BUDGET PURPOSE AND ORGANIZATION

A. Balanced Budget. The City will maintain a balanced budget. This means that:

1. Operating revenues must fully cover operating expenditures, including debt service.
2. Ending fund balance must meet minimum policy levels or other target levels established by the Council for the fiscal year.

Under this policy, it is allowable for total expenditures to exceed revenues in a given year or over a specified period of time (e.g., managed structural deficit); however, in this situation, beginning fund balance should only be used to fund capital improvement plan projects, organizational improvements, economic development programming or other “one-time,” non-recurring expenditures.

See Fund Balance and Reserves policies that follow for description of other circumstances appropriate to the use of beginning fund balance.

B. Council Goal-Setting, Transparency and Meaningful Community Engagement in the Budget Process. The Council will set goals for the coming year early in the budget process that provides transparent and clear policy direction in linking goals with resources. The community will be provided with meaningful opportunities to be engaged in the goal-setting and budget process. Toward this end, a minimum of two (2) public meetings (Town Hall meetings) shall be conducted to encourage community engagement.

C. Budget Objectives. Through its Budget, the City will link resources with goals and results by:

1. Identifying community needs for essential services.
2. Organizing the programs required to provide these essential services.
3. Establishing program policies and goals, which define the nature and level of program services required.
4. Identifying activities performed in delivering program services.
5. Proposing objectives for improving the delivery of program services.
6. Identifying and appropriating the resources required to perform program activities and accomplish program objectives.
7. Setting standards to measure and evaluate the:
   a. Output of program activities.
   b. Accomplishment of program objectives.
   c. Expenditure of program appropriations.

D. Measurable Objectives. The Budget will establish measurable program objectives and allow reasonable time to accomplish those objectives.

E. Goal Status Reports. The status of major program objectives will be formally reported to the Council on an ongoing, periodic basis.
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E. Goal Status Reports. The status of major program objectives will be formally reported to the Council on an ongoing, periodic basis.
F. Mid-Year Budget Reviews. The Council will formally review the City’s fiscal condition, and amend appropriations if necessary, six months after the beginning of each fiscal year.

**FUND BALANCE AND RESERVES**

A. General Fund Minimum Fund Balance. The City will strive to maintain a minimum unassigned fund balance of at least 25% of operating expenditures in the General Fund. This represents 90 days of cash flow and is based on the GFOA’s draft methodology for setting reserve levels in adequately providing for:

1. Economic uncertainties, local disasters and other financial hardships or downturns in the local or national economy.
2. Contingencies for unseen operating or capital needs.
3. Unfunded liabilities such as self-insurance, pensions and retiree health obligations.
4. Institutional changes, such as State budget takeaways and unfunded mandates.
5. Cash flow requirements.

Whenever the City’s General Fund reserves fall below this target, the City will strive to restore reserves to this level within five years. As revenues versus expenditures improve, the City will allocate about half to reserve restoration, with the balance available to fund outstanding liabilities, asset replacements, service levels restoration, new operating programs or capital improvement projects.

Circumstances where taking reserves below policy levels would be appropriate include responding to the risks that reserves are intended to mitigate, such as:

- One time uses in meeting cash flow needs; closing a projected short-term revenue-expenditure gap; responding to unexpected expenditure requirements or revenue shortfalls; and making investments in human resources, technology, liability reductions, economic development and revenue base improvements, productivity improvements and other strategies that will strengthen City revenues or reduce future costs.

- Where a forecast show an ongoing structural gap, in providing a strategic bridge to the future.

B. Facilities, Equipment, Fleet and Infrastructure Replacement. The City will establish an Asset Replacement Fund and strive to set annually aside funds to provide for the timely replacement of long-lived capital assets such as facilities, equipment, vehicles and infrastructure. The annual contribution to this fund will generally be based on the annual use allowance or depreciation, which is determined based on the estimated life of the asset vehicle or equipment and its original purchase cost. Interest earnings and sales of surplus equipment as well as any related damage and insurance recoveries will be credited to this fund.

C. Future Capital Project Fund Balance Assignments. The Council may assign specific fund balance levels for future development of capital projects that it has determined to be in the best long-term interests of the City.
D. **Other Commitments and Assignments.** In addition to the assignments noted above, fund balance levels will be sufficient to meet funding requirements for projects approved in prior years which are carried forward into the new year; debt service reserve requirements; commitments for encumbrances; and other reserves, commitments or assignments required by contractual obligations, state law or generally accepted accounting principles.

**GENERAL REVENUE MANAGEMENT**

A. **Current Revenues for Current Uses; One-Time Revenues for One-Time Purposes.** The City will make all current expenditures with current revenues, avoiding procedures that balance current budgets by postponing needed expenditures, accruing future revenues or rolling over short-term debt. The City will avoid using one-time revenues to fund ongoing program costs.

B. **Revenue Distribution.** The Council recognizes that generally accepted accounting principles for state and local governments discourage the “earmarking” of General Fund revenues, and accordingly, the practice of designating General Fund revenues for specific programs should be minimized in the City’s management of its fiscal affairs. In those cases where it does occur, the basis and methodology for earmarking should be clearly articulated in the City’s Budget and Fiscal Policies.

C. **Special Tax and Assessment Levies.** The City will seek to lower special tax rates and assessments whenever possible through expenditure reductions and other cost containment strategies. However, the City will not use General Fund resources to subsidize reductions in allowable levies in the General Obligation Bond Fund, Retirement Fund, Assessment Districts or other similar funds.

**FINANCIAL REPORTING AND BUDGET ADMINISTRATION**

A. **Annual Reporting.** The City will prepare annual financial statements as follows:

1. In accordance with Charter requirements, the City will contract for an annual audit by a qualified independent certified public accountant. The City will strive for an unqualified auditors' opinion.

2. The City will use generally accepted accounting principles in preparing its annual financial statements and will strive to meet the requirements of the Award for Excellence in Financial Reporting program of the Government Finance Officers Association of the United States and Canada (GFOA).

3. The City will issue audited financial statements within 180 days after year-end.

B. **Interim Reporting.** The City will prepare and issue timely interim reports on the City’s fiscal status to the Council and staff. This includes on-line access to the City’s financial management system by City staff; monthly reports to program managers; more formal quarterly reports to the Council and Department Heads; mid-year budget reviews; and interim annual reports.

C. **Budget Administration.** As set forth in the City Charter, the Council may amend or supplement the budget at any time after its adoption by majority vote of the Council members. The City Manager has the authority to make administrative adjustments to the budget as long as those changes will not have a significant policy impact nor affect budgeted year-end fund balances.
USER FEE COST RECOVERY

A. Ongoing Review

Fees should be reviewed and updated on an ongoing basis to ensure that they keep pace with changes in the cost-of-living as well as changes in methods or levels of service delivery. In implementing this goal, a comprehensive analysis of City costs and fees should be made at least every five years. In the interim, fees will be adjusted by annual changes in the Consumer Price Index as well whenever there have been significant changes in the method, level or cost of service delivery.

