City of Palos Verdes Estates
Adopted Budget & Capital Plan
FY2016/17 – 2017/18

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City of Palos Verdes Estates

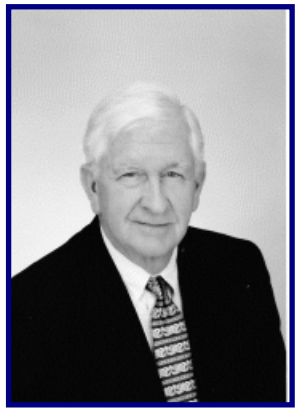
Mayor Jennifer L. King

Councilmember Betty Lin Peterson

Mayor Pro-Tem James D. Vandever

Councilmember Jim Goodhart

Councilmember John Rea



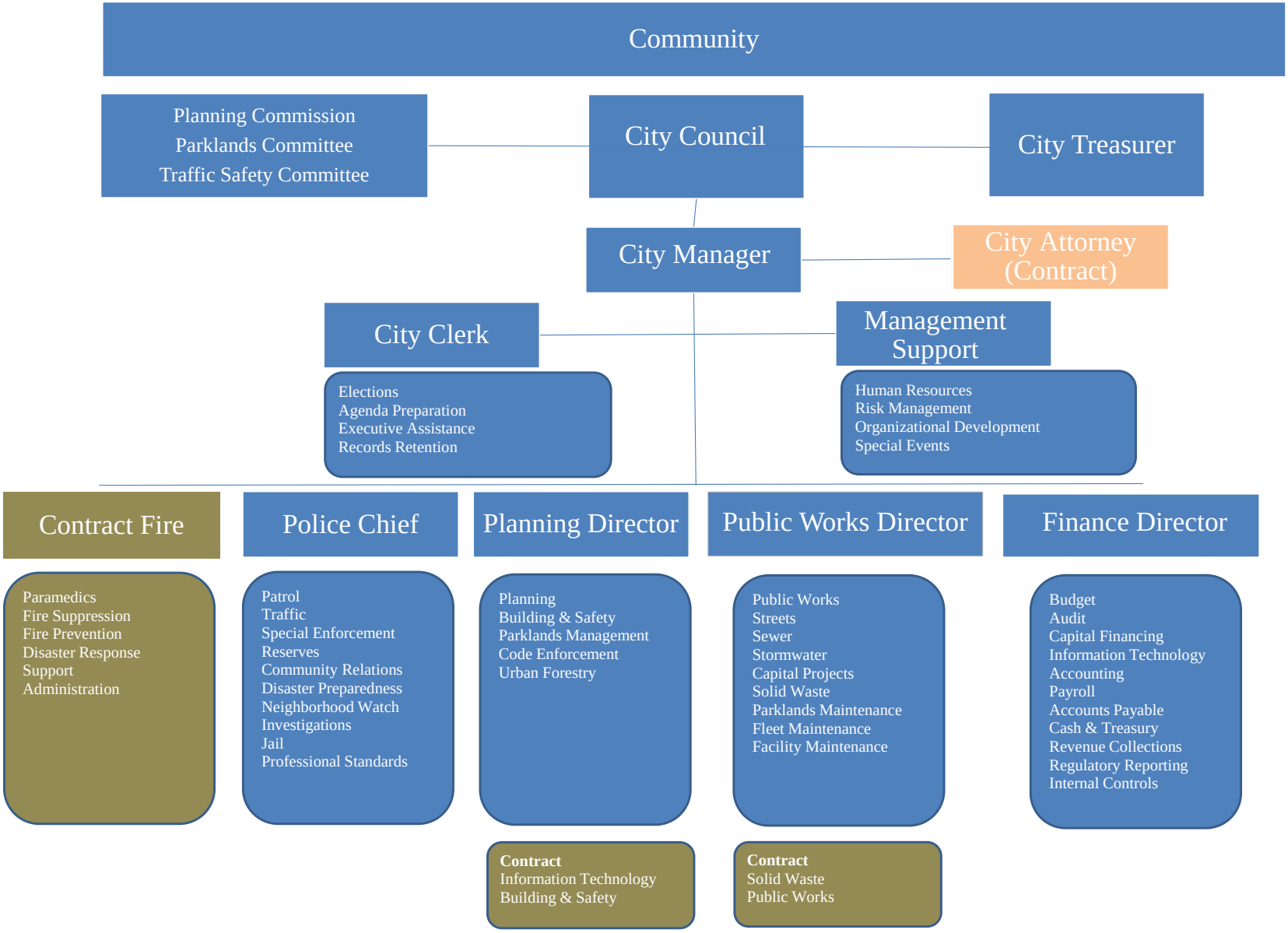
City Treasurer Joseph Sherwood

Elected Officials & Executive Team

ELECTED OFFICIALS	
Mayor	Jennifer L. King
Mayor Pro Tem	James D. Vandever
Council Members	Betty Lin Peterson
	James F. Goodhart
	John Rea
City Treasurer	Joseph C. Sherwood, Jr.

EXECUTIVE TEAM	
City Manager	Anton Dahlerbruch
City Attorney	Christi Hogin
Finance Director	John Downs
Chief of Police	Jeff Kepley
City Clerk	Vickie Kroneberger
Planning & Building Director/Deputy City Manager	Sheri Repp-Loadsman
Public Works Director	Ken Rukavina

City of Palos Verdes Estates - Organizational Structure



Palos Verdes Estates Organizational Staffing

City Manager
(Appointed)

City Attorney
(Appointed)

City Clerk's Office

1.00 City Clerk
0.56 Office Specialist
1.125 Receptionist (2-PT)
2.685 Total

Records Retention and Management, City Council Meeting Agenda and Minutes Preparation, Webcasting, Elections, City Hall Reception

Management Support

2.00 Administrative Analyst

Human Resources
Personnel and Benefit Administration, Risk Management, Labor Relations, Organizational Development

Community Relations
Special Events & Permits, Citizen Engagement Programs, Communications, Intergovernmental Relations

Contract Fire

Paramedics
Firefighters

3 Shifts of:

1 Captain
1 Engineer
3 Firefighter/Paramedic

Police

1.00 Chief
1.00 Exec Asst/Custodian
1.00 Comm Relations Ofc
2.00 Captain
6.00 Sergeant
3.00 Sr. Police Officer
13.00 Police Officer
1.00 Lead Service Ofc
9.00 Service Officers
1.00 Traffic Contr. Ofc
.30 Data Entry Clerk
.60 Volunteer Coord.
2.00 Police Intern (4-PT)
40.90 Total

Planning & Building

1.00 Deputy City Manager / Planning & Building Dir.
1.00 Planner
1.00 Code Enforcement
1.00 Permit Technician
1.00 Urban Forester

5.00 Total

Building & Safety (contract)
Planning Commission
Parklands Committee

Public Works

1.00 City Engr. / P.W. Dir.
1.00 Permit Technician
1.00 Maintenance Foreman
4.50 Maintenance Worker

7.50 Total

Solid Waste (contract)
Engineering (contract)
Capital Projects (contract)
Traffic Safety Committee

Finance

1.00 Finance Director
1.00 Fin Services Mgr.
2.00 Fin Services Technician

4.00 Total

Fire and Paramedic Tax Funding Committee

Budget Message

Thank You

I would like to take this opportunity to express my sincere appreciation for the hard work, dedication and team-play that went into the creation of the biennial FY 2016/18 budget and capital plan.

I want to thank the City elected officials for their leadership and support without which the directions being pursued herein could not be advanced. My deep gratitude is extended to the entire executive team including Karina Banales, Tony Best, John Downs, Jeff Kepley, Vickie Kroneberger, Sheri Repp-Loadsman and Ken Rukavina– a team that has been remarkably resilient, responsive and fast-moving in the creation of this foundational document. Also, a special shout out to the Finance team, Donna Coonan, Michelle French and Teresa Bowers for their time, energy and attention to detail in preparing this financial plan.

Finally, I want to thank all staff citywide for sharpening their pencils resulting in a sustainable and responsible fiscal plan.

Anton Dahlerbruch, City Manager

FY 16/18 BUDGET MESSAGE

At the outset of this budget year, we embarked on a budget process of planning and building the next phase of the City's future. Our goals and perspectives in preparing this budget encompassed (1) continuing the important tradition of conservative fiscal planning that is prudent, sustainable, and compliant with accounting best practices, (2) maintaining an accurate fiscal plan necessary to strengthen the organization's efficiency, effectiveness, and responsiveness, and (3) sustaining the operational, capital, technological and human resource and capacity infrastructure for serving the community at the highest levels. The two-year plan before you is both resourceful and operationally realistic, ensuring no disruption to the high standards of service provided to the community, while positioning the City to move forward within the constraints of one primary and limited revenue source, property tax.

This budget document looks similar to the 2014/16 fiscal year budget, however there are some enhancements that make it more useable. This document goes to greater lengths to itemize and quantify monies that were budgeted but unutilized in the prior year and hence are available to reprogram for upcoming projects. This document serves to communicate how City services and work plans will evolve in future years.

The 2016/18 fiscal plan focuses on community enhancements, connectivity, staff development, organizational effectiveness, service delivery, capital planning, and technology. It further represents a long term operating and capital planning vision, an initiative that will continue and be strengthened with interim reports, improved accountability, clearer communications and future budgets. The operational portion of the budget has been shaped based on a programmatic, or functional, structure emphasizing the City's various service delivery centers. These service centers, more commonly known by their department names – Administration – Finance - Police – Paramedic & Fire Services – Planning & Building Safety - Public Works, are those units responsible for specific services and performing the City's core duties. The budget document has been crafted to highlight each of the named service delivery centers.

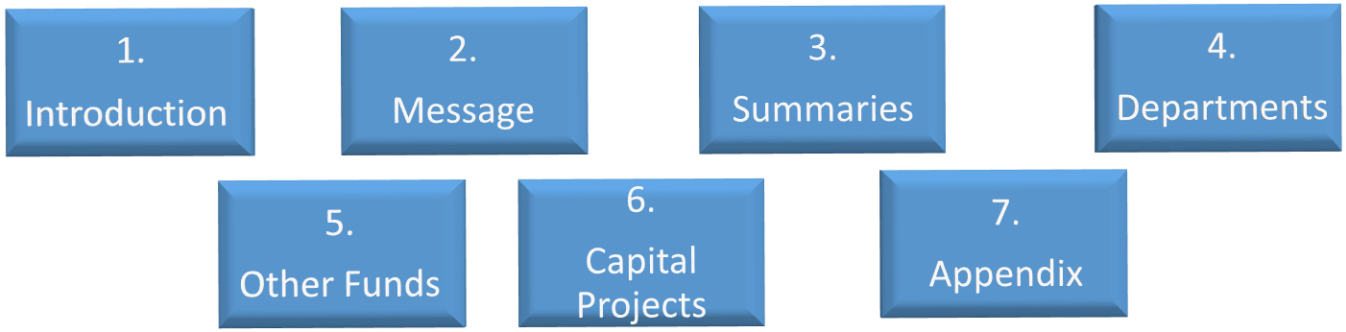
In terms of dollars and cents, the budget document strives to answer the three essential questions:

What We Have - How much does the City have available to use now and within the near term?
What We Take In - What are the City's revenue sources?
What We Spend - How are tax and fee dollars allocated for the delivery of community services?

Capital improvements represent a key focus of the City's budget. More than cost, capital improvement projects (CIPs) are a significant factor in Palos Verdes Estates' highly visible and well-utilized physical environment and character. The City's infrastructure, maintained through capital improvements, maintenance and enhancements serve to preserve, enhance and nurture the quality of life in Palos Verdes Estates.

STRUCTURE OF THE DOCUMENT

This document is a financial plan that includes a three year historical view of past results and estimates. Revenues are presented by Fund (tantamount to a private-industry subsidiary or division), Category and Source while expenditures are divided into Fund- Department – Program and Category. These are organized in summary and more detailed layouts. Service centers have also been asked to include a description of mission, accomplishments and future goals; each Departmental budget section presents this information under the headings "What we do?", "What we have accomplished" and "Goals". In summary, the document's overall structure is as follows:



The Summaries section consolidates the numbers from all the various sources and uses and organizes them into a comprehensive and meaningful manner. The section essentially "telescopes" the financial data from high level to detail to provide access to the various perspectives of interest.

Department Budgets and Other Funds provide a platform from which each department defines the resource levels necessary for service delivery. The Capital Projects section quantifies large scale improvement projects (hardscape brick and mortar items or plans thereof) designed to maintain City infrastructure, open spaces, streets and roadways, sewer lines, storm drain system, and facilities.

The Appendix is a collection of added information. It also includes important information such as a detailed and comparative listing of City staffing and a schedule of items requested and proposed in the budget process above the base budget. Lastly, the appendix includes some key performance measures and a listing of authorized positions.

BUDGET HIGHLIGHTS

The biennial Fiscal Year (FY) 2016/17 and 2017/18 operating budget is balanced, and it maintains current service levels, with the addition of some enhancements that will occur only in FY 2016-17. These one-time enhancements are reflected in key staffing improvements in several areas – staff development – training – equipment – safety – technology – capital outlay and large scale capital projects. The FY 2016-17 operating budget reflects one time supplemental expenditures of $100,000 that are funded through a one- time transfer from the City's Equipment Replacement Fund, thereby negating any structural shortfall for the year.

From a perspective of staffing and organizational structure, the City's traditional functional structures has been enhanced by the hiring of an in-house City Engineer. The City continues to maintain a hybrid balance of in-house staff and contract services. Contract based services are deployed in all key functions including Safety (paramedic and fire contract), Maintenance (waste hauling, landscaping contracts), Administration (legal, technology, professional service contracts) and Planning, Building & Public Works (Building and Engineering support contracts).

As discussed in more detail below, this fiscal plan is conservatively built based on full costing levels and revenue projections that do not overreach. Revenue estimates are attentive to an economy that is stable in the commercial sector but continues to be tenuous at local, state and federal levels. Within these parameters, projections are sustainable and allow for steady operations going forward. In summary:

- The General (operating) fund is balanced for both FY 2016/17 and FY 2017/18
- General Fund Budgeted revenues will no longer reflect the discounted value of exchanged of Prop A funds ($173,000).
- Policy of six months (rainy day) operating reserves have been maintained at established levels
- Revenues increased moderately (excluding interdepartmental charges) and are forecasted to remain so in the two year term (increase projected to be .5 to 2.5%)
- Property tax is the primary revenue source with an increase projected to be 3-4% growth in each year
- Full Time Equivalent positions (full and part-time) remain at 63
- Normal and sustainable salary and benefit growth have been included
- Cal PERS Safety and Miscellaneous pension rate increases have been included as estimated

- Increases in regional healthcare and insurance costs are included
- Increased funding to comply with MS4 (storm water) monitoring
- Utilizing built up reserve in the Equipment Replacement Fund to fund several one-time expenses in the General Fund and CIP
- Projected on-going commitment of funding towards Parklands and open space enhancements

PROJECTED FUND BALANCES & RESERVES

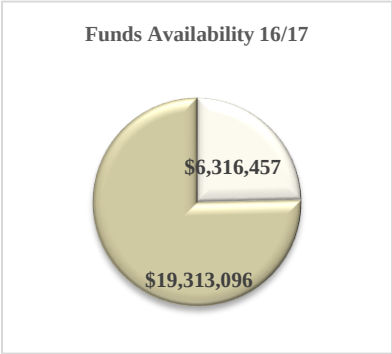
This biennial budget maintains the strong General fund 50% reserve for "rainy day" needs and unplanned disasters and emergencies, recognizing the City's stable, but non-diversified, revenue base. To that end, the budget establishes the following two full year projections of projected fund balances:

FUND	JUNE 2016	JUNE 2017	JUNE 2018
GENERAL FUND	12,180,701	11,744,767	11,274,624
FIRE TAX FUND	672,908	667,082	632,824
SPECIAL REVENUE FUNDS	966,847	1,055,429	1,244,853
TRANSIT TAX FUNDS	952,601	915,516	823,102
CAPITAL FUNDS	9,558,381	7,124,266	6,014,262
SHARED SERVICE FUNDS	5,229,416	4,122,493	4,147,084
TOTAL	29,560,854	25,629,553	24,136,750

The table above illustrates the maintenance of strong fund balances as well this budget's investment in citywide capital improvements.

Another important analysis and component of fund reserves relates to the availability of funding given policy restrictions and/or the proceeds they contain. To that end, this budget projects Fund availabilities as listed below. It is important to know the concept that governmental accounting categorizes dollars (i.e. –places them in Funds) based upon their source of origin and the degree of discretion that can be applied to their use. For the most part, General Fund dollars and Capital dollars that remain uncommitted, beyond set policy reserve levels, assume the highest degree of availability while other "special revenue" funds, originating from state, federal, special tax or grant dollars are restricted. In the end result – only about 1/3 of City Funds remain discretionary.

FUND	June 2017 Available	June 2017 Restricted	June 2018 Available	June 2018 Restricted
GENERAL FUND	2,408,866	9,335,900	1,781,694	9,492,930
FIRE TAX FUND	-	667,082	-	632,824
SPECIAL REVENUE FUNDS	-	1,055,429	-	1,244,853
TRANSIT TAX FUNDS	-	915,516	-	823,102
CAPITAL FUNDS	3,907,591	3,216,675	2,923,987	3,090,275
SHARED SERVICE FUNDS	-	4,122,493	-	4,147,084
	6,316,457	**19,313,096**	**4,705,681**	**19,431,069**
		25,629,553		**24,136,750**



This budget was built in strict observance to the City's practice of maintaining a 50% reserve level. This reserve balance decreases from $9.6 Million to $9.4 Million over the two year term representing 50% of base funds (all funds excluding capital and sewer) and 75% of the City's General operating Fund.

ESTIMATED REVENUES

The City's checkbook is made up of many Funds or categories, all of which are listed in summary and detail within the budget document. For purposes of the budget message, it is most helpful and instructive to focus in on the General Fund, as it provides the resources that drive core City services. The General Fund makes up 65% of all city revenue, and when combined with the City's Special Paramedic and Fire Services Parcel Tax, operations make up 88% of all city incoming resources. To that end, most of the City's capital projects are also seeded via transfers of available dollars that flow through the General Fund.

In the biennial term, the City is projecting 6% growth in revenue streams over FY 15/16 projected results followed by a 1.5% growth for FY 17/18. Excluding the Shared Services Funds (interdepartmental charges) that are growing due to increased insurance expenses, the growth in revenue is a much more moderate .5% to 2.5% in this biennial budget.

Given its importance to City operations, it is also key to note that the Paramedic and Fire Tax Special Tax revenue is staged to increase by 4.5% commensurate with the FY 16/17 contract. A similar level of increase was factored into FY 17/18. Renewal of the tax will be on the ballot in March 2017; for purposes of this budget we have assumed the City's Fire Parcel Tax will be renewed for the FY17/18 fiscal year.

When parsing out the major elements of the General Fund revenues, it is clear that property tax remains as the major driver in the anticipated growth patterns when considering shear incoming dollar revenue streams as displayed below. Property tax growth assumptions are conservatively founded based upon near term trends, available market forecasts tempered with inherent uncertainties that exist in the national and state economies.

SOURCE	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18	$ CHANGE One Yr	% CHANGE One Yr	$ CHANGE Ywo Yr	% CHANGE Two Yr
PROPERTY TAXES	7,053,530	7,648,833	7,932,689	595,303	8.44%	879,159	12.46%
PROPERTY TAX IN-LIEU-FEE	1,320,379	1,317,554	1,375,395	(2,825)	-0.21%	55,016	4.17%
CONCESSIONS & INTEREST	1,360,853	1,333,100	1,358,100	(27,753)	-2.04%	(2,753)	-0.20%
PLANNING & BUILDING FEES	1,086,189	994,000	994,000	(92,189)	-8.49%	(92,189)	-8.49%
FRANCHISE FEES	565,555	561,135	569,206	(4,420)	-0.78%	3,652	0.65%
OTHER AGENCIES	757,514	274,920	271,449	(482,594)	-63.71%	(486,065)	-64.17%
FINES	152,230	150,000	150,000	(2,230)	-1.46%	(2,230)	-1.46%
BUSINESS LICENSE TAX	208,628	208,000	208,000	(628)	-0.30%	(628)	-0.30%
REAL ESTATE TRANSFER TAX	203,228	200,000	200,000	(3,228)	-1.59%	(3,228)	-1.59%
SALES TAX	190,023	192,000	194,000	1,977	1.04%	3,977	2.09%
LICENSE & PERMITS	35,288	30,500	30,500	(4,788)	-13.57%	(4,788)	-13.57%
SERVICE CHARGES	61,074	58,000	58,000	(3,074)	-5.03%	(3,074)	-5.03%
TOTAL	**12,994,490**	**12,968,042**	**13,341,339**	**(26,449)**	**-0.20%**	**346,849**	**2.67%**

Another important assumption factored into the budget is the City's conclusion of participation in the AB109 task force that reimburses the City for the City's officer(s) participating in the program. Also the City will no longer exchange our Prop A funds with another agency in the upcoming two years. Both of these decisions will account for the decreased revenues projected in the Other Agencies category although they also result in offsetting savings in expenditures.

EXPENDITURES

On the resource outlay side of the equation, expenditures reflect the organizational and capital investments. In the biennial term, the City is projecting a 7.5% growth in General fund expenditures over FY 15/16 projections and 25% increase growth capital improvement and equipment activities to address deferred functional needs of the organization and community. FY 17/18 continues to show significant growth of 8.7% in the General Fund expenses largely due to pension obligations however the overall growth is a more modest 1.04%.

A look at the expenditure numbers by area of service delivery follows:

SERVICE AREA	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18	$ CHANGE One Yr	% CHANGE One Yr	$ CHANGE Ywo Yr	% CHANGE Two Yr
ADMINISTRATION	1,126,369	1,350,553	1,285,175	224,184	19.90%	158,806	12.36%
FINANCE	719,493	703,706	737,463	(15,786)	-2.19%	17,971	2.44%
POLICE	6,624,759	7,124,549	7,372,403	499,790	7.54%	747,644	10.14%
PLANNING & BUILDING	2,329,452	2,512,146	2,572,170	182,695	7.84%	242,718	9.44%
PUBLIC WORKS	1,076,919	1,341,821	1,344,271	264,901	24.60%	267,352	19.89%
GENERAL FUND	**11,876,992**	**13,032,776**	**13,311,482**	**1,155,784**	**9.73%**	**1,434,490**	**10.78%**
FIRE SERVICES	4,418,973	4,703,818	4,826,030	284,845	6.45%	407,057	8.43%
TRANSIT	415,249	465,542	470,573	50,293	12.11%	55,324	11.76%
CAPITAL PROJECTS	2,481,480	4,224,234	2,120,368	1,742,754	70.23%	(361,112)	-17.03%
SEWER PROJECTS	1,656,522	593,570	191,400	(1,062,952)	-64.17%	(1,465,122)	-765.48%
EQUIPMENT	159,157	488,498	327,200	329,341	206.93%	168,043	51.36%
INSURANCE	561,758	780,418	819,315	218,660	38.92%	257,557	31.44%
OTHER FUNDS	**9,693,139**	**11,256,080**	**8,754,886**	**1,562,941**	**16.12%**	**(938,253)**	**-10.72%**
TOTAL	**21,570,131**	**24,288,856**	**22,066,368**	**2,718,725**	**12.60%**	**496,237**	**2.25%**

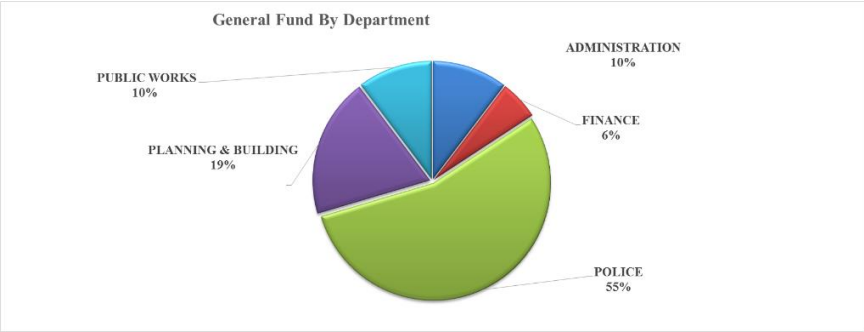
The numbers above are discussed in detail throughout this fiscal plan. However, it is important to note a few key facts:

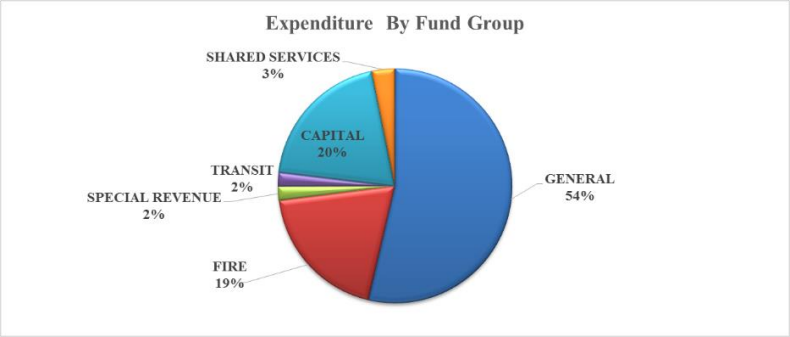
- Citywide personnel expenditures include full staffing levels as a conservative approach "as if" there are no position vacancies
- Labor costs include normally anticipated growth patterns but also significant pension rate increases in Police (13.75% annually)
- Both the Capital Improvement Project (CIP) Fund and the Sewer Fund reflect the advancement of significant projects
- $1 million in built-up reserves within Equipment Replacement Fund is being transferred for one-time expenses to the General Fund and Capital Improvement Fund by $128,800 and $871,200 respectively.

DEPARTMENT BUDGETS

The budget document has been layered in a manner that highlights departmental areas and includes a discussion of "what has changed." With the General Fund making up 57% of the budget followed by Fire Services at 23% and capital and equipment at 15%, a breakout of total General fund and citywide expenditures is as follows:

A review of each department and service area budget will reveal the following highlights:



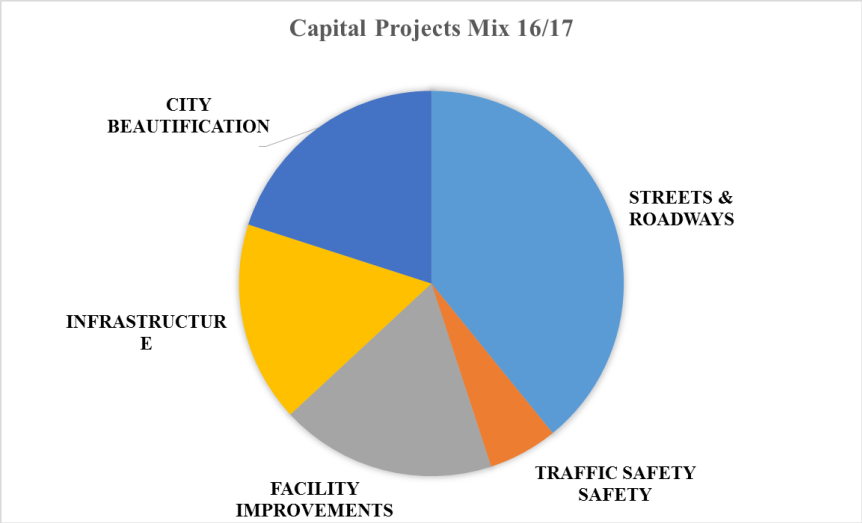


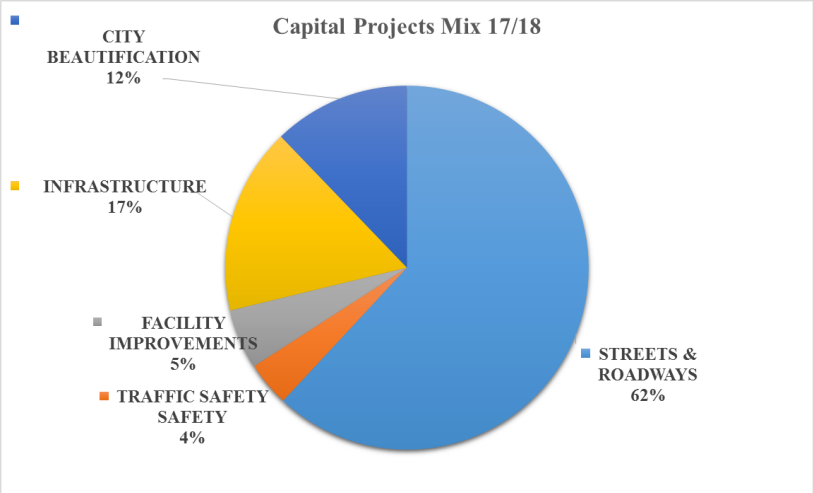
- Training dollars have been enhanced for personnel by $10,000 for staff development
- The City has planned for participation in the Automated License Plate Reader project with the three other cities on the peninsula.
- The City has planned to strategically commit funds to Parkland beautification
- Increased insurance costs (health, workers' compensation and general liability)
- County Paramedic and Fire contract increase of approximately $285,000 (offset by revenue)
- Addition of one in-house City Engineer much of which is offset by lesser contractual services
- Enhancing routine tree trimming annual contract services (+$100,000)
- Planned funding for possible capital improvements to Lunada Bay and Malaga Cove Plaza areas
- One-time community-wide satisfaction and prioritization survey
- Certain one-time capital improvements funded by the Equipment Replacement Fund
- First time presentation of 5 Year Capital Improvement Plan

CAPITAL IMPROVEMENT PROJECTS

This budget takes a stride ahead in setting the beginnings of a formal Capital Improvement Plan (CIP) document. The section included herein titled Capital Improvements serves to communicate all existing and active projects and identify all future projects within the two-year term. As mentioned in the highlights above, a five-year preview of the CIP is now also available.

A review of this document reveals a significant investments in the community infrastructure as detailed by project within the CIP section:





TRANSFERS

In accounting terms transfers do not flow through the expenditure categories but are certainly important elements of the financial picture and results. Key transfers are explicitly defined within the budget document summary section which are summarized below.

<u>FY 16-17</u>
$500,000 Transfer from General Fund to seed future capital projects
$(513,832) set aside from the General fund reserves to maintain a 50% policy reserve
$37,500 from the Prop C Fund to the capital fund for road resurfacing

<u>FY 16-17</u>
$158,812 of available Measure R dollars for road reconstruction projects
$281,520 from the special projects fund (AQMD dollars) for future transit related capital projects
$1,000,000 from Equipment Replacement to capital improvements and certain one-time supplemental budget requests

FY 17-18
$500,000 Transfer from General Fund to seed future capital projects
$157,030 set aside from the General fund unreserved to maintain a 50% policy reserve
$258,996 of available Measure R dollars for road reconstruction projects

CONCLUSION

Preparing the FY 16/17 and FY 17/18 budget was collaborative and inclusive; all Departments were asked to document and define needs based experience and realities. They were asked to undergo a quasi-zero-based budgeting approach designed to provide a valuable audit trail, cross train staff in the budgeting process, and participate in meaningful budget deliberations. In doing so, we believe this budget continues to calibrate the City's "fiscal compass" and ensure that community services are enhanced by providing an appropriate balance of resources.

This budget continues to advance our goals of moving the organization toward further accountability, community enhancement plans, and service delivery into the future and to a higher level. It represents a proactive and progressive future with an investment into the community and into personnel for enhancing customer service, practices, capital improvements and efficiencies. The work plan behind this budget represents our commitment to continually achieving the community's expectations and doing the best for the City of Palos Verdes Estates.

In conclusion, with the presentation of this budget, we submit a fiscal plan that is doable, fiscally sound and moves us forward. Our thanks to the City Council for their direction and guidance toward the future and the Finance Department team for assembling this fiscal plan.

Thank you.

