAL BUDGET [RESOLUTION NO. FA 2017-0001]

Dated: June 16, 2017

/s/ Linda Evans
Linda Evans, Chairperson

Attest:

A handwritten signature in blue ink that reads 'Susan Maysels'. The signature is written in a cursive style and is positioned above a horizontal line.

Susan Maysels
Financing Authority Secretary

DECLARATION OF POSTING

I, Susan Maysels, La Quinta Housing Authority Secretary, do hereby declare that the foregoing notice for the Special La Quinta Financing Authority meeting of June 20, 2017, was posted on the outside entry to the Council Chamber at 78-495 Calle Tampico and on the bulletin boards at 51-321 Avenida Bermudas and 78-630 Highway 111 on June 16, 2017

DATED: June 16, 2017

Susan Maysels, Authority Secretary
La Quinta Financing Authority



Financing Authority agendas and staff reports are now available on the City's web page: www.laquintaca.gov

FINANCING AUTHORITY AGENDA

CITY HALL COUNCIL CHAMBERS
78-495 Calle Tampico, La Quinta

SPECIAL MEETING
TUESDAY, JUNE 20, 2017 AT 4:00 P.M.

CALL TO ORDER

ROLL CALL: Authority Members: Fitzpatrick, Peña, Radi, Sanchez, Chairperson Evans

CLOSED SESSION – NONE

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

At this time, members of the public may address the Financing Authority on any matter not listed on the agenda. Please complete a "request to speak" form and limit your comments to three minutes. The Financing Authority values your comments; however in accordance with State law, no action shall be taken on any item not appearing on the agenda unless it is an emergency item authorized by GC 54954.2(b).

CONFIRMATION OF AGENDA

ANNOUNCEMENTS, PRESENTATIONS, AND WRITTEN COMMUNICATIONS – NONE

CONSENT CALENDAR

NOTE: Consent Calendar items are routine in nature and can be approved by one motion.

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BUSINESS SESSION

1. ADOPT A RESOLUTION TO APPROVE FISCAL YEAR 2017/18 FINANCING AUTHORITY ANNUAL BUDGET [RESOLUTION NO. FA 2017-0001]	5
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STUDY SESSION – NONE

PUBLIC HEARINGS – NONE

DEPARTMENTAL REPORTS – NONE

CHAIR AND AUTHORITY MEMBERS' ITEMS

REPORTS AND INFORMATIONAL ITEMS – NONE

ADJOURNMENT

For information about the next special meeting of the Financing Authority, please contact the City Clerk’s Office at 760-777-7000.

DECLARATION OF POSTING

I, Susan Maysels, Authority Secretary of the La Quinta Financing Authority, do hereby declare that the foregoing agenda for the La Quinta Financing Authority meeting was posted near the entrance to the Council Chambers at 78-495 Calle Tampico and on the bulletin boards at the La Quinta Cove Post Office at 51-321 Avenida Bermudas and at the Stater Brothers Supermarket 78-630 Highway 111, on June 16, 2017

DATED: June 16, 2017

SUSAN MAYSELS, Authority Secretary
La Quinta Financing Authority

Public Notices

- The La Quinta City Council Chamber is handicapped accessible. If special equipment is needed for the hearing impaired, please call the City Clerk’s Office at 777-7103, twenty-four (24) hours in advance of the meeting and accommodations will be made.
- If special electronic equipment is needed to make presentations to the Financing Authority, arrangement should be made in advance by contacting the City Clerk's Office at 777-7103. A one (1) week notice is required.
- If background material is to be presented to the Financing Authority during a meeting, please be advised that eight (8) copies of all documents, exhibits, etc., must be supplied to the City Clerk for distribution. It is requested that this take place prior to the beginning of the meeting.
- Any writings or documents provided to a majority of the Financing Authority regarding any item on this agenda will be made available for public inspection at the City Clerk counter at City Hall located at 78495 Calle Tampico, La Quinta, California, 92253, during normal business hours.



**FINANCING AUTHORITY
MINUTES
TUESDAY, JULY 5, 2016**

A special meeting of the La Quinta Financing Authority was called to order at 8 p.m. by Chairperson Evans.