B. User Fee Cost Recovery Levels

In setting user fees and cost recovery levels, the following factors will be considered:

1. **Community-Wide Versus Special Benefit.** The level of user fee cost recovery should consider the community-wide versus special service nature of the program or activity. The use of general-purpose revenues is appropriate for community-wide services, while user fees are appropriate for services that are of special benefit to easily identified individuals or groups.

2. **Service Recipient Versus Service Driver.** After considering community-wide versus special benefit of the service, the concept of service recipient versus service driver should also be considered. For example, it could be argued that the applicant is not the beneficiary of the City's development review efforts: the community is the primary beneficiary. However, the applicant is the driver of development review costs, and as such, cost recovery from the applicant is appropriate.

3. **Effect of Pricing on the Demand for Services.** The level of cost recovery and related pricing of services can significantly affect the demand and subsequent level of services provided. At full cost recovery, this has the specific advantage of ensuring that the City is providing services for which there is genuinely a market that is not overly-stimulated by artificially low prices.

Conversely, high levels of cost recovery will negatively impact the delivery of services to lower income groups. This negative feature is especially pronounced, and works against public policy, if the services are specifically targeted to low income groups.

4. **Feasibility of Collection and Recovery.** Although it may be determined that a high level of cost recovery may be appropriate for specific services, it may be impractical or too costly to establish a system to identify and charge the user.

C. Factors Favoring Low Cost Recovery Levels

1. There is no intended relationship between the amount paid and the benefit received. Almost all "social service" programs fall into this category as it is expected that one group will subsidize another.

2. Collecting fees is not cost-effective or will significantly impact the efficient delivery of the service.
3. There is no intent to limit the use of (or entitlement to) the service. Again, most "social service" programs fit into this category as well as many public safety (police and fire) emergency response services.

4. Collecting fees would discourage compliance with regulatory requirements and adherence is primarily self-identified, and as such, failure to comply would not be readily detected by the City. Many small-scale licenses and permits might fall into this category.

D. Factors Favoring High Cost Recovery Levels

1. The service is similar to services provided through the private sector.

2. Other private or public sector alternatives could or do exist for the delivery of the service.

3. For equity or demand management purposes, it is intended that there be a direct relationship between the amount paid and the level and cost of the service received.

4. The use of the service is specifically discouraged. Police responses to disturbances or false alarms might fall into this category.

5. The service is regulatory in nature and voluntary compliance is not expected to be the primary method of detecting failure to meet regulatory requirements. Building permit, plan checks, and subdivision review fees for large projects would fall into this category.

E. General Concepts Regarding the Use of Service Charges

1. Revenues should not exceed the reasonable cost of providing the service.

2. Cost recovery goals should be based on the total cost of delivering the service, including direct costs, departmental administration costs and organization-wide support costs.

3. The method of assessing and collecting fees should be as simple as possible in order to reduce the administrative cost of collection.

4. A unified approach should be used in determining cost recovery levels for various programs based on the factors discussed above.

F. Low Cost-Recovery Services

Based on the criteria discussed above, the following types of services should have very low cost recovery goals. In selected circumstances, there may be specific activities within the broad scope of services provided that should have user charges associated with them.

1. Delivering public safety emergency response services such as police patrol services and fire suppression.

2. Maintaining and developing public facilities that are provided on a uniform, community-wide basis such as streets, parks and general-purpose buildings.

3. Providing social service programs and economic development activities.

G. Recreation Programs
1. Cost recovery for activities directed to adults should be relatively high.

2. Cost recovery for activities directed to youth and seniors should be relatively low. In those circumstances where services are similar to those provided in the private sector, cost recovery levels should be higher.

3. For cost recovery activities of less than 100%, there should generally be a differential in rates between residents and non-residents. However, the Community Services Director is authorized to reduce or eliminate non-resident fee differentials when this is reducing attendance and thus cost recovery and there are no appreciable expenditure savings from the reduced attendance.

4. The Community Services Director is authorized to offer reduced fees such as introductory rates, family discounts and coupon discounts on a pilot basis (not to exceed 18 months) to promote new recreation programs or reenergize existing ones.

H. Development Review Programs

Cost recovery for planning, building and safety (building permits, structural plan checks, inspections) and engineering (public improvement plan checks, inspections, subdivision requirements, encroachments) services should be very high: in most instances it should be 100%.

I. Comparability With Other Communities

Surveys of fees charged by other comparable agencies should not be the sole or primary criteria in setting City fees. As outlined below, there are many factors that affect how and why other communities have set their fees at their levels. Accordingly, comparability of Bell’s fees to other communities should be one factor among many that is considered in setting City fees.

a. What level of cost recovery is their fee intended to achieve compared with our cost recovery objectives?
b. What costs have been considered in computing the fees?
c. When was the last time that their fees were comprehensively evaluated?
d. What level of service do they provide compared with our service or performance standards?
e. Is their rate structure significantly different than ours and what is it intended to achieve?
CONTRACTING FOR SERVICES

A. General Policy Guidelines

1. Contracting with the private sector for the delivery of services provides the City with a significant opportunity for cost containment and productivity enhancements. As such, the City is committed to using private sector resources in delivering municipal services as a key element in its continuing efforts to provide cost-effective programs.

2. Private sector contracting approaches under this policy include construction projects, professional services, outside employment agencies and ongoing operating and maintenance services.

3. In evaluating the costs of private sector contracts compared with in-house performance of the service, indirect, direct, and contract administration costs of the City will be identified and considered.

4. Whenever private sector providers are available and can meet established service levels, they will be seriously considered as viable service delivery alternatives using the evaluation criteria outlined below.

5. For programs and activities currently provided by City employees, conversions to contract services will generally be made through attrition, reassignment or absorption by the contractor.

B. Evaluation Criteria

Within the general policy guidelines stated above, the cost-effectiveness of contract services in meeting established service levels will be determined on a case-by-case basis using the following criteria:

1. Is a sufficient private sector market available to competitively deliver this service and assure a reasonable range of alternative service providers?

2. Can the contract be effectively and efficiently administered?

3. What are the consequences if the contractor fails to perform, and can the contract reasonably be written to compensate the City for any such damages?

4. Can a private sector contractor better respond to expansions, contractions or special requirements of the service?

5. Can the work scope be sufficiently defined to ensure that competing proposals can be fairly and fully evaluated, as well as the contractor's performance after bid award?