Sincerely,
Anton Dahlerbruch
City Manager
June 28, 2016

Summaries

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FY 16/18 Fiscal Plan Overview

GENERAL FUND

Balanced

Services Maintained

Needs Evaluated

Reserves Preserved

PEOPLE

Updated Pension Rates Included

Increased Insurance Costs Included

Continued Pension Reform

In House City Engineer On Board

Admin Analyst Moved to Admin

CAPITAL

$6.2M Capital Improvements

$816K Replaced Equipment

Initiated a Formal Capital Plan

Focus: Safety -Technology – Infrastructure - City Beautification

HIGHLIGHTS

Emphasizing: Commonality - Communication - Consistency - Creativity

Balanced Biennial Financial Plan & Multi-Year Forecast

Advances: Training- Organizational Continuity - Best Practices

Focus on Infrastructure, Capital Improvements, and Community Enhancements

Investment in Equipment & Technology Priorities

Increased Engineering Services

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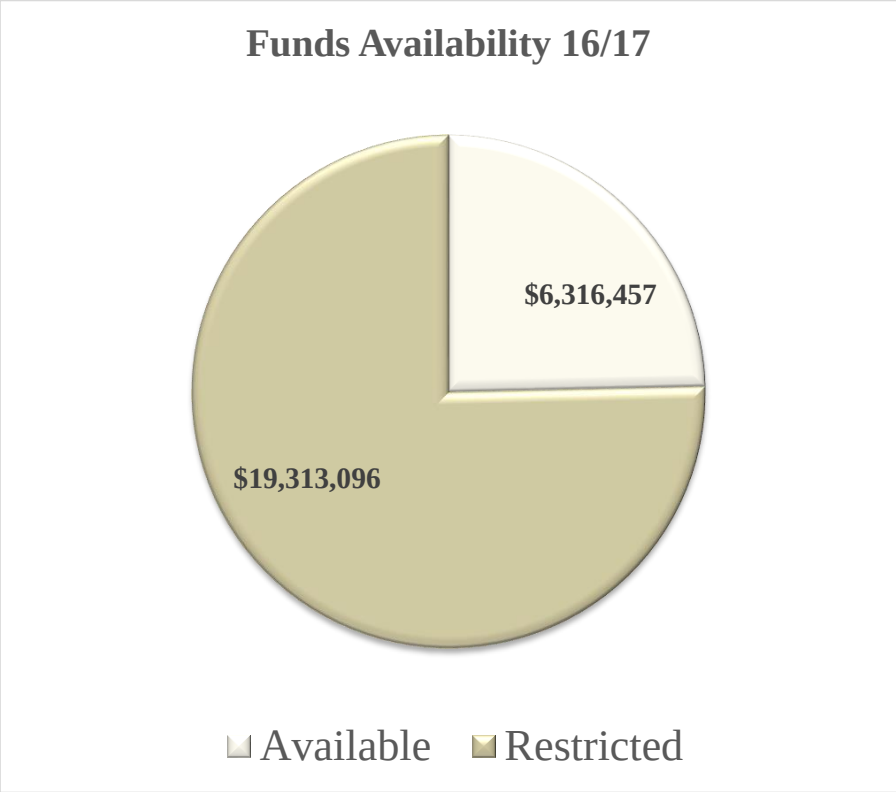
454,95
450
500,5
327,6
480,4
406,5
361,6
14%
15%
14%
15%
13%
450
400
350
300
250
340
380
350
370

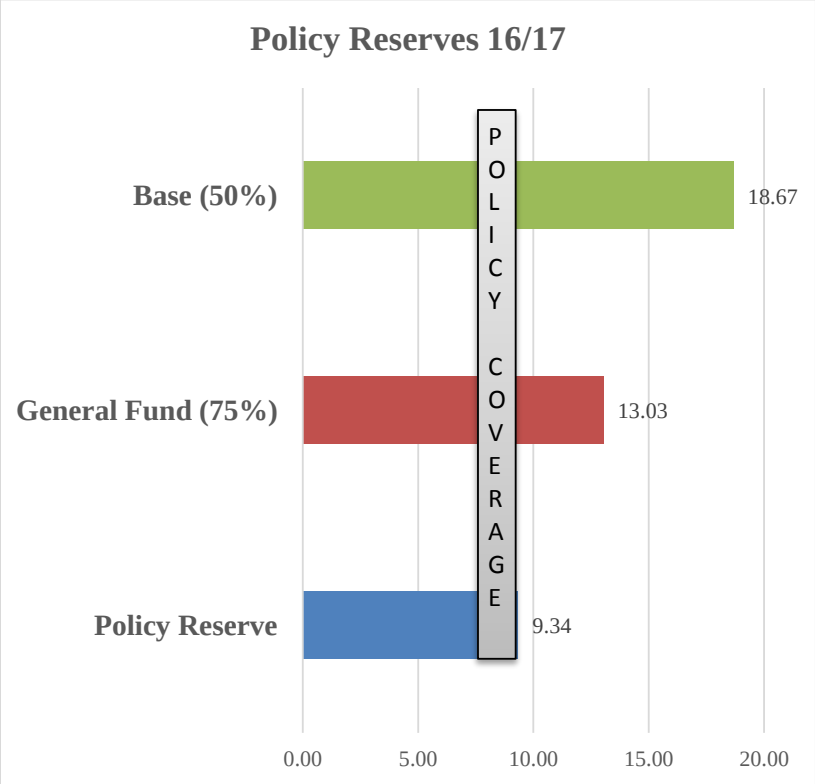
What We Have

PALOS VERDES ESTATES

FUND BALANCES 16/17

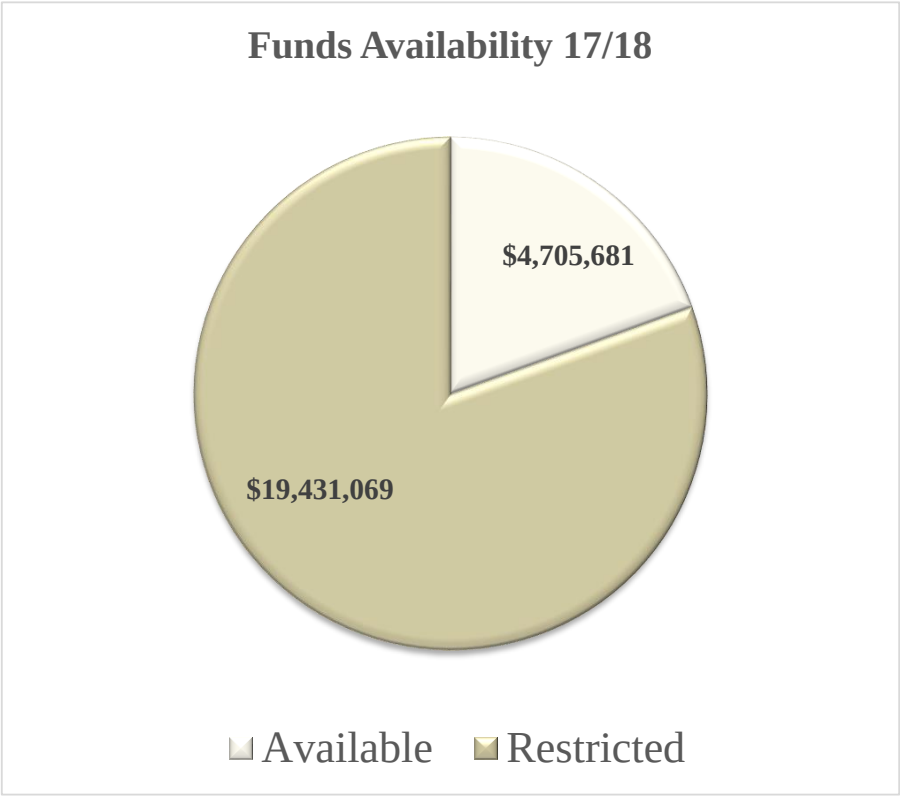
		ADOPTED ----------					
FUND	**JUNE 30, 2016**	**REVENUE**	**OPERATIONS**	**REV / EXP**	**CAPITAL**	**TRANSFERS**	**JUNE 30, 2017**
GENERAL FUND							
UNRESERVED	2,330,969	12,968,042	13,032,776	(64,734)		142,632	2,408,866
FISCAL POLICY RESERVE	9,849,732					(513,832)	9,335,900
	12,180,701	**12,968,042**	**13,032,776**	**(64,734)**	**-**	**(371,200)**	**11,744,767**
FIRE TAX FUND							
FIRE PARCEL TAX	672,908	4,697,992	4,703,818	(5,826)		-	667,082
	672,908	**4,697,992**	**4,703,818**	**(5,826)**	**-**	**-**	**667,082**
SPECIAL REVENUE FUNDS							
GAS TAX	108,907	361,192	356,957	4,235		-	113,142
DRUG INTERVENTION	82,270	500	-	500		-	82,770
POLICE GRANTS (SLESF)	37,755	100,500	100,000	500		-	38,255
SPECIAL PROJECTS	732,835	371,567	8,000	363,567		(281,520)	814,882
CORRECTIONS	5,080	6,000	4,700	1,300		-	6,380
	966,847	**839,759**	**469,657**	**370,102**	**-**	**(281,520)**	**1,055,429**
TRANSIT TAX FUNDS							
TRANSIT PROP A	631,658	255,065	256,875	(1,810)			629,848
MEASURE R	147,027	158,812	-	158,812		(158,812)	147,027
TRANSIT PROP C	173,916	210,892	208,667	2,225		(37,500)	138,641
	952,601	**624,769**	**465,542**	**159,227**	**-**	**(196,312)**	**915,516**
CAPITAL FUNDS							
CAPITAL IMPROVEMENT	5,777,136	-	-	-	3,718,577	1,849,032	3,907,591
STABLE	266,421	35,000	1,000	34,000	35,000	-	265,421
SEWER	3,514,824	30,000	7,500	22,500	586,070	-	2,951,254
	9,558,381	**65,000**	**8,500**	**56,500**	**4,339,647**	**1,849,032**	**7,124,266**
SHARED SERVICE FUNDS							
EQUIP REPLACEMENT	3,997,066	381,575	488,498	(106,923)		(1,000,000)	2,890,143
INSURANCE	1,232,350	780,418	780,418	-		-	1,232,350
	5,229,416	**1,161,993**	**1,268,916**	**(106,923)**	**-**	**(1,000,000)**	**4,122,493**
TOTAL	**29,560,854**	**20,357,555**	**19,949,209**	**408,346**	**4,339,647**	**-**	**25,629,553**

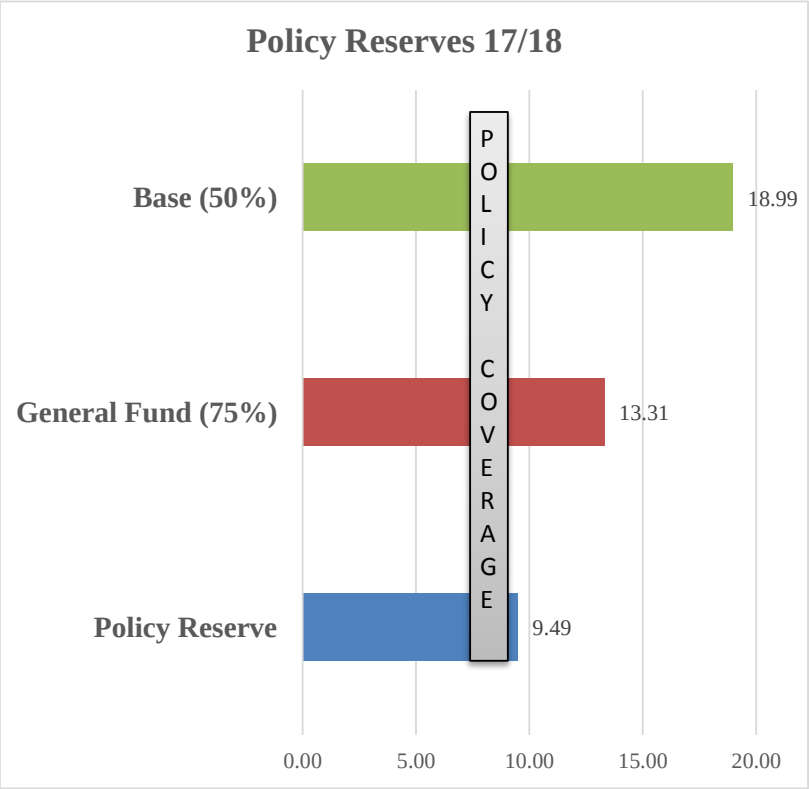

Funds Availability 16/17
$6,316,457
$19,313,096
Available
Restricted


Policy Reserves 16/17
Base (50%)
18.67
General Fund (75%)
13.03
Policy Reserve
9.34
POLICY COVERAGE
0.00
5.00
10.00
15.00
20.00

FUND BALANCES 17/18

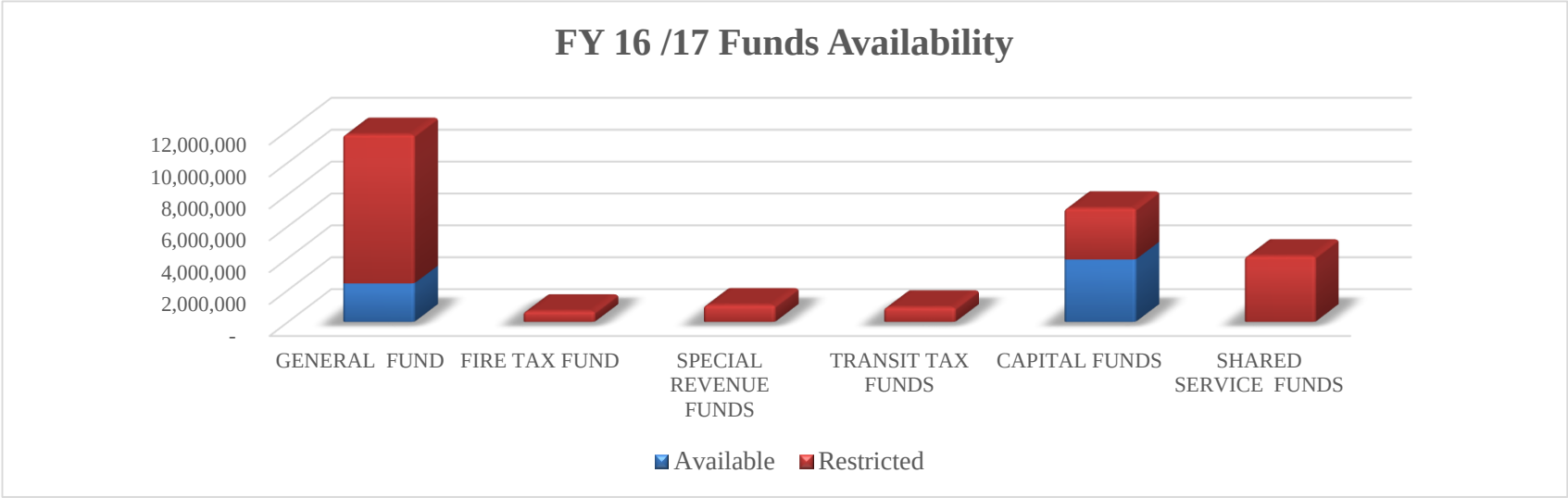
		PROPOSED ----------					
FUND	**JUNE 30, 2017**	**REVENUE**	**OPERATIONS**	**REV / EXP**	**CAPITAL**	**TRANSFERS**	**JUNE 30, 2018**
GENERAL FUND							
UNRESERVED	2,408,866	13,341,339	13,311,482	29,857		(657,030)	1,781,694
FISCAL POLICY RESERVE	9,335,900					157,030	9,492,930
	11,744,767	**13,341,339**	**13,311,482**	**29,857**	**-**	**(500,000)**	**11,274,624**
FIRE TAX FUND							
FIRE PARCEL TAX	667,082	4,791,772	4,826,030	(34,258)		-	632,824
	667,082	**4,791,772**	**4,826,030**	**(34,258)**	**-**	**-**	**632,824**
SPECIAL REVENUE FUNDS							
GAS TAX	113,142	361,192	364,908	(3,716)			109,426
DRUG INTERVENTION	82,770	500	-	500		-	83,270
POLICE GRANTS (SLESF)	38,255	100,500	-	100,500		-	138,755
SPECIAL PROJECTS	814,882	99,000	8,160	90,840		-	905,722
CORRECTIONS	6,380	6,000	4,700	1,300		-	7,680
	1,055,429	**567,192**	**377,768**	**189,424**	**-**	**-**	**1,244,853**
TRANSIT TAX FUNDS							
TRANSIT PROP A	629,848	260,096	261,906	(1,810)			628,038
MEASURE R	147,027	161,969	-	161,969		(258,996)	50,000
TRANSIT PROP C	138,641	215,090	208,667	6,423			145,064
	915,516	**637,155**	**470,573**	**166,582**	**-**	**(258,996)**	**823,102**
CAPITAL FUNDS							
CAPITAL IMPROVEMENT	3,907,591	-		-	1,742,600	758,996	2,923,987
STABLE	265,421	35,000	-	35,000		-	300,421
SEWER	2,951,254	30,000	7,500	22,500	183,900	-	2,789,854
	7,124,266	**65,000**	**7,500**	**57,500**	**1,926,500**	**758,996**	**6,014,262**
SHARED SERVICE FUNDS							
EQUIP REPLACEMENT	2,890,143	351,791	327,200	24,591		-	2,914,734
INSURANCE	1,232,350	819,315	819,315	-		-	1,232,350
	4,122,493	**1,171,106**	**1,146,515**	**24,591**	**-**	**-**	**4,147,084**
TOTAL	**25,629,553**	**20,573,564**	**20,139,868**	**433,696**	**1,926,500**	**-**	**24,136,750**

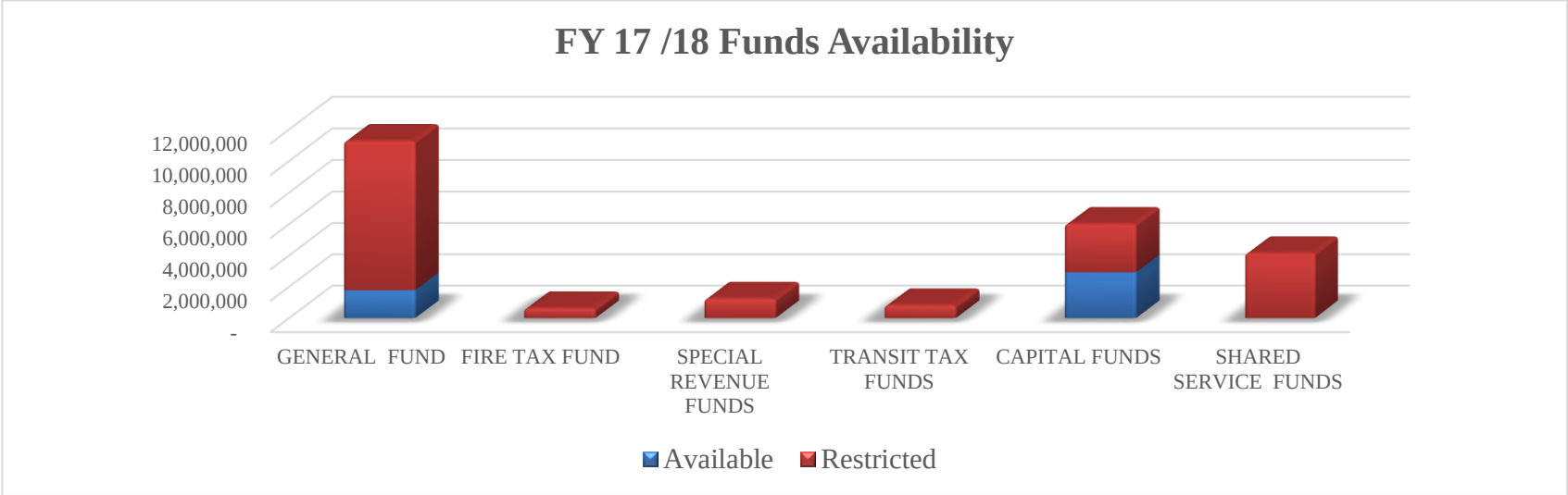

Funds Availability 17/18
$4,705,681
$19,431,069
Available
Restricted


Policy Reserves 17/18
Base (50%)
18.99
General Fund (75%)
13.31
Policy Reserve
9.49
POLICY COVERAGE
0.00
5.00
10.00
15.00
20.00

FUND AVAILABILITIES

FUND	June 30, 2017 AVAILABLE	June 30, 2017 RESTRICTED	June 30, 2018 AVAILABLE	June 30, 2018 RESTRICTED
UNRESERVED	2,408,866	-	1,781,694	-
FISCAL POLICY RESERVE	-	9,335,900	-	9,492,930
GENERAL FUND	**2,408,866**	**9,335,900**	**1,781,694**	**9,492,930**
FIRE PARCEL TAX	-	667,082	-	632,824
FIRE TAX FUND	**-**	**667,082**	**-**	**632,824**
GAS TAX	-	113,142	-	109,426
DRUG INTERVENTION	-	82,770	-	83,270
POLICE GRANTS (SLESF)	-	38,255	-	138,755
SPECIAL PROJECTS	-	814,882	-	905,722
CORRECTIONS	-	6,380	-	7,680
SPECIAL REVENUE FUNDS	**-**	**1,055,429**	**-**	**1,244,853**
TRANSIT PROP A	-	629,848	-	628,038
MEASURE R	-	147,027	-	50,000
TRANSIT PROP C	-	138,641	-	145,064
TRANSIT TAX FUNDS	**-**	**915,516**	**-**	**823,102**
CAPITAL IMPROVEMENT	3,907,591	-	2,923,987	-
STABLE	-	265,421	-	300,421
SEWER	-	2,951,254	-	2,789,854
CAPITAL FUNDS	**3,907,591**	**3,216,675**	**2,923,987**	**3,090,275**
EQUIP REPLACEMENT	-	2,890,143	-	2,914,734
INSURANCE	-	1,232,350	-	1,232,350
INTERNAL SERVICE FUNDS	**-**	**4,122,493**	**-**	**4,147,084**
TOTAL	**6,316,457**	**19,313,096**	**4,705,681**	**19,431,069**


FY 16 /17 Funds Availability
12,000,000
10,000,000
8,000,000
6,000,000
4,000,000
2,000,000
-
GENERAL FUND
FIRE TAX FUND
SPECIAL REVENUE FUNDS
TRANSIT TAX FUNDS
CAPITAL FUNDS
SHARED SERVICE FUNDS
Available
Restricted


FY 17 /18 Funds Availability
12,000,000
10,000,000
8,000,000
6,000,000
4,000,000
2,000,000
-
GENERAL FUND
FIRE TAX FUND
SPECIAL REVENUE FUNDS
TRANSIT TAX FUNDS
CAPITAL FUNDS
SHARED SERVICE FUNDS
Available
Restricted

ADOPTED FUND TRANSFERS 16/17

(FROM) / TO	GEN FUND UNRESERVED	GEN FUND FISCAL POLICY RESERVE	GAS TAX	MEASURE R	PROP C	CAPITAL IMPROVEMENT	EQUIPMENT REPLACEMENT	SPECIAL PROJECTS (AQMD)		Purpose
GENERAL FUND									-	
UNRESERVED	513,832	(513,832)							-	To maintain 50% reserve level
UNRESERVED	(500,000)					500,000			-	To fund future capital projects
FISCAL POLICY RESERVE									-	
FIRE TAX FUND									-	
FIRE PARCEL TAX									-	
SPECIAL REVENUE FUNDS									-	
GAS TAX			-						-	
DRUG INTERVENTION								-	-	
POLICE GRANTS (SLESF)								-	-	
SPECIAL PROJECTS						281,520		(281,520)	-	To fund road repairs & street projects
CORRECTIONS								-	-	
TRANSIT TAX FUNDS									-	
TRANSIT PROP A									-	
MEASURE R				(158,812)		158,812			-	To apply to road reconstruction
TRANSIT PROP C					(37,500)	37,500			-	To update pavement management system
CAPITAL FUNDS									-	
CAPITAL IMPROVEMENT									-	
STABLE									-	
SEWER									-	
INTERNAL SERVICE FUNDS									-	
EQUIP REPLACEMENT	128,800					871,200	(1,000,000)		-	To fund one time items (comp study,
INSURANCE									-	resident survey) and capital beautification
TOTAL	**142,632**	**(513,832)**	**-**	**(158,812)**	**(37,500)**	**1,849,032**	**(1,000,000)**	**(281,520)**	**-**	projects (Lunada Bay, Malaga Cove)

TOTAL TRANSFERS OUT	**(2,491,664)**
TOTAL TRANSFERS IN	**2,491,664**
	-

PLANNED FUND TRANSFERS 17/18

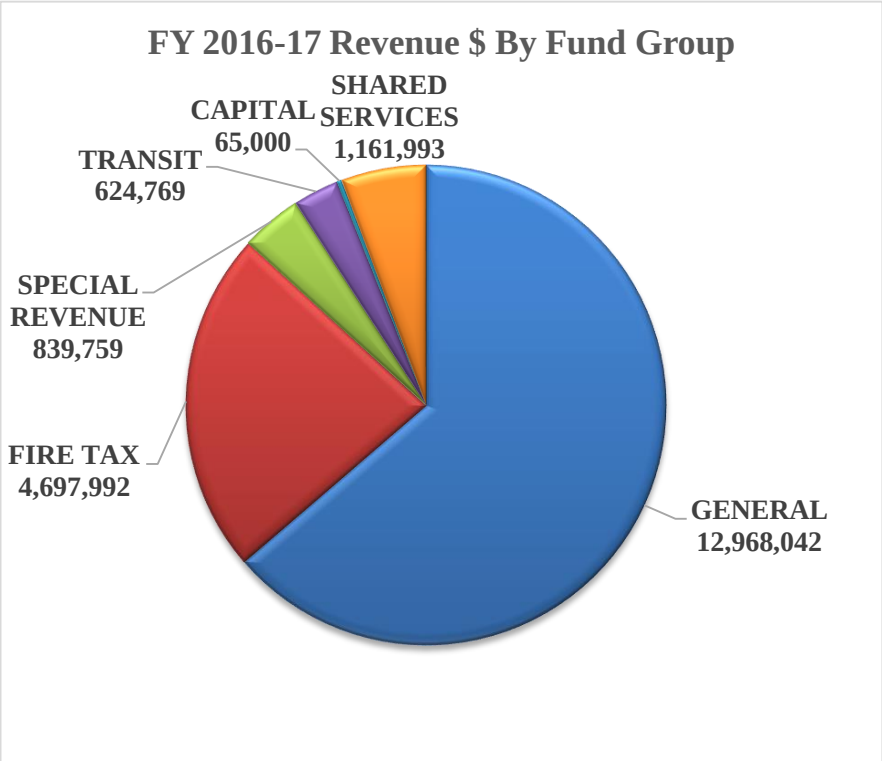
(FROM) / TO	GEN FUND UNRESERVED	GEN FUND FISCAL POLICY RESERVE	GAS TAX	MEASURE R	CAPITAL IMPROVEMENT		Purpose
GENERAL FUND						-	
UNRESERVED	(157,030)	157,030				-	To maintain 50% reserve levels
UNRESERVED	(500,000)				500,000	-	To fund future Capital Projects
FISCAL POLICY RESERVE						-	
FIRE TAX FUND						-	
FIRE PARCEL TAX						-	
SPECIAL REVENUE FUNDS						-	
GAS TAX						-	To apply To road resurfacing
DRUG INTERVENTION						-	
POLICE GRANTS (SLESF)						-	
SPECIAL PROJECTS						-	
CORRECTIONS						-	
TRANSIT TAX FUNDS						-	
TRANSIT PROP A						-	
MEASURE R				(258,996)	258,996	-	To apply to road reconstruction
TRANSIT PROP C						-	
CAPITAL FUNDS						-	
CAPITAL IMPROVEMENT						-	
STABLE						-	
SEWER						-	
INTERNAL SERVICE FUNDS						-	
EQUIP REPLACEMENT						-	
INSURANCE						-	
TOTAL	**(657,030)**	**157,030**	**-**	**(258,996)**	**758,996**	**-**	

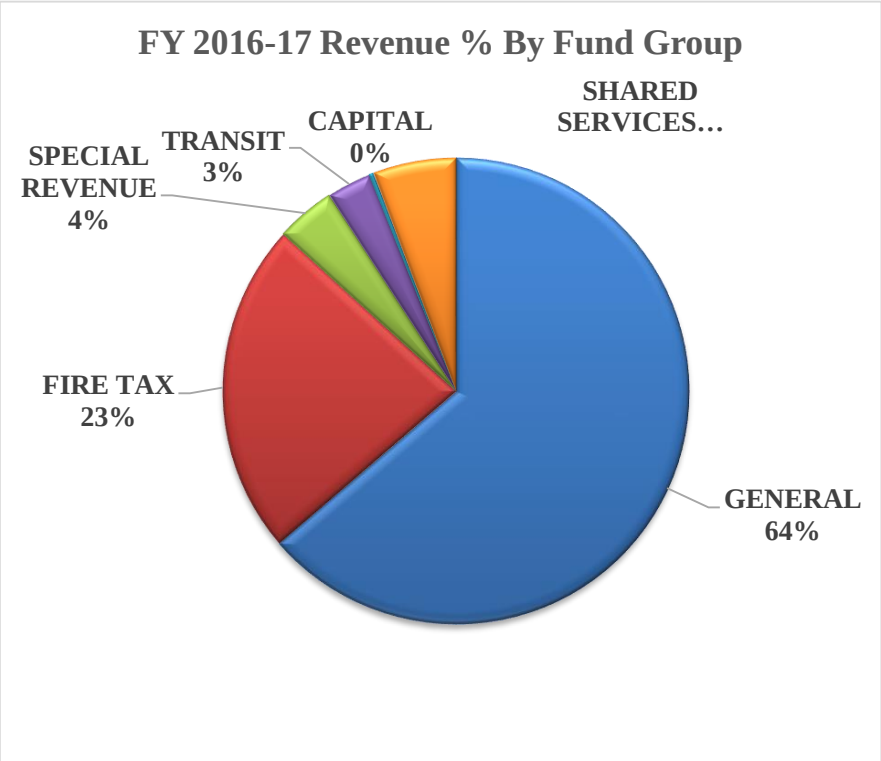
TOTAL TRANSFERS OUT	**(916,026)**
TOTAL TRANSFERS IN	**916,026**
	-

What We Take In

REVENUE BY CATEGORY

FUND GROUP	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
GENERAL	12,474,527	12,508,000	12,994,490	12,968,042	13,341,339
FIRE TAX	4,471,543	4,533,534	4,490,106	4,697,992	4,791,772
SPECIAL REVENUE	685,599	581,000	516,885	839,759	567,192
TRANSIT	597,768	514,900	615,693	624,769	637,155
CAPITAL	66,548	61,600	67,949	65,000	65,000
SHARED SERVICES	464,601	435,400	457,620	1,161,993	1,171,106
TOTAL	**18,760,586**	**18,634,434**	**19,142,743**	**20,357,555**	**20,573,564**