PRESENT: Authority Members Franklin, Osborne, Peña, Radi, Chair Evans
ABSENT: None

PUBLIC COMMENT – None
CONFIRMATION OF AGENDA – Confirmed
ANNOUNCEMENTS, PRESENTATIONS, AND WRITTEN COMMUNICATIONS – None

CONSENT CALENDAR

- 1. APPROVE MINUTES OF JUNE 21, 2016**
- 2. ADOPT A RESOLUTION FOR ISSUANCE AND SALE OF SUBORDINATE TAX ALLOCATION REFUNDING BONDS [Resolution No. FA 2016-002]**

MOTION – A motion was made and seconded by Authority Members Franklin/Radi to approve the Consent Calendar as recommended. Motion passed unanimously.

BUSINESS SESSION – None
STUDY SESSION – None
PUBLIC HEARINGS – None
DEPARTMENTAL REPORTS – None
CHAIR AND AGENCY MEMBERS' ITEMS – None
REPORTS AND INFORMATIONAL ITEMS – None

ADJOURNMENT

There being no further business, it was moved and seconded by Authority Members Franklin/Radi to adjourn at 8:01 p.m. Motion passed unanimously.

Respectfully submitted,

SUSAN MAYSELS, Authority Secretary
La Quinta Financing Authority

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City of La Quinta

FINANCING AUTHORITY MEETING: June 20, 2017

STAFF REPORT

AGENDA TITLE: ADOPT RESOLUTION TO APPROVE LA QUINTA FINANCING AUTHORITY FISCAL YEAR 2017/18 BUDGET

RECOMMENDATION

Adopt a Resolution approving the La Quinta Financing Authority 2017/18 Budget.

EXECUTIVE SUMMARY

- Annually, the budget is prepared and submitted for the Financing Authority's (Authority) review and approval.
- Projected revenues of \$671,400 will fund projected expenditures of \$671,400.

FISCAL IMPACT

2017/18, the revenues are projected to be \$671,400 and the expenditures are projected to be \$671,400.

BACKGROUND/ANALYSIS

The annual budget was presented at the May 16, 2017 Council meeting for review. There have been no changes to the proposed budget since that meeting. The Authority's revenues are derived from La Quinta's General Fund. The expenditures entail debt service payments on the 1996 Lease Revenue Refunding Bonds; bond proceeds were used to fund City Hall construction. The principal balance outstanding as of June 30, 2017 will be \$1,265,000.

ALTERNATIVES

The Authority may further adjust the various appropriations.

Prepared by: Karla Campos, Finance Director
Approved by: Frank J. Spevacek, City Manager

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RESOLUTION NO. FA 2017-

**A RESOLUTION OF THE LA QUINTA FINANCING
AUTHORITY APPROVING A BUDGET FOR FISCAL YEAR
2017/2018**

WHEREAS, each year the La Quinta Financing Authority adopts a Budget for Revenues and Expenditures for the upcoming Fiscal Year; and

WHEREAS, the Financing Authority desires to make provisions for a level of services commensurate with the needs of the City; and

WHEREAS, the Financing Authority has reviewed said budget and has had several public meetings to receive public input; and

WHEREAS, the Financing Authority has, after due deliberation and consideration, made such amendments in the proposed budget as it considers desirable; and

NOW, THEREFORE, BE IT RESOLVED by the La Quinta Financing Authority to adopt, as follows:

SECTION 1. The Fiscal Year 2017/2018 Budget (Exhibit A), which is on file with the La Quinta Financing Authority Secretary, is hereby approved.

SECTION 2. Budget adjustment procedures are approved as follows:

- A. Additional appropriations and the transfer of cash or unappropriated fund balance from one fund to another shall be made only upon Financing Authority approval.
- B. Transfers of budgeted appropriations between divisions or capital projects shall be made only upon Financing Authority approval.
- C. Transfers of budgeted appropriations between accounts within a division or capital project may be made with the approval of the Executive Director or his designee.
- D. Prior year budget continuing Appropriations and Encumbrances for unexpended capital project appropriations remaining from uncompleted prior year capital projects shall be made with Executive Director approval. These carry-over appropriations are for prior year Financing Authority approved capital projects and shall not exceed the approved project budget.

