



# M E M O R A N D U M

**Agenda Item #: 1**  
**Meeting Date: July 2, 2019**

**TO: HONORABLE MAYOR AND CITY COUNCIL**

**THRU: CAROLYNN PETRU, INTERIM CITY MANAGER /s/**

**FROM: SHARON DEL ROSARIO, FINANCE DIRECTOR /s/**

**SUBJECT: ADOPT RESOLUTION R19-18R TO REFLECT THE TWO APPROPRIATION REDUCTIONS APPROVED BY COUNCIL ON JUNE 25, 2019 WITH THE ADOPTION THE ANNUAL BUDGET FOR FISCAL YEAR 2019-2020.**

**DATE: JULY 2, 2019**

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**ISSUE**

On June 25, 2019, the City Council reviewed the proposed budget for Year Two of the biennial budget. Two appropriation changes were made to the draft budget that were not including in the original draft resolution. Following the approval of Year Two of the biennial budget at the June 25 hearing, the City Council adopted a series of measures intended to impose various limits and checks on spending in the near term while the City Council undertook further information gathering. This Resolution No. R19-18R revises and replaces Resolution No. R19-18 to reflect the two appropriation reductions directed by Council.

**UPDATE INFORMATION**

Below the total budget reflects the two appropriation reductions:

Total	General Fund Adopted Budget
\$ 18,824,245.00	FY 19-20 Adjusted Expenditures
\$ (400,000.00)	Less: General Expenditure Reduction
\$ (90,000.00)	Less: Contingency Reduction
\$ 18,334,245.00	Total Adopted General Fund Budget

All other actions are reflected in the meeting minutes.

**RECOMMENDATION**

Adopt Resolution R19-18R to reflect the two appropriation reductions approved by Council on June 25, 2019 with the adoption the annual budget for Fiscal Year 2019-2020.

Attachments:

- A. Updated Resolution R19-18R FY 2019-20 Budget Adoption (includes exhibits A and B)

**AN UPDATED RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALOS VERDES ESTATES, CALIFORNIA, ADOPTING THE ANNUAL BUDGET FOR FISCAL YEAR 2019-2020 AND FIXING THE LIMITATION OF EXPENDITURES FOR THE SEVERAL PURPOSES, FUNCTIONS, FUNDS AN ACTIVITIES**

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

Section 1. On June 25, 2019, the City Council reviewed the proposed budget for Year Two of the biennial budget and considered the comments from the public, the Financial Advisory Committee, and the Interim City Manager. Various changes were made to the draft budget. Following the approval of Year Two of the biennial budget at the June 25 hearing, the City Council adopted a series of measures intended to impose various limits and checks on spending in the near term while the City Council undertook further information gathering. This Resolution No. R19-18R revises and replaces Resolution No. R19-18.

Section 2. The City Council hereby approves and adopts the annual budget of the City of Palos Verdes Estates for the fiscal year commencing July 1, 2019 and ending June 30, 2020 and in the amount, and for the purposes, functions, funds, transfers and activities set forth in Exhibits A, copies of which shall be permanently attached to this updated 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 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 2019-2020 budget as set forth in Exhibit B.

Section 5. The City Clerk shall certify to the passage and adoption of Resolution R19-18R.

PASSED, APPROVED AND ADOPTED on this 2<sup>nd</sup> day of July, 2019.

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Kenneth J. Kao, Mayor

**RESOLUTION R19-18R**

ATTEST:

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Karina Bañales, for Lauren Pettit, City Clerk

APPROVED AS TO FORM:

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Christi Hogin, City Attorney

**City of Palos Verdes Estates**  
**Approved Biennial Budget FY 2018-2020**  
**Adjusted Proposed FY 19-20 Fund Balance**