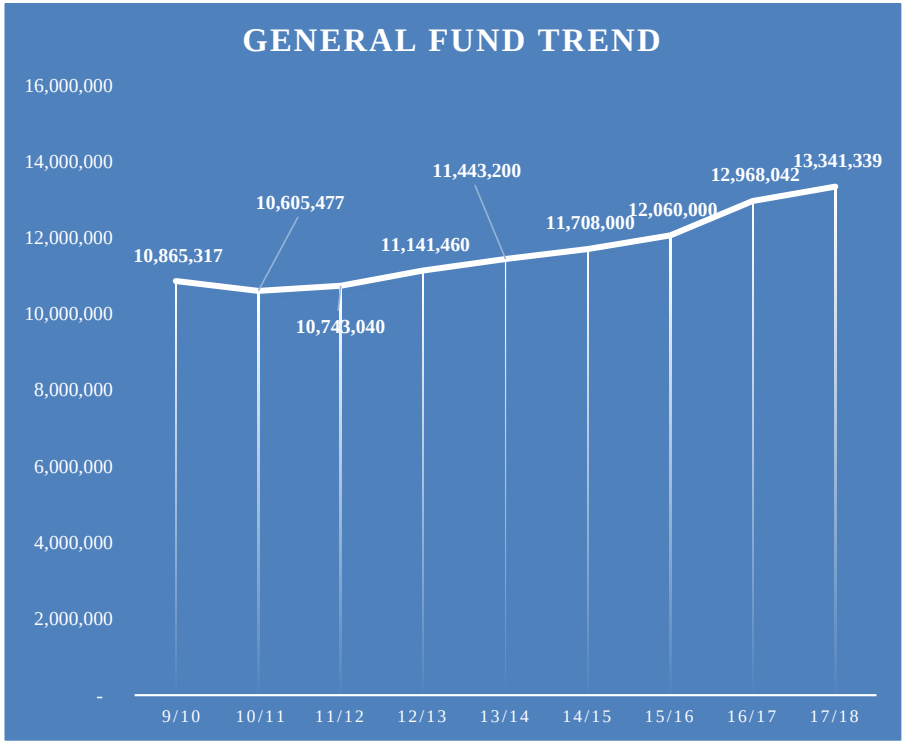


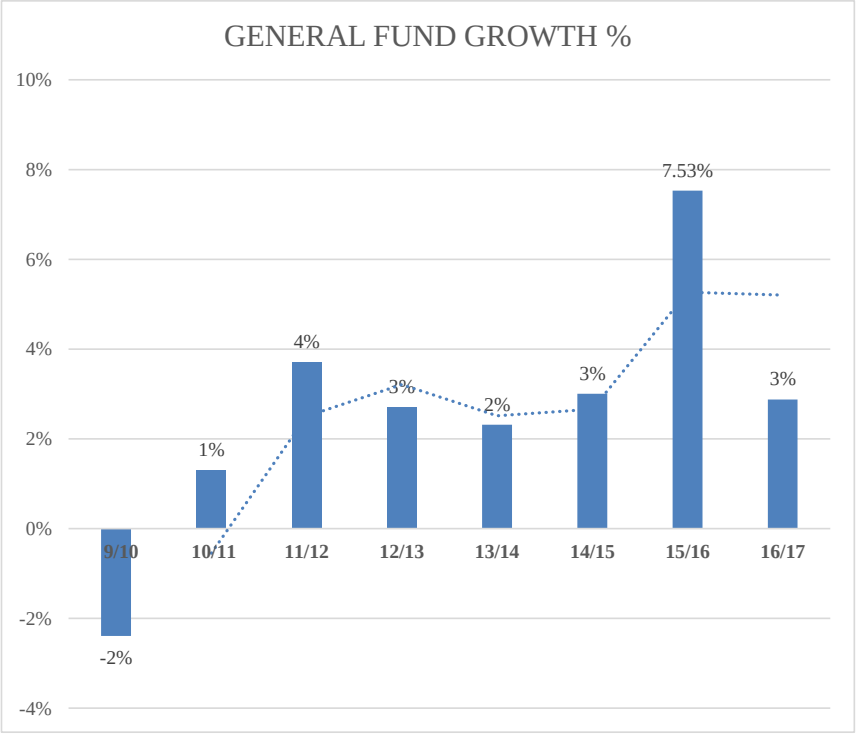


REVENUE BY FUND

FUND NAME	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18	
GENERAL FUND						
GENERAL	12,474,527	12,508,000	12,994,490	12,968,042	13,341,339	
	12,474,527	**12,508,000**	**12,994,490**	**12,968,042**	**13,341,339**	**64%**
FIRE TAX FUND						
FIRE PARCEL TAX	4,471,543	4,533,534	4,490,106	4,697,992	4,791,772	
	4,471,543	**4,533,534**	**4,490,106**	**4,697,992**	**4,791,772**	**23%**
SPECIAL REVENUE FUNDS						
GAS TAX	363,258	362,000	312,532	361,192	361,192	
DRUG INTERVENTION	728	500	500	500	500	
POLICE GRANTS (SLESF)	107,727	100,500	98,900	100,500	100,500	
SPECIAL PROJECTS	207,906	112,000	98,953	371,567	99,000	
CORRECTIONS	5,980	6,000	6,000	6,000	6,000	
	685,599	**581,000**	**516,885**	**839,759**	**567,192**	**4%**
TRANSIT TAX FUNDS						
TRANSIT PROP A	244,915	210,600	251,752	255,065	260,096	
MEASURE R	151,303	130,100	156,298	158,812	161,969	
TRANSIT PROP C	201,550	174,200	207,643	210,892	215,090	
	597,768	**514,900**	**615,693**	**624,769**	**637,155**	**3%**
CAPITAL FUNDS						
CAPITAL IMPROVEMENT	-	-	-	-	-	
STABLE	37,555	31,600	35,042	35,000	35,000	
SEWER	28,993	30,000	32,907	30,000	30,000	
	66,548	**61,600**	**67,949**	**65,000**	**65,000**	**0%**
SHARED SERVICES						
EQUIP REPLACEMENT	464,601	435,400	457,620	381,575	351,791	
INSURANCE	-	-	-	780,418	819,315	
	464,601	**435,400**	**457,620**	**1,161,993**	**1,171,106**	**6%**
TOTAL	**18,760,586**	**18,634,434**	**19,142,743**	**20,357,555**	**20,573,564**	**100%**

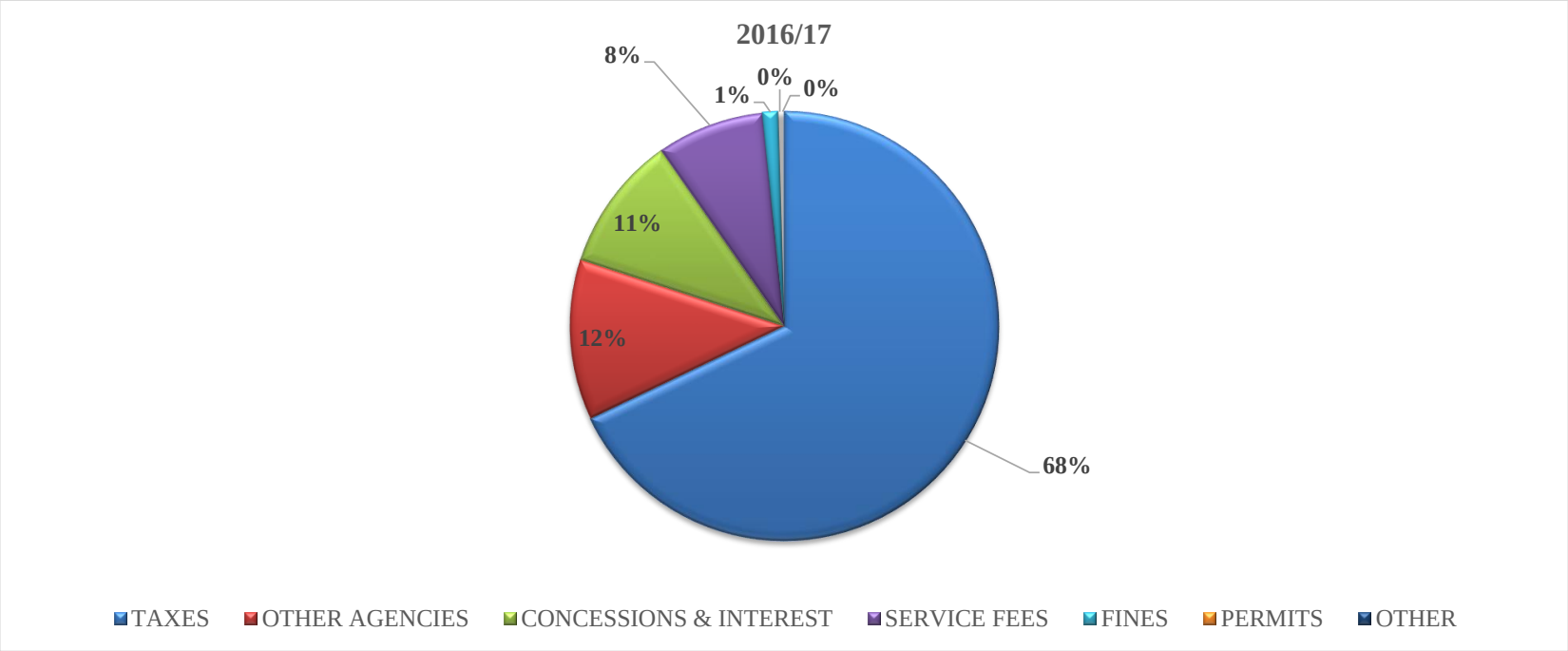
REVENUE BY FUND





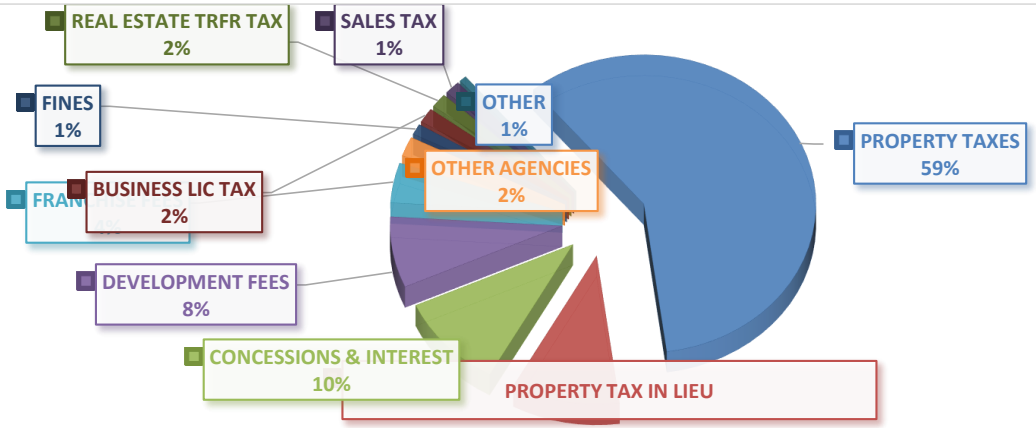
GENERAL FUND REVENUE SOURCES

SOURCE	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
TAXES	8,062,222	8,149,000	8,220,963	8,809,968	9,103,895
OTHER AGENCIES	1,576,572	1,561,000	1,625,053	1,567,054	1,624,895
CONCESSIONS & INTEREST	1,288,989	1,237,000	1,360,853	1,333,100	1,358,100
SERVICE FEES	1,009,694	1,055,000	1,147,263	1,052,000	1,052,000
FINES	175,866	201,000	152,230	150,000	150,000
PERMITS	34,834	35,000	35,288	30,500	30,500
OTHER	326,350	270,000	452,839	25,420	21,949
TOTAL	**12,474,527**	**12,508,000**	**12,994,490**	**12,968,042**	**13,341,339**



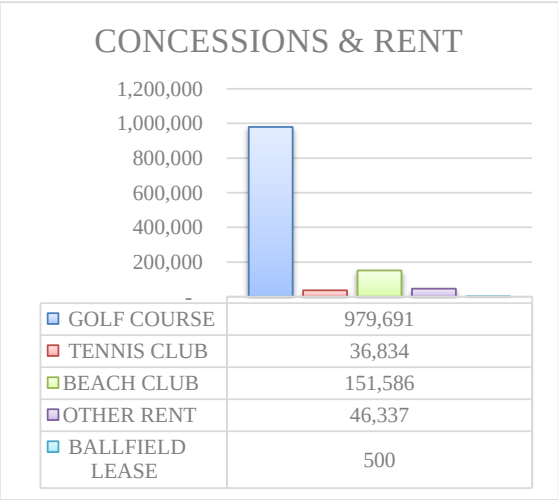
GENERAL FUND REVENUE BY TYPE

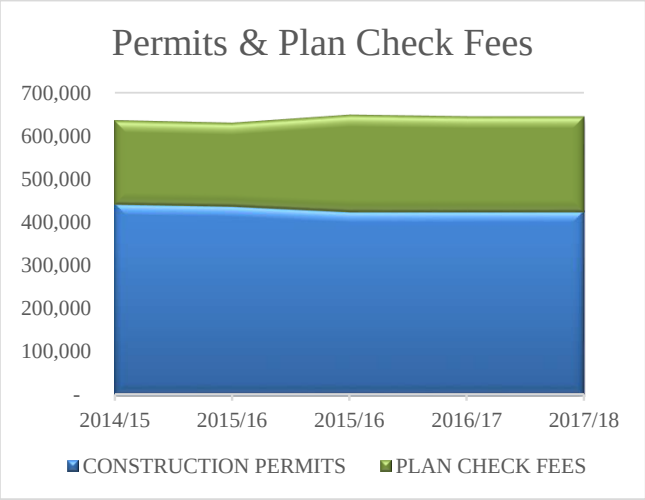
SOURCE	ACTUAL 2014/15	BUDGET 2015/16	ACTUAL Dec 2013	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
PROPERTY TAXES	6,810,561	6,986,000	2,673,129	7,053,530	7,648,833	7,932,689
PROPERTY TAX IN-LIEU-FEE	1,242,410	1,281,000	-	1,320,379	1,317,554	1,375,395
CONCESSIONS & INTEREST	1,288,989	1,237,000	525,403	1,360,853	1,333,100	1,358,100
PLANNING & BUILDING FEES	951,674	993,000	488,186	1,086,189	994,000	994,000
FRANCHISE FEES	590,429	587,000	59,630	565,555	561,135	569,206
OTHER AGENCIES	660,511	550,000	89,728	757,514	274,920	271,449
FINES	175,866	201,000	98,577	152,230	150,000	150,000
BUSINESS LICENSE TAX	210,524	213,000	27,090	208,628	208,000	208,000
REAL ESTATE TRANSFER TAX	241,485	205,000	94,653	203,228	200,000	200,000
SALES TAX	209,222	158,000	74,599	190,023	192,000	194,000
LICENSE & PERMITS	34,834	35,000	2,885	35,288	30,500	30,500
SERVICE CHARGES	58,020	62,000	32,717	61,074	58,000	58,000
TOTAL	**12,474,527**	**12,508,000**	**4,166,597**	**12,994,490**	**12,968,042**	**13,341,339**

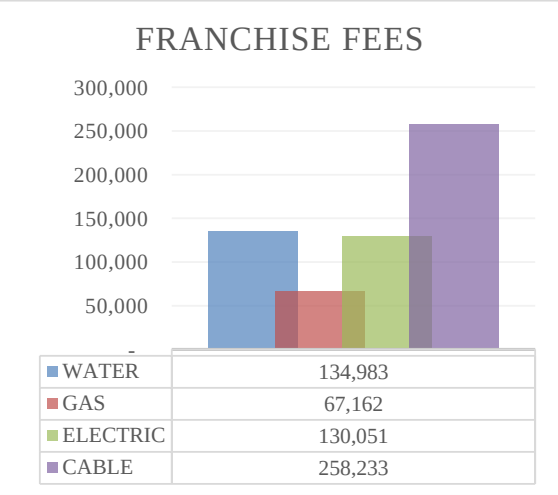


OTHER KEY BREAKOUTS

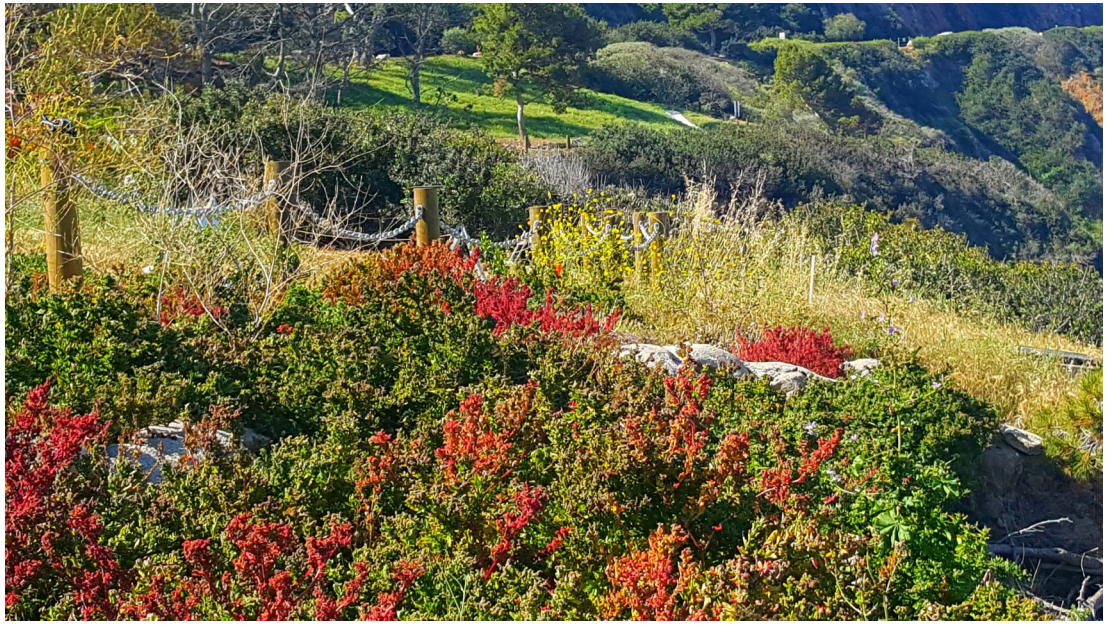
SOURCE	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
CONCESSIONS & RENT	1,214,947	1,184,000	1,280,853	1,263,100	1,288,100
FRANCHISE TAX WATER	134,983	134,000	119,639	114,854	115,000
FRANCHISE TAX GAS	67,162	64,000	54,716	50,000	50,000
FRANCHISE TAX ELECTRIC	130,051	137,000	128,179	128,000	130,560
FRANCHISE TAX CABLE	258,233	252,000	263,020	268,281	273,646
CONSTRUCTION PERMITS	442,530	438,000	425,000	425,000	425,000
PLAN CHECK FEES	194,088	192,000	223,731	220,000	220,000
VEHICLE CODE FINES	43,138	55,000	53,142	50,000	50,000
PARKING FINES	127,976	140,000	99,072	100,000	100,000
TOTAL	**2,613,108**	**2,596,000**	**2,647,354**	**2,619,235**	**2,652,306**





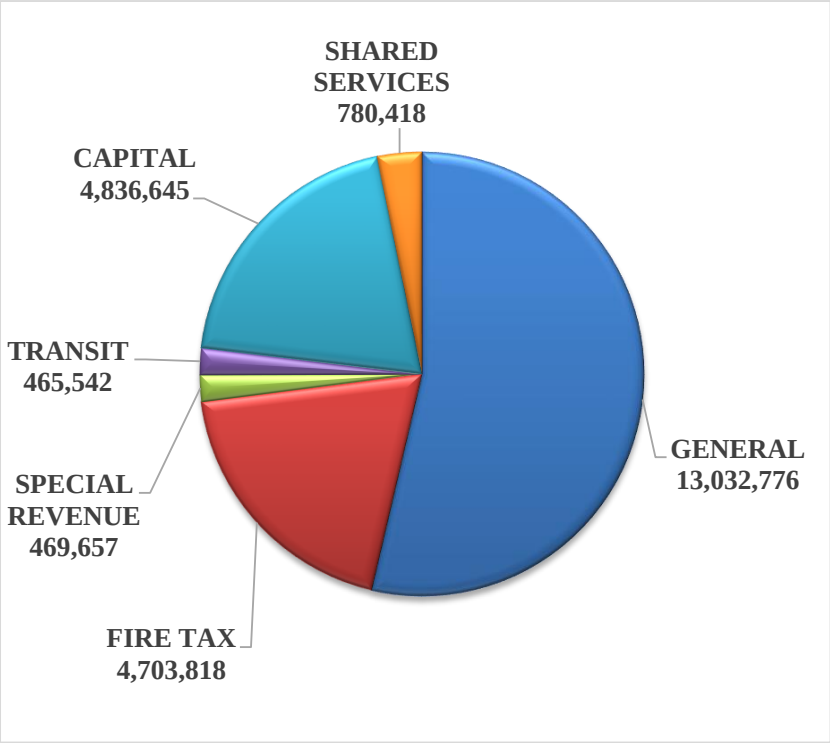


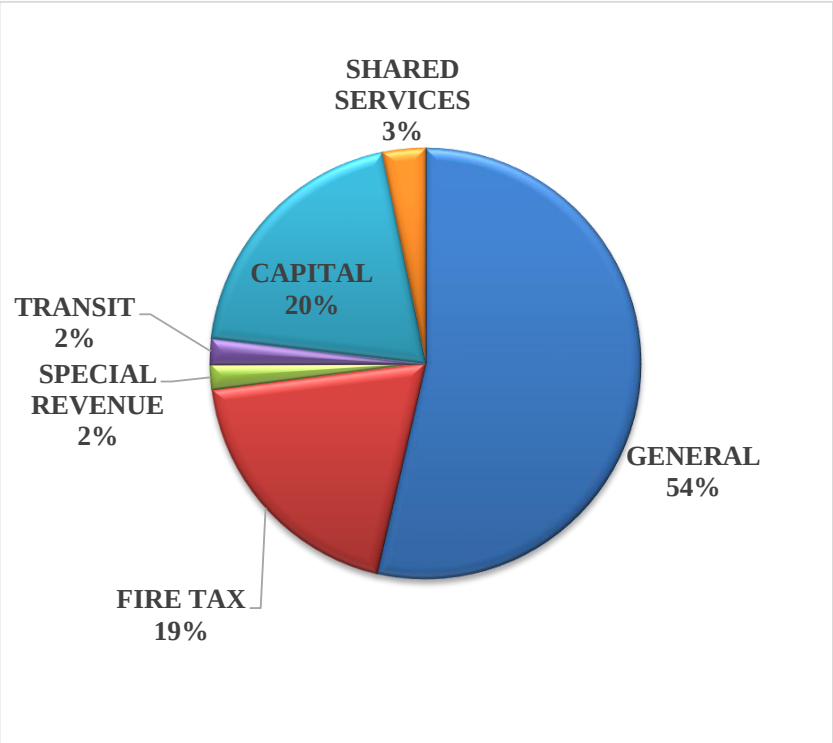
What We Use



EXPENDITURES BY CATEGORY

FUND GROUP	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
GENERAL	11,152,866	12,363,657	11,876,992	13,032,776	13,311,482
FIRE TAX	4,421,786	4,537,822	4,418,973	4,703,818	4,826,030
SPECIAL REVENUE	400,189	419,011	448,822	469,657	377,768
TRANSIT	402,152	406,250	415,249	465,542	470,573
CAPITAL	2,682,043	6,805,174	3,848,336	4,836,645	2,261,200
SHARED SERVICES	295,575	561,758	561,758	780,418	819,315
TOTAL	**19,354,612**	**25,093,672**	**21,570,131**	**24,288,856**	**22,066,368**

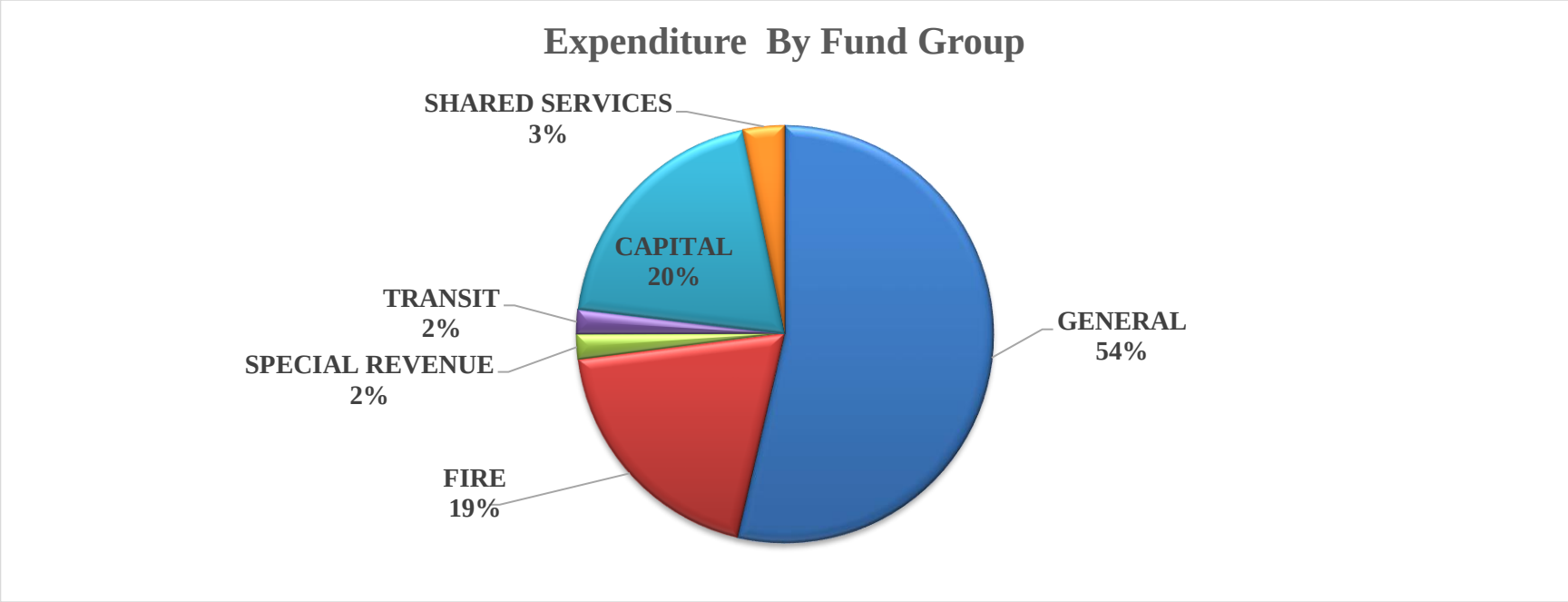




EXPENDITURES BY FUND

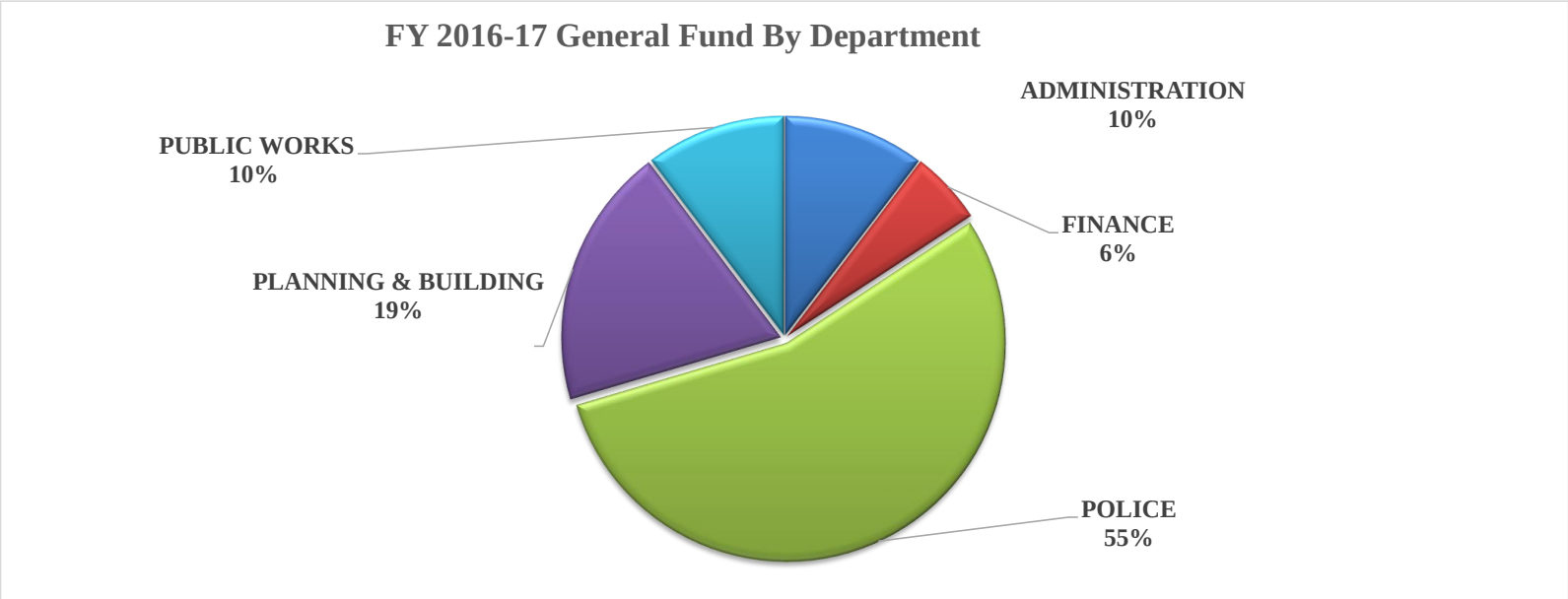
FUND NAME	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
GENERAL FUND					
GENERAL	11,152,866	12,363,657	11,876,992	13,032,776	13,311,482
	11,152,866	**12,363,657**	**11,876,992**	**13,032,776**	**13,311,482**
FIRE TAX FUND					
FIRE	4,421,786	4,537,822	4,418,973	4,703,818	4,826,030
	4,421,786	**4,537,822**	**4,418,973**	**4,703,818**	**4,826,030**
SPECIAL REVENUE FUNDS					
GAS TAX	315,836	346,756	320,767	356,957	364,908
SPECIAL PROJECTS	13,164	19,050	8,901	8,000	8,160
POLICE GRANTS	69,468	48,505	114,455	100,000	-
CORRECTIONS	1,721	4,700	4,700	4,700	4,700
	400,189	**419,011**	**448,822**	**469,657**	**377,768**
TRANSIT TAX FUNDS					
PROP A	205,309	205,310	205,309	256,875	261,906
PROP C	196,843	200,940	209,940	208,667	208,667
	402,152	**406,250**	**415,249**	**465,542**	**470,573**
CAPITAL FUNDS					
CAPITAL IMPROVEMENT	2,176,844	4,138,994	2,032,657	3,718,577	1,742,600
STABLE	-	35,000	-	36,000	-
EQUIP REPLACEMENT	285,268	226,300	159,157	488,498	327,200
SEWER	219,931	2,404,881	1,656,522	593,570	191,400
	2,682,043	**6,805,174**	**3,848,336**	**4,836,645**	**2,261,200**
SHARED SERVICES					
INSURANCE	295,575	561,758	561,758	780,418	819,315
	295,575	**561,758**	**561,758**	**780,418**	**819,315**
TOTAL	**19,354,612**	**25,093,672**	**21,570,131**	**24,288,856**	**22,066,368**

EXPENDITURES BY FUND



EXPENDITURES BY DEPT - FUNCTION

SERVICE AREA	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
ADMINISTRATION	1,148,158	1,283,085	1,126,369	1,350,553	1,285,175
FINANCE	677,247	823,863	719,493	703,706	737,463
POLICE	6,310,410	6,726,939	6,624,759	7,124,549	7,372,403
PLANNING & BUILDING	2,214,708	2,421,395	2,329,452	2,512,146	2,572,170
PUBLIC WORKS	802,343	1,108,375	1,076,919	1,341,821	1,344,271
GENERAL FUND	**11,152,866**	**12,363,657**	**11,876,992**	**13,032,776**	**13,311,482**
FIRE SERVICES	4,421,786	4,537,822	4,418,973	4,703,818	4,826,030
TRANSIT	402,152	406,250	415,249	465,542	470,573
CAPITAL PROJECTS	2,577,033	4,593,004	2,481,480	4,224,234	2,120,368
SEWER PROJECTS	219,931	2,404,881	1,656,522	593,570	191,400
EQUIPMENT	285,268	226,300	159,157	488,498	327,200
INSURANCE	295,575	561,758	561,758	780,418	819,315
OTHER FUNDS	**8,201,746**	**12,730,015**	**9,693,139**	**11,256,080**	**8,754,886**
TOTAL	**19,354,612**	**25,093,672**	**21,570,131**	**24,288,856**	**22,066,368**