6. Does the use of contract services provide us with an opportunity to redefine service levels?

7. Will the contract limit our ability to deliver emergency or other high priority services?

8. Overall, can the City successfully delegate the performance of the service but still retain accountability and responsibility for its delivery?
General Fund Five-Year Financial Forecast

Today, with myriad, fast-paced events unknown to other cities behind us, including the conviction and sentencing of the criminals that formerly directed the affairs of our municipality, the City of Bell organization operates in the best of times — and possesses the brightest future — having achieved complete financial recovery.

During FY 2014 the City collected $5.7 million in legal settlements from those who did wrong to our community, $4.8 million from the liquidation of an illegally-devised supplemental retirement program, and $15.2 million from the sale of valuable land adjacent to I-710, avoiding, in the latter case, a potential $15M deficiency judgment in the Dexia Credit matter that threatened our solvency. In all, this $25.7 million one-time infusion of cash has created an enviable General Fund reserve position of approximately 188%. We enter FY 2015 in possession of great optimism for our future.

With such an abundance of General Fund reserves, the City of Bell finds itself in a unique position of purchasing power that will likely never occur again. And so it was that serious policy discussion took place during FY 2015 budget preparations concerning a spending plan supported by limited application of reserves. Guided by a desire to achieve a balance between re-investment in our City and the maintenance of a high-level of set-aside reserves, widespread consensus was established between the City Council, staff and residents to engage a three- to five-year period of “managed structural deficit.”

In FY 2015 the General Fund possesses a structural deficit (that is: an imbalance between income and disbursement) of $1,481,029. The imbalance is attributable to permanent addition of $633,803 in personnel costs owing to the expansion of staffing by 8 full-time positions and the permanent addition of $147,000 in operating costs. At the same time, FY 2015 will see the application of $708,400 in one-time expenditures for technology acquisition, capital improvements, and critical consultant assistance. These one-time costs (see attachment) will be removed from the Budget in FY 2016.

Our future lies in aggressive pursuit of economic development. While the Rizzo administration gave great time and effort to schemes designed to enhance their paychecks, the City of Bell’s commercial infrastructure was ignored, and surrounding communities advanced as retail providers.

The strategy is bold. We have much to do to create a five- to seven-year return on our investment of reserves. The consensus in the New City of Bell is that we cannot cut our way to prosperity. The only way out of the economic hole that the City is in is to build our way out.

The General Fund Five-Year Financial Forecast demonstrates that deficit spending will be reduced to $306,220 in FY 2019, a point at which the General Fund reserve position will be 158%.
General Fund Projection
Revenue/Transfers In vs Expenditure/Transfers out

- $1,481,029 "Managed Structural Deficit"
- $708,400 One-Time Spending in FY 2015 Removed in FY 2016
- $306,220 Deficit
<table>
<thead>
<tr>
<th>Description</th>
<th>Department</th>
<th>On-Going Costs</th>
<th>One-Time Costs</th>
<th>Total</th>
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<td></td>
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<td>Personnel</td>
<td>Operations</td>
<td>Costs</td>
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<td>Technology</td>
<td>City Council</td>
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<td>-</td>
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<td>Professional Services</td>
<td>City Council</td>
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<td>15,000</td>
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<td>Add Administrative Specialist</td>
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<td>77,831</td>
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<td>Charter Reform Consultant</td>
<td>City Council</td>
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<td>-</td>
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<td>Citywide Employee Training</td>
<td>Human Resources</td>
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<td>35,000</td>
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<td>City Clerk</td>
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<td>-</td>
<td>40,000</td>
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<td>Microfiling Records Management</td>
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<td>-</td>
<td>-</td>
<td>20,000</td>
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<td>Infrastructure Inventory</td>
<td>Finance</td>
<td>-</td>
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<td>Internal Audit Contract</td>
<td>Finance</td>
<td>-</td>
<td>25,000</td>
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<td>Office Assistant to Full-Time</td>
<td>Finance</td>
<td>24,419</td>
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<td>Master Schedule of Fees</td>
<td>Non-Departmental</td>
<td>-</td>
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<td>Replace Telephone System</td>
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<td>Debs Park Project</td>
<td>Community Services</td>
<td>-</td>
<td>-</td>
<td>250,000</td>
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<td>Veterans Park Lighting Project</td>
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<td>-</td>
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<td>77,171</td>
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<td>Add Recreation Coordinator Position</td>
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<td>(60,000)</td>
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<td>51,029</td>
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<td>Community Services</td>
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<td>Supplies: Community Services Catalog</td>
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<td>22,000</td>
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<td>Office Assistant to Full-Time</td>
<td>Community Services (City Commissions)</td>
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<td>Add Police Sergeant</td>
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<td>152,427</td>
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<td>122,835</td>
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<tr>
<td>Add Motor Officer</td>
<td>Police</td>
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<tr>
<td>Add Motor Officer</td>
<td>Police</td>
<td>(75,000)</td>
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<td>Add Code Enforcement Supervisor</td>
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<td>Code Enforcement Software/Hardware</td>
<td>Community Development</td>
<td>-</td>
<td>21,400</td>
<td>-</td>
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<tr>
<td><strong>Total</strong></td>
<td></td>
<td>633,803</td>
<td>147,000</td>
<td>708,400</td>
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## Projected General Fund Reserves

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<td>$</td>
<td>(1,486,331)</td>
<td>24,315,079</td>
<td>22,834,050</td>
<td>22,291,070</td>
<td>21,757,290</td>
<td>21,298,915</td>
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<tr>
<td>%</td>
<td>- 10%</td>
<td>188%</td>
<td>173%</td>
<td>178%</td>
<td>170%</td>
<td>163%</td>
<td>158%</td>
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<td>Fiscal Year</td>
<td>Revenue Growth</td>
<td>Expenditure Growth</td>
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<td></td>
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<tr>
<td>FY 2016</td>
<td>2%</td>
<td>$708,400 One-Time Spending in FY 2015 Removed</td>
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<tr>
<td>FY 2017</td>
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<td>2%</td>
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<td>FY 2018</td>
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<td>2%</td>
<td></td>
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<td>FY 2019</td>
<td>3%</td>
<td>2%</td>
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</tr>
</tbody>
</table>
The Fiscal Year 2015 Budget Process

The City’s budget process is conditioned in part by the City of Bell Charter and in part by a deep desire among all decision makers to engage the community in extensive and transparent partnership.

The tone for budget preparations was established during the Midyear Review presentation made by staff on March 12th. The General Fund, in what is arguably the most significant financial event in our City’s history, collected $20.7 million in FY 2014 as the result of a land sale and settlements with the criminals that formerly guided some of the business affairs of our community. And, within a fortnight of the Midyear Report, another $4.8 million was receipted following the liquidation of the Rizzo administration’s illegally-devised supplemental retirement plan. A bright future lies before us, as General Fund reserves improved from a negative 10% position at June 20, 2013 to approximately 188% -- within four months.

