



***City of Industry Property and Housing  
Management Authority***

**Special Meeting Agenda  
June 30, 2016  
2:00 p.m.**

**Chairman Joseph Emmons  
Board Member Saul Jauregui  
Board Member Mike Reible**

**Location: City Council Chamber, 15651 East Stafford Street, City of Industry, California**

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***Addressing the Authority:***

- ▶ ***Agenda Items:*** *Members of the public may address the Authority on any matter listed on the Agenda. In order to conduct a timely meeting, there will be a three-minute time limit per person for any matter listed on the Agenda. Anyone wishing to speak to the Authority is asked to complete a Speaker's Card which can be found at the back of the room and at each podium. The completed card should be submitted to the City Clerk prior to the Agenda item being called and prior to the individual being heard by the Authority.*
- ▶ ***Public Comments (Agenda Items Only):*** *During public comments, if you wish to address the Authority during this Special Meeting, under Government Code Section 54954.3(a), you may only address the Authority concerning any item that has been described in the notice for the Special Meeting.*

***Americans with Disabilities Act:***

- ▶ *In compliance with the ADA, if you need special assistance to participate in any City meeting (including assisted listening devices), please contact the City Clerk's Office (626) 333-2211. Notification of at least 48 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting.*

***Agendas and other writings:***

- ▶ *In compliance with SB 343, staff reports and other public records permissible for disclosure related to open session agenda items are available at City Hall, 15625 East Stafford Street, Suite 100, City of Industry, California, at the office of the City Clerk during regular business hours, Monday through Friday 9:00 a.m. to 5:00 p.m. Any person with a question concerning any agenda item may call the City Clerk's Office at (626) 333-2211.*
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1. Call to Order
2. Roll Call
3. Public Comments

4. **BOARD MATTERS**

- 4.1 Consideration of Resolution No. IPHMA 2016-01 – A RESOLUTION OF THE INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY (“IPHMA”) OF THE CITY OF INDUSTRY, CALIFORNIA, APPROVING AND ADOPTING THE FY 2016-17 PROPOSED IPHMA BUDGET  
(Continued from June 8, 2016)

*RECOMMENDED ACTION: Adopt Resolution No. IPHMA 2016-01.*

- 4.2 Discussion and direction regarding the proposed revision of Section 2.03 Compensation of the Industry Property and Housing Management Authority Bylaws

*RECOMMENDED ACTION: Discuss and provided direction to amend Section 2.03 Compensation of the Industry Property and Housing Management Authority Bylaws.*

5. Adjournment. Next regular meeting: Wednesday, July 13, 2016 at 10:00 a.m.

*CITY OF INDUSTRY PROPERTY AND HOUSING  
MANAGEMENT AUTHORITY*

ITEM NO. 4.1



## INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY

P.O. BOX 3366 • CITY OF INDUSTRY, CALIFORNIA 91744

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Joseph Emmons, Chairman  
Saul Jauregui, Board Member  
Mike Reible, Board Member

Paul J. Philips, Executive Director  
James M. Casso, General Counsel  
Phyllis Tucker, Treasurer  
Cecelia Dunlap, Assistant Secretary

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## STAFF REPORT

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TO: Honorable Chairman and Board Members

FROM: Paul J. Philips, Executive Director

STAFF: Susan Paragas, City Controller

DATE: June 8, 2016

SUBJECT: Consideration to Approve and Adopt the Industry Property Housing Management Authority's ("IPHMA") FY 2016-17 Proposed Budget.

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### Background:

On April 4, 2016, the Financial Services Department introduced the new FY 2016-17 (FY 17) Budget Process to all Citywide staff. The new FY 17 Budget Process entailed: a new "Zero-Based Budget" budget policy, which aligns actual costs to its true City operations; completion of formal budget forms; and undertaking a collaborative, Citywide approach in which all departments were responsible for submitting their budget requests. Other affiliated City entities also participated and submitted their budget requests to the City.