FUNDS	Projected Fund Balance June 30, 2019	FY 19-20 Adjusted Proposed Revenues	FY 19-20 Adjusted Proposed Expenditures	Revenues / Expenditures	Capital	FY 19-20 Adjusted Proposed Transfers - In	FY 19-20 Adjusted Proposed Transfers - Out	FY 19-20 Net Transfers	Projected Fund Balance June 30, 2020
Fiscal Policy Reserve	8,908,456	-	-	-	-	-	-	-	9,167,122
Assigned	675,295	-	-	-	-	-	-	-	675,295
Undesignated	2,721,794	14,900,041	18,334,245	(3,434,204)	-	4,973,000	-	4,973,000	4,001,924
<b>Total General Fund</b>	<b>12,305,545</b>	<b>14,900,041</b>	<b>18,334,245</b>	<b>(3,434,204)</b>		<b>4,973,000</b>		<b>4,973,000</b>	<b>13,844,341</b>
01									
06 Special Projects	916,127	131,900	97,620	34,280	-	-	-	-	950,407
22 Fire/Paramedic Parcel Tax	-	-	-	-	-	-	-	-	-
23 PVE Law Enforcement	-	4,973,000	-	4,973,000	-	-	4,973,000	(4,973,000)	-
26 Transit Proposition A	69,997	275,241	256,882	18,359	-	-	-	-	88,356
<b>Total Special Revenue Funds</b>	<b>986,124</b>	<b>5,380,141</b>	<b>354,502</b>	<b>5,025,639</b>			<b>4,973,000</b>	<b>(4,973,000)</b>	<b>1,038,763</b>
30 Capital Improvement Fund	5,288,083	52,000	-	52,000	4,708,554	-	-	-	631,529
62 Sewer Capital Projects Fund	3,646,743	31,000	366,805	(335,805)	374,203	-	-	-	2,936,735
<b>Total Capital Projects Funds</b>	<b>8,934,827</b>	<b>83,000</b>	<b>366,805</b>	<b>(283,805)</b>	<b>5,082,757</b>				<b>3,568,264</b>
02 Gas Tax	37,021	358,154	318,963	39,191	-	-	-	-	76,212
03 Drug Intervention	645,427	1,100	-	1,100	-	-	-	-	646,527
05 Police Grants (SLESF)	463,810	122,500	88,177	34,323	-	-	-	-	498,133
07 Corrections	6,990	6,000	4,700	1,300	-	-	-	-	8,290
27 Measure R	176,677	172,814	-	172,814	-	-	-	-	349,491
28 Prop C	833,840	231,561	-	231,561	-	-	-	-	1,065,401
31 Parklands	121,666	500	-	500	-	-	-	-	122,166
08 RMRA	294,976	223,183	-	223,183	-	-	-	-	518,159
25 Measure M	334,692	194,102	-	194,102	-	-	-	-	528,794
21 Measure W	-	260,000	162,400	97,600	-	-	-	-	97,600
<b>Total Other Governmental Funds *</b>	<b>2,915,099</b>	<b>1,569,914</b>	<b>574,240</b>	<b>995,674</b>					<b>3,910,773</b>
60 Equipment Replacement	2,143,922	22,000	312,510	(290,510)	-	-	-	-	1,853,412
65 Insurance	1,056,968	1,289,453	1,285,453	4,000	-	-	-	-	1,060,968
<b>Total Internal Service Funds</b>	<b>3,200,890</b>	<b>1,311,453</b>	<b>1,597,963</b>	<b>(286,510)</b>					<b>2,914,380</b>

\* - Other Governmental Funds include - Gas Tax, Drug Intervention, Police Grants, Corrections, Measure R, Prop C, Parklands, RMRA, Measure M and Measure W