Budget preparations began within weeks of the Midyear Report, and on April 2nd department directors began creating their FY 2015 proposals, concurrently developing the numbers and the narrative descriptions that make up each department and program activity.

The Charter establishes that the City Manager’s Proposed Budget must be delivered to the City Council by May 25th of each year. With this preparation deadline in mind, a special City Council budget workshop was conducted on May 15th. Input from that meeting created the basis for final document modifications, and the City Manager’s Proposed FY 2015 Budget was published on May 22nd.

At its regular meeting of May 28th, the City Council considered the Proposed Budget in open session. Staff presentation and ensuing discussion brought to light the bold departure taken by the City of Bell’s FY 2015 Budget. With our reserves at such a generous level, it was considered the opportune time to enhance the City organization as a service provider. Accordingly, a total of $780,803 in permanent, recurring costs were added to the General Fund in the form of position and program additions. At the same time, a total of $708,400 in one-time, non-recurring costs were added to the General Fund for FY 2015. This latter category of enhancement took the form of asset acquisition, consultant assistance with vital projects, and capital improvement projects.

The reader will correctly assume an imbalance between current revenues and current expenditures in the FY 2015 Proposed Budget. This is deliberate. The City is engaging a 3- to 5-year period of “managed structural deficit” by investing in organizational advancement, with an emphasis on economic development, with the goal of achieving revenue growth over the same time that will close the gap. With over $24 million in General Fund reserves, the City of Bell is in a unique position of purchasing power.
We realize that we cannot become a model city government via cost reduction; rather, we must face forward to rebuild, rebrand and recreate Bell’s future.

On June 11th, the City Council considered the budget – now published anew as the “1st Revised Proposed Budget” -- through the public hearing process, and members of the public voiced opinion on the financial plan. The 1st Revised Proposed Budget differed from the Proposed Budget through the addition and/or deletion of three expenditure items and two revenue items. After further input to staff, the City Council acted to consider the budget again at a special meeting on June 17th.

The “2nd Revised Proposed Budget” was published after the June 17th special meeting. This publication contrasted with the 1st Revision in three ways: a proposed enhancement to City Council compensation; a $233,000 addition to the City Attorney’s budget; and the addition of $39,230 to re-establish Skate Park programming.

The “2nd Revised Proposed Budget” was approved by the City Council as the City’s FY 2015 Adopted Budget at its regular meeting of June 25th. The sole modification was the elimination of $39,166 in funding pertaining to a proposed increase in City Council compensation.

The budget process is just one stop on a circular financial path the City travels each year. After our June budget adoption, the adopted budget document is published by August 1st. Thereafter, the processes of periodic financial reporting commence. We publish monthly financial status reports to monitor budget progress during the year. In December, the Finance Department and our independent auditors will present the audited Financial Statements to the City Council. The Statements will disclose audited financial position for Fiscal Year 2014, that ending on June 30, 2014, six months earlier. At the midpoint of Fiscal Year 2015, in February or March of 2015, we again engage the Midyear Review of our financial status with an eye toward the next fiscal year. Immediately afterward a new budget process begins.
Budget Preparation Calendar

March 12th  Midyear Financial Performance Review presentation to City Council.

March 20th  Finance Director completes preliminary FY 2015 revenue estimations.

April 2nd  Department Directors begin assembly of operating and capital improvement budget proposals for City Manager’s review.

April 24th  Operating budget proposals deadline.

May 1st  Capital improvement proposals deadline.

May 5th  City Manager’s review of budget proposals with Department Directors.

May 15th  City Council Budget Workshop (Special Meeting)

May 23rd  City Manager’s Proposed FY 2015 Budget published.

May 28th  City Council consideration of City Manager’s Proposed Budget (Regular Meeting).

June 25th  City Council Adoption of FY 2015 Budget

July 23rd  Publication of Adopted FY 2015 Budget
Basis of Assumption for Significant General Fund Revenue Estimations

Of the $12,755,531 the General Fund is projected to collect as revenue during FY 2015, $11,068,400, or 87% of the total will be collected by 10 revenue items. It can be said that if we understand the nature of these “top ten” revenue items, we go a long way toward understanding the City of Bell’s General Fund.

Property Taxes, $4,006,050 -- Property taxes are not received in equal monthly payments during the fiscal year. Property taxes are received in their largest allocations in December and April. The December 20th 40% secured advance payment is the critical barometer of annual performance.

The $4 million displayed above is somewhat deceptive with regard to the City’s financial health vis-à-vis the property tax. This is so because $3.1 million of the amount is attributable to the Property Tax/Vehicle License Fee Swap effectuated in 2004. The Swap is remitted in two payments each year (January and May) from the County. The estimation is made by our consultant firm, Hdl, and is premised upon linear estimation that straddles the cost of living index.

The City’s secured property tax portion is a smallish $870,500. It turns out that Bell shares in only 5.4% of the property tax dollar paid by the homeowner. This shared portion is the 3rd lowest in Los Angeles County. This is indeed a sad irony, because the City is a high-tax City when viewed from an “all in” perspective. The GO Bond levy, Retirement Tax levy, Sewer assessment and Landscape and Lighting assessment conspire to create an expensive property tax bill for residents, yet we retain little from the base 1% levy.

The secured estimation rests upon estimated receipts for FY 2014 adjusted by a modest 2% growth in assessed value.

Utility Users Taxes $3,090,000 -- In FY 2015 an approximate 25% of the General Fund’s revenue collections will find derivation from the 10% consumption tax on telephone, water, electricity and gas use by residents and businesses. Cost-indexed increase of 2% is assumed for electricity and gas collection.

Sales Taxes $2,119,483 -- The base, Bradley-Burns sales tax, the Public Safety Augmentation sales tax and the Property Tax/“Triple Flip” payment make up the category of sales taxes. In 2005, when the State of California issued bonds to finance its budgetary deficit, it altered the distribution of sales taxes by substituting the VLF/“Triple Flip” payment. Sales tax proceeds are received each month; the Triple Flip is received in equal increments in January and May of each year.

The base, Bradley-Burns sales tax makes up $1,540,000 of estimated collections. Receipts are projected to increase by 3.4% per Hdl, our sales tax consultant. Hdl also supplied estimation for
the Triple Flip increase of 5.6%.

In FY 2014, the Bradley-Burns sales tax shows increase of 7.1% over actual receipts in FY 2013. This is an encouraging sign for the local economy.