EXPENDITURES BY PROGRAM

PROGRAM	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
CITY MANAGER	667,932	637,781	593,407	722,430	685,555
CITY ATTORNEY	199,672	227,000	238,200	222,000	222,000
CITY CLERK	158,706	192,114	178,257	258,497	228,483
NON-DEPARTMENTAL	121,849	226,190	116,505	147,627	149,137
ADMINISTRATION	**1,148,158**	**1,283,085**	**1,126,369**	**1,350,553**	**1,285,175**
FINANCE	639,947	778,731	676,069	660,464	693,277
TREASURER	37,301	45,132	43,424	43,243	44,186
FINANCE	**677,247**	**823,863**	**719,493**	**703,706**	**737,463**
POLICE SERVICES	6,310,410	6,726,939	6,624,759	7,124,549	7,372,403
POLICE	**6,310,410**	**6,726,939**	**6,624,759**	**7,124,549**	**7,372,403**
BUILDING	568,674	701,837	610,068	753,466	763,529
PLANNING	456,125	426,447	507,906	413,026	428,523
PARKLANDS	1,189,909	1,293,111	1,211,477	1,345,655	1,380,118
PLANNING & BUILDING	**2,214,708**	**2,421,395**	**2,329,452**	**2,512,146**	**2,572,170**
CITY PROPERTIES	280,275	270,360	280,753	253,675	234,492
PUBLIC WORKS	367,586	640,955	665,105	959,765	984,197
STREETS	154,482	197,060	131,061	128,381	125,582
PUBLIC WORKS	**802,343**	**1,108,375**	**1,076,919**	**1,341,821**	**1,344,271**
TOTAL GENERAL FUND	**11,152,866**	**12,363,657**	**11,876,992**	**13,032,776**	**13,311,482**
FIRE SERVICES	4,421,786	4,537,822	4,418,973	4,703,818	4,826,030
FIRE	**4,421,786**	**4,537,822**	**4,418,973**	**4,703,818**	**4,826,030**
STREETS	315,836	346,756	320,767	356,957	364,908
GAS TAX FUND	**315,836**	**346,756**	**320,767**	**356,957**	**364,908**
PARKLANDS	7,894	11,550	1,401	-	-
PUBLIC WORKS	5,269	7,500	7,500	8,000	8,160
SPECIAL PROJECTS	**13,164**	**19,050**	**8,901**	**8,000**	**8,160**
POLICE SERVICES	69,468	48,505	114,455	100,000	-

EXPENDITURES BY PROGRAM

PROGRAM	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
POLICE GRANTS (SLES) FUND	**69,468**	**48,505**	**114,455**	**100,000**	**-**
POLICE SERVICES	1,721	4,700	4,700	4,700	4,700
CORRECTIONS FUND	**1,721**	**4,700**	**4,700**	**4,700**	**4,700**
NON-DEPARTMENTAL	5,309	5,310	5,309	5,310	5,310
PROP A EXCHANGE	200,000	200,000	200,000	251,565	256,596
PROP A	**205,309**	**205,310**	**205,309**	**256,875**	**261,906**
PROP C TRANSIT	196,843	200,940	209,940	208,667	208,667
PROP C	**196,843**	**200,940**	**209,940**	**208,667**	**208,667**
TOTAL SPECIAL REVENUE FUNDS	**5,224,127**	**5,363,083**	**5,283,044**	**5,639,017**	**5,674,371**
CAPITAL IMPROVEMENTS	2,176,844	4,138,994	2,032,657	3,718,577	1,742,600
CAPITAL IMPROVEMENTS FUND	**2,176,844**	**4,138,994**	**2,032,657**	**3,718,577**	**1,742,600**
STABLE IMPROVEMENTS	-	35,000	-	36,000	-
STABLE FUND	**-**	**35,000**	**-**	**36,000**	**-**
EQUIPMENT	285,268	226,300	159,157	488,498	327,200
EQUIP REPLACEMENT FUND	**285,268**	**226,300**	**159,157**	**488,498**	**327,200**
TOTAL CAPITAL FUNDS	**2,462,112**	**4,400,294**	**2,191,814**	**4,243,075**	**2,069,800**
SEWER IMPROVEMENTS	219,931	2,404,881	1,656,522	593,570	191,400
SEWER FUND	**219,931**	**2,404,881**	**1,656,522**	**593,570**	**191,400**
CITY INSURANCE	295,575	561,758	561,758	780,418	819,315
INSURANCE FUND	**295,575**	**561,758**	**561,758**	**780,418**	**819,315**
TOTAL CAPITAL FUNDS	**515,506**	**2,966,639**	**2,218,280**	**1,373,988**	**1,010,715**
TOTAL	**19,354,612**	**25,093,672**	**21,570,131**	**24,288,856**	**22,066,368**

Less Capital Expenditures	**(4,089,647)**	**(2,576,500)**
Operational Expenditures	**20,199,209**	**19,489,868**

Capital Projects

PROJECTS	TYPE	FUNDING	ADOPTED 2016/17	PLANNED 2017/18
STREETS & ROADWAYS				
Street Construction Maintenance	Annual	CIP/Meas R	660,000	364,200
Street Resurfacing	Annual	CIP/Meas R	175,000	179,400
Slurry Seal	Annual	CIP/Gas Tax	440,000	242,800
Curb & Gutter	Annual	CIP	75,000	76,900
Cross Gutter	Annual	CIP	-	-
Pavement Management System	One Time	CIP	75,000	-
Paseo Del Mar/Paseo Lunado Curb & Gutter Improvements	One Time	CIP	-	330,000
TRAFFIC SAFETY				
Paseo Del Sol Turnout	Annual	CIP	129,546	-
Traffic Calming Projects	Annual	CIP	25,600	26,200
Citywide Guardrail Improvements (contingent on grant award)	One Time	HSIP Grant *	200,000	-
Reflective Roadway Regulatory Signs (FHWA Required by 2015)	Ongoing	CIP	50,000	50,000
Lighted Crosswalk Restoration (PVDW/Via Carrillo)	Ongoing	CIP	21,860	-
FACILITY IMPROVEMENTS				
ADA Upgrades - ADA Master Plan - citywide	Annual	CIP	100,000	102,500
City Hall Security Projects	One Time	CIP	113,261	-
City Hall Seismic Retrofitting	One Time	CIP	-	-
City Hall ADA, Furniture, Electrical, Wiring	One Time	CIP	200,000	-
City Hall Phone System Upgrade	One Time	EQ Replace	116,000	-
PVStables Manure Loading Platform (post asset study)	One Time	STABLES	35,000	-
Green Waste Storage Area - Paseo Del Campo	One Time	CIP	15,000	-
Civic Center Infrastructure Assessment	One Time	CIP	75,000	-
INFRASTRUCTURE				
Repair Storm Drains	Annual	CIP	25,000	25,600
Catch Basin Replacements	Annual	CIP	-	-
Via Del Monte Monitoring	One Time	CIP	-	-
City Storm Drain #3 Outfall Repair (Christmas Tree Cove)	One Time	CIP	290,000	-
PVDW/Via Corta - engineering & design (contingent on grant)	One Time	CALTRANS *	-	-
PVDW (Triangle and Civic Center) Roadway Geometric Study	One Time	CALTRANS	125,000	-
Citywide Sewer Repairs	Annual	SEWER	179,400	183,900
Sewer Conditions Assessment	One Time	SEWER	60,000	-
Via Coronel / Via Zurita Upgrades	One Time	SEWER	346,670	-
Force Main Sewer Project (62)	Annual	SEWER	-	-
MS4: Full Capture Trash Devices: Santa Monica Bay	Annual	SEWER	120,000	110,000

Capital Projects

PROJECTS	TYPE	FUNDING	ADOPTED 2016/17	PLANNED 2017/18
CITY BEAUTIFICATION				
Citywide Parkland Enhancement	Active	CIP		
Malaga Cove Beautification	One Time	CIP	6,330	-
Bluff Cove Property H	One Time	CIP	-	-
Bluff Cove Property Deconstruction	One Time	CIP	-	-
Plaza Enhancements (contingent upon grant awards)	One Time	HSIP Grant *	-	-
Enhanced Weed Abatement & Fire Safety	One Time	CIP	-	125,000
Citywide Irrigation Upgrades	Annual	CIP	35,730	-
Farnham Martin Park Fountain Upgrades	One Time	CIP	24,250	-
Rossler Fountain Upgrade	One Time	CIP	-	10,000
Malaga Cove Plaza Enhancements	One Time	CIP	150,000	-
Lunada Bay Plaza Enhancements	One Time	CIP	150,000	-
Triangle Landscape at PVDW and PVDN	One Time	CIP	121,000	-
Street Tree Inventory	One Time	CIP	50,000	-
Tree Management Plan	One Time	CIP	50,000	-
Parkland Improvements	One Time	CIP	100,000	100,000
Citywide Parkland Enhancement	One Time	CIP	-	-
TOTAL			**4,339,647**	**1,926,500**
CIP			3,718,577	1,742,600
GRANTS			-	-
STABLES			35,000	-
SEWER			586,070	183,900
			4,339,647	**1,926,500**

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Department Budgets

Administration

Finance

Police

Paramedic & Fire Services

Planning & Building

Public Works

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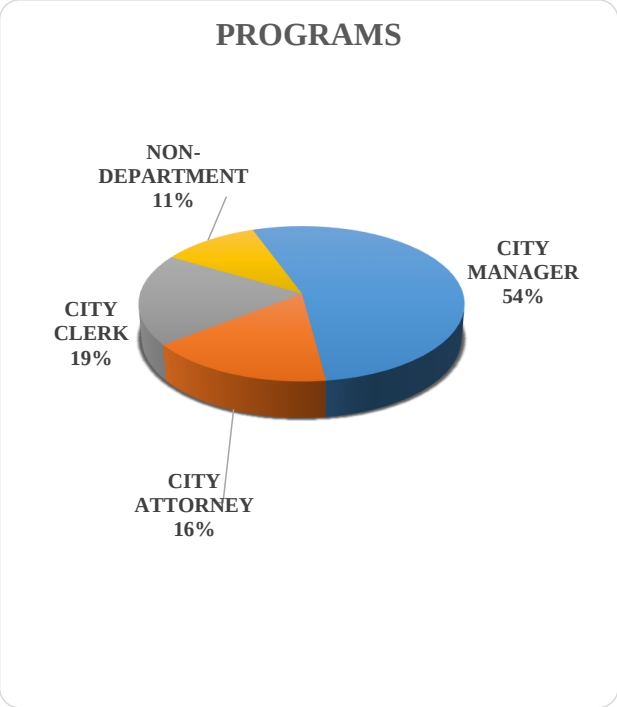
Administration

ADMINISTRATION

Guided by the highest principles of public policy and law, our mission is to provide exemplary service to the Community, City Council and our fellow Employees with a commitment to integrity, efficiency, professionalism and

RESOURCES

Service Area	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
CITY MANAGER	667,932	637,781	593,406	722,430	685,555
CITY ATTORNEY	199,672	227,000	238,200	222,000	222,000
CITY CLERK	158,706	192,114	178,257	258,497	228,483
NON-DEPARTMENTAL	121,849	226,190	116,505	147,627	149,137
NON-DEPARTMENTAL (26 Prop A)	5,309	5,310	5,309	5,310	5,310
TOTAL FUND EXPENDITURES	**1,153,467**	**1,288,395**	**1,131,677**	**1,355,863**	**1,290,485**



Key Budget Changes/Comments

Personnel cost increased due to reallocating two Administrative Analysts in the City Managers office where costs were previously shared between other departments.

Professional services costs increased for services to develop a new City Web Site, Newsletter and Social Media outreach program, and for Personnel/Payroll automation.

Tuition Reimbursement in the City Manager budget has been increased due to high employee participation and tuition cost.

$40,000 in anticipated costs are budgeted for the upcoming March 2017 municipal election.
For the new paperless agendas, the budget includes $4,000 for additional electronic devices

City Manager

RESOURCES

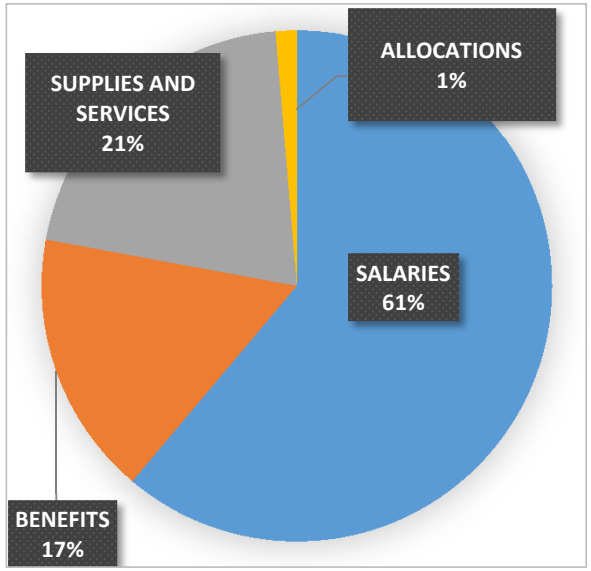
Cost Category	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
SALARIES	391,928	398,660	383,422	441,734	459,308
BENEFITS	102,739	103,066	97,942	121,062	126,114
SUPPLIES AND SERVICES	165,240	128,030	104,017	149,950	90,105
ALLOCATIONS	8,025	8,025	8,025	9,684	10,029
TOTAL	**667,932**	**637,781**	**593,406**	**722,430**	**685,555**

POSITIONS	2014/15	2015/16	2015/16	2016/17	2017/18
FULL TIME	3.000	2.500	2.500	3.500	3.500
PART TIME	1.126	1.126	1.126	0.000	0.000
TOTAL	**4.126**	**3.626**	**3.626**	**3.500**	**3.500**

What We Do:

The City Manager is appointed by the City Council and serves as the City's Chief Administrative Officer, ensuring that the policies of the City Council are executed effectively and efficiently. Specific duties include, for example, implementing the City Council's priorities; providing policy recommendations to the City Council; meeting with the public, attending City Council meetings and representing the City; administrative oversight of the day-to-day operations of the City and all personnel, directly and through department heads; presenting, implementing and insuring a balanced budget and adherence to fiscal policies; and addressing any and all issues and projects.

The City Manager also maintains a close working relationship with other governmental agencies on topics facing the City and serves as the primary liaison between City administration, community groups and citizens. The City Manager's Department also oversees Personnel and Risk Management.



The Sharper Pencil

CITY MANAGER

	2000 Line Items	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
40005	Salaries	383,210	391,940	378,202	435,014	452,588
40007	Car Allowance	4,500	4,500	4,500	4,500	4,500
40008	Phone Allowance	720	720	720	720	720
41055	Overtime	3,498	1,500	-	1,500	1,500
	SALARIES	391,928	398,660	383,422	441,734	459,308
50080	Retirement	42,910	40,213	38,753	41,687	45,022
50085	Workers' Compensation	1,642	1,590	1,590	2,488	2,357
50090	Health Insurance	51,192	53,654	49,990	68,337	69,839
50091	Disability Insur	1,399	1,842	1,842	2,243	2,334
50095	Medicare	5,596	5,767	5,767	6,308	6,563
50097	Unemployment Insurance	-	-	-	-	-
	BENEFITS	102,739	103,066	97,942	121,062	126,114
61105	Dues & Memberships	2,269	1,750	3,312	5,175	5,325
61115	Mileage	-	-	-	-	-
61120	Training	42,752	34,000	30,000	34,000	31,500
61125	Subscriptions	-	225	225	225	225
61130	Travel & Meetings	5,309	3,575	5,350	5,350	3,575
62215	Printing & Binding	-	-	-	-	-
62290	General Service	1,265	1,530	1,500	1,500	1,530
64425	Professional Services	41,636	33,500	27,000	-	3,000
64430	Contract Services	41,636	33,500	-	85,000	-
62244	Legal Services	20,226	8,000	25,398	8,000	33,000
64599	Hiring	3,642	4,300	3,500	4,250	4,300
64680	Employee Recognition	6,506	7,650	7,732	6,450	7,650
	SUPPLIES & SERVICES	165,240	128,030	104,017	149,950	90,105
66602	Equipment Repl. Allocation	-	-	-	-	-
66605	Insurance Allocation	8,025	8,025	8,025	9,684	10,029
	ALLOCATIONS	8,025	8,025	8,025	9,684	10,029
	TOTAL	**667,932**	**637,781**	**593,406**	**722,430**	**685,555**

What We Achieved:

- **Organization**
  - Hiring of Finance Director, City Engineer / Public Works Director, Administrative Analysts, and various other citywide positions
  - Created Public Works Department
- **Completed Bluff Cove Open Space Project**
- **Program, policy and service enhancements**
- **Community Outreach and Relations**
  - Citizen Academy
  - City newsletters
  - Annual City Council/Planning Commission/Homes Association meeting
  - City Council/Parklands Committee meeting
  - Business Community meetings
  - Meetings with Concessionaires
  - Ad hoc meetings with Chairs and Vice-Chairs of the Planning Commission, Parklands Committee and Traffic Safety Committee
  - Participation in Homeowners Association meetings
  - Processed Special Event Applications and Film Permits.
- **Intergovernmental Relations**
  - Legislative advocacy
  - Participation in South Bay Cities Council of Governments
  - Participation in the Los Angeles Division of the League of California Cities

Goals

- Training and organizational development
- Labor negotiations
- Educational materials for March 2017 election
- ADA improvements
- Full functionality of website and social media for enhanced connectivity with community
- Community-wide satisfaction and priority survey

City Attorney

RESOURCES

Cost Category	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
SUPPLIES AND SERVICES	199,672	227,000	238,200	222,000	222,000
TOTAL	**199,672**	**227,000**	**238,200**	**222,000**	**222,000**

POSITIONS	2014/15	2015/16	2015/16	2016/17	2017/18
FULL TIME	0.00	0.00	0.00	0.00	0.00
PART TIME	0.00	0.00	0.00	0.00	0.00
TOTAL	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

What We Do:

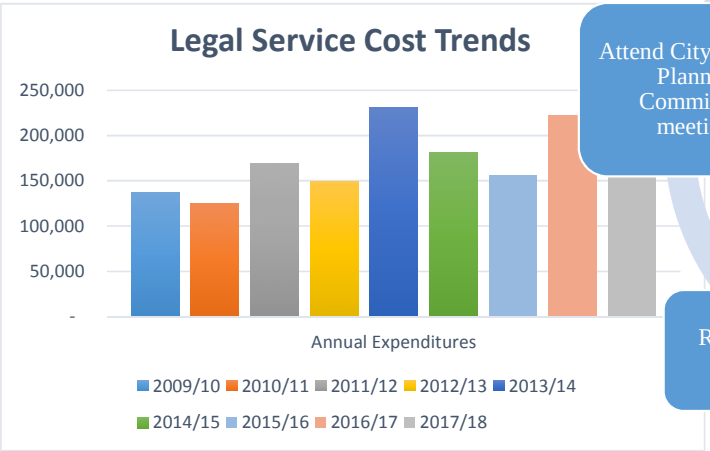
This function's objective is to practice "preventative law" in connection with advisory matters to minimize the potential for litigation.

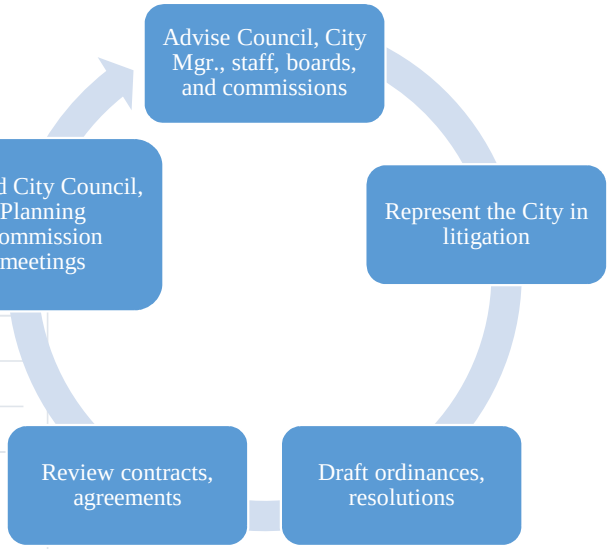
The City Attorney is retained by the City Council on a part-time basis to advise the Council, City Manager, staff, boards, and commissions on matters of law as they relate to City activities. The City Attorney represents the City in litigation and drafts ordinances, resolutions, contracts, agreements, and other legal documents. Regular attendance at City Council, Planning Commission and other meetings as necessary.

Since April 2010, Christi Hogin of the law firm Jenkins & Hogin LLP has served as the City Attorney. The contract with Jenkins & Hogin provides a flat retainer for general legal services with no cap on hours. Hourly rates for other services, including litigation, depend upon the experience of the attorney. Professional Services reflects costs associated with the Municipal Code revisions and recodification, which involved extensive legal review.

The Sharper Pencil

	CITY ATTORNEY					
	3040 Line Items	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
62244	Legal Services	111,472	-	-	-	-
64418	Retainer	88,200	102,000	88,200	102,000	102,000
64425	Professional Services	-	125,000	150,000	120,000	120,000
	SUPPLIES AND SERVICES	**199,672**	**227,000**	**238,200**	**222,000**	**222,000**
	TOTAL	**199,672**	**227,000**	**238,200**	**222,000**	**222,000**





Goals:

Serve in an advisory capacity to minimize the potential for litigatigation.

Represent and defend the City in litigation:

Provide legal and contractual guidance and directon in the following areas:

- General Counsel
- Election Law
- Brown Act;
- Conflict of Interest/Ethics
- CEQA
- Water Quality (NPDES)
- Coastal Act
- Land use
- Ordinance and resolution
- Litigation.

City Clerk

Resources

Cost Category	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
SALARIES	73,631	75,773	75,773	127,292	132,354
BENEFITS	18,637	17,871	17,871	24,357	26,204
SUPPLIES AND SERVICES	62,452	94,485	80,628	102,040	64,945
ALLOCATIONS	3,985	3,985	3,985	4,809	4,980
TOTAL	**158,706**	**192,114**	**178,257**	**258,497**	**228,483**

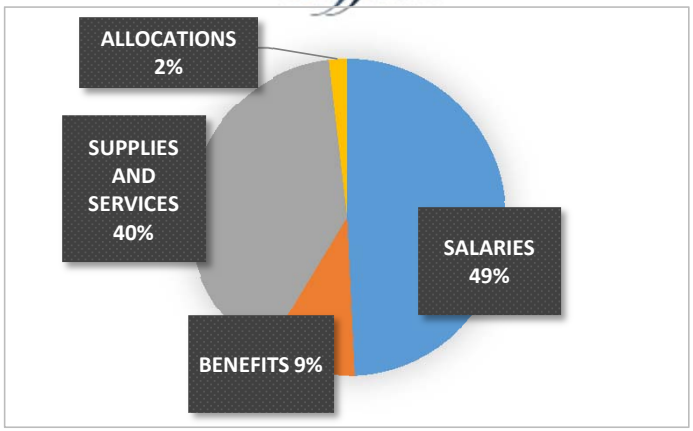
POSITIONS	2014/15	2015/16	2015/16	2016/17	2017/18
FULL TIME	0.500	0.500	0.500	0.500	0.500
PART TIME	0.563	0.563	0.563	1.686	1.686
TOTAL	**1.063**	**1.063**	**1.063**	**2.186**	**2.186**

What We Do:

This function works with the City Manager's office to ensure that legislative processes are open and accessible and serves as a link between citizens and government through the dissemination of information, and to ensure the preservation, access and integrity of records required to be stored for legal and business purposes.

The City Clerk's Department is responsible for the preparation and distribution of City Council agendas; maintains accurate minutes, records and legislative history of City Council actions; provides safe keeping and storage of the City's official records and archives; provides records retrieval and legislative research for City departments and the public.

This office performs centralized processing of all legal notices; maintains campaign and economic interest statement filings; administers municipal elections; updates and maintains the City's Municipal Code; maintains custody of the City Seal; administers the City's centralized Records Management Program and record keeping system.



The Sharper Pencil

CITY CLERK

	3010 Line Items	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
40005	Salaries City	73,631	75,773	75,773	125,292	130,354
40010	Temporary Salaries / OT	-	-	-	-	-
41055	Regular Overtime	-	-	-	2,000	2,000
	SALARIES	73,631	75,773	75,773	127,292	132,354
50080	Retirement	9,454	8,723	8,723	13,281	14,343
50085	Workers' Compensation	488	590	590	929	880
50090	Health Insurance	7,451	7,224	7,224	8,095	8,419
50091	Disability Insur	193	235	235	235	672
50095	Medicare	1,051	1,099	1,099	1,817	1,890
50097	Unemployment	-	-	-	-	-
	BENEFITS	18,637	17,871	17,871	24,357	26,204
61105	Dues & Memberships	285	325	325	325	325
61115	Mileage	-	2,200	-	-	-
61120	Training	747	-	2,000	575	200
61130	Travel & Meetings	450	2,405	1,277	1,290	565
62225	Public Information	25,651	30,625	24,300	24,300	30,625
62245	Legal Publishing	786	2,000	1,612	2,000	2,000
62265	Elections	3,476	-	-	40,900	-
62290	General Service	7,193	9,180	9,000	9,000	9,180
63320	Misc. Equipment	-	15,000	14,678	-	-
64425	Professional Services	23,865	17,750	15,956	23,650	22,050
64430	Contract Supplies	-	15,000	11,480	-	-
	SUPPLIES & SERVICES	62,452	94,485	80,628	102,040	64,945
66605	Insurance Allocation	3,985	3,985	3,985	4,809	4,980
	ALLOCATIONS	3,985	3,985	3,985	4,809	4,980
	TOTAL CITY CLERK	158,706	192,114	178,257	258,497	228,483

What We Achieved:

- **Successful implementation of webstreaming of City Council and Planning Commission meetings**.
- **Paperless agendas for City Council and Planning Commission.**
- **Records management** – Implementation of the records management retention schedule.
- **Update to records retention policy** relating to technology and specifically email.
- **On-going Operations** - Maintained on-going department functions including agenda preparation, legal noticing, responses to public records requests, website updates, codified and posted Municipal Code updates, and coordination of annual financial disclosure filings of public officials.
- **Website enhancements**
- **Increase in notification subscribers**
- **Supervision of part-time receptionist positions**

Goals:

- **Municipal election** - Conduct the March 2017 General Municipal Election.
- **Webstream Parklands Committee and Traffic Saftey Committee meetings** – Implement and employ technology for live webstreaming of City Committee meetings.
- **Conflict of Interest Code** – Facilitate the review and update the City's Conflict of Interest Code to reflect all officers, employees, members or consultants for appropriate disclosure of economic interests in accordance with Government Code.
- **City website** – Participate and play an integral role in the update of the City's website to enhance the City's online presence to the public. Implement strategies to enhance website readership and subscriptions for e-notification. Facilitate web posting of all digitally recorded audio of City Committee meetings.

Non-Departmental

NON-DEPARTMENTAL

Cost Category	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
SALARIES	-	-	-	-	-
BENEFITS	31,496	39,900	27,098	39,700	43,000
SUPPLIES AND SERVICES	59,822	155,760	58,876	65,989	66,659
ALLOCATIONS	35,840	35,840	35,840	47,248	44,788
TOTAL	**127,158**	**231,500**	**121,814**	**152,937**	**154,447**

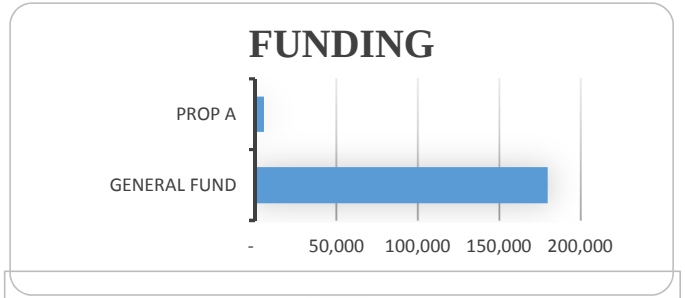
POSITIONS	2014/15	2015/16	2015/16	2016/17	2017/18
FULL TIME	0.00	0.00	0.00	0.00	0.00
PART TIME	0.00	0.00	0.00	0.00	0.00
TOTAL	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

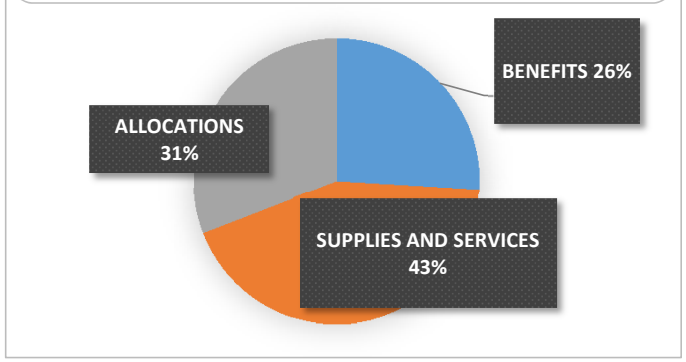
What We Do:

The Non-Departmental budget contains funding for citywide obligations, which are not specifically attributable to any one department. Costs for City Council professional memberships and business meetings are provided for here.

This is often thought of as a "Shared Services" cost center that provides for a sundry of generic costs that are most efficiently managed on a centralized basis. Major dollars include:

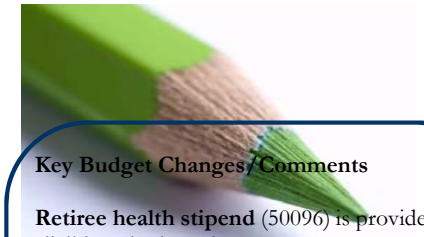
- Employee COBRA - Insurance
- Dues / Memberships
- City Council Travel & Meetings
- PVE 75th - City Costs
- General Prof. Services
- General Fund Contigency





The Sharper Pencil

	NON-DEPARTMENTAL					
	3160 Line Items	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
50090	Health Insurance - Cobra	11,096	18,300	11,248	18,300	18,300
50092	Flexable Spending Accounts	600	600	600	600	600
50093	Employee Wellness	-	1,000	250	1,000	1,000
50096	Retiree Health Stipend	19,800	20,000	15,000	19,800	23,100
	BENEFITS	31,496	39,900	27,098	39,700	43,000
61105	Dues & Memberships	9,174	12,155	16,284	9,190	9,365
61105	Dues & Memberships (26)	5,309	5,310	5,309	5,310	5,310
61130	Travel & Meetings	7,343	4,000	6,500	3,550	4,000
61125	Subscriptions	630	695	917	695	695
62290	General Services	9,894	1,000	2,289	2,244	2,289
64425	Professional Service	-	-	-	-	-
64426	Professional Service-other	5,612	-	-	-	-
64430	Contractual Services	940	1,900	1,600	1,900	1,900
64520	SB Juv. Diversion	-	3,600	3,600	3,600	3,600
61132	PVE 75th Anniversary	6,555	-	-	-	-
65090	Lease Agreement	8,853	15,600	12,377	9,500	9,500
66601	Contingency Reserve	5,512	111,500	10,000	30,000	30,000
	SUPPLIES AND SERVICES	59,822	155,760	58,876	65,989	66,659
66605	Insurance Allocation	35,840	35,840	35,840	43,248	44,788
70740	Office Equipment	-	-	-	4,000	-
	ALLOCATIONS	35,840	35,840	35,840	47,248	44,788
	TOTAL NON-DEPARTMENTAL	**127,158**	**231,500**	**121,814**	**152,937**	**154,447**



Key Budget Changes/Comments

Retiree health stipend (50096) is provided to eligible retired employees per contract provisions. COBRA costs for retired and separated employees are shown here as an expense (50090).

Dues and Membership (61105) includes the cost of the City participation in the League of CA Cities; Southern California Association of Governments (SCAG); Local Agency Formation Commission for Los Angeles County (LAFCO); Palos Verdes Peninsula Chamber of Commerce and PVP Coordinating Council.