Resolution No. FA 2017-
La Quinta Financing Authority Annual Budget – Fiscal Year 2017/18
Adopted: June 20, 2017
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SECTION 3. The Executive Director shall render a monthly report on the status of City operations as it relates to the approved budget and any amendments thereto.

PASSED, APPROVED, and ADOPTED at a regular meeting of the La Quinta Financing Authority held on this 20th day of June, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

LINDA EVANS, Chairperson
La Quinta Financing Authority, California

ATTEST:

SUSAN MAYSELS, Authority Secretary
La Quinta Financing Authority, California

(SEAL)

APPROVED AS TO FORM:

WILLIAM H. IHRKE, Authority Counsel
La Quinta Financing Authority, California

2017/18 ADOPTED BUDGET



La Quinta

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FINANCING AUTHORITY

	2015/16 Actual Revenue	2016/17 Original Budget	2016/17 Current Budget	2017/18 Proposed Budget	2017/18 Adopted Budget
310 - LQ FINANCE AUTHORITY DEBT SERVICE					
310-0000-41915 Non-Allocated Interest	1.69	0.00	0.00	0.00	0.00
310-0000-42111 Rental Income	673,074.60	678,100.00	678,100.00	671,400.00	671,400.00
310-0000-49500 Transfers In	2,433.00	0.00	0.00	0.00	0.00
310 - LQ FINANCE AUTHORITY DEBT SERVICE Totals:	675,509.29	678,100.00	678,100.00	671,400.00	671,400.00
NON-GENERAL FUND REVENUE	675,509.29	678,100.00	678,100.00	671,400.00	671,400.00

		2015/16 Actual Expenses	2016/17 Original Budget	2016/17 Current Budget	2017/18 Proposed Budget	2017/18 Adopted Budget
310 - LQ FINANCE AUTHORITY DEBT SERVICE						
9501 - 9501 - Financing Authority						
60 - Contract Services						
310-9501-60102	Administration	2,433.00	3,000.00	3,000.00	2,800.00	2,800.00
310-9501-60181	Contract Services Fees	0.00	2,000.00	2,000.00	500.00	500.00
60 - Contract Services Totals:		2,433.00	5,000.00	5,000.00	3,300.00	3,300.00
 68 - Capital Expenses						
310-9501-82130	1996 FA Bonds Principal	555,000.00	555,000.00	555,000.00	615,000.00	615,000.00
310-9501-83370	1996 FA Series Bonds Interest	118,076.25	118,100.00	118,100.00	53,100.00	53,100.00
68 - Capital Expenses Totals:		673,076.25	673,100.00	673,100.00	668,100.00	668,100.00
9501 - 9501 - Financing Authority Totals:		675,509.25	678,100.00	678,100.00	671,400.00	671,400.00
310 - LQ FINANCE AUTHORITY DEBT SERVICE Totals:		675,509.25	678,100.00	678,100.00	671,400.00	671,400.00

Department : 9501 - 9501 - Financing Authority

310-9501-82130	1996 FA Bonds Principal	615,000.00
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1996 City Hall Improvement Bonds will be paid off in October 2018. The principal balance outstanding as of June 30, 2017 is \$1,265,000.

GLOSSARY OF BUDGET TERMS, CONTINUED

The following is a list of commonly used financial terms:

ALLOCATE - To divide a lump-sum appropriation which is designated for expenditure by specific organization units and/or for specific purposes, activities, or objects.

APPROPRIATION - An authorization made by the council which permits the City to incur obligations and to make expenditures of resources.

ASSET - Anything having commercial or exchange value that is owned by a business, institution or individual.

AUDIT - Conducted by an independent Certified Public Accounting (CPA) Firm, the primary objective of an audit is to determine if the City's Financial Statements present the City's financial position fairly and results of operations are in conformity with Generally Accepted Accounting Principles (GAAP).

BALANCED BUDGET - A budget in which planned expenditures do not exceed projected funds available.

BALANCE SHEET - A financial statement reporting the organization's assets, liabilities and equity activities.

BUDGET - The document created by the staff and approved by the City Council which establishes the broad policy guidance on the projection of revenues and the allocation toward various types of expenditures.

BUDGET CALENDAR - This is a schedule of the dates which is followed in the preparation, adoption, and administration of the budget.