**Franchise Taxes $588,000** — The City collects a 5% franchise fee from the Southern California Water Company, SoCal Edison, SoCal Gas, Time Warner Cable and Consolidated Refuse. Franchise fees are paid once each year (in April) by most providers. Consolidated pays each month, and Time Warner pays quarterly. Cost-indexed increase of 2% is assumed for electricity and gas collection. Proceeds from the Cable television UUT assume a growth trend predicated on an improving economy.

**Parking Citations and Parking Bail $465,000** — Parking citations are issued by the Police Department, collected and processed with the assistance of service provided the City of Inglewood. Parking citations income has decreased significantly under collections enjoyed the three-year period between FY 10 through FY 12 with the elimination of dedicated motor officers from the Police Department’s deployment scheme.

**Business Licenses $344,900** — Collections in this category have been roughly level over a three-year period. We are neither losing nor gaining ground in business development and retention. The renewal period for the City’s business licenses begins on January 1st or each year.

**Vehicle Code Fines $185,000** — Code fines result from “moving violations” issued by police officers. Collections have held constant over the four-year period between FY 12 and FY 15 before the addition of a new Motor Officer in FY 15. Increase assumption is $75,000 with the new Officer.

**Building Permits $170,000, Plan Checks $125,000** — Plan checking is the necessary precursor to building permit issuance. After a two-year period marked by a spike in performance owing to the development of the Bell Business Park, collections decrease this year to more modest levels.

**Rents & Concessions $135,000** — The annual $739,000 proceeds from the Jones LaSalle America (Burlington Northern) lease agreement have been eliminated after the sale of the property in FY 2014. The “GSA property,” as it has been more commonly referred to, lies adjacent to the 710 Freeway, was disposed of in November 2013. In all, the revenue loss is $599,000 annually.

**Legal Settlements and Land Sale** — While not budgeted in FY 2015, the enormity of one-time collections in FY 2014 is deserving of mention. In the legal aftermath of the Bell scandal, the City collected $3,000,000 in settlement from its former auditing firm, Meyer Hoffman McCann; $2,500,000 from its former law firm, BB&K; $4.8 million from liquidation of the illegally-devised supplemental retirement plan; and $215,000 from former Police Chief Randy Adams. In addition, the City’s sale of land adjacent to the I-710 Freeway rendered proceeds of $15.2. As a
result, the City's weak General Fund reserve position was increased to approximately 188% at June 30, 2014, and a firm base for our economic future has been established.
Legal Requirements and Budgetary Basis of Accounting

Legal Requirements Regarding Annual Budget

Article XI of the City Charter establishes that the fiscal year of the Bell City government begins on July 1 each year. At least 35 days prior, by May 25, the City Manager shall submit to the City Council the proposed budget. “After reviewing the same and making such revisions as it may deem advisable,” the City Council shall conduct a public hearing to consider the proposed budget.

At the conclusion of the public hearing the City Council shall “further consider the proposed budget and make any revisions thereof that it may deem advisable and on or before June 30 it shall adopt the budget.”

With regard to budgetary control after adoption of the budget, the City Council may amend or supplement the budget by motion adopted by a majority of its members. There is also an administrative authority over the budget: the City Manager is authorized to approve transfers between expenditure line-item accounts as long as the total expenditure appropriation, at the fund level, remains unchanged.

All appropriations lapse at year end to the extent they are not expended. Re-appropriation of purchase orders or encumbrances are budget adjustments that must be effectuated by the City Council.

Basis of Budgetary Accounting

The City’s accounting records are maintained in accordance with Generally Accepted Accounting Principles (GAAP), as established by the Governmental Accounting Standards Board (GASB).

The budgets of governmental funds (General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds) are prepared on a modified accrual basis, wherein revenues are recognized when they become measurable and available, and expenditures are recorded when the related liability is incurred, except that principal and interest payments on general long-term debt are recognized when due. Revenue availability criteria are defined as collectible within the current period of soon enough thereafter to be used to pay liabilities of the current period (that is, sixty days after fiscal year-end).

Budgets for proprietary funds (Internal Service Funds and Enterprise Funds) – of which the City of Bell currently does not operate – are prepared on a full-accrual basis. In these cases revenues are recognized when earned, and expenses are recognized when they are incurred.
Budget Adoption and the Bell City Charter

With regard to the City of Bell’s annual budget, Article XI of the Bell City Charter stipulates the following:

- The fiscal year of the Bell City government begins on July 1 of each year.

- At least 35 days prior, by May 25, the City Manager shall submit to the City Council the proposed budget.

- After reviewing the proposed budget and making such revisions as it may deem advisable, the City Council shall determine the time for the holding of a public hearing to consider the proposed budget.

- The City Council shall hold a public hearing, at which time interested persons desiring to be heard shall be given such opportunity.

- At the conclusion of the public hearing, the City Council shall further consider the proposed budget and make any revisions that it may deem advisable on or before June 30th.

- The City Council shall adopt the budget by the affirmative votes of a majority of the Council.

The record of vote on the Adopted FY 2015 Budget is documented by the meeting minutes of the regular City Council meeting of June 25, 2014. The relevant portion of the meeting minutes is found on the following page.
RESOLUTION NO. 2014-33

A RESOLUTION DETERMINING AND ESTABLISHING AN
APPROPRIATIONS LIMIT FOR FISCAL YEAR 2014-15 IN ACCORDANCE
WITH ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION AND
GOVERNMENT CODE SECTION 7910

WHEREAS, Article XIII B was added to the California Constitution at the special State-
wide election held November 6, 1979 (commonly known as Proposition 4 or the Gann Limit); and

WHEREAS, Government Code Section 7910 was added to Chapter 12.05 by Statute at
the Regular Session of the California Legislature; and

WHEREAS, Proposition 111, which, among other things, provides new annual adjustment
formulas for the Appropriations Limit, was approved by the voters in June, 1990; and

WHEREAS, The League of California Cities and the State of California Department of
Finance have published population and per capita income growth indexes, as well as guidelines
for the uniform application of Proposition 111; and

WHEREAS, Government Code Section 7910 requires the governing body of each local
jurisdiction to adopt, by resolution, its appropriation limit; and

WHEREAS, said appropriations limit must be adhered to in preparing and adopting this
City's annual budget.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BELL DOES HEREBY FIND
AND RESOLVE AS FOLLOWS:

Section 1: In compliance with Article XIII B of the Constitution of the State of California,
and Section 7910 of the Government Code, the City hereby establishes the City's Appropriation
Limit for the 2014-15 Fiscal Year to be $55,175,363.

Section 2: In computation of such limits, the City selected the population growth for the
County of Los Angeles, .70%, not the City of Bell, .47%, for use in the 2014-15 Fiscal Year.