Contingency Reserve (66601) an administrative reserve for unanticipated budget obligations.

Finance

FINANCE

To safeguard the assets of the City, maintain regulatory compliance, promote long-term fiscal and technology strategic planning, provide exceptional customer service with timely, relevant and accessible information sharing.

RESOURCES

Service Area	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
FINANCE	639,407	778,731	674,404	660,464	693,277
CITY TREASURER	37,301	45,132	43,424	43,243	44,186
TOTAL EXPENDITURES	**676,708**	**823,863**	**717,828**	**703,706**	**737,463**

Budgeting
Forecasting
Audit
Fiscal Policy
Banking
Payroll
Purchasing
Payments
Revenue Collection
Regulatory Compliance
Management Info Systems
Citywide Technology

Key Budget Changes/Comments

FY 16/18 salaries and benefits reflect the department reorganzition - an initiative that was partially budgeted in FY 2015/16 - this line item also assumes a fully burdend cost for moving Administrative/HR Analyst to City Manager's department - ($113,000)

The City Treasurer budget reflects a full time accounting staffing FTE allocation of 20% of one Financial Services Technician

The Finance budget includes a reallocation of funds to the individual departments in support of providing professional training and certifications - ($7,000)

Professional services includes savings of $44,000 from the completion of the Specialty Audits and the postponment of the User Fee Cost Allocation study.

Contract services reflect the implementation of a new ADP payroll system to maintain the City's compliance with FLSA reporting standards and increased IT support. This category also reflects enhanced business licensing audit/reporting and a trial-year for sales tax

Finance

RESOURCES

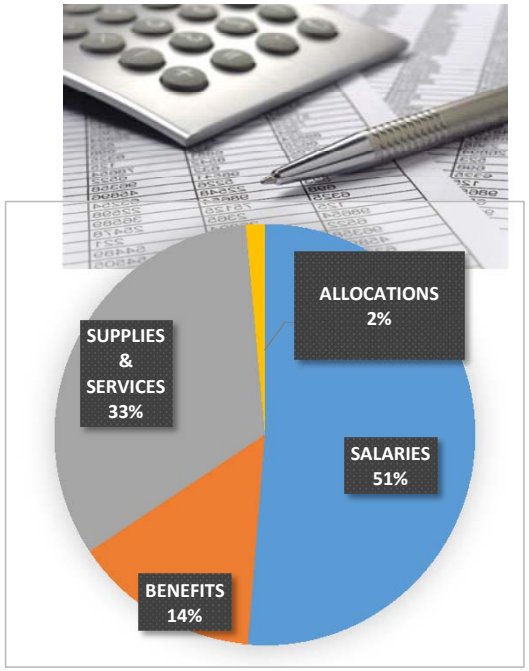
Cost Category	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
SALARIES	358,172	427,641	374,243	345,122	355,612
BENEFITS	92,636	124,096	108,911	94,649	99,478
SUPPLIES & SERVICES	180,577	218,972	183,228	211,012	228,162
ALLOCATIONS	8,022	8,022	8,022	9,680	10,025
CAPITAL OUTLAY	-	-	-	-	-
TOTAL	**639,407**	**778,731**	**674,404**	**660,464**	**693,277**

POSITIONS	2014/15	2015/16	2015/16	2016/17	2017/18
FULL TIME	3.80	4.80	3.80	3.80	3.80
PART TIME	0.00	0.00	0.00	0.00	0.00
TOTAL	**3.80**	**4.80**	**3.80**	**3.80**	**3.80**

What We Do:

Finance is responsible for a broad range of core financial duties, operational and capital budgeting, long-term forecasting and planning, fiscal policy development, banking and investments support, financial system administration; maintaining internal controls; compliance with regulatory reporting, annual audits, State Controller's filings, Gas Tax reporting, state and federal grant tracking as well as numerous other county, state and federal government fiscal requirements. The department also handles general tax filings and debt administration and guides the City's Information Technology initiatives.

Core duties include: collection and recording of all revenue, posting expenditures to accounting records, preparation of interim financial reports to the City Council and staff; bank monitoring, reconciliation and treasury reporting; business licensing, animal licenses; preparing payroll; biweekly processing of all all obligations and invoices for payment for review and approval by City administration and City Council; ensuring payment and filing of demands and compliance with City purchasing procedures; preparing and distributing monthly financial management reports to staff; and reviewing staff report fiscal impacts.



The Sharper Pencil

FINANCE					
3000 Line Items	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
40005 Salaries	348,059	416,921	367,393	333,902	347,392
40007 Car Allowance	3,000	3,000	3,750	4,500	4,500
40008 Phone Allowance	720	720	600	720	720
41055 Regular Overtime	6,394	7,000	2,500	6,000	3,000
SALARIES	358,172	427,641	374,243	345,122	355,612
50080 Retirement	38,460	48,702	43,394	29,550	31,914
50085 Workers' Compensation	864	980	980	1,526	1,446
50090 Health Insurance	46,199	66,146	55,868	57,010	59,290
50091 Disability Insur	1,382	2,169	2,169	1,722	1,791
50094 Social Security	658	-	401	-	-
50095 Medicare	5,072	6,099	6,099	4,842	5,037
BENEFITS	92,636	124,096	108,911	94,649	99,478
61105 Dues & Memberships	1,224	3,815	4,700	2,055	2,055
61120 Training	14,243	14,220	4,000	10,140	8,290
61125 Subscriptions	-	275	-	-	-
61130 Travel & Meetings	161	420	125	400	400
62215 Printing & Binding	3,776	4,090	3,500	1,050	500
62290 General Service	3,641	4,590	4,590	4,750	4,850
64425 Professional Services	78,958	88,362	75,000	61,809	86,834
64430 Contractual Services	78,575	103,200	91,313	130,808	125,233
SUPPLIES & SERVICES	180,577	218,972	183,228	211,012	228,162
66605 Insurance Allocation	8,022	8,022	8,022	9,680	10,025
ALLOCATIONS	8,022	8,022	8,022	9,680	10,025
TOTAL FINANCE	639,407	778,731	674,404	660,464	693,277

What We Achieved:

- Completed the FY 14/15 Comprehensive Annual Financial Report (CAFR)
- Received the GFOA national excellence award for the 2015 CAFR. The City has been recognized with this award each year since 1991.
- Arranged for audit of City's Beach Club and Palos Verdes Stables (6-30-14) and Tennis Club (12-31-15)
- Issued an RFP and selected a new City Auditor for a fresh perspective on the City's financial statements.
- Completed 7 various "Agreed Upon Procedures" with the City's previous auditors to ensure internal controls are functioning as intended.
- Selected a new Payroll software vendor to ensure compliance with various labor rules and regulations.
- Developed an enhanced budget model strenthening the department's ability to respond quickly to various budget requests.
- Initiated recording encumbrances and contracts in the City's financial

Goals:

- Complete another clean fiscal audit in a timely basis and filed all state regulatory reports
- Support planning for upcoming capital imrovements and funding strategies
- Upgrade existing financial systems to accepted industy standards.
- Implement paperless pay stubs, an employee payroll information portal
- Complete implementation of a integrated payroll timekeeping system
- Update the citywide purchasing and fiscal policy
- Implement an integrated cash register.
- Review and enhance performance measures
- Update the City investment policy in concert with the City Treasurer
- Complete a contract tracking mechanism so user deparments can know the portion of their budget already commited to active contracts.
- Support City Management through FY17/18 labor negotiations.

City Treasurer

RESOURCES

Cost Category	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
SALARIES	17,360	16,030	16,037	13,774	14,185
BENEFITS	5,108	5,347	5,347	4,695	4,914
SUPPLIES & SERVICES	10,738	19,660	17,945	19,833	19,971
ALLOCATIONS	4,095	4,095	4,095	4,941	5,117
CAPITAL OUTLAY	-	-	-	-	-
TOTAL	37,301	45,132	43,424	43,243	44,186

POSITIONS	2014/15	2015/16	2015/16	2016/17	2017/18
ELECTED	1.00	1.00	1.00	1.00	1.00
FULL TIME	0.20	0.20	0.20	0.20	0.20
PART TIME	0.00	0.00	0.00	0.00	0.00
TOTAL	1.20	1.20	1.20	1.20	1.20

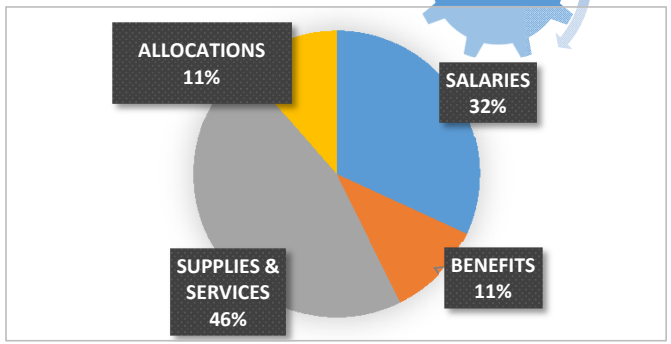
What We Do:

The Treasurery function is comprised of the City's elected treasurer position and allocated finance support staff. Its key role is to monitor banking relationships, cash balances and investment activities to ensure proper governing body reporting and oversight.

The City participates both in Statewide liquid investment pools and highly rated US government securities and bank securities of deposits.

The City Treasurer serves a four-year term and is voted upon at the City's General Municipal Election (March; odd-numbered years). The City Treasurer is responsible for investment of City funds and with assistance of staff, manages the City's daily cash flow needs.

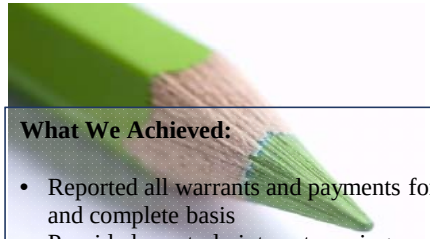
The Treasurer is responsible for banking and custody service agreements and ensuring that investments conform to the City's adopted investment policy. Information on the City's investments can be found in the Notes to the City's Comprehensive Annual Financial Report.



The Sharper Pencil

CITY TREASURER

	3020 Line Items	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
40005	Salaries	16,211	16,030	16,030	13,774	14,185
41055	Regular Overtime	1,149	-	7	-	-
	SALARIES	**17,360**	**16,030**	**16,037**	**13,774**	**14,185**
50080	Retirement	2,013	1,845	1,845	1,068	1,154
50085	Workers' Compensation	68	70	70	100	94
50090	Health Insurance	2,744	3,136	3,136	3,257	3,387
50091	Disability Insur	44	64	64	71	73
50095	Medicare	238	232	232	200	206
50097	Unemployment Insurance	-	-	-	-	-
	BENEFITS	**5,108**	**5,347**	**5,347**	**4,695**	**4,914**
61105	Dues & Memberships	65	200	65	200	200
61120	Training	-	500	-	500	500
61125	Subscriptions	-	-	-	-	-
61130	Travel & Meetings	-	2,000	-	2,000	2,000
62215	Printing & Binding	-	-	-	-	-
62290	General Service	120	260	130	133	271
63320	Misc. Equip. Supplies	-	-	-	-	-
64480	Banking Services	10,553	16,700	17,750	17,000	17,000
	SUPPLIES & SERVICE	10,738	19,660	17,945	19,833	19,971
66605	Insurance Allocations	4,095	4,095	4,095	4,941	5,117
	ALLOCATIONS	4,095	4,095	4,095	4,941	5,117
	TOTAL CITY TREASU	37,301	45,132	43,424	43,243	44,186



What We Achieved:

- Reported all warrants and payments for the year on a timely and complete basis
- Provided quarterly interest earnings updates to Council
- Updated the annual investment policies
- Maintained a safe and diversified investment portfolio
- Incurred no realized investment principal losses
- Signed all City checks
- Received daily banking reporting
- Renewed the City's banking services contract through 2021

Goals:

- Maintain a reasonable investment yield benchmark
- Continue to build and diversify the City's investment ladder
- Maintain periodic reporting to City Council:
  - Monthly Warrants
  - Monthly reconciled bank balances
  - Quarterly investment reports
- Continue to review City disbursements and check reviews
- Coordinate bank balance activity with finance staff
- Coordinate with independent auditors as needed
- Develop effective performance measures

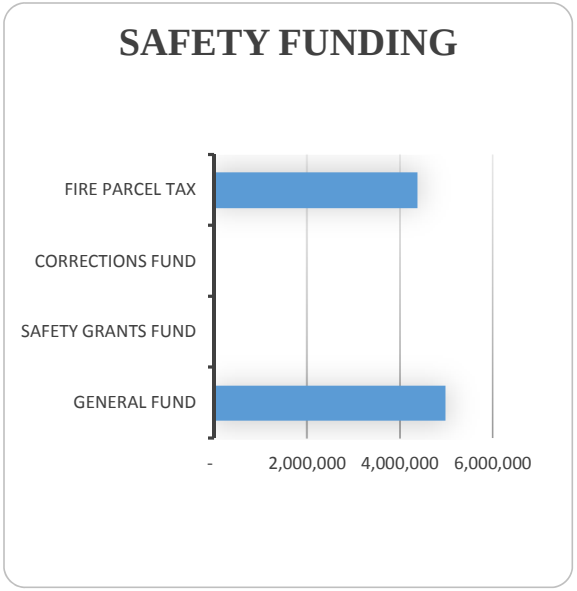
Police

Police

The mission of the Palos Verdes Estates Police Department is to provide an assurance of safety, comfort and tranquility to the community; while in this endeavor maintaining the utmost in professionalism, competence, integrity, and discipline.

RESOURCES

Service Area	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
POLICE	6,379,009	6,780,144	6,744,725	7,229,249	7,377,103
TOTAL EXPENDITURES	$ 6,379,009	$ 6,780,144	$ 6,744,725	$ 7,229,249	$ 7,377,103
POLICE - GENERAL FUND	6,307,847	6,726,939	6,626,380	7,124,549	7,372,403
- GRANT FUNDS	69,441	48,505	113,645	100,000	-
- CORRECTIONS FUND	1,721	4,700	4,700	4,700	4,700
	6,379,009	6,780,144	6,744,725	7,229,249	7,377,103



Key Budget Changes/Comments

FY 2016/18 salaries and benefits include an assumed salary and benefits growth based upon known trends and factors to date. The drivers of this growth is primaraly found in two places: Retirement and Worker's Compensation Insurance. Retirement (13.7% increase in FY16/17 and 5.9% increase in FY 17/18). Worker's Compensation Insurance (56.1% increase in FY16/17 and 5.2% decease in FY17/18).
The Training budget was increased by $11,000 in FY16/17 in preparation for filling the vacant sworn officer postion. For FY17/18, this increase was reduced by $2000 to enhance department readiness and emergency preparedness. This is reflected in the training line items and related overtime coverage.

An additional $3,700 is included in the FY16/17 budget to support the growth of the Volunteers In Patrol and Parkland Ranger programs within the community. For FY17/18, this budget is reduced to the program's normal operating level of $3,500.

POLICE

RESOURCES

Cost Category	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
SALARIES	3,661,626	3,932,531	3,859,712	3,986,955	4,154,437
BENEFITS	1,725,053	1,821,538	1,786,957	2,106,867	2,186,395
SUPPLIES & SERVICES	587,894	642,230	649,072	629,427	628,777
ALLOCATIONS	391,550	383,845	383,845	406,000	407,494
CAPITAL OUTLAY	12,887	-	65,140	100,000	-
TOTAL	**6,379,009**	**6,780,144**	**6,744,725**	**7,229,249**	**7,377,103**

POSITIONS	2014/15	2015/16	2015/16	2016/17	2017/18
FULL TIME - SWORN	25.00	25.00	25.00	25.00	25.00
FULL TIME - NON-SWORN	13.00	13.00	13.00	13.00	13.00
PART TIME	1.60	2.10	2.10	2.90	2.90
TOTAL	39.60	40.10	40.10	40.90	40.90

What We Do:

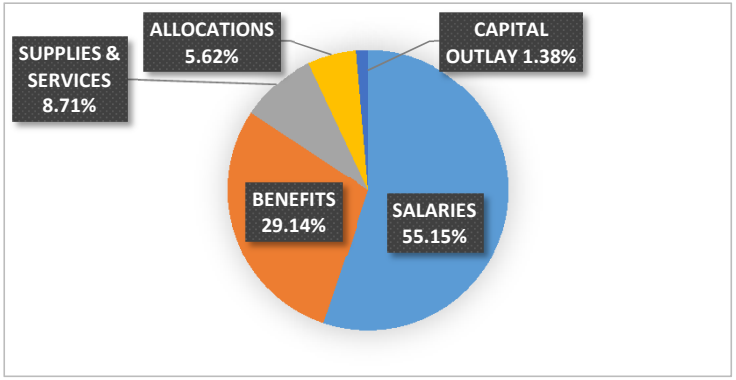
Police is responsible for a variety of services designed to keep the community safe and in a state of emergency readiness. These include:

Administration

- Community Relations
- Disaster Prep
- PVE CARES
- Neighborhood Watch
- Professional Standards
- Investigations
- Budget
- Parking
- Jail/Communications

Operations

- Patrol
- Traffic
- Special Enforcement
- Reserves



The Sharper Pencil

POLICE

	4000 Line Items	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
40005	Salaries	3,141,527	3,578,311	3,493,825	3,635,555	3,789,837
40005	Salaries (05)	(60)	-	-	-	-
40008	Phone Allowance	720	720	720	720	720
40010	Temporary Salaries	15,705	45,600	16,667	36,400	45,600
40020	Shooting Pay	5,130	5,500	5,500	5,880	5,880
41055	Regular Overtime	175,835	141,000	141,000	142,000	146,000
41055	Regular Overtime (05)	-	-			
41056	Special Enforcement OT	7,079	12,000	45,000	15,000	15,000
41057	Sick Leave Replacement	220,772	45,000	65,000	45,000	45,000
41058	Training Overtime	56,855	47,000	63,000	52,000	52,000
41060	Outside Overtime	5,381	8,000	2,500	5,000	5,000
41065	Call Back O/T	976	1,000	1,500	1,000	1,000
41070	Court Overtime	20,341	25,000	10,600	25,000	25,000
41059	Student & the Law	3,340	5,000	4,000	5,000	5,000
41090	Detective Pay	5,824	16,000	8,000	16,000	16,000
41095	K-9 Pay	2,200	2,400	2,400	2,400	2,400
	SALARIES	3,661,626	3,932,531	3,859,712	3,986,955	4,154,437
50075	Uniform Allowance	27,900	31,350	31,350	31,350	31,350
50075	Uniform Allowance (05)	-	-	-	-	-
50080	Retirement	937,022	1,050,790	1,027,820	1,195,126	1,266,638
50080	Retirement Lump Sum PERS	-	-	-	-	-
50080	All benefits (05)	-	-	-	-	-
50085	Workers' Compensation	189,617	188,830	188,830	294,936	279,382
50090	Health Insurance	503,983	480,196	468,585	513,490	534,030
50091	Disability Insur(01)	14,206	17,946	17,946	18,709	19,503
50094	Social Security	1,133	1,100	1,100	-	-
50095	Medicare	51,192	51,326	51,326	53,255	55,492
50097	Unemployment	-	-	-	-	-
	BENEFITS	1,725,053	1,821,538	1,786,957	2,106,867	2,186,395

What We Achieved:

- Patrol had an average response time of 1:51 minutes for Priority 1 calls and an overall average response time of 3:33 minutes.

- The officers made a total of 1196 arrests, including: 349 for outstanding warrants, 313 for driving with suspended license/unlicensed driver, 283 DUI drivers, 107 for possession of a controlled substances, 36 for burglary, and 6 for assault with a deadly weapon.

- The Training Officer continued to keep police personnel current by providing CJPIA training, CPR, perishable skills (Arrest and Control, Firearms, Emergency Vehicle Operation), field training officer, patrol rifle, active shooter, and leadership training.

- The Community Relations Officer organized and participated in several community activities including National Night Out, Neighborhood Watch meetings, Santa's Sleigh in Malaga Cove Plaza and Lunada Bay, Law Enforcement Special Olympics Torch Run, and the Independence Day Celebration.

-The Department participated in several interagency operations including the South Bay DUI Task Force, South Bay Arrest Warrant Detail, South Bay Mutual Aid Platoon.

- PVE-CARES held several events for seniors, including a concert in Lunada Bay Park, a Physicians' forum at the Golf Club, and the tenth Annual Senior Health.

-Volunteers in Patrol and Parklands Ranger Programs were created and are now active.

- The Chaplain Program was re-instituted and is now active with one Chaplain.

The Sharper Pencil

POLICE

	4000 Line Items	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
61105	Dues & Memberships	2,719	2,450	2,600	2,765	2,815
61110	Uniform Supplies	8,797	8,000	9,000	10,000	8,000
61120	Training	47,318	41,000	49,908	52,000	43,000
61125	Subscriptions	3,525	3,050	2,500	1,300	1,300
61130	Travel & Meetings	1,044	1,000	3,100	3,075	3,075
61135	Reserve Officer	1,094	2,000	2,000	2,300	2,300
61140	Prisoner Expenses	14,344	12,000	12,000	12,000	12,000
62215	Printing & Binding	3,460	4,600	8,500	5,300	5,300
62220	Photography	-	1,500	600	1,000	500
62255	Utilities	36,320	32,000	36,000	40,862	40,862
62260	Canine Maintenance + K9	-	2,000	2,100	2,100	2,100
62290	General Service	31,894	31,150	31,500	31,150	31,150
62294	Community Support	-	15,000	15,000	15,000	15,000
63000	Cleaning Supplies	1,139	700	1,150	1,150	1,150
63305	Auto Supplies	95,169	151,950	120,000	151,950	151,950
63310	Safety Equipment	11,297	8,000	13,000	9,000	9,000
63310	Safety Equipment	56,615	48,505	48,505	-	-
63315	Computer Maintenance Contract	59,002	43,000	45,000	43,000	43,000
62292	PVE CARES	14,608	10,000	12,000	11,000	11,000
62293	Volunteer Program	6,760	3,500	15,375	7,200	3,500
63330	Radio Communications	12,888	12,600	12,600	18,600	12,600
63345	Comm. Services Officer Equip.	5,146	2,095	2,200	2,095	2,095
62244	Professional (Legal) Services	6,325	5,000	10,500	5,000	5,000
64425	Professional (Legal) Services	1,229	-	4,754	-	-
64430	Contractual Services	84,994	83,300	100,000	88,600	89,100
64475	Vaccinations	-	-	-	-	-
64500	Criminal Justice	30,074	35,000	28,000	35,000	35,000
64599	Hiring	12,965	20,300	12,500	20,300	20,300
64640	Animal Control	11,714	15,000	10,000	15,000	15,000
64641	Peafowl Management	4,740	6,000	6,000	6,000	6,000
64650	Jail & Correction (01)	-	100	250	250	250
64650	Jail & Correction (07)	1,721	4,700	4,700	4,700	4,700
64720	Police K-9	-	-	-	-	20,000
65090	Copier Lease	6,439	11,000	10,000	11,000	11,000
64750	Discretionary (01)	-	1,000	-	-	-
65000	Emergency Preparedness	14,554	16,730	16,730	16,730	16,730
65005	Emergency Backpacks	-	8,000	1,000	4,000	4,000
	SUPPLIES & SERVICES	587,894	642,230	649,072	629,427	628,777

Goals:

- To Provide strong leadership by:

Continual mentoring of personnel
Maintaining a focus on the overall mission and goals
Modeling professional conduct and ethics
Encouraging teamwork and cooperation

- To Provide for the safety of the community by:

Maintaining response times under 3 minutes for priority 1 calls
Maintaining response times under 4 minutes for priority 2 calls
Being proactive through enforcement and education
Conducting drills and meetings for disaster preparedness
Deploying a motorcycle unit to assist with traffic enforcement
Hosting annual health fairs for senior citizens
Working interactively and in partnership with our schools
Improve Community outreach and communication through technology.

- To Provide the community with a professional, ethical and competent Police Department by:

Maintaining strict hiring and promotional standards
Providing employees with necessary safety equipment
Providing employees with contemporary training
Maintaining policies and regulations within industry standards

The Sharper Pencil

	POLICE					
	4000 Line Items	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
66602	Equipment Repl. Allocation	273,730	266,025	266,025	263,828	260,258
66605	Insurance Allocation	117,820	117,820	117,820	142,172	147,236
	ALLOCATIONS	391,550	383,845	383,845	406,000	407,494
70730	Furniture Fixtures (05)	314	-	14,140	-	-
70720	Communication Equipment (05)	-	-	-	-	-
70750	Automotive (05)	1,563	-	-	-	-
70765	CAD (05) / Furniture Fixtures	2,774	-	5,000	-	-
70770	Computer Equipment (05)	8,235	-	46,000	100,000	-
	CAPITAL OUTLAY	12,887	-	65,140	100,000	-
	TOTAL POLICE	6,379,009	6,780,144	6,744,725	7,229,249	7,377,103

Fire & Paramedic

FIRE & PARAMEDIC SERVICES

The mission of Palos Verdes Estates Fire Services is to to provide timely, proficient, and cost-effective fire suppression and prevention, rescue, pre-hospital and hazardous materials response services to protect the lives and property in the City.

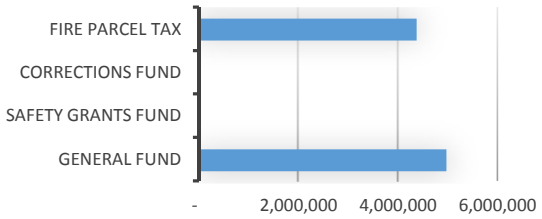
RESOURCES

Service Program	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
FIRE	4,421,786	4,537,822	4,418,973	4,703,820	4,826,030
TOTAL EXPENDITURES	**$ 4,421,786**	**$ 4,537,822**	**$ 4,418,973**	**$ 4,703,820**	**$ 4,826,030**
- SPECIAL FIRE TAX	4,421,786	4,537,822	4,418,973	4,703,820	4,826,030
	4,421,786	**4,537,822**	**4,418,973**	**4,703,820**	**4,826,030**

Contract Paramedics & Firefighters
3 Shifts of:

1 Captain
1 Engineer
3 Firefighter/Paramedics

SAFETY FUNDING



Key Budget Changes/Comments

FY 16/18 budget reflects the new contract allocations presented by Los Angeles (LA) County in recent months. Components of the 16/17 contract year costing include:

- The County reached a 3% salary cost-of-living adjustment for Fire Safety positions effective July 2016 - and a 0.43% increase in employee health benefits.
- The overall increase amounted to 0.65% over the final adjusted County estimate and 2.35% over the prior City budget estimate. The final estimated annual cost as outlined above are being submiited to filing agency for application to the Special Parcel Tax property tax rolls for FY 16/17.
- As the City looks forward - the Special Fire Tax is scheduled to expire by June 30, 2017 making it subject to renewal in the coming fiscal year.

FIRE & PARAMEDIC SERVICES

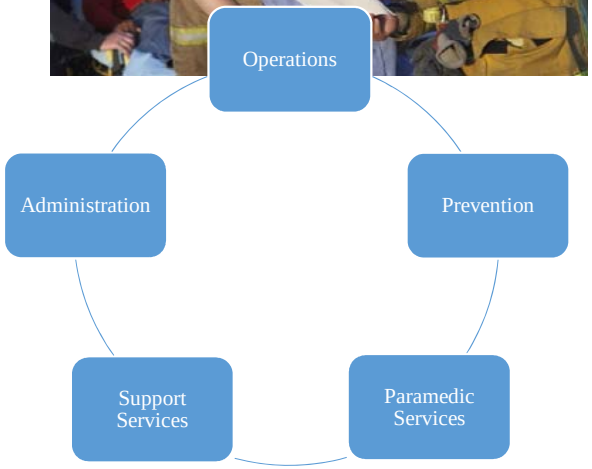
RESOURCES

Cost Category	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
SUPPLIES & SERVICES	4,421,786	4,537,822	4,418,973	4,703,820	4,826,030
TOTAL	4,421,786	4,537,822	4,418,973	4,703,820	4,826,030

What We Do:

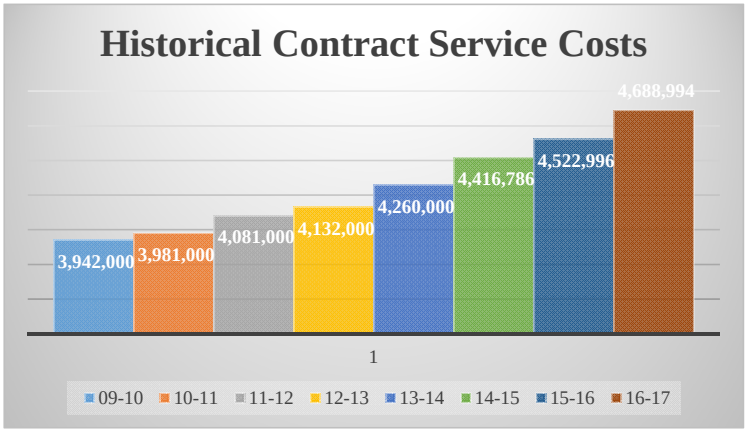
Since 1986, the City has contracted with Los Angeles County Fire to provide fire protection, paramedic services and enforcement of the fire codes and other appropriate ordinances. The contract was necessitated by budget constraints which forced the closure of the City's department, which was consolidated with the County. The contract includes other support services such as supervision, dispatching, training, equipment maintenance and procurement. The City's current contract with the County covers a 10-year period and expires in 2016. The contract is financed by a special parcel tax approved by City voters as described in the revenue section below.

This contract is financed by a voter-approved 10-year special parcel tax (expiration 6-30-17). The tax received more than 87% approval at the March 2007 municipal election and includes a flat per parcel cost and cost per square foot of building improvement. These revenues are restricted and must be used exclusively for the fire service contract. The approved tax measure includes a maximum annual increase in the tax rate of 6.2% or the increase in the annual contract, which is also capped. This source generates approximately $4.3 million and represents 40% of total general operating revenue.



The Sharper Pencil

	PARAMEDIC & FIRE SERVICES					
	4100	ACTUAL	BUDGET	PROJECTED	ADOPTED	PLANNED
	Line Items	2014/15	2015/16	2015/16	2016/17	2017/18
62255	Utilities	-	9,364	9,000	9,364	9,551
64425	Professional Services	5,000	5,462	5,462	5,462	5,571
64430	Contractual Services	4,416,786	4,522,996	4,404,511	4,688,994	4,810,908
	SUPPLIES & SERVICES	4,421,786	4,537,822	4,418,973	4,703,820	4,826,030
	TOTAL FIRE	4,421,786	4,537,822	4,418,973	4,703,820	4,826,030



Goals:

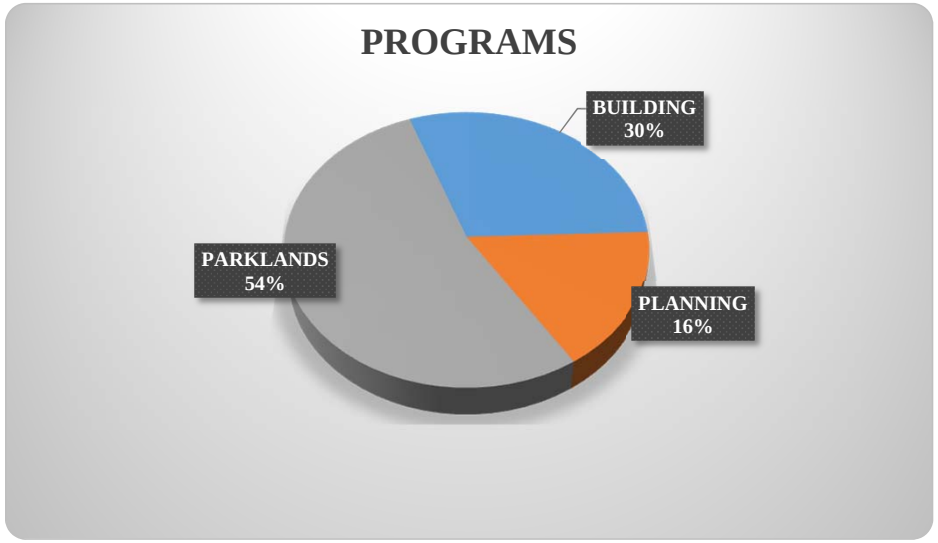
The Fire department is tasked with continuing to provide timely, proficient, and cost-effective fire suppression and prevention, rescue, pre-hospital and hazardous materials response services to protect the lives and property in the City.