CONTINGENCY - An appropriation of funds to cover unforeseen events that occur during the fiscal year such as flood emergencies, Federal mandates, shortfalls in revenue, and similar eventualities.

CONTINUING APPROPRIATION - Funds committed for a previous fiscal year expenditure which were not spent in the year of appropriation, but are intended to be used in the succeeding year.

CONTRACTUAL SERVICES - Services rendered to City activities by private firms, individuals or other governmental agencies. Examples of these services include engineering, law enforcement, and city attorney services.

GLOSSARY OF BUDGET TERMS, CONTINUED

DEPARTMENT - A major organizational unit of the City which has been assigned overall management responsibility for an operation or a group of related operations within a functional area.

DESIGNATED FUND BALANCE - A portion of unreserved fund balance designated by City policy for specific future use.

ENCUMBRANCE - The legal commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a future expenditure.

EXPENDITURE - The outflow of funds paid for goods or services obtained.

FEES FOR SERVICES - Charges paid to the City by users of a service to help support the costs of providing that service.

FISCAL YEAR - The fiscal year is defined as the beginning and ending period for recording financial transactions. The City has specified July 1 to June 30 as its fiscal year.

FIXED ASSETS - Fixed Assets are assets of a long-term nature such as land, buildings, machinery, furniture, and other equipment. The City has defined such assets as those with an expected life in excess of one year and an acquisition cost in excess of \$5,000.

FUND - An accounting entity that records all financial transactions for specific activities or government functions. The fund types used by the City are: General, Special Revenue, Capital Project, Debt Service, Enterprise, and Internal Service Funds.

FUND BALANCE - Fund Balance is the excess of current assets over current liabilities, and represents the cumulative effect of revenues and other financing sources over expenditures and other financing uses.

GENERAL FUND - The General Fund is the primary operating fund of the City. All revenues that are not allocated by law or contractual agreement to a specific fund are accounted for in the General Fund. With the exception of subvention or grant revenues restricted for specific uses, General Fund resources can be utilized for any legitimate governmental purpose.

GOAL - A goal is a statement of broad, direction, purpose, or intent.

GRANT - Contributions of cash or other assets from another governmental agency to be used or expended for a specified purpose, activity, or facility.

HOUSING AUTHORITY FUND - These funds are used to account for the housing activities of the Housing Authority which is to promote and provide quality affordable housing.

GLOSSARY OF BUDGET TERMS, CONTINUED

INFRASTRUCTURE - Fund contributions of cash or other assets from development oriented applicants used for the City's basic system of its physical plant, (i.e., streets, water drainage, public buildings and parks).

INVESTMENT REVENUE - Investment Revenue that is received as interest from the investment of funds not immediately required to meet cash disbursement obligations.

LIABILITY - A claim on the assets of an entity.

LINE-ITEM BUDGET - A budget that lists detailed expenditure categories (salary, materials, telephone service, travel, etc.) separately, along with the amount budgeted for each specified category. The City uses a program rather than line-item budget, although detail line-item accounts are maintained and recorded for financial reporting and control purposes.

MUNICIPAL - In its broadest sense, municipal is an adjective which denotes the state and all subordinate units of government. In a more restricted sense, an adjective which denotes a city or village as opposed to other local governments.

OPERATING BUDGET - This is the portion of the budget that pertains to daily operations providing governmental services.

PERSONNEL SERVICES - Costs associated with providing the staff necessary to provide the desired levels of services. Included in personnel services are both salary and benefit costs.

POLICY - A direction that must be followed to advance toward a goal. The direction can be a course of action or a guiding principal.

PROGRAM - A grouping of activities organized to accomplish basic goals and objectives.

PROGRAM BUDGET - This is a budget that focuses upon the goals and objectives of an agency or jurisdiction.

RESERVE - An Account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

REVENUE - Funds that the government receives as income. It includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues, and interest income.

GLOSSARY OF BUDGET TERMS, CONTINUED

RISK MANAGEMENT – This is an organized attempt to protect an organization's assets against accidental loss in the most cost-effective manner.

SUPPLIES AND SERVICES - A general category used for clarifying expenditures for various supplies and services which are normally used within a fiscal year.