In May 2016, final budgetary reviews were completed by Finance, Director of Development Services & Administration, and the City Manager in order to present the FY 2016-17 (FY 17) Proposed Budget for consideration to adopt for all City entities, including the Industry Property Housing Management Authority's ("IPHMA"), on June 8<sup>th</sup> and June 9, 2016.

### Overview of FY 2017 Proposed City Operating Budget

The FY 2016-17 Proposed Budget is a balanced budget and reflects the City's commitment to: our residents, fiscal and administrative reform efforts, continued fiscal stability, improving quality of life through support of surrounding communities, and improving fiscal transparency. The FY 17 Proposed Citywide Budget (All Funds) totals \$259.7 million, with

a \$40.3 million budget in its General Fund. Proposed Revenues total \$226.5 million in all its City funds, and \$50.1 million in its General Fund.

An overview of the major city budgets are listed below.

<b>Chart 1 – Figures in Millions</b>				
	<b>FY 13/14 Actuals</b>	<b>FY 14/15 Actuals</b>	<b>FY 15/16 Adopted</b>	<b>FY 16/17 Proposed</b>
<b>General Fund</b>	\$35.7	\$45.5	\$34.3	\$40.3
<b>CIP Program</b>	6.9	6.8	37.0	33.4
<b>Debt Services</b>	90.0	119.9	81.2	174.6
<b>Other Funds</b>	<u>5.6</u>	<u>6.3</u>	<u>11.7</u>	<u>11.4</u>
<b>Totals</b>	<b>\$138.2</b>	<b>\$178.5</b>	<b>\$164.2</b>	<b>\$259.7</b>

In FY 17, the General Fund budget will increase by \$6.1 million (17.7%) to \$40.3 million. The City’s operating budget is fully supported by on-going revenues. The City utilizes its reserves to supports its CIP Program, in which \$33.4 million will be allocated to CIPs. The City’s reserves also supports other City funds that have operating deficits.

IPHMA FY 17 Proposed Budget

The Industry Property Housing Management Authority (“IPHMA”) is the City’s governing authority that manages and maintains the City’s housing assets. The IPHMA Fund (Fund 160) is an enterprise fund that is supported by rental income, its fund balance reserves, and request of General Fund reserves as necessary.

Below is a summary of the FY 17 Proposed IPHMA Budget.

	<b>FY 16/17 Revenues</b>	<b>FY 16/17 Expenditures</b>	<b>Surplus / (Use of Reserves)</b>
	<b>A</b>	<b>B</b>	<b>A - B</b>
<b>IPHMA – Fund 160</b>	<u>\$171,800</u>	<u>\$533,241</u>	<u>(\$361,441)</u>
<b>Totals:</b>	<b>\$171,800</b>	<b>\$533,241</b>	<b>(\$361,441)</b>

In FY 17, the IPHMA Budget totals \$533,241 in expenditures and \$171,800 in revenues. The IPHMA’s fund balance is healthy and its reserves will support the \$361,441 operating shortfall or deficit.

Recommendation

Staff is recommending the IPHMA Board to adopt the attached resolution approving the FY 17 Proposed IPHMA Budget. In addition, the FY 17 IPHMA Budget will be a part of the City’s FY 2016-17 Proposed Operating Budget for the City Council to ratify on June 9, 2016.

Exhibits:

- A. Resolution
- B. IPHMA Budget Section

**RESOLUTION NO. IPHMA 2016-01**

**A RESOLUTION OF THE INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY (“IPHMA”) OF THE CITY OF INDUSTRY, CALIFORNIA, APPROVING AND ADOPTING THE FY 2016-17 PROPOSED IPHMA BUDGET**

**WHEREAS**, on April 4, 2016, the Financial Services Department introduced the new FY 2016-17 (FY 17) Budget Process to all Citywide staff; and

**WHEREAS**, the FY 17 Budget Process was a collaborative, Citywide approach in which all departments and affiliated City entities were responsible for submitting their budget requests; and

**WHEREAS**, the appropriate department for the Industry Property and Housing Management Authority (“IPHMA”) submitted their budget request to the City; and

**WHEREAS**, Finance, Director of Development Services & Administration, and the City Manager reviewed each budget request with respect to the City’s total budget and Citywide fiscal condition; and

**WHEREAS**, the FY 2016-17 Proposed IPHMA Budget is hereby incorporated into the City’s FY 2016-17 Proposed Operating Budget.

**NOW, THEREFORE, THE INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY OF THE CITY OF INDUSTRY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:**

Section 1. The IPHMA’s Revenue Budget of \$171,800 and Expenditure Budget of \$533,241 for the fiscal year 2016-2017 is hereby approved and adopted.

Section 2. Contingent upon City Council approval, the IPHMA’s Budget for the fiscal year 2016-2017 is hereby approved and incorporated into the City’s FY 2016-17 Proposed Budget.

Section 3. The Secretary shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

**PASSED, APPROVED AND ADOPTED** by the Industry Property and Housing Management Authority at a special meeting held on June 30, 2016, by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

Resolution No. IPHMA 2016-01  
June 30, 2016  
Page 2 of 2

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Joseph Emmons, Chairman

**ATTEST:**

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Cecelia Dunlap, Assistant Secretary

## Industry Property Housing Management Authority (IPHMA) – Fund 160

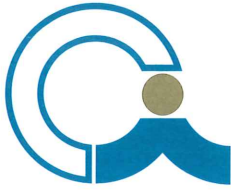
### Summary of Expenditures & Account Detail

Object #	Account Description	2013 Actual Amount	2014 Actual Amount	2015 Actual Amount	2016 Adopted Budget	2017 Proposed Budget
5012	General Insurance and Bonding	\$6,744	\$4,032	\$6,031	\$9,300	\$6,000
5018	Office Supplies & Postage	143	646	134	300	500
5120.03	Professional Services - Accounting	10,210	9,900	7,827	4,200	9,000
5130	Planning, Survey and Design	-	-	4,128	6,400	6,000
5640	Advertising and Printing	-	-	1,379	2,200	1,500
5730	Utilities	1,495	1,286	680	1,100	5,000
5740	Property Taxes and Assessments	15,620	45,934	45,554	50,000	50,000
5900	General Engineering	-	-	2,301	3,600	50,000
8510	Property Maintenance	138,433	175,754	163,850	270,400	287,300
8515	Housing Improvements	-	36,948	134,084	515,000	117,941
9010	Furniture, Equipment & Fixtures	-	-	2,485	3,900	-
<b>TOTALS:</b>		<b>\$172,644</b>	<b>\$274,500</b>	<b>\$368,453</b>	<b>\$866,400</b>	<b>\$533,241</b>



*CITY OF INDUSTRY PROPERTY AND HOUSING  
MANAGEMENT AUTHORITY*

ITEM NO. 4.2



INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY

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## MEMORANDUM

**TO:** The City of Industry Property and Housing Management Authority  
**FROM:** Paul J. Philips, Executive Director *Paul J. Philips*  
**DATE:** June 30, 2016, 2016  
**SUBJECT:** Proposed Revision of the Bylaws

On May 10, 2016, the City Council acted to adopt Resolution No. CC 2016-31. Resolution No. CC 2016-31 set Commission and Authority salary ranges for the City's three Commissions.

Accordingly, the City of Industry Property and Housing Management Authority must revise Section 2.03, Compensation, of the current Bylaws of the Authority in order to receive the stipend going forward. Section 2.03 Compensation reads in part, as follows:

"Directors will serve without compensation . . ."

IT IS RECOMMENDED that the Board of Directors of the City of Industry Property and Housing Management Authority amend Section 2.03 Compensation of the Bylaws to read as follows:

"Directors will receive the compensation set forth by the City Council by resolution. Each Director may be reimbursed his or her necessary and actual expenses, including travel incident to serve as a Director, pursuant to resolution of the Board. A Director may elect, however, to decline any reimbursement."