Building & Planning

PLANNING & BUILDING

To serve the public by providing courteous, effective, efficient and accurate planning and development services to ensure a safe community that preserves and enhances the quality of life for all residents of the City of Palos Verdes Estates. The Department supports the Planning Commission, Parklands Committee and Traffic Safety Committee.

Service Area	FUND	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
BUILDING	Gen	566,040	701,837	610,068	753,466	763,529
PLANNING	Gen	449,275	426,447	499,845	413,026	428,523
PARKLANDS	*	1,196,823	1,304,661	1,210,454	1,345,655	1,380,118
TOTAL EXPENDITURES		**2,212,137**	**2,432,945**	**2,320,367**	**2,512,146**	**2,572,170**
Funding Sources *						
Building	Gen	566,040	701,837	610,068	753,466	763,529
Planning	Gen	449,275	426,447	499,845	413,026	428,523
Parklands	Gen	1,188,929	1,293,111	1,200,454	1,345,655	1,380,118
	GEN	**2,204,243**	**2,421,395**	**2,310,367**	**2,512,146**	**2,572,170**
Parklands	SPEC	7,894	11,550	10,000	-	-
		7,894	**11,550**	**10,000**	**-**	**-**



Key Budget Changes/Comments

The Planning & Building budget utilizes FTE in-house positions and consultant services to effectively provide core functions.

The mission of the Planning & Building Department is to work collaboratively with other departments to provide citizens, business owners, developers, and applicants reliable and predictable expectations in the review, permitting, and inspection of development projects that meet the minimum municipal and building code requirements to ensure the health, safety, and welfare of the public.

The City's urban forest remains an important focus. The Parklands Division prioritizes the preservation, maintenance and establishment of trees and landscape to promote a safe and attractive environment.

Building

RESOURCES

Cost Category	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
SALARIES	149,078	185,394	186,627	186,627	146,980	152,780
BENEFITS	38,211	42,908	42,908	42,908	40,024	42,193
SUPPLIES AND SERVICES	330,966	425,750	332,748	332,748	508,800	508,840
ALLOCATIONS	47,785	47,785	47,785	47,785	57,662	59,715
TOTAL	**566,040**	**701,837**	**610,068**	**610,068**	**753,466**	**763,529**

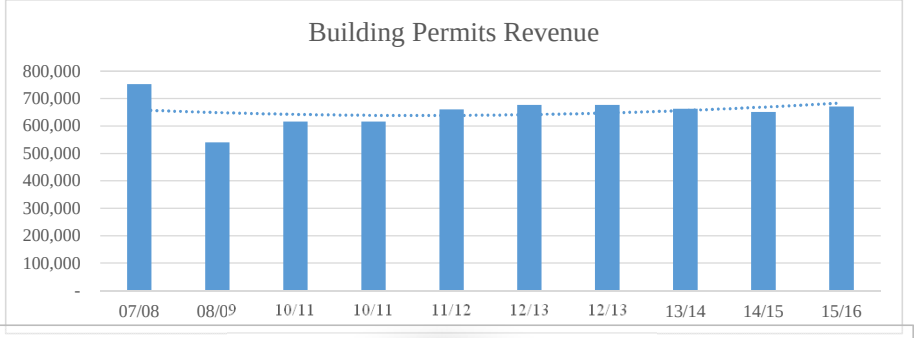
POSITIONS	12/13	13/14	14/15	15/16	16/17	17/18
FULL TIME	1.00	1.00	1.00	1.00	1.50	1.50
PART TIME	0.25	0.25	0.25	0.25		
TOTAL	1.25	1.25	1.25	1.25	1.50	1.50

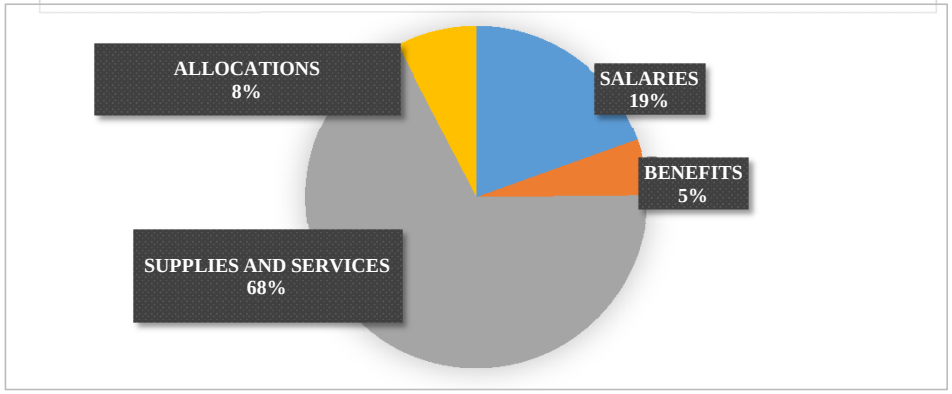
What We Do:

To ensure that all construction projects within the City are designed and built to appropriate code standards. Construction activity is a key indicator of the economic vitality of the City. In conjunction with the number of permits issued, the value of the work is an important indicator of economic activity as well.

Protects the public's health, safety, and general welfare as they relate to the construction and occupancy of buildings and structures by enforcing laws and regulations that govern the design, construction, use and occupancy of buildings. The Building Division also provides timely and professional review of plans and documents for all building permit applications to ensure that the proposed work complies with all state and local code requirements. Following permit issuance, building inspectors ensure that construction complies with the approved plans and adopted codes.

At the counter the City provides permitting services and thrives on providing excellent customer service to our residents, business owners and construction community. The bulk of permitting activities is provided through contract professional services provided by HR Green





The Sharper Pencil

BUILDING

	4200 Line Items	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
40005	Salaries	145,013	182,784	182,784	143,570	149,370
40007	Car Allowance	2,250	2,250	2,250	2,250	2,250
40008	Phone Allowance	360	360	360	360	360
41055	Regular Overtime	1,455	-	1,233	800	800
	SALARIES	**149,078**	**185,394**	**186,627**	**146,980**	**152,780**
50080	Retirement	16,262	16,812	16,812	14,941	16,136
50085	Workers' Compensation	204	205	205	332	314
50090	Health Insurance	19,113	22,825	22,825	22,400	23,296
50091	Disability Insur	530	748	748	740	770
50095	Medicare	2,102	2,318	2,318	1,611	1,676
50097	Unemployment	-	-	-	-	-
	BENEFITS	**38,211**	**42,908**	**42,908**	**40,024**	**42,193**
62215	Printing & Binding	-	-	-	-	-
62290	General Services	1,436	1,840	1,800	1,800	1,840
64423	Professional Services Fee Related	276,278	370,910	260,396	454,000	454,000
64425	Professional Services	13,057	-	32,552	-	-
64530	Geotechnical & Geological	39,525	50,000	35,000	50,000	50,000
64660	Strong Motion	435	2,000	2,000	2,000	2,000
64665	Strong Motion /SB 1473	235	1,000	1,000	1,000	1,000
	SUPPLIES & SERVICES	**330,966**	**425,750**	**332,748**	**508,800**	**508,840**
66605	Insurance Allocations	47,785	47,785	47,785	57,662	59,715
	ALLOCATIONS	**47,785**	**47,785**	**47,785**	**57,662**	**59,715**
	TOTAL BUILDING	**566,040**	**701,837**	**610,068**	**753,466**	**763,529**

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Planning

RESOURCES

Cost Category	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
SALARIES	267,975	269,482	276,482	250,960	260,327
BENEFITS	67,572	68,290	68,290	65,498	69,111
SUPPLIES AND SERVICES	69,927	44,875	111,273	35,300	35,935
ALLOCATIONS	43,800	43,800	43,800	61,268	63,150
TOTAL	**449,275**	**426,447**	**499,845**	**413,026**	**428,523**

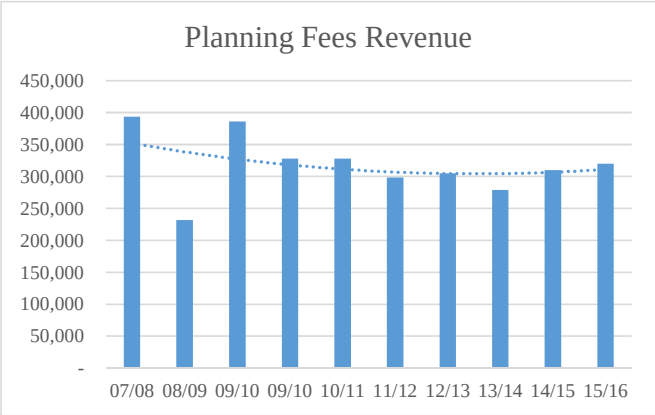
POSITIONS	14/15	15/16	15/16	16/17	17/18
FULL TIME	1.00	1.00	1.50	2.50	2.50
PART TIME	0.25	0.25	0.25		
TOTAL	1.25	1.25	1.75	2.50	2.50

What We Do:

The Planning Department is responsible for managing and implementating the land use and development policies of the City, administering the zoning and environmental regulations and managing the long range planning projects including all elements of the City General Plan.

The City Planning staff also provides public information, processes neighborhood compatibility applications, conditional use permits and grading permits, suggests zoning ordinance amendments and policy analysis, and studies a broad range of community issues. This department provides staff support to the Planning Commission and the City Council.

With the recent addition of one Code Enforcement position, the City will be able to respond more quickly to an increased number of code enforcement cases. Code Enforcement is responsible for identifying violations and responding to complaints and assisting citizens with abating the violations.



The Sharper Pencil

	PLANNING					
	4800	ACTUAL	BUDGET	PROJECTED	ADOPTED	PLANNED
	Line Items	2014/15	2015/16	2015/16	2016/17	2017/18
40005	Salaries	254,481	265,372	265,372	231,850	241,217
40007	Car Allowance	2,250	2,250	2,250	2,250	2,250
40008	Phone Allowance	360	360	360	360	360
41055	Regular Overtime	6,239	1,500	4,000	7,500	7,500
40045	Minutes	4,645	-	4,500	9,000	9,000
	SALARIES	267,975	269,482	276,482	250,960	260,327
50075	Uniform Allownace	-	-	-	500	500
50080	Retirement	28,443	24,668	24,668	26,839	28,986
50085	Workers' Compensation	377	425	425	664	629
50090	Health Insurance	34,098	38,507	38,507	34,689	36,077
50091	Disability Insurance	917	1,174	1,174	1,195	1,244
50095	Medicare	3,738	3,516	3,516	1,611	1,676
50097	Unemployment	-	-	-	-	-
	BENEFITS	67,572	68,290	68,290	65,498	69,111
61130	Travel & Meeting	688	4,000	1,200	7,500	8,000
62291	Code Enforcement Supplies	1,036	6,500	6,500	1,000	1,000
62215	Printing & Binding	821	500	1,200	800	800
62245	Legal Publishing/Public Info	1,829	5,000	5,500	5,000	5,000
62225	Legal Publishing	5,848	2,800	5,000	4,500	4,500
62290	General Services	6,212	7,575	6,500	12,500	12,635
64423	Professional Services Fee Related	46,723	-	46,000	-	-
64425	Professional Services & Green Prgm	4,605	10,000	35,373	-	-
64430	Contractual Services	2,166	8,500	4,000	4,000	4,000
	SUPPLIES & SERVICES	69,927	44,875	111,273	35,300	35,935
66605	Insurance Allocation	43,800	43,800	43,800	52,853	54,735
66602	Equipment Allocation	-	-	-	8,415	8,415
	ALLOCATIONS	43,800	43,800	43,800	61,268	63,150
	TOTAL PLANNING	449,275	426,447	499,845	413,026	428,523

What We Achieved:

- Updated the Zoning Ordinance to regulate short term and vacation rentals.
- Conducted the City's annual review of Conditional Use Permits.
- Conducted the City's annual joint meeting with the City Council, Planning Commission and Homes Association.
- Completed the annual Local Development Report and Self-Certification for the Congestion Management Program.
- Prepared a Climate Action Plan to serve as the City's roadmap for reducing greenhouse gas (GHG) emissions in City operations and the community at large.
- Conducted the annual Coastal Cleanup in Malaga Cove with Heal the Bay in September.
- Prepared an informational handout to answer frequently asked questions for wireless telecommication facilities.
- Implemented a case tracking system for all code enforcement cases.
- Number of planning cases filed: 114 in FY 14/15 and 128 in FY 15/16 (est.).
- Established a full time planner and code enforcement

Goals:

- To educate residents, architects, and contractors regarding planning and zoning policies; review procedures to determine if changes can be made to enhance efficiency and effectiveness and ensure that current information on processes and applications are accessible
- To continue to administer Neighborhood Compatibility and zoning compliance
- To assure that all proposed projects are designed to the City's planning and zoning code standards; assure compliance with all conditions of approval at the completion of construction and continually communicate with Building and Public Works to assure consistent and clear processing of projects.
- To evaluate and update the fee schedule to ensure adequate cost recovery for delivery of services.
- To update the City website to improve the understanding of the City's process and procedures.
- To implement a case tracking system for all planning related activities
- To update the policy for addressing unpermitted encroachments in the Parklands and to prepare community newletters and educational materials to facilitate the implementation of the updated policy for removal of unpermitted encroachments in the parklands.

PARKLANDS

RESOURCES

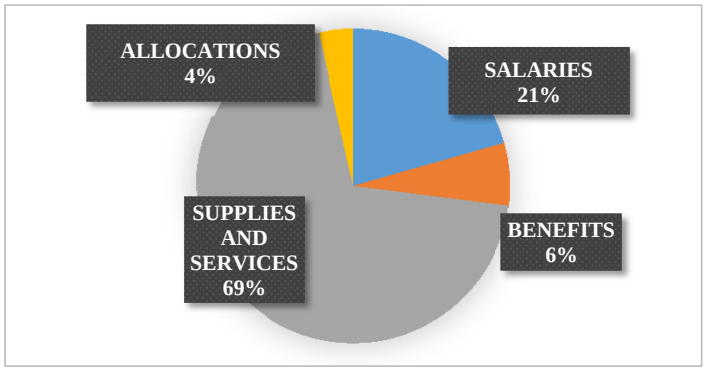
Cost Category	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
SALARIES	173,930	310,126	318,991	276,940	287,319
BENEFITS	69,420	70,685	71,223	86,539	89,608
SUPPLIES AND SERVICES	910,508	853,485	777,275	933,745	957,560
ALLOCATIONS	42,965	70,365	42,965	48,431	45,632
TOTAL	1,196,823	1,304,661	1,210,454	1,345,655	1,380,118

POSITIONS	2014/15	2015/16	2015/16	2016/17	2017/18
FULL TIME	2.50	2.50	2.50	3.50	3.50
PART TIME	0.25	0.25	0.25	0.25	0.25
TOTAL	2.75	2.75	2.75	3.75	3.75

What We Do:

The Parklands Division of Public Works is responsible for the maintenance of the City's 500 acres of parklands and shoreline preserve, 4.5 miles of coastal frontage, approximately 10,700 trees and five City fountains. The Division is responsible for the landscaping and maintenance of street dividers and strips, tree trimming and maintenance in parklands and city rights-of-way, signing of coastal areas and weed abatement. The majority of work is performed by private firms under contract with other work performed by City staff.

The Department continues to emphasize clearing of areas for visual impacts and fire safety. Low-cost, minor impact landscape improvement projects, consisting mainly of traffic median islands, are financed with a combination of City and privately donated funds.



Landscaping Maintenance

Street Divider Maintenance

Tree Trimming

Signage

Weed Abatement

The Sharper Pencil

		PARKLANDS					
		6000	ACTUAL	BUDGET	PROJECTED	ADOPTED	PLANNED
		Line Items	2014/15	2015/16	2015/16	2016/17	2017/18
40005	6000	Salaries	148,177	294,126	294,126	257,940	268,319
40010	6000	Temporary Salaries	25,608	16,000	13,000	16,000	16,000
41055	6000	Overtime	-	-	1,904	3,000	3,000
41065	6000	Call Back Overtime	145	-	9,961	-	-
		SALARIES	**173,930**	**310,126**	**318,991**	**276,940**	**287,319**
50080	6000	Retirement	19,737	20,828	20,828	25,538	27,581
50085	6000	Workers' Compensation	9,475	9,770	9,770	15,261	14,456
50090	6000	Health Insurrance	36,834	38,339	38,339	40,670	42,297
50091	6000	Disability	663	923	923	1,330	1,383
50094	6000	Social Security	1,593	-	538	-	-
50095	6000	Medicare	1,117	825	825	3,740	3,891
50097	6000	Unemployment	-	-	-	-	-
		BENEFITS	**69,420**	**70,685**	**71,223**	**86,539**	**89,608**
61110	6000	Uniform Supplies	2,177	3,300	2,500	250	250
61130	6000	Travel & Meetings /Training	231	1,000	150	1,500	1,500
62255	6000	Utilities	193,048	160,000	175,000	178,500	182,000
62290	6000	General Services	612	765	-	750	765
63305	6000	Auto Supplies	17,112	17,490	17,000	-	-
63330	6000	Radio Communications	3,355	3,600	3,000	-	-
63353	6000	Paseo La Cresta	-	11,550	-	-	
63353	6000	Paseo La Cresta (06)	7,894	11,550	10,000	-	-
64415	6000	Parklands Supplies/Maintenance	23,235	23,630	20,000	23,630	23,630
64425	6000	Professional Services	132,701	-	16,625	-	-
64435	6000	Weed Abatement	119,284	125,000	125,000	150,000	150,000
64436	6000	Parklands Maint Cont.	188,823	210,000	175,000	210,000	230,000
64440	6000	Tree Maintenance Contract	221,959	270,000	230,000	353,815	353,815
64430	6000	Contract Svcs - Irrigation	77	15,600	3,000	15,300	15,600
64443	6000	Prop A- Trees	-	-	-	-	-
		SUPPLIES & SERVICES	**910,508**	**853,485**	**777,275**	**933,745**	**957,560**
66602	6000	Equipment Repl. Allocation	20,285	47,685	20,285	21,063	17,289
66605	6000	Insurance Allocation	22,680	22,680	22,680	27,368	28,343
		ALLOCATIONS	**42,965**	**70,365**	**42,965**	**48,431**	**45,632**
		TOTAL PARKLANDS	**1,196,823**	**1,304,661**	**1,210,454**	**1,345,655**	**1,380,118**

What We Achieved:

- Designed and initiated installation of landscape at City entrance at Montemalaga, City entrance at Granvia Altamira and entry feature at Lunada Bay Plaza commercial area.
- Adopted a Parkland Use Policy to provide for appropriate public use, respect reasonable privacy and to sustain the natural beauty.
- Administered tree-trimming contract providing necessary tree trimming for safety and health of the urban forest throughout the City.
- Administered the landscape maintenance contract and coordinated with city staff to maintain the appearance of city parks, medians, parklands and open space.
- Implemented an effective weed abatement and fire clearance process to clear designated areas as needed to establish defensible space that provides greater safety and attractiveness.
- Processed Parkland Committee applications for view enhancements; planted trees in parkways to promote neighborhood character; assisted property owners to

Goals:

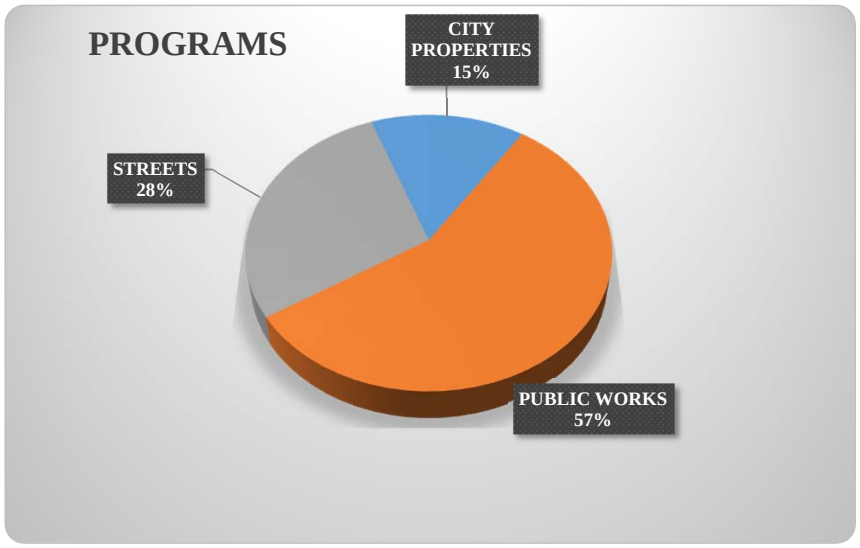
- Assist in the preparation of community newletters and educational materials to facilitate the implementation of the updated policy for removal of unpermitted encroachments in the parklands.
- To trim and maintain all City street trees per the established schedule on an average of 5-year cycle.
- To develop a policy for addressing street trees planted without authorization to determine under what circumstances such trees are allowed to remain.
- To encourage community sponsorship of projects to

Public Works

PUBLIC WORKS

To serve the public by providing courteous, effective, efficient and accurate planning and development services to ensure a safe community that preserves and enhances the quality of life for all residents of the City of Palos Verdes Estates. The Department supports the Planning Commission, Parklands Committee and Traffic Safety Committee.

Service Area	FUND	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
CITY PROPERTIES	Gen	280,275	270,360	280,753	253,675	234,492
PUBLIC WORKS	*	372,855	648,455	672,605	967,765	992,357
STREETS	*	470,195	543,816	451,405	485,338	490,490
TOTAL EXPENDITURES		**1,123,325**	**1,462,631**	**1,404,764**	**1,706,778**	**1,717,338**
Funding Sources *						
City Properties	Gen	280,275	270,360	280,753	253,675	234,492
Public Works	Gen	367,586	640,955	665,105	959,765	984,197
Streets	Gen	154,482	197,060	131,061	128,381	125,582
	GEN	**802,343**	**1,108,375**	**1,076,920**	**1,341,821**	**1,344,270**
Public Works	SPEC	5,269	7,500	7,500	8,000	8,160
		5,269	**7,500**	**7,500**	**8,000**	**8,160**
Streets	GAS TX	315,713	346,756	320,344	356,957	364,908
		315,713	**346,756**	**320,344**	**356,957**	**364,908**



Key Budget Changes/Comments

FY 2016/18 salaries and benefits reflects the Director of Public Works/City Engineer position for a full year - an amount that is offset by a reduction in hours charged by the City's engineering consultant for the City Engineer position. With the creation of a Department of Public Works, equipment, uniform, and communications and costs have been consolidated into this Department.
The budget reflects additional funds to provide fountain maintenance for the City's five fountains and necessary funding for implementation of the Enhanced Watershed Management Plan and storm water monitoring. Costs for performing survey monitoring for Bluff Cove has been shifted from the CIP budget to operations until this effort concludes in FY 2017/18. Changes to the City Council chambers are proposed to allow for more flexible seating arrangements in support of the Emergency Operations Center and to serve as community meeting space.

Maintenance of our high standards for streets, buildings, parks, and the urban forest constinues to be a challenge as costs for materials, utilities and contracted

City Properties

RESOURCES

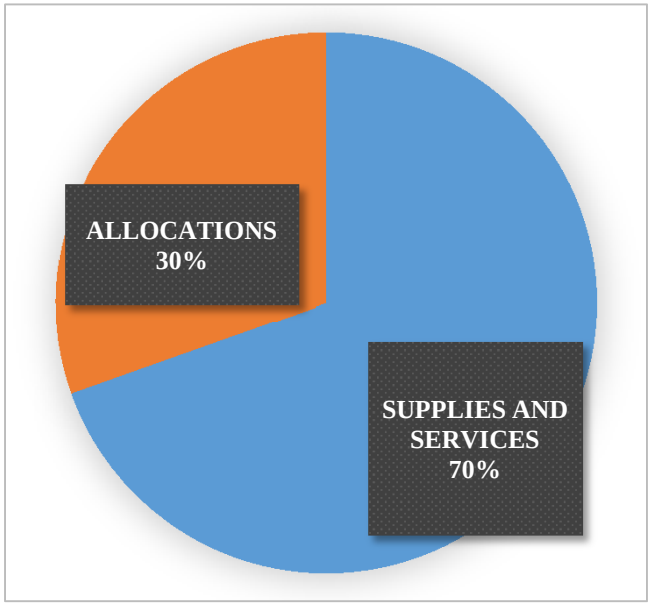
Cost Category	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
SUPPLIES AND SERVICES	142,875	134,590	144,983	176,457	174,835
ALLOCATIONS	137,400	135,770	135,770	77,218	59,657
TOTAL	280,275	270,360	280,753	253,675	234,492

POSITIONS	12/13	13/14	PROJECTED	14/15	15/16
FULL TIME	0.00	0.00	0.00	0.00	0.00
PART TIME	0.00	0.00	0.00	0.00	0.00
TOTAL	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

What We Do:

The City Properties function serves as a holding place for citywide shared support, supplies and service costs. It was created to simplify and consolidate the costing process and includes the following budget categories. The 16/18 budgets reflects an investment in equipment - some of which have been long deferred

- Shared City Property Utilities
- Shared City Property Supplies
- City Hall Janitorial
- Shared City Property Contract Services
- City Hall Equipment Depreciation
- Property Insurance

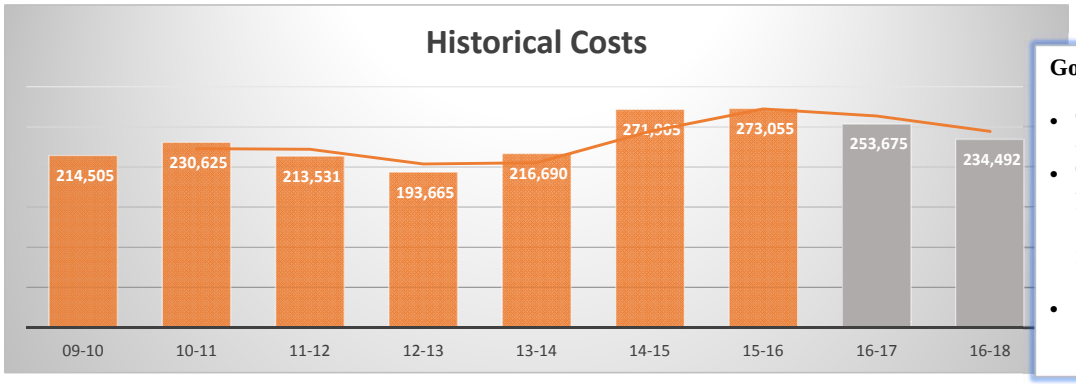


The Sharper Pencil

	CITY PROPERTIES					
	3080 Line Items	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
62255	Utilities City	73,235	67,360	66,500	71,096	74,650
63325	Building Supplies	29,857	29,730	44,920	58,500	48,500
64425	Professional Services	647	-	217	12,635	13,410
64430	Contractual Services	32,460	29,320	33,346	34,226	38,275
64437	Bluff Cove Properties	6,677	8,180	-	-	-
	SUPPLIES AND SERVICES	**142,875**	**134,590**	**144,983**	**176,457**	**174,835**
66602	Equipment Repl. Allocation	111,700	110,070	110,070	46,206	27,540
66605	Insurance Allocation	25,700	25,700	25,700	31,012	32,117
	ALLOCATIONS	**137,400**	**135,770**	**135,770**	**77,218**	**59,657**
	TOTAL CITY PROPERTIES	**280,275**	**270,360**	**280,753**	**253,675**	**234,492**

What We Achieved:

- Replaced an aging and deficient generator at City Hall .
- Replaced sections of rusted and failing sanitary sewer piping.
- Provided quick response to address any building or facility repairs.
- Completed radon remediation of detective bureau and painting of small conference room.



Goals:

- To continue to maintain all buildings and facilities in a manner that is safe, efficient and provides for the delivery of city services.
- To address city hall seismic condition and remodel to determine how best to address seismic retrofit, energy efficiency, technology enhancements, delivery of services, ADA accessibility requirements, building, plumbing and fire code compliance and adequate meeting spaces for routine and emergency operations.
- Install updated City Hall telephone system.

PUBLIC WORKS ADMINISTRATION

RESOURCES

Cost Category	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
SALARIES	-	-	-	218,681	227,305
BENEFITS	-	-	-	46,393	48,907
SUPPLIES AND SERVICES	309,140	584,740	608,890	625,807	636,523
ALLOCATIONS	63,715	63,715	63,715	76,884	79,623
TOTAL	372,855	648,455	672,605	967,765	992,357

POSITIONS	2014/15	2015/16	2015/16	2016/17	2017/18
FULL TIME	0.00	0.00	0.00	2.00	2.00
PART TIME	0.00	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00	2.00	2.00

What We Do:

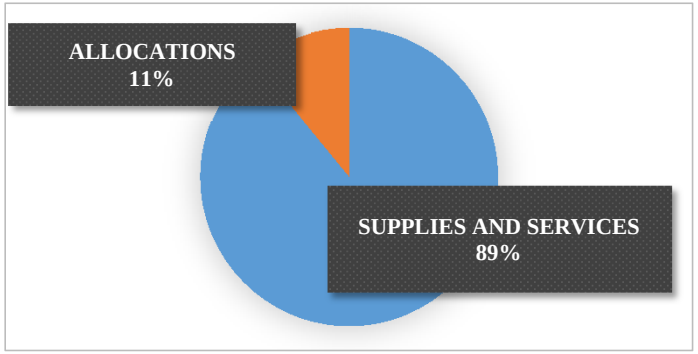
The primary role of the Public Works Division is improving and maintaining the physical environment of the City, which includes streets, alleys, storm drains, parklands, street trees, public parking lots, and coastal shoreline.

The Public Works Division oversees preparation and review of plans, specifications for all public improvements; surveying and inspection of construction; maintenance of streets, parklands, drainage and other improvements; and the provision of needed services and consultation with others interested in public improvements including engineering firms, utility companies, private developers and the general public.

The City Engineer also provides staff support for the Traffic Safety Committee.

Services in this area are fully provided on a contract basis.

The 16/18 Budgets reflects a realloaction of contract dollars between programs given anticipated work efforts and contract service levels.



Public Works - Engineering Administration

Regional Storm Water Permit Costs

Recycling AB 939

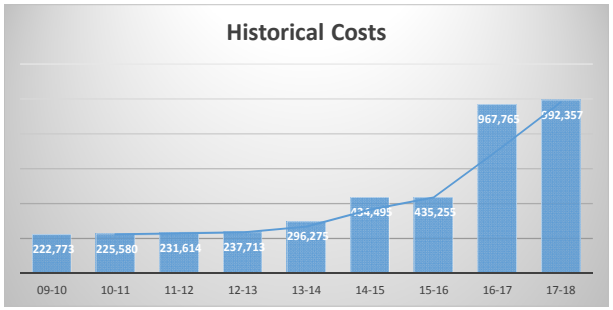
Insurance Allocations

The Sharper Pencil

	PUBLIC WORKS ADMINISTRATION					
	5000 Line Items	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
40005	Salaries	-	-	-	213,461	222,085
40007	Auto Allowance	-	-	-	4,500	4,500
40008	Phone Allownace	-	-	-	720	720
40045	Minutes	-	-	-	-	-
40006	Housing Allowance	-	-	-	-	-
	SALARIES	-	-	-	218,681	227,305
50080	Retirement	-	-	-	17,027	18,389
50085	Workers' Compensation	-	-	-	265	251
50090	Health Insurance	-	-	-	24,905	25,901
50091	Disability Insurance	-	-	-	1,101	1,145
50094	Social Security	-	-	-	-	-
50095	Medicare	-	-	-	3,095	3,220
	BENEFITS	-	-	-	46,393	48,907
70800	Refuse Containers (06)	-	-	-	-	-
61105	Dues and Memberships	-	-	299	374	604
61130	Travel/Meetings	-	-	-	6,285	7,035
62245	Legal Publications	-	-	1,066	-	-
63322	NPDES-MOU City Contribution	45,862	60,000	15,613	109,318	110,700
62290	General Services	1,436	3,040	3,040	3,000	3,040
64425	Profes Servs	202,295	478,200	504,423	397,180	405,334
64429	Prof Servs. NPDES	39,278	21,000	59,700	70,000	70,000
64430	Contractual Services GIS	15,000	15,000	17,250	31,650	31,650
64428	Recycling AB969 (06)	5,269	7,500	7,500	8,000	8,160
	SUPPLIES & SERVICES	**309,140**	**584,740**	**608,890**	**625,807**	**636,523**
66605	Insurance Allocation	63,715	63,715	63,715	76,884	79,623
	ALLOCATIONS	**63,715**	**63,715**	**63,715**	**76,884**	**79,623**
	TOTAL PUBLIC WORKS ADMIN.	**372,855**	**648,455**	**672,605**	**967,765**	**992,357**

What We Achieved:

- Completed the following: annual overlay project utilizing asphalt rubber hot mix; annual slurry seal project using a new product, latex slurry seal; construction throughout the City to repair sections of damaged curb and gutter and pavement; annual catch basin cleaning; and initiated installation of catch basin inserts to collect trash and debris to comply with federally manadated stormwater programs.
- Completed construction of the sewer force mains to serve the Rocky Point and Paseo Del Mar sewage lift stations.
- Completed deconstruciton of Bluff Cove Homes and converted area to open space.
- Worked with the Traffic Safety Committee and residents to address traffic issues on Granvia Altamira, Palos Verdes Drive and other areas of the City; Coordinated with the P.V. Unified School District and the Traffic Safety Committee for identifying improvements in pedestrian and vehicular safety near schools.
- Obtained a $35,060 grant from CalRecycle towards the costs of constructing the annual street overlay.
- Performed the following: administration of the street sweeping and waste hauling contracts; plan check for right-of-way construction and associated traffic control and ongoing inspection of permitted right-of-way construction.



Goals:

- To complete the annual slurry seal and overlay program.
- To implement Capital Improvement Program.
- To work with Peninsula Watershed Management Group to implement Coordinated Intgrated Monitoring Plan for stormwater outflow into Machado Lake and Santa Monica Bay.
- To update sewer assessment and pavement management program.
- To implement new software to manage plan check, permit and inspection services.
- To cross train staff to enhance skills and service to community.
- To improve street identification signs and addressing on mailboxes/curbs to increase public safety.
- To revise and update pubic works standards.

STREETS

RESOURCES

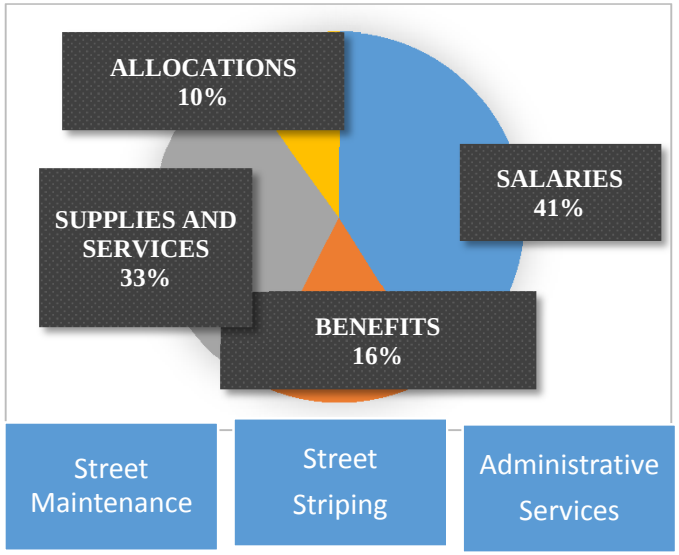
Cost Category	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
SALARIES	167,570	201,991	210,878	199,408	206,784
BENEFITS	68,949	71,105	71,105	79,549	82,124
SUPPLIES AND SERVICES	190,711	227,755	126,457	157,950	155,950
ALLOCATIONS	42,965	42,965	42,965	48,431	45,632
TOTAL	470,195	543,816	451,405	485,338	490,490

POSITIONS	2014/15	2015/16	2015/16	2016/17	2017/18
FULL TIME	2.50	2.50	2.50	2.50	2.50
PART TIME	0.25	0.25	0.25	0.25	0.25
TOTAL	2.75	2.75	2.75	2.75	2.75

What We Do:

The Streets Division of the Public Works Department is charged with the responsibility for the maintenance and repair of the 78 miles of streets and alleys and 20 miles of storm drains within the City including curbs, sidewalks, bridges, guardrails, drainage structures, traffic and street signs and street markings. Activities include asphalt and concrete repairs, sealing and filling of potholes, slurry sealing, the replacement of worn or vandalized signs and the painting and striping of street lanes. Work is performed with City employees and through contract service with private firms through a competitive bidding process with the work performed under maintenance purchase orders.

Services in this area are fully provided both on a full time staffing and contract basis.



The Sharper Pencil

	STREETS					
	5100	ACTUAL	BUDGET	PROJECTED	ADOPTED	PLANNED
	Line Items	2014/15	2015/16	2015/16	2016/17	2017/18
40005	Salaries	-	-	-	-	-
40005	Salaries (02 Gas Tax)	148,176	178,991	178,991	174,408	181,424
40008	Phone Allowance	-	-	-	-	360
41055	Regular Overtime	-	-	-	-	-
41055	Regular Overtime (02)	-	-	-	-	-
41065	Call Back Overtime	19,323	23,000	23,000	25,000	25,000
41065	Call Back Overtime	71	-	8,887	-	-
41066	Special Event Overtime	-	-	-	-	-
	SALARIES	**167,570**	**201,991**	**210,878**	**199,408**	**206,784**
50075	Uniform Allowance	1,500	750	750	-	-
50080	Retirement	-	-	-	-	-
50080	Retirement (02)	19,736	20,690	20,690	20,189	21,805
50085	Workers' Compensation	-	-	-	-	-
50085	Workers' Compensation (02)	9,475	9,770	9,770	15,261	14,456
50090	Health Insurance	-	-	-	-	-
50090	Health Insurance (02)	36,831	38,340	38,340	40,670	42,297
50091	Disability Insurance (02)	663	925	925	899	935
50095	Medicare	745	630	630	2,529	2,631
50097	Unemployment Insurance	-	-	-	-	-
	BENEFITS	**68,949**	**71,105**	**71,105**	**79,549**	**82,124**
61110	Uniform Supply	2,177	3,190	2,475	5,700	5,700
61130	Travel & Meetings	29	220	220	1,000	1,000
62255	Utilities	1,398	3,875	1,210	-	-
62290	General Services	718	1,680	1,680	1,000	1,000
63305	Auto Supplies	17,304	18,380	18,380	26,250	26,250
63310	Safety Equipment	1,392	23,000	23,000	3,000	3,000
63330	Radio Communication	3,355	3,600	3,600	7,200	7,200
63350	Street Maintenance (02)	24,995	19,000	19,000	20,000	20,000
63360	Street &Traffic Signs (01)	-	-	-	-	-
63360	Street &Traffic Signs (02)	21,769	30,000	20,000	30,000	30,000
64425	Professional Services	58,885	68,400	4,939	-	-
64425	Professional Services (02)	3,000	3,000	-	3,000	3,000
64430	Contractual Servs Haz Waste disp	-	-	850	2,800	2,800
64432	Street Striping	29,089	25,000	-	25,000	25,000
64433	Storm Drain Cleaning	21,164	20,410	23,111	25,000	23,000
64434	Street Sweeping	-	-	-	-	-
64460	Equipment Rental	5,436	8,000	7,992	8,000	8,000
	SUPPLIES & SERVICES	**190,711**	**227,755**	**126,457**	**157,950**	**155,950**
66602	Equipment Repl. Allocation	20,285	20,285	20,285	21,063	17,289
66605	Insurance Allocations	22,680	22,680	22,680	27,368	28,343
	ALLOCATIONS	**42,965**	**42,965**	**42,965**	**48,431**	**45,632**
	TOTAL STREETS	**470,195**	**543,816**	**451,405**	**485,338**	**490,490**

What We Achieved:

- Performed continuous maintenance and required support during and after rainstorms including: maintaining filled sandbags; inspecting and cleaning catch basins and storm drain grates; cleaning of asphalt drain swale on the Torrance boundary twice during the rainfall season; cleaning storm drain outfalls on the shoreline at the end of the rainfall season.
- Trapped and maintained peafowl until relocation under the supervision of the Police department and removed dead animals from the streets on a continuing basis.
- Supervised the annual Coast Cleanup Day at Malaga Cove beach; provided set-up and takedown for Independence Day celebration and Lunada Bay Harvest Festival; installed holiday lighting in Malaga Cove Plaza, Lunada Bay Park and adjacent median; provided traffic control and other special events as required.
- Removed graffiti on signs , sidewalks, stone boulders, trees, utility poles, or wherever else found within 24 hours and maintained all rights-of-way, parking areas, medians and shoreline free of litter and debris.

Goals:

- To provide street right-of-way cleanup and litter control for safety and appearance
- To provide minor asphalt repair and patch potholes on a continuing basis and replace traffic and street name signs as required.
- To provide trash container and litter pick-up three times weekly.
- To inspect and clean catch basins to ensure proper functioning before the rainy season and to make sandbags available for use by residents to protect private property during periods of heavy rain.
- To provide a high level of emergency response for downed trees, traffic hazards, fires, accidents and natural

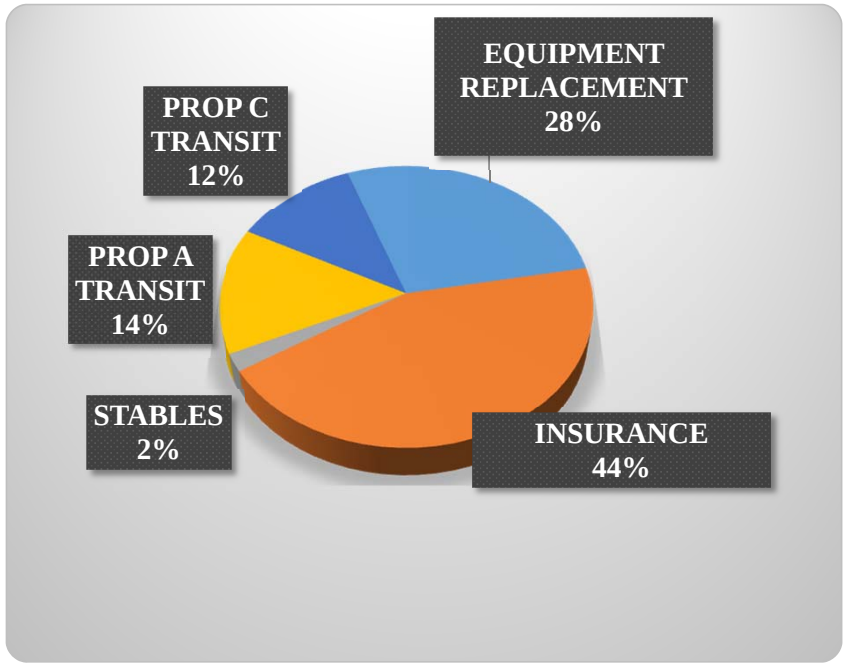
Other Operations

Other Funds

The funds below represent important internal service, facility or other agency funds that capture costs allocated to all operating departments

RESOURCES

Service Area	FUND	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
EQUIPMENT REPLACEMENT	Equip	285,268	226,300	159,157	488,498	327,200
INSURANCE	Ins	295,575	561,758	561,758	780,418	819,515
STABLES	Stables	-	35,000	-	36,000	-
PROP A TRANSIT	Prop A	205,309	205,310	205,309	256,875	261,906
PROP C TRANSIT	Prop C	196,843	200,940	209,940	208,667	208,667
TOTAL FUND EXPENDITURES		**982,995**	**1,229,308**	**1,136,164**	**1,770,458**	**1,617,288**



Key Budget Changes/Comments

The changes noted above relate to several key factors:

- Equipment Purchases are proposed for a variety of city operational needs for replacments and upgrades in the area of safety, maintenance and technology. They are itemized on the following detail page

- Insurance costs reflect a notable increase in worker's compensation rates - an amount that includes a retrospective premium adjsutment reported by the joint Powers Authority in the year past - this adjustment over the next two years approximates $300,000

- Prop A funds support the P.V. Transit system via the City's share of the allocation

- Prop C funds support street repairs, maintenance and Americans with Disabiltiy Act improvements

Equip & Technology Requests

Description			Funding Source	ADOPTED FY 14-15	ADOPTED FY 15-16	ADOPTED FY 16-17	PLANNED FY 17-18
EQUIPMENT REPLCEMENT FUND							
Pentamation Personnel Module	Finance		EQPRPL	8,800			
HDL Sales Business License reporting & audit	Finance	60-7000-70770	EQPRPL	10,000	2,000	-	-
- UPS Systems	Technology	60-7000-70770	EQPRPL	2,500	-	-	-
- New Network Switches	Technology	60-7000-70770	EQPRPL	6,500	-	-	-
- Integrated Cash register	Technology	60-7000-70770	EQPRPL	15,000	-	-	-
- Web Site Upgrade and Refresh	Technology	60-7000-70770	EQPRPL	35,000	-	-	-
- Citywide Phone System	Technology	60-7000-70770	EQPRPL	40,000	-	-	-
- Server Upgrades	Technology	60-7000-70770	EQPRPL	35,000	-	-	-
- Citywide printers - replace & maintain	Technology	60-7000-70770	EQPRPL	15,000	7,500	-	-
- Server room clean-up and assessment	Technology	60-7000-70770	EQPRPL	15,000	-	-	-
- City Hall Wireless nodes	Technology	60-7000-70770	EQPRPL	1,000	-	-	-
PD Body Worn & In Car Cameras	Police	60-7000-70770	EQPRPL			50,000	
Auto License Plate Recognition Project ALPR	Police	60-7000-70770	EQPRPL			159,298	
Body Armor Replacement	Police	60-7000-70765	EQPRPL	10,200	10,200	10,200	10,200
Glock Handgun Replacement	Police	60-7000-70765	EQPRPL	-	46,500	-	-
Vehicle Replacement 2 Patrol Cars	Police	60-7000-70750	EQPRPL	72,000	-	59,000	-
Vehicle Replacement 2 Patrol Cars	Police	60-7000-70750	EQPRPL	-	72,000	-	62,000
Office Furniture & Fixtures	Police	60-7000-70730	EQPRPL	20,000	-	-	-
Tractor / Loader Replacement	Public Works	60-7000-70750	EQPRPL	115,000	-	-	-
Set up and Other Costs	Various	60-7000-70770	EQPRPL		1,800	-	-
Dispatcher Console	Police	60-7000-70720	EQPRPL			60,000	
Enterprise Resource Planning (ERP) System	Finance	60-7000-70720	EQPRPL				225,000
Shelving & Workbenches	Public Works	60-7000-70730	EQPRPL		-	25,000	-
Vehicle Replacement - Utility Truck	Public Works	60-7000-70750	EQPRPL			54,500	-
Vehicle Replacement - Pool Car	Planning	60-7000-70750	EQPRPL		-	33,000	-
Vehicle Replacement - Motorcycle	Police	60-7000-70750	EQPRPL		-	37,500	-
Vehicle Replacement - Detective	Police	60-7000-70750	EQPRPL		-	-	30,000
Total				**$ 401,000**	**$ 140,000**	**$ 488,498**	**$ 327,200**
Police Hybrid Vehicle	Police		AQMD	29,000			
				430,000	**140,000**	**488,498**	**327,200**

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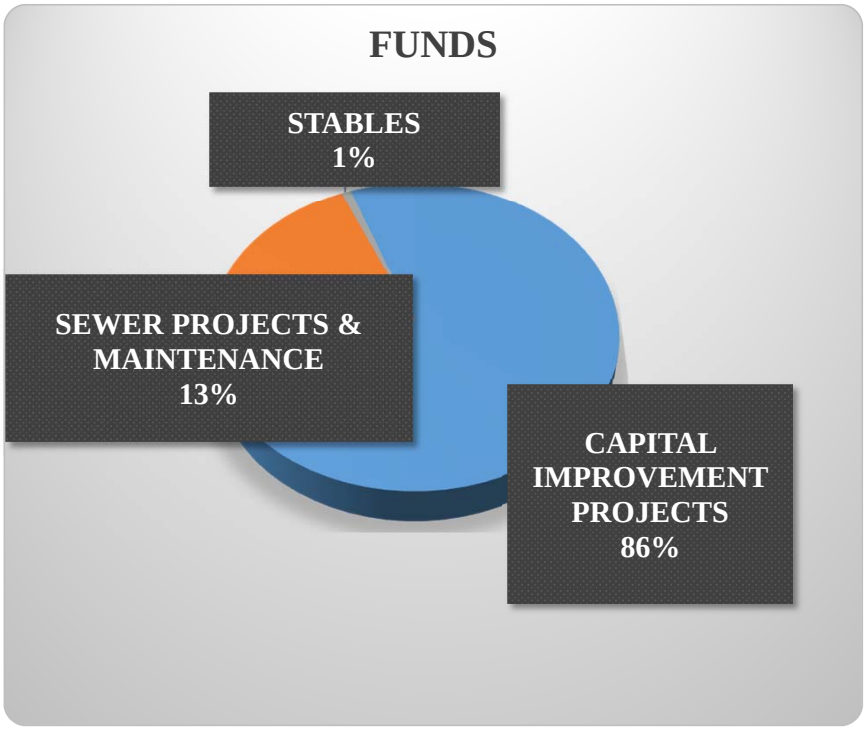
Capital Projects

Capital Improvement Program

To provide and account for the capital and infrastructure needs of the City in support of overall health & wellness , safety and quality of life standards.

RESOURCES

Service Area	FUND	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
CAPITAL IMPROVEMENT PROJECTS	CIP	2,176,844	4,138,994	2,032,657	3,718,577	1,742,600
SEWER PROJECTS & MAINTENANCE	Sewer	208,445	2,234,881	1,583,720	586,070	183,900
STABLES	Stables	-	35,000	-	35,000	-
TOTAL FUND EXPENDITURES		**2,385,289**	**6,408,874**	**3,616,377**	**4,339,647**	**1,926,500**



Key Budget Changes/Comments

The FY 16/18 Biennial budget serves as a foundation for the City's 5-year Capital Improvement Program . This budget plants the seeds necessary in a long-term multi-year Capital Improvement program (CIP) commencing with a two-year duration this first year of launch.

The FY 16/18 Biennial budget reflects a significant investment in the community needs. While it continues to providing funding for basic and ongoing street, roadway and traffic calming projects; this plan addresses additional community-wide and infrastructure projects. These include - storm water projecs to comply with mandatory storm water programs, geometric study and analysis of PVDW from the Triangle to City Hall, guardrail replacements, storm drain improvements, City Hall needs assessment, a new City Hall telephone system, ADA upgrades to City Hall and at Malaga Cove and Lunada Bay commercial centers, continued enhancements to the City's technology and civic engagement systems, enhanced fire safety and weed abatement, and advancing sewer projects at Via Zurita & Via Coronel locations.

Capital Improvement Fund

RESOURCES

Cost Category	ACTUAL 2014/15	BUDGET 2015/16	PROJECTED 2015/16	ADOPTED 2016/17	PLANNED 2017/18
CAPITAL OUTLAY	2,176,844	4,138,994	2,032,657	3,718,577	1,742,600
TOTAL FUND EXPENDITURES	**2,176,844**	**4,138,994**	**2,032,657**	**3,718,577**	**1,742,600**

POSITIONS	14-15	15-16	PROJECTED	16-17	17-18
FULL TIME	0.00	0.00	0.00	0.00	0.00
PART TIME	0.00	0.00	0.00	0.00	0.00
TOTAL	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

What We Do:

The Capital Fund includes all non-sewer capital improvement projects. The City uses a Pavement Management System (PMS) to guide the program of rehabilitation and capital improvements for streets. The City continues its investment in infrastructure including street improvements, curb & gutter, pedestrian ADA improvements, parkland enhancements, City Hall Seismic upgrades/improvements as well as implementing storm drain improvements to comply with Federally mandated stormwater pollution compliance.

Funding for CIPs comes primarily from General Fund transfers, sewer proceeds and/or supporting grant proceeds in the absence of an on-going, dedicated revenue source for capital projects. Since the expiration of a 10% utility user tax in June 2003, funding is available only through various restricted funds (gas tax, Mesaure R, Prop C) and transfer of any monies available after maintaining the policy general fund reserves.

- Streets & Roadways
- Storm Drain
- Traffic Calming
- Curb & Gutters
- Parklands
- Catch Basins
- Facilities & Safety
- Infrastructure

Sewer Improvement Fund

RESOURCES

Cost Category	ACTUAL 2014-15	BUDGET 2015-16	PROJECTED 2015-16	ADOPTED 2016-17	PLANNED 2017-18
CAPITAL OUTLAY	219,931	2,404,881	1,656,522	593,570	191,400
TOTAL FUND EXPENDITURES	**219,931**	**2,404,881**	**1,656,522**	**593,570**	**191,400**

POSITIONS	12-13	13-14	PROJECTED	14-15	15-16
FULL TIME	0.00	0.00	0.00	0.00	0.00
PART TIME	0.00	0.00	0.00	0.00	0.00
TOTAL	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

What We Do:

The City's sewer system consists of approximately 76 miles of pipe and 2,000 manholes and cleanouts. The majority of the gravity sewers are constructed of vitrified clay pipe with sizes ranging from 6 to 15 inches in diameter. The City is a member of the County of Los Angeles Consolidated Sewer Maintenance District (CSMD), which maintains approximately 74.17 miles of the City's sewer system. The remaining 1.83 miles of sewer are 6-inch pipes maintained by the City, and are generally located at the upstream ends of the sewer system.

The City has $2.4 Million in reserves for capital improvements and capacity enhancing projects in the future. The funds were raised through collection of a sewer user fee from approximately 2004-2013. The fee expired in 2013 and left these reserve funds that can be used for capital improvements or to maintain and repair the portion of six-inch sewer lines that are not part of the CSMD.

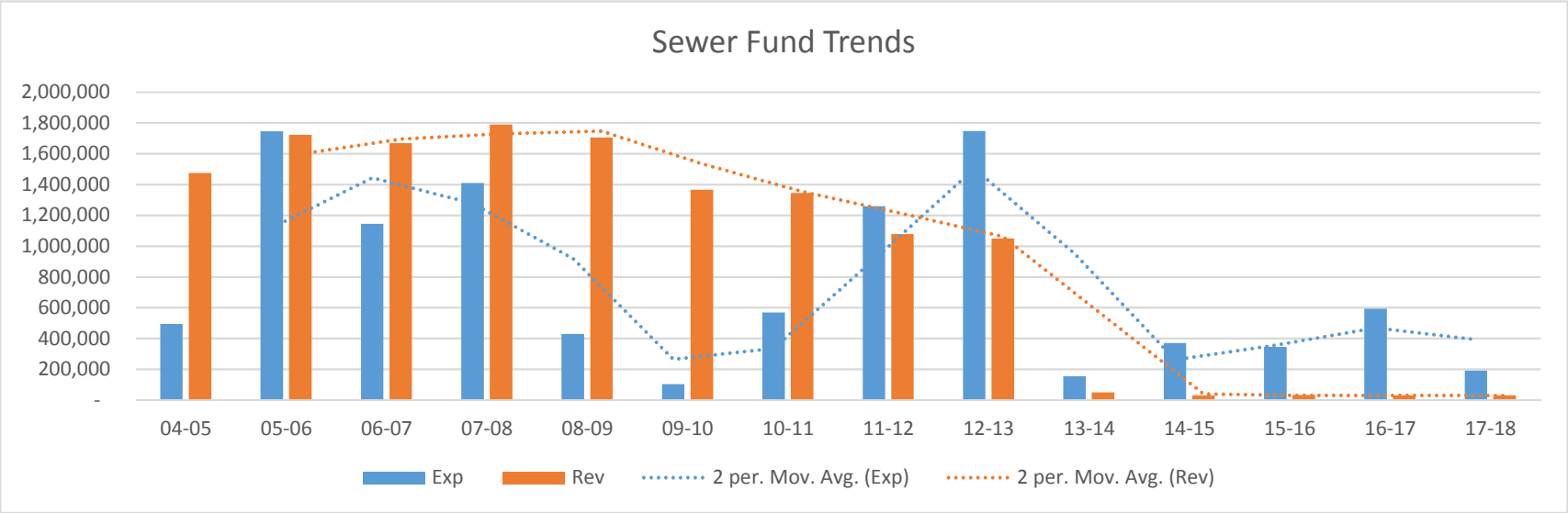
Recent projects completed in the past fiscal year included two sewer force mains to serve the recently constructed sewer pump stations. As we look into FYs 16-17 and 17-18, the Via Zurita and Via Coronel sewer upgrade projects will be completed and a sewer condition assessment will be performed to identify options to mitigate capacity constraints, install backflow devices and/or prioritize the upgrading of 6-inch lines to 8-inch mains for inclusion in the CSMD. Funds will also be used to maintain and repair the City's sewer system as needed. Projects are planned and managed on a contract service basis.

Sewer Maintenance

System Repairs

The Sharper Pencil

	SEWER FUND					
	7200	ACTUAL	BUDGET	PROJECTED	ADOPTED	PLANNED
	Line Items	2014-15	2015-16	2015-16	2016-17	2017-18
64425	Prof Servs	3,101	95,000	65,950	7,500	7,500
64426	Sanitary Sewer Prof. Servs	8,385	75,000	6,852	-	-
	SUPPLIES & SERVICES	11,486	170,000	72,802	7,500	7,500
87000	Capital Projects/sewer repair	208,445	2,234,881	1,583,720	586,070	183,900
	CAPITAL PROJECTS	208,445	2,234,881	1,583,720	586,070	183,900
	TOTAL SEWER	219,931	2,404,881	1,656,522	593,570	191,400

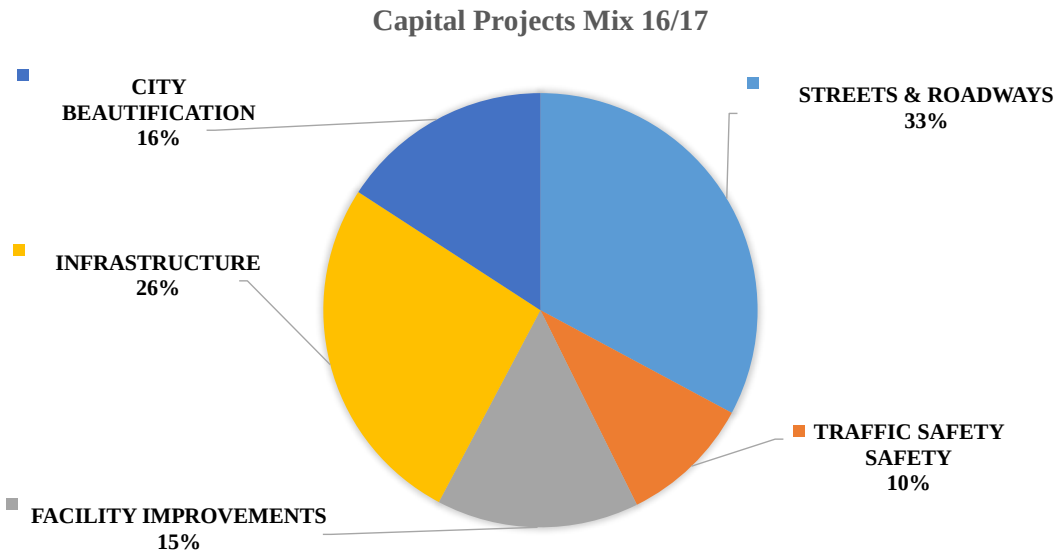


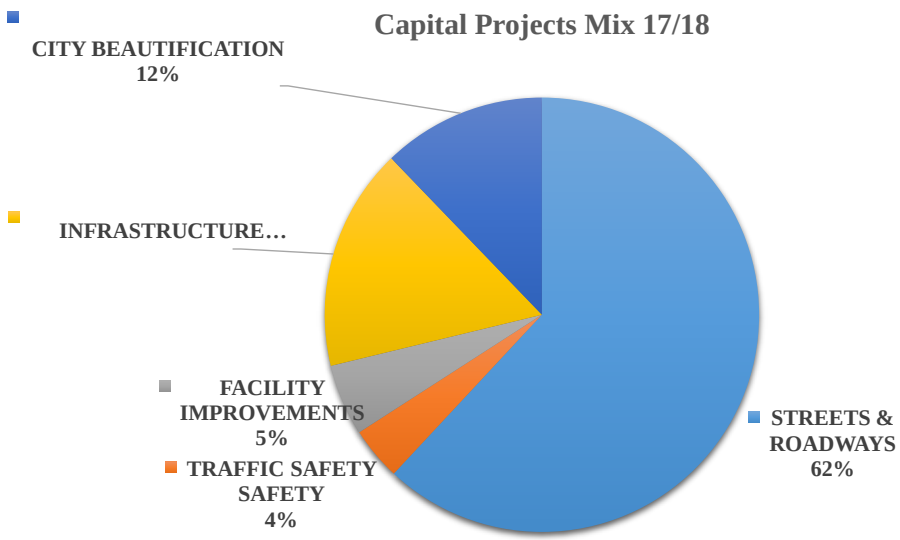
Active, Adopted & Planned Capital Projects

PROJECTS	FUNDING	ACTUAL 2014-15	ADJUSTED 2015/16	PROJECTED 2015/16	ESTIMATED BALANCE	ESTIMATED CARRYOVER	ADOPTED 2016/17	PLANNED 2017/18
STREETS & ROADWAYS								
Street Construction Maintenance	CIP/Meas R	874,590	531,400	500,000	31,400	31,400	660,000	364,200
Street Resurfacing	CIP/Meas R	-	-	-	-	-	175,000	179,400
Slurry Seal	CIP/Gas Tax	422,293	430,000	395,801	34,199	34,199	440,000	242,800
Curb & Gutter	CIP	88,412	97,947	76,478	21,469	21,469	75,000	76,900
Cross Gutter	CIP	-	18,608	18,608	-	-	-	-
Pavement Management System	CIP	-	-	-	-	-	75,000	-
Paseo Del Mar/Paseo Lunado Curb & Gutter Improvements	CIP	-	-	-	-	-	-	330,000
TRAFFIC SAFETY								
Paseo Del Sol Turnout	CIP	40,158	129,546	5,788	123,759	123,759	129,546	-
Traffic Calming Projects	CIP	25,598	25,000	8,957	16,043	16,043	25,600	26,200
Citywide Guardrail Improvements (contingent on grant award)	HSIP Grant *	-	38,000	-	38,000	38,000	200,000	-
Reflective Roadway Regulatory Signs (FHWA Required by 2015)	CIP	14,944	135,056	-	135,056	50,000	50,000	50,000
Lighted Crosswalk Restoration (PVDW/Via Carrillo)	CIP	-	-	-	-	-	21,860	-
FACILITY IMPROVEMENTS								
ADA Upgrades - ADA Master Plan - citywide	CIP	-	-	-	-	-	100,000	102,500
City Hall Security Projects	CIP	13,545	113,438	176	113,261	-	113,261	-
City Hall Seismic Retrofitting	CIP	2,828	806,798	15,721	791,077	-	-	-
City Hall ADA, Furniture, Electrical, Wiring	CIP	-	200,000	-	200,000	-	200,000	-
City Hall Phone System Upgrade	EQ Replace	-	-	-	-	-	116,000	-
PVStables Manure Loading Platform (post asset study)	STABLES	-	35,000	-	35,000	35,000	35,000	-
Green Waste Storage Area - Paseo Del Campo	CIP	-	15,000	-	15,000	-	15,000	-
Civic Center Infrastructure Assessment	CIP	-	-	-	-	-	75,000	-
INFRASTRUCTURE								
Repair Storm Drains	CIP	-	11,500	7,390	4,110	4,110	25,000	25,600
Catch Basin Replacements	CIP	-	44,018	-	44,018	44,018	-	-
Via Del Monte Monitoring	CIP	-	270,000	-	270,000	-	-	-
City Storm Drain #3 Outfall Repair (Christmas Tree Cove)	CIP	-	-	-	-	-	290,000	-
PVDW/Via Corta - engineering & design (contingent on grant)	CALTRANS *	-	20,000	-	20,000	-	-	-
PVDW (Triangle and Civic Center) Roadway Geometric Study	CALTRANS	-	-	-	-	-	125,000	-
Citywide Sewer Repairs	SEWER	1,600	175,000	-	175,000	175,000	179,400	183,900
Sewer Conditions Assessment	SEWER	-	-	-	-	-	60,000	-
Via Coronel / Via Zurita Upgrades	SEWER	2,460	347,540	435	347,105	346,670	346,670	-
Force Main Sewer Project (62)	SEWER	204,385	1,712,341	1,583,285	129,056	-	-	-
MS4: Full Capture Trash Devices: Santa Monica Bay	SEWER	-	-	-	-	-	120,000	110,000

Active, Adopted & Planned Capital Projects

PROJECTS	FUNDING	ACTUAL 2014-15	ADJUSTED 2015/16	PROJECTED 2015/16	ESTIMATED BALANCE	ESTIMATED CARRYOVER	ADOPTED 2016/17	PLANNED 2017/18
CITY BEAUTIFICATION								
Citywide Parkland Enhancement	CIP	5,461	-	-	-	-		
Malaga Cove Beautification	CIP	870	6,330	-	6,330	-	6,330	-
Bluff Cove Property H	CIP	6,221	-	-	-	-	-	-
Bluff Cove Property Deconstruction	CIP	605,589	794,411	659,455	134,956	-	-	-
Plaza Enhancements (contingent upon grant awards)	HSIP Grant *	-	100,000	-	100,000	-	-	-
Enhanced Weed Abatement & Fire Safety	CIP	870	321,364	322,324	(960)	(960)	-	125,000
Citywide Irrigation Upgrades	CIP	-	25,000	21,634	3,366	3,366	35,730	-
Farnham Martin Park Fountain Upgrades	CIP	-	-	-	-	-	24,250	-
Rossler Fountain Upgrade	CIP	-	-	-	-	-	-	10,000
Malaga Cove Plaza Enhancements	CIP	-	-	-	-	-	150,000	-
Lunada Bay Plaza Enhancements	CIP	-	-	-	-	-	150,000	-
Triangle Landscape at PVDW and PVDN	CIP	-	-	-	-	-	121,000	-
Street Tree Inventory	CIP	-	-	-	-	-	50,000	-
Tree Management Plan	CIP	-	-	-	-	-	50,000	-
Parkland Improvements	CIP	-	-	-	-	-	100,000	100,000
Citywide Parkland Enhancement	CIP	80,927	5,578	326	5,252	-	-	-
TOTAL		**2,390,750**	**6,408,874**	**3,616,377**	**2,792,497**	**922,074**	**4,339,647**	**1,926,500**
CIP		2,176,844	4,138,994	2,032,657	2,106,336	365,404	3,718,577	1,742,600
GRANTS		-	-	-	-	-	-	-
STABLES		-	35,000	-	35,000	35,000	35,000	-
SEWER		208,445	2,234,881	1,583,720	651,161	521,670	586,070	183,900
		2,385,289	**6,408,874**	**3,616,377**	**2,792,497**	**922,074**	**4,339,647**	**1,926,500**


Capital Projects Mix 16/17
CITY BEAUTIFICATION 16%
STREETS & ROADWAYS 33%
INFRASTRUCTURE 26%
TRAFFIC SAFETY SAFETY 10%
FACILITY IMPROVEMENTS 15%


Capital Projects Mix 17/18
CITY BEAUTIFICATION 12%
INFRASTRUCTURE…
FACILITY IMPROVEMENTS 5%
TRAFFIC SAFETY SAFETY 4%
STREETS & ROADWAYS 62%

Appendix

- ***Staffing***
- ***Assessed Value History***
- ***Core Assumptions***
- ***Glossary of Terms***

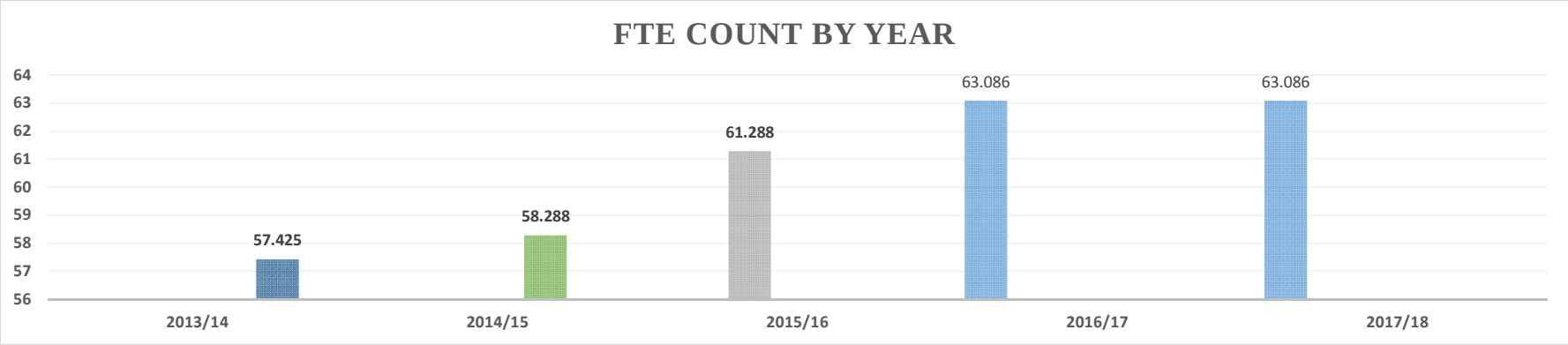
ADOPTED STAFF POSITIONS

Function	2013/14	2014/15	2015/16	2016/17	2017/18
City Manager					
City Manager	1.000	1.000	1.000	1.000	1.000
Asst. to the City Manager	1.000	1.000	0.000	0.000	0.000
City Clerk/ Exec Asst. to CM		0.500	0.500	0.500	0.500
Deputy City Clerk/ Exec Asst.	0.500				
Admin Analyst	0.500	0.500	1.000	2.000	2.000
Receptionist		0.563	0.563	0.000	0.000
Senior Receptionist		0.563	0.563	0.000	0.000
	3.000	**4.125**	**3.625**	**3.500**	**3.500**
Finance & Treasury					
Finance Director	1.000	1.000	1.000	1.000	1.000
Administrative Analyst - HR	0.000	0.000	1.000	0.000	0.000
Financial Services Manager	1.000	1.000	1.000	1.000	1.000
Financial Services Technician	2.000	2.000	2.000	2.000	2.000
	4.000	**4.000**	**5.000**	**4.000**	**4.000**
City Clerk					
City Clerk/ Exec Asst. to CM		0.500	0.500	0.500	0.500
Deputy City Clerk/ Exec Asst.	0.500				
Office Specialist	0.500	0.563	0.563	0.560	0.560
Receptionist	0.563			0.563	0.563
Senior Receptionist	0.563			0.563	0.563
	2.125	**1.063**	**1.063**	**2.186**	**2.186**
POLICE					
Police Chief	1.000	1.000	1.000	1.000	1.000
Police Captain	2.000	2.000	2.000	2.000	2.000
Exec. Asst./Custodian of Records	1.000	1.000	1.000	1.000	1.000
Police Officer	13.000	13.000	13.000	13.000	13.000
Senior Police Officer	3.000	3.000	3.000	3.000	3.000
Police Sergeant	6.000	6.000	6.000	6.000	6.000
Services Officer	9.000	9.000	9.000	9.000	9.000
Lead Services Officer	1.000	1.000	1.000	1.000	1.000

ADOPTED STAFF POSITIONS

POLICE (continued)					
Community Relations Officer	1.000	1.000	1.000	1.000	1.000
Traffic Control Officer	1.000	1.000	1.000	1.000	1.000
Data Entry Clerk	0.500	0.300	0.300	0.300	0.300
Police Intern *	1.000	1.000	1.500	2.000	2.000
PVE Cares Coordinator	0.300	0.300	0.300	0.600	0.600
	39.800	**39.600**	**40.100**	**40.900**	**40.900**
Planning & Building					
Planning & Building Director	1.000	1.000	1.000	1.000	1.000
Planner *		1.000	1.000	1.000	1.000
Code Enforecment Officer	0.000	0.000	1.000	1.000	1.000
Permit Technician	1.500	1.500	2.000	1.000	1.000
Admin Analyst/Code Enf.	0.500	0.500	0.000	0.000	0.000
Maintenance Foreman	1.000	1.000	1.000	0.500	0.500
Equipment Mechanic	0.500	0.500	0.500	0.250	0.250
Maintenance Worker	4.000	4.000	4.000	2.000	2.000
Forester	0.000	0.000	1.000	1.000	1.000
	8.500	**9.500**	**11.500**	**7.750**	**7.750**
Public Works					
City Engineer				1.000	1.000
Permit Technician				1.000	1.000
Maintenance Foreman				0.500	0.500
Equipment Mechanic				0.250	0.250
Maintenance Worker				2.000	2.000
Planning, Bldg & Public Works	**0.000**	**0.000**	**0.000**	**4.750**	**4.750**
Citywide	**57**	**58**	**61**	**63**	**63**
Captain	3.000	3.000	3.000	3.000	3.000
Engineer	3.000	3.000	3.000	3.000	3.000
Paramedics/FireFighters	9.000	9.000	9.000	9.000	9.000
Contract Fire (3 Shifts 24/7)	**15**	**15**	**15**	**15**	**15**

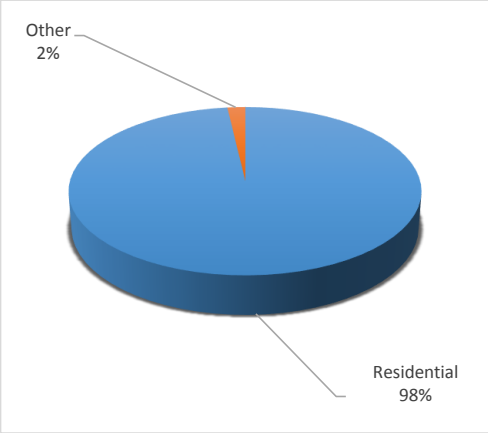
ADOPTED STAFF POSITIONS



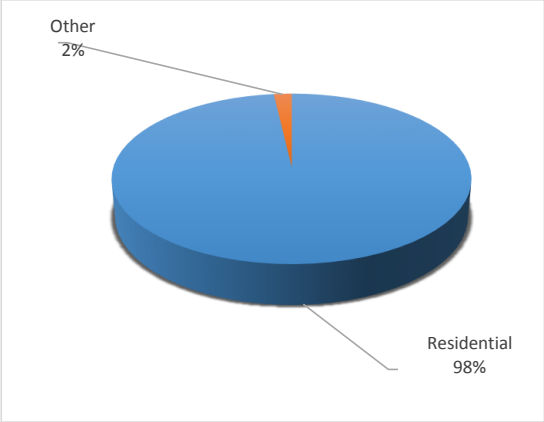
BASIC PROPERTY VALUE TABLE

Category	Parcels	Assessed Value		Revenue	
Residential	5,091	$6,624,095,460	(98.2%)	$7,345,915.36	(98.2%)
Commercial	28	$35,318,521	(0.5%)	$39,162.65	(0.5%)
Institutional	5	$164,284	(0.0%)	$182.17	(0.0%)
Miscellaneous	3	$9,881	(0.0%)	$10.96	(0.0%)
Vacant	97	$63,997,254	(0.9%)	$70,962.80	(0.9%)
Exempt	206	$0	(0.0%)	$0.00	(0.0%)
Cross Reference	[12]	$18,797,402	(0.3%)	$20,843.91	(0.3%)
Unsecured	[219]	$5,764,559	(0.1%)	$6,392.09	(0.1%)
TOTALS	**5430**	**6748147361**		**7483469.93**	

ASSESSED VALUE



NET TAXABLE VALUE



THE CITY OF PALOS VERDES ESTATES
NET TAXABLE ASSESSED VALUE HISTORY

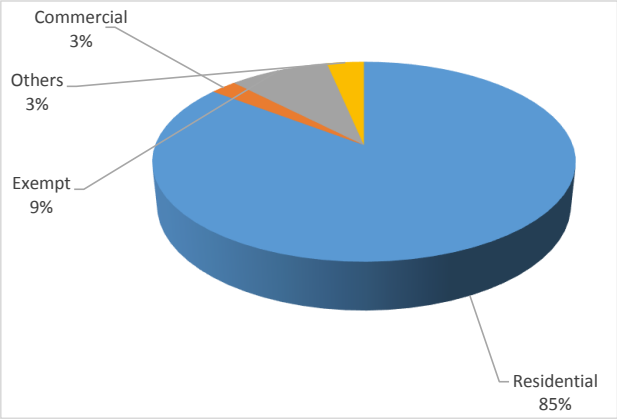
2007/08 - 2016/17 Taxable Property Values

Lien Year	Secured	Unsecured	SBE Nonunitary	Net Total AV	% Change
2007/08	$4,822,553,599	$5,851,013	$0	**4,828,404,612**	
2008/09	$5,089,863,826	$6,117,545	$0	**5,095,981,371**	**5.54%**
2009/10	$5,196,088,642	$6,615,233	$0	**5,202,703,875**	**2.09%**
2010/11	$5,177,444,700	$6,046,469	$0	**5,183,491,169**	**-0.37%**
2011/12	$5,318,089,948	$6,144,415	$0	**5,324,234,363**	**2.72%**
2012/13	$5,459,340,107	$5,683,705	$0	**5,465,023,812**	**2.64%**
2013/14	$5,745,707,104	$6,176,596	$0	**5,751,883,700**	**5.25%**
2014/15	$6,059,750,797	$7,021,633	$0	**6,066,772,430**	**5.47%**
2015/16	$6,426,743,210	$6,965,669	$0	**6,433,708,879**	**6.05%**
2016/17	$6,742,382,802	$5,764,559	$0	**6,748,147,361**	**4.89%**

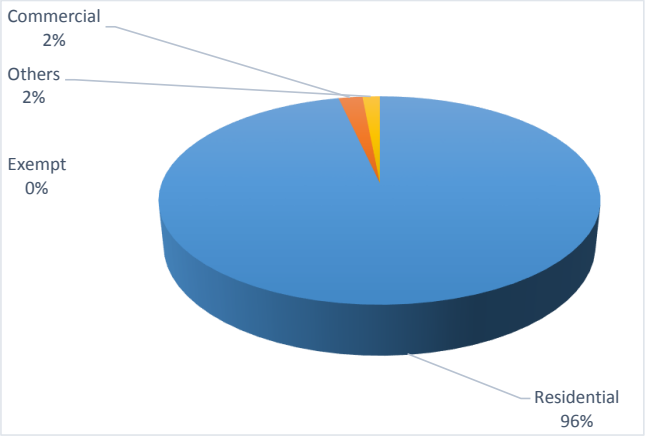
THE CITY OF PALOS VERDES ESTATES
2015/16 PRE-1978 CATEGORY SUMMARY

Category	Parcels	Assessed		Net Taxable Value	
Residential	994	312,279,316	(85.4%)	$312,028,135	(95.9%)
Commercial	11	$8,634.,78	(2.4%)	$8,634,678	(2.7%)
Institutional	5	$7,681,697	(2.1%)	$381,823	(0.1%)
Miscellaneous	3	$10,028	(0.0%)	$10,028	(0.0%)
Vacant	45	$4,433.691	(1.2%)	$4,433,512	(1.4%)
Exempt	196	$32,818,788	(9.0%)	$0	(0.0%)
TOTALS	**1254**	**$365,858,198**		**$325,488,176**	

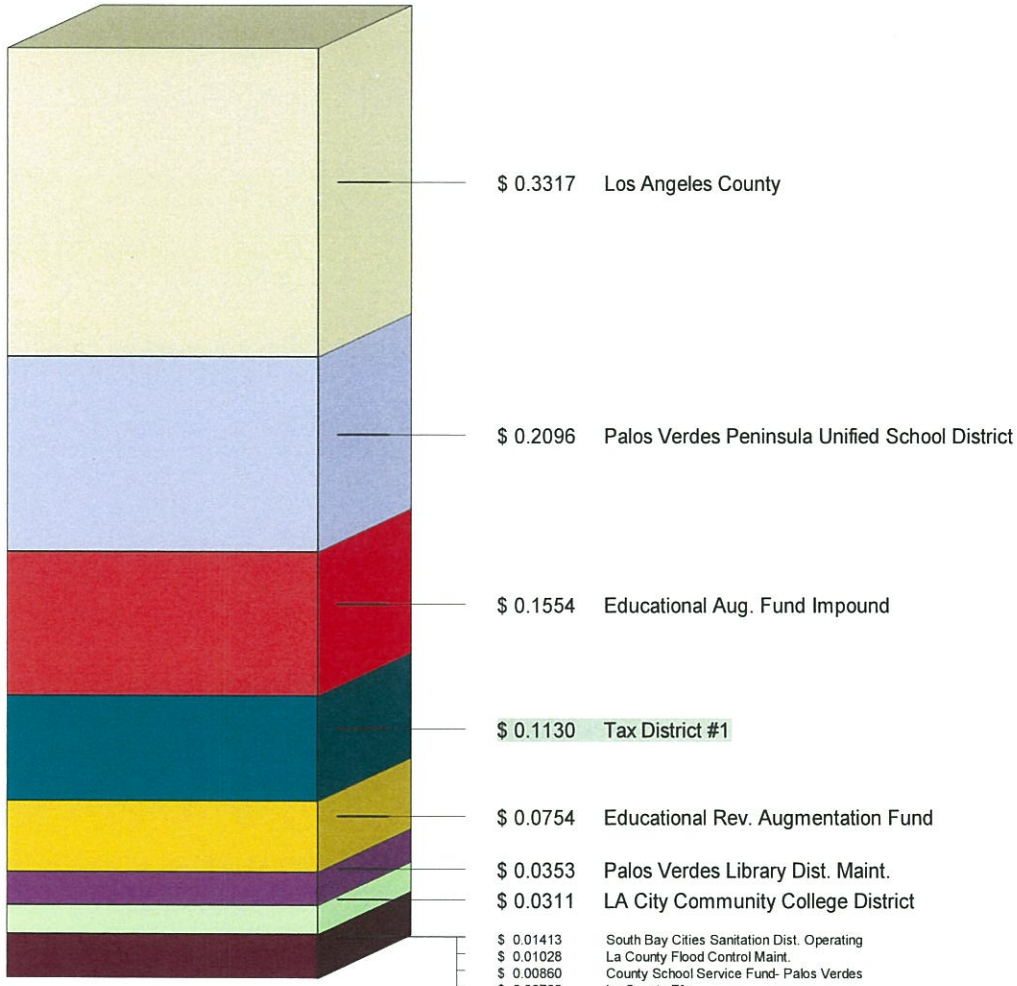
ASSESSED VALUE



NET TAXABLE VALUE



THE CITY OF PALOS VERDES ESTATES
PROPERTY TAX DOLLAR BREAKDOWN



ATI (Annual Tax Increment) Ratios for Tax Rate Area 07112, Excluding Redevelopment Factors & Additional Debt Service

Data Source: *Los Angeles County Assessor 2016/17 Annual Tax Increment Tables* Prepared On 8/30/2016 By MV

This report is not to be used in support of debt issuance or continuing disclosure statements without the written consent of HdL, Coren & Cone

Core Assumptions

- Labor & Benefits costs assume full staffing for a full-year
- Salary adjustments recorded at normalized & sustainable rates
- Pension rates increase (safety) at known & projected factors
- 9% health care cost increases, employer & employee, assumed
- Property tax to increase in the range of 2 to 4% each year
- Property Tax In Lieu of VLF consistent with property tax

Core Assumptions

- Sales Tax projecting 2% growth per the Legislative Analyst's Office
- Development fees projected to remain at healthy trends
- No State takeaways projected
- Full year with CIP expenditure assumed
- Capital project costs assumed at preliminary estimates
- Increased workers' compensation insurance costs of $120K, and a $90K decrease in General Liability insurance costs
- No extraordinary claim losses anticipated

GLOSSARY OF TERMS

Administrative Charge: A transfer of monies to the General Fund to reimburse the General Fund for work performed in other funds by an employee whose salary is budgeted in the General Fund.

Appropriation: Legal authorization by the City Council to make expenditures and to incur obligations for specific purposes.

Appropriations Limit: Article XIIIB of the California Constitution was amended by Proposition 4, "The Gann Initiative," in 1979. This Article limits growth in government spending to changes in population and inflation, by multiplying the limit for the prior year, by the percentage change in the cost of living (or per capita personal income, whichever is lower); then multiplying the figure resulting from the first step, by the percentage change in population. The base year limit (FY1978-1979) amount consists of all tax proceeds appropriated in that year. The Appropriations Limit calculation worksheet can be found in the Appendix of the budget.

Assessed Valuation: The dollar value assigned to real estate or other property, by Los Angeles for the purpose of levying property taxes.

Beginning Fund Balance: The balance of a fund including restricted, assigned, committed and unassigned values carrying over into the following year.

Bond: A city may raise capital by issuing a written promise to pay a specified sum of money called the face value, or principal amount, at a specified date or dates in the future, together with periodic interest, at a special rate.

Budget: The financial plan for the operation of a program or organization that includes an estimate of proposed expenditures for a given period of time and the proposed means of financing those expenditures.

Budget Message: A general outline of the budget which includes comments regarding the City's financial status at the time of the message and recommendations regarding the financial policies for the coming period.

CalPERS: A short name for the California Employee Public Retirement System.

Capital Improvement Plan (CIP): A financial plan of proposed capital improvement projects. CIP projects typically improve City-owned assets such as buildings, parks, streets and other infrastructure components. Capital projects often span more than one fiscal year.

GLOSSARY OF TERMS

Capital Outlay: A budget category which budgets major equipment purchases and capital improvement projects.

Capital Improvement Projects: Significant infrastructure improvements that have a useful life of one year or more and selected studies related to such activities that are expected to lead to a capital project. Examples include constructing a new park, street resurfacing, building remodels/repairs and construction of water mains.

Debt Service: Annual principal and interest payments owed on money the City has borrowed.

Department: An organizational unit comprised of divisions or programs. The City of Palos Verdes Estates has four departments: Administration, Finance, Police and Community Development. Fire Services are provided on a contract basis.

Division/Program: A common purpose combination of programs or activities within a department, which furthers the objectives of the City Council by providing services or a product.

Encumbrances: Financial commitments related to unperformed contracts for goods or services for which part of an appropriation is reserved. Encumbrances end when the obligations are paid or otherwise terminated.

Enterprise Funds: Funds established to account for the total costs of those governmental facilities and services that are operated in a manner similar to private enterprise. These programs are mainly self-supporting.

Expenditure: The cost of goods received or services rendered for the government unit.

Fiscal Year: A 12-month period of time to which an annual operating budget applies. The City's fiscal year is July 1 through June 30.

Fund: A self-balancing set of accounts. Governmental accounting information is organized into funds, each with separate revenues, expenditures and fund balances. The major types of funds include: General, Proprietary, Special Revenue, Capital, Debt Service, Permanent and Trust & Agency.

Fund Balance/Reserve: The difference between a fund's assets and its liabilities. Portions of the fund balance may be reserved for various purposes, such as contingencies or encumbrances.

GLOSSARY OF TERMS

Funds Definitions:

General Fund: The primary fund of the City used to account for all revenues and expenditures of the City not legally required to be accounted for in another fund.

Gas Tax Fund - to account for state and county gas taxes, funds that may be used for street maintenance, right-of-way acquisition and street construction.

Special Projects - to account for funds received from other governmental agencies that are earmarked for specific projects.

Police/Fire/Paramedic - to account for funds received from City Proposition A for police and paramedic services.

Drug Intervention - to account for funds received from L.A. IMPACT, an association of local governmental agencies, related to drug enforcement activities. The funds are earmarked for the City's drug intervention programs.

CLEEP - California Law Enforcement Equipment Program (CLEEP) - to account for funds received from the State of California for law enforcement technology equipment.

SLESF - Supplemental Law Enforcement Services Fund - to account for Community Oriented Policing Services (COPS) police U.S. Department of Justice grant funds received through the State of California.

Corrections - to account for funds received from the State Department of Corrections.

Proposition A - to account for the City's share of funds collected and distributed by the County of Los Angeles under Proposition A to finance transit projects within the City.

Proposition C - to account for the City's share of funds collected and distributed by the County of Los Angeles under Proposition C to finance transit projects within the City.

Grants: Contributions, or gifts of cash or other assets from another entity. Grants are typically to be used or expended for a specific purpose.

GLOSSARY OF TERMS

Infrastructure: The underlying foundation or basic framework of a system or organization, such as the roads, sewers and storm drains, etc.

Internal Service Fund: Internal Service Funds are used to account for the financing of equipment and services of the City on a cost-reimbursement basis. The City uses the following Internal Service Funds:

> **Equipment Replacement** – to account for the purchase and maintenance of vehicular equipment on behalf of all City departments.
>
> **Insurance** - to account for the City's insurance activities.

Line-item: Refers to any individual expenditure object or appropriation detailed in the department's budget.

Materials & Services: This budget category accounts for all non-personnel and non-capital expenses. Such expenditures include building maintenance, contract services, equipment maintenance, office supplies and utility costs.

Municipal Code: The collection of City Council approved ordinances currently in effect. The Municipal Code defines City policy in various categories (i.e. building regulations, planning and zoning regulations, sanitation and health standards, and traffic regulations).

Operating Budget: The financial plan for the operation of a program or organization that includes an estimate of proposed expenditures for a given period of time and the estimated means of financing those expenditures.

Ordinance: A formal legislative enactment by the City Council. An ordinance has the full force and effect of law within the City boundaries, unless it is in conflict with any higher form of law, such as a State statute or constitutional provision. An ordinance has a higher legal standing than a resolution.

Overhire: An authorized position without monies budgeted for salary and fringe benefits. The overhire concept assumes that a department (particularly Public Safety) experiences several position vacancies during a fiscal year, and that the salary and fringe benefit savings from these vacancies will off-set the cost of the overhire personnel. The overhire personnel in-turn ensures that the department will not be forced to limit operations because of staffing shortages and can better control overtime expenditures.

Program: An activity or division, within a department, which furthers the objectives of the City Council, by providing services or a product.

GLOSSARY OF TERMS

Reserve: Used to earmark a portion of the fund balance as segregated for a specific use.

Resolution: A special order of the City Council, which requires less legal formality than an ordinance in terms of public notice and the number of public readings prior to approval. A resolution has lower legal standing than an ordinance. The Operating Budget is approved by resolution and requires a majority vote of the Council Members present.

Restricted Funds: As used in the budget presentation, restricted fund dollars are those that are qualified as to use by either a council set policy and or an external agency/contract requirement. A fund restriction can also apply to internal service funds that have accumulated dollars earmarked for future use i.e. – Equipment Replacement / Insurance Funds.

Salaries: A budget category, which accounts for full-time and part-time employees, salary and benefits, overtime expenses, and fringe benefits.

Special Revenue Funds: Funds used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Special Projects Fund: See City fund definitions above

Supplies & Services: A budget category, which accounts for the materials, goods and contract services necessary to run a city program and function.

Transfer: Monies appropriated from one fund to another, in order to reimburse the fund for expenses or to finance the operation of the other fund. Transfers between a Proprietary Fund and a Governmental Fund are budgeted as revenues and expenditures in the various funds, to comply with governmental accounting principles.

Resolutions

RESOLUTION R16-20

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALOS VERDES ESTATES, CALIFORNIA, ADOPTING THE ANNUAL BUDGET FOR FISCAL YEAR 2016-2017 AND FIXING THE LIMITATION OF EXPENDITURES FOR THE SEVERAL PURPOSES, FUNCTIONS, FUNDS AND ACTIVITIES

THE CITY COUNCIL OF THE CITY OF PALOS VERDES ESTATES, CALIFORNIA DOES RESOLVE AS FOLLOWS:

Section 1. Year one of the biennial budget of expenditures duly submitted and considered, is hereby approved, adopted and fixed as the annual budget of the City of Palos Verdes Estates for the fiscal year commencing July 1, 2016 and ending June 30, 2017 and in the amount, and for the purposes, functions, funds, transfers and activities set forth in Exhibits A, B, C and D, copies of which shall be permanently attached to this resolution.

Section 2. The fund appropriations herein set forth shall constitute the maximum expenditures authorized for those funds. The City Manager is hereby authorized to make budgetary revisions between budget categories and departments within fund level appropriations if such a revision is necessary and proper. Council is to be updated of such revisions within the fiscal-year budget update and reporting process.

Section 3. The City Manager may transfer an amount not to exceed $10,000 between budget categories and departments within fund level appropriations. Council is to be updated of such revisions within the fiscal-year budget update and reporting reporting process.

Section 4. The City Manager does hereby submit the number and classifications of employees in the respective functions, departments, and/or activities for the fiscal year 2016-2017 budget as set forth in Exhibit D.

Section 5. The City Clerk shall certify to the passage and adoption of Resolution R16-20.

PASSED, APPROVED AND ADOPTED on this 28th day of June, 2016.

Jennifer L. King, Mayor

ATTEST:

Vickie Kroneberger, City Clerk

APPROVED AS TO FORM:

Christi Hogin, City Attorney

RESOLUTION R16-19

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALOS VERDES ESTATES, CALIFORNIA ESTABLISHING THE FISCAL YEAR 2016-2017 APPROPRIATIONS LIMIT FOR THE CITY OF PALOS VERDES ESTATES

WHEREAS, the voters of California on November 6, 1979, added Article XIIIB to the State Constitution placing various limitations on the appropriations of the state and local governments; and

WHEREAS, Article XIIIB, as modified in June 1990, provides that the appropriations limit for fiscal year 2016-2017 is hereby amended by properly calculating the adjustment to the base year appropriations of fiscal year 1978-79 for changes in certain permitted factors; and

WHEREAS, to the best of the City's knowledge and belief, the State Department of Finance figures reflect the following statistics relevant to the calculation of the City's 2016-2017 Fiscal Year Appropriations Limit:

California per capita income, +5.37% (plus five and 37/100 percent).

Population Adjustment for the County of Los Angeles, +0.85% (plus 85/100 percent).

NOW THEREFORE, the City Council of the City of Palos Verdes Estates DOES RESOLVE AS FOLLOWS:

Section 1. That the following factors shown above shall be the basis of computing the 2016-2017 Fiscal Year Appropriations Limit and based on the foregoing figures (attached herein as EXHIBIT A) and the provisions of Article XIIIB of the Constitution of the State of California, that the City of Palos Verdes Estates appropriations subject to limitation for the 2016-17 Fiscal Year shall be $21,437,489.

Section 2. The City Clerk shall certify to the passage and adoption of Resolution R16-19.

PASSED, APPROVED AND ADOPTED on this 28th day of June, 2016.

Jennifer L. King, Mayor

ATTEST:

Vickie Kroneberger, City Clerk

APPROVED AS TO FORM:

Christi Hogin, City Attorney