Section 3: In computation of such limits, the City used the change California per capita
income, -.23%, and not the change in Bell nonresidential assessed valuation, an amount not
available, for the 2014-15 Fiscal Year.

Section 4: Said Appropriation Limit shall be adhered to in the City of Bell's budget for the
2014-15 Fiscal Year.

Section 5: This resolution shall become effective immediately upon its adoption.

Section 6: The City Clerk shall certify to the adoption of this Resolution.
PASSED, APPROVED AND ADOPTED On June 25, 2014.

Nestor E. Valencia, Mayor

APPROVED AS TO FORM:

David Aleshire, City Attorney

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Janet Martinez, Acting City Clerk of the City of Bell, hereby attest to and certify that the foregoing resolution is the original resolution adopted by the Bell City Council at its regular meeting held on the 25th day of June 2014, by the following vote:

AYES: Councilmembers Quintana, Saleh, Vice Mayor Romero, and Mayor Valencia

None

NOES:

Councilmember Alvarez

ABSENT:

None

ABSTAIN:

Janet Martinez, Acting City Clerk
City of Bell
Appropriations (Gann) Limit Calculation
Fiscal Year 2014-15

I  Appropriation Limit

Prior Year, 2013-14 Adopted Limit  $54,874,537

Change Factors:
  Change in California Per Capita Income (Note 1)  0.9977
  Change in County of LA Population (Note 2)  1.0078

Current Year, 2014-15 Appropriation Limit  $55,175,363

II  Appropriations Subject to Limit

Projected 2014-15 Revenues, General Fund  13,026,531
  Less: Non-Proceeds of Taxes  (2,936,880)

Total City Appropriations Subject to Limit  10,089,651

III  Amount Over/(Under) Limit (I - II)  ($45,085,712)

IV  Total City Appropriations as a % of Limit  18.29%

Note 1: Change in California per capita income is -.23%. Optional growth factor, change in non-residential assessed valuation, is not available.

Note 2: County of Los Angeles' population growth, 0.78%, exceeds the City of Bell growth, 0.47%. Total City population as of January 1, 2014 is 35,972.
Implications of Gann Appropriations Limit

A voter initiative (Proposition 4) passed into law in 1979, and modified by Proposition 111 in 1990, appears in the State Constitution as Article XIII B. Commonly known as the “Gann Limit,” its intended effect is to limit the spending of tax proceeds by government agencies by limiting expenditures. An agency is restricted from approving expenditures in excess of its limit. If a city receives more revenue than the appropriation limit, the revenue must be returned to the taxpayers through a tax reduction or refund. The limit can be increased for an emergency if declared by the Governor.

The limit changes annually. The limit is different for every city. Each year’s limit is based on the amount of tax proceeds that were authorized for expenditure in FY 1978-79 in each city, and modified for changes in inflation and population in each subsequent year. Inflationary adjustments are based on the California’s Department of Finance report on changes in per capita income or the change in non-residential assessed valuation due to new construction. Population adjustments are based on changes in city or county population levels.

The City of Bell’s FY 2015 Appropriation Limit calculation is presented as Exhibit to the Resolution of Adoption (Resolution No. 2014-33). The City’s Limit is $55,175,363, and its appropriations subject to limit are only $10,089,651. This means that the City is under the limit by a generous amount: $45,085,712. Stated alternatively, the City’s appropriations are only 18.29% of the maximum. This is a very comfortable margin for future expenditure growth.

Section 9710 of the California Government Code, added in 1980 by the State Legislature, requires the City Council to adopt the City’s Gann Limit by resolution.
City of Bell  
Fiscal Year 2014-2015 Outstanding Bonded Debt Service Requirements

<table>
<thead>
<tr>
<th>Issue Date</th>
<th>Issuer</th>
<th>Description</th>
<th>Issue Amount</th>
<th>Final Maturity Date</th>
<th>Payment Dates</th>
<th>Fiscal Year 2014-15</th>
<th>Funding Source</th>
<th>Total Outstanding</th>
<th>Total Outstanding</th>
</tr>
</thead>
<tbody>
<tr>
<td>11/1/2004</td>
<td>City</td>
<td>General Obligation Bonds Series 2004 (Acquire, improve, construct public facilities)</td>
<td>15,000,000</td>
<td>8/1/2034</td>
<td>Aug, Feb</td>
<td>415,000</td>
<td>602,619</td>
<td>1,017,619</td>
<td>GOB Tax Levy Measure A</td>
</tr>
<tr>
<td>12/1/2005</td>
<td>PFA</td>
<td>2005 Taxable Pension Revenue Bonds (Payment of 1998 TPRB &amp; Elimination of Safety Side Fund)</td>
<td>9,225,000</td>
<td>8/1/2019</td>
<td>Aug, Feb</td>
<td>720,000</td>
<td>260,186</td>
<td>980,186</td>
<td>Retirement Levy</td>
</tr>
<tr>
<td>10/1/2005</td>
<td>BCHA</td>
<td>2005 Lease Revenue Refunding Bonds (Refund 1995A Rev Bonds &amp; 1995B Subordinated Bonds)</td>
<td>20,790,000</td>
<td>10/1/2036</td>
<td>Oct, Apr</td>
<td>455,000</td>
<td>864,483</td>
<td>1,319,483</td>
<td>Mobile Home Park Revenue</td>
</tr>
<tr>
<td>8/1/2007</td>
<td>City</td>
<td>General Obligation Bonds * Series 2007 (Acquire, improve, construct public facilities)</td>
<td>18,620,000</td>
<td>8/1/2037</td>
<td>Aug, Feb</td>
<td>115,000</td>
<td>884,600</td>
<td>999,600</td>
<td>GOB Tax Levy Measure A</td>
</tr>
</tbody>
</table>

|  |  | 2,690,000 | 3,914,169 | 6,604,169 |  | 74,070,000 | 45,870,569 | 119,940,569 |

* Original Borrowing was $35,000,000. However, in the aftermath of the Bell scandal, it was recognized that the Rizzo regime assessed a levy inadequate to support the full debt service requirements of Series 2004 and Series 2007. The process of Series 2007 bond "work out," completed in July 2012, reduced borrowing to $18,620,000 and aligned the GOB levy appropriately.
A Summary of the City of Bell's Property Taxes

Bell homeowners and business owners will observe three applications of property taxes on their tax bills.

1. **Base 1% Tax Levy** – The 1% tax levy is limited by the State Constitution to 1% of property value as established by Proposition 13 in 1978. This gross amount paid by the property owner is divided and remitted to many separate taxing jurisdictions. The City of Bell retains only 5.4% of the levy as secured property taxes. This rate of retention is the third lowest in Los Angeles County. The City’s annual secured collections are $500,000.

   The Los Angeles County Assessor’s Office is responsible for establishing the taxable value of each Bell property. The Assessor’s Office assigns value to the land and the permanent improvements on the land (home or business). If, for example, a property is valued at $75,000, then the corresponding base 1% property tax is calculated as follows:

   \[ 75,000 \times 1\% = 75,000 \times 0.01 = 750 \text{ property tax.} \]

   The portion remitted to the City of Bell is 5.4% of the property tax. Thus, \[ 0.054 \times 750 = 40.50 \text{ remitted to City.} \]

2. **City of Bell Pension Tax Override** – Established by the Bell voters in 1944, the pension override was established to finance the costs of employee pension contributions and post-employment medical premiums. There are twelve cities in Los Angeles County that have pension overrides.

   The levy amount is \$.152859 per each $100 in property value.

   Assuming again a property valued at $75,000, the derivation of the tax is similar to the base property tax levy. \[ \frac{(75,000 \times 0.152859)}{100} = \frac{11,464}{100} = 114.64 \text{ tax.} \]

3. **City of Bell General Obligation Bonds** – A 2003 City of Bell municipal election authorized the sale of up to $70 million in General Obligation Bonds (GOBs) to finance construction and improvements of parks and related facilities. In 2004, the City issued $15 million in bonds. In 2007 it issued another $35 million. In July of 2012, a portion of the Series 2007 bonds remained unexpended. The City used the unexpended proceeds to pay the tender price of the tendered bonds, defease other bonds, and pay related costs – thereby reducing the borrowing and effectively eliminating the possibility that this tax will ever increase. The debt service extends to 2037.

   The levy amount is \$.187554 per each $100 in property value.
A Summary of the City of Bell's Property Taxes

Assuming again a property valued at $75,000, the derivation of the tax is similar to the base property tax levy. \( \frac{($75,000 \times 0.187554)}{100} = \frac{$14,067}{100} = $140.67 \) tax. The City's Debt Service Fund was established to account for the tax income and disbursements. All of the General Obligation Bonds tax is retained by the City. Annual collections are $2.1 million.

**Property Tax Bills**

The Los Angeles County Auditor-Controller issues property tax bills to Bell property owners. The Treasurer-Tax Collector collects the property tax. For unknown reasons, the Auditor-Controller combines the pension tax levy and the GOBs levy on the property tax bill. This presentation consistently creates confusion for property owners.

The combined levies are described on the tax bill as “Bell Measure A-G.” The combined levy is .340413.

Proof of the combined levy is derived by adding the pension levy, .152859, to the GOBs levy, .187554. Thus: \( .152859 + .187554 = .340413 \).
A Summary of the City of Bell’s Direct Assessments (Parcel Taxes)

Parcel taxes are a particular type of excise (use) tax that is based on either a flat per-parcel rate or a rate that varies depending on use, size, and/or number of units on each parcel of property. Parcel taxes, unlike ad valorem (“added to value”) property taxes, cannot be based on the value of a property. That is a violation of Proposition 13’s 1% limit on ad valorem property taxes.

Bell homeowners and business owners will observe two “direct assessments” on their tax bills: (1) Lighting & Landscape District and (2) Sanitary Sewer Maintenance District. “Direct assessment” is the descriptive term that Los Angeles County officials use to describe parcel taxes on the property tax bill.

City of Bell direct assessments are derived from an annual engineer’s report that assigns a value to the service provided according to use of the service, the number of dwelling units on a property and, in certain cases, the linear length of property “front footage” (FF).

1. **Lighting & Landscape District** – The maintenance and operation of Citywide landscaping, streetlights, City trees and traffic signals with the City of Bell is of value to all home and business owners. The maintenance and operation of these improvements enhance the value of properties in the City; improve erosion and water control; provide dust abatement; increases public safety (controls sight distance restrictions and fire hazards); improve neighborhood aesthetics; increase traffic safety; and provide enhanced quality of life. The Lighting & Landscaping parcel tax is levied to all properties in the City pursuant to the “Landscaping and Lighting Act of 1972.”

For purposes of parcel tax levy, the City is divided into four zones that recognize various levels of estimated benefits received by home and business owners.

- **Zone 1.** All residential property with 5 or fewer dwelling units: $55.95 per year.
- **Zone 2.** All residential property with six or more dwelling units: $3.67/FF per year.
- **Zone 3.** All commercial property: $3.67/FF per year.
- **Zone 4.** The Trammel Crow District: $10.74/FF per year.

The City accounts for the receipt and disbursement of District proceeds in a separate accounting fund, the Lighting and Landscaping Fund. Annual income resulting from application of the parcel tax to all City properties is $450,000.

2. **Sanitary Sewer District** – The maintenance and operation of sewer connections from the point of connection from a residential or commercial property to Los Angeles County sewer system lines is of value to all property owners.

For purposes of parcel tax levy, the City is divided into four zones that recognize various levels of estimated benefits received by home and business owners.

- **Zone 1.** All residential property with 5 or fewer dwelling units.
- **Zone 2.** All residential property with six or more dwelling units.
A Summary of the City of Bell’s Direct Assessments (Parcel Taxes)

Zone 3. All commercial property with normal sewer usage.
Zone 4. All commercial property with high sewer usage.

Two distinct types of levy make up this parcel tax. The first, Standby Charges, often called a “readiness to serve” assessment is applied to properties not currently using the sewer service, but for which sewer service is available.

Zone 1. All residential property with 5 or fewer dwelling units: $12.70 per dwelling unit.
Zone 2. All residential property with six or more dwelling units: $16.32 per dwelling unit.
Zone 3. All commercial property with normal sewer usage: $57.92 per parcel.
Zone 4. All commercial property with high sewer usage: $96.58 per parcel.

The second levy comprises annual sewer service charges for properties using the sewer service.

Zone 1. All residential property with 5 or fewer dwelling units: $33.12 per dwelling unit.
Zone 2. All residential property with six or more dwelling units: $42.64 per dwelling unit.
Zone 3. All commercial property with normal sewer usage: $151.53 per parcel.
Zone 4. All commercial property with high sewer usage: $252.67 per parcel.

The City accounts for the receipt and disbursement of Sewer District proceeds in a separate accounting fund, the Sewer Maintenance Fund. Annual income resulting from application of the parcel tax to all City properties is $352,000.

Property Tax Bills

The Los Angeles County Auditor-Controller issues property tax bills to Bell property owners. The County Treasurer-Tax Collector collects the payments.

The direct assessments are described on the property owner’s tax bill below the property tax levies.
City of Bell Organization Chart

City Council
Nestor Enrique Valencia, Mayor
Alicia Romero, Mayor Pro Tempore
Violeta Alvarez, Councilmember
Ana Maria Quintana, Councilmember
Ali Saleh, Councilmember

City Treasurer
Norma Gamez, Interim

City Manager
Doug Willmore

City Attorney
Dave Aleshire

City Clerk
Janet Martinez, Interim

Police Department
Ty Henshaw, Captain

Community Services Department
Pamela Yugar, Director

Community Development Department
Joe Perez, Director

Finance Department
Josh Betta, Director
Finance Department Organization Chart

City Manager  
Doug Willmore

Finance Director  
Joshi Batta

- Accounting Management
- Business Licensing
- Budget Preparation and Interim Reporting
- Treasury Management and Interim Reporting
- Risk Management
- Information Technology Services
- Debt Servicing
Community Development Department Organization Chart

City Manager
Doug Willmore

Community Development Director
Joe Perez

Building & Safety
Engineering
Planning
Economic Development
Code Compliance
Public Works
Bell Successor Agency
Police Department Organization Chart

City Manager
Doug Allimore

Captain
Ty Henshaw

Patrol Services
Detective Bureau
Communications
Records Bureau
Traffic
Administration
Jail
Training
Parking Enforcement
Community History and General Information

History

In the 19th Century, through 1860, that land area that now is known as the City of Bell was known as Rancho San Antonio. The approximate 30,000 acres was named after local settler Don Antonio Maria Lugo, a Spanish aristocrat and former soldier. The rancho later became known for its fine horses and large cattle herds that could be found grazing on the rolling prairie.

The Lugo family fortunes are said to have dwindled with the passing of time, and from 1855 to 1865 the majority of the rancho was sold for less than $1 per acre. The Lugo family would, however, keep their home.

A land boom occurred from 1870 to 1890, and large portions of the former rancho were divided into small plots and purchased by new settlers. James George Bell and his family arrived shortly after. A farming community soon surfaced. In addition to founding what would become the City of Bell, George Bell was instrumental in establishing Occidental College in Los Angeles.

By the turn of the 19th Century, Bell had become a sparsely settled countryside with a small number of homes. On September 7, 1927, 1,518 votes were cast in favor of incorporating the City of Bell. The margin of victory was 33 votes.

Following World War II, the city experienced a population boom, with many businesses, schools and community organizations cropping up. In 1925, the Alcazar Theater was built – thus marking the first “taking pictures” theater in town.

In July 2010, the City’s history took a temporary turn for the worse -- and the City of Bell became synonymous with public corruption -- when a Los Angeles Times investigation into possible malfeasance in the neighboring city of Maywood revealed that Bell elected officials and certain high-ranking appointed officials were receiving unusually large salaries, perhaps the highest in the nation. The salaries came into the public eye after the newspaper’s investigation, based on California Public Records Act requests, showed that City manager Robert Rizzo received $787,637 a year (almost double the salary of the President of the United States). With benefits, this amount increased to almost $1.5 million. Rizzo’s assistant, Angela Spaccia, was earning $376,288 a year, more than the top administrator for Los Angeles County.

All but one of the members of the City Council were receiving $100,000 or more for their part-time work.

In September 2010, the California Attorney General’s office filed a lawsuit against eight former and current City of Bell employees, requesting the return of "excessive salaries"
as well as a reduction in pension benefits accrued as a result of those higher salaries. Allegations about irregularities in the 2009 election also were examined by the FBI and California Secretary of State Office. The city’s high property taxes were also investigated.

On September 21, 2010, former city manager Robert Rizzo, Mayor Oscar Hernandez, former assistant city manager Angela Spaccia and City Council members George Mirabal, Teresa Jacobo, Luis Artiga, George Cole and Victor Bello were arrested and charged with misappropriation of public funds. All former City Council members but Artiga were convicted on multiple charges early in 2013. Prison sentences are being decided at this writing. The Rizzo and Spaccia criminal trials resulted in convictions on multiple accounts. Rizzo was sentenced to a 12-year terms and ordered to pay restitution of $9 million. He was also sentenced to 33 months for federal tax fraud, which he was allowed to serve concurrently. Spaccia was sentenced to 11 years and 8 months in prison and ordered to pay similar restitution.

The City of Bell began the process of rebuilding itself with the election of a completely new City Council in March, 2011. And, following a period of interim administrations, the City Council appointed a permanent City Manager in July, 2012. By October 2012, the City Manager had installed the permanent executive team.

While the eyes of the world watch, the new City Council and new City administration are creating the “New Bell” by, among other things, bringing harsh justice to all wrongdoers, constructing a firm financial foundation, and transforming the organization into a model of good government.

General Information

The City of Bell, California is located in the greater metropolitan Los Angeles area, approximately 10 miles southeast of downtown Los Angeles. It is located at an altitude of 160 feet above sea level. The City’s climate is characterized as mild with a mean temperature of 70 degrees in the summer months and 55 degrees in the winter months.

The City maintains active cultural and recreational programs for children, seniors, and families. Access to six parks, many churches, a multitude of medical facilities, variable transportation modes, and a variety of food and clothing stores, provides the citizens of Bell with valuable amenities. Enhancement of the “quality of life” in Bell is a City priority.

The City’s major employers are the U.S. Post Office Bulk Mail Center located in Bell, along with several manufacturing firms. Our citizens’ median household income is approximately $37,483, as measured in 2009.
Community Profile

Government: Council-Administrator

Incorporated: November 7, 1927

City Type: Charter

Area: 2.81 square miles

Population: 35,972 as of January 1, 2014, per California Department of Finance

Registered Voters: 11,253, or 31% of Bell population

Demographics: Hispanic-93.10%, White-4.87%, Other-2.03%

Business Licenses: 1,458

Parks: (6) Veterans Memorial Park, Treder Park, Little Bear Park, Debs Park, Pritchard Field and Nueva Vista Park

Libraries: (1) County owned and operated on property leased by City of Bell

Police Services: (1) Headquarters- City owned and operated

Fire Services: (1) Station- County owned and operated

Streets and Roads: 37.5 miles of streets, 3.4 miles of paved alleys, 75 miles of sidewalks, 28 signalized intersections

Transportation: Local MTA bus service
Dial-A-Ride van service
La Campana fixed-route service
Accessible via the Long Beach (710) freeway

Economic Trends: Assessed Valuation $1,466,928,827 as of August 2013
Taxable Retail Sales $1,801,943,000 in FY 2013-14

Former Redevelopment Project Areas: Area 1-Adopted June 21, 1976
Area 2-Adopted June 7, 1982
Areas merged and amended, June 1986
Total Acres-670

Community Housing Authority: Administers (2) two Mobile Home Parks-
Bell Mobile Home Park
Florence Village Mobile Home Park