# STAFF POSITIONS

Function	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	Adjusted 2018/20	2019/20	Adjusted 2019/20
<b>City Manager</b>											
City Manager	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Asst. to the City Manager	1.000	1.000	1.000	1.000	1.000	-	1.000	1.000	1.000	1.000	1.000
City Clerk/ Exec Asst. to CM	-	-	-	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Deputy City Clerk/ Exec Asst.	1.000	0.500	0.500	-	-	-	-	-	-	-	-
Administrative Analyst	0.500	0.500	0.500	0.500	0.500	2.000	1.000	0.000	0.000	0.000	0.000
Receptionist	-	-	-	0.563	0.563	-	-	-	-	-	-
Senior Receptionist	-	-	-	0.563	0.563	-	-	-	-	-	-
	<b>3.500</b>	<b>3.000</b>	<b>3.000</b>	<b>4.126</b>	<b>4.126</b>	<b>3.500</b>	<b>3.500</b>	<b>2.500</b>	<b>2.500</b>	<b>2.500</b>	<b>2.500</b>
<b>City Clerk</b>											
City Clerk/ Exec Asst. to CM	-	-	-	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Deputy City Clerk/ Exec Asst.	-	0.500	0.500	-	-	-	-	-	-	-	-
Office Specialist	0.500	0.500	0.500	0.563	0.563	0.560	0.560	-	-	-	-
Receptionist	0.563	0.563	0.563	-	-	0.563	0.563	-	-	-	-
Senior Receptionist	0.563	0.563	0.563	-	-	0.563	0.563	0.563	0.563	0.563	0.563
	<b>1.626</b>	<b>2.126</b>	<b>2.126</b>	<b>1.063</b>	<b>1.063</b>	<b>2.186</b>	<b>2.186</b>	<b>1.063</b>	<b>1.063</b>	<b>1.063</b>	<b>1.063</b>
<b>Administration Total</b>	<b>5.126</b>	<b>5.126</b>	<b>5.126</b>	<b>5.189</b>	<b>5.189</b>	<b>5.686</b>	<b>5.686</b>	<b>3.563</b>	<b>3.563</b>	<b>3.563</b>	<b>3.563</b>
<b>Finance &amp; Treasury</b>											
Finance Director	-	-	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Administrative Analyst	-	-	-	-	-	-	-	-	-	-	-
Budget Analyst	-	-	-	-	-	-	-	0.500	0.500	0.000	0.500
Financial Services Manager	1.000	1.000	1.000	1.000	1.000	1.000	1.000	-	-	-	-
Senior Accountant	-	-	-	-	-	-	-	1.000	1.000	1.000	1.000
Financial Services Technician	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000
	<b>3.000</b>	<b>3.000</b>	<b>4.000</b>	<b>4.000</b>	<b>4.000</b>	<b>4.000</b>	<b>4.000</b>	<b>4.500</b>	<b>4.500</b>	<b>4.000</b>	<b>4.500</b>

# STAFF POSITIONS

Function	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	Adjusted 2018/20	2019/20	Adjusted 2019/20
<b>Police</b>											
Police Chief	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Police Captain	2.000	2.000	2.000	2.000	2.000	2.000	2.000	1.000	2.000	1.000	2.000
Support Services Manager	-	-	-	-	-	-	-	1.000	-	1.000	-
Exec. Asst./Custodian of Records	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Police Officer	13.000	13.000	13.000	13.000	13.000	13.000	13.000	11.000	11.000	11.000	11.000
Police Corporal (Sr. Police Officer)	3.000	3.000	3.000	3.000	3.000	3.000	3.000	4.000	4.000	4.000	4.000
Police Sergeant	6.000	6.000	6.000	6.000	6.000	6.000	6.000	6.000	5.000	6.000	5.000
Services Officer	9.000	9.000	9.000	9.000	9.000	9.000	9.000	9.000	7.000	9.000	7.000
Lead Services Officer	1.000	1.000	1.000	1.000	1.000	1.000	1.000	-	1.000	-	1.000
Community Relations Officer	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Traffic Control Officer	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Data Entry Clerk	0.500	0.500	0.500	0.300	0.300	0.300	-	-	-	-	-
Police Service Aide	1.000	1.000	1.000	1.000	1.500	2.000	1.000	1.000	1.000	1.000	1.000
PVE Cares Coordinator			0.300	0.300	0.300	-	-	-	-	-	-
Police Volunteer Coordinator	-	-	-	-	-	0.600	0.500	0.500	0.500	0.500	0.500
	<b>39.500</b>	<b>39.500</b>	<b>39.800</b>	<b>39.600</b>	<b>40.100</b>	<b>40.900</b>	<b>39.500</b>	<b>37.500</b>	<b>35.500</b>	<b>37.500</b>	<b>35.500